

**CAGAMAS CONTINUES TO TAP CAPITAL MARKET WITH CONCLUSION OF  
RM1.1 BILLION BONDS AND SUKUK**

**Kuala Lumpur, 12 December 2019** – Cagamas Berhad (“Cagamas” or “the Company”), the National Mortgage Corporation of Malaysia, today announced the total issuances of RM1.1 billion debt securities comprising RM300 million 3-year Conventional Medium Term Notes (CMTNs), RM300 million 3-year Islamic Medium Term Notes (IMTNs) and RM500 million 3-month Conventional Commercial Papers (CCPs). The issuance proceeds will be used to fund the purchase of mortgage loans and Islamic house financings from the financial system.

“We are pleased with the successful conclusion of the Company’s 24<sup>th</sup> and 25<sup>th</sup> issuance exercises for this year which brings the total issuances for year-to-date in 2019 to RM9.04 billion comprising RM6.04 billion conventional bonds and RM3.00 billion sukuk,” said President/Chief Executive Officer, Datuk Chung Chee Leong.

“The Company’s CMTNs and IMTNs were competitively priced at final coupon/profit rate of 3.38% with 25 to 33 basis points (bps) over Malaysian Government Securities (MGS)/Malaysian Government Investment Issues (MGII) and 5 bps above government-guaranteed (GG) bonds and sukuk of equivalent tenure,” added Datuk Chung.

“Riding on the strong demand for Cagamas papers, the Company has also successfully priced RM500 million 3-month CCPs at a competitive pricing level of the corresponding 3-month KLIBOR benchmark rate or equivalent to 3.35% on pricing date”, Datuk Chung further added.

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.

## **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 RM326.7 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**

Registration No: 198601008739 (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**

Leanne Susau

Tel : +603 - 2262 1719

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

Lucia Wee

Tel: +603 - 2262 1868

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