

Cagamas completes RM1.55b debt issuance, its 19th of the year

PETALING JAYA: Cagamas Bhd, the National Mortgage Corporation of Malaysia, has successfully completed its 19th issuance for the year, this time a RM1.55 billion issuance, comprising RM800 million 3-year Conventional Medium Term Notes (CMTNs) and RM750 million 3-year Islamic Medium Term Notes (IMTNs) to purchase mortgage loans and Islamic home financing from the financial system.

“We are pleased with the conclusion of this 19th issuance exercise in 2018; a year which has thus far seen consistent monthly issuances up to October this year. Both the 3-year CMTNs and IMTNs obtained aggressive bids and successfully secured a competitive weighted average price of 4.09%, representing a spread of 49 bps against the corresponding 3-year Malaysian Government Securities (MGS). The aggregate RM1.55 billion three-year tenured CMTNs and IMTNs were concluded through book building exercises which drew participation from a diversified group of investors including sovereign wealth funds, financial institutions, insurance companies, asset management companies as well as foreign asset managers,” said President/CEO Datuk Chung Chee Leong.

“The conclusion of both transactions brings the company’s year-to-date issuance to an aggregate RM12.3 billion comprising RM4.8 billion CMTNs, RM3.8 billion IMTNs, a combined RM3 billion short term Conventional and Islamic Commercial Papers (CPs/ICPs) and lastly RM650 million equivalent in foreign currency denominated bonds,” he added.

The papers, 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.