Research of influence of asset structure in forming income of banks of foreign bank groups

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The modern state of banks with foreign capital needs improvement of the profitability analysis methodology.

The purpose of the article is to research assets as factors forming income of banks with foreign capital. The research objects are foreign bank groups. The subjects of study are factors forming income of banks with foreign capital. The methodological and theoretical bases of research are specialized foreign and domestic labor in the industry in relation to the determination of factors forming income and evaluation and prediction of these values. Actual materials of research are accounts of banks of foreign bank groups presented on the official site of the National Bank of Ukraine. As a research instrument applied methods of multidimensional statistical analysis (plural regressive analysis and factor analysis) was used.

As of 01.01.2017 asset volume of banks with foreign capital was 33,8 % of the total asset volume of Ukrainian banks. A significant stake in the asset structure of banks with foreign capital is represented by credits and debts of clients. For the determination of the efficiency of asset management, it was suggested to investigate their influence on forming income of banks and the values of banks' asset indexes.

An assumption was made that output variables are indexes of assets – $x_i \left(i = \overline{1,14} \right)$ dependent on factors which cannot be observed. On this basis, it is suggested to use factor analysis which allows probing the connection structure between variables. By utilizing the Statistica package the statistical indexes determining the minimum amount of factors with which four latent factors were set. With the purpose of finding the optimum factor structure, the rotation of factors was carried out with the Varimax normalized method. After the rotation of factors, the factor loadings and values of factor coefficients of the output variables are obtained. Analyzing the value of the factor loadings, factor F_1 is interpreted as financial assets, factor F_2 is the investment potential, factor F_3 is the expansion of banks, factor F_4 is the asset base of banks.

The value of general factors was calculated and the model of income was built

$$Y = 492464F_1 - 1602235F_2 + 566208F_3 - -2798311F_4 - 1149889.$$

According to the values of the coefficients of the model in standardized variables, it is determined that the most significant negative effect on the formation of profits of the investigated banks are the factors F_2, F_4. An assessment of the model adequacy was conducted.

The obtained dependence of the values of the factors of the formation of profit on the indicators of assets and the model of profit of banks with foreign capital can be recommended for use in practice for the purpose of short-term forecasting while developing measures to improve the strategic efficiency of banks.