

CAGAMAS ISSUES RM825M BOND, SUKUK

16th exercise to fund purchase of mortgage loans, Islamic home financing

KUALA LUMPUR

NATIONAL mortgage company Cagamas Bhd has issued a RM825 million bond and sukuk programme to fund the purchase of mortgage loans and Islamic home financing from the financial system.

The one-year bonds and sukuk comprise RM800 million Conventional Medium Term Notes (CMTN) and RM25 million Islam-

ic Medium Term Notes (IMTN).

In a statement yesterday, Cagamas president and chief executive officer Datuk Chung Chee Leong said the RM800 CMTN was concluded via the reopening of an existing bond tranche, marking its second reopening exercise for the year.

"The outstanding bond has a remaining maturity of one year while an outstanding amount of RM200 million was successfully upsized to RM1 billion after the

reopening exercise.

"The issuance was well-received by local investors, including sovereign wealth funds, financial institutions, corporates, insurance companies, and foreign asset managers," he added.

Chung said the response for the issuances enabled the company to upsize the initial reopening amount from RM500 million to a final RM800 million.

He said it enabled the company sukuk represented the 16th ex-

ercise for the year, after a series of successful foreign currency denominated bond issuances by the company. This brings the aggregate primary issuance to RM9.3 billion for this year, marking a 24 per cent rise in the company's primary supply compared with last year's year-to-date total of RM7.5 billion. The CMTN and IMTN, which will be redeemed at their full nominal value on maturity, are unsecured obligations of the company, ranking pari passu among themselves, and with all other existing unsecured obligations of the company.

to tighten the pricing by two basis points to a final yield of 3.95 per cent, representing a spread of 56 basis points above the corresponding one year Malaysian Government Securities. The RM25 million one-year IMTN was also competitively priced at 3.95 per cent and concluded via private placement, said Chung.

The pricing of its one-year ringgit denominated bonds and



Datuk Chung Chee Leong