

# Cagamas announces RM2 bln issuances of bonds, sukuk

**KUCHING:** The National Mortgage Corporation of Malaysia, Cagamas Bhd has announced a RM2 billion combined issuances of bonds and sukuk.

The issuances comprise RM700 million three-month Conventional Commercial Papers (CCPs), RM300 million Islamic Commercial Papers (ICPs), RM500 million one-year Islamic Medium Term Notes (IMTNs) and RM500 million one-year Conventional Medium Term Notes (MTNs).

In a statement, Cagamas said proceeds from the issuances will be used to fund the purchase of housing loans



Datuk Chung Chee Leong

and house financing from the financial system.

The transaction marked the company's twentieth issuance exercise for the year, bringing its year-to-date issuance amount to RM9.32 billion. It

also represented the largest amount priced by Cagamas in a single day since November 2013.

To be redeemed at their full nominal value upon maturity, the papers are unsecured obligations of the company, ranking pari passu with all other existing unsecured obligations of Cagamas.

They will be listed and tradable under the Scripless Securities Trading System.

"We are pleased with the successful conclusion of the issuances despite growing caution on the domestic front, arising from the parliamentary voting of

Budget 2021, coupled with potential risk-on sentiments as global markets were buoyed by news of imminent Covid-19 vaccines," said president/chief executive officer, Datuk Chung Chee Leong.

While mixed sentiments slowly descended into the fixed income space, he said, Cagamas has managed to price its RM2 billion combined deal with its ICPs, CCPs, IMTNs and MTNs issuances competitively at 30 basis points (bps) to 45 bps; above the respective Malaysian Government Securities/Malaysian Government Investment Issues.