

Cagamas concludes pricing for RM150m of conventional commercial papers

KUALA LUMPUR: National mortgage corporation Cagamas Bhd has announced its issuance of RM150 million three-month Conventional Commercial Papers (CCPs).

In a statement yesterday, Cagamas said proceeds from the issuance will be used to fund the purchase of housing loans from the financial system.

President and CEO Datuk Chung Chee Leong said the successful pricing of the CCPs evidenced investors' continued strong demand for the company's short-term debt securities.

"This was despite the global financial markets bracing for uncertainty due to economic reopening, coupled with the increasing geopolitical tension, which affected investor sentiment locally," he said.

Chung said the CCPs were competitively priced at the corresponding three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) benchmark rate plus three basis points (bps), or equivalent to 2.31% based on KLIBOR fixing on the

pricing date.

"The pricing of the CCPs represented 28 bps above Malaysian Treasury Bills, which was concluded via private

Cagamas

placement basis," he added.

Cagamas said the transaction marked the company's seventh issuance exercise for the year and brings the year-to-date issuance amount to RM3.46 billion.

The papers, it said, which will 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.

"They will be listed and tradable under the Scripless Securities Trading System," it said. - Bernama

