



**DETERMINANTS OF PROFITABILITY OF COMMERCIAL BANK  
A CASE STUDY OF CIMB BANK IN MALAYSIA**

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## DECLARATION OF ORIGINAL WORK



### BACHELOR OF BUSINESS ADMINISTRATION WITH HONOURS (FINANCE)

### FACULTY OF BUSINESS MANAGEMENT UNIVERSITI TEKNOLOGI MARA

#### “DECLARATION OF ORIGINAL WORK”

I am Muhammad Rauf Bin Mohd Roslan (IC Number: 961013-05-5071).

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

**MISS NURHASLINDA BINTI HASHIM**

Bachelor of Business Administration (Hons) Finance  
Faculty Business Administration  
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Dear **Miss**,

SUBMISSION OF PROJECT PAPER

DETERMINANTS OF PROFITABILITY OF COMMERCIAL BANK:

A CASE STUDY OF CIMB BANK IN MALAYSIA

I am required to do a project paper on the above topic. I hereby submitted this report and I really hope that this work will fulfil the requirement for the Bachelor of Business Administration (Hons) Finance.

Thank you,

Yours sincerely,

.....

Muhammad Rauf Bin Mohd Roslan

2017684352

Bachelor of Business Administration (Hons) Finance

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## ABSTRACT

This study examines the factors affecting the profitability of CIMB Bank in Malaysia with four variables where is Consumer Price Index (CPI), Deposit (DEP), Gross Domestic Product (GDP) and Loan Loss Provision (LLP). This research employs annually times series data throughout the timeline 1989 until 2018 with total 30 data observations and all the variables are test by using the statistical software EViews 10 package. This study is used Ordinary Least Square (OLS) method to obtain the results. This study used Return on Asset (ROA) as an indicator for measured profitability. Meanwhile, the results revealed the consumer price index and gross domestic product have insignificant relationship on profitability of CIMB Bank in Malaysia. Next, deposit has significant positive relationship with profitability of CIMB Bank. In addition, loan loss provision show has significant negative relationship with profitability of CIMB Bank. The findings could provide some guidance to future researcher in monitoring the profitability of CIMB Bank in Malaysia.

**Keywords:** *Return on Asset, Consumer Price Index, Deposit, Gross Domestic Product and Loan Loss Provision.*