

Banks Profitability Indicators in CEE Countries

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Abstract : The aim of the present article is to determine the impact of the external and internal factors of bank performance on the profitability indicators of the CEE countries banks in the period from 2006 to 2012. On the basis of research conducted abroad on bank and macroeconomic profitability indicators, in order to obtain research results, the authors evaluated return on average assets (ROAA) and return on average equity (ROAE) indicators of the CEE countries banks. The authors analyzed profitability indicators of banks using descriptive methods, SPSS data analysis methods as well as data correlation and linear regression analysis. The authors concluded that most internal and external indicators of bank performance have no direct effect on the profitability of the banks in the CEE countries. The only exceptions are credit risk and bank size which affect one of the measures of bank profitability-return on average equity.

Keywords : banks, CEE countries, profitability ROAA, ROAE

Conference Title : ICBEF 2014 : International Conference on Business, Economics and Finance

Conference Location : Paris, France

Conference Dates : December 30-31, 2014