

# Cagamas issues RM500m Islamic debt

**PETALING JAYA:** Cagamas Bhd has issued RM500 million of three-month Islamic commercial papers (ICPs), of which the proceeds will be used to fund the purchase of Islamic financing from the financial system.

This raises the national mortgage corporation's total issuance for the year to RM1.6 billion.

"Strong demand from a diverse investor base comprising financial institutions, insurance companies and fund managers resulted in orders of over RM1 billion representing an oversubscription rate in excess of two times,"

Cagamas president and CEO Chung Chee Leong said in a statement yesterday.

He added that despite increased volatility in the bond market, the ICPs were competitively priced by investors.

The ICPs, which will be redeemed at their full nominal value on 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 traded under the Scripless Securities Trading System.