

Cagamas dual currency issuance HK\$351m

Kuala Lumpur: Cagamas Bhd has announced its dual currency issuance, comprising two-year Hong Kong Dollar (HKD) fixed rate Medium-Term Notes (MTN) amounting to HK\$351 million and three-year US Dollar (US\$) Floating Rate Notes (FRN) amounting to US\$28 million.

The foreign currency denominated bonds were issued through the Cagamas' wholly-owned subsidiary, Cagamas Global PLC from Cagamas' US\$2.5 billion Conventional Multicurrency Medium-Term Note (EMTN) Programme.

President/Chief Executive Officer, Datuk Chung Chee Leong said foreign investors remained positive and continued to show interest in Cagamas' securities which enabled the company to conclude its second HK dollar issuance within the same month.

"The HK\$351 million MTN, which has a maturity of two years, was priced competitively at a fixed rate of 3.10 per cent and was fully subscribed by a diversified group of foreign investors, which includes participation from top global asset management firms," he said in a statement.

Chung also noted that Cagamas was pleased to have concluded its first US dollar denominated FRN through reverse inquiry initiatives where feedback received from foreign investors indicated a greater preference for FRN due to heightened uncertainty in global interest rates, moving forward.

The three-year tenured US dollar FRN was priced competitively at a spread of 70 basis points over the three-month London Interbank Offered Rate (LIBOR) and was subscribed by foreign investors, added Chung. - Bernama