The interaction between possessed capital and deposits with credit control of the bank

Orooba Rashid Ali Al-Badran

University of Basrah, College of Administration and Economic, Department of Business Administration, Iraq.
E mail: orooba.ali@uobasrah.edu.iq

Abstract

The aim of the research is to identify the role that the interaction of possessed capital and deposits can play with the central bank's control in the credit policy of Iraqi commercial banks during the period from 2010 to 2016 via the mathematical model and regression analysis. As a result, there is not a significant statistical relationship between the interest rate weighted by deposits size and the size of credit provided by the commercial bank. In conclusion, the increase in the capital owned by the bank leads to the search for other means to invest this money.

Keywords: Possessed Capital, Deposits, Credit Control.

La interacción entre el capital poseído y los depósitos con el control crediticio del banco

Resumen

El objetivo de la investigación es identificar el papel que puede desempeñar la interacción del capital poseído y los depósitos con el control del banco central en la política crediticia de los bancos comerciales iraquíes durante el período de 2010 a 2016 a través del modelo matemático y el análisis de regresión. Como resultado, no existe una relación estadística significativa entre la tasa de interés ponderada por el tamaño de los depósitos y el tamaño del crédito proporcionado por el banco comercial. En conclusión, el aumento en el capital que posee el banco lleva a la búsqueda de otros medios para invertir este dinero.

Palabras clave: Poseído de capital, depósitos, control de crédito.

1. Introduction

The economic transformation in Iraq has led to the expansion of banks and the emergence of banking capacity in the expansion of credit for commercial purposes and specialized purposes. Recently, the ability of Iraqi commercial banks to grant credit compared with other least developed countries has increased, where commercial banks playing a pivotal role in Iraq because of its ability to mobilize domestic savings and exploit them efficiently within the framework prescribed by the executive authority and central bank policies. Commercial banks offer a more common and more widespread savings vessel in the economy than other institutions that seek to mobilize savings because of their superior ability to accept deposits and use them to create a range of investments that are very important to the economy, from which bank credit arises. The credit policy which is pursued by commercial banks is closely related to the sources of access to funds represented by the possessed capital and deposits, and how to employ these funds in a balanced way to achieve profitability and liquidity, as the increase in the ratios of granted loans can expose the bank's funds to heavy losses, and here comes the role of the credit control of the Central Bank on commercial banks. The research has dealt with several aspects, the most important of which are the methodology of research and previous studies, reviewing the theories and literature that dealt with this subject and then addressing the field side. Finally, the research has ended with a set of results and recommendations. The studies showed the active and important role of both possessed capital and deposits in the continuation of Iraqi commercial banks work and in carrying out their work efficiently and effectively, where these banks are relied upon to finance the assets owned by the Iraqi commercial banks and in providing loans to customers and financing various investments, which entails the perfect use and management of them. However, it is noted in some Iraqi banks the need to know and practice this role, because the weakness of knowledge and practice has resulted in the exposure of commercial banks to a number of risks such as the inability to meet customer obligations or erode of the capital. The problem has summarized in its theoretical and realistic dimensions by the question, to what extent does the interaction of possessed capital and deposits with the credit control of the Central Bank lead to the determination of the credit policy of Iraqi commercial banks? From this main question, the following questions arise:

- To what extent does the possessed capital affect the credit size provided by Iraqi commercial banks?
- To what extent does the size of deposits affect the credit size provided by Iraqi commercial banks?
- To what extent does the interest rate on lending affect the credit size offered by Iraqi commercial banks?
- To what extent does the interactive variable weighted by capital affect the credit size offered by commercial banks?
- To what extent does the interactive variable weighted by deposit size affect the credit size offered by commercial banks?

1.1. Hypotheses of research
This research is based on five main hypotheses:
- The first hypothesis: There is a relationship of significant statistical significance between the possessed capital (X1) and the credit size provided by the Commercial Bank.

