

The Impact of Macroeconomic Variables on Non-performing Loan in Pakistan

By

Aroosa Riaz

22516

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Name of student	AROOSA RIAZ
Registration no.	22516
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Supervisor – Student Meeting Record

No.	Date	Place of meeting	Topic of discussion	Signature of student
5	16-NOV-15	Bahria University	Data Collection & authenticity of data	
6	1-Dec-15	Bahria University	Data entry and statistical tools used in SPSS	
7	10-Dec-15	Bahria University	Results and data interpretation	

APPROVAL FOR EXAMINATION

Candidate's Name: AROOSA RIAZ Registration No. 22516

Thesis Title: THE IMPACT OF MACROECONOMIC VARIABLES ON NON-PERFORMING LOANS IN PAKISTAN

I hereby certify that the above candidate's thesis has been completed to my satisfaction and, to my belief, its standard is appropriate for submission for examination. I have also conducted plagiarism test of this thesis using HEC prescribed software and found similarity index at _____ that is within the permissible limit set by HEC for MBA thesis. I have also found that the thesis is in a format recognized by the Department of Management Sciences.

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Abstract

Purpose: The main purpose of this study is to find out the relationship between macroeconomic variables and non-performing loans of Pakistan since 1999. I want to watch the trend of data, its relationship with economic cycle and also influence of these variables

Research Techniques: Research paper target on the Pakistan's economy on the data from 1999-2014. I have used the correlation coefficient and multiple regression analysis that helps us to conclude the data

Findings: After applying research techniques results showed that the real GDP has significant negative relationship with non-performing loans. On the other hand lending interest rate and exchange rate has significant positive impact on NPLs. unemployment has insignificant weak and negative relationship in the result of correlation coefficient but in regression analysis it becomes significant and positive to the loan defaults.

Keywords: non-performing loans, gross domestic product, macroeconomic variables

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