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An Analysis of the Algerian Banking Sector's Resilience to the Global Financial Crisis

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This study examines the ability of the Algerian banking sector to withstand the negative impacts of the 2008 global financial crisis. To this end, it undertakes an analysis of key indicators, including lending activities, liquidity levels, and profitability levels for banks operating in Algeria. These indicators were compared between the pre-crisis period (2000-2007) and the post-crisis period (2008-2016). Furthermore, this study evaluated the differences in these indicators between public and private banking institutions.
The study revealed that both public and private banks in Algeria exhibited resilience during the financial crisis. Their lending activities, liquidity levels, and profitability, as measured by return on assets (ROA), improved in the post-crisis period compared to the pre-crisis levels. However, return on equity (ROE) was negatively impacted. Private banks

outperformed public banks regarding liquidity and ROA, while their ROE performance remained comparable. Algerian banks struggled to enhance ROE due to volatile global economic conditions.

Keywords: Algerian banking sector, global financial crisis, resilience, financial performance

JEL Classification Codes: G21, G01, G28, G30.

Introduction

The banking system constitutes a fundamental pillar of any economy worldwide because of its crucial role. It acts as a bridge between economic sectors, mobilising local savings and funding the necessary financial needs to develop various economic units, thereby driving economic development and growth. However, the financial system in general, and the banking system in particular, are susceptible to crises and imbalances. The financial system has historically experienced many crises, with the 2008 global financial crisis (GFC) being a significant example. The GFC caused severe shocks to various global economies, leading to the collapse and bankruptcy of several financial institutions.

The crisis did not exempt even the most robust economies, such as the United States. It has become a global crisis, impacting financial systems and banking sectors worldwide. Their profitability declined, financial stability was disrupted, and over a hundred banks faced bankruptcy in the United States, Europe, and other regions.

The catastrophic repercussions of financial crises on financial systems prompted monetary and governmental authorities, as well as international financial bodies, to tighten their control over financial and banking institutions. These entities focus on evaluating the performance of banking institutions and financial systems while monitoring the development of their activities. Banks are central units that finance other economic sectors in borrowing economies through various instruments. Therefore, evaluating bank performance is crucial for depositors, borrowers, and the government. Several models exist for this purpose, including the outputs of the Basel Committee and the European and American reform programmes implemented after the 2008 GFC.

The Algerian banking system holds significant importance in the national economy and plays a crucial role in financing various economic sectors. The GFC affected the Algerian banking sector since banking systems are interconnected and respond to changes in global financial systems and markets. Therefore, this study aims to determine the extent to which the Algerian banking sector can withstand the effects of the crisis while maintaining its role in the economy, investigating the following research question:

Is there any impact on the performance of commercial banks in Algeria?

This study is significant as it underscores the severe effects and major repercussions of global financial crises (GFCs). Additionally, it examines the resilience of the Algerian banking sector in understanding the impacts of the GFC. It compares the ability of public and private banks to cope with this crisis.

Theoretical background

A crisis is a sharp and sudden disturbance in economic equilibrium, often followed by the collapse of numerous financial institutions and their subsequent effects on other sectors (Hasman & Samartín, 2008). However, Mishkin (2011) argues that a financial crisis arises when financial markets fail to provide funds to investors.

A financial crisis generally refers to instability within banking and financial systems of one or more economies, encompassing currencies, financial institutions, and stock markets. Such crises can vary in nature and impact, affecting one or several economic sectors. Essentially, a financial crisis represents turmoil that impacts various financial variables, destabilising the financial sector and culminating in a full-blown economic recession.

A financial crisis is characterised by a sharp decline in asset prices, capital market failures, and collapse of financial companies. It manifests as a series of episodes of financial turmoil that pose significant risks to the stability and functioning of the financial system, often necessitating official intervention (Ewiada, 2010).

Financial crises are distinguished from other crises based on unique characteristics. They often erupt suddenly and violently, and are marked by a lack of clear information. The factors contributing to such crises are complex, overlapping, and often unclear at their occurrence, making them difficult to understand and address. This complexity creates a state of panic and fear among all economic agents, from investors to the financial and monetary authorities. Consequently, doubts and scepticism arise regarding proposed solutions and their effectiveness. This unstable atmosphere necessitates high control over resources and capabilities, ensuring their proper utilisation within an organisational framework. Effective communication within this framework fosters coherence and coordination among institutions (Abdul Latif, 2011).

