

Table of Contents

| | |
|--|------|
| STATEMENT OF ORIGINALITY OF THESIS PAPER Or INDEPENDENT WRITTEN WORK | ii |
| PREFACE | iii |
| Table of Contents | iv |
| TABLE LIST | vi |
| LIST OF APPENDIXES | vii |
| ABSTRACT | viii |
| CHAPTER I INTRODUCTION | 1 |
| 1.1 Background | 1 |
| 1.2. Problem Statement | 3 |
| 1.3. Research Question | 5 |
| 1.4. Research Purpose | 5 |
| 1.5. Research Benefit | 5 |
| 1.6. Scopes and Limitations | 6 |
| 1.7. Thesis Structure | 6 |
| CHAPTER II LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT | 8 |
| 2.1. Theoretical Basis | 8 |
| 2.1.1. Funding Liquidity Risk and Banks' Risk | 9 |
| 2.1.2. Bank Capital and Risk | 11 |
| 2.1.3. Bank Size and Risk | 12 |
| 2.1.4. COVID-19 Pandemic and Risk | 13 |
| CHAPTER III DATA COLLECTION AND RESEARCH ANALYSIS | 16 |
| 3.1 Research Design | 16 |
| 3.2 Data Collection Design | 16 |
| 3.3 Research Instrument | 16 |
| 3.3.1 Data Analysis | 16 |
| 3.3.2 Operational Variable Definition | 17 |
| 3.3.2.1 Dependent Variables | 17 |
| 3.3.2.2 Independent Variables | 20 |

| | | |
|--|--|----|
| 3.3.2.3 | Control Variables | 21 |
| 3.3.3 | Data Analysis | 22 |
| 3.3.3.1 | Descriptive Statistics | 22 |
| 3.3.3.2 | Regression Model with Panel Data | 23 |
| 3.3.3.3 | Coefficient of Determination (R^2) | 25 |
| 3.3.3.4 | Simultaneous Test (F test) | 26 |
| 3.3.3.5 | T-test | 26 |
| CHAPTER IV RESEARCH RESULTS AND DISCUSSION | | 27 |
| 4.1 | Data Description | 27 |
| 4.2 | Hypothesis Test | 29 |
| 4.2.1 | All Banks | 29 |
| 4.2.1.1 | Overall Risk of Banks | 29 |
| 4.2.1.2 | Asset Risk of Banks | 30 |
| 4.2.1.3 | Banks with high capital buffers | 31 |
| 4.2.2 | Big Banks | 34 |
| 4.3 | COVID-19 Pandemic | 37 |
| 4.3.1 | Macroeconomic Factors | 39 |
| CHAPTER V CONCLUSION AND SUGGESTIONS | | 43 |
| 5.1 | Summary of Findings | 43 |
| 5.2 | Implications | 44 |
| 5.3 | Limitation | 45 |
| REFERENCES | | 47 |

TABLE LIST

| | |
|---|----|
| Table 4. 1 Descriptive Statistics..... | 27 |
| Table 4. 2 Pairwise Pearson Correlation..... | 28 |
| Table 4. 3 Overall Risk of Banks Panel Regression Results | 29 |
| Table 4. 4 Banks with High Capital Buffers (HCB) Panel Regression Results ... | 32 |
| Table 4. 5 Percentiles for Equity Data | 33 |
| Table 4. 6 Big Banks (BIG) Panel Regression Results..... | 35 |
| Table 4. 7 Percentile for Total Asset Data | 36 |
| Table 4. 8 COVID-19 Pandemic Panel Regression Results | 38 |
| Table 4. 9 Macroeconomic Factors Panel Regression | 40 |