

**MAIN REASON FOR THE PREFERENCE OF MUTUAL  
FUNDS IS SECURED PORTFOLIO**

**A Thesis**

**Presented to**

**The Faculty of**

**Management Sciences**

**Bahria Institute in Management & Computer Sciences, Karachi**

---

**In Partial Fulfillment of the**

**Requirements of the**

**Degree of Master of Business Administration**

---

**SUBMITTED BY**

**SEHARISH ANWER**

**REG # 10580**

**JUNE, 2012**

## **ACKNOWLEDGEMENTS**

After thanking ALLAH ALMIGHTY, I would thank my teacher Mr. Kaleem Ghiaz, my Advisor whose guidance was the real support in preparation of this report.

Besides, the other people without whose invaluable help and information this thesis could not have been completed are:

All Mutual Fund Managers who were extremely kind and courteous in quest for information. Their knowledge and expertise provided me with the basis for our report.

All Research analysts of major Brokerage houses, who were so obliging to every requests. Their willingness to cater to all our queries is much appreciated.

Besides, I am very thankful to the investors who were kind enough to spare time in responding to the questionnaires.

We are indebted to them for their ceaseless cooperation and support.

# **TABLE OF CONTENTS**

## **CHAPTER 1**

1.1 INTRODUCTION .....	2
1.1.2 EVOLUTION OF MUTUAL FUND.....	3
1.1.3 TYPES OF MUTUAL FUNDS.....	4
1.1.4 MUTUAL FUNDS IN PAKISTAN.....	5
1.1.5 PRESENT STATUS AND GROWTH IN PAKISTAN.....	6
1.2 STATEMENT OF PROBLEM .....	7
1.3 SIGNIFICANCE OF STUDY.....	7
1.4 SCOPE.....	7
1.5 DELIMITATIONS .....	8

## **CHAPTER 2**

2.1 RESEARCH DESIGN.....	10
2.1.1 RESEARCH METHODOLOGY.....	10
2.1.2 STUDY SETTING .....	10
2.1.3 UNIT ANALYSIS.....	10
2.1.4 TIME HORIZON.....	10
2.2 RESPONDENTS OF STUDY.....	11
2.3 RESEARCH INSTRUMENTS.....	11
2.3.1 PRIMARY DATA COLLECTION .....	11
2.3.2 SECONDARY DATA COLLECTION.....	11
2.4 TREATMENT OF DATA.....	11
2.5 PRESENTATION OF ANALYSIS .....	12

## **CHAPTER 3**

3.1 LITERATURE.....	14
3.1.2 LOCAL LITERATURE.....	14
3.1.3 FOREIGN LITERATURE.....	21

## **CHAPTER 4**

4.1 ABOUT QUESTIONNAIRE.....	23
4.2 PRESENTATION ANALYSIS.....	24

## **CHAPTER 5**

5.1 SUMMARY OF FINDINGS.....	41
5.2 CONCLUSION.....	43
5.3 RECOMMENDATIONS.....	44
BIBLIOGRAPHY.....	45
APPENDIX.....	46

## ABSTRACT

Investment has always added value to the economy, be it in any sector. However, with time there has been a growing trend of investment in certain specific areas reflecting the growing interest of investors in that sector.

Mutual Fund industry is a growing industry, where considerable preference in investment is seen over the last few years. Although, it started off way back in 1960's but the governmental reluctance in the form of strict regulations for this industry was an impediment in growth of the industry. However, in late 90's, Government encouraged private sector investment in this industry thereby increasing the scale and pace of growth in this area of economy.

Mutual Funds are an institution that manages people's investment thereby fulfilling their objectives and also increasing economic value of the country. The trend of growing investment in this sector rather than keeping money idle is sign of approach of efficient management of money.

The issue that needs consideration is need of looking into the reason of people investment in this industry. Not only this but also exploring different areas that investors look for when making investment in Mutual Funds, besides achievement of their objectives.