Several factors contribute to the emergence of financial crises, broadly categorised as follows (Haldane et al., 2010; Obstfeld & Kenneth, 2009; Taylor, 2007):

- Expansionary Monetary and Fiscal Policies: Their implementation can initiate a series of chain reactions. Initially, such measures may encourage debt accumulation for investments in tangible assets (e.g., property or infrastructure), which can inflate stock and real estate prices. Eventually, this can lead to loan defaults and decreased collateral value, threatening banks' solvency.
- Fluctuations in Global Interest Rates: Changes in global interest rates influence the cost of borrowing and the flow of foreign direct investment to developing countries, affecting their overall attractiveness for investment.
- High Inflation Rates: Elevated inflation levels have direct impact on liquidity within the banking system. As the value of money declines, individuals and businesses may choose to retain cash or seek alternative value stores, reducing the funds available for lending and investment, which can lead to economic stagnation, a phenomenon observed in many South American and developing economies.
- Rapid Deregulation of the Financial Sector: The swift removal of restrictions on banks can lead to risky behaviour as institutions pursue high profits, which may result in a surge of non-performing loans and, ultimately, may precipitate banking failures.
- Asymmetric Information: Financial crises can be exacerbated by asymmetric information, whereby one party in a transaction possesses more information than the other. Such imbalances can lead to poor investment decisions, substantial financial losses, and the spread of rumours, further destabilising the market.
- Weak Control Systems and Financial Disclosure: Inadequate control systems and insufficient financial disclosure within financial markets can lead to the mispricing of financial assets, resulting in substantial investment losses.

A range of financial indicators can signal the onset of a financial crisis, and these indicators tend to be consistent across different crises.

Financial crises often originate in loan and bond markets. When countries default on their private debt service payments, the resulting repercussions can negatively impact banking institutions, increasing the risk of bankruptcy, as depositors fear the safety of their funds and lose confidence in banks' ability to protect their money. This scenario emerged during the 1982 debt crisis. Conversely, the collapse of banking institutions can also serve as a catalyst for financial crises, as evidenced by the 1929 crisis in the United States. Furthermore, an exchange rate crisis can spark a financial crisis by disrupting bond markets. In such circumstances, investors who have lost confidence in the local currency may divest from domestic bonds and seek security in bonds denominated in foreign currencies.

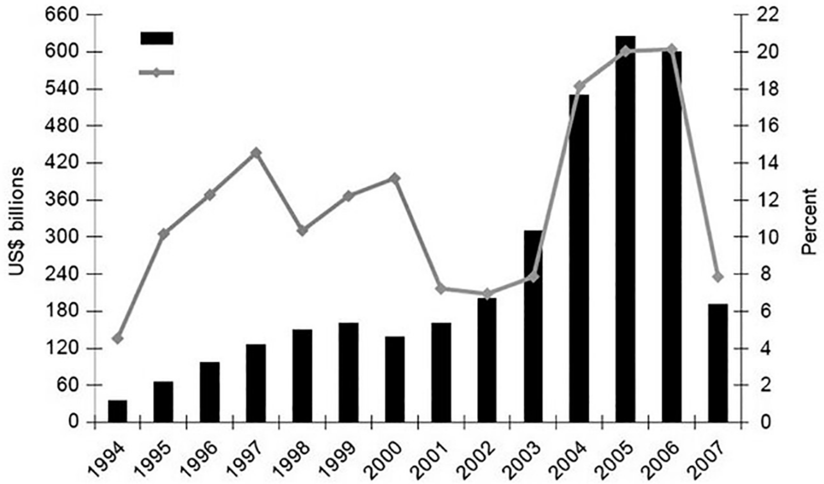
Debtor bankruptcy has the potential to incite considerable concern among foreign investors, leading them to sell their bonds *en masse*. This mass exodus can disrupt the exchange rate of the local currency due to a sudden increase in the supply of domestic assets. The devaluation of the currency or even the mere anticipation of such devaluation may prompt a wave of deposit withdrawals, as individuals and businesses seek to convert their holdings into foreign currencies to mitigate the risk of exchange rate losses. This phenomenon, commonly referred to as a bank run, can precipitate a banking crisis and result in exchange losses for agents engaged in foreign currency transactions. Furthermore, given the interconnected nature of financial systems, crisis can easily spread between the deposit and money markets. Many banks operate simultaneously in both markets, acting as financial intermediaries or securities dealers. Consequently, private banks in developed countries often hold a significant share of capitalisation in financial markets.

