

DATE : 30 October 2014
PUBLICATION : Fund Selector Asia (Online)
SECTION : Nil
HEADLINE : Maybank, Bosera in pact for Shariah-compliant equity funds

Maybank, Bosera in pact for Shariah-compliant equity funds

FROM FUND LAUNCHES OCT 30 2014 BY: LEENA DAGADE , DEPUTY EDITOR , FUND SELECTOR ASIA

 Comments (0)  Print   



Malaysia's Maybank Asset Management has entered into a pact with Hong Kong-based Bosera Asset Management to jointly develop funds investing in Shariah-compliant equities within ASEAN and Greater China.

The Greater China and the ASEAN Islamic equity fund is expected to initially launch in Malaysia during the first quarter of 2015 and it will eventually be registered in Hong Kong,

according to a Maybank spokesman.

"The prospect of this partnership with Bosera, the leading asset management firm in China, is enormous and venturing into the Greater China territory is definitely the next best thing for us," Azamin Salleh, chief executive officer of Maybank Asset Management said.

While Hong Kong can leverage on Malaysia's Islamic fund management capabilities, Malaysia at the same time would benefit from Hong Kong's strength as an international financial centre.

According to Salleh, Islamic investment products will appeal to a large segment of investors in China given the large Muslim population and the growing middle class.

"ASEAN investors remain fond of the China growth story. We are of the opinion that the China market has indeed stabilised, translating into steady and sustainable growth. The current valuations remain attractive in China as they are the cheapest in the region compared to the price of investments in India and are much lower in comparison to their Asian and western counterparts."

With the recent implementation of the ASEAN Collective Investment Schemes Framework, the growth of Islamic investments is imminent as fund managers now have an efficient route to offer Islamic funds and promote Islamic investments to retail investors in the listed countries under the ASEAN framework.

In September, the Hong Kong government said it had raised \$1bn for its inaugural Islamic bond or 'sukuk', which underscores the interest of Hong Kong in Islamic finance.

"We are here to capture ASEAN's long-term growth opportunities as ASEAN has become an increasingly important factor in the world economy," said Wu Yaodong, a director at Bosera International said.

"With the establishment of trade agreements around ASEAN such as the ASEAN Framework, it would create substantial borderless business opportunities for companies in the region."