

# Cagamas issues sukuk

**KUALA LUMPUR:** Cagamas Bhd, the national mortgage corporation, has announced its final issuance for year 2013, a three-month Islamic commercial paper (ICP) programme amounting to RM500mil.

The ICP would be issued under the Islamic commodity murabahah structure and proceeds would be used to fund the purchase of Islamic financing from the financial system, it said in a statement.

The new ICP issuance will bring Cagamas' total issuance for the year to RM9.9bil, about

double the 2012 figure.

"Due to jitters amid uncertain market conditions over the outcome of the Federal Open Market Committee meeting on Dec 19, and the year-end book closing factor, response from investors to the proposed issuance was below our average subscription rate," said its relief chief executive officer Rafiza Ghazali.

"Our proposed three-month ICP issuance faced stiff competition from banking products that offer higher yields, especially fixed deposits for the same tenure," he said. — Bernama