



**THE IMPACT OF LIQUIDITY MANAGEMENT ON THE PROFITABILITY
IN BANKING SECTORS LISTED IN BURSA MALAYSIA**

ELSIE LUDOVICUS

2017662724

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA KOTA KINABALU

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Abstract

This research paper study the effect of the liquidity management towards profitability in the Malaysian banking sector during the time period 2009 until 2018. In this study, there have ten (10) banking sectors has listed in bursa Malaysia, but only nine (9) banks have been chosen to test whether there have relationship between liquidity as an independent variable and profitability is dependent variables. The liquidity indicators are Quick ratio (QR), Cash assets ratio (CAR), and time interest earn (TIE), while return on assets (ROA) were the proxies for profitability. To test this study, it will use the multiple regression analysis to know the relationship between liquidity towards profitability, and the data base will be collected through the Bloomberg. From the result using the multiple regression analysis, only time interest earn (TIE) has significant effect towards return on assets (ROA), but the quick ratio and cash assets ratio has an insignificant effect on the return on assets.

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