UNIVERSITAS ANDALAS

THE ANALYSIS OF BANK GROWTH IN INDONESIA (2017-2020)

THESIS

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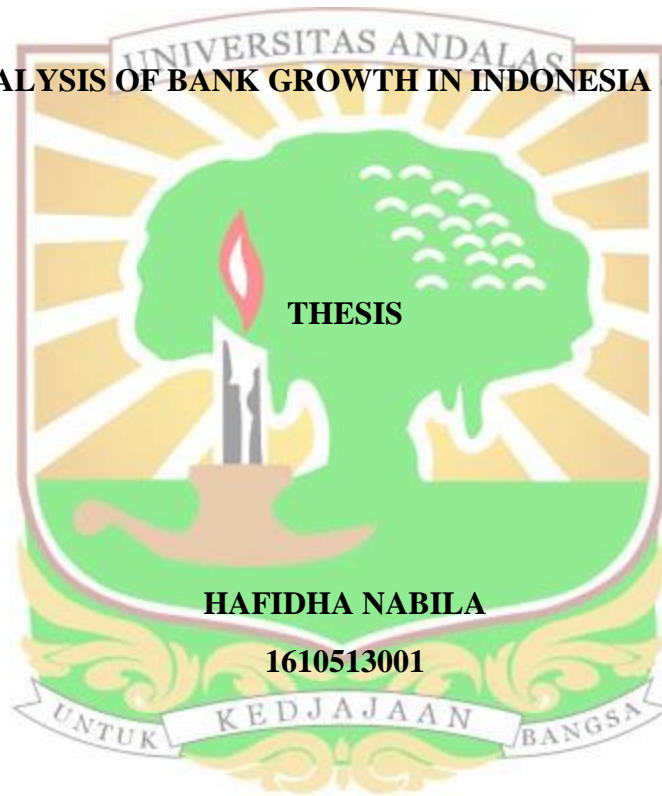
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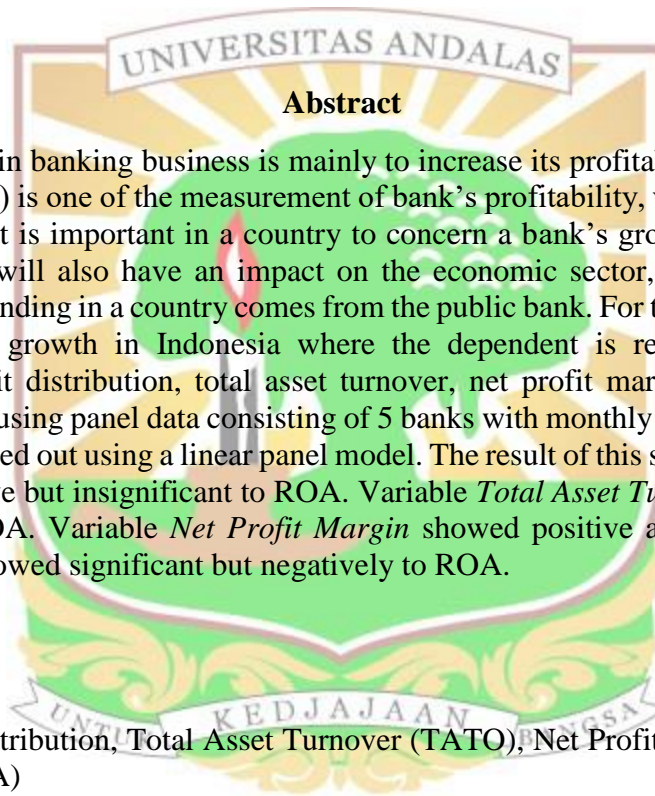
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The Analysis of Bank Growth in Indonesia (2017-2020)

by

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Abstract

The objective in banking business is mainly to increase its profitability as big as possible. Return on asset (ROA) is one of the measurement of bank's profitability, which indicates whether it is growing or not. It is important in a country to concern a bank's growth because if banking sector collapses this will also have an impact on the economic sector, especially public bank because most of the funding in a country comes from the public bank. For that purpose, it is needed to analyze the bank growth in Indonesia where the dependent is return on asset, and the independent are credit distribution, total asset turnover, net profit margin, and covid-19. The analysis is conducted using panel data consisting of 5 banks with monthly data from 2017 to 2020. The estimation is carried out using a linear panel model. The result of this study found that variable *Credit* showed positive but insignificant to ROA. Variable *Total Asset Turnover* showed positive and significant to ROA. Variable *Net Profit Margin* showed positive and significant to ROA. Variable *Covid-19* showed significant but negatively to ROA.