# EFFECT OF CPEC & OTHER FACTORS ON BANKS PROFITABILITY: EVIDIENCE FROM LEADING COMMERCIAL BANKS OF PAKISTAN

## BY

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A thesis submitted to the Business Studies Department, Bahria Business School, Bahria University Karachi Campus, in partial fulfillment of the requirements for MBA Degree



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#### MBA Thesis 2nd Half-Semester Progress Report & Thesis Approval Statement

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#### **Declaration of Authentication**

I, hereby, declare that no portion of the work referred to in this thesis has been submitted in support of any application for another degree or qualification of this university or any other institution of learning.

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### Dedication

This Thesis is dedicated to my family and friends due to their devoted efforts and

encouragement throughout my studies and especially during the phase of thesis.

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#### Abstract

**Purpose** The purpose of this study is to clarify the impact of CPEC and other variables on the measures of profitability of commercial banking sector of Pakistan.

Methodology & Design This has been done through taking the reference of the leading banks of the commercial banking industry.

**Findings** The study is one of the studies associated with theory building approach as there were no studies in the past associated with the profitability of any industry of Pakistan. The findings of the study suggest that only bank's size and NPL/Total liabilities have positive influence on ROA in the banking sectors of Pakistan while other factors do not have significant influence on both ROA and ROE in the banking sector of Pakistan.

#### Recommendations

This research is immensely beneficial for policy makers of Pakistan so to have idea regarding the actual impact of CPEC as compared to the perceived impact of CPEC and other factors on the bank's profitability (ROA & ROE). The future research in this domain might be done on other measures of banking sector like on profitability of Islamic Banking sector as Islamic Banking is on growth during recent times.

Keywords: Chain Pakistan Economic Corridor (CPEC), Commercial Banking Sector, Profitability, Colonial Correlation

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