In 2008, a severe financial crisis emerged in the US mortgage market, triggered by a surge in defaults among approximately 3.4 million borrowers, which led to a significant rise in foreclosures, plunging the mortgage market into a crisis characterised by an alarming accumulation of mortgage debt (Taylor, 2007). The preceding year, 2007, was marked by a scarcity of liquidity across global credit markets and banking systems, which stemmed from high-risk lending and borrowing practices such as subprime mortgages and excessive leverage, coupled with the onset of a downturn in the real estate sector (Moran, 2009). The crisis intensified when the real estate bubble burst in the US and other countries. The bubble resulted from the aggressive marketing of real estate to low-income individuals, frequently disregarding prudent risk-management principles.

The loan contracts associated with the US housing boom contained provisions that exacerbated borrowers' risk. Notably, these contracts often mandated escalating monthly payments over the loan term. Additionally, even a single missed payment can trigger significant penalties, with interest charges applied multiple times for the month in default. Furthermore, many contracts included clauses allowing for interest rate adjustments based on policy changes enacted by the US Federal Reserve (Moran, 2009). These so-called "adjustable-rate mortgages" indicate that borrowers were vulnerable to fluctuations in prevailing interest rates. As real estate prices climbed and lending standards loosened, this combination of factors stimulated a surge in borrowing for home purchases. Consequently, the homeownership rate in the United States increased from 64% in 1996 to 69.2% in 2004. Fuelled by the general increase in property values, many homeowners borrowed against the mortgage of their homes, as illustrated in Figure 1.

In response to the emerging financial crisis, the US Federal Reserve implemented a series of monetary policy measures reducing the federal fund rates from 3.50%to 2% (Jones, 2009). However, this action inadvertently exacerbated the situation. As economic conditions worsened, a growing number of low-income borrowers began defaulting on their mortgages. The resulting wave of defaults contributed to a significant decline in property values, leaving banks, real estate companies, and insurance companies with insufficient collateral to cover their obligations. The crisis spilt over into the bond market, affecting the value of mortgage-backed securities and other related financial instruments. Investors apprehension regarding potential losses heightened, prompting widespread demands for payouts from insurance companies. However, overwhelmed by the scale of the crisis, numerous insurance companies have been unable to fulfil these obligations. Several prominent American banks, including Lehman Brothers, have filed for bankruptcy. In total, nineteen banks declared bankruptcy, while an additional 8,400 institutions faced collapse. The US economy entered a period of contraction as the crisis unfolded (Jones, 2009).

Figure 1: Evolution of mortgage lending in the USA (billion dollars)



Source: own study based on the study of Jaffee (2008).

This crisis severely affected economies worldwide, leading to the bankruptcy of numerous banks, real estate institutions, and insurance companies. Several prominent banks, such as IndyMac Bank, which held assets and deposits equal to approximately $ 1.5 billion, were among the casualties.

Loveridge (2022) revealed that the crisis significantly impacted advanced economies, which, despite their typically robust financial infrastructure, were unexpectedly vulnerable to such financial shocks. The crisis exposed weakness within these economies' banking and housing sectors, leading to severe economic contractions. Interestingly, wealthier countries experienced more severe economic outcomes, with deeper and longer contractions than some lower-income countries. The crisis of 2008 profoundly destabilised developed and developing countries. It affected stock markets worldwide, increasing their sensitivity, particularly in developing countries and some developed countries like Italy and Japan (Özdemir et al., 2022). Wu (2022) agreed that the 2008 financial crisis resulted in a severe global recession, with many economies experiencing negative growth rates. Unemployment rates soared as businesses closed or downsized, and significant financial institutions faced insolvency. This situation highlighted vulnerabilities in the banking sector and underscored the need for regulatory reforms. In response, governments increased public spending to stimulate economic growth, resulting in higher public debt levels.

Furthermore, the crisis accelerated the economic power shift towards emerging markets as developed economies struggled to recover. Nguyen et al. (2024) found that during the 2008 financial crisis, developing countries experienced significant fiscal constraints, leading to cuts in social expenditures. These reductions primarily affected healthcare and social protection programmes. Consequently, the cuts negatively affected human well-being, including increased health risks and reduced access to essential services.

