

Cagamas raised RM2.2b in Oct despite challenging environment

KUALA LUMPUR: Cagamas Bhd, the national mortgage corporation of Malaysia, successfully raised RM2.2 billion in October despite challenging market conditions.

The amount comprises RM400 million in five-year Islamic Medium Term Notes (IMTNs), RM100 million in one-year Conventional Medium Term Notes (CMTNs), RM575 million in Islamic Commercial Papers (ICPs), and RM150 million in Conventional Commercial Papers (CCPs).

An additional S\$305 million (RM1 billion) was issued in one-year Singapore Dollar Medium Term Notes through Cagamas' wholly-owned subsidiary, Cagamas Global PLC.

In a statement, Cagamas president and chief executive officer Kameel Abdul Halim said the successful conclusion of fundraising activities in October, despite continued volatility in the local and global fixed-income market, reaffirms Cagamas' role as a secondary mortgage corporation in providing liquidity to primary lenders of home financing and housing loans.

He said demand for Cagamas' foreign currency bonds remains resilient across diverse investor profiles.

"The Singapore dollar issuance was fully subscribed by foreign investors, which include asset managers and financial institutions. This latest issuance has brought the cumulative Singapore dollar-denominated issuance for the year to S\$525 million, with total funds raised by Cagamas reaching RM15.2 billion as of October 2024," he said.

Cagamas added that it fully and unconditionally guarantees the Singapore dollar-denominated bonds issued via Cagamas Global while the ringgit issuances, which will be redeemed at their full nominal value upon maturity, are unsecured obligations, ranking pari passu with all other existing unsecured obligations of the company. —Bernama