

**LETTER OF SUBMISSION**

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Dear Sir/Madam,

**SUBMISSION OF PROJECT PAPER (FIN672)**

Attached is the project paper titled "**THE DETERMINANTS OF NON-PERFORMING LOANS IN SELECTED ASIAN COUNTRIES**" to fulfil the requirement as needed by the Faculty of Business and Management, Universiti Teknologi MARA.

Your kindness in accepting the unbounded thesis is highly appreciated.

Thank you.

Yours sincerely,

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## ABSTRACT

The study attempts to ascertain the determinants of non-performing loans in selected Asian countries using selected panel data analysis techniques. 10 countries have been selected which are Singapore, Malaysia, Indonesia, Thailand, Philippines, China, India, South Korea, Japan and Pakistan. The independent variables that been choose is exchange rate (ER), inflation rate (INF), interest rate (IR) and unemployment rate (UR). The study were obtained over period year from 1999 to 2016 and based on panel data. All variables ware measure in percentage (%) while exchange rate is local currency unit against U.S. dollar. The result in this study were analysed by using STATA. The results shows that inflation rate, interest rate and unemployment rate found to have a statistically significant positive relationship with the non-performing loans. Besides, exchange rate is significant negative relationship with non-performing loans.

Key words: selected Asian countries, determinants of non-performing loans, panel data