

Be transparent, PM tells fund managers

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KEPALA BATAS: Unit trust managers must be transparent and trustworthy in handling investments, and at the same time expand the many products they can offer so that the people would have more choice, Datuk Seri Abdullah Ahmad Badawi said.

The Prime Minister said fund managing companies must introduce more schemes to suit the needs and abilities of their clients, especially those in the lower income group.

He also warned unit trust managers not to abuse public funds, saying that stern action would be taken against those who swindled the money.

"Unit trust managers must also be diligent and provide the best services to their clients in view of the growing market of the unit trust industry.

"Companies managing unit trusts must give the best to their clients and they must also uphold the principles of

trustworthiness and sincerity.

"Fund managers must also be prudent with their investments and must take the necessary measures to protect public money," he said when launching the 5th Malaysian Unit Trust Week organised by Permodalan Nasional Berhad at Dewan Milenium here yesterday.

The fair, to be held until April 26, would provide the public with knowledge and information about the unit trust industry in the country.

Abdullah said the unit trust was the alternative investment instrument for the lower and medium income groups to participate in mainstream economic activities.

It was therefore important for unit trust managers to manage their funds to the highest level of professionalism and ability, he added.

The Prime Minister said the people now had more options for investment

as there were now 243 unit trust funds including 10 that were managed by PNB.

"Unit trust funds allow the people to equally enjoy the country's wealth, and investors can minimise risks compared to investments in the stock exchange.

"The unit trust assets grew by about 31% last year bringing it to about RM72bil. There are now 10 million unit trust accounts with about 100 billion units.

"This is a remarkable achievement and I hope the unit trust industry will chart better growth in the future," he added.

PNB chairman Tan Sri Ahmad Sarji Abdul Hamid said the company now managed 44 billion trust units with eight million investors.

He also said that PNB had so far given out dividends amounting to RM39bil to its investors.