

-RESEARCH ARTICLE-

THE IMPACT OF BANK LIQUIDITY ON THE VALUE FOR A SAMPLE OF IRAQI PRIVATE BANKS

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—Abstract—

The present study investigates the impact of bank liquidity on bank value based on 15 private banks in Iraq for the period (2010-2024). The Dynamic Panel Autoregressive Distributed Lag (PMG-ARDL) model is used for the analysis, which is based on data from The Iraqi Equity Market and the official websites of the banks sample. The results indicate a stable long run cointegration relationship between bank value and bank liquidity and the control variables (market value, profitability, and bank size). But there is not a statistically significant relationship between bank age and bank value.

Keywords: Bank Value, Bank Liquidity, Cointegration, Profitability.

INTRODUCTION

Bank value is an important measure of financial performance, and it will serve to indicate a bank's ability to create and maintain shareholder value via efficient operations, effective risk management, and the proper financial structure. It is a combination of both internal financial performance and market expectations of future

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profitability and is thus an important indicator in contemporary banking research, especially in an environment of competition and economic instability like the private banking sector of Iraq. A higher bank value is shown by higher share prices, which is a sign of good performance, helps build investor confidence, and encourages further investment, while poor performance leads to lower share prices and lower bank value, and thus lowers investor confidence and discourages further investment (Meini & Chotimah, 2022; Selly, 2024).

The importance of the bank valuation in the measurement of financial performance for Iraqi banks in the specific economic and institutional environment has increased and led to rising interest in the valuation of banks. One of the main factors that influence the worth of a bank is liquidity, meaning the capability of the bank to meet short-term obligations with liquid resources (Dewi & Fachrurrozie, 2021). Insufficient liquidity restricts access to external financing, weakens investor and creditor confidence, and may ultimately lead to solvency concerns that threaten long-term sustainability and reduce bank value (Bhaskara Rao, 2007; Laili & Dalimunthe, 2022). Thus, banks must find a right balance between liquidity and investments in profitable assets. The relationship between liquidity management, business efficiency and bank value is a delicate one, where liquidity shortage and excess liquidity have both negative impacts on bank value, especially in the Iraqi private banks.

LITERATURE REVIEW

The impact of bank liquidity on bank value is a subject of much debate. One view is that increased liquidity helps to increase investor confidence, increase money-making investment opportunities, and in the end, improve bank value. For instance, (Dewi and Fachrurrozie, 2021) found that liquidity leads to an increase in share prices, thus improving bank value. Likewise, certain studies argue that highly liquid banks even use more of internal resources than external funding, which helps them better pay short-term obligations, and thus, increases investors' confidence in the banks. In the signalling theory approach, good liquidity and financial performance provide positive signals of a bank's financial strength and efficiency and stimulate investors' interest in purchasing shares and, consequently, bank value (Digdowiseiso et al., 2024; Fahmi, 2020). In contrast, other studies argue that excessive liquidity may reduce bank value because idle funds that could otherwise be invested in profitable activities remain underutilised (Selly, 2024). Meanwhile, (Putri & Miftah, 2021) found no significant relationship between liquidity and bank value.

The present study fills in some of the gaps in literature. It covers the period 2004 to 2024 and looks at key events that impacted the Iraqi banking sector such as the COVID-19 pandemic, the 2020 exchange-rate adjustment of the Iraqi dinar and the application of the electronic compliance platform during 2023–2024 that added further restrictions to cross-border financial transactions and liquidity management. Furthermore, this

study is different from the previous ones as it uses dynamic PMG-ARDL model which separates the long-run equilibrium effects of liquidity on the value of banks from the short run adjustments.

