

أثر خصائص صناديق الاستثمار على أدائها المالي بالتطبيق على صناديق سوق مسقط للأوراق المالية

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□ ملخص □

نختبر أثر خصائص صناديق الاستثمار المدرجة في سوق مسقط للأوراق المالية منذ عام ٢٠٠١ لغاية ٢٠٢٤ طبقاً ل: (عمرها، شكل نشاطها: إسلامي أو تقليدي، سوق الإدراج: نظامي أو موازي، مدير الصندوق: شركة أو بنك، حجم عائلتها) على أدائها المالي من خلال مؤشرات متعددة مثل (العائد البسيط، ربحية الوحدة الواحدة، معدل دوران محفظة الأوراق المالية، صافي القيمة الحالية) باستخدام اختبار كروسكل - واليس. أظهرت النتائج أن التباين في الأداء المالي لصناديق الاستثمار العمالية يتوزع حسب ١. كبر عمرها ٢. حجم عائلتها الصغير ٣. هدفها الاستثماري طويل الأجل.

الكلمات المفتاحية: صناديق الاستثمار - الأداء المالي - صافي القيمة الحالية.

*أستاذ مساعد في قسم المحاسبة في جامعة طرطوس

The Impact of Mutual Funds characteristics on Its Financial Performance By Applying on Muscat Stock Exchange Mutual Funds

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□ABSTRACT □

We examine the impact of mutual funds characteristics listed on the Muscat stock exchange. Since, 2001 until 2024. According to: Age, type of activity: Islamic or conventional, listing market: regular or parallel, fund manager: bank or company and family size) on their financial performance through multiple indicators such as; (simple returns, annual unit profitability, portfolio turnover rate, net asset value. By relying on the Kruskal-Wallis test.

The results show: the variance in Omani mutual fund financial performance is attributable to 1-The large age. 2- The small size family. 3-The long-term objective.

Key words: mutual funds- financial performance- net asset value

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Introduction:

Mutual funds became an increasingly effective means of generating current income, capital appreciation, and diversification benefits. However, identifying outperforming funds remains controversial. Therefore, investors are looking for benchmarks systematically linked to mutual fund performance to maximize their personal returns. (Kaur, 2018)

The effect of past performance and other fund characteristics on performance is widely researched in the context of developed countries. It will be interesting to investigate such issue in Omani context, as there is a counter argument that with transparency, and so much restrictive regulations, such information is not valuable for investors. The present study is an attempt to investigate this issue.

The managers' work based on the net asset value NAV; hence, the historical measurement of the performance of these mutual funds will be helpful to managers and the customers to get a clear image of the Selected Hybrid Mutual Fund schemes which include: 1- growth funds that seek high rates of returns from capital gains where they undertake significant risks in order to earn these gains. 2- Income and growth funds: that earn primary cash dividends and to a lesser extent from capital gains. 3- Balanced funds that claim to be in pursuit of income, growth, and stability. 4- long- term returns mutual funds: Equity mutual funds are ideal for creating wealth or achieving long-term returns. (Mawikere, 2021). When a bank is the management of the mutual funds if, it is a bank, tends to avoid high volatility assets to protect the bank's reputation. Alternatively, company-managed funds may has higher risk-reward potential (Hao Q and Yan X, 2012). there are two types of mutual funds, the first operates in accordance with the principles of Islamic Sharia, and the second type is conventional funds invests in traditional acceptable assets including interest base investments. (Merdad et al. (2010) and Mushtaq et al. (2022) and Hazimah et al (2021).

There are mutual funds listed in regulated market, according to specific Regulatory rules with higher standards for capital and shareholders. On the other hand, the mutual funds in parallel market characterized by lower listing requirements and greater flexibility compared to the main market

Research goal and importance:

Mutual funds in the Omani stock market are characterized by their diversified investments (equities, bonds, and cash instruments), aiming for stable returns by focusing on dividend-paying companies in the Gulf region. They also offer structured investment vehicles (SIPs) with periodic price adjustments, thus reducing risk for individual investors. These funds are managed by specialists and have ample liquidity.

This study will benefit both the mutual fund industry and investors, providing a deeper understanding of mutual funds characteristics and performance. Through investigating the impact of mutual funds characteristics listed on the Muscat Securities Market. such As. age, type of activity (Islamic or conventional), listing market (regular, parallel), fund manager (bank or company), fund manager (bank or company), family size) on its financial performance through multiple indicators such as, (simple returns, annual unit profitability, portfolio turnover rate, net asset value).

Research problem:

Mutual Funds as one of the investment options have not been very popular particularly in the Middle East counties in spite of huge investment potential. Investors in the region have long been skeptical of the safety and returns of the investment options as the awareness about investment has been low for most of the investors of the region and

the vast amount of information about mutual funds which needs to analyze. (Khan and Syed, 2020)

According to (Alghazali,2025) who investigated if the mutual funds on Oman outperform from Muscat Stock Exchange. The results show that the performance of mutual funds in Oman is not performing well compared to other markets. More Specifically, the Muscat Stock Market index outperform the mutual funds. most of mutual funds in Oman invest aboard. The majority of their investment in Saudi Arabia and UAE, where few proportions of their investments are kept in Omani market.

