KMAN PUBLISHING INSTITUTE

Article history:
Received 03 August 2025
Revised 12 November 2025
Accepted 01 January 2025
Published online 01 June 2026

Journal of Resource Management and Decision Engineering

Volume 5, Issue 2, pp 1-8

The Role of Loans in Achieving the Financial Stability of Commercial Banks

Mohammed. Abdulridha Breesam Abboodi[1], Maryam. Khalili Araghi[1*], Zohreh. Hajiha[2]

[1] Department of Financial Management, SR.C., Islamic Azad University, Tehran, Iran
[2] Department of Accounting, ST.C., Islamic Azad University, Tehran, Iran

*** Corresponding author email address**: m-khaliliaraghi@srbiau.ac.ir

Article Info

Article type:
Original Research

How to cite this article:
Abdulridha Breesam Abboodi, M., Khalili Araghi, M. & Hajiha, Z. (2026). The Role of Loans in Achieving the Financial Stability of Commercial Banks. *Journal of Resource Management and Decision Engineering, 5*(2), 1-8.
https://doi.org/10.61838/kman.jrmde.5.2.236

A B S T R A C T

The present study was conducted to examine the role of loans in achieving the financial stability of commercial banks. In terms of purpose, this research is an applied study; in terms of nature, it is considered quantitative; and based on the method of implementation, it falls within the category of correlational research. The statistical population of the study consisted of 85 financial managers, credit managers, and senior financial experts from 10 active commercial banks in the Republic of Iraq (including state-owned banks, domestic private banks, and foreign banks), who were selected through purposive sampling based on operational accessibility, level of organizational responsibility, and degree of professional expertise. The data collection method was both field-based and documentary. The research instrument was a 10-item questionnaire using a 5-point Likert scale, with a content validity index of 0.91 and a reliability coefficient exceeding 0.70. Data analysis was conducted at both descriptive and inferential levels using regression analysis in SPSS software. The results indicated that lending has a positive and statistically significant effect on banks' financial stability ($\beta = 0.28$). Based on the conducted analyses, the effect of lending on financial stability occurs primarily indirectly and through increased profitability and improvement in the capital base.

Keywords: *Loans; Financial Stability; Iraqi Commercial Banks.*

1. Introduction

The stability of commercial banks constitutes a fundamental pillar of modern financial systems, influencing macroeconomic resilience, investment dynamics, and sustainable economic development. In contemporary banking environments characterized by heightened uncertainty, technological transformation, climate risk, geopolitical tensions, and regulatory restructuring, the mechanisms through which banks preserve financial stability have gained unprecedented academic and policy relevance. Among the diverse determinants of banking stability, lending activity remains central, as it simultaneously represents the core function of banks and a primary channel through which risk, profitability, and liquidity are transmitted throughout the financial system (Mousavi & Ghazari Neshabouri, 2024; Thakor & Edison, 2024). The expansion or contraction of bank lending shapes capital formation, enterprise growth, employment, and economic cycles, thereby positioning loans at the heart of financial system performance and fragility.

From a theoretical perspective, bank lending serves as the dominant instrument of liquidity creation and resource allocation within the economy. Banks mobilize deposits and convert them into productive investments by extending credit, a process that directly affects financial stability through its impact on income generation, asset quality, and capital adequacy (Thakor & Edison, 2024). Efficient lending fosters sustainable profitability, while excessive or poorly structured credit expansion amplifies systemic vulnerability and increases the probability of financial distress. Consequently, the balance between credit growth and risk containment forms the strategic core of banking stability management (Ho & Wang, 2023; Mirović et al., 2023). This dual character of lending as both stabilizer and destabilizer necessitates continuous empirical investigation across diverse institutional contexts.

Recent scholarship has emphasized that financial stability should no longer be conceptualized solely through traditional solvency indicators, but rather as a multidimensional construct integrating profitability, capital sufficiency, liquidity strength, operational efficiency, and resilience against external shocks (Mirović et al., 2023). This integrated view aligns with emerging regulatory frameworks that recognize the interconnected nature of financial risks and the systemic role of banks. Within this framework, lending policies directly influence nearly every component of bank stability: loan volumes affect earnings; loan quality shapes non-performing assets; and credit structure interacts with capital buffers and liquidity positions (Chowdhury et al., 2023; Ho & Wang, 2023). Consequently, the strategic management of lending operations has become a focal point of contemporary banking governance.

