



Libyan International University
School of Human and Social Sciences

Libyan International Medical University
School of Human and Social Science

Finance and Banking Program

**The Determinants of Profitability in Islamic Banks in
the UAE**

Graduation Project

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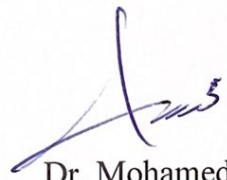
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Acceptance and Approval

The graduation project entitled “The Determinants of Profitability in Islamic Banks in the UAE” prepared by Mohamed Ahmed Elbaaja has been:

Examiners	Signature	
	Accepted	Rejected
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Abstract

The purpose of this study is to investigate the determinants of profitability in Islamic Banks in the United Arab Emirates. Primary data was collected from the annual reports of the two largest Islamic banks in the UAE, over the period of (2015-2022). This study employs a panel data analysis approach, and uses the Return on Assets (ROA), Return on Equity (ROE), as a measurements of profitability. The elements that has been used in these ratios are the Total Assets (TA), Total Revenue (TR), and Capital Ratio (CR), these elements are employed as independent variables. The study showed that the profitability of Dubai Islamic Bank and Emirates Islamic Bank are not significantly shaped by their total assets and total revenues. This study has a restricted sample size that only consists of the two largest Islamic Banks in the UAE. The results of this study are beneficial for bank managers, investors, economists, regulators and policymakers.

Keywords: Islamic Banking, Determinants Profitability

المخلص

الهدف من هذا البحث دراسة محددات الربحية التي تؤثر على صافي دخل ارباح المصارف الاسلامية في دولة الإمارات العربية المتحدة. تم جمع البيانات من خلال التقارير السنوية لأكبر مصرفين إسلاميين بالإمارات العربية المتحدة، الفترة (2015-2022). في هذه الدراسة تم استخدام منهجية تحليل بيانات، وقد تم استخدام العائد على الأصول والعائد على حقوق الملكية لتحليل الانحدار. العناصر الذي استخدمت في هذه النسب هي حجم المصرف، وإجمالي الإيرادات، ونسبة رأس المال، ويتم تحليل هذه العناصر كمتغيرات مستقلة. توصلت الدراسة إلى أن ارباح مصرف دبي الإسلامي لا تؤثر بحجم المصرف واجمالي الإيرادات. هذه الدراسة لها حجم عينة محدود يتكون فقط من أكبر مصرفين إسلاميين في الإمارات. النتائج من هذه الدراسة مفيدة لمدرء المصارف، المستثمرين، الاقتصاديين، المنظمين وصانعي السياسات.

كلمات رئيسية: المصارف الاسلامية، محددات الربحية