



## **CAGAMAS' DEBUT US DOLLAR EMTN ISSUES OVERSUBSCRIBED BEYOND ASIA**

Kuala Lumpur, 5 December 2014 – Cagamas Berhad, the National Mortgage Corporation of Malaysia, through its wholly-owned subsidiary, Cagamas Global P.L.C. had today successfully priced its inaugural benchmark USD500 million Senior Unsecured Note. The note was issued through the Company's newly established USD 2.5 billion Conventional Multicurrency Medium Term Note Programme ("Programme") which gives Cagamas Global P.L.C. the ability to issue bonds under a host of international currencies. Proceeds from the issuance, which has a 5 year maturity, will be used for working capital and general corporate purposes.

"Our maiden USD issuance will clearly establish Cagamas' position in the international bond market as a new USD benchmark for Malaysian issuers and significantly increases opportunities for other Malaysian issuers to tap liquidity in the offshore market." said Mr. Chung Chee Leong, President/Chief Executive Officer of Cagamas.

Competitively priced at 115 bps over the 5-year US Treasury (UST) bonds, the Company's first USD issuance generated overwhelming interest drawing a strong order book of more than USD2.4 billion, a commendable outcome of bid to cover ratio of close to 5 times. Participation was widely distributed with 65% from Asia, 20% from Europe and the remaining 15% from Offshore USA, garnering interest from Bahrain, United Arab Emirates, Qatar, Luxembourg, Germany, Monaco and the Netherlands. Upon allocation, the total order book was made up of fund managers (63%), banks (21%), Sovereign (9%), insurance companies (5%) and private banks (2%).

“Strong interest from diverse market segments, which included top global money managers and sovereign wealth funds across regions, underscore the international investors’ confidence in Malaysian corporate investment grade issues that offer strong value proposition for international investors to achieve greater diversification in their credit portfolio,” added Mr Chung. CIMB, HSBC, RHB and Standard Chartered Bank acted as Joint Lead Managers and Joint Bookrunners for this transaction.

The issuance will be fully and unconditionally guaranteed by Cagamas Berhad. The issuer’s principal activity is to carry on the business of a fund raising vehicle. The Notes carry an issue rating of A3 by Moody’s, on par with the rating for the Programme of (P)A3.



## **About Cagamas**

Cagamas Berhad (Cagamas), the National Mortgage Corporation of Malaysia, was established in 1986 to promote the broader spread of house ownership and growth of the secondary mortgage market in Malaysia. It issues debt securities to finance the purchase of housing loans from financial institutions and non-financial institutions. The provision of liquidity to financial institutions at a reasonable cost to the primary lenders of housing loans encourages further expansion of financing for houses at an affordable cost.

The Cagamas model is well regarded by the World Bank as the most successful secondary mortgage liquidity facility. Cagamas is the second largest issuer of debt instruments after the Government of Malaysia and the largest issuer of AAA debt securities in the market. Since incorporation in 1986, Cagamas has cumulatively issued RM272.1 billion of conventional bonds and Sukuk.

Cagamas' debt securities continue to be assigned the highest ratings of AAA and P1 by RAM Rating Services Berhad and AAA/AAA<sub>ID</sub> and MARC-1/MARC-1<sub>ID</sub> by Malaysian Rating Corporation Berhad, denoting its strong credit quality. Cagamas is also well regarded internationally and has been assigned local and foreign currency long-term issuer ratings of A3 by Moody's Investors Service Inc. that are in line with Malaysian sovereign ratings.

### **Cagamas Berhad (157931-A)**

Level 32, The Gardens North Tower

Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur

Tel : +603 - 2262 1800 | Fax: +603 - 2282 8125 / 9125

[www.cagamas.com.my](http://www.cagamas.com.my)

**Media Enquiries**

Sarah Abdul Aziz

Tel : +603 - 2262 1866

csc@cagamas.com.my

Lucia Wee

Tel : +603 - 2262 1868

csc@cagamas.com.my

~ end ~