

Cagamas concludes pricing for RM400 mln CCPs amidst market uncertainties

KUALA LUMPUR: Cagamas Bhd has issued its RM400 million three-month conventional commercial papers (CCPs) to fund the purchase of housing loans from the financial system.

The national mortgage corporation secured strong interest for its short-term papers and priced its CCPs issuance competitively at 17 basis points above respective Malaysian Treasury Bills amid market uncertainties.

“Global risk-off market sentiment prevails due to lingering concerns over a resurgence in Covid-19 cases which may potentially hamper further global economic growth,” Cagamas president and chief executive officer Datuk Chung Chee Leong said.

On the domestic front, he said market players continue to search for signs of improvement in the local economy, given recent political developments.

Others include the potential impact arising from the loan moratorium ending although this is expected to be muted through proactive measures taken by Bank Negara Malaysia and financial institutions via provision of targeted moratorium extension and loan repayment flexibility to affected individuals and businesses.

The CCPs transaction marked Cagamas’ 14th issuance exercise for the year

and brings the year-to-date issuance amount to RM5.62 billion.

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 its all other existing unsecured obligations.

They will be listed and tradable under the Scripless Securities Trading System. — Bernama