



UNIVERSITI
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MARA

THE FACTORS THAT INFLUENCE MUSLIM INVESTORS TO
INVEST IN ISLAMIC UNIT TRUST

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ABSTRACT

Islamic investment funds, like any investment pooling system, collect individual savings for investment and the sharing of benefits. Islamic unit trust is shariah based unit trust funds that give the investors the opportunity to invest in a diversified portfolio of Islamic securities that are managed by professional managers in accordance with shariah. However, there are some limitations for Muslim investors to invest in Islamic unit trust which is the investment must be made in ethical sectors and all the profit, rewards and risks that generate from the investment must be shared between the investor and the user of capital. This research was conducted to identify the factors that influence muslim investors to invest in Islamic unit trust and which factors most influence the muslim investors to invest in Islamic unit trust. The researcher was used a set of questionnaire as an instrument of collecting data. From this research, the researcher found that Shariah compliant mostly influence muslim investors to invest in Islamic unit trust. As a muslim, the principle of halal became important in every activities that we do it. Its same goes to investment scheme. Islamic unit trust industry should create more Islamic product that based on shariah.