

UNIVERSITI TEKNOLOGI MARA

**[THE PERCEPTION OF
UITM KELANTAN STUDENTS
TOWARDS SHARIAH COMPLIANT
INVESTMENT IN AMANAH SAHAM
NASIONAL BERHAD (ASNB)]**

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Thesis submitted in fulfillment
of the requirements for the degree of
Bachelor of Muamalat (Hons)

Academy of Contemporary Islamic Studies

July 2024

ABSTRACT

Perceptions related to sharia-compliant investments among university students are very important to improve investment practices that bring benefits to them in financial management. Investing in Amanah Saham Nasional Berhad (ASNB) is one of the companies that offered a variety of products to all eligible age groups. But unfortunately, this investment practice has not yet been utilized by students. This research examines the perception of 100 UiTM Kelantan Branch students regarding sharia-compliant investments in ASNB based on their level of financial literacy. Data was collected through a questionnaire regarding investments as a source of income for daily needs. The collected data was analyzed using descriptive analysis from the latest version of IBM SPSS Statistics software version 29 to find out the level of students' knowledge of compliant investments and investment product offerings at ASNB. As a result, the majority of 78 out of 100 students agreed that they are aware of and know clearly about shariah investments. While a total of 76 students chose *Amanah Saham Bumiputera* (ASB) as a shariah investment product. Next, among the influencing factors of sharia investment are wise financial planning, investment-related awareness, surrounding influences and last but not least, this investment must not practice elements that are forbidden in Islam. The research results also suggest that encouraging investment practices is very necessary for university students who are aware of the benefits of investing when they are involved in the investment field. The research is expected to contribute to the planning and management of financial literacy among university students.

Keywords: Shariah-compliant investment, Amanah Saham Malaysia Berhad (ASNB), University students.

ACKNOWLEDGEMENT

First of all, I feel very grateful and thankful to God for giving me the opportunity to make every effort to complete my responsibilities as a final-year student at the degree level and also to complete all the challenges and twists in my study path successfully. The highest appreciation, gratitude, and thanks to my supervisor for completing the final year project, Dr. Noraini Binti Junoh. Thank you to her for her willingness to provide guidance, support, and ideas and her patience in helping me complete this final year project.

I would also like to thank and appreciate the other advisors for providing assistance and providing workshops to students according to orderly scheduling and knowledge sharing guidelines, which are very helpful and useful for this project.

My very high appreciation goes to both my parents, who also helped in providing their support without feeling tired, in addition to other students or my classmates, who have helped me in various ways and methods, teaching what needs to be improved in this project in order to both give their best towards this final year project.

Finally, this project that has been prepared is dedicated to all sections of society in the beloved country of Malaysia so that the life to come gives high meaning to all. In shaa Allah. Alhamdulillah

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CHAPTER 1

INTRODUCTION

1.0 Research Background

This investment provides many benefits and advantages to teenagers, but they are still not aware of the advantages that will contribute to their economic stability if they invest in a legitimate place. According to Zainuddin (2023), the group of investors aged between 20 and 30 years old is still low and very small in the participation of young investors in the capital market. In addition, the statement from Datuk Seri Dr. Awang Adek Hussin, who is the Chairman of the Malaysian Securities Commission (SC), states that only about seven percent of their total number of investors are in the category of those under the age of 45. According to the Office of the Mufti of the Federal Territories in relation to the law, this stock investment activity is *haram* for Muslims, but the investment must be based on *dawabith*, i.e., conditions such as the example of the investment scheme must be shariah-compliant, halal, and not an investment that is not shariah-compliant, which must contain elements that are prohibited in Islam such as usury, gambling, fraud, and so on (Farhan, 2020).

This investment does not only offer conventional products, but there are many products offered for Shariah-compliant investment for Muslims by investment companies in Malaysia, including Bursa Malaysia, which has launched a platform for fully Shariah-compliant investment and is the first in the world to offer services based on Shariah guidelines. It not only invests in Shariah-compliant products but also in the way and process of those who carry out Shariah-compliant investment fully (Farhan, 2020). In addition, Permodalan Nasional Bhd (PNB) also wants to introduce a sharia-based money market proposal by offering a new product that is sharia funds (Aziz, 2023).

The selection of an investment product that complies with sharia and meets all the guidelines is necessary to ensure that all the information is about whether the product is legal or halal to use. This is the responsibility of Muslim investors, who