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## NEWS RELEASE

### **UOBAM And Commerce International Merchant Bankers Bhd Launch New Islamic Fund**

**06 July 2004, Singapore** - UOB Asset Management Ltd, Singapore ("UOBAM") and Commerce International Merchant Bankers Berhad, Malaysia ("CIMB") today jointly launched the Afdaal Funds Series ("the Fund") that is domiciled in Labuan, Malaysia. The Afdaal Funds Series is also UOBAM's first Islamic Fund.

A US dollar denominated offshore unit trust, the Afdaal Funds Series is an umbrella fund from which the first sub-fund - the Afdaal Asia Pacific Equity Fund - was also launched today. The launch event, which took place in Labuan, was held in conjunction with the 1st International Labuan International Islamic Finance Conference. The Conference was attended by more than 300 international delegates and graced by the Honourable Tan Sri Dr Zeti Akhtar Aziz, Governor of Bank Negara Malaysia and Chairman of the Labuan Offshore Financial Services Authority.

In making its first push into Islamic finance, UOBAM has chosen to partner CIMB because of the latter's track record in the industry and its strong business relationships in the Middle East. For instance, CIMB - together with the Kuala Lumpur-based Navis Capital Partners - successfully launched their first Asia-based regional Islamic private equity fund recently.

Both institutions will leverage on each other's core strengths in managing the Fund. UOBAM will bring its asset management expertise to the Fund, while CIMB will offer the experience of its well-established Islamic franchise - CIMB Islamic - as the Fund's Shariah advisor. CIMB's Shariah committee comprises eminent international Shariah scholars, namely, Associate Professor Dr Mohd Daud Bakar, Professor Dr Mohammad Hashim Kamali, Professor Hafiz Elsheikh Mohamed El Zaki and Associate Professor Dr Engku Rabiah Adawiah Engku Ali.

Said Mr Daniel Chan, Managing Director & Chief Investment Officer of UOBAM, "This is the second ethical fund that UOBAM is managing, the first being the United Global UNIFEM Singapore Fund. Islamic banking and finance is a rapidly growing industry and we are delighted to have the opportunity to partner CIMB who is one of the leading institutions in this field in the region. Besides the launch of this Fund, we intend to explore other ways of tapping this rapidly growing pool of Islamic funds."

Added Mr Badlisyah A Ghani, Head of CIMB Islamic, "The launch of the Fund is timely, considering the increasing and greater interest shown by Middle East investors in the Asia-Pacific region.

"It is also in line with the Malaysian Government's strong support to develop Islamic banking and finance and its aim to promote Labuan as a premier Islamic offshore fund and asset management centre."

Demand for Islamic financial products has been expanding rapidly in the region, growing at an estimated 20% annually worldwide. The global Islamic market is believed to be worth some USD250 billion, with funds of about USD70 billion under management.

### **Subscription Details**

Investors can buy into the Afdaal Asia Pacific Equity Fund with a minimum initial investment of USD5,000 and subsequent investments of USD500. Investors are required to pay a subscription fee of 5 per cent and an annual management fee of 1.5 per cent\*.

The Fund, which is currently only available in Labuan, will be registered in Singapore in due course. Investors who are interested in the Fund can email UOBAM at [uobam@uobgroup.com](mailto:uobam@uobgroup.com).

\* The fund manager has the discretion to reduce the rate of any fees and charges.

### **About UOB Asset Management Ltd**

UOBAM is a wholly-owned subsidiary of United Overseas Bank Limited. Established in 1986, UOBAM managed over SGD21 billion in clients' funds as at 30 April 2004 and is one of the largest unit trust managers in Singapore in terms of assets under

management. UOBAM has also been managing collective investment schemes and discretionary funds in Singapore for 18 years.

UOBAM offers global investment management expertise to institutions, corporations and individuals, through customised portfolio management services and unit trusts. Currently, it has 38 unit trusts (with a total of 57 funds and sub-funds altogether) in Singapore and 12 unit trusts in Malaysia with total assets of about SGD3.1 billion under management as at 30 April 2004.

In terms of market coverage, UOBAM has developed specialist skills in equity investment in the Asian, Australian, European and US markets and in major global sectors. In the bond markets, UOBAM covers the Organisation of Economic Co-operation and Development (OECD) countries to emerging markets.

UOBAM's investment philosophy is an emphasis on securities selection using a bottom-up approach. It makes regular company visits and supplements its fundamental investment approach with quantitative tools to control risks and to aid in the portfolio construction process. UOBAM's commitment towards achieving consistently good performance continues to win it a growing list of awards and accolades.

### **About CIMB**

CIMB is held in majority by Commerce Asset-Holding Berhad, Malaysia's second largest financial services provider, and is the only listed investment bank on Bursa Malaysia.

CIMB is a fully integrated investment bank. It offers the full range of services in the debt markets, the equity markets and corporate advisory. CIMB also provides services in lending, private banking, private equity, Islamic capital markets as well as research capability in economics, equity and debt markets.

CIMB has consistently won awards and accolades in the Malaysian capital markets from leading international financial publications. It was recently awarded the 'Best Domestic Sukuk House Award' by Euromoney.

About Islamic Finance (14.6KB)

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