

Cagamas announces S\$41.5m multi-currency MTN

BY ADELA MEGAN WILLY

KUALA LUMPUR: National mortgage corporation Cagamas Bhd is tapping the Singapore debt market for the third time this year, to raise S\$41.5 million (RM130.42 million) via the issuance of conventional multi-currency medium term notes or MTN.

In a statement yesterday, it said the Singapore dollar denominated issuance will have a maturity of one year, and will be issued under the company's wholly-owned unit, Cagamas Global PLC, and the latter's US\$2.5 billion (RM10.72 billion) MTN programme.

The notes will be fully and unconditionally guaranteed by Cagamas, it said.

The conclusion of the one-year tenured Singapore dollar issuance was a result of proactive engagement with investors from Singapore, and

was competitively priced at 1.53%, representing a spread of 55 basis points above the one-year Singapore offer rate, said Cagamas chief executive officer Datuk Chung Chee Leong.

"Continuous efforts in monitoring the foreign currency markets and conducting comparative analysis on the after-swap costs have also contributed to the finalisation of the deal," he added.

The issuance marks Cagamas' fourth foreign currency issuance for 2017, and brings the value of its total foreign currency issued year to date (YTD) to RM2.15 billion or 30% of all issuances concluded by Cagamas YTD, said Chung.

"The papers are unsecured obligations of the company, ranking pari passu among themselves and with all other existing unsecured obligations of Cagamas," the statement further read.