- The second hypothesis: There is a relationship of significant statistical significance between the size of deposits (X2) and the credit size (y) provided by the Commercial Bank.
- The third hypothesis: There is a relationship of significant statistical significance between the interest rate on lending (X3) and the size of credit (Y) provided by the Commercial Bank.
- The fourth hypothesis: There is a relationship of significant statistical significance between the interest rate (X3) (the interactive variable) weighted by possessed capital (X1) and the size of credit (Y) provided by the commercial bank.
- The fifth hypothesis: There is a relationship of significant statistical significance between each of the interest rate (X3) (the interactive variable) weighted by the size of deposits (X1) and the size of credit (Y).

1.2. The mathematical model and regression analysis

1.2.1. The Variables of the Study

First: Independent variables:

Possessed Capital (X1)

Size of deposits (X2)

Second: Interactive variable: Interest rate on lending (X3) (expression of central bank's control).

The interest rate weighted by the possessed capital (X11) as an interactive variable.

Interest rate weighted by the size of deposits (X22) as an interactive variable.

Third: The dependent variable in the study is the size of credit (Y).

In what fellow, we will present some of the previous studies of interest, let us start with the study of (Alfatlawi, 2016). The study focused on determining the lending policy of the bank through studying and analyzing the indicators of adequacy and durability of the possessed capitals. The study reached several results, the most important of which is the difference between the studied banks in the results in terms of the variables. The study of (Alalfi, 2009), and focused on the role of bank deposits mobilization and credit financing informing the banking industry in Ethiopia. The study reached a number of results, the most important of which is the positive impact of bank deposits and bank credit in the composition of capital, as well as the minimal impact of banking investment in the composition of capital. The study of Ibrahim (2016), and aimed at revealing the role of the Central Bank in achieving the safety and stability of the monetary and banking system in the country. The study reached a number of results, the most important of which is that the supervision of the Central Bank and the application of correct monetary and banking policies, as well as the control of the Central Bank, are reflected positively on the level of GNP. The Study of Suleiman (2016) and was concerned with the disclosure of the structure of capital and how to increase it and knowing the mechanisms to achieve profitability in Iraqi commercial banks.

The study of (Alameen, 2016), and was aimed at assessing the solvency of some Algerian banks in order to face credit risks. The study Omran (2015) was aimed to identify the banking risks and how to calculate and hedge them, as well as identifying the degree of banking safety and to know the extent of liquidity risk, credit risk and capital risk on the bank's safety degree of National Commercial Bank. The study Alzubaidi (2015) was aimed to extrapolate the nature of local credit in Iraq by focusing on the period 2011/2014, with the total effects on the variables of economic activity and the overall welfare of the population. The study of Kathim (2015) was aimed to measure the impact of the control indicators of the Central Bank and its contribution to support and improve the credit process of banks. The study of Almousawi (2014), aimed at clarifying the concept of banking liquidity, the development of banking work, working mechanism of Islamic

banks and then knowing the impact of Central Bank's policy on the work of Islamic Banks through the analysis of banking liquidity indicators. The study of Aldori & Alsamariy (2006) aimed at assessing the credit risks and liquidity on the capital adequacy of commercial banks in Kenya. The study of Altamimi (2013), aimed to know the role the Central Bank has played through supervisory control to enhance the banking supervisory awareness between the parties of the control process, based on the presentation and analysis of the legal framework for banking control and banking control awareness, as well as analyzing the sample's views from different communities which represent the parties of the control process and measuring the banking control awareness for these parties. The study of Alrashidi (2013) aimed at clarifying the effect of the accounting control tools used by the Central Bank on the credit policy in commercial banks. The study of Altayer (2010) has been measured through return on assets, return on shareholders' equity and return on equity. The study of Alshamaa (2009), aimed to study the effect of capital ratios on the profitability of American banks since the late 1970s until the global financial crisis (1977-2010) in respect of different economic cycles, by using a long time series and applying of the regression method.

