



**THE RELATIONSHIP BETWEEN EQUITY UNIT TRUST
FUNDS RETURNS WITH THE STOCK MARKET
RETURNS IN MALAYSIA**

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ABSTRACT

This paper is study on the relationship between the equity unit trust funds and the stock market returns in Malaysia. The purpose of this study is to determine whether there is any relationship between the equity unit trust funds and the stock market returns in Malaysia. This study more focus on the relationship of the 10 companies who invest in equity funds which are establish for 10 years with the stock market returns in Malaysia. The period of this study will cover from January 1996 until December 2006. The data for this study will collect monthly basis. The 10 companies use for this study are Public Aggressive Growth, Public Index Fund, Public Savings Fund, Public Regular Savings Fund, Public Industry Fund, Public Growth Fund, ASM Premier Fund, ASM First Public Fund, HLG Growth Fund and Pacific Premier. The single linear regression analysis is use to investigate the relationship between the equity unit trust funds and the stock market returns in Malaysia. This study has strong evidence that the tests are reject the null hypothesis. The finding from the study shows that the equity unit trust funds returns have a strong positive relationship with the stock market returns in Malaysia. It is explained by the beta and R of the single linear regression. It shows that the beta for the 10 companies have positive value that means a positive relationship. Overall, it is strongly explained that the equity unit trust funds returns have a positive relationship with the stock market returns in Malaysia.