

FOR IMMEDIATE RELEASE

The IILM Issues a total of USD 800 Million *Şukūk*

Kuala Lumpur, Malaysia – 11 March 2020.

Today, the International Islamic Liquidity Management Corporation (IILM) conducted its third auction of the year by issuing a total amount of USD 800 million short-term A-1 rated *Şukūk* in three series.

Strong global investor demand led to a total order book of USD 1.47 billion and a bid-to-cover ratio for the three *Şukūk* series of 190%. With over 50 orders from diversified investors, the allocations across all tenors are concentrated within the GCC region accounting to circa 90% in average.

The three issuances have been priced by the market as follows; i) USD 300 million of 1-month tenor at 0.81%; ii) USD 300 million of 3-month tenor at 0.87%; and iii) USD 200 million of 6-month tenor at 0.85%, respectively. The cut-off profit rates across all the *Şukūk* came up far below February 2020 levels by at least 90 bps reflecting the massive decline of the global money-market rates.

The successful auction, which is part of the IILM's scheduled issuance calendar, comes at a moment of significant market volatility. The excellent outcome amid global uncertainties is a testament to the strength of the IILM's credit quality. The enduring confidence from the Primary Dealers and investors' in the IILM enables it to fulfill its specific mandate to provide the global market with high quality shari'ah-compliant liquidity instruments.

Today's IILM auction completes the first quarter issuances with a total of 9 securities amounting to USD 2.65 billion and representing close to 30% of all the USD *Şukūk* issued globally year-to-date.

The IILM short-term *Sukūk* programme is rated "A-1" by S&P. The total of IILM *Şukūk* outstanding is **USD 2.51 billion** with a Shari'ah tradability ratio of **71% tangible assets**.



About the IILM

The International Islamic Liquidity Management Corporation (IILM) is an international organisation established on 25 October 2010 by central banks, monetary authorities and multilateral organisations to develop and issue short-term Shari'ah-compliant financial instruments to facilitate effective cross-border liquidity management for institutions that offer Islamic financial services (IIFS).

The current members of the IILM Governing Board are the central banks and monetary agencies of Indonesia, Kuwait, Luxembourg, Malaysia, Mauritius, Nigeria, Qatar, Turkey, the United Arab Emirates, as well as the multilateral Islamic Corporation for the Development of the Private Sector.

Membership of the IILM is open to central banks, monetary authorities, financial regulatory authorities or government ministries or agencies that have regulatory oversight of finance or trade and commerce, and multilateral organisations.

The IILM is hosted by Malaysia and headquartered in Kuala Lumpur.

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