

Cagamas

+ issues

RM800m

notes

KUALA LUMPUR: National mortgage corporation Cagamas Bhd has issued a RM800 million conventional medium-term notes (CMTN).

In a statement, Cagamas said the CMTN comprised a RM300 million one-year floating rate notes (FRN), a RM200 million two-year fixed rate and a RM300 million three-year fixed rate.

It said proceeds from the issuance will be used to fund the purchase of mortgage loans from the financial system.

Cagamas president/chief executive officer Chung Chee Leong said the issuance, which was priced one week after its first issuance for the year, brought the total issuance in January alone to RM2.32 billion.

"Our continuous efforts to enhance the depth and breadth of the domestic market are demonstrated by the one-year FRN issuance, which will consequently increase the company's outstanding floating rate instruments in the market to RM710 million," said Chung.

The papers, redeemable at their full nominal value on maturity, were unsecured obligations of Cagamas, which would be listed and tradable under the scripless securities trading system, he said.

Cagamas was set up in 1986 to promote the broader spread of house ownership and growth of the secondary mortgage market in Malaysia. **Bernama**