

Assessment of concentration in the banking services market

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Abstract

© Medwell Journals, 2016. The trend is revealed of the growing financial stability of the Russian banking sector. The level of concentration in the Russian banking services market in the recent 5 years is assessed. Concentration indices CR3, CR5, CR10 and Herfindahl-Hirschman Index are calculated, concentration curves are built. Internationally, the Russian banking sector belongs to the moderately concentrated markets. Increase of the size of credit portfolio produces either insignificant positive or negative effect on forming the bank's net profit. The increased impact of the size of natural persons' investments on the net profit is revealed.

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Keywords

Banking, Concentration, Concentration curves, Concentration index, Correlation-regression analysis, Herfindahl-Hirschman Index, Sustainability