



CIMB-Principal launches Islamic commodities fund

KUCHING: CIMB-Principal Asset Management Bhd (CIMB-Principal) has launched its CIMB Islamic Global Commodities Equity Fund, with a fund size of 600 million units, to capitalise upon tremendous growth opportunities available in the commodities sector.

"Potentially, we are looking at a growth rate of between 10 and 15 per cent per annum for the fund over the next three to five years. We expect to complete the sales of all the units, worth RM150 million (1 unit = RM0.25) by the end of this year," said its chief executive officer J Campbell Tupling during the launch in Kuala Lumpur yesterday.

Also present at the launch

was CIMB-Principal's chief investment officer Raymond Tang, who added that the fund's focus would be on four emerging sectors in the commodities industry

"We are looking at the energy, metal, renewable energy and agriculture sectors. The strategy that we are undertaking is to benefit from the strong and rising demand for natural and basic materials, driven by structural growth in developing economies," he explained.

Meanwhile, Tupling said the commodities fund was chosen by the company due to the sector's importance to the global economy

"Not only that, we have also seen an increase in the demand for shariah-

compliant funds. All types of investors, who usually prefer conventional funds, are now turning to these funds."

The CIMB Islamic Global Commodities Equity Fund is being distributed by CIMB

Bank. CIMB Private Banking and CIMB Investment Bank, with a minimum initial investment of RM1,000.

CIMB-Principal is one of two CIMB Group's fund management units, the other being the CIMB-Principal Islamic Asset Management Sdn Bhd. As of December 2008, CIMB's asset management services had more than RM19 billion worth of assets under its charge.