1.2.2. Comment on previous studies
Previous studies are beneficial in enriching the conceptual framework for research, and in developing the conceptual basis to formulate the hypotheses. Most previous studies focused on capital as an independent variable, capital efficiency and capital determinants. Also, most of them dealt with only one variable of current study variables, except the study of Alfatlawi, which dealt with the capital of property and deposits and their role in determining the bank's lending policy, which in some respects is consistent with the current study, on the capital and deposits side, but the current study differs from it in that it seeks to determine the effects of capital and deposit on the credit size provided by Iraqi commercial banks, under the control and intervention of the Central Bank, as well as the current study is for period from 2010 to 2016, and this gives more indication of the impact of the study variables on the credit policy of commercial banks in Iraq (Ayasha, 2014).

2. Theoretical Framework

The possessed capital is the sum of the money received by the bank or the financial institutions from the owners of the project from the beginning of its establishment or composition and any additions or reductions that may occur in subsequent periods. Capital is one of the main components of any financial institution which plays an important role in the establishment of these financial institutions. In order to determine the capital required for the bank, the bankers set standards that their application lead to knowing the size of the capital, which put the bank at a strong position both in terms of the amount of obtained profits or in terms of suffered loss, these criteria are represented by (Alsadr, 2009). It is a sum of money deposited in the banks by one of deposit means, so deposit on demand or for a fixed term is created and the Bank has the obligation to pay a certain amount from the legal cash units to the applicant, or to his order, or upon request, or after a period of time and the importance of bank deposits are in (Almaghrabi, 2015).

2.1. Factors affecting the size and quality of deposits

There are several factors that affect the size of deposits within commercial banks, including those related to the banks they and those related to the national level of the economy as a whole, these factors are:

First: At the bank level

The factors which are related to the bank itself, the nature of banking services provided to customers and the followed policies to provide credit to individuals and entities, as well as the nature of individuals dealing with this bank.

Second: Factors affecting deposits at the national level

The factors which are related to the national economy as a whole, the policies of the State, whether expansionary or deflationary and the extent of the state's conviction in the culture of banking awareness among citizens, as well as taking the financial measures that support the banking system in general. These factors are:

1-   The economic situation: It expresses the economic situation of the state in terms of the economic cycle stages. If the state is in popularity, the demand for dealing with the banks will increase as well as the increase of its cash deposits, and vice versa in cases of deflation.

2-   The impact of government spending: the greater the amount of government spending, the greater the size of deposits, because the increase in government spending would create a situation of popularity in the markets.

3-   The degree of the spread of banking awareness: It is related to the extent of understanding and awareness of the banking system importance to maintain the funds of individuals and bodies, and that the bank will compensate the loss of purchasing power of the currency through the retention of funds within it. The higher the level of this awareness, the more positive impact it has on the size and quality of deposits.

4-   The ratio of reserves and liquidity: This ratio is due to the policies of the Central Bank towards commercial banks, whether deflationary policies or expansionary policies, as the rise of this ratio, which the central bank obligates to deposit within it, would reduce the size of new deposits in the bank and vice versa.

2.2. Factors that affect the credit policy

2.2.1. Capital

The credit policy of commercial banks is affected by the value and size of the capital owned by these banks and the value of the Commercial Bank's legal reserve within the Central Bank. The more balanced capital is available, the greater ability the commercial bank has to give credit and facing its risk.

2.2.2. Profitability

Profitability is one of the main objectives that the bank seeks to achieve. Without profit, the bank's capital will be eroded. Therefore, banks seek to achieve profitability by adopting a flexible credit policy that helps to accept loans from banks in respect of high ratio of risk. So it is necessary to study the potential risks without at the expense of the expansion of loans for achieving profits that the bank aims to achieve.

2.2.3. Stability of deposits

The more stable the deposit is, and do not face frequent withdrawals in a short period of time, the easier and flexible the bank will help to provide loans flexible. In the event of rapid fluctuations of deposits, the bank's ability to provide loans in a flexible and easy manner will decrease.

2.2.4. The Bank's financial resources

Whenever the bank has sufficient funds represented by the capital, reserves, various deposits and borrowing from the Central Bank and other banks, the bank will be able to provide flexible and easy loans with simplified terms and vice versa.

