



**ANALYSIS OF INTERNAL INDICATORS ON PERFORMANCE
OF ISLAMIC BANK IN MALAYSIA**

PREPARED BY:

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DECLARATION OF ORIGINAL WORK



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FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

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“DECLARATION OF ORIGINAL WORK”

We, MUHAMMAD HAFIZ HUSAINI BIN MOHAMED KAMAL (2013903297), MUHAMMAD FIKRI BIN JASNI (2013661054)

Hereby, declare that,

1. This work has not previously been accepted in substance for any degree, locally or internationally and is not being concurrently submitted for this degree or any other degrees.

2. This project paper is the result of our independent work and investigations, except where otherwise stated.
3. All the verbalism extract have been distinguished by quotation and sources of my information have been specifically acknowledged.

Signatures:

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Date:

LETTER OF SUBMISSION

JULY 2016

HEAD OF PROGRAMME

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Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled **“ANALYSIS OF INTERNAL INDICATOR ON PERFORMANCE OF ISLAMIC BANK 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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ABSTRACT

There is not many research conducted to find the relationship between Islamic bank and new Islamic bank in Malaysia specifically. The variables used in the study are capital adequacy ratio (CAR), Financial Risk and liquidity. This study is referred to a research done in Malaysia which used the same variables. Panel Regression Random effect model were applied in this study to determine the relationship between the CAR, FR and LIQ towards Return on Asset (profitability) of Islamic bank in Malaysia. The results obtained in this study indicate each variable has positive relationship and negative relationship with the performance of Islamic bank.