

Cagamas concludes issuances totalling RM825mil

KUALA LUMPUR: Cagamas Bhd has concluded its combined issuances of conventional medium-term notes (CMTN) and Islamic medium-term notes (IMTN) totalling RM825mil.

Cagamas, which is the National Mortgage Corp of Malaysia, said yesterday the issuances comprised one-year RM800mil CMTN and one-year RM25mil IMTN.

Proceeds from the issuances will be used to fund the purchase of housing loans and Islamic housing financing from the financial system.

Cagamas president/CEO Datuk Chung Chee Leong said both CMTN and IMTN were successfully concluded at competitive pricing.

"The initial RM600mil CMTN which was conducted via public offering, received a com-

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Datuk Chung Chee Leong

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mendable demand that allowed the company to upsize to RM800mil and tighten its pricing by 5bp from the high of the initial price guidance of 3.45% to 3.40%," Chung said.

He said the RM25mil IMTN were concluded

via private placements and priced at the same level as the CMTN.

Cagamas was able to successfully price the issuances against the backdrop of rising geopolitical risks and volatility.

Chung pointed to expectations for greater external risks arising from heightened volatility within the global markets due to further escalation in trade tension between US and China coupled with the Federal Reserve rate cuts.

"The conclusion of the deal brings the company's year-to-date issuance to RM4.6bil," Chung said.

The papers, which will be redeemed at their full nominal value upon maturity, are unsecured obligations of the company, ranking pari passu among themselves and with all other existing unsecured obligations of the company.