

**CAGAMAS ISSUANCES SURPASS INITIAL TARGETS MARKING RM15.8 BILLION WRAPPING UP 2018**

**Kuala Lumpur, 20 December 2018** – Cagamas Berhad (“Cagamas” or “the Company”), the National Mortgage Corporation of Malaysia, announced the combined issuance of RM1.4 billion bonds and sukuk comprising RM800 million Conventional Medium Term Notes (CMTNs), RM400 million Islamic Medium Term Notes (IMTNs), RM100 million Conventional Commercial Papers (CCPs) and RM100 million Islamic Commercial Papers (ICPs). The CMTN and IMTNs issued will mature in 1-year while the CPs and ICPs issued are tenured 6-months. Proceeds from the respective issuances will be used to fund the purchases of mortgage loans and Islamic home financing from the domestic financial system.

“We are pleased to have concluded the issuances as it brings the Company’s total aggregate issuances for the year to RM15.8 billion marking the Company’s highest in the past decade. Despite a reduction in the primary supply of local currency corporate bonds within the domestic market of more than 10% year-on-year, the overall amount issued by the Company also marked an increase of more than RM400 million from the year before,” said Datuk Chung Chee Leong, Chief Executive Officer of Cagamas.

“2018 was filled with many significant events and surprises domestically as well as globally with a change in the ruling Malaysian Government for the first time in six decades and continued geopolitical uncertainties that caused spikes in volatility throughout the year. Despite some concerns of Malaysia’s debt levels, the Company’s issuances were well absorbed at competitive levels which evidenced continued resilience and strength of the domestic markets as well as investor confidence in the Company’s credit profile. We remain optimistic as we usher towards 2019 and will continue to fulfill our mandate as intermediation between the capital market and the Malaysian housing sector.” added Datuk Chung.

The papers, which will be redeemed at their full nominal value upon maturity, are unsecured obligations of the Company, ranking pari passu among themselves and with all other existing unsecured obligations of the Company. They will be listed and tradable under the Scripless Securities Trading System.

## **About Cagamas**

Cagamas Berhad (Cagamas), the National Mortgage Corporation of Malaysia, was established in 1986 to promote the broader spread of home ownership and growth of the secondary mortgage market in Malaysia. It issues corporate bonds and sukuk to finance the purchase of housing loans from financial institutions and non-financial institutions. The provision of liquidity to financial institutions at a reasonable cost to the primary lenders of housing loans encourages further expansion of financing for houses at an affordable cost.

The Cagamas model is well regarded by the World Bank as the most successful secondary mortgage liquidity facility. Cagamas is the second largest issuer of debt instruments after the Government of Malaysia and the largest issuer of AAA corporate bonds and sukuk in the market. Since incorporation in 1986, Cagamas has cumulatively issued circa RM317.6 billion worth of corporate bonds and Sukuk.

Cagamas' corporate bonds and sukuk continue to be assigned the highest ratings of AAA/Stable/P1 by RAM Rating Services Berhad and AAA/MARC-1 and AAA<sub>IS</sub>/MARC-1<sub>IS</sub> by Malaysian Rating Corporation Berhad, denoting its strong credit quality. Cagamas is also well regarded internationally and has been assigned local and foreign currency long-term issuer ratings of A3 by Moody's Investors Service Inc. that are in line with Malaysian sovereign ratings.

### **Cagamas Berhad (157931-A)**

Level 32, The Gardens North Tower

Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur

Tel : +603 - 2262 1800 | Fax: +603 - 2282 8125 / 9125

[www.cagamas.com.my](http://www.cagamas.com.my)

### **Media Enquiries**

Sarah Abdul Aziz

Tel : +603 - 2262 1866

[csc@cagamas.com.my](mailto:csc@cagamas.com.my)

Lucia Wee

Tel : +603 - 2262 1868

[csc@cagamas.com.my](mailto:csc@cagamas.com.my)