

SUKUK ISSUANCE

'MALAYSIA TO RETAIN TOP SPOT'

Country issued the lion's share of Islamic bonds globally last year

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MALAYSIA will remain the market leader in global sukuk issuances despite recent delays and cancellations of mega projects.

CIMB Islamic Bank Bhd chief executive officer Rafe Haneef said it was "business as usual" for the bank despite some impact on several deals in the pipeline and its yearly target.

"Malaysia issued some US\$50 billion (RM199.2 billion) of global sukuk last year. We expect the country will retain that position.

"Though projects are delayed

and cancelled, those expenses are sustainable and I believe Malaysia will be able to retain the lion's share of the global sukuk issuance market share this year," he said at the launch of Takaful Mulia policy here yesterday.

Earlier this year, Moody's Investor Services said Malaysia continued to remain the world's largest sukuk market, with an estimated 44 per cent of total sovereign sukuk outstanding last year.

According to the rating agency, sukuk issuances grew 17 per cent to some US\$100 billion last year.

For the first half ended June 30, CIMB Investment Bank Bhd topped Bloomberg's Underwriter League Table for ringgit bonds

for 12 years running. It led Bloomberg's ringgit sukuk, with a market share of 30.56 per cent, amounting to RM11.13 billion.

Rafe expects future issuances will come from both the infrastructure and corporate space.

He also said CIMB Islamic had some sukuk deals in the pipeline, but did not divulge any further information.

Earlier, CIMB Islamic launched Takaful Mulia, a new product developed by Sun Life Malaysia Takaful Bhd for the Islamic bank.

Takaful Mulia is potentially Malaysia's first takaful product that will make a regular waqf contribution payable to an appointed waqf body even after a policy holder's demise.

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RAFE HANEEF
CIMB Islamic Bank Bhd
chief executive officer