

Cagamas announces RM500 mln Islamic Commercial Papers

KUALA LUMPUR: The national mortgage corporation, Cagamas Bhd has announced the issuance of its three-month Islamic Commercial Papers (ICPs) amounting to RM500 million.

The ICPs will be issued under the Islamic Commodity Murabahah structure and the proceeds will be used to fund the purchase of Islamic financing from the financial system, Chief Executive Officer Chung Chee Leong said in a statement.

“The company’s ICP issuance has increased the supply of short-term corporate sukuk outstanding in the domestic market by 16 per cent at a time of reduced supply of short-term government papers.

“The ICP issuance has received an overwhelming response and has succeeded in obtaining a bid-to-cover ratio of over three times as it offers additional investment options to short-term sukuk investors,” he said. — Bernama