

**TOTAL LOANS INFLUENCE THAT CANALIZED AND ALLOWANCE
FOR POSSIBLE LOSSES TOWARDS RETURN ON EQUITY IN BURSA
EFEK INDONESIA**

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ABSRRACT

Bank business activity passes extension of credit besides produce also contain risk. big the so small credit canalization risk is influenced by rate of interest level SBI so that this risk evokes implication towards bank income, that is allowance for possible losses , therefore aim from this watchfulness detects total loans influence that canalized and allowance for possible losses towards rise to go down it return on equity and to detect influential variable towards return on equity.

In this watchfulness is data that is used secondary data. Sample is taken according to purposive sample. This watchfulness uses regression analysis, that is return on equity as variable dependent and total loans that canalized and allowance for possible losses as independent variable.

Watchfulness result that done in regression analysis 48,3 % total loans variable that canalized and allowance for possible losses towards return on equity. Matter this means that credit total that canalized and allowance for possible losses simultaneously influential towards return on equity. Total loans that canalized positive influential towards profitability, while negative influential allowance for possible losses towards return on equity. And second independent variable, credit total variable that canalized and allowance for possible losses variable influential dominant towards return on equity.

Keyword: Total Loans that Canalized, Allowance For Possible Losses and Return on Equity