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Final call to purchase ASW 2020 units

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THE revelation by Permodalan Nasional Bhd that less than half its three billion units of Amanah Saham Wawasan 2020 had been bought by young Malaysians is disheartening.

Disheartening because the figure showed that not many parents seem to have a desire to build a foundation for their children's future. Or have much faith in the returns of the scheme.

On both counts, the response can only be described as ambivalent. Consider the facts.

The Amanah Saham Wawasan 2020, launched in late August last year by Prime Minister Datuk Seri Dr Mahathir Mohamad, had a singular and noble goal - to encourage the young between the ages of 12 and 29 to save.

Indeed the imperial theme is to inculcate the culture of saving among the young. The theme attempts to convey two basic and simple messages.

One, savings by the minor himself, or by parents on his behalf, would ensure security for future tertiary education.

Two, the collective savings of people add to the national savings.

The country already boasts of a national savings of 38.2 per cent of the gross national product. But the investment requirements extract 45.1 per cent of the GNP.

Clearly then we have to close the investment-resource gap. And one way is to encourage savings so that we need not have to seek loans abroad or depend on foreign investments to galvanise our own development.

Foreign investments ultimately lead to repatriation of profits.

Concern for this outflow of funds is the primary reason why PNB worked out the Amanah Saham Wawasan 2020 unit trust scheme.

Granted that children around 12 years old would not have much pocket money to save - but this is a unit trust scheme where parents can save for the future of their children.

At the other end of the scale, young Malaysians who are working should be buying this unit trust scheme.

All they have to plonk in is RM100 for 100 units until PNB decides on the value of the unit which should be some time after March.

From the figures provided by the chief executive of PNB, Datuk Mohd Hilmey Mohd Taib, it is apparent that the Bumiputeras have not taken up their share of the allocation.

The report said that 1.2 million Bumiputera units had not been taken up.

This represents almost 80 per cent of the Wawasan units reserved for Bumiputeras.

Perhaps most Bumiputeras would prefer to place their savings in Amanah Saham Bumiputera, which over the years has provided solid returns in terms of dividend and bonus averaging to almost 15 per cent for the past 16 years.

Fine. But what of savings for the children? The ASB puts a cap of RM10,000 on Bumiputera children between the ages of 12 and 18.

Then there are Bumiputeras who have blinkers about the Amanah Saham Wawasan 2020.

They presume that as this fund is freely available to other ethnic groups, the fund would not yield the same return as provided by ASB or even ASN.

Little do they realise that PNB is one of the bountiful fund managers in the country.

It has a vast portfolio of listed and non-listed companies, most of which give good returns.

The funds it controls through the ASB and ASN unit trust schemes total more than RM30 billion.

Surely then it would be able to give good dividends after March or September, perhaps better than the results declared by the other 60 unit trusts in the country.

So why wait? Buy the units this week on behalf of your children for after March 1, whatever is left of the Bumiputera quota will be taken up by approved Bumiputera institutions, which incidentally include PNB.

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