

Cagamas concludes pricing of RM1.3b bonds and sukuk ahead of FOMC meeting

CAGAMAS Bhd announced its pricing of RM1.3 billion equivalent worth of bonds and sukuk.

Proceeds from the issuances will be used to fund the purchase of eligible sustainability assets, housing loans and house financing from the domestic financial system.

In a statement yesterday, Cagamas said the sukuk comprising of RM200 million three-year Asean Sustainability SRI Sukuk (SRI Sukuk), RM330 million two-year Conventional Medium-Term Notes (CMTNs), RM200 million two-year Islamic Conventional Medium-Term Notes (IMTNs), RM300 million three-month Conventional Commercial Papers (CCPs) and S\$ 100 million two-year Fixed Rate Euro Medium-Term Notes (EMTNs).

"We are pleased with the successful conclusion of both local and foreign currency



The successful pricing of the issuances signalled that the company's papers remain resilient despite volatility in the market, Cagamas says

issues, amid soft market conditions with most investors staying on the sideline ahead of the US Federal Open Market Committee (FOMC) meeting where a rate

hike was broadly anticipated. The Fed (US Federal Reserve) later announced the interest rate increase of 0.25%, its first move in more than three years.

"The successful pricing of the issuances signalled that the company's papers remain resilient despite volatility in the market. The CMTNs were priced via a book-building exercise, while the other issuances were concluded via private placements. This brings the company's aggregate issuances for the year to RM4.3 billion," said Cagamas CEO Datuk Chung Chee Leong.

The Singapore dollar-denominated bonds, issued via the company's wholly-owned subsidiary, Cagamas Global plc. are fully and unconditionally guaranteed by Cagamas.

The ringgit issuances, which will be redeemed at their full nominal value upon maturity, are unsecured obligations of the company, ranking *pari passu* as with all other existing unsecured obligations of the company. — by TMR