

---

## **CIC finding its feet with Bumi and Noble purchases**

*Friday, 25 Sep, 2009*

Bloomberg reported that China USD 297.5 billion sovereign wealth fund is stepping up investments in commodities companies agreeing to spend USD 2.75 billion in the last two days.

Jakarta based Bumi said in a statement China Investment Corp. bought USD 1.9 billion of debt from PT Bumi Resources, Indonesia's biggest coal producer. A day earlier, CIC paid USD 850 million for a 15% stake in Noble Group Ltd a Hong Kong-based commodity supplier.

Mr Fraser Howie author of the book "Privatizing China," said "China is relatively resources short, and it's not a secret that CIC has this long term strategy to buy resources overseas. It seems it is finding its feet after the financial investments it made earlier which brought it criticism at home."

Mr Dileep Srivastava the company head of investor relations said Bumi will use part of the funds to pare about USD 1.6 billion of debt and boost investments.

He said that "At a time when there are a lot of investments on the anvil, it frees up your cash flow. You will be getting comfortable tenors at a time when you will be investing heavily in the next couple of years."

A CIC spokeswoman in Beijing confirmed the Bumi deal today and refused to comment.

(Sourced from Bloomberg)

For more news visit at [www.steelguru.com](http://www.steelguru.com)