2.2.5. Economic conditions prevailing in society

When lucrative and well-established banks thrive in economically stable countries and increase their ability to grant various loans, demand for banking services in countries with economic growth and active international trade will increase but shrink in countries with the economic recession, so the size of the loan presented by commercial banks will decrease in these countries.

2.2.6. Monetary policies followed by the Central Bank

These policies are divided into two types, expansionary and deflationary. If the Central Bank pursues expansionary policies, it increases the liquidity value available to commercial banks, thereby increasing their ability to provide loans. If it adopts deflationary policies that reduce the liquidity of commercial banks, the ability of these banks to provide various loans will decrease.

2.2.7. The concept of credit control of the Central Bank

First: the credit control concept of the Central Bank. It is a set of methods and tools used by the Central Bank within the in force legal framework to ensure the safety of public deposits within banks, and to ensure the integrity of the implementation of monetary policy ,as well as compliance with the directives and instructions of the Central Bank in the light of the monetary policy of the State, where the Central Bank is a central monetary institution, financial agent of the government, responsible for managing the monetary system and supervising the work of other banks. Second, tools of the Central Bank for Credit Control, the Central Bank uses three means of credit control and can be referred to (Ahmed, 2016).

3. Field Study

First: Presentation and analysis of data

Table (1): Preliminary data for the study (value: million Iraqi dinars)

Years	Capital Size X1	Deposits Size X2	Interest Rate on Lending X3	Credit Size Y
2010	748.053	1675.754	14.35	534.454
2011	998.473	1789.440	14.13	547.770
2012	1611.784	1300.315	13.87	847.700
2013	2005.228	4075.686	13.57	977.315
2014	2055.653	2501.394	12.60	1021.260
2015	1753.896	2476.486	12.29	995.198
2016	1880.957	2488.428	12.70	1010.311

Summarize and organize the available data after entering the interactive variable for seven years and the readiness of the data for statistical processing through the SPSS program.

Table (2): The data after weighting by the interactive variable and preparing for statistical processing (value: one million Iraqi dinars)

Years	Capital Size X1	Deposits Size X2	Interest Rate on Lending X3	Interactive variable weighted by capital X11	Interactive variable weighted by deposits size X22	Credit Size Y
2010	748.053	1675.754	14.35	57171.388	12807.272	534.454
2011	998.473	1789.440	14.13	77117.631	138208.418	547.770
2012	1611.784	1300.315	13.87	188550.682	152114.229	847.700
2013	2005.228	4075.686	13.57	234564.819	537759.936	977.315
2014	2055.653	2501.394	12.60	264818.879	321876.278	1021.260
2015	1753.896	2476.486	12.29	212947.802	300680.457	995.198
2016	1880.957	2488.428	12.70	241344.646	319288.945	1010.311

The multiple linear regression model has been used to study the relationship between the dependent variable (the credit policy -y) and the independent variables (possessed capital X1, size of banking deposits X2, and central bank control - interest rate on lending X3) aiming to reach the explanatory variables that have an effect on the dependent variable as well as exhibiting the contribution percentage of each variable explaining the relation with the dependent variable. The following regression equation has been obtained:

$$Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + E$$
$$Y = 1237.646 + 0.335 x_1 - 0.004 x_2 - 68.218 x_3$$

β_0 : Regression equation constant

β_1 : Coefficient x_1

β_2 : Coefficient x_2

β_3 : Coefficient x_3

E : Random error

The results of the regression analysis can be presented as follows: (based on the regression analysis tables attached to the annexes)

Table (3): The results of multiple regression analysis

Explanatory variables	Beta coefficient β	T value	Significance
(Constant) 1237.646	--------------	2.231	.112
X1	.335	4.826	.017
X2	-.004	-.132	.903
X3	-68.218	-1.881	.157
Determination Coefficient (R^2) =97.8%	The modified value of (R^2) = 95.5%		
F value = 43.654	F sig. = .006		