The research Gap: According to previous studies, there is no metric that helps investors choose mutual funds based on their type, activity, and the market in which they are listed. This is the challenge for investors in choosing the right mutual fund. This choice depends on several factors depending on their financial objectives, risk tolerance, market fluctuations, and the mutual fund's financial performance across its various indices. Therefore, the main research question, from which the research questions branched out, was, **Does the characteristics of mutual funds affect their financial performance?**

- 1- Does the age of mutual funds affect their financial performance?
- 2- Does the activity type of mutual funds (Islamic or conventional) affect their financial performance?
- 3- Does the mutual funds manager (bank or company) affect their financial performance?
- 4- Does the mutual fund's objective (long-term, income, growth) affect their financial performance?
- 5- Does the listing market (regular, parallel) affect the financial performance of mutual funds?
- 6- Does the family of mutual funds affect their financial performance?

Literature Review:

The literatures consist of such studies which considering **1-activity of mutual funds (conventional or Islamic funds)**

Alrashidi, F. (2013) compared the performance of Islamic mutual funds vs. conventional mutual funds in the Middle East and the Gulf region and Malaysia and the Americas, by the using Statistical techniques in analyzing monthly net asset value (NAV), management fee, and Dow Jones Islamic market index (DJIMI), S&P 500 Index. including (i) the augmented Dickey-Fuller (ADF) test and the Phillips-Perron (PP) test; (ii) Granger causality; (iii) co-integration, and (iv) the Generalized Method of Moments Regression. He found that there is no significant difference between the performance of Islamic mutual funds and conventional mutual funds.

Mosallamy, D and EL-Masry, A. (2016) examined the performance of 21 Saudi mutual funds (10 Islamic mutual funds compared to its 11 conventional peers), the study found, on average, Islamic mutual funds in outperform conventional mutual funds by using both CAPM measures and D-CAPM measures.

Ali H, Limakrisna N, Agussalim, M. (2017) measured the difference performance between a mutual fund conventional and Sharia. Data used in the form of secondary data net assets value per Unit (NAV/unit), composite index (IHSG),

Jakarta Islamic Index the period 2007-2014. The mutual fund performance seen of its rate of return and risk as well as the measurement method using the Sharpe index, Treynor index and Jensen's Alpha. The tools used statistical test is ver.21 with SPSS statistical methods test the hypothesis testing independent sample t-test. Research results showed no difference in performance between conventional and Sharia mutual funds seen from the level of risk and Sharpe index method. While the rate of return and the measurement method Treynor Index Jensen 'Alpha. The research results with the alpha (α) of 5% in a given year shows there is a difference in performance between conventional and Sharia mutual funds in the study period of ٢٠١٤-٢٠٠٧. The results show the performance of mutual funds conventional better than Sharia mutual funds seen from the level of return and the Sharpe index.

2- Objective of mutual funds:

Badr, M. et al (2012) aimed to investigate the performance differences between Islamic and conventional funds (27 funds) in Egypt according to the objective (growth and income) in the period 2006-2011. The independent variables were age and size and objective of the mutual funds. The study concluded that Income & Growth objective is an important variable accompanied with an increase in the performance of the fund. Growth objective and Age also play significant roles in interpreting the performance of mutual funds.

Mawikere, J. (2021) analyzed the performance of money market mutual funds, fixed income mutual funds, mixed mutual funds, and stock mutual funds in Indonesia in the period 2015-2020. The performance measurement used Sharpe's Measure, Treynor's Measure, Jensen's Measure, and Appraisal Ratio. The results showed that it is not easy to maintain the best-fixed mutual fund performance. While the worst performance for each year has similarities in certain mutual fund products.

Harjito, D and Zhorifah, B. (2021) aimed to determine the comparison of mutual funds' performance between stock mutual funds, fixed income mutual funds and mixed mutual funds in 2015-2017 using the Jensen, Sharpe, Treynor and Black models. Using purposive sampling method, this study used a sample of 30 mutual funds consisting of 10 equity funds, 10 fixed income mutual funds, and 10 mixed mutual funds during 2015-2017. The data analysis used to test the hypothesis was the One Way ANOVA test and the Kruskal-Wallis test. The results showed that there was no difference in performance between stock mutual funds, fixed income mutual funds, and mixed mutual funds in 2015- 2017, which analyzed using the Jensen, Sharpe, and Treynor models, there was a difference in performance between stock mutual funds, fixed income mutual funds, and mixed mutual funds in 2015. -2017, were analyzed using the Treynor and Black models

Yan, X. (2008) analyzed the US equity hybrid mutual funds from 1993 to 2002 by using cross-sectional regression and time-series portfolio. The variables were Bid -Ask spread market, impact, turnover portfolio, express ratio net assets, size. The results as following: the inverse relation is stronger among funds that hold less liquid portfolios. The inverse relation between fund size and fund performance also more pronounced among growth and high turnover funds that tend to have demands for immediacy.

