



Cagamas issues RM450m conventional medium-term notes

BY ERIKA BENJAMIN

KUALA LUMPUR: National mortgage corporation Cagamas Bhd has issued RM450 million conventional medium-term notes (CMTN) to fund the purchase of loan receivables from the financial system.

The issuance is the national mortgage corporation's first this year. The notes comprise one-, two- and three-year tenures.

"Despite broad uncertainty

ahead of the upcoming overnight policy rate decision taking place at the first Monetary Policy Committee meeting for the year, Cagamas managed to price its multiple ringgit issuances comprising RM230 million one-year, RM100 million two-year and RM120 million three-year CMTN competitively," said Cagamas in a statement yesterday.

Its chief executive officer Datuk Chung Chee Leong said the pricing for the one- and three-year tenured

CMTN was tightened from the initial price guidance.

"Despite it being only a half-day book building exercise, the multi-tenured bonds, which were concluded via a public offering, received commendable response evidenced by a book-to-cover ratio of over two times with subscription from a diverse range of investors including sovereign wealth funds, pension funds, financial institutions and insurance companies," he added.