

Cagamas issues RM120m Islamic medium-term notes

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KUALA LUMPUR (Feb 16): National mortgage corporation Cagamas Bhd has concluded the issuance of RM120 million two-year Islamic medium-term notes (IMTNs).

Cagamas president and chief executive officer Datuk Chung Chee Leong said the proceeds would be used to fund the purchase of house financing from the domestic financial system.

“We are pleased to have concluded another issuance successfully despite persisting concerns stemming from continued monetary tightening by central banks around the globe in combating inflation and potential global growth slowdown.

“The issuance reflects resilience in our papers against the upward pressure in the domestic yields, which mirrors global fixed income movements,” he said in a statement on Thursday (Feb 16).

The IMTNs, priced via private placement, were concluded with a spread of 46 basis points above the corresponding Malaysian Government Investment Issues.

Chung said the new issuance brings the company’s aggregate funds raised for the year to RM819 million.

The papers, to be redeemed at their full nominal value upon maturity, are unsecured obligations of Cagamas, ranking pari passu with all other existing unsecured obligations of the company.