

# Cagamas reopens RM500m 3-year Islamic notes

**KUALA LUMPUR:** Cagamas Bhd has reopened its three-year remaining maturity Islamic medium-term notes (IMTN) amounting to RM500 million, thus representing the first reopening of a sukuk under its RM40 billion MTN programme.

Proceeds from the programme will be used for loan purchases from the financial system.

"It has been one of our objectives to reopen the existing tranches to increase trading activity and promote secondary market liquidity of our papers, hence, our second reopening within a two-week time span,"

said president and chief executive officer (CEO) Chung Chee Leong.

"The response to the initiative was encouraging as the company managed to raise another RM500 million of three-year tenure from the market despite having raised a total of RM2 billion in a single tenure within the past two weeks."

The reopening issuance was concluded at an absolute yield of 4.19 per cent, one basic point (bp) lower than the company's first reopening the previous week.

In terms of spread, it was competitively priced at 21 bps over mid-swap rate, noted Chung.

Cagamas' total issuance for the past three weeks is now at RM2.5 billion, thus underlining the credit strength of the company and its ability to raise funds within a short period.

The firm's total issuances year-to-date increased to RM4.8 billion.



*Cagamas  
president and  
CEO Chung  
Chee Leong*