



ASSET MANAGEMENT COMPANIES AND THEIR FUTURE

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ABSTRACT

The AMC companies are making profits especially in the Middle Eastern market while growth in the American and Canadian markets has been a little bit slow. On the other hand, Asia is becoming a hub of AMC and investment management companies for example: India and Pakistan and China. These markets have shown sustainable growth prospects. The scope of AMC companies in Pakistani markets is also higher but the main issue is that investors are not well aware of the concept of these companies. According to the analysts asset management is a tricky job which involves a number of aspects other than the price and nature of the security. It is not only the security or asset a company is looking for but sometimes, it is the personal life too. Internationally the concept of asset management is too broad and it covers an annual turnover of more than Rs. 200 billion. Globally the asset management companies share 23% of the investment growth and GDP p.a. basis. After the splendid success stories the idea is adopted by the Asian companies too especially in India and Pakistan. Technical managers and financial analysts are required for this job. The scope of the AMC are dependent upon the investors, they are the major fuel of these funds. The growth and turnover of International AMC is also because of the same reason. The investors there are willing to take risk for the better return and the policies of AMC companies are not flexible also. Being part of the investment pool an investor has to bear the risk for a greater return. In Pakistan if we compare the return percentage of AMC with the percentages offered by banks and Government an investor finds the government more precious and attractive than anyone.