



UNIVERSITI TEKNOLOGI MARA

**DETERMINANTS OF FINANCIAL PERFORMANCE
IN MALAYSIA COMMERCIAL BANK**

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of the requirements for the degree of
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AUTHOR'S DECLARATION

I declare that the work in this final year project paper was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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ABSTRACT

This paper is aims to investigate the ratio that affect the commercial bank performance in Malaysia. This study will focus on five commercial banks in Malaysia that registered under Bank Negara Malaysia. The internal factors that may influences the bank performance will be observe closely. The dependant variable in this study is commercial bank performance that will be measure by return on asset. Three selected independent variable in this study is Total Capital to Total Asset, Total Debt to Total Asset, Total Loan to Total Asset, Total Loan to Total Deposit and Net-Interest Income to Total Asset. The data from the sample of five commercial bank in Malaysia are pooled for 10 years (2006-2017). The data will be relied on the annual statement of commercial bank. Total number of observation is 60. The data can be obtained from Thomson Reuters Database and DataStream. This study used quantitative secondary data which is panel data and multiple regression model represented by the ordinary least squares (OLS) as the technique to look ratio that affect the commercial bank performance in Malaysia. This study found the variable that has significance relationship toward determining the return on asset (ROA) of banks is non-interest income to total asset (NITA).

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