

Cagamas issues bond, sukuk amounting to RM410m

by **NUR HAZIQAH A MALEK**

CAGAMAS Bhd has announced the issuance of a one-year bond and sukuk totalling RM410 million, to fund the purchase of mortgage loans and home financing from the financial system.

The debt papers comprise RM180 million conventional medium-term notes (MTN) and RM230 million Islamic MTN.

Both the bond and sukuk notes

will be redeemed in full value upon maturity.

"We are pleased with the foreign investors' continued participation in the issuances — which signify their confidence and acceptance of the local ringgit-denominated issuance and of Cagamas' papers in particular," said its CEO Datuk Chung Chee Leong in a statement yesterday.

He added that Cagamas' proactive engagement with foreign investors

and continuous initiatives to promote secondary market trading of Cagamas papers have received positive responses.

Chung said the positive responses from investors have enabled Cagamas to receive competitive pricing and pledges from various market divisions.

Cagamas said the foreign fixed income investors' interest has increased due to the measures introduced by Bank Negara Malaysia to

improve liquidity and trading activity in the foreign-exchange and bond markets, as well as to strengthen the financial market's infrastructure.

Cagamas is the national mortgage corporation established to promote the broader spread of house ownership and growth of the secondary mortgage market in the country.

It issues corporate bonds and sukuk to finance the purchase of housing loans from financial institutions and non-financial institutions.