

Cagamas concludes sukuk issuances worth RM715m

KUALA LUMPUR: Cagamas Bhd, the National Mortgage Corporation of Malaysia, announced the successful conclusion of a combined RM715 million worth of issuances, comprising 1-year Variable Rate Notes (VRN), 3-year Islamic Medium Term Notes (IMTN) and 5-year IMTN.

Proceeds from the issuances will be used to fund house financing from the domestic financial system.

“The 3-year and 5-year IMTNs were successfully concluded via book building exercises which allowed the company to achieve a final book-to-cover ratio of 2.0 times and 5.0 times respectively, with participation from a diversified pool of investors including corporates, insurers, financial institutions and a sovereign fund.

“The issuances bring the total funds raised for the year to RM2.74 billion,” said president/CEO Datuk Chung Chee Leong.

The papers 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 of the company.

Cagamas is the second largest issuer of debt instruments after the Malaysian government and the largest issuer of AAA corporate bonds and sukuk in the market.