

## **CAGAMAS CONCLUDES PRICING OF RM1.3 BILLION WORTH OF BONDS AND SUKUK AHEAD OF FEDERAL OPEN MARKET COMMITTEE MEETING**

**Kuala Lumpur, 23 March 2022** – Cagamas Berhad (“Cagamas” or “the Company”), the National Mortgage Corporation of Malaysia, announced its pricing of RM1.3 billion equivalent worth of bonds and sukuk; comprising RM200 million 3-year ASEAN Sustainability SRI Sukuk (SRI Sukuk), RM330 million 2-year Conventional Medium Term Notes (CMTNs), RM200 million 2-year Islamic Conventional Medium Term Notes (IMTNs), RM300 million 3-month Conventional Commercial Papers (CCPs) and Singapore Dollar (SGD) 100 million 2-year Fixed Rate Euro Medium Term Notes (EMTNs). Proceeds from the issuances will be used to fund the purchase of eligible sustainability assets, housing loans and house financing from the domestic financial system.

Cagamas’ President/Chief Executive Officer, Datuk Chung Chee Leong said, “We are pleased with the successful conclusion of both local and foreign currency issuances, amid soft market conditions with most investors staying on the sideline ahead of the Federal Open Market Committee (FOMC) meeting where a rate hike was broadly anticipated. The Fed later announced the interest rate increase of 0.25%, its first move in more than three years.”

“The successful pricing of the issuances signaled that the Company’s papers remain resilient despite volatility in the market. The CMTNs were priced via a book building exercise, while the other issuances were concluded via private placements. This brings the Company’s aggregate issuances for the year to RM4.3 billion,” added Datuk Chung.

The SGD denominated bonds, issued via the Company’s wholly-owned subsidiary, Cagamas Global P.L.C. are fully and unconditionally guaranteed by Cagamas. The Ringgit issuances, which will be redeemed at their full nominal value upon maturity, are unsecured obligations of the Company, ranking pari passu as with all other existing unsecured obligations of the Company.

## **About Cagamas**

Cagamas Berhad (Cagamas), the National Mortgage Corporation of Malaysia, was established in 1986 to promote the broader spread of home ownership and growth of the secondary mortgage market in Malaysia. It issues corporate bonds and sukuk 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 corporate bonds and sukuk in the market. Since incorporation in 1986, Cagamas has cumulatively issued circa RM363 billion worth of corporate bonds and Sukuk.

Cagamas' corporate bonds and sukuk continue to be assigned the highest ratings of AAA/Stable/P1 by RAM Rating Services Berhad and AAA/MARC-1 and AAA<sub>IS</sub>/MARC-1<sub>IS</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**

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