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PNB SEES NET INVESTMENT GROWTH DESPITE SHARE MARKET SLUMP

KUALA LUMPUR, Dec 3 (Bernama) -- Permodalan Nasional Bhd, the national unit trust, continues to see growth in net investments despite a slump in the stock market, says its group chief executive, Datuk Mohd Hilmeiy Mohd Taib.

Unit prices at Amanah Saham Nasional (ASN), one of the three funds managed by PNB, has fallen to around 80 sen from RM1.50 previously, but Mohd Hilmeiy noted that the monthly net investments had risen and, as at October, it stood at a little over 124.2 million units.

As at October also, Amanah Saham Bumiputera (ASB), another PNB fund, reported net investments at more than 138.5 million units.

Mohd Hilmeiy said today, at the final session of the two-day national economic outlook conference here, that the success of the ASN and ASB schemes had led to and threw open new opportunities for many financial institutions and state governments. They, in turn, had established other trusts, such as the Abrar Unit Trust Management, Amanah Saham Selangor and Amanah Saham Kedah.

Nationally, the industry doubled within five years, from 39 billion units in 1992 to 80 billion units this year.

In this sea of change, PNB remained the leader with 26.4 billion units, and its three funds, ASN, ASB and ASW 2020, together command 80 percent of the industry's net asset values.

Excluding PNB, the government-backed funds managed RM4 billion in net assets, the private firms RM1.6 billion.

This year's average return on investment is expected at 10 percent.

Later, when asked by reporters on the dividend returns for the ASB scheme, Mohd Hilmeiy said: "I do not dare to say anything. However, the dividend proposals have been submitted to the prime minister Datuk Seri Dr Mahathir Mohamad. You will know when he makes the announcement."

He also said that, in line with the campaign to raise national savings, the government has planned to get the industry to expand its share of equity holdings on the Kuala Lumpur Stock Exchange.

Unit trusts now own shares the equivalent of 7.5 percent of total market capitalisation. The goal is to raise this share to 15 percent by 2005 and 40 percent in 2020.

"Unit trust has played a role in creating savings and, as we can see, there is a lot of room for improvement," he said. -- BERNAMA

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