NON-PERFORMING LOAN ANALYSIS FOR ISLAMIC BANK IN ASEAN COUNTRIES

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ABSTRACT

This study is conducted in order to investigate the determinants of non-performing loan in Islamic Banks in Asean countries. Panel data is used in this study in order to investigate the relationship between Return on asset (ROA), Bank Size, Leverage and Loan loss Provision with the non-performing loan. The result of data is gained by using the Stata 10 software. All the data are gathered from Eikon website and Annual Financial Report of the banks from year 2014 until 2018. The finding reveal that the relationship of non-performing loan with the Bank Size and the Leverage. However both ROA and Loss Loan Provision shows the negative relationship with the non-performing loan.

Keywords: Non-performing loans, Profitability, Bank size, leverage, loan loss provision, Islamic banks.