UNIVERSITI TEKNOLOGI MARA

THE PERFORMANCE OF ISLAMIC AND CONVENTIONAL BANKS DURING AND AFTER THE GLOBAL FINANCIAL CRISIS

ZULAIHA BINTI ABDULLAH

2010741539

BACHELOR OF BUSINESS ADMINISTRATION

(HONS) FINANCE

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

TERENGGANU

JANUARY 2014

BACHELOR OF BUSINESS ADMINISTRATION

(HONS) FINANCE

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

TERENGGANU

"DECLARATION OF ORIGINAL WORK"

I, Zulaiha binti Abdullah (911005-06-5530),

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.

- This project paper is the result of my independent work investigation, expect where otherwise stated.

- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature : _Zulaiha_____   Date : 7/1/2014_____

ABSTRACT

The research investigates the performance of Islamic and Conventional Banks during and after the global financial crisis from the period of 2008 to 2011. Data were collected from five Islamic Banks and five Conventional Banks based on their asset size from the period of 2008 to 2011 for the during and after the global financial crisis. During the global financial crisis, it is include from the year 2008-2009 and for the 2010-2011 is for the after global financial crisis. The financial ratio such as Net Income (NI), Return on Asset (ROA), and Return on Equity (ROE), Total Asset (TA) and Net Interest Margin (NIM) are used to assess the banking performance. The method used to analyze the data of this study is Pooled Ordinary Least Square (POLS) Regression analysis. The reasons use the Pooled Ordinary Least Square (POLS) Regression because this study conducted between the multiple years and multiple of banks. This study was using the panel data approach.

KEYWORDS: NI, ROA, ROE, TA, and NIM

TABLE OF CONTENT

LETTER OF SUBMISSION

January 2014

The Head of Program
Bachelor of Business Administration (HONS) Finance
Faculty of Business Management
UniversitiTeknologi MARA
Kampus Dungun
Terengganu

Dear Sir,
SUBMISSION OF PROJECT PAPER
Attached is the project paper titled "The Performance of Islamic and Conventional Banks During and After the Global Financial Crisis" to fulfill the requirement as needed by the Faculty of Business Management, UniversitiTeknologi MARA.

Thank you.

Yours sincerely,

ZULAIHA BINTI ABDULLAH
2010741539
Bachelor of Business Administration (Hons) Finance