

Cagamas' yearly issuances hits RM19.2 billion

KUALA LUMPUR: Cagamas Bhd (Cagamas), the national mortgage corporation, said that its aggregate issuances in 2021 rose by 65 per cent year-on-year to RM19.2 billion – its highest yearly issuance since 2002.

In a statement, it also announced aggregate issuances of RM900 million three-month Conventional Commercial Papers (CCPs), where the proceeds would be used to fund the purchase of housing loans from the financial system.

According to Cagamas, the CCPs were priced at the corresponding three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) benchmark rate plus three basis points (bps), based on the KLIBOR fixing on the

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Cagamas

pricing date, representing a spread of 24 bps above the corresponding Malaysia Treasury Bills.

It said the papers, which will be redeemed at their full nominal value upon maturity, are unsecured obligations of the company, ranking pari passu with all other existing unsecured obligations of the company.

"They will be listed and tradable under the scripless securities trading system," it said.

President and chief executive officer Datuk Chung Chee Leong said the company

is pleased to conclude the year with yet another successful issuance, which brings the aggregate issuances for the year to RM19.2 billion, 65 per cent higher than the preceding year.

"It has been an eventful year, following how challenging 2020 was for the local and global markets.

"We are hopeful that 2022 will be a better year as the world charts for economic recovery amidst the recent emergence of the Omicron variant, which may pose a downside risk to recovery," he said. — Bernama