

## **Paper # 6**

### **Market Power versus Efficient-Structure in Islamic banking industry: evidence from selected GCC countries**

#### **ABSTRACT**

The study aims at testing market power theories and their role in explaining Islamic banks performance in Gulf Cooperation Council GCC. Depending on the data of 22 Islamic banks in the period of (2008-2013). Using measuring models, market power theories could not explain GCC Islamic banks returns, as these results showed that there is no evidence of monopoly in Islamic banks market structure that would affect its performance. There is an effect for traditional efficiency in its performance. This sector is characterized by the presence of high competition and diffused market shares. There should be a future research about the role of economic efficiency theories in explaining GCC Islamic banks returns.

**Keywords:** Market power, Market structure, Islamic banks performance.