

[NEW DEAL: Sichuan Devt Plans to Sell \\$300m Debut Sukuk in Dec.](#)

(Bloomberg) -- Investment arm of China's Sichuan provincial govt via leasing unit Sichuan Development Financial Leasing to sell \$300m of 5-yr dollar-denominated sukuk in December, according to Silk Routes Financial, which is advising on the deal.

- Planned sale will be done via Singapore-based special purpose vehicle Silk Routes Capital Pte., Bobby Tay, an adviser to Singapore-based Silk Routes Financial, says in phone interview Monday
- Funds raised to finance an asset in Chengdu, he says
- Sukuk will be rated and likely to have same rating as parent Sichuan Devt, which is rated A-, fourth-lowest investment grade, by Fitch: Tay
- Hires Standard Chartered Bank, CIMB, Bank of China, Bank of China International to arrange investor meetings in Middle East, Malaysia, Singapore, Brunei and Hong Kong
- Sukuk will use commodity murabaha structure, where goods are bought and then resold with a pre-agreed mark-up: Tay
- Planned sale could be “tip of the iceberg” for more sukuk from Chinese companies, especially those involve in China's ‘One Belt, One Road’ policy, Tay says