Investigating the Impact of Inflation and Economic Openness on the Profitability of Banks Listed in Tehran Stock Exchange


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Abstract

The main purpose of this study is to investigate the impact of inflation and economic openness on the profitability (returns on assets) of banks listed in Tehran Stock Exchange. For this purpose, the data of banks listed in Tehran Stock Exchange during the last ten years, linear regression model, and random effects model were used. The results showed an inverse significant relationship between inflation rate and profitability of banks listed in Tehran Stock Exchange. Meanwhile, economic openness will increase the profitability of these banks.

Keywords: inflation, economic openness, bank’s profitability, Tehran Stock Exchange

References


