

Two new bond funds open to all

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KUALA LUMPUR: AmanahRaya Unit Trust Management Sdn Bhd (ARUTM) launched two bond funds offering 500 million units each.

The opening selling price is RM1 and the minimum initial investment is RM500.

The AmanahRaya Unit Trust Fund (ARUTF) and the AmanahRaya Syariah Trust Fund (ARSTF), available to all Malaysians, were low to medium risk, long-term investment instruments, said Datuk Seri Nazri Aziz when launching the two funds yesterday.

"Every investor will always want to ensure he makes good returns and that his investment is safe. You can go for high returns but the value of your shares can go down," said the Minister in the Prime Minister's Department.

"The average Malaysian wants assurance that his money is safe. In this case, the investor is a government agency, so Malaysians will be comfortable investing," he said later at a press conference when asked why Malaysians would want to invest in yet another unit trust or bond fund.

He added that Muslims, who wanted their investments to be *halal*, could buy ARSTF bonds which would be invested in syariah bond securities, syariah money market and syariah trust accounts.

ARUTM chief executive officer Roslan Harun said they expected an excellent take-up rate for the two funds because they were government owned and backed.

"We expect the funds to be fully subscribed in three to four months,"

he said, adding that the syariah bond was not restricted to Muslims.

Roslan said ARUTM had a product in the pipeline which was awaiting approval from the Securities Commission.

"We are also in the midst of discussion with our foreign partners like Morgan Stanley about global funds.

"Our focus at this initial stage is on local funds. We expect to come out with an equity fund by year end and a money market fund by early next year."

Earlier, Amanah Raya Bhd (ARB) chairman Datuk Dusuki Amad said that AmanahRaya JMF Asset Management Sdn Bhd would manage both funds, adding that the ARUTM was targeting a sale of up to RM1bil.

ARUTM, incorporated on July 26, 2006, is a wholly owned subsidiary by the ARB.