METHODOLOGY

The cross-sectional dependence (CD) test assesses whether cross-sectional units are correlated. Ignoring such dependence can produce biased estimates and weaken statistical inference, making its detection essential for selecting an appropriate estimation approach (Pesaran, 2004). Under this test, the null hypothesis assumes cross-sectional independence, whereas the alternative hypothesis indicates the presence of cross-sectional dependence. Among the available methods, the M. H. Pesaran (2004) CD test is widely applied, particularly when the number of cross-sectional units exceeds the time dimension, making it well suited to the present study. The Pesaran test statistic is expressed as follows (Pesaran, 2004; Sakyi, 2011):

$$CD_{\text{Pesaran}} = \sqrt{\frac{2T}{N(N-1)} \left(\sum_{i=1}^{N-1} \sum_{j=i+1}^N \hat{\rho}_{ij} \right)} \quad (1)$$

$\hat{\rho}_{ij}$: These are the correlation coefficients between the residuals, and can be expressed in the following form:

$$(2) \quad \hat{\rho}_{ij} = \hat{\rho}_{ij} = \hat{\rho}_{ji} = \frac{\sum_{t=1}^T e_{it}e_{jt}}{(\sum_{t=1}^T e_{it}^2)^{1/2} (\sum_{t=1}^T e_{jt}^2)^{1/2}}$$

The null hypothesis is:

$$H_0 = \rho_{ij} = \rho_{ji} = \text{Corr}(\varepsilon_{jt}, \varepsilon_{it}) = 0 \\ \text{For } i \neq j$$

In contrast to the alternative hypothesis, and it is

$$H_0 = \rho_{ij} \neq \rho_{ji} \neq 0 \\ \text{For } i \neq j$$

Following the CD test, the appropriate unit root procedure is selected based on the presence or absence of cross-sectional dependence. First-generation unit root tests are suitable when cross-sectional independence exists, whereas second-generation tests are required when cross-sectional dependence is detected (M. H. Pesaran, 2004). Unit root testing determines whether the variables are stationary at level, $I(0)$, or become stationary after first differencing, $I(1)$, representing a fundamental prerequisite for cointegration analysis and long-run modelling (B. H. Baltagi, 2008). Because first-generation tests produce biased results in the presence of cross-sectional dependence,

second-generation methods provide more reliable estimates (Pesaran, 2004). Among the most widely used second-generation unit root tests are the Cross-sectionally Augmented IPS (CIPS) test proposed by Pesaran (M. H. Pesaran, 2004) and the PANIC (Panel Analysis of Nonstationarity in Idiosyncratic and Common Factors) approach developed by Ng (2004). The CIPS statistic is calculated as the average of the Cross-sectionally Augmented Dickey–Fuller (CADF) statistics and is expressed as follows:

$$\text{CIPS} = N^{-1} \sum_{i=1}^N \text{CADF}_i \quad (3)$$

The Bai and Ng (PANIC) approach evaluates both common and idiosyncratic components of panel data, and its test statistic is expressed as follows:

$$x_{it} = D_{it} + \lambda_i' F_t + e_{it} \quad (4)$$

Here, D_{it} denotes a deterministic trend function of order (p), F_t represents a vector of (r) common factors, and X_{it} denotes the observed variable for each cross-sectional unit. Accordingly, the series X_{it} is decomposed into three components: the deterministic component (D_{it}), the common factor component ($\lambda_i' F_t$), and the idiosyncratic error component (e_{it}), which captures unit-specific effects. Within the factor model framework, panel data comprise numerous idiosyncratic components and a limited number of common factors. A series is considered non-stationary when one or more common factors, the idiosyncratic component, or both exhibit non-stationarity. The common factors (F_t) are not necessarily integrated of the same order as the idiosyncratic components (e_{it}), as each may follow either $I(0)$ or $I(1)$ processes independently. To examine long-run relationships in heterogeneous panel data, Pedroni (1999, 2000, 2004) introduced several panel cointegration tests. Accordingly, this study employs both the Pedroni and Kao cointegration tests, which account for cross-sectional heterogeneity (Pesaran, 2004).

The regression equation can be expressed as follows (Kasperowicz et al., 2020):

$$(5) \quad = \beta_i X'_{it} + y_i z'_{it} + e_{it} \quad y_{it}$$

where y_{it} it is the dependent variable, $i = 1, \dots, N$ represents the cross-sections, t represents time, X'_{it} represents the first-order integrated or stable independent variables, B_i represents the cointegration coefficients, (z'_{it}) it represents the variables that represent the constant effects of the cross-sections and time, y_{it} it represents the (z'_{it}) coefficients, and e_{it} it represents the random error.

