

Cagamas wraps up 2018 with issuance totaling RM15.8 bln

KUALA LUMPUR: The National Mortgage Corporation of Malaysia, Cagamas Bhd, yesterday announced a combined issuance of RM1.4 billion bonds and sukuk, bringing the total issuance for the year to RM15.8 billion, which surpassed its initial target.

The latest issuance of RM1.4 billion comprises 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 would mature in one year, while the CPs and ICPs issued are tenured 6-months.

Proceeds from the respective is-

suances would 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 per cent, year-on-year, the overall amount issued by the company also marked an increase of more than RM400 million from the year before," said Chief Executive Officer Datuk Chung Chee Leong in a statement yesterday.

He said 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 was evident of continued resilience and strength of the domestic market, as well as, investors' confidence in the company's credit profile.

"We remain optimistic as we usher 2019 and will continue to fulfill our mandate as intermediation between the capital market and the Malaysian housing sector," Chung said. — Bernama