Ongaki, J. (2021) examined whether performance differences exist among fund categories by size and fund ratings (5-Star and 4-Star) controlling covariate variables (standard deviation, turnover rate, and top-10 holding) of the United States equity MFs. Morningstar Inc. provided an insightful measure of fund performance annual returns and fund efficacy ratings. The study utilized the Analysis of Covariance and Multivariate

Analysis of Covariance methods. The investigation revealed that the large-cap growth fund category produced superior annual returns than other fund families. The five-star-rated funds performed better than the four-star-rated funds. Turnover and top-10 percentage asset holdings had a statistically significant effect on fund annual performance.

Soni, A et al (2022) compared performance of Equity, Debt and Hybrid Mutual Fund schemes in India, measure the volatility and return relationship, risk and return analysis of selected mutual fund by various financial tools like SD, Beta, Treynor, Sharpe, Jensen, Information ratio and correlation between fund and index return. The result showed that hybrid funds perform well in short term

Abd El-Hameed, S. (2024) examined different types of mutual funds operating in the Egyptian capital market open-end equity funds, open-end money market funds, open-end fixed income funds, and open-end balanced funds) was examined. The researcher relies on net asset value figure (NAV) in order to measure mutual funds' performance; performance measured through rate of return on invested funds, funds risk adjusted performance ratio (Sharpe Ratio), and fund's systematic risk adjusted performance ratio (Treynor Ratio). Results revealed significant relationship between funds' return, funds' risk adjusted performance ratio (Sharpe Ratio), and fund's systematic risk adjusted performance ratio (Treynor Ratio) and level of Egyptian stock market performance (EGX 30).

3-family of mutual funds

Park, Y. (2016) examined the effects of the commonality of mutual funds within the same family, which measured by common stock holdings and multi-fund management, on fund operating expenses and return correlations. For U.S. equity funds during the period of 2001–2006, the findings that common stock holdings and multi-fund management negatively related to fund operating expenses but positively related to the correlation of fund return residuals, which increases the correlation of fund returns. Additionally, the fund commonalities can have negative net effects on risk-adjusted returns of a portfolio with equity funds that have different investment objectives.

Bhojra, S et al. (2012) examined whether the previously documented positive association between fund family size and fund performance affected by significant regulatory changes that have occurred in the last decade. Using Regulation Fair Disclosure (Reg FD) as a beginning point for these structural changes, the findings showed while fund family size was positively associated with fund performance in the period prior to the regulatory changes, this advantage was significantly weaker in the period subsequent to the regulatory changes. Consistent with the weakened advantage of fund family size in fund performance, the findings were greater stock picking skill of larger fund families, measured using the earnings announcement returns of the stocks they trade, also weakened subsequent to the regulatory changes. The findings showed fund families implicated in the trading scandals experienced a decline in their performance during the scandal period. Finally, they examined the role of large investment banks in providing an advantage to large fund families. Family size was positively associated with the extent to which funds traded in the same direction.

4- Manager of mutual fund

Yan, X and Hao, G. (2012) used a comprehensive sample of U.S. mutual funds from 1992 to 2004; the findings showed that there is a strong evidence that investment bank-affiliated funds underperform unaffiliated funds. Consistent with the conflict of interest hypothesis and affiliated funds hold disproportionately large amounts of stocks of their initial public offering and seasoned equity-offering clients. Moreover, worse performing clients are more likely to hold by affiliated funds. The results robust alternative risk adjustments, portfolio weighting schemes, and regression methodologies. Overall, the findings consistent with the idea that investment banks use affiliated funds to support underwriting business at the expense of fund shareholders.

Ortiz, C et al. (2022) investigated the consequences of investing in a single fund family for investors. By focusing on the correlation among portfolio holdings of funds with effects in terms of under-diversification for mutual fund investors, especially, if they invest in the same fund family. In addition, exploring the fund manager autonomy in portfolio holding allocation within families and determining the characteristics of those fund families with higher autonomy. The results showed that a higher correlation among funds not only implies that families offer a lower diversification to investors; it also has a negative effect on their performance. However, investors' performance benefits from a higher manager autonomy. Consequently, investors who select a single fund family could obtain higher returns in smaller fund families with considerable experience that do not belong to a banking or insurance group, as in the former, diversification and manager autonomy are higher.

From the above, we find that: some mutual funds differed in terms of the superiority of the performance of Islamic funds over conventional ones, the lack of differences in some of them, and the superiority of conventional over Islamic in other ones.

