RINGKASAN

Penelitian ini meneliti tentang pengaruh *capital buffer, non performing loan, debt to equity ratio* dan *total asset turnover* terhadap *return on equity.* Penelitian ini bertujuan untuk menganalisis bagaimana factor-faktor keuangan tersebut memengaruhi profitabilitas bank, khususnya selama periode 2020-2022 Metode yang digunakan adalah analisis data panel dengan objek penelitian pada empat bank besar di Indonesia yang tergolong dalam Kelompok Bank Berdasarkan Modal Inti IV (KBMI IV). Hasil penelitian menunjukkan bahwa *non performing loan* (NPL) dan *debt to equity ratio* (DER) memiliki pengaruh negatif terhadap return on equity(ROE), sementara *capital buffer* dan *total asset turnover* tidak berpengaruh terhadap *return on equity* (ROE) penelitian ini memberikan wawasan penting bagi manajemen bank dalam pengelolaan risiko dan strategi keuangan, serta menyarankan agar penelitian lebih lanjut dilakukan untuk memperdalam analisis hubungan antara *capital buffer* dan *return on equity.*

Kata Kunci : *capital buufer, non performing loan, debt to equity ratio, total asset turnover* dan *return on equity.*

SUMMARY

This study investigates the impact of capital buffer, non performing loans, debt to equity ratio, and total asset turnover on return on equity in the context of four large banks in Indonesia. The analysis is conducted using panel data methodology, focusing on the 2020-2022 period. The findings reveal that non performing loans and debt to equity ratio have a negative effect on return on equity, while capital buffer and total asset turnover do not significantly influence return on equity. this research sheds ligh on the importance of effective risk management and financial strategies for bank management. Further research is recommended to deepen the understanding of the relationship between capital buffer and return on equity. overall, these insights have practical implications for enhancing bank profitability in the Indonesian banking industry.

Keywords : capital buffer, non performing loan, debt to equity ratio, total asset turnover and return on equity.