

Cagamas concludes issuance of RM550 mln bonds, sukuk

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Cagamas



National Mortgage Corporation of Malaysia

KUALA LUMPUR: Cagamas Bhd has announced the conclusion of RM550 million worth of bonds and sukuk, comprising RM500 million five-year Islamic medium term notes (IMTNs) and RM50 million five-year conventional medium term notes (CMTNs).

In a statement today, it said proceeds from the issuances will be used to fund the purchase of house financing and eligible assets from the domestic financial system.

President and chief executive officer Datuk Chung Chee Leong said the IMTNs were successfully concluded via a book building exercise that allowed the company to tighten the pricing by five basis points with a final book to cover ratio of 3.05 times, while the CMTNs were privately placed out.

“The IMTNs attracted subscription from a diversified range of investors including financial institutions, pension funds, asset management institutions, insurance companies, and a sovereign body.

“We are pleased to have started the year with commendable issuances of RM550 million worth of bonds and sukuk, despite looming uncertainty on global interest rate direction and recession concerns this year,” he said.

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

-- *Bernama*