



**DETERMINANT OF COMMERCIAL BANK
PROFITABILITY IN MALAYSIA**

**AMIRUL SYAZWAN BIN ANUAR
2014806498**

**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
SEGAMAT, JOHOR.**

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**BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE
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UNIVERSITI TEKNOLOGI MARA
SEGAMAT, JOHOR.**

DECLARATION OF ORIGINAL WORK

AMIRUL SYAZWAN BIN ANUAR

2014806498

Hereby, declare that,

- ✓ This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- ✓ This project paper is the result of my independent work and investigation, except where otherwise stated.
- ✓ All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: _____

Date: _____

LETTER OF SUBMISSION

23thOctober 2016

Sir Syamsyul bin Samsudin
Faculty of Business Management
Universiti Teknologi MARA
85000 SEGAMAT
JOHOR DARUL TAKZIM

Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**DERERMINANT OF COMMERCIAL BANK PROFITABILITY IN MALAYSIA**” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

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AMIRUL SYAZWAN BIN ANUAR
Bachelor of Business Administration (Hons) Finance

2014806498

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Thank you.

ABSTRACT

The main purpose of this research is to find out the profitability determinants of commercial bank in Malaysia. 5 commercial banks have been chosen to represent the commercial bank in Malaysia during the time line from 2006 until 2015.

ROA was chosen as a dependent variable to estimate the commercial bank's profit, and 3 independent variables which are liquidity, operating expenses and bank size.

After running these data on the data analysis software which is STATA, it is found that only Liquidity and Operating expenses are significant variables while bank size are insignificant in determining the profitability of commercial banks in Malaysia for that time.