As for the objective of mutual funds, some studies have concluded that the objective of income, growth and age linked to increased fund performance, with the nature of the relationship varying, whether it is direct or inverse. Other studies have concluded that mutual fund performance related to its objective. Other studies have found no differences in performance based on the objective of the mutual fund. As for mutual fund management, it negatively related to its operating expenses. The investors in a single fund family can earn higher returns in smaller, more experienced families that do not belong to a banking or insurance group. Another study confirmed that funds affiliated with investment banks perform poorer than those did that not affiliated because investment banks use mutual funds to support underwriting work at the expense of mutual fund shareholders. So, we are testing whether there are differences in the impact of Omani mutual fund characteristics on their financial performance from the investors' perspective.

Research hypotheses: The main research hypothesis, from which the research hypotheses branched out, was:

There are no statistically significant differences between the characteristics of mutual funds and their financial performance.

- 1- There are no statistically significant differences in financial performance attributable to mutual funds age.
- 2- There are no statistically significant differences in financial performance attributable to mutual funds activity kind.

3- There are no statistically significant differences in financial performance attributable to mutual funds manager.

4- There are no statistically significant differences in financial performance attributable to mutual funds objective.

5- There are no statistically significant differences in financial performance attributable to listing market.

6- There are no statistically significant differences in financial performance attributable to mutual funds family.

Research Methodology:

Research Design and Sample and Variables:

The research sample consists of all mutual funds listed on the Muscat Stock exchange since the listing of the first mutual fund in 2001 until 2024 (All financial reports have been published). (Appendix No. (1)). The data of this study pertain from the period February 2001 (The date of establishment of the first mutual fund (the first Mazoon Fund) to December 2024 (Financial reporting date for mutual funds on the Muscat Stock exchange)

Table 1: Research Variables

dependent Variables: mutual funds financial performance		
Simple Returns of mutual fund	sr	Ongaki J (2021)
Earnings Per unit for the year	epr	Ortiz C et al (2022)
Portfolio Turnover rate	pr	Zheng W&Tower E (2008), Yan X (2008), Park Y (2016), Ongaki J (2021)
Net Asset Value	nav	Alrashidi F (2013), Ali H et al (2017), Yan X (2008), Soni A et al (2022), Abd EL-Hameed S (2024), Ongaki J (2021), Mawikere J (2021)

Independent variables: characteristics of mutual funds		
Activity kind of mutual fund	Islamic vs. Conventional	Alrashidi F (2013), Ali H et al (2017), Mosallamy D and EL-Masry A(2016)
Objective of mutual fund	Long term, Growth, Income	Badr M et al (2012), Harjito D and Zhorifah B (2021), Mawikere J (2021), Yan X (2008), Soni A et al (2022), Abd EL-Hameed S (2024), Yan X and Hao G (2012)
Manager of mutual fund	Bank, company	Yan X and Hao G (2012),
Family of mutual fund	Jabal, Almottaheda, Alroia, Sahar bank, Afak, Obar, Almarkaz, Muskat bank, Tharaa, Althika, Oman Firm, Zafar Bank, Oman Bank, Alahli Bank	Park Y (2016), Ortiz C et al (2022), Bhojra S et al (2012)
listing market	Regular, Parallel	Mawikere J (2021)
mutual fund Age	1: 1year to 10 years 2: 11 years to 19 years 3: 20 years to 24 years	Badr M et al (2012), Yan X (2008), Ortiz C et al (2022)

Source: Prepared by the researcher based on previous studies

Results and Discussion:

First, we check the normality of data through descriptive tests, Kolmogrov-Smirnov, and Shapiro-Wilk tests. We will conclude whether to run a parametric or non-parametric test based on these results. The parametric test will follow to

compare the mean of two variables in case data is usually distributed. If data is not normally distributed, then the non-parametric test will follow for the comparison between two independent means. The test is Mann-Whitney U.

Normality test:

We performed Kolmogorov-Smirnov and Shapiro-Wilk in SPSS to exam the normality of data. **The null hypothesis for these tests to consider that the data is usually distributed.** There is significant insignificance in results as the (p-value< 0.05). Hence, H₀ will be rejected and conclude that data is not normally distributed.

Table 2: Normality test result

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Stati stic	df	Sig.	Statis tic	df	Sig.
Epr	.352	743	.000	.476	743	.000
Nav	.419	743	.000	.632	743	.000
Pr	.390	743	.000	.457	743	.000
Sr	.384	743	.000	.468	743	.000

a. Lilliefors Significance Correction

As shown in the table (2) data is not normally distributed, then the non-parametric test will follow for the comparison between two independent means. The test is Mann-Whitney U.

Analysis, results, and dissection:

1- **There are no statistically significant differences in financial performance attributable to mutual funds age.**

H₀: The mutual fund financial performance and the mutual funds age is equal.