Global financial markets are subject to dramatic fluctuations, as shown in Table 1. According to the Morgan Stanley Index, volatility has reached an alarming 60% across global markets. Emerging markets and Arab countries face even more pronounced instability, with volatility levels escalating to 67% and 65%, respectively.

A series of economic shocks resulted in a surge in debt across various sectors. Real estate debt expanded to a staggering $ 6.6 trillion, while corporate debt reached $ 18.4 trillion. Total debt surged to $ 39 trillion, further exacerbating the ongoing crisis. The unemployment rate increased to 5%, alongside an inflation rate of 4%. Simultaneously, member countries of OPEC (Organisation of Petroleum Exporting Countries) faced plummeting oil prices, which bottomed out at $ 55 per barrel at the onset of the crisis. Consumption, spending, and savings rates all contracted, leading to a sharp decline in car sales, particularly affecting American giants Ford and General Motors.

Table 1: Morgan Stanley Index during 2007–2008

Index	Date	Lowest level (Points)	Date	Highest level (Points)	Date	Ratio (%)
World Markets	3/9/2009	172.704	31/10/2007	417.634	31/10/2007	59.61
Emerging Markets	27/10/2008	454.340	29/10/2007	1338.487	29/10/2007	66.06
Arab Markets	4/3/2009	324.810	25/01/2008	921.702	15/01/2008	64.76

Source: own study based on the study of (Muftah, 2016). The global financial crisis. *Journal of Economic and Managerial Research* (08), P4.

Growth rates in developed countries plummeted from 1.4% in 2008 to merely 0.3% in the first half of 2009, with European nations experiencing a significant decline in real estate prices. While some companies in Asian countries, such as India and China, initially expressed optimism about the minimal impact of the crisis, reality proved otherwise. For example, Japan encountered a decline in economic growth and volatile stock prices, prompting its central bank to maintain a stable interest rate of 3.1%. The US dollar's devaluation further hampered corporate exports and industrial production, which contracted by 3.1%. The demand for raw materials, oil, and food dwindled, resulting in a global trade growth rate of only 3.3% in 2008. Many countries grappled with escalating deficits in their general budgets, while banking institutions worldwide reported decline in operational activity and profitability.

Arab countries were not spared from the GFC's impact in 2008. The sharp decline in oil prices significantly reduced exports, causing growth rates to plummet to 4.2% in 2009. Estimates indicate a 30% reduction in the value of wealth funds held by these nations. Furthermore, Arab investments in the Gulf region suffered due to the decline in Arab capital markets, with indices falling substantially by 37%. The real estate and banking sectors also experienced considerable losses.

Gulf countries experienced the crisis's impact primarily through their financial institutions' exposure to securities linked to real estate mortgages and contracts. Consequently, the Gulf Cooperation Council (GCC) incurred losses of approximately $ 750 million. Furthermore, the credit landscape deteriorated because of a lack of liquidity and a surge in borrowing costs.

North African economies were similarly affected. Tunisia's economic growth rate contracted significantly due to global crisis. Demand for agricultural products dwindled, tourism plummeted, and unemployment surged to 17.78%. The nation also faced a widening trade deficit and a decline in living standards. Egypt experienced a similar downturn with decreased traffic through the Suez Canal, leading to a revenue drop of $ 319.8 million in 2008. The Egyptian tourism sector has also suffered considerable damage. Morocco's economy was not immune to the global downturn, as demand for its key exports, phosphates, and food had contracted. The decline in tourism further compounded the economic woes, leading to decreased revenue and a rise in foreign debt.

Data and methodology

This study aims to determine the impact of the 2008 Global Financial Crisis (GFC) on the performance of Algerian commercial banks. To achieve this research objective, an inferential methodology approach incorporating hypothesis testing was adopted. The focus was on all commercial banks operating in Algeria, with sufficient data for analysis. Data were collected from the Central Bank of Algeria's reports and the International Monetary Fund's database covering the period from 2000 to 2016. For analytical clarity, the study was divided into two periods: pre-GFC (2000-2007) and post-GFC (2008-2016).

