



UNIVERSITI TEKNOLOGI MARA

**ANALYZING THE DETERMINANTS
OF BANK PERFORMANCE IN
MALAYSIA**

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Thesis submitted in fulfillment
of the requirements for the degree of
**Bachelor of Business Administration
(Investment Management)**

Faculty of Business Management

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AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA Johor. 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 Johor, regulating the conduct of my study and research.

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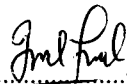
Dear Mrs,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “ANALYZING DETERMINANTS OF BANK PERFORMANCE IN MALAYSIA” to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Your sincerely,



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ABSTRACT

The purpose of this study is to investigate the determinants of bank performance in Malaysia. This research paper covered for period 2007 to 2016 among top brand bank in Malaysia using panel data method. The internal determinants are taken from partial of CAMEL framework while external determinants taken from macroeconomics variables. In addition, this study made use of several diagnostic tests, such as normality of errors, covariance analysis, multiple regression and descriptive analysis. The findings suggest that there are exist a positive relationship between capital adequacy, asset quality and GDP while inflation rate having negative relationship with ROA. The study recommends due to the fast and furious revolution in banking industry, banks need to always monitor their health using the efficient tools that cater with current condition of banking industry. Research and study need to be further in order to ensure the risk exposed to bank performance is determined. In other hand, Central bank and government need to always monitor and maintain the stability of banking sector as possible as their stability will effecting entire economy and financial market as a whole.

Keywords: bank performance, panel data, CAMEL framework, external determinants, internal determinants, capital adequacy, asset quality, GDP, Inflation rate, ROA, top brand banks, Malaysia.

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