Table 3: None parametric significance test.Ranks

	fund age	N	Mean Rank
epr	1 year to 10 years	480	324.39
	11 years to 19 years	168	426.72
	20 years to 24 years	96	518.17
	Total	744	
nav	1 year to 10 years	479	292.23
	11 years to 19 years	168	465.92
	20 years to 24 years	96	605.66
	Total	743	
pr	1 year to 10 years	480	293.08
	11 years to 19 years	168	472.88
	20 years to 24 years	96	593.94
	Total	744	
sr	1 year to 10 years	480	323.85
	11 years to 19 years	168	421.95
	20 years to 24 years	96	529.21
	Total	744	

As shown in the table (3), the average financial performance rank across all its indicators (simple returns (sr), net present value (nav), portfolio turnover rate (pr), earnings per unit for the year (epr)) is highest for funds aged (20-24 years). followed by funds aged (11-19 years), and funds aged (1-10 years) come in last place. Therefore, **the financial performance of older mutual funds differ from those of younger ones.**

Table 4: Kruskal-Wallis Test :Test Statistics^{a,b}

	epr	nav	pr	sr
Chi-Square	119.369	320.840	309.012	127.977
df	2	2	2	2
Asymp. Sig.	.000	.000	.000	.000

a. Kruskal Wallis Test

b. Grouping Variable: fund_age

The significance values are 0.00, which is lower than 0.05. Therefore, **we reject H_0 and accept the alternative hypothesis** that there is a difference in financial performance indicators (simple returns (sr), net present value (nav), portfolio turnover rate (pr), earnings per unit for the year (epr)) due to the age of the mutual funds.

We use Eta squared (η^2) to measure the proportion of variance in the dependent variable that is explained by an independent variable or a specific effect. The range of eta squared is:

- **<0.01**: Negligible or no effect size.
- **0.01 to 0.06**: small effect size.
- **0.06 to 0.14**: moderate effect size.
- **0.14 and above**: high effect size

Table 5: eta squared Measures of Association

	Eta	Eta Squared
epr * fund_age	.350	.123
nav * fund_age	.679	.461
pr * fund_age	.485	.235
sr * fund_age	.382	.146

As shown in the table (5), The variance in mutual funds financial performance measured by net asset value (NAV), portfolio turnover (PR) and simple returns (SR) is largely attributable to mutual fund age (46%,23%, 48% ,14%), respectively. Moreover, the variance in mutual fund financial performance measured by annual unit profitability (EPR) is moderate

2- **There are no statistically significant differences in financial performance attributable to mutual funds activity kind.**

H_0 : The mutual fund financial performance and the mutual funds activity is equal.

Table 6: None parametric significance test: Ranks

	activity	N	Mean Rank
epr	Islamic	239	337.09
	conventional	504	388.55
	Total	743	
sr	Islamic	239	331.59
	conventional	504	391.16
	Total	743	
pr	Islamic	239	316.06
	conventional	504	398.53
	Total	743	
nav	Islamic	239	311.89
	conventional	503	399.82
	Total	742	

As shown in the table (6), the average financial performance rank across all its indicators (simple returns (sr), net asset value (nav), portfolio turnover rate (pr), earnings per unit for the year (epr)) is the highest for conventional funds. Therefore, **the financial performance of conventional mutual funds differ from those of Islamic ones.**

Table 7: Kruskal-Wallis Test

Test Statistics^{a,b}

	epr	sr	pr	nav
Chi-Square	14.097	18.887	36.198	41.209
df	1	1	1	1
Asymp. Sig.	.000	.000	.000	.000

a. Kruskal Wallis Test

b. Grouping Variable: activity

The significance values are 0.00, which is lower than 0.05. Therefore, **we reject H₀ and accept the alternative hypothesis** that there is a difference in financial performance indicators (simple returns (sr), net asset value (nav), portfolio turnover rate (pr), earnings per unit for the year (epr)) due to the activity of the mutual funds.

Table 8: Eta squared: Measures of Association

	Eta	Eta Squared
epr * activity	.126	.016
nav * activity	.242	.059
pr * activity	.164	.027
sr * activity	.147	.022

As shown in the table (8), The variance in mutual funds financial performance measured by earning per unit profitability (EPR), net asset value (NAV), portfolio turnover (PR) and simple returns (SR) is small attributable to mutual funds activity (1%, 5% ,2% 2%), respectively.

3- There are no statistically significant differences in financial performance attributable to mutual funds manager.

H₀: The mutual fund financial performance and the mutual funds manager is equal.

