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"IMPACT OF CAMEL RATIOS ON PROFITABILITY OF BANKING SECTOR"



By:

(ANAM SABA)

(01-22ll92-03l)

Supervisor:

(MAM.RABIA SHARIF)

Department of Business Studies

Bahria University Islamabad

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Names of Student(s): _____ Enroll # _____

- ANAM SABA 01-221192-031
 -
 -

Class: (MBA)

Approved by:

(MAM RABIA SHARIF)

Supervisor

(DR. TAOADUS)

Examiner-T

(MAM RABTA SHARTE)

Examiner-TT

Dr. Syed Haider Ali Shah

Research Coordinator

Dr Muhammad Ali Saeed

Head of Department

Business Studies

ABSTRACT

The banking sector in Pakistan suffered a bitter experience during the Asian financial crisis. Because of the crisis, many researchers across the globe attempted to better measure bank performance. This study highlights the evaluation of bank performance, including both domestic banks in Pakistan, using the Capital adequacy, Asset quality, Management competency, Earning quality, and Liquidity (CAMEL) framework for the period 2013 to 2017. Using regression analysis, the results of the study showed that capital adequacy, asset quality, earning quality and liquidity have a significant impact on performance of Pakistan banks. The outcome of this study is important to shareholders in assessing bank performance that could determine the direction of the future banking system in Pakistan.

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