Empirical evidence from global markets further underscores the complex interaction between lending and financial stability. Studies conducted in Asia, Europe, and emerging economies consistently demonstrate that while credit expansion contributes to growth and competitiveness, it simultaneously elevates exposure to default risk, macroeconomic volatility, and systemic shocks (Chen et al., 2023; Ciptawan, 2023; Loang et al., 2023). The Asian financial crises, the global financial crisis of 2008, and the economic disruptions caused by the COVID-19 pandemic have all illustrated how misaligned lending strategies can undermine bank stability and propagate financial contagion across markets (Ho & Wang, 2023; Mirović et al., 2023). These lessons reinforce the necessity of calibrating lending behavior within robust risk management frameworks.

In developing and emerging economies, the role of lending assumes even greater significance due to structural vulnerabilities, weaker regulatory infrastructures, and higher exposure to external shocks. Research conducted in Southeast Asia during the COVID-19 pandemic revealed that fluctuations in loan quality, macroeconomic instability, and bank-specific characteristics significantly affected non-performing loan ratios and overall financial stability (Chowdhury et al., 2023; Loang et al., 2023). Similarly, studies from China illustrate that innovations in fintech lending, while expanding access to finance, introduce new dimensions of credit risk and systemic exposure that directly influence bank stability (Chen et al., 2023; Xu, 2023). These dynamics demonstrate that the stability-lending nexus remains highly context-dependent and sensitive to institutional conditions.

Within Middle Eastern and regional contexts, macroeconomic volatility, political uncertainty, and structural economic transitions further complicate the relationship between lending and stability. In Iran, for example, fluctuations in macroeconomic indicators such as inflation, exchange rates, and monetary policy have been shown to exert significant influence on banks' lending behavior and financial resilience (Mehrara & Khodadadi, 2017; Shahchera & Taheri, 2016). Likewise, evidence from the MENA region highlights how environmental risks and green growth strategies increasingly interact with loan portfolios and risk management systems, thereby reshaping the determinants of financial stability (Khemiri & Nouaili, 2025; Muzuva & Muzuva, 2024). These findings underscore the evolving complexity of the banking environment and the expanding set of factors that condition the impact of lending on financial stability.

Beyond macroeconomic and environmental forces, corporate governance structures and institutional arrangements also play a critical role in shaping lending outcomes and bank stability. Empirical investigations reveal that shareholder conflicts, governance quality, and regulatory enforcement significantly influence market reactions to bank loan announcements and long-term financial performance (Wei et al., 2025). Similarly, geopolitical risk has emerged as a crucial determinant of loan pricing and credit availability, with higher geopolitical uncertainty raising the cost of bank loans and increasing systemic vulnerability (Nguyen & Thuy, 2023). These institutional and geopolitical dimensions further complicate the risk-return trade-off embedded in bank lending strategies.

At the micro-level, advances in data analytics and artificial intelligence have transformed credit evaluation and risk assessment processes. Techniques such as support vector machines and clustering algorithms are increasingly used to classify loan applicants and predict default risk with greater precision (Chen et al., 2023; Talouei Eshleghi et al., 2022; Tolouei Ashlaghi et al., 2022). These technological innovations offer substantial potential for enhancing financial stability by improving loan portfolio quality and reducing information asymmetries. However, their effectiveness ultimately depends on the institutional capacity of banks to integrate these tools within coherent risk management systems.

Despite the expanding body of international research, significant gaps persist in understanding how lending behavior influences financial stability in fragile and transition economies, particularly in contexts characterized by political instability, regulatory fragmentation, and underdeveloped financial infrastructures. The Iraqi banking sector represents a particularly salient case in this regard. Iraq's financial system has undergone substantial restructuring following decades of conflict, economic sanctions, and institutional transformation. Commercial banks in Iraq operate within a complex environment marked by high sovereign risk, volatile macroeconomic conditions, evolving regulatory frameworks, and limited financial inclusion. In such settings, the strategic management of lending operations becomes not merely a matter of profitability but a critical determinant of systemic survival and economic recovery.

