

# Cagamas concludes RM500 mln aggregate issuance of FRNs and commercial papers

**KUALALUMPUR:** Cagamas Bhd (Cagamas) yesterday announced the aggregate issuance of RM500 million conventional debt instruments comprising RM150 million one-year Floating Rate Notes (FRNs) and RM350 million three-month Conventional Commercial Papers (CCPs).

The national mortgage corporation said proceeds from the respective issuances would be used to fund the purchase of mortgage loans from the financial system.

The ringgit has inched on gains against the US dollar, demonstrating strength and resilience of the domestic bond market which contributed greatly to the success of our issuances, said president/chief executive officer Datuk Chung Chee Leong in a statement yesterday.

The FRNs marked the company's second FRN issuance for the year and underscores efforts in developing onshore capital markets through the issuance of diversified structures catering for various investment needs.

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Datuk Chung Chee Leong, Cagamas president/chief executive officer

The issuance was priced competitively at spread against the onshore benchmark three-month Kuala Lumpur Interbank Offer Rate (KLIBOR) which currently stood at 3.69 per cent.

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The three-month CCPs were well received by financial institutions (FIs), as well as foreign FIs, which comprised almost 29 per cent of the subscription rate, he added.

The papers, which would be redeemed at their full nominal value upon maturity, are unsecured obligations of the company, ranking pari passu among themselves and with all other existing unsecured obligations of the company. — Bernama