The above regression analysis table shows the following:

The significance of the above study model, where the value of the significance index is (F = 0.006< 0.05). The explanatory force of the model is 95.5%. This means that all independent factors explain 95.5% of the changes in the dependent variable (Y), as well as changes equals 4.5% affecting the dependent variable, due to reasons out the study. The first variable x_1 (the capital) has a statistically significant relationship with the dependent variable, where T – value is (4.826). This corresponds to the economic theory that explains the relationship between the possessed capital and the size of loans provided by the commercial banks, so whenever the possessed capital has increased the size of loans provided by these banks increase. The second variable (the size of deposits x_2), as the analysis shows does not have any statistically significant relationship with the dependent variable (Y), where the statistical significance index T is (.903). The third variable (interest rate on lending), as the analysis showed does not have statistically significant relationship with the dependent variable (Y) through the significance of T-test which amounts to (.157) and the T – value is (-1.881)

3.1. Testing hypotheses

There is a statistically significant relationship between the possessed capital (X1) and the credit size (Y) provided by the commercial bank. The regression test equation (X1 / Y) is as follows:

Y = 192.151 + .415 X1

Table (4): Simple regression results (X1 / Y)

Explanatory variable	Regression coefficients β	T value	Significance
(Constant)	192.151	2.704	.043
Capital X1	192.151	9.629	.000
Determination Coefficient (R^2) =94.9%		The modified value of (R^2) = 93.9%	
F value = 92.713		F sig. = .000	

Table (4) shows a statistically significant relationship between the independent variable (capital - X1) and the dependent variable (credit size -Y) in terms of the significance of T- value (0.000), which is less than (0.05), while the T - value is (9.629). The independent variable (capital) alone accounted for (93.9%) of the change in the dependent variable (credit size) and the rest ratio is due to other reasons do not covered by the study. The correlation coefficient is (97.4%), which confirms a strong positive relationship between the two variables. This means that with the increase of the capital owned by the commercial bank, its ability to grant credit to clients is increasing, which leads us to accept the validity of the first hypothesis (there is relationship of significant statistical significance between the possessed capital (X1) and the credit size (Y) provided by the commercial bank). The second sub-hypothesis: There is a statistically significant relationship between the size of deposits (X2) and the credit size (Y) provided by the commercial bank. From testing this hypothesis, the simple regression equation (X2 / Y) is obtained from the following table:

Y = 529.207 + .37x2

Table (5): Simple regression results (X2 / Y)

Explanatory variable	Regression coefficients β	T value	Significance
(Constant)	529.207	2.419	.060
Deposit size X1	.137	1.547	.183
Determination Coefficient (R^2) =32.4%		The modified value of (R^2) = 18.8%	
F value = 2.393		F sig. = .183	

It is clear from table (5) that there is no statistically significant relationship between the second variable (the size of the deposits X2) and the dependent variable (the credit size Y), in terms of the T- value (1.83), which is greater than the value of the standard significance of acceptance (0.05), where (18.8%) is very weak. This means that the independent variable fails to explain the changes in the dependent variable, and that 81.2% of the changes of the dependent variable are due to other factors do not cover by the study. This entails the rejection of the sub-second hypothesis: There is statistically significance relationship between the size of deposits X2 and the credit size (Y) provided by the commercial bank. The third sub- hypothesis: There is a statistically significant relationship between the lending interest rate (X3) and the credit size (Y) provided by the commercial bank. From testing this hypothesis, the simple regression equation (X2 / Y) is obtained from the following table:

Y = 3863.158 -255.731x3

Table (6): Simple regression results (X3 / Y)

Explanatory variable	Regression coefficients β	T value	Significance
(Constant)	3863.158	4.656	.006
X3	-225.731	-3.640	.015
Determination Coefficient (R²) =72,6% F value = 13,251		The modified value of (R²) = 67,1% F sig. = .015	