Although Iraq has witnessed gradual expansion in banking activities and regulatory reforms in recent years, empirical studies focusing on the lending-stability nexus within its commercial banking sector remain scarce. Existing regional and international research offers valuable insights but cannot fully capture the unique institutional, political, and economic characteristics that define the Iraqi financial landscape (Mirović et al., 2023; Mousavi & Ghazari Neshabouri, 2024). Consequently, a context-specific examination of how lending influences financial stability in Iraqi commercial banks is urgently needed to inform both academic discourse and policy design.

Furthermore, the Iraqi economy faces mounting pressures from climate risk, energy transition, and geopolitical instability, all of which directly affect banks' loan portfolios and risk exposures (Khemiri & Nouaili, 2025; Muzuva & Muzuva, 2024; Nguyen & Thuy, 2023). Simultaneously, small and medium enterprises—critical engines of economic recovery—remain heavily dependent on bank financing, further amplifying the systemic importance of lending decisions (Tab'at Mo'atoqi, 2023; Xu, 2023). In this context, understanding the precise mechanisms through which lending contributes to financial stability becomes central to designing resilient banking strategies capable of supporting sustainable development.

Taken together, the theoretical foundations, global empirical evidence, and contextual realities converge on a critical research question: to what extent, and through which mechanisms, does lending activity influence the financial stability of commercial banks operating in volatile and transitional economic environments? Addressing this question is not only academically significant but also carries profound implications for regulatory policy, risk governance, and economic development planning.

The aim of this study is to analyze the effect of lending on the financial stability of commercial banks operating in the Republic of Iraq.

2. Methods and Materials

The present study was designed as an applied research project in terms of purpose, quantitative in nature, and classified methodologically as an analytical–correlational investigation. The statistical population consisted of all commercial banks operating in the Republic of Iraq whose financial statements are regularly published and compatible with the objectives of the research. According to the Central Bank of Iraq report of 2023, a total of 45 commercial banks are active in the country, including state-owned banks, domestic private banks, and foreign banks. Using purposive sampling, 10 banks were selected from this population to ensure data quality and enable fair comparability across institutions. The selection criteria included possession of an operating license issued by the Central Bank of Iraq, availability of audited and publicly released financial statements, continuous operational activity during the three fiscal years from 2021 to 2023, and core business functions involving deposit mobilization and loan provision. The selected banks were Rafidain Bank, Rasheed Bank, Trade Bank of Iraq, Bank of Baghdad, Kurdistan International Bank, National Bank of Iraq, Sumer Commercial Bank, Al-Rafidain Islamic Bank, Al-Mansour Bank, and Al-Warka Bank for Investment and Finance. The human sample size was determined using Cochran's formula, resulting in the selection of 85 participants comprising financial managers, credit managers, and senior financial experts from the selected banks. Participants were chosen based on operational accessibility, level of organizational responsibility, and degree of professional expertise to ensure informed and reliable responses.

Data were collected through both field-based and documentary methods. The primary data collection instrument was a 10-item structured questionnaire measured on a five-point Likert scale ranging from “strongly disagree” (1) to “strongly agree” (5). The questionnaire was developed based on standardized financial and banking assessment instruments extracted from authoritative international sources, including frameworks of the International Monetary Fund and recent empirical studies in banking and financial stability research (Hu & Wang, 2023; Mirović et al., 2023; International Monetary Fund, 2021). Content validity of the instrument was evaluated by subject-matter experts and yielded a content validity coefficient of 0.91, indicating strong conceptual adequacy. Reliability was assessed using Cronbach’s alpha coefficient, producing values of 0.84 for the lending construct and 0.83 for the financial stability construct, both exceeding accepted thresholds for internal consistency and demonstrating the robustness of the measurement instrument.

