



اَوْنِيُوْر تِيْكْنُوْلُوْجِي مَارَا
UNIVERSITI
TEKNOLOGI
MARA

**FACTOR INFLUENCING COMMERCIAL BANK
PERFORMANCE IN MALAYSIA**

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LETTER OF TRANSMITTAL

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JUN 2012

THE HEAD OF PROGRAM
BACHELOR BUSINESS ADMINISTRATION (HONS) FINANCE
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Dear Madam,

SUBMISSION OF PROJECT PAPER (FIN 667)

Attached is the project paper entitled "FACTOR INFLUENCE PERFORMANCE OF COMMERCIAL BANK IN MALAYSIA" to fulfill the requirement as needed by the Faculty of Business Management Universiti Teknologi Mara Kelantan

Your valuation for this project paper is highly appreciated.

Thank you

Yours faithfully,

.....

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ABSTRACT

This study is investigating factors that influence the performance of Malaysian Commercial Banks for the period from 2006 until 2010 on fifteen, 15 commercial bank. Researcher uses size of bank, inflation rate and gross domestic product (GDP) as independent variable. Researcher use Multiple Regression Analysis Model to analyze the factors that influence the performance of bank by using Return On Equity (ROE) and Return On Asset (ROA) as measurement. The empirical findings suggest that size of bank and GDP have positive and significant relationship with the performance of Malaysian Commercial Banks. While, the result also show that inflation have negative and insignificant relationship with the performance. In conclusion, the performance of Malaysian Commercial Banks has been influence by the size of the banks and the current economic condition. While inflation rate is not a strong factor influence the commercial bank in Malaysia.

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