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## **AMONGST THE FIRST ASEAN-GREATER CHINA CROSS BORDER PARTNERSHIP FOR ISLAMIC FUNDS**

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The bilateral agreement is a major milestone for both parties as the objective of this collaboration is to explore business opportunities together to jointly develop funds investing in Shariah-compliant equities and/or Shariah-compliant equity-related securities with focus within ASEAN and in the Greater China regions (People's Republic of China, Hong Kong, Macau and Taiwan). In addition, Malaysia has been the Islamic funds gateway

in Asia, linking the Middle East and Europe to this part of the world. 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.

With the recent implementation of the ASEAN Collective Investment Schemes Framework (ASEAN 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. Furthermore, the Hong Kong government continues to promote Islamic finance with the launch of an Islamic bond later this year.

The demand for Islamic products in both regions is undeniably promising with a total Muslim population amounting to approximately 230 million as at 2010. That said, the growing middle to upper class investors in these jurisdictions to which Islamic investment products are deemed more sophisticated, appeal to even non-Muslim investors as Islamic investments garner favour for its Shariah-compliant principles such as transparency, rigorous risk management and socially responsible investments.

Chief Executive Officer of Maybank Asset Management Group Berhad, Nor' Azamin Salleh commented, "The prospects of this partnership with Bosera being the leading asset management in China is enormous and besides, venturing into the Greater China territory is definitely the next best thing for us. Having built and strengthened our on-the-ground expertise in key ASEAN markets i.e. Malaysia, Thailand, Singapore and Indonesia over the past three (3) years, the time has come for us to tap into the full potential of our Asian-focused investment team and leverage heavily on the ASEAN Framework platform. Given our capabilities in managing Islamic assets, we are confident in delivering world-class Islamic products abiding to the International Shariah guidelines and standards."

"Islamic investment products will appeal to a large segment of investors in China given the large Muslim population of 23 million and the growing middle class investors where more sophisticated and ethical investments are highly sought after. Moreover, ASEAN investors remain fond of the China growth story. We are of the opinion that China market has indeed stabilised, translating to a steady and sustainable growth. The current valuations remain attractive in China as they are cheapest in the region compared to the price of investments in India and are much lower in comparison to their Asian and western counterparts. In the pipeline, we are working towards a Greater China and Asean Islamic equity fund due to be launched in 1Q15." added Nor' Azamin.

CEO of Bosera International, Dr. Wu said "Bosera International is very honoured to have the opportunity to collaborate with Maybank AM. By working closely with Maybank Asset Management, we are confident that our combined expertise can help to create more wealth for the world's Islamic community. We are here to capture ASEAN's long-term growth opportunities as ASEAN has become an increasingly important factor in the world economy. 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 and will have ASEAN step up its presence in the globalisation."