

COMBINED DEAL

Cagamas announces RM2b issuances of bonds, sukuk

KUALA LUMPUR: Cagamas Bhd has announced its combined issuances of RM2 billion in bonds and sukuk.

It said in a statement the issuances comprised 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).

The transaction marked the company's 20th issuance for the year and brings the year-to-date issuance amount to RM9.32 billion.

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

Cagamas said proceeds from the issuances would be used to fund the purchase of housing loans and house financing from

the financial system.

"We are pleased with the successful conclusion of the issuances despite growing caution on the domestic front arising from the parliamentary voting of the 2021 Budget, coupled with potential risk-on sentiments as global markets were buoyed by news of imminent Covid-19 vaccines," said Cagamas president and chief executive officer Datuk Chung Chee Leong.

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

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