Table 9: None parametric significance test:

Ranks

	manager	N	Mean Rank
epr	bank	264	359.87
	company	480	379.44
	Total	744	
nav	bank	264	339.94
	company	479	389.67
	Total	743	
pr	bank	264	336.19
	company	480	392.47
	Total	744	
sr	bank	264	356.19
	company	480	381.47
	Total	744	

As shown in the table (9), the average financial performance rank across all its indicators (simple returns (sr), net asset value (nav), portfolio turnover rate (pr), earnings per unit for the year (epr)) is highest for the fund is company. Therefore, **the financial performance of the funds managed by the companies Differ from those of the funds managed by the banks ones.**

Table 10: Kruskal-Wallis Test: Test Statistics^{a,b}

	epr	nav	pr	sr
Chi-Square	2.138	13.819	17.685	3.567
df	1	1	1	1
Asymp. Sig.	.144	.000	.000	.059

a. Kruskal Wallis Test

b. Grouping Variable: manager

The significance values are 0.00, which is lower than 0.05. For the financial performance indicators (net asset value (nav), portfolio turnover rate (pr)). Therefore, **we reject H_0 and accept the alternative hypothesis** that there is a difference in measured financial performance indicators (net asset value (nav), portfolio turnover rate (pr)) due to the manager of the mutual fund. But the significance values are=0.144, 0.059 for the measured (simple returns (sr), annual unit profitability (epr)), therefore, **we can accept H_0 , which states that there is no difference in the measured financial performance (net asset value (nav), portfolio turnover rate (pr)) due to the manager of the mutual funds.**

Table 11: eta squared: Measures of Association

	Eta	Eta Squared
epr * manager	.048	.002
nav * manager	.088	.008
pr * manager	.107	.011
sr * manager	.052	.003

As shown in the table (11), The variance in mutual funds financial performance measured by annual unit profitability (EPR), net asset value (NAV), portfolio turnover (PR) and simple returns (SR) has no effect attributable to mutual funds manager (0.2%, 0.8% ,1% ,0.3%), respectively

4- **There are no statistically significant differences in financial performance attributable to mutual funds objective.**

H_0 : The mutual fund financial performance and the mutual funds objective is equal.

Table 12: None parametric significance test: Ranks

	objective	N	Mean Rank
epr	long term	144	413.11
	growth	312	378.71
	income	288	345.47
	Total	744	
nav	long term	144	429.60
	growth	311	395.57
	income	288	317.75
	Total	743	
pr	long term	144	416.06
	growth	312	408.29
	income	288	311.95
	Total	744	
sr	long term	144	415.75
	growth	312	378.24
	income	288	344.66
	Total	744	

As shown in the table (9), the average financial performance rank across all its indicators (simple returns (sr), net asset value (nav), portfolio turnover rate (pr), earnings per unit for the year (epr)) is highest for long term mutual funds, followed by growth mutual funds , and income funds come in last place. Therefore, **the financial performance of long-term mutual funds differ from those of growth and income ones.**

Table 13: Kruskal-Wallis Test: Test Statistics^{a,b}

	epr	nav	pr	sr
Chi-Square	15.073	49.187	56.660	16.481
df	2	2	2	2
Asymp. Sig.	.001	.000	.000	.000

a. Kruskal Wallis Test

b. Grouping Variable: objective

The significance values are 0.00, which is lower than 0.05. Therefore, **we reject H_0 and accept the alternative hypothesis** that there is a difference in financial performance indicators (simple returns (sr), net asset value (nav), portfolio turnover rate (pr), earnings per unit for the year (epr)) due to the objective of the mutual funds.

Table 14: eta squared: Measures of Association

	Eta	Eta Squared
epr * objective	.151	.023
nav * objective	.268	.072
pr * objective	.282	.079
sr * objective	.157	.025

As shown in the table (14), The variance in mutual funds financial performance measured by annual unit profitability (EPR), and simple returns (SR) has a small effect size, (2%,2%) respectively attributable to mutual funds objective and net asset value (NAV), portfolio turnover (Pr) has a moderate effect size attributable to mutual funds objective (7%,7%) respectively.

5- There are no statistically significant differences in financial performance attributable to listing market.

H_0 : The mutual fund financial performance and mutual fund listing market is equal.

Table 15: None parametric significance test: Ranks

	market	N	Mean Rank
epr	regular	600	365.74
	parallel	144	400.69
	Total	744	
nav	regular	599	363.79
	parallel	144	406.13
	Total	743	
pr	regular	600	366.61
	parallel	144	397.06
	Total	744	
sr	regular	600	366.32
	parallel	144	398.26
	Total	744	

As shown in the table (15), the average returns financial performance across all its indicators (simple returns (sr), net asset value (nav), portfolio turnover rate (pr),

earnings per unit for the year (epr)) is highest for mutual funds listing in parallel market. Therefore, the financial performance of mutual funds listing in parallel market differ from those of listing in regular ones.

Table 16: Kruskal-Wallis Test: Test Statistics^{a,b}

	epr	nav	pr	sr
Chi-Square	4.650	6.832	3.529	3.884
df	1	1	1	1
Asymp. Sig.	.031	.009	.060	.049

a. Kruskal Wallis Test

b. Grouping Variable: market

The significance values are 0.031, 0.009, 0.049 which is lower than 0.05 for the following indicators (earnings per unit for the year (epr), net asset value (nav) simple returns (sr)). Therefore, we reject H₀ and accept the alternative hypothesis that there is a difference in returns indicators (due to the mutual fund listing. except, portfolio turnover rate (pr) is higher than 0.05. Therefore, we can accept the null hypothesis that there are no differences in mutual fund financial performance measured by portfolio turnover rate (pr) attributable.

