

08/10/2001

PNB believed poised to launch new RM1b fund

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PERMODALAN Nasional Bhd (PNB), the country's largest fund manager, will launch its seventh investment and first balanced fund under its Amanah Saham Nasional (ASN) series next week.

Sources said the fund, to be called Amanah Saham Nasional 3 Imbang, will invest in stocks and fixed income instruments such as bonds.

This may also be the first fund to use stock index futures as part of its investment strategy, they said.

The size of the new fund is expected to be RM1 billion, and it will be launched by Prime Minister Datuk Seri Dr Mahathir Mohamad on October 16, the sources added.

Balanced funds usually comprise a mix of investments in equities and fixed income securities aimed at offering capital growth as well as steady income for investors.

ASN3 Imbang, however, is not expected to have a set limit to the equity and bond portions of its portfolio.

"Most balanced funds set a maximum exposure to equities of about 60 per cent. But the new fund will apparently have a flexible ratio, allowing fund managers to vary how much they put in stocks and in bonds," said an industry source.

It is unclear if the fund will be available to all Malaysians or to just Bumiputera investors like in the case of PNB's previous two ASN funds.

The Amanah Saham Wawasan 2020 (ASW), launched in 1996, was the first PNB investment fund open to all Malaysians but limited by age to those below 29.

In April 2000, PNB followed up with Amanah Saham Malaysia (ASM), which is likewise open to all communities.

under five unit trust schemes - Amanah Saham Bumiputera, ASN, ASW, Amanah Saham Didik and ASM.

Last year, PNB invested RM1.3 billion in 72 listed and four private companies. In the previous year, it invested RM877.9 million in 54 companies including three unlisted ones. The PNB group posted a 19.8 per cent growth in pre-tax profit to RM1.03 billion for the year ended December 31 2000, from RM856.9 million before.

Group turnover surged 90 per cent to RM2.04 billion from RM1.07 billion before, mainly gains from the sale of investments which totalled RM1.1 billion.

It also permanently wrote down RM986.7 million in the value of its investments last year.

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