



THE FINANCIAL PERFORMANCE OF COMMERCIAL BANKS FOR
ISLAMIC AND COMMERCIAL BANKING IN MALAYSIA FOR YEAR
2009 UNTIL 2013

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ABSTRACT

In most of the Muslim countries, Islamic banks are operating side by side with conventional banks. Using bank data of 7 Islamic banks and 7 conventional banks in Malaysia, this research intends to investigate the financial performance of commercial banks for Islamic and conventional banking in Malaysia for year 2009 to 2013. The bank level data are obtained from Bankscope database and also from bank's official website. In this study, the ratio to represent dependent variable is bank's profit and for liquidity ratio, profitability ratio, risk and solvency ratio and efficiency ratio which are used as independent variables. The results from this study has been shows by using financial performance table, descriptive statistic, Pearson's Correlation Coefficient, Pooled Ordinary Least Squared (POLS) regression and Multiple Linear Regression Model. As conclusion from overall of the result, conventional banking is more better than Islamic banking based on research that have been done.