Table 17: eta squared: Measures of Association

	Eta	Eta Squared
epr * market	.088	.008
nav * market	.077	.006
pr * market	.006	.000
sr * market	.094	.009

As shown in the table (17), The variance in mutual funds financial performance measured by annual unit profitability (EPR), net asset value (NAV), portfolio turnover (PR) and simple returns (SR) has no effect attributable to mutual funds listing market (0.8%, 0.6% ,0% ,0.9%), respectively

6- **There are no statistically significant differences in financial performance attributable to mutual funds family.**

H₀: The mutual fund financial performance and the size of mutual funds family is equal .

Table 18: None parametric significance test: Ranks

family	N	Mean Rank	family	N	Mean Rank
epr			pr		
jabal	72	302.08	jabal	72	273.45
almottaheda	24	466.13	almottaheda	24	507.23
alroia	95	370.66	alroia	95	395.00
sahar bank	48	329.19	sahar bank	48	282.05
afak	49	343.82	afak	49	321.36
obar	48	381.50	obar	48	398.31
almarkaz	24	506.06	almarkaz	24	544.08
muskat	96	413.45	muskat	96	392.43
tharaa	24	367.33	tharaa	24	321.63
althika	24	362.17	althika	24	321.17
oman firm	96	393.52	oman firm	96	437.79
zafar bank	24	319.54	zafar bank	24	271.38
oman bank	78	381.74	oman bank	78	424.08
alahli bank	42	320.56	alahli bank	42	275.51
Total	744		Total	744	

nav	jabal	72	271.76	sr	jabal	72	305.40
	almottaheda	24	501.04		almottaheda	24	490.56
	alroia	94	401.63		alroia	95	369.05
	sahar bank	48	283.39		sahar bank	48	323.86
	afak	49	329.56		afak	49	364.41
	obara	48	379.34		obara	48	379.59
	almarkaz	24	583.88		almarkaz	24	481.08
	muskat	96	414.35		muskat	96	422.05
	tharaa	24	315.67		tharaa	24	359.77
	althika	24	314.67		althika	24	355.79
	oman firm	96	420.98		oman firm	96	396.46
	zafar bank	24	274.10		zafar bank	24	315.29
	oman bank	78	404.85		oman bank	78	365.95
	alahli bank	42	276.23		alahli bank	42	316.38
	Total	743			Total	744	

As shown in the table (18), the average financial performance rank across all its indicators (net asset value (nav), portfolio turnover rate (pr), earnings per unit for the year (epr), simple returns (sr)) is highest for the fund family named Almarkaz. Therefore, the highest financial performance belong to a mutual fund family called Al Markaz, which consists of only one fund, followed by Almottaheda family, which consists of a fund called Fincorp Al-Amal.

We notice that both funds: listed on the parallel market, have a long-term income objective, are 20 years old and 14 years old, and operate in a conventional activity.

Table 19: Kruskal-Wallis Test: Test Statistics^{a,b}

	epr	nav	pr	sr
Chi-Square	49.951	131.590	126.851	51.704
df	13	13	13	13
Asymp. Sig.	.000	.000	.000	.000

a. Kruskal Wallis Test

b. Grouping Variable: family

The significance values are 0.00, which is lower than 0.05. Therefore, **we reject H₀ and accept the alternative hypothesis** that there is a difference in financial performance indicators (simple returns (sr), net asset value (nav), portfolio turnover rate (pr), earnings per unit for the year (epr)) due to the size of mutual funds family.

Table 20: eta squared: Measures of Association

	Eta	Eta Squared
epr * family	.241	.058
nav * family	.435	.190
pr * family	.356	.127
sr * family	.251	.063

As shown in the table (20), the variance in mutual funds financial performance measured by annual unit profitability (EPR), has a small effect size (5%) attributable to mutual funds families. In addition, net asset value (NAV) has a high effect size (19%) attributable to mutual funds families. In addition, portfolio turnover (Pr) and simple returns (SR) has a moderate effect size respectively attributable to the size of mutual funds family.

Conclusions:

• The variance in mutual fund financial performance measured by: **net asset value (NAV), portfolio turnover (PR), and simple returns (SR) is largely attributable to:**

1- The large age of the mutual fund. This conclusion confirms to (Ortiz C et al, 2022).

2- The small family of mutual fund. This conclusion confirms to (Park Y, 2016) and (Ortiz C et al, 2022) and differs from (Bhojra S, 2012).

3- The objective of the mutual funds: it was for the long-term.

This conclusion confirms to (Mawikere J, 2021) and differs from (Soni A et al, 2022) and (Abd El-Hameed S, 2024) and (Harjito D and Zhorifah B, 2021) and (Badr M et al, 2012)

• **Earnings per unit for the year (epr) attributed to** age, activity, manager, mutual fund objective, listing market.