Data analysis was conducted at both descriptive and inferential levels using SPSS statistical software. Descriptive analysis involved the computation of central tendency indicators, including mean and median, as well as dispersion measures such as standard deviation and variance to provide a comprehensive profile of the data distribution. Prior to inferential analysis, normality assumptions were examined using the Shapiro–Wilk test alongside assessments of skewness and kurtosis to verify the appropriateness of parametric procedures. Inferential analysis primarily employed regression analysis to evaluate the effect of lending on the financial stability of commercial banks. The analytical framework enabled the identification of both the magnitude and statistical significance of relationships among variables, thereby providing empirical evidence regarding the structural impact of lending behavior on banking financial stability within the Iraqi banking system.

3. Findings and Results

The demographic profile of the respondents indicates that out of the total sample of 85 participants, 30 individuals were financial managers, representing 35.30% of the sample, 28 participants were credit managers, accounting for 32.90%, and 27 respondents were senior financial experts, comprising 31.80% of the total sample, which together reflect a well-balanced distribution of key professional roles directly involved in financial decision-making and credit operations within the selected commercial banks.

Table 1

Descriptive Statistics of Questionnaire Variables

Variable	Number of Items	Mean	Standard Deviation	Minimum	Maximum
Lending	5	3.82	0.64	2.20	5.00
Financial Stability	5	3.68	0.69	1.80	5.00

The mean score for lending (3.82) indicates that the sampled banks have extended a considerable volume of loans and that this activity has generally contributed positively to profitability and asset growth. However, the observed standard deviation of 0.64 reflects noticeable variability among banks in the intensity and structure of their lending operations. The mean score for financial stability (3.68) suggests that, despite an overall positive condition, certain challenges persist, particularly in the areas of liquidity management and capital adequacy. This interpretation is consistent with institutional reports, especially among state-owned banks, which have documented declines in the Liquidity Coverage Ratio (LCR), indicating emerging pressures on short-term financial resilience.

The results of the Shapiro–Wilk normality test indicated that the lending variable ($W = 0.972$, $df = 85$, Sig. = 0.102) and the financial stability variable ($W = 0.978$, $df = 85$, Sig. = 0.215) both exhibited significance levels greater than 0.05, demonstrating that the null hypothesis of normal distribution could not be rejected and that the data for both variables were statistically normally distributed, thereby fully supporting the application of parametric analytical techniques; moreover, the skewness and kurtosis statistics further confirmed this conclusion, as the skewness values for lending (0.34) and financial stability (−0.33) and the kurtosis values for lending (−0.45) and financial stability (−0.08), together with their corresponding standard errors, all fell within the acceptable range of ±1, indicating that the distributions were not only statistically normal but also symmetrical in shape and closely approximated the theoretical normal curve.

Table 2

Regression Model Summary

Model	R	R^2	Adjusted R^2	Standard Error of Estimate
1	0.85	0.72	0.70	0.51

The coefficient of determination ($R^2 = 0.72$) demonstrates that 72% of the variance in financial stability is explained by the independent variable, lending, reflecting a very strong explanatory capacity of the model. The adjusted R^2 value of 0.70 confirms the robustness of the model and indicates that the explanatory power remains high even after accounting for sample size and model complexity. Furthermore, the standard error of estimate (0.51) is within an acceptable range, suggesting that the model provides a reasonably precise prediction of financial stability outcomes.

Table 3

Regression Coefficients of the Model

Variable	B	Standard Error	Beta	t	Sig.	Result
Constant	0.78	0.23	—	3.39	0.001	Significant
Lending	0.29	0.09	0.28	3.22	0.002	Significant

The positive and statistically significant coefficient for lending ($\beta = 0.28$, Sig. = 0.002) confirms the research hypothesis that lending exerts a meaningful and positive influence on the financial stability of commercial banks. The magnitude of the standardized coefficient indicates that an increase in lending activity contributes substantially to strengthening financial stability. This finding underscores the strategic importance of effective credit allocation policies, as lending not only enhances profitability but also reinforces banks' capital base and overall financial resilience.

