

THE POTENTIALITY OF MUTUAL FUNDS IN SAVING MOBILISATION AND INVESTMENT PROMOTION IN RWANDA

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ABSTRACT

This study was undertaken to evaluate the Potential role of the mutual funds to mobilization of savings and investment promotion in Rwanda. Mutual funds are not only the backbone of our business, savings, investments and financial system, but are also the very soul of our sovereignty. The current Rwandan's population can be divided into three basic segments based on the economic pyramid. Majority of them would lie at the bottom of the pyramid regardless to Rwanda's head count stands at 63.17% subject to the new poverty cut-off point of US\$1.25 per person. This economic inequality must be overcome to ensure the welfare and happiness of people in general. The objective of this research is to identify the role of the Government and Rwanda Stocks Exchange in financial system to support the savings mobilization and investment promotion in Rwanda, to determine the attitude of Rwandan towards the various features of mutual fund products and schemes and to provide various perspectives of contribution of mutual funds to a country's savings culture in Rwanda. Researcher, Rwandan, government, community and different institutions at large benefit from this work since it is believed that findings an efficient and effective source of finance could be developed and operate more effectively. The research design in this study was exploratory used as the systematic investigation of relationships among two or more variables with purpose of describing relationships, to predict the effects of one variable on another and to test relationships that are supported by theory. Study targeted 163 personnel from three frameworks as population from them a sample of 61 respondents has been drowned. The boundaries of this work was thus be limited to improving the means of mobilizing savings and investments promotion in Rwanda not how the mobilized funds should be used although that is also essential. Through uses documentary, questionnaire, Interview, observation and sampling as techniques objectives were significantly attain. In accordance with BPR Ltd, MINICOM and Rwanda stock Exchange mentioned that government offer facilities to strengthen financial system including mutual funds to mobilise savings for investment promotion, the attitude of Rwandan towards the various features of mutual fund products and schemes is positive. The roles of mutual funds in economy for all, respondents agreed on positive impact of mutual funds on economic growth and development.