

# Cagamas issues RM605m CPs

NATIONAL mortgage corporation Cagamas Bhd has issued commercial papers (CPs) worth RM605 million to fund the purchase of housing loans and Islamic home financing from the domestic financial system.

Its CEO and president Datuk Chung Chee Leong said the papers comprised three-month conventional commercial papers (CCPs) and three-month Islamic commercial papers (ICPs) worth RM300 million and RM305 million respectively.

"Despite heightened volatility in the global bond markets and moderation in growth forecast, the local bond markets remain resilient.

"The short-term papers received strong subscription rates as demonstrated by the bid-to-cover ratio of 3.6 times collectively," he said.

Chung also said the CCPs and ICPs represent the first issuance concluded by the company post-Overnight Policy Rate cuts by Bank Negara Malaysia on May 7.

"The conventional and Islamic issuances were priced via public offerings at two basis points below the three-month onshore benchmark Kuala Lumpur Interbank Offered Rate or equivalent to an effective yield of 3.44% per annum based on the pricing date," he added.

— TMR