

# Research of factors impact on liquidity of joint stock commercial banks in Vietnam

NGUYEN QUOC ANH \*

University of Economics - Ho Chi Minh City

(\*) Correspondence: quocanh@ueh.edu.vn - Tel: 0944116699

## **Abstract:**

**L**iquidity is now highly valued and studied, not only in Vietnam but also in the global economy. Therefore, liquidity is interested by many researchers. Therefore, this empirical study studies on the dataset of 24 joint stock commercial banks in Vietnam and macroeconomic data to determine the factors affecting the bank's liquidity. Through the use of linear regression models and panel data, the study results, factors including CAP equity ratio, SIZE size, LDR loan-to-deposit ratio, NPL bad debt ratio, listed bank and year of Covid-19 affected the bank's liquidity. Only the NPL ratio has a negative impact on the bank's liquidity. At the same time, the research paper shows a new point, further analyzing liquidity during the outbreak of the Covid-19 pandemic. A pandemic can be viewed as a very severe economic crisis, twice the period in 2008. From the above, the author makes recommendations on policies to promote increased liquidity.

**Keywords:** commercial banks, bad debt, liquidity.