Given the cross-sectional dependence and dynamic interactions among the variables, this study employs the Pooled Mean Group Autoregressive Distributed Lag (PMG-ARDL) model developed by Pesaran (1995), Pesaran and Smith (1997), and further discussed by Gligorić et al. (2018). The PMG-ARDL approach efficiently estimates

both short-run and long-run relationships in panel datasets with relatively large cross-sectional and time dimensions. This model assumes that the underlying series exhibit integration of order zero $I(0)$ or $I(1)$, but not $I(2)$. Compared with conventional linear panel regression models, the PMG-ARDL estimator accommodates heterogeneity in short-run dynamics while imposing homogeneity on the long-run coefficients, thereby providing more reliable long-run estimates. The dynamic PMG-ARDL model is specified as follows (Gligoric et al., 2018), (H. Lee et al., 2024) :

$$(6) \quad y_{it} = \sum_{j=1}^p \lambda_{ij} y_{i,t-j} + \sum_{j=0}^q \delta'_{ij} X_{i,t-j} + \omega_i + \varepsilon_{it}$$

DESCRIPTION OF SAMPLE AND VARIABLES

The PMG-ARDL model was employed to examine the effect of bank liquidity on bank value using panel data from 15 Iraqi private banks listed on the Iraq Stock Exchange (see Appendix 1). In addition to the main explanatory variable, four control variables were incorporated based on prior literature, as presented in Table 2. Bank liquidity was measured using the current ratio, a widely adopted proxy in banking research. The natural log of the current ratio was used to increase the homogeneity of data and to decrease skewness. This is the ratio of current assets to current liabilities, and it is intended to show the ability to pay current liabilities from current assets. It reveals the short term liquidity position rather than the overall financial health of the bank and depends largely on the ability of the liquid assets of the bank to be converted to cash (Frag et al., 2013; Loredana, 2012).

Bank value was calculated using Tobin's Q, a widely cited measure of the market's valuation of banks which had good explanatory power for differences in the operational efficiency, managerial performance, risk management, and ability to raise capital among banks. It also reflects a bank's capacity to add value to the markets, beyond book value, which is a suitable proxy in bank valuation (Hejazi,et al, 2016).

The following equation presents the calculation of Tobin's Q ():

$$Tobin's \ Q = \frac{(Market \ value \ of \ total \ assets)}{the \ book \ value \ of \ total \ assets}$$

Where:

Tobin's Ratio Q = Q to Tobin's Ratio

Table 1: Variables used in the Standard Model

Variable Name	Symbol	Semantics	Relationship Type	Reference
Bank Liquidity	X1	Independent Variable	Direct	(Digdowiseiso et al., 2024; Fahmi, 2020; M. Jihadi, 2021)

Profitability	X2	control variable	Direct	Bon, S. F., & Hartoko, S. (2022)
Bank Size	X3	control variable	Direct	(Sadaa et al., 2023; Shijie Wu, 2023)
Bank Age	X4	control variable	Direct	(Abdi et al., 2022; D'Amato & Falivena, 2019)
Market Capitalization	X5	control variable	Direct	(Sareewiwatthana & Wanidwaranan, 2019)
Bank Value	Y	Dependent Variable		(Jesús de la Fuente et al., 2022; Hejazi,et al, 2016)

Source: Prepared by the researchers.

RESULTS

The PMG-ARDL model was used to analyze the impact of bank liquidity on bank value for the sampled banks, as shown in Appendix 1 and 2, using annual panel data for the 14 years 2010-2024. This analysis started by testing the cross-sectional independence of variables adopted from the Pesaran (2004) CD test which shows the presence of cross-sectional dependence. The results of the tests are reported in [Table 2](#).

Table 2: Pesaran's (CD) Test for the Independence of Cross-Sectional Time Series

Null Hypothesis: No Cross-Section Dependence			
Sample: 2010 to 2024			
Periods: 15			
Cross-Sections :15			
Total Panel Observations: 225			
Test	Stat.	d.f.	Prob.
Breusch-Pagan LM test	175.8702	105	0.0000
Pesaran Scaled LM test	3.855412		0.0001
Bias-Corrected Scaled LM test	3.319698		0.0009
Pesaran CD test	1.433882		0.1516

Source: Compiled by the researchers based on the data in Appendices (1, 2) using Eviews 12 software.