4. Discussion and Conclusion

The findings of the present study provide robust empirical evidence that lending plays a decisive and statistically significant role in enhancing the financial stability of commercial banks in Iraq. The regression results demonstrated that lending exerts a positive effect on financial stability ($\beta = 0.28$, Sig. = 0.002), with the model explaining 72% of the variance in financial stability. This high explanatory power underscores the centrality of credit operations in shaping banks' financial resilience. These results are strongly aligned with the theoretical proposition that bank lending constitutes the primary mechanism of liquidity creation and profitability generation, thereby serving as the foundation of financial stability (Thakor & Edison, 2024). By transforming deposits into productive credit, banks expand income streams, strengthen capital buffers, and enhance their capacity to absorb shocks, all of which are core dimensions of financial stability.

The positive relationship observed between lending and financial stability is consistent with global empirical findings. Ho and Wang's large-scale international analysis demonstrated that effective credit management improves bank stability by optimizing risk-adjusted returns and reinforcing capital adequacy (Ho & Wang, 2023). Similarly, Mirović et al. emphasized that financial strength and efficiency in commercial banks are strongly influenced by the quality and structure of loan portfolios, supporting the conclusion that lending is not merely an operational activity but a strategic determinant of systemic soundness (Mirović et al., 2023). The Iraqi banking context, although characterized by unique institutional challenges, exhibits the same fundamental dynamics: well-managed lending contributes to profitability growth, balance sheet expansion, and improved resilience against financial disturbances.

The descriptive results further illustrated that Iraqi banks maintain a relatively high level of lending activity (Mean = 3.82), accompanied by a generally positive assessment of financial stability (Mean = 3.68). However, the observed dispersion indicates heterogeneity among banks, reflecting differences in risk management capabilities, governance structures, and market positioning. This variability is consistent with evidence from emerging markets, where differences in institutional capacity significantly shape the impact of lending on financial outcomes (Chowdhury et al., 2023; Loang et al., 2023). The Iraqi case reflects similar structural patterns: state-owned banks often face higher liquidity pressures and weaker capital positions, while private banks demonstrate more adaptive lending strategies, reinforcing the role of institutional design in mediating the lending–stability relationship.

The strong explanatory power of the regression model ($R^2 = 0.72$) suggests that lending is not only a contributing factor but a dominant driver of financial stability in the sampled banks. This finding corroborates prior studies showing that loan-related variables—such as loan-to-deposit ratio, credit quality, and portfolio diversification—are among the most powerful predictors of banking performance and stability (Ciptawan, 2023; Saeed, 2023). Moreover, the Iraqi evidence reinforces the argument that in developing financial systems, where capital markets remain underdeveloped and alternative financing channels are limited, bank lending assumes even greater systemic importance (Mousavi & Ghazari Neshabouri, 2024).

The results also resonate with macro-financial perspectives on credit cycles and economic development. Mehrara and Khodadadi demonstrated that macroeconomic fluctuations significantly influence banks' lending behavior and stability in Iran, a regional context sharing structural similarities with Iraq (Mehrara & Khodadadi, 2017). Likewise, Shahchera and Taheri illustrated how monetary policy transmission mechanisms operate through bank lending channels, directly affecting financial stability (Shahchera & Taheri, 2016). The Iraqi banking sector, operating under comparable macroeconomic volatility, appears subject to the same fundamental mechanisms, whereby credit expansion under prudent governance supports stability, while unmanaged credit growth elevates systemic risk.

Beyond traditional financial determinants, the present findings should also be interpreted in light of emerging global risks. Climate-related risks increasingly shape banks' loan portfolios and long-term stability, particularly in economies exposed to environmental volatility (Khemiri & Nouaili, 2025; Muzuva & Muzuva, 2024). Although not directly examined in this study, Iraqi banks operate within a climate-sensitive economic structure, particularly due to energy-sector dependence, suggesting that future lending strategies must integrate environmental risk considerations to preserve financial stability. Similarly, geopolitical risk has been shown to increase loan costs and elevate systemic vulnerability (Nguyen & Thuy, 2023). Iraq's geopolitical environment therefore amplifies the strategic importance of disciplined lending frameworks.

