

UNIVERSITI TEKNOLOGI MARA

**DETERMINANTS THAT BOOST PROFITABILITY OF
COMMERCIAL BANKS IN MALAYSIA: CAMEL
FRAMEWORK**

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ABSTRACT

This paper aims at investigating the determinants that boost the performance of the commercial bank in Malaysia that focus on local and foreign commercial banks. The variables used in this study are return on asset (ROA), capital adequacy ratio (CAR), asset quality (AQ), management efficiency (MGT), earning (EAR), and liquidity (LIQ). As for the sample of this study, it comprises of 78 observations each for the independent and dependent variables on an annual basis over ten years period from 2004 to 2016. A panel data is used in conducting this research and software called E-views will be used in finding and analyzing the data. Based on previous outcomes and findings, it was found that all the independent variables affect the performance of commercial bank in Malaysia except for earning variable. Hence, the result of this study was to determine and proven whether CAMEL variable boost the performance of commercial bank.

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