

# Performance of Commercial Banks in KSE



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## ABSTRACT

Banks have been around since 3000 BC, but till the end of 1980s, Pakistan's banking sector was heavily regulated in most of the areas of activities. The regulated and nationalized banking system created an industry structure where competition was unknown to management of the banks. On November 1, 1991 KSE was introduced. Karachi Stock Exchange (KSE) is the biggest and most liquid exchange in Pakistan for all the sectors where shares were traded, Since then the KSE continuously maintains the reputation as one of the best performing markets in the world. Since 1991, foreign investors have an equal opportunity together with local investors to operate in the secondary capital market on the Karachi Stock Exchange. This research is sought to find out what were the performance of commercial banks in KSE in last three years. The research also investigated the market capitalization of all commercial banks and then compares it with total market capitalization. The research was based in all those commercial banks which were listed in KSE during 2004-2006. the research was survey based, which collected secondary data relating to the performance of commercial banks in KSE. It was found that performance of commercial banks is very good as compared to previous years and now the overall market share of commercial banks in KSE is 24.29% which is 14% increase within three years. It was also found that the performance of NBP and MCB were very good as compare to other banks, also found that how many banks registered during last three years. the research concludes with suggestions on further improving their services, increase mergers and acquisitions in order to expand their branch network and lastly, in order to get sustainability banks have to follow all reforms which mentioned by state bank of Pakistan.

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