

TITLE : The Analysis of Return and Cost of the Government
Housing Bank during 1975 - 1989


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This thesis is the study and analysis of return and cost of the Government Housing Bank. Presently, the demand for housing is increasing rapidly. This causes the bank to take part in helping those who are in the middle and lower income class to be possible to have housing of their own. The objective of the study is to study the GHB's operation focus on its sources of fund to be lent and the operation cost which would guide to the understanding about the bank's income. The data studied are those during the period of 1975 - 1989.

The study may yield the benefits to the banks in determining the interest rate of the loan keeping in mind to be one percent lower than those of the commercial bank due to the intention to help those who demand housing and response to the Government's policy.

The study results are as follows :

1. Structure of the Government Housing Bank's fund can be described into two parts ; Sources of fund and uses of fund. The bank's fund came from its own capital fund , the deposit and borrowing from the domestic as well as foreign sources. The uses of fund consist of cash and the deposits in other commercial banks, the loan and the investment in fix assets.

2. The GHB's cost of capital consists of the bank's expense to the interest paid on the borrowing and the deposits.

3. Expense and income rate per capital consists of the expense rate per capital and the income rate per capital.

4. There is no correlation between the bank's growth rate of the loan and the profit and operational expenses whereas the growth rate of the loan is correlated to the increasing of customers.

5. The B/C ratio of the GHB was equivalent to 1.11 and 1.12 , discounted at 13 and 15 percent, respectively.