

Gold Investment Account in Kuwait Finance House (M) Berhad and Maybank Berhad

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Abstract

Banks in Malaysia offer gold investment accounts to customers who will make deposits when prices of gold are low and withdraw at a profit when prices rise. The objective of this paper is to determine the major differences and similarities between the nature of gold investment accounts operation in Islamic bank, Kuwait Finance House (M) Berhad (KFH) and the conventional bank, Maybank Berhad to come up with the best options between their two products. This research adopts the qualitative method as the main research methodology. The information on gold investment accounts are gained from semi-structured interviews conducted with bankers in these two banks that are directly involved in the operation. This research discovered that the gold investment account offered by KFH is the best choice as compared to Maybank Berhad because the subject matter which is gold exists during the transaction between the depositor and the bank. Thus, it provides safety for the customer to possess a real physical gold. The clarification in this research will help the public to decide the best preference in gold investment either in Islamic or conventional bank.

Keywords: Gold investment account; Islamic and conventional banks; Comparison; Differences; Similarities

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