It is clear from table (6) that there is a statistically significant relationship between the third variable(interest rate on lending X 3) and the dependent variable (the credit size Y), in terms of T significance (.015), which is less than the standard value of (0.05), whereas T-value is (-3.640). The independent variable can explain the ratio (67.1%) of changes in the dependent variable. The correlation between the two variables is (85.2%), which represents an inverse correlation due to the negative signal of X3 coefficient in the regression equation, and this is consistent with the economic theory that indicates an inverse relationship between the interest rate and the credit size. The higher the interest rate is ,the lower the credit volume becomes and vice versa because the high-interest rate leads to higher cost of loans obtained by businessmen, which makes them look for other sources of funding if the interest rates are raised, and increase the demand for loans if the interest rate offered by commercial banks is low. Accordingly, the third hypothesis there is a statistically significant relationship between the interest rate on lending (X3) and the credit size (Y) provided by the commercial bank is accepted. The fourth sub-hypothesis: There is a relationship of significant statistical significance between the interest rate weighted by the possessed capital (variable X11) and the credit size (Y) provided by the commercial bank. From testing this hypothesis, the simple regression equation (X2 / Y) is obtained from the following table:

Y = 156.846 + .033x11

Table (7): Simple regression results (X11/Y)

Explanatory variable	Regression coefficients β	T value	Significance
(Constant)	156.846	1.311	.247
X11 – Interactive variable weighted by capital	.033	5.985	.002
Determination Coefficient (R²) = 87.8% F value = 35.819		The modified value of (R²) = 85.3% F sig. = .002	

It is clear from table (7) that there is a statistically significant relationship between the interactive variable (the interest rate on lending weighted by the possessed capital -X11) and the dependent

variable (the credit size -Y) in terms of T significance which reached (.002), which is less than the value of the standard significance index (0.05), whereas the T-value is (5.985). The explanatory power of this interactive variable weighted by possessed capital equals (85.3%) and this means that it explains changes in the dependent variable with the ratio (14.5%). Other changes are due to other reasons doing covered by the study. The correlation coefficient between them is (93.7) which mean a strong positive relationship, which leads us to accept sub-fourth hypothesis: (there is a statistically significant relationship between the interest rate weighted by possessed capital (interactive variable X11) and the credit size (Y) provided by the Commercial Bank). The fifth Sub-hypothesis: There is a significant statistical relationship between the interest rate weighted by deposits size (X22) and the size of credit (Y) provided by the commercial bank. From testing this hypothesis, the simple regression equation (X2 / Y) is obtained from the following table:

$Y = 585.122 + .009x22$

Table (8): Simple regression results(y / x22)

Explanatory variable	Regression coefficients β	T value	Significance
(Constant)	585.122	2.454	.058
X22 - Interactive variable weighted by deposits size	.009	1.169	.295
Determination Coefficient $(R^2) = 21.5\%$ The modified value of $(R^2) = 5.7\%$			
F value = 1.366 F sig. = .295			

It is clear from table (8) that there is no statistically significant relationship between the interactive variable (interest rate on lending weighted by the size of the deposits X22) and the dependent variable (credit size Y) in terms of T significance (T = .295) which is bigger than (0.05), whereas T-value is (1.169). From this it is evident the weakness of the explanatory power of this variable, which is 5.7%, which leads us to reject the fifth sub-hypothesis that there is a significant statistical relationship between the interest rate weighted by deposits size (X22) and the size of credit (Y) provided by the commercial bank.

4. Conclusions

It is clear from the above presentation, analysis and discussion the following:
1. The increase in the capital owned by the bank leads to the search for other means to invest this money.
2. Commercial banks are investing the increase in their capital by expanding the credit size provided by them.
3. The change in the size of deposits in commercial banks does not lead to a significant change in the expected credit size of these banks.
4. The rise in the interest rate on lending in Iraqi commercial banks leads to a reduction in the demand for loans due to the rise of debt burden on borrowers.
5. The provision of interest rate supported by the possessed capital power by the Iraqi Commercial Bank encourages the introduction of credit.
6. The provision of the interest rate supported by the size of deposits by the Iraqi Commercial Bank does not stimulate the increase in the credit size.
7. The emergence of a significant relationship between (possessed capital, ordinary interest rate, interest rate weighted by possessed capital and the credit size provided by the

commercial banks), and the absence of a significant statistical relationship between (size deposits, interest rate weighted by deposits size and credit size).

