

Cagamas concludes RM100 mln 3-year sukuk ahead of FOMC meeting

KUALA LUMPUR: Cagamas Bhd has successfully priced the RM100 million three-year Islamic Medium Term Notes (IMTNs) to fund the purchase of house financing from the financial system.

The transaction was successfully priced ahead of the widely expected further interest rate hike by the US

Federal Reserve (Fed) in its efforts to contain inflation, said the National Mortgage Corporation of Malaysia.

"The Fed later announced an increase of 75 basis points (bps) in interest rate, the largest increase since 1994," Cagamas said in a statement.

The Federal Open Market Committee (FOMC) meeting

was held on June 14 and 15.

Cagamas president and chief executive officer Datuk Chung Chee Leong said the company was encouraged by its issuance performance thus far, registering a total of RM7.3 billion worth of bonds and sukuk.

"Despite a challenging market environment, the

company's sukuk continued to garner interest from investors which demonstrates their confidence and support for the company," he said.

He said the issuance was concluded via private placement and competitively priced at 40 bps above the corresponding Malaysian Government Investment Issues. — Bernama