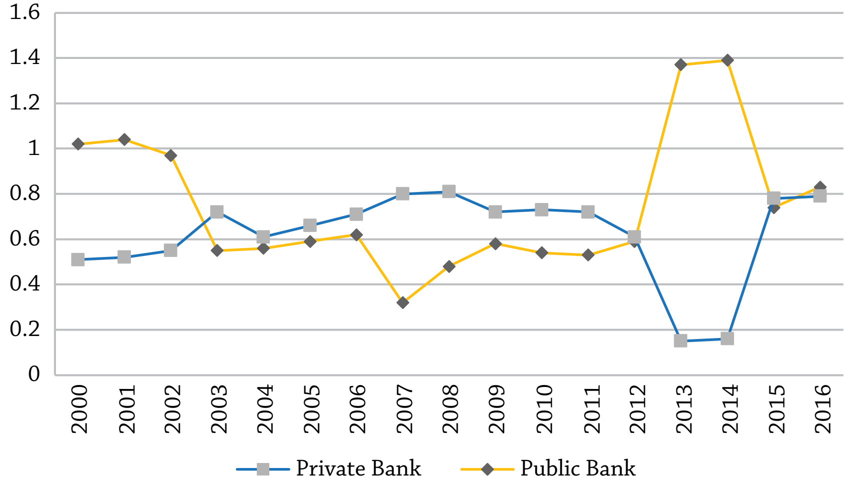
This study was grounded on financial indicators, such as profitability ratios, liquidity ratios, and asset quality measures, to determine the impact of the Global Financial Crisis (GFC) on bank performance. Additionally, a statistical test (t-test) was conducted to determine the statistical significance of the observed variations in bank performance between the pre-GFC and post-GFC periods.

Results

1. Lending activities

This indicator reflects banks' ability to use deposits as loans. It is calculated by dividing the total amount of loans granted by the total amount of deposits received. Figure 2 below provides a graphical representation of the deposit utilisation ratio for both public and private banks in Algeria over the period from 2000 to 2016.

Figure 2: Total loans to deposits of public and private banks in Algeria (%)



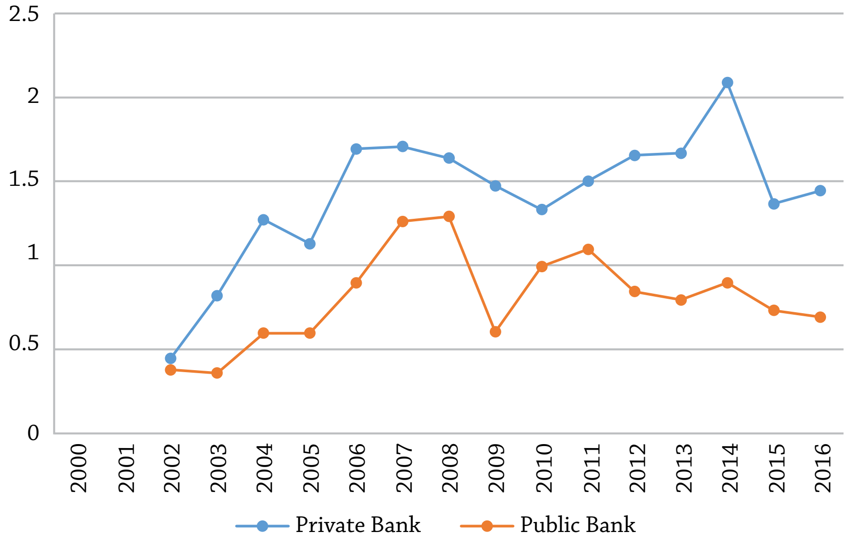
Source: own study based on the annual reports of the Bank of Algeria (2000–2017).

An analysis of the loan--to-deposit ratio for Algerian public and private banks provides insight into the proportion of deposit funds that are allocated to lending activities. This ratio was high for public banks prior to the GFC, particularly during the period from 2000 to 2002. A decline was observed in 2003, after which the ratio remained relatively stable until 2007. It decreased due to the GFC, but public banks subsequently improved their performance in collecting deposits and providing loans, peaking in 2015. The ratio experienced relative stability for private banks because of their controlled dealings with customers and their limited size and market share. However, it decreased in 2014 before returning to its previous levels in 2016.

2. Liquidity

This indicator denotes the capacity of banking institutions to maintain the necessary assets liquidity in order to fulfil their financial obligations as they become due. It is measured by the ratio of short-term deposits (defined as those with maturities of less than one year) to savings and long-term deposits (those with maturities of one year or more). The resulting ratio serves as a metric for assessing a bank's ability to cover immediate financial demands.