5. Recommendations

(1)   Increase the capital of Iraqi commercial banks through, subscription and increase of capital through the Iraqi stock market, borrowing from the Central Bank of Iraq, selling off some unused assets, and Participation or integration between banks.

(2)   maintaining a flexible interest rate to increase the credit size provided by Iraqi commercial banks through lowering the interest rate in recession case to stimulate liquidity and push the economy wheel, studying the market thoroughly and comprehensively before making any adjustment in the interest rate, increasing the credit periods provided by commercial banks to present facilitation to their customers, and diversity of loans areas covered by commercial banks to expand the beneficiaries,

(3)   Stimulate the processes of collecting deposits in Iraqi commercial banks and reinvest and employ them effectively to balance between profitability and liquidity through, introducing new savings deposits to attract new segments, diversity of investment channels and the search for new investment channels to increase profitability, investing in local and international capital markets through a balanced securities portfolio, and maintaining the Bank's minimum liquidity to meet the cash withdrawal risk at any time.

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Appendixes

First: Statistical data for the sample of the study

Possessed capital of the studied commercial banks (The value: one million Iraqi dinars)

years	Baghdad	Middle East	Gulf	Mansour	Mosul	Al Rafideen	Al Rasheed	Total Capital
2010	118.787	84.098	63.502	84.711	64.390	280.245	52.320	748.053
2011	139.620	137.899	118.184	109.479	89.155	330.569	73.540	998.473
2012	207.253	187.746	149.088	250420	222.429	465.044	129.804	1611.784
2013	291.263	202.779	303.984	280.109	261.253	525.480	140.360	2005.228
2014	292.419	307.074	345.974	281.792	262.939	416.300	149.155	2055.653
2015	262.144	276.967	321.626	288.468	262.607	243.252	98.832	1753.896
2016	282.821	289.731	333974	287.534	263.212	342.076	81.609	1880.957

Deposits size of the studied commercial banks (The value : one million Iraqi dinars)

years	Baghdad	Middle East	Gulf	Mansour	Mosul	Al Rafideen	Al Rasheed	Total deposits
2010	804.7	463.327	19.001	192.628	151.794	30.288	14.0166	1675.754
2011	699.4	505.117	216.937	156.178	166.689	30.5487	14.57118	1789.440
2012	1.046	615.784	260.780	136.083	242.245	30.547	14.98372	1300.315
2013	1.393	551.856	417.143	485.305	269.410	32.510	18.75488	4075.686
2014	1.491	358.118	455.212	568.324	71.464	31.418	16.36795	2501.394
2015	878	331.666	400.224	735.205	86.496	30.589	14.30628	2476.486
2016	827	326.517	420.133	781.009	88.451	30.831	14.48804	2488.428

Credit size of the studied commercial banks (The value : one million Iraqi dinars)

years	Baghdad	Middle East	Gulf	Mansour	Mosul	Al Rafideen	Al Rasheed	Total credit
2010	180.781	190.756	45.873	34.713	66.163	11.565	4.693	534.454
2011	150.128	142.631	87.645	65.702	84.524	12.226	4.914	547.770
2012	147.410	198.350	214.344	66.772	202.599	12.673	5.552	847.700
2013	219.109	208.868	288.100	89.222	153.389	13.036	5.591	977.315
2014	228.903	187.865	310.869	109.523	165.163	13.288	5.649	1021.260
2015	235.921	149.925	320.233	112.747	156.733	13.604	6.035	995.198
2016	237.718	126.346	350.233	114.534	161.212	14.462	5.806	1010.311

Interest rate on lending

years	Interest rate on lending %
2010	14.35
2011	14.13
2012	13.87
2013	13.57
2014	12.60
2015	12.29
2016	12.70