

IDB unveils first ringgit sukuk programme

THE Jeddah-based Islamic Development Bank (IDB) has established its first local currency sukuk programme with the signing of the RM1 billion programme documents, Ahmed S. Hariri, IDB regional office director in Kuala Lumpur, said yesterday.

IDB officials led by vice-president Datuk Syed Ja'far Aznan were in Kuala Lumpur for the signing.

In a statement yesterday, Ahmed said the regulators — Central Bank of Malaysia, Securities Commission and the Ministry of Finance — had given approval for the programme and issuance of the sukuk.

The joint lead arrangers for the programme are CIMB Investment Bank Bhd and Standard Chartered Bank Malaysia Bhd while the co-lead manager is RUB Islamic Bank Bhd, he said. The legal counsel for the transaction is Zaid Ibrahim & Co.

Following the signing, a two-day roadshow was held, with an investor presentation in Kuala Lumpur on Thursday, attended by representatives of public and private institutional investors, Ahmed said.

He said IDB had chosen Malaysia for issuance of sukuk. The funds raised would be used to finance projects in Malaysia.

The IDB, a multilateral development bank of 56 Islamic countries, has a AAA rating from three international rating agencies — Standard & Poor's, Moody's and FitchRatings. — Bernama