Figure 3: Ratio of current deposits to savings and long-term deposits (%)



Source: own study based on the annual reports of the Bank of Algeria (2000–2017).

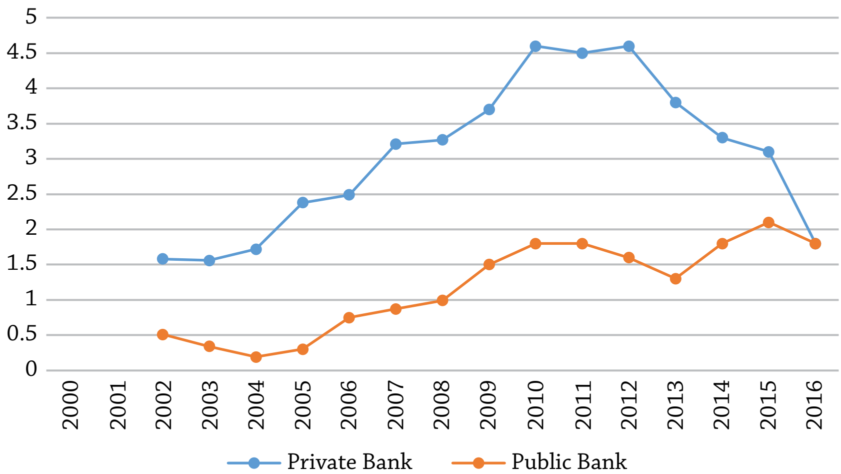
Figure 3 illustrates the disparities in the ratio of current deposits to savings and time deposits between public and private banks. During the period under review, private banks maintained a higher proportion of current deposits than savings deposits, resulting in a higher ratio. In contrast, public banks exhibited a greater volume of long-term deposits compared to current deposits. The ratio for public banks demonstrated an upward trend from 2002 until 2008, after which it started to decline – a pattern Mirrored by private banks during the same timeframe. Following 2009, liquidity in both public and private banks improved and stabilised at their previous levels.

3. Profitability

Return on assets

Figure 4 below shows the profitability level of Algerian banks, considered in terms of return on assets (ROA). This ratio measures the effectiveness of management in utilising available resources to generate profits.

Figure 4: Return to assets (%)



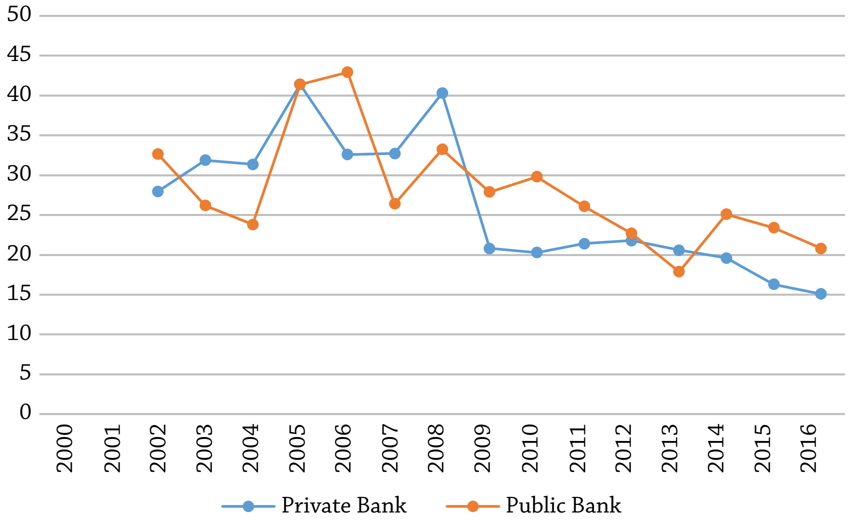
Source: own study based on the annual reports of the Bank of Algeria (2000–2017).

Figure 4 shows that the ROA for private banks exhibited better performance compared to public banks during the study period. This difference may be attributed to operational efficiency, asset quality, or risk management strategies. Furthermore, the data indicate that the ROA for both types of Algerian banks experienced a sustained increase, indicating that the GFC did not have an immediate impact. However, a significant decrease in ROA occurred after 2011, implying a lagged effect of the crisis. This delay could be explained by factors including government intervention, loan restructuring, or changes in economic conditions. The figure shows that public banks subsequently regained their pace of growth, reaching a higher average ROA compared to previous years. In contrast, private banks continued to experience a decline in ROA after 2012.

