

ABSTRACT.

This study examine the performance of thirty three unit trust funds managed by private agencies for the period 1991 to 1995. It is also examine the degree of risk diversification, the annual capital gains, the consistency of performance of the funds over time and the average weekly excess return. The performance measurement used are Sharpe and Adjusted Sharpe Index, Teynor Index, Jensen and Adjusted Jensen Index.

The result is similar to research that had been carried out by other researcher. It was found that, unit trust performance underperformed the market. Only a few of the funds examined managed to beat the market. It was also found that, the performance result in 1993 is good compared to the previous year and the year after.

The findings revealed that, the unit trust funds managed by different management companies performed differently with other companies. The study also found that, Islamic funds did not perform well.

However, in term of risk, unit trust still carry lower risk. It is suitable for investors who require a good return at acceptable risk. The performance of unit trust industry now is relatively better and some of the unit trust funds able to pay a high dividend to their investors.

**A STUDY ON THE PERFORMANCE OF UNIT TRUST FUNDS
MANAGED BY PRIVATE AGENCIES.
(1991 - 1995).**

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