

Cagamas raises funds worth RM4.8 bln in October, the highest year to date

KUALA LUMPUR: National mortgage corporation Cagamas Bhd has concluded issuances worth RM4.8 billion in October, the highest monthly amount recorded so far in 2023.

The issuances comprise RM180 million three-month Islamic commercial papers, RM3.5 billion multi-tenured Islamic medium term notes, RM465 million multi-tenured conventional medium term notes, one-year S\$150 million (RM520 million equivalent) medium term notes and RM158 million through other funding

avenues.

President and chief executive officer Kameel Abdul Halim said the proceeds raised were used to fund the purchase of Islamic home financing and conventional housing loans from domestic financial institutions.

"The successful conclusion of our fund-raising activities in October, albeit a period marked by global uncertainties in the fixed income market and extreme volatility arising from geopolitical tensions, reflects Cagamas' commitment to support the

domestic financial system.

"This underscores our role in providing liquidity to the primary lenders of home financing and housing loans as a secondary mortgage corporation," he said in a statement yesterday.

Kameel added that the strong demand from local and foreign investors also enabled the company to price its issuances competitively above the corresponding Malaysian Government Securities.

According to the statement, the company has raised aggregate

funds of RM24.03 billion year to date.

The Singapore dollar-denominated bonds, issued via the company's wholly owned subsidiary Cagamas Global PLC, are fully and unconditionally guaranteed by Cagamas.

"Meanwhile, the ringgit issuances, 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 of the company," it said. — Bernama