

Cagamas announces issuances of RM750 mln CMTNs, RM500 million CCPs

KUALA LUMPUR: Cagamas Bhd's RM1.25 billion issuance comprised a RM750 million two-year Conventional Medium-Term Notes (CMTNs) and a RM500 million three-month Conventional Commercial Papers (CCPs).

In a statement yesterday, the national mortgage corporation said, the proceeds from the issuance would be used to fund the purchases of mortgage loans from the financial system.

Its president/chief executive officer, Datuk Chung Chee Leong, said the CMTNs, which were concluded via a book-building exercise, had received an overwhelming response from investors and allowed the company to upsize the issuance by 50 per cent from an initial size of RM500 million to a final size of RM750 million.

"The growth in demand demonstrated the strength of the domestic market. The order book was well subscribed by a diversified group of investors, where the final yield was priced at a spread of 25 basis points over the two-year interest rate swap," he said.

— Bernama