

# Cagamas issues RM200m 1-year CMTN

by **PREMALATHA JAYARAMAN**

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**CAGAMAS** Bhd is issuing one-year conventional medium-term notes (CMTN) amounting to RM200 million.

In a statement yesterday, the national mortgage corporation said proceeds from the issuance will be used to fund the purchases of housing loans from the financial system.

It said the new issuance will bring the company's aggregate issuance for the year to RM3.4 billion, which includes the recently concluded sukuk issued in Singapore dollar.

The CMTN, 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.

The CMTN will be listed and tradable under the scripless securities trading system.

Cagamas president and CEO Chung Chee Leong said positive market conditions that are largely spurred by significant improvement of the local currency, which emerged as the region's top performer, saw growing interest in corporate bonds particularly among international investors looking for yield pick up over sovereign issuance.

"Attractive secondary market liquidity of our bonds and sukuk, which recorded the highest volume for the year after Malaysian Government Securities and Government Investment Issues and Bank Negara Malaysia short-term papers, is another contributing factor to the success of this issuance which attracted participation from new foreign investors," he said.