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وَعَلٰى اٰلِهِٖ وَسَلِّمْ

**THE DETERMINANTS PERFORMANCE OF ISLAMIC BANKS IMPACT
FROM THE GLOBAL FINANCIAL CRISIS: A PANEL DATA ANALYSIS
OF MALAYSIAN ISLAMIC BANKS**

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ABSTRACT

This research paper is conducted to identify the determinants performance of Islamic banks during the Global Financial Crisis (GFC). Panel data analysis estimation will be used on the ten Malaysian Islamic banks, using annually data retrieve from Bank Scope DataStream. The financial report will be considered for the period of eleven years from pre-GFC (2003) until post-GFC (2013). The 11 years period will be in the three phases of data at pre-GFC (2003 to 2006), during GFC (2007 to 2009) and post-GFC (2010 to 2013). The result indicate that overhead the Return on Asset (ROA) have the positive significant in determine the bank profitability. Then, the Total Assets Turnover (TATO), and Debt Ratio (DR) also have the positive significant and negative effect in determine the bank operation effectiveness respectively. The study also reveals that the Operation Cost (OC) has negatively significant affected to the Islamic banks performances and Bank Size (LNBS) seem give the positive effect toward the profitability of banks. Then, the panel data estimation technique is utilized pooled ordinary least squares (POLS), heteroscedasticity test and fixed effect models (FEM) types of panel data models the applied in this research paper and test will been performing using Econometrics program E-Views8 software for analyzing the data and producing the regression result.

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