Return on equity

Figure 5 below shows the profitability index measured by return on equity (ROE), an indicator that assesses the capacity of banks' ability to invest their funds and generate returns. The data indicate that the ROE for both private and public banks remained relatively close throughout the study period. However, a noticeable decline occurred in 2007 in response to the impact of the GFC, and this downward trend continued in the following years until 2010.

Figure 5: Return on equity (%)



Source: own study based on the annual reports of the Bank of Algeria (2000–2017).

This decrease raises several questions about Algerian banks' ability to utilise private funds and generate profits effectively. It also calls into question their capacity to invest their funds in high-yielding assets, especially in volatile financial markets. This situation may lead to concerns about these banks' long-term sustainability and growth potential, as well as the overall stability of the Algerian banking sector.

Hypothesis testing

The study used t-tests to assess differences between the values of the performance indicators during the pre-GFC and post-GFC periods, statistically testing the impact of the GFC on the operational performance of Algerian commercial banks.

Table 2: Differences in the performance of public banks before and after GFC

Indicator	Average before GFC	Average after GFC	Difference	T-value (P-Value)
Lending Activities	0.708	0.783	–0.074	–0.484 (0.635)
Liquidity	68.07	88.24	–20.16	–0.400 (0.183)
ROA	0.493	1.632	–1.138	–7.014 (0.000)
ROE	32.24	25.21	7.022	2.115 (0.054)

Source: own study based on the statistical analysis.

Table 2 shows no statistically significant difference between the pre-crisis and post-crisis periods for the lending ratio of public banks. The observed difference of 0.074 is not statistically meaningful as the p-value is greater than 0.05. This result suggests that the GFC did not have a statistically relevant impact on the ability of public banks to utilise deposits, even though a decrease was observed in 2007, as shown in Figure 3.

This resilience may be attributed to the large size of public banks and their substantial market share, which allowed them to maintain their function of converting deposits into loans despite the challenging conditions of the GFC. In terms of liquidity, it is evident that public banks held higher liquidity levels after the GFC compared to the pre-crisis period, with a recorded difference of 20.16. However, this difference is not statistically significant. This outcome can be explained by the fact that public banks actively maintained high liquidity levels to meet potential withdrawal requests from depositors who were concerned about the ongoing effects of the GFC on the global economic situation.

With respect to profitability indicator expressed by ROA, the results imply a statistically significant improvement after the GFC compared to the pre-crisis period, with a difference of 1.138. This result suggests that public banks were more effective in generating higher profits from their assets after the GFC. This enhancement may be attributed to adopting precautionary measures such as stricter lending criteria, focusing on low-risk industries, and diversifying investment portfolios. In contrast, the ROE for public banks was higher during the pre-GFC period and declined after the crisis, with a statistically significant difference of 7.02 (at 0.1 level).

This result suggests that the ability of public banks to invest their funds and generate returns decreased after the GFC. This decline can be attributed to several factors, including the downturn in global financial markets, the banks' reluctance to invest their capital in an unstable economic climate, and the Central Bank of Algeria's instructions to exercise caution in investment activities. As a result, public banks may have reduced their exposure to riskier investments such as equities, real estate, or venture capital and opted for more conservative options with lower returns.

Table 3 below presents the hypothesis test results for the difference between the pre-GFC and post-GFC periods regarding private banks' lending, liquidity, ROA, and ROE indicators.

Table 3: Differences in the performance of private banks before and after GFC

Indicator	Average before GFC	Average after GFC	Difference	T-value (P-Value)
Lending Activities	0.635	0.607	0.027	0.273 (0.788)
Liquidity	117.78	157.38	39.60-	–2.116 (0.054)
ROA	2.15	3.63	1.47-	–3.41 (0.004)
ROE	32.99	21.8	11.19	3.335 (0.005)

Source: own study based on the statistical analysis.

The results show no statistically significant difference in lending activity among private banks between the pre-crisis and post-crisis periods. This indicates that private banks, despite the crisis, were able to sustain their standard rate of converting deposits into loans. Regarding liquidity, the analysis demonstrates a statistically significant improvement (at the 0.1 level) in the liquidity levels of private banks after the crisis compared to the pre-crisis period, with an observed difference of 39.60. This result supports the hypothesis that both private and public banking institutions in Algeria pursued policies cantered on building liquidity reserves as a strategic response to the adverse conditions posed by the financial crisis.

