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Efficiency of Thai commercial banks: Pre- vs. post-1997 financial crisis

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Abstract
This study measures and compares the profit and cost efficiencies of Thai commercial banks between 1990 and 2008 which has been subdivided into the pre-crisis, the financial crisis, and the post-crisis periods. The efficiency scores are measured using a combination of parametric and non-parametric frontier approach. Both average profit and cost efficiency levels of the post-crisis period are found to be significantly lower than those of the pre-crisis period. The evidence also indicates that the real GDP growth rate and some general and financial characteristics are correlated with the efficiency level of Thai commercial banks. © World Scientific Publishing Co.

Author Keywords
Commercial bank; Cost; Efficiency; Profit

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