

# Renewed foreign interest in Cagamas ringgit issuances

**KUALA LUMPUR:** Cagamas Bhd, the National Mortgage Corporation of Malaysia, has announced the aggregate issuance of its one-year RM410 million bonds/sukuk which comprises RM180 million conventional medium term notes and RM230 million Islamic medium term notes.

Proceeds from the issuances will be used to fund the purchase of mortgage loans and Islamic house financing from the financial system.

Cagamas CEO Datuk Chung Chee Leong said it is 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.

"We are also pleased that the company's proactive engagements with foreign investors and continuous initiatives to promote secondary market trading of Cagamas papers have been successful," said Chung in a statement.

The renewed interest amongst foreign fixed income investors arises from the measures that were introduced by Bank Negara Malaysia to improve liquidity and trading activity in both the foreign exchange and bond markets as well as to

strengthen the financial market's infrastructure.

"Overwhelming response received from investors for the issuance has enabled the company to obtain a very competitive pricing with subscriptions received from various market segments including foreign investors," added Chung.

The papers, which will be redeemed at their full nominal value upon maturity, are unsecured obligations of the company, ranking pari passu among themselves and with all other existing unsecured obligations of the company.

