

Cagamas issues total RM710m bonds, sukuk

KUALA LUMPUR: Cagamas Bhd has ushered in the new year with aggregate issuances of RM710 million in bonds and sukuk.

They comprise RM300 million Islamic commercial papers (ICPs), RM300 million conventional commercial papers (CCPs), RM55 million one-year conventional medium term notes (CMTNs) and RM55 million three-year CMTNs.

The national mortgage corporation said proceeds from the issues would be used to fund the acquisition of house financing, housing loans and industrial hire purchases from the financial system.

President and chief executive officer Datuk Chung Chee Leong said the conclusion of the transactions indicated the continued confidence in Cagamas papers, supported by a strong and resilient

domestic bond market.

"We are excited to start the year with the successful conclusion of the transactions despite headwinds on multiple fronts arising from the continued surge in Covid-19 cases," he said in a statement yesterday.

Chung said both the ICPs and

CCPs were competitively priced at the corresponding three-month of the Kuala Lumpur Interbank Offered Rate (Klibor) minus two basis points (bps), or equivalent to 1.92 per cent on Klibor fixing on the fixing date.

This represents 19bps spread above the corresponding Malaysia Islamic Treasury Bills.

The CMTNs were priced at a spread of

37bps and 52bps above the corresponding Malaysian Government Securities.

The papers will be listed and tradable under the Scripless Securities Trading System.



Datuk Chung Chee Leong