



**ANALYSIS OF FACTOR RELATION ON LIQUIDITY TOWARDS ISLAMIC  
BANKING IN MALAYSIA**

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<b>Table of Contents</b>	
CHAPTER 1	1
INTRODUCTION	1
1.0 INTRODUCTION	1
1.1 BACKGROUND OF THE STUDY	1
1.2 PROBLEM STATEMENT	3
1.3 RESEARCH OBJECTIVE	5
1.3.1 SPECIFIC OBJECTIVES	5
1.4 SIGNIFICANT OF STUDY	5
1.5 LITERATURE	6
1.5.1 FIRMS	7
1.5.2 INVESTOR	7
1.5.3 FUTURE RESEARCHER	7
1.6 SCOPE AND LIMITATION	8
1.7 ORGANIZATION OF THE STUDY	9
CHAPTER 2	10
LITERATURE REVIEW	10
2.0 INTRODUCTION	10
2.1 THEORETICAL BACKGROUND	10
2.2 LITERATURE REVIEW	11
2.2.1 LIQUIDITY	11
2.2.2 SIZE	11
2.2.3 RETURN ON ASSET (ROA)	12
2.2.4 LIQUIDITY WITH SIZE	12
2.2.5 LIQUIDITY WITH RETURN ON ASSET (ROA)	13
2.3 LITERATURE ON MEASUREMENT	14
2.4 CONCEPTUAL FRAMEWORK AND HYPOTHESIS	15
2.5 SUMMARY OF THE CHAPTER	17
CHAPTER 3	18
DATA AND METHODOLOGY	18
3.0 INTRODUCTION	18
3.1 DATA	18
3.2 POPULATION AND SAMPLE	18

## **Table of Contents**

3.3 MEASUREMENT OF VARIABLES	19
3.3.1 DEPENDENT VARIABLE	19
3.3.2 INDEPENDENT VARIABLE	19
3.4 SUMMARY OF VARIABLES	20
3.5 ESTIMATION PROCEDURE	21
3.5.1 RESEARCH FLOW	21
3.6 STATISTICAL ANALYSIS TOOLS	22
3.7 HYPOTHESIS DEVELOPMENT	23
3.8 SUMMARY OF THE CHAPTER	23
CHAPTER 4	24
DATA AND FINDINGS	24
4.0 INTRODUCTION	24
4.1 DESCRIPTIVE STATISTICS	24
4.2 UNIT ROOT TEST	26
4.2.1 IM PESARAN SHIN	26
4.2.2 LEVIN-LIN-CHU	26
4.2.3 BREITUNG	27
4.3 REGRESSION TEST	28
4.3.1 POOLABILITY TEST	28
4.3.2 ORDINARY LEAST SQUARES (OLS) REGRESSION TEST	29
4.4 DIAGNOSTIC TEST	30
4.4.1 MULTICOLLINEARITY TEST	30
4.5 SUMMARY	30
CHAPTER 5	31
CONCLUSION AND RECOMMENDATION	31
5.0 INTRODUCTION	31
5.1 CONCLUSION	31
5.2 RECOMMENDATION	31
APPENDICES	32
REFERENCES	44

## **ABSTRACT**

This paper objective to examine the relationship between liquidity with the size and return on asset (ROA). The investigation has been performed using panel data for a sample of 11 local Islamic Bank listed on Bank Negara Malaysia (BNM) which covers a period of 10 years from year 2009 until year 2018. Liquidity as independent variable used in this study are measured by quick asset to liabilities. Therefore, used the size and return on asset (ROA) as dependent variable. The results indicate no significant relationship between the dependent variable and independent variable based on Ordinary Least Square (OLS) regression.

Keywords: Islamic Banking, Liquidity, Size, Return on Asset (ROA), Bank Negara Malaysia (BNM)