

Cagamas to help lower M40 group to own houses

One way is to enable them to put up the required deposit

KUALA LUMPUR: Cagamas Holdings Bhd is exploring new business initiatives to help those in the lower Middle 40% group with good credit standing but without enough savings to own houses.

Its chairman Nik Mohd Hasyudeen Yusoff said yesterday the initiatives would be to address the gap affecting this group and one of the ways to help them would be to enable them to put up the required deposit, "thus promoting home-ownership among Malaysians".

He said Cagamas, which is the national mortgage corporation, was well placed to carry through its mandate and social objectives of supporting government-driven home financing schemes to ensure accessibility of

financing to house borrowers in the lower M40 and Bottom 40% group (B40).

Earlier, Cagamas's unit Cagamas Bhd announced its highest total aggregate issuances since 2008 at RM15.8bil. They comprised 22 new Cagamas debt securities and five new Cagamas foreign currency issuance exercises.

In a statement released after the group's 12th AGM, Nik Mohd Hasyudeen said the issuances were well subscribed at competitive levels.

For the financial year ended Dec 31, 2018, the group, which includes Cagamas, Cagamas MBS Bhd (CMBS) and Cagamas SRP Bhd (CSR), achieved a profit of RM416.5mil, compared with RM414.3mil in 2017.

Cagamas and CMBS remained key contributors to the group's financial results.

Cagamas' initiative to continue innovating new foreign currency offerings were well received by investors leading to successful issuances in Hong Kong dollars, Singapore dollars including an inaugural issuance of US dollar floating rate notes.

"Our accomplishment in maintaining the international ratings of A3 by Moody's Investors Service and domestic ratings of AAA by both Malaysian Rating Corp Bhd and RAM Rating Services Bhd is testament to Cagamas' track record of consistent strong capital base, robust asset quality and stable profitability," Nik Mohd Hasyudeen added.