Technological transformation further contextualizes the findings. Advances in credit evaluation using artificial intelligence and machine learning, such as support vector machine models and clustering algorithms, significantly enhance loan screening and risk prediction (Chen et al., 2023; Talouei Eshleghi et al., 2022; Tolouei Ashlaghi et al., 2022). While Iraqi banks remain in early stages of digital transformation, the demonstrated impact of lending on stability underscores the urgency of adopting advanced risk analytics to sustain the positive effect of lending on financial resilience.

Finally, corporate governance and institutional factors mediate how lending translates into stability. Evidence from international markets indicates that governance structures and shareholder dynamics significantly influence the market's reaction to bank lending decisions and long-term stability outcomes (Wei et al., 2025). The Iraqi banking system, still evolving institutionally, must therefore strengthen governance frameworks to ensure that credit expansion supports stability rather than magnifying systemic risk.

In sum, the results of this study firmly establish lending as a central pillar of financial stability in Iraqi commercial banks, consistent with both theoretical frameworks and global empirical evidence (Ho & Wang, 2023; Mirović et al., 2023; Thakor & Edison, 2024). The findings confirm that disciplined credit management enhances profitability, capital adequacy, and systemic resilience, thereby reinforcing the strategic role of lending in banking sustainability.

This study faced several limitations. First, the sample size, while statistically adequate, was restricted to 10 commercial banks, which may limit the generalizability of the findings across the entire Iraqi banking system. Second, reliance on self-reported questionnaire data introduces the possibility of response bias, particularly in assessments of financial stability and lending practices. Third, the cross-sectional design of the study restricts causal inference and does not capture dynamic changes in lending behavior and stability over time.

Future studies should adopt longitudinal designs to explore how the lending–stability relationship evolves across economic cycles and regulatory reforms. Expanding the sample to include additional financial institutions, such as Islamic banks and non-bank financial intermediaries, would enhance the robustness of conclusions. Moreover, incorporating macroeconomic variables, climate risk indicators, and digital transformation metrics could provide a more comprehensive understanding of the multidimensional determinants of financial stability.

Bank executives should integrate lending strategy into core stability management frameworks, ensuring that credit growth aligns with capital adequacy and liquidity resilience. Regulators should strengthen supervisory mechanisms that monitor loan quality and systemic risk exposure. Iraqi banks are encouraged to invest in advanced credit risk analytics, enhance governance structures, and align lending policies with long-term sustainability objectives to reinforce financial stability in an increasingly complex operating environment.

Authors' Contributions

Authors contributed equally to this article.

Declaration

In order to correct and improve the academic writing of our paper, we have used the language model ChatGPT.

Transparency Statement

Data are available for research purposes upon reasonable request to the corresponding author.

Acknowledgments

We would like to express our gratitude to all individuals helped us to do the project.

Declaration of Interest

The authors report no conflict of interest.

Funding

According to the authors, this article has no financial support.

Ethics Considerations

In this research, ethical standards including obtaining informed consent, ensuring privacy and confidentiality were considered.

References

Chen, R., Wang, S., Zhu, Z., Yu, J., & Dang, C. (2023). Credit ratings of Chinese online loan platforms based on factor scores and K-means clustering algorithm. *Journal of Management Science and Engineering*. https://doi.org/10.1016/j.jmse.2022.12.003

Chowdhury, M. A. I., Uddin, M. S., Ullah, H., Ahmmed, M., & Shadek, M. J. (2023). What causes non-performing loans? Evidence from the Islamic Banking Sector of Bangladesh. *International Journal of Accounting & Finance Review*, *14*(1), 11-21. https://doi.org/10.46281/ijafr.v14i1.1926

Ciptawan, M. (2023). The influence of loan to deposit ratio, effective tax rate, and non-performing loan toward return on asset in banking companies listed on the Indonesia Stock Exchange. *Proceedings International Conference on Entrepreneurship*, *2*, 357-365. https://ojs.uph.edu/index.php/IConEnt/article/view/6220/2811