• **There are differences in the financial performance of mutual funds measured by all their indicators, attributed to:**

1- Traditional activity. It differs from (Mosallamy D and EL-Masry A, 2016) and (Alrashidi F, 2013).

2- For managed by companies, not banks.

3- for listing market was in parallel market

Recommendations

1- It is necessary to base on the following financial performance indicators: net asset value, portfolio turnover, and simple returns.

2- It is important to choose mutual funds with a large age and small family size, aiming for long-term investment.

3- When making investment decision it necessary to avoid earnings per unit for the year (epr) criteria because it's weak role in mutual fund age, mutual fund activity, mutual fund manager, mutual fund objective, mutual fund listing market.

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Appendix (1)

Omani mutual funds listed on the Muscat Stock Exchange

According to the manager		By market pattern		
bank	company	regular	parallel	
Oryx Fund	The First Mazoon Fund	The First Mazoon Fund	FINCORP AL-Amal Fund	
Bank Muscat Money Market Fund	FINCORP AL-Amal Fund	Oryx Fund	Vision Real Economy GCC Fund	
National Bank Oman GCC Fund	Uobar Capital Fund	Uobar Capital Fund	United GCC Fund	
Ahli Global Equity Fund	United GCC Fund	National Bank Oman Equity Fund	ALkawther Fund	
The PEARL REIF Fund	Vision Real Economy GCC Fund	Bank Muscat Money Market Fund	Oman Real Estate Fund	
Ahli Islamic Money Market Fund	Vision ALkhair GCC Fund	Ahli Global Equity Fund	Aman Real Estate Fund	
National Bank Oman Equity Fund	ALkawther Fund	Vision Focused Fund	Tanmia GCC Diversified Fund	
Bank Muscat AL-Tharwa Fund	Vision Focused Fund	Vision GCC Fund	The PEARL REIF Fund	
Bank Dhofar Money Market Fund	Horizons Premier Fund	Horizons Premier Fund	Tanmia Liquidity Fund	
Meethaq Equity Fund	Oman Real Estate Fund	Tanmia GCC Diversified Fund	JABAL Real Estate Fund	
Sohar International Money Market Fund	Aman Real Estate Fund	Ahli Islamic Money Market Fund		
	Tanmia GCC Diversified Fund	National Bank Oman GCC Fund		
	Vision ABIKOR GCC Fund	Bank Muscat AL-Tharwa Fund		
	Tanmia Liquidity Fund	Vision ABIKOR GCC Fund		
	JABAL Real Estate Fund	Bank Dhofar Money Market Fund		
	JABAL Furas Fund	JABAL Furas Fund		
	Gheras Endowment Investment Fund	Gheras Endowment Investment Fund		
	JABAL GCC Equities Fund	Meethaq Equity Fund		
	Alfagar Fund	Vision ALkhair GCC Fund		
	Vision GCC Fund	Alfagar Fund		
		JABAL GCC Equities Fund		
According to the activity		According to the objective		
Islamic	conventional	Long term	growth	income
Vision ALkhair GCC Fund	The First Mazoon Fund	National Bank Oman Equity Fund	Sohar International Money Market Fund	Alfagar Fund
Ahli Islamic Money Market Fund	Oryx Fund	Aman Real Estate Fund	Vision GCC Fund	Meethaq Equity Fund
Ahli Global Equity Fund	Uobar Capital Fund	Oman Real Estate Fund	Vision Focused Fund	Gheras Endowment Investment Fund
Gheras Endowment Investment Fund	National Bank Oman Equity Fund	Vision ALkhair GCC Fund	The PEARL REIF Fund	JABAL Real Estate Fund
Aman Real Estate	Bank Muscat	FINCORP AL-	JABAL GCC	JABAL Furas

Fund	Money Market Fund	Amal Fund	Equities Fund	Fund
Alfagar Fund	JABAL Real Estate Fund	Oryx Fund	Horizons Premier Fund	Tanmia Liquidity Fund
Meethaq Equity Fund	Vision Focused Fund		Ahli Global Equity Fund	Bank Dhofar Money Market Fund
The PEARL REIF Fund	Vision GCC Fund		ALkawther Fund	Ahli Islamic Money Market Fund
ALkawther Fund	Horizons Premier Fund		National Bank Oman Equity Fund	Bank Muscat AL-Tharwa Fund
	Tanmia GCC Diversified Fund		Uobar Capital Fund	Tanmia GCC Diversified Fund
	Tanmia Liquidity Fund		United GCC Fund	Bank Muscat Money Market Fund
	National Bank Oman GCC Fund		The First Mazoon Fund	Vision Real Economy GCC Fund
	Bank Muscat AL-Tharwa Fund			The PEARL REIF Fund
	Vision ABIKOR GCC Fund			
	Bank Dhofar Money Market Fund			
	JABAL Furas Fund			
	FINCORP AL-Amal Fund			
	Vision Real Economy GCC Fund			
	United GCC Fund			
	Oman Real Estate Fund			
	JABAL GCC Equities Fund			