

**THE GROWTH OF UNIT TRUSTS IN MALAYSIA
(GOVERNMENT-MANAGED & PRIVATELY-MANAGED)**

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MAY 1997

ABSTRACT

A unit trust is a cost effective trust fund which pool funds together from investors so that investment can be made on economic scale in securities market. As financial intermediaries, unit trusts play an important role in the development of the private capital market, where they are able to mobilise small savings for active participation in the corporate sectors market.

This paper will focuses on analyzing the growth of unit trusts in Malaysia between the Government-management and Privately-managed. Malaysians are currently experiencing the continous creations of unit trust schemes that have growing rapidly . Based on the latest statistics for NAV on the funds over the capital market is very low compared to other developing countries.

Our unit trusts industry has evolved and grown into the popular and preferable investment after going through a lot of obstacles and barriers. The concept are well excepted and has the unique characteristics that give an extra edge over the other investment alternatives. It is also well regulated and monitored by the SC which could increase the confidence of the public. Lastly, we hope that further growth in our unit trusts industry in future.

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