China Investment Corp , the Chinese sovereign wealth fund, is expected to receive another injection of capital from the country's foreign exchange reserves in the coming months, according to government officials and people familiar with the fund.

While a final decision has yet to be made, these people said CIC would likely receive a similar amount to the initial $200bn (£124bn) it was given on its establishment in 2007.

Chinese media have also reported the government is considering a new capital injection of $200bn for the fund.

Any infusion would amount to an acknowledgement from Beijing that CIC has performed well during a time of global turmoil. It would also mark a turnround from a year ago when the fund was under attack for its early lossmaking investments in Morgan Stanley and US private equity firm Blackstone.

Bankers say that despite those hiccups the fund has managed its funds well through the crisis. It stayed mostly in cash last year before switching into highly liquid US dollar assets as the greenback bounced back in November 2008 and again in March this year.

As the global economy began to recover earlier this year, the fund was quick to make investments in commodities-related assets that benefit from a rebound in Chinese growth.

In recent months the fund has clinched a series of deals and has committed more than half of the funds it had available for offshore investments.

"Their performance has been very good by most measures and they have gotten through the Blackstone-Morgan Stanley debacle, which really hurt and constrained them in 2008," said one person who works closely with the fund.

China's foreign exchange reserves increased by $326bn to a total of $2,273bn in the first nine months of 2009. Beijing has repeatedly expressed its intention to gradually diversify away from low-yielding US government securities, which make up the bulk of the reserves.

Another factor influencing the decision to give CIC more money is the fact that China's largest banks are expected to raise roughly $50bn in new capital over the next couple of years to meet tighter regulatory requirements.

Since CIC holds controlling stakes in most of China's largest banks, the fund must provide much of this capital to avoid seeing its holdings diluted.