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## South Korea pension fund to capitalise on global credit crunch

**By Editor**

Published: 03/05/2008 - 04:31

SEOUL, March 5, 2008 (AFP) - South Korea's state-run National Pension Service (NPS) said Wednesday it would buy into a fund which invests in US and European financial institutions amid the global credit crunch.

NPS said it has earmarked 300 million dollars to invest in a seven-billion-dollar private equity fund being raised by Texas Pacific Group (TPG). TPG specialises in investing in financial institutions.

Other major investors include seven or eight global pension funds and sovereign wealth funds, NPS said in a statement.

'The investment will help expand chances for NPS to buy stock in overseas financial institutions,' it said.

'TPG sees the global credit crunch caused by the US subprime housing loan crisis as a chance for increasing investment,' it said.

The pension fund managed 220 trillion won (212 billion dollars) as of the end of last year, of which 500 billion won has been invested in overseas financial markets.

It plans to allocate an additional 900 billion won to overseas markets this year.

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