[Table 2](#) reports the results of the Pesaran CD test. The LM statistics are statistically significant ($p < 0.01$), indicating the presence of cross-sectional dependence. Accordingly, the null hypothesis of cross-sectional independence is rejected in favour of the alternative hypothesis. Although the Pesaran CD statistic is not statistically significant ($p > 0.05$), the significant LM test results provide sufficient evidence of cross-sectional dependence. Consequently, second-generation panel unit root tests are adopted in the subsequent analysis.

Testing the Stability of the First Differences

Because most study variables exhibit cross-sectional dependence, first-generation panel unit root tests, such as the Levin–Lin–Chu (LLC) and Im–Pesaran–Shin (IPS) tests, are inappropriate, as they may produce biased results. Consequently, this study employs second-generation unit root tests. Table 3 presents the results of the two widely used second-generation tests, namely the PANIC and CIPS tests. After first differencing, all variables become stationary, confirming that they are integrated of order one, I(1), and satisfying the prerequisite for the subsequent estimation procedures.

Table 3: Results of the Second Generation of Stability Tests

	Stat.	T-Stat	P-Value
X1	CIPS	-3.4905	<0.01
	Truncated CIPS	-3.09464	<0.01
X2	CIPS	-4.49774	<0.01
	Truncated CIPS	-2.88633	<0.01
X3	CIPS	-25.8044	<0.01
	Truncated CIPS	-3.30932	<0.01
X4	Bai and Ng - PANIC	-3.72129	<0.01
	CIPS	0.011241	>=0.10
X5	CIPS	-3.73651	<0.01
	Truncated CIPS	-2.73616	<0.01
Y	CIPS	-2.1904	<0.10
	Truncated CIPS	-1.72524	>=0.10
Critical Values:	Level	CIPS	Trunc. CIPS
	1%	-2.568	-2.548
	5%	-2.304	-2.294
	10%	-2.172	-2.168

Source: Compiled by the researchers based on the data in Appendices (1, 2) using EViews software.

Cointegration Testing of Cross-Sectional Data

Given the mixed order of integration among the variables, the next step is to conduct panel cointegration tests using the Pedroni and Kao approaches, which are widely applied when variables are stationary at both levels and first differences (Akinlo & Olayiwola, 2021; Rahman, 2023). Table 4 reports the Pedroni cointegration results. There is statistical significance at the 5% level for most within- and between-dimension statistics, including the Panel PP, Panel ADF, Group PP, and Group ADF tests. These findings reject the null hypothesis of no cointegration and confirm the existence of a long-run relationship among the study variables.

Table 4: Results of the Pedroni Cointegration Test

Pedroni Residual Cointegration Test		
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Series: Y X1 X2 X3 X4 X5					
Date: 10/16/25 Time: 23:01					
Sample: 2010 2024					
Automatic Lag Length Selection Based on SIC with a Max Lag of 2					
Newey-West Automatic Bandwidth Selection and Bartlett Kernel					
Alternative Hypothesis: Common AR Coefs. (Within-Dimension)					
				Weighted	
		<u>Stat.</u>	<u>Prob.</u>	<u>Stat.</u>	<u>Prob.</u>
Panel v-Stat.		-1.642640	0.9498	-3.427979	0.9997
Panel rho-Stat.		2.236950	0.9874	2.856295	0.9979
Panel PP-Stat.		-3.030623	0.0012	-4.862238	0.0000
Panel ADF-Stat.		-2.789431	0.0026	-4.680362	0.0000
Alternative Hypothesis: Individual AR Coefs. (Between-Dimension)					
		<u>Stat.</u>	<u>Prob.</u>		
Group rho-Stat.		4.218409	1.0000		
Group PP-Stat.		-6.348270	0.0000		
Group ADF-Stat.		-4.034148	0.0000		

Source: Compiled by the researchers based on the data in Appendices 1 and 2 using EViews software.