Ho, S. Y., & Wang, K. (2023). Credit risk and bank stability: A global perspective. *Journal of Banking & Finance*, *146*, 106678. https://doi.org/10.1016/j.jbankfin.2022.106678

Khemiri, M. A., & Nouaili, M. (2025). Non-Performing Loans in the MENA Region: How Green Growth Mitigates the Impact of Climate Risk. *Asian Economic and Financial Review*, *15*(8), 1228-1243. https://doi.org/10.55493/5002.v15i8.5506

Loang, O. K., Ahmad, Z., & Naveenan, R. V. (2023). Non-Performing Loans, Macroeconomic and Bank-specific Variables in Southeast Asia during COVID-19 Pandemic. *The Singapore Economic Review*, *68*(03), 941-961. https://doi.org/10.1142/S0217590822500679

Mehrara, M., & Khodadadi, F. (2017). The effect of macroeconomic fluctuations on the lending behavior of commercial banks in Iran. *Journal of Islamic Banking and Economics*, *6*(18), 23-39. http://mieaoi.ir/browse.php?a_id=452&sid=1&slc_lang=fa

Mirović, V., Đorđević, B., & Mihajlović, D. (2023). Measuring financial strength and efficiency of commercial banks: An integrated approach. *Economic Research-Ekonomska Istraživanja*, *36*(1), 1-25. https://doi.org/10.1080/1331677X.2022.2158345

Mousavi, S. F., & Ghazari Neshabouri, A. (2024). The role of banks in financing economic enterprises (a review article). *Economics and Financial Policy*, *2*(1), 57-69. https://doi.org/10.61838/efp.11

Muzuva, M., & Muzuva, D. (2024). The Impact of Climate Change on Banks Loan Portfolios and Strategies for Effective Climate Risk Management. *International Journal of Research in Business and Social Science (2147-4478)*, *13*(6), 148-157. https://doi.org/10.20525/ijrbs.v13i6.3510

Nguyen, T. C., & Thuy, T. H. (2023). Geopolitical risk and the cost of bank loans. *Finance Research Letters*, *54*, 103812. https://doi.org/10.1016/j.frl.2023.103812

Saeed, M. M. (2023). Financial Management Practices, Competitive Advantage and Loan Performance of Selected Microfinance Institutions (MFIs) in Ghana. *Business Strategy & Development*, *6*(4), 1018-1036. https://doi.org/10.1002/bsd2.295

Shahchera, M., & Taheri, M. (2016). The mechanism of monetary policy transmission on bank lending through off-balance-sheet items. *Journal of Economic Research and Policies*, *24*, 170-145. https://qjerp.ir/browse.php?a_id=1172&sid=1&slc_lang=fa

Tab'at Mo'atoqi, F. (2023). The Role of Venture Capital and Loans on Small and Medium Enterprises (SMEs). Conference on Management and Humanities Research in Iran, Talouei Eshleghi, A., Nikoumaram, H., & Maghdouri Sharbiani, F. (2022). Classifying Bank Loan Applicants Using Support Vector Machine Technique. *Management Foresight*, *21*(1), 1-19.

Thakor, A., & Edison, G. Y. (2024). Funding liquidity creation by banks. *Journal of Financial Stability*, *73*, 101295. https://doi.org/10.1016/j.jfs.2024.101295

Tolouei Ashlaghi, A., Nikoomaram, H., & Maghdouri Sharbiani, F. (2022). Classification of Bank Loan Applicants Using Support Vector Machine Techniques. *Foresight Management*, *21*(1), 1-19.

Wei, P., Mao, Y., Zhu, M., & Zhu, Q. (2025). Environment court, shareholder conflict and corporate governance: evidence from market reactions to bank loan announcements. *Sustainability Accounting, Management and Policy Journal*, *16*(1), 79-106. https://doi.org/10.1108/SAMPJ-01-2023-0009

Xu, X. (2023). Explore the Impact of China Fintech Loans on the Financing of SMEs. *Advances in Economics Management and Political Sciences*, *30*(1), 8-13. https://doi.org/10.54254/2754-1169/30/20231412