THE IMPACT OF LIQUIDITY CREATION ON THE STABILITY AND PROFITABILITY OF BANKS: A CASE STUDY OF VIETNAM

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Appendix 1. Descriptive statistics of variables

Variable	Obs	Mean	Std. dev.	Min	Max
ZSCORE	290	3.2159	.6530	2.1064	5.4730
Lccatfat	290	.1439	.1150	-.0627	.5428
Lccatnonfat	290	.0970	.0830	-.0673	.2833
ROE	290	.1108	.0796	.0003	.2956
CAP	290	.0838	.0306	.0420	.1845
ΔCAP	290	-.0014	.0125	-.0513	.0753
SIZE	290	18.9845	1.1610	16.577	21.5565
LOAN	290	.6182	.0958	.3399	.7952
NIM	290	.0313	.0134	.0044	.0891
CI	290	.5136	.1530	.2419	.9244
DIV	290	.2169	.1217	-.1572	.7686
GDP	290	.0593	.0177	.0258	.0802

Appendix 2. Trends in key variables

Figure 1. Liquidity Creation (including OBS)

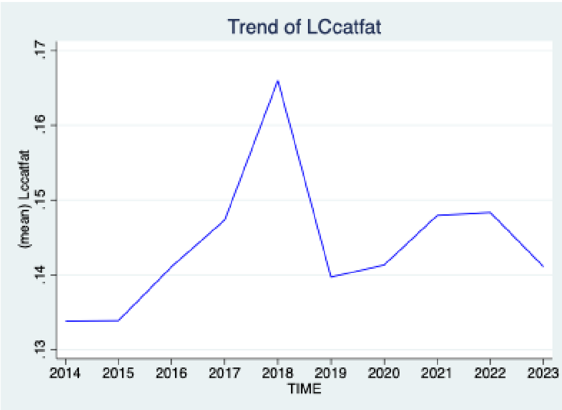


Figure 2. Liquidity Creation (excluding OBS)

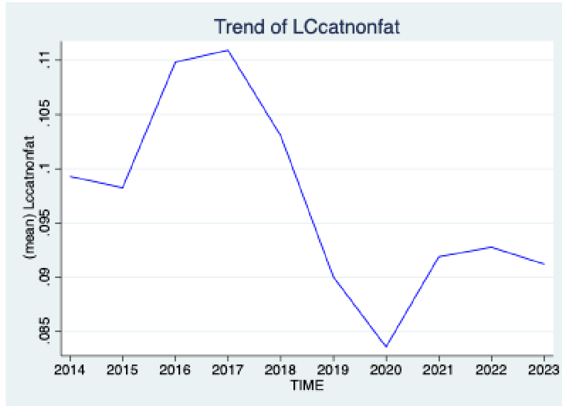


Figure 3. Bank Stability (Z-score)

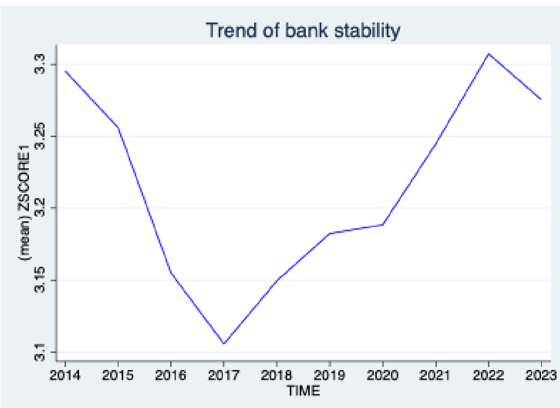
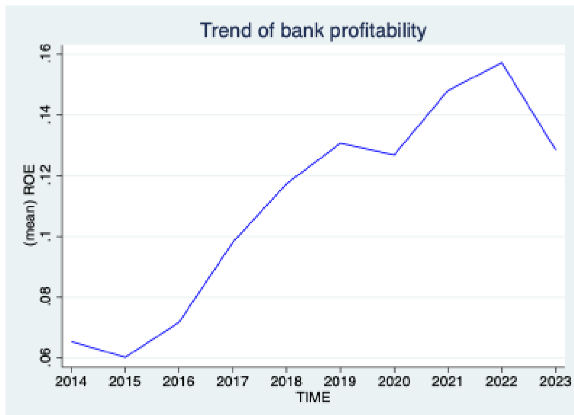


Figure 4. Profitability (ROE)



Appendix 3. Correlation matrix

	ZSCORE	ROE	LCcatfat	LCcatnonfat	CAP	ΔCAP	SIZE	LOAN	NIM	CI	DIV	GDP
ZSCORE	1											
ROE	-0.4211	1										
LCcatfat	-0.1848	0.1377	1									
LCcatnonfat	-0.1475	-0.0832	0.7924	1								
CAP	0.1822	-0.0295	0.0740	-0.2532	1							
ΔCAP	-0.1828	0.4109	0.1226	-0.0308	0.0397	1						
SIZE	-0.2969	0.6105	0.3463	0.2172	-0.3422	0.3447	1					
LOAN	-0.0895	0.3757	0.1961	0.1877	-0.0570	0.2180	0.4476	1				
NIM	-0.3611	0.6490	0.1949	-0.1859	0.3931	0.2440	0.2937	0.3328	1			
CI	0.3284	-0.7294	-0.3410	-0.1211	-0.1308	-0.3762	-0.5559	-0.4006	-0.5784	1		
DIV	0.2047	-0.0196	-0.0486	-0.1448	0.0748	0.1657	0.1400	-0.2399	-0.2479	0.0970	1	
GDP	-0.0034	-0.1151	0.0071	0.0489	0.0144	-0.0656	-0.1175	-0.0511	-0.0194	0.1691	-0.1262	1