To enhance the robustness of the cointegration analysis, the Kao test was also performed. As reported in [Table 5](#), the Kao ADF statistic is significant at the 1% level ($p = 0.0076$), confirming the existence of a long run cointegration relationship among the variables. Therefore, the findings from both the Pedroni and Kao tests consistently support the presence of cointegration among the variables under investigation.

Table 5: Cao Cointegration Test Results

Kao Residual Cointegration Test				
Series: Y X1 X2 X3 X4 X5				
Sample: 2010 to 2024				
Observations: 225				
Trend Assumption : No Deterministic Trend				
Automatic Lag Length Selection Based on SIC with a Max Lag of 2				
Newey-West Automatic Bandwidth Selection and Bartlett Kernel				
			t-Stat.	Prob.
ADF			-2.429894	0.0076
Residual Variance			0.024408	
HAC Variance			0.009620	

Source: Prepared by the researchers based on data from Appendix (1,2) using Eviews software.

[Table 6](#) presents the estimated long-run and short-run coefficients obtained from the PMG-ARDL model.

Table 6: Long-Term and Short-Term Response Estimation According to ARDL

Dependent Variable: D(Y)				
Method: ARDL				
Sample: 2012 to 2024				
Observations: 195				
Maximum Dependent Lags: 2 (Automatic Selection)				
Dynamic Regressors (1 Lag, Automatic): X1 X2 X3 X4 X5				
Selected Model: ARDL(2, 1, 1, 1, 1)				
Variable	Coefficient	Std. Error	t-Stat.	Prob.*
Long Run Equation				
X1	0.457652	0.049280	9.286831	0.0000
X2	0.000541	0.000171	3.159910	0.0020
X3	-0.004347	0.002126	-2.044395	0.0432
X4	0.002842	0.001870	1.519582	0.1314
X5	0.331194	0.044458	7.449635	0.0000
Short Run Equation				
COINTEQ01	-0.633823	0.135809	-4.667032	0.0000
D(Y(-1))	0.088033	0.110134	0.799327	0.4257
D(X1)	0.017642	0.294199	0.059966	0.9523
D(X2)	0.005803	0.005995	0.967980	0.3351
D(X3)	0.038648	0.018271	2.115288	0.0366
D(X4)	0.082239	0.049559	1.659416	0.0998
D(X5)	-0.023479	0.128593	-0.182584	0.8554
Mean Dependent Var	0.000641	S.D. Dependent Var		0.166329
S.E. of Regression	0.104748	Akaike Info Criterion		-1.308502
Sum Squared Resid	1.261794	Schwarz Criterion		0.361591
Log Likelihood	257.2065	Hannan-Quinn Criter.		-0.634446

Source: The researchers compiled the table using the data in Appendices 1 and 2 and the EViews software.

The long-run estimates indicate the following:

- Bank liquidity (X1) has a positive and statistically significant effect on bank value (Y). Specifically, a one-unit increase in liquidity raises bank value by 0.45 ($p < 0.01$). This finding is consistent with earlier studies ([Digdowiseiso et al., 2024](#); [Fahmi, 2020](#)) and embraces the signaling theory, which suggests that the greater the liquidity, the higher the financial stability and the greater the ability to pay short-term debts. This will, therefore, boost investor confidence, drive up demand for bank stocks and positively affect bank value.
- Profitability (X2) also exerts a positive and significant influence on bank value. A one-unit increase in profitability increases bank value by 0.0005 ($p < 0.01$), consistent with previous evidence(Bon, S. F., & Hartoko, S. (2022)). Higher profitability strengthens investor confidence, attracts investment, and supports higher share prices, thereby increasing market value.
- Bank size (X3) has a negative and statistically significant effect on bank value. The bank value decreases by 0.004 for each additional unit of bank size ($p < 0.05$). It is a result

that goes against the results of other studies that have shown that assets utilization seems to be positively related with bank size, possibly due to the fact that there is an increase of the volume of underutilized assets, an increase in the administrative costs of the bank in its expansion and staffing, and a decrease in the operational efficiency of the larger banks. Smaller banks, on the other hand, might be more efficient and have lower costs and risk to engage in currency auctions.

