

# CIMB-Principal targets AUM of RM6b

by LEE CHERNG WEE

**CIMB-PRINCIPAL** Islamic Asset Management Sdn Bhd is aiming to increase its assets under management (AUM) to US\$1.7 billion (RM6 billion) by end of this year.

"Being as an independent company now, we are looking at an additional US\$400 million for this year. Currently

*Being an independent company, it is looking at an additional RM1.41b for this year. Currently, the company's assets under management stand at RM4.58b.*

our AUM is at US\$1.3 billion," CIMB-Principal Islamic CEO Datuk Noripah Kamsu told reporters yesterday after a media briefing.

The briefing on research "Future of Investment: The Next Move?", conducted by Principal Global Investors, showed changes in investors'

behaviour and business model of asset managers following the financial crisis.

"The research finding reinforces the proposition of Islamic investment, making Islamic investment methodology more relevant," she said.

Noripah added that Islamic investment products fit well into the investors'

new preference for assets with quality, simplicity and safety.

"Islamic issuers also discourage leveraging and inefficient use of capital. This will indirectly encourage prudence in capital management level and debt," she said.

Noripah added that Islamic investment products are ap-

proved by Shariah panel, which is made up of Islamic scholars, to protect clients' interests.

According to Noripah, global sukuk issuance worth US\$12 billion was expected this year and US\$8 billion have been issued so far.

For 2010, the global sukuk market is expected to be higher than US\$12 billion.