

Cagamas concludes sukuk, bond issuances worth RM499m

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KUALA LUMPUR (May 2): Cagamas Bhd has concluded the issuances of an aggregate RM499 million equivalent worth of sukuk and bonds in the domestic and international markets, bringing total funds raised by the company to date in 2023 to RM6.34 billion.

The issuances comprised RM200 million in two-year Islamic medium-term notes (IMTNs) and S\$90 million (RM300.7 million) in three-year Singapore dollar fixed-rate medium-term notes, the national mortgage corporation said in a statement on Tuesday (May 2).

President and chief executive officer Datuk Chung Chee Leong said Cagamas was pleased with the issuances, as demand for high-grade papers continued to gain traction amid uncertainties in the US banking sector, coupled with expectations of further rate hikes, albeit at a softer pace.

“Proceeds raised from the issuances will be used to fund the purchase of housing loans and house financing from the domestic financial system, reflecting the continued provision of liquidity by the company to the domestic banking system,” he said.

Chung said the conclusion of the Singapore dollar issuance brought total cumulative year-to-date Singapore dollar-denominated issuances to S\$470 million, while the two-year IMTNs were priced via a private placement exercise.