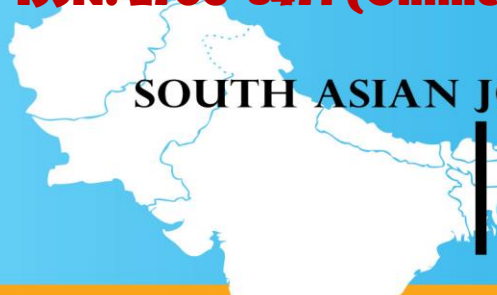


ISSN: 2706-8471 (Online)

ISSN: 2706-8463 (Print)



SOUTH ASIAN JOURNAL OF

**DEVELOPMENT
RESEARCH**



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To cite the article: Md Nur Nabi (2019). A comparative financial performance and identifying the determinants of performance: a study on commercial banks of Bangladesh, *South Asian Journal of Development Research*, 1(3-4): 225-243.

Link to this article:

http://aiipub.com/journals/sajdr-1901011-021025_nm/

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A COMPARATIVE FINANCIAL PERFORMANCE AND IDENTIFYING THE DETERMINANTS OF PERFORMANCE: A STUDY ON COMMERCIAL BANKS OF BANGLADESH

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ARTICLE INFO

Article Type: Research Article

Received: 26, Sep. 2019.

Accepted: 15, Nov. 2019.

Published: 16, Oct. 2019.

Keywords:

Performance, commercial banks, CAMEL, Financial Analysis, Bangladesh.

ABSTRACT

The main purpose of this study is to analyze the comparative financial performance of different ownership structured commercial banks in Bangladesh and specify the determinants of performance exposed by the financial ratios based on CAMEL framework. The study considered a dataset of 25 commercial banks for the period of 2009 to 2013. Firstly, the study adopted financial analysis based on the CAMEL framework and later formulated two regression models to estimate the impact of different financial ratios on the financial performance namely ROA and ROE of sample banks. The overall results found that state owned banks are significantly less efficient than their counterparts, and local and foreign commercial banks are equally efficient. Further, the regression results reveal that ROA was significantly influenced by capital adequacy ratio, non-performing loan ratio and credit to deposit ratio, while capital adequacy ratio and non-performing loan ratio had significant effect on ROE. The findings of the study may lend a strong policy support for the concern regulators and enriches the literature of the banks performance analysis.



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