- Bank age (X4) has no statistically significant effect on bank value (Y).
- Market capitalisation (X5) positively influences bank value. The results are like previous studies, with a unit rise in the market capitalization resulting in an increase in bank value by 0.33 ($p < 0.05$). The greater the market capitalisation, the more investors believe in the bank and its share prices increase, which will help to improve the value of the bank.

The short-run estimates reveal the following:

- The error correction term is negative and statistically significant ($p < 0.05$), with a coefficient of -0.63 , indicating that approximately 63% of short-run disequilibrium is corrected within each adjustment period, confirming convergence towards the long-run equilibrium.
- Bank size (X3) and bank age (X4) have significant short-run effects on bank value.
- Bank liquidity (X1), profitability (X2), The results further reveal that the value of banks in the short-term is not statistically significantly affected by the number of employees (X1) or market capitalisation (X5), which implies that the impact of these factors on bank value is likely to be felt in the long-term, just as banking practices work on the long-term.

CONCLUSION

The aim of this study was to examine the influence of bank liquidity on bank value, and the PMG-ARDL model was used in this study to analyze the data of the 15 private banks in Iraq for the period of 2010 to 2024. The result shows that bank value can be related to bank liquidity in positive long-run manner which means the banks with better liquidity can easily meet the short-term debt obligations of banks, investors' confidence increases in banks and share value increases. Profitability also works positively by enhancing the returns and attracting investors to the bank. On the other hand, the bank size has a negative long-run effect, which may be attributed to the high cost of operating a bank, inefficiencies, and the less investment opportunities in the Iraqi banking sector. The market capitalisation positively affects bank value, while bank age has no significant effect in the long term. The study proposes to expand the analysis of this research to other sectors in Iraq and to banks in other countries, especially in the Arab region, to be able to do comparisons and more comprehensive evidence.

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Appendix (1): Liquidity ratios of banks in the research sample

banks	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Mean	StDev.P	MIN	MAX
b1	56	54	77	71	57	57	55	55	59	145	13	111	99	117	46	71	32	13	145
b2	102	126	123	101	117	132	12	14	104	107	111	109	157	115	116	103	38	12	157
b3	108	116	124	150	174	176	129	104	272	236	176	223	260	255	319	188	66	104	319
b4	105	113	118	120	157	146	134	127	133	138	128	71	223	168	162	136	33	71	223
b5	81	104	181	115	107	104	101	102	98	104	107	105	95	80	86	105	23	80	181
b6	18	25	41	20	4	29	11	12	4	4	19	10	16	13	45	18	12	4	45
b7	211	184	257	265	248	233	284	315	220	254	268	294	93	82	97	220	72	82	315
b8	45	62	54	58	95	96	117	106	70	90	88	258	49	74	46	87	51	45	258
b9	75	89	56	77	75	77	56	65	77	85	99	111	99	93	144	85	22	56	144
b10	51	56	69	79	50	75	97	93	98	51	82	54	74	36	48	68	19	36	98
b11	41	49	44	75	52	43	45	33	20	12	205	32	14	20	27	47	45	12	205
b12	96	101	55	129	152	153	178	175	277	201	208	92	126	218	80	149	59	55	277
b13	160	170	170	175	184	168	210	198	191	169	324	284	420	470	222	234	94	160	470
b14	102	108	121	112	125	137	164	169	199	195	198	177	354	164	283	174	66	102	354
b15	47	53	58	58	59	46	25	31	2	1	12	27	27	2	2	30	22	1	59
Max	211	184	257	265	248	233	284	315	277	254	324	294	420	470	319	290	72	184	470
Min	18	25	41	20	4	29	11	12	2	1	12	10	14	2	2	14	11	1	41
StDev.P	48	44	60	57	62	56	76	79	88	79	90	91	118	116	92	77	22	44	118
Mean	87	94	103	107	110	111	108	107	122	120	136	131	140	127	115	114	14	87	140

