

Cagamas to issue RM125m sukuk

PETALING JAYA: Cagamas Bhd, the national mortgage corporation, expects its debt securities issuance to increase by 20% to RM6 billion this year from RM5 billion in 2012, following the sale of the RM125 million Sukuk Commodity Murabahah.

The Cagamas sukuk will be issued on Jan 10, with proceeds being used to fund the purchase of Islamic receivables from the financial system. The Islamic bonds will be issued in tenures of one, three and five years at profit rates of 3.30%, 3.45% and 3.60% respectively or equivalent to between 29 and 39 basis points over comparable Malaysia Government Securities (MGS).

“The sukuk, 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,” said Cagamas in a statement. They will be listed and tradable under the Scripless Securities Trading System.