

SUMMARY

RARAS PALUPI ASTARINI. The Impact of Internal and External Factors on Financing of Sharia Banks in Indonesia. Supervised by SRI HARTOYO and TUBAGUS NUR AHMAD MAULANA.

Sharia banking has been experiencing a very significant increase in the form of institution nad performance. One of the benchmarks that can be utilized to measure the performance of sharia banking is Financing Deposit Ratio (FDR) which is always within the safe range set by the Bank of Indonesia (BI). It is due to sharia banking being able to be good in distributing the fund, successfully gathered from the community, back to community in the form of financing.

Financing has an important role for the community and the bank. Financing is generally delivered to two groups, namely Small and Medium Sized Enterprises (SME) and Non-SME. Before 2014, the focus of sharia banks' financing was on SMEs but the focus changed toward Non-SME afterwards. Therefore, the purpose of this research is to find out the factors influencing the financing level (Small and Medium Scale Enterprise Financing and Non Small and Medium Scale Enterprise Financing) of sharia banks in Indonesia period 2010-June 2015 by multiple linear regressions model.

Result of research indicate that all of variables that variables of SBIS's bonus rate, Inflation rate, Third Party Funds (DPK), Non Performing Financing (NPF), Financing Deposit Ratio (FDR), Return On Asset (ROA) are able to give explanation significantly to the both financing. Partially, there is no effect between SBIS's bonus rate with Islamic banks financing in Indonesia; Inflation has a negative effect on the both financing; DPK has a positif effect on the both financing; NPF has a negatif effect on SME financing but no effect on Non SME financing; FDR has a positif effect on both financing; and there is no effect between ROA with both financing

Keywords: inflation rate, internal factors, multiple linear regression model, SBIS's bonus rate, syariah financing