Appendix (2): Banking value of the banks in the research sample

banks	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Mean	StDev.P	MIN	MAX
b1	0.924	0.94	0.955	0.967	0.956	0.949	0.764	0.746	0.76	0.758	0.893	0.894	0.833	0.805	0.866	0.867	0.077	0.746	0.967
b2	0.665	0.71	0.985	0.999	0.963	0.963	0.861	0.857	0.742	0.678	0.674	0.882	0.898	0.869	0.897	0.843	0.111	0.665	0.999
b3	0.494	0.546	0.442	0.496	0.493	0.485	0.316	0.341	0.405	0.395	0.937	0.94	0.804	0.783	0.751	0.575	0.197	0.316	0.940
b4	0.755	0.761	0.761	0.784	0.777	0.955	0.821	0.805	0.902	0.938	0.709	0.807	0.828	0.847	0.849	0.820	0.065	0.709	0.955
b4	0.79	0.809	0.701	0.709	0.745	0.788	0.672	0.596	0.808	0.809	0.776	0.599	0.616	0.725	0.779	0.728	0.072	0.596	0.809
b5	0.627	0.566	0.581	0.651	0.663	0.513	0.44	0.466	0.411	0.498	0.566	0.631	0.613	0.425	0.511	0.544	0.079	0.411	0.663
b6	0.451	0.501	0.699	0.28	0.382	0.402	0.34	0.301	0.457	0.369	0.418	0.379	0.494	0	0.503	0.429	0.095	0.28	0.699
b&	0.263	0.353	0.42	0.642	0.552	0.492	0.498	0.529	0.556	0.494	0.518	0.596	0.622	0.703	0.559	0.520	0.104	0.263	0.703
b8	0.358	0.289	0.277	0.179	0.425	0.490	0.634	0.533	0.923	0.922	0.944	0.939	0.922	0.919	0.927	0.645	0.275	0.179	0.944
b9	0.937	0.966	0.956	0.956	0.969	0.965	0.954	0.962	0.96	0.964	0.961	0.959	0.973	0.967	0.638	0.939	0.078	0.638	0.973
b10	0.707	0.69	0.699	0.584	0.666	0.148	0.045	0.096	0.296	0.289	0.313	0.314	0.306	0.304	0.383	0.389	0.211	0.045	0.707
b11	0.361	0.153	0.269	0.239	0.576	0.205	0.272	0.244	0.427	0.418	0.162	0.262	0.258	0.154	0.104	0.274	0.117	0.104	0.576
b12	0.32	0.118	0.383	0.264	0.272	0.356	0.289	0.314	0.344	0.231	0.211	0.036	1.258	0.964	0.13	0.366	0.301	0.036	1.258
b13	0.38	0.273	0.661	0.243	0.17	0.055	0.084	0.069	0.177	0.166	0.296	0.21	0.33	0.299	0.332	0.250	0.142	0.055	0.661
b14	0.653	0.497	0.414	0.442	0.586	0.520	0.407	0.237	0.253	0.256	0.276	0.343	0.39	0.255	0.068	0.373	0.144	0.068	0.653
b15	0.937	0.966	0.985	0.999	0.969	0.965	0.954	0.962	0.96	0.964	0.961	0.959	1.258	0.967	0.927	0.982	0.073	0.927	1.258
MIN	0.263	0.118	0.269	0.179	0.17	0.055	0.045	0.069	0.177	0.166	0.162	0.036	0.258	0.154	0.068	0.146	0.074	0.036	0.269
StDev. P	0.213	0.26	0.233	0.275	0.236	0.297	0.271	0.268	0.255	0.267	0.277	0.3	0.278	0.275	0.287	0.266	0.022	0.213	0.300
Mean	0.579	0.545	0.614	0.562	0.613	0.552	0.493	0.473	0.561	0.546	0.577	0.586	0.676	0.632	0.553	0.571	0.048	0.473	0.676

Appendix (3): Bank Codes

Banks	Codes
Baghdad Bank	b1
National Bank of Iraq	b2
Commercial Bank of Iraq	b3
Middle East Bank	b4
Al-Mansour Investment Bank	b5
United Investment Bank	b6
Ashur International Bank	b7
Investment Bank	b8
Gulf Bank of Iraq	b9
Mosul Investment Bank	b10
Union Bank of Iraq	b11
Credit Bank	b12
Sumer Commercial Bank	b13
Kurdistan Bank	b14
North Bank for Finance and Investment	b15

Source: Prepared by researchers