

ONE-YEAR FLOATING PROFIT RATE

Cagamas prices RM300m Islamic medium-term notes

KUALA LUMPUR: Cagamas Bhd (Cagamas) has announced the successful pricing of its RM300 million one-year floating profit rate of Islamic medium-term notes (IMTNs).

These were priced via private placement at the three-month Kuala Lumpur Interbank Offered Rate (KLIBOR), or 2.12 per cent, depending on the KLIBOR fixing on the pricing date.

The new issuance brings the company's aggregate issuances for the year to RM5.6 billion.

The national mortgage corporation said the proceeds would be used to fund the purchase of house financing from the financial system.

The transaction represents the

company's first IMTNs with floating rate mechanisms since June 2014.



*Datuk Chung Chee
Leong*

President and chief executive officer Datuk Chung Chee Leong said the successful conclusion of the company's IMTNs represents its efforts in developing onshore capital markets through the issuance of diversified structures.

"This is catering to market needs in the current interest rate environment that contributes positively to the depth and breadth of the domestic sukuk market," said Chung.

The IMTNs are unsecured obligations of Cagamas that rank pari passu with the company's other existing unsecured obligations.