

Cagamas issues RM300 million three month ICPs

KUALA LUMPUR: Cagamas Bhd, the national mortgage corporation, has issued RM300 million three-month Islamic Commercial Papers (ICPs) to fund the purchase of house financing from the financial system.

President/chief executive officer Datuk Chung Chee Leong said the ICPs were priced at the corresponding three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) plus 6.0 basis points (bps), or equivalent to 2.0 per cent, based on KLIBOR fixing on the pricing date.

He said the spread was 21 bps above the corresponding Malaysia Islamic Treasury Bills.

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"This news bodes well for the local fixed income market," he said.

The new issuance brings the Cagamas' aggregate issuance

for the year to RM3.35 billion.

"The papers, which will be redeemed at their full nominal value upon maturity, are unsecured obligations of the company, ranking pari passu and with all other existing unsecured obligations of the company. They will be listed and tradable under the Scripless Securities Trading System," it said. — Bernama