

Cagamas issues debt securities worth RM1.1bil

PETALING JAYA: Cagamas Bhd has issued RM1.1bil worth of debt securities to fund the purchase of mortgage loans and Islamic house financing from the financial system.

The national mortgage corporation said the issuances comprised RM300mil three-year conventional medium-term notes (CMTNs), RM300mil three-year Islamic medium-term notes (IMTNs) and RM500mil three-month conventional commercial papers (CCPs).

Cagamas president and chief executive officer Datuk Chung Chee Leong said the conclusion of the company's 24th and 25th issuance exercises for this year would bring the total issuances for year-to-date to RM9.04bil, comprising RM6.04bil conventional bonds and RM3bil sukuk.

"The company's CMTNs and IMTNs were competitively priced at final coupon/profit rate of 3.38% with 25 to 33 basis points (bps) over Malaysian Government Securities/Malaysian Government Investment Issues and five bps above government-guaranteed bonds and sukuk of equivalent tenure," Chung said in a statement.

"Riding on the strong demand for Cagamas papers, the company has also successfully priced RM500mil three-month CCPs at a competitive pricing level of the corresponding three-month Klibor benchmark rate or equivalent to 3.35% on pricing date," he added.

Cagamas said the new debt papers, which would be redeemed at their full nominal value upon maturity, were unsecured obligations of the company, ranking pari passu among themselves and with all other existing unsecured obligations of the company.