



**MICROECONOMICS DETERMINANTS OF BANK FINANCING : A CASE OF ISLAMIC
BANK (BANK ISLAM MALAYSIA BERHAD)**

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Abstract

Bank financing is an Islamic terms for bank lending or in simple word it means loan. Loan is a debt given to other entity at an interest rate with the evidenced of a note which specifies date of repayment. Therefore, this research is done to look for the magnitude in the determinants of bank financing. Other than that, the study also aims to study the weight of the microeconomics determinants which influence the bank financing. This study analyse the microeconomics determinants of bank financing in Islamic bank. Time series analysis method used to observe the data of Bank Islam Malaysia Berhad (BIMB) starting from 1984 until 2012. The result shows there is a relationship between asset of the bank, deposit at the bank and bank's capital with bank financing.

Keywords : *Bank Financing, Asset of the bank, Deposit at the bank, Bank's capital*

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