The results indicate a statistically significant improvement (at 0.01 level) in the profitability of private banks, as measured by ROA, following the GFC compared to the pre-crisis period, with a difference of 1.47. This suggests that private banks, mirroring the trend observed in public banks, enhanced their ability to generate profits relative to their assets. This improvement may be attributed to focusing on projects with favourable risk-return profiles and a more rigorous assessment of client and project risks. However, the results also show a statistically significant decline in ROE after the GFC, with a difference of 11.9. This indicates that private banks faced challenges in maintaining their previous levels of profitability from private fund investments due to the unstable global economic environment and the decline in financial market performance.

Conclusion

This study aimed to examine the impact of the 2008 Global Financial Crisis (GFC) on commercial banks operating in Algeria. The GFC is considered as one of the most significant financial disruptions of recent decades due to its severe consequences, which affected economies worldwide. Furthermore, the GFC's impact was far-reaching, affecting various sectors, including industry and tourism, with particularly severe consequences for the banking sector and financial markets.

Like other economies, Algeria was not immune to the effects of GFC. Economic growth declined due to a decrease in Algeria's oil revenue, triggered by the reduction in oil prices during the recession in developed economies. The study's results indicated that both public and private Algerian commercial banks experienced a slight decrease in lending activity, liquidity, and profitability indicators during the crisis period from 2007 to 2009. Overall, a comparison of the pre-GFC and post-GFC periods revealed improvements in most performance indicators for private and public commercial banks, except for return on equity (ROE).

The improved performance of commercial banks following the GFC can be attributed to multiple factors. Primarily, the limited integration of the Algerian financial system with global financial markets mitigated the impact of the GFC on the Algerian banking sector. Secondly, monetary authorities in Algeria implemented stricter bank protection and supervision measures to safeguard Algerian banks from bankruptcies that affected banks worldwide. However, the study also highlighted a significant decline in ROE for Algerian commercial banks after the crisis. This decline can be explained by the difficulty of investing equity and obtaining high returns due to global economic instability and financial market turmoil.

Finally, despite their relative recent establishment and low market share, private banks in Algeria demonstrated remarkable resilience to the GFC. They even outperformed public banks due to their professional management practices and avoidance of high-risk investment strategies.

The study articulates recommendations for policymakers to strengthen the banking sector's resilience in light of the findings. It is imperative for Algerian banks to enhance their risk management frameworks by developing comprehensive risk assessment tools and strategies to navigate global economic uncertainties effectively. Additionally, banks must diversify their investment portfolios by exploring alternative investment opportunities. Furthermore, a strong emphasis on innovation and adopting advanced technologies is critical for improving operational efficiency, customer engagement, and service delivery. By implementing these strategies, banks can mitigate the repercussions of potential future crises, elevate their service offerings, enhance customer satisfaction, and solidify their competitive standing within an increasingly dynamic market environment.

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Analiza odporności sektora bankowego Algierii na globalny kryzys finansowy

Abstrakt

Artykuł analizuje zdolność algierskiego sektora bankowego do przetrwania negatywnych skutków globalnego kryzysu finansowego z 2008 roku. W tym celu przeprowadzono analizę kluczowych wskaźników, w tym działalności kredytowej, poziomu płynności i poziomu rentowności banków działających w Algierii. Wskaźniki te porównano między okresem przed kryzysem (2000–2007) a okresem po kryzysie (2008–2016). Ponadto, w badaniu oceniono różnice w tych wskaźnikach między publicznymi i prywatnymi instytucjami bankowymi. Badanie wykazało, że zarówno banki publiczne, jak i prywatne w Algierii wykazały się odpornością w czasie kryzysu finansowego. Ich działalność kredytowa, poziom płynności i rentowność, mierzone stopą zwrotu z aktywów (ROA), poprawiły się w okresie po kryzysie w porównaniu z poziomami sprzed kryzysu. Jednakże zwrot z kapitału własnego (ROE) uległ negatywnemu wpływowi. Banki prywatne osiągnęły lepsze wyniki niż banki publiczne pod względem płynności i ROA, podczas gdy ich rentowność ROE pozostała porównywalna. Algierskie banki miały problemy ze zwiększeniem wskaźnika ROE ze względu na niestabilną sytuację gospodarczą na świecie.

Słowa kluczowe: algierski sektor bankowy, globalny kryzys finansowy, odporność, wyniki finansowe

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