

Cagamas Islamic bonds achieve RM2b order book

BY KAMARUL ANWAR

KUALA LUMPUR: Cagamas Bhd achieved an order book of more than RM2 billion for its RM375 million Islamic bonds, the proceeds from which will fund the purchase of Islamic property loans from fi-

nancial institutions.

In a statement yesterday, Cagamas said the three-year Islamic medium-term notes (IMTNs) recorded a bid-to-cover ratio of 5.4 times.

Cagamas president and chief executive officer Chung Chee Le-

ong said in the statement that the issuance had achieved an order book of more than RM2 billion, despite being a half-day offering.

“The final yield of 3.95% was competitively priced 62 basis points over government securities with similar tenure.

“The issuance received strong demand from various market segments and attracted participation from new foreign investors, which reflects the strength and diversity of the order book, demonstrating continued market confidence in the company’s credit strength,”

Chung said.

According to Cagamas, the RM375 million IMTNs are its sixth issuance this year. Cagamas said the IMTNs, which would be redeemed at full nominal value upon maturity, are unsecured obligations of the company.