

Cagamas completes issuance of RM500 mln Islamic medium term notes

KUALA LUMPUR: Cagamas Bhd (Cagamas) has announced the successful pricing of its RM600 million one-year and three-year Islamic Medium Term Notes (IMTNs), the proceeds of which would be used to fund the purchase of house financing from the financial system.

President/chief executive officer Datuk Chung Chee Leong said despite the hawkish beginning for rates and soft market sentiment within the domestic market,

the IMTNs were strongly bid and attractively priced at 39 basis points against Malaysian Government Investment Issues.

In a statement, he said this demonstrated the resilience and confidence in the company's sukuk within the domestic bond market.

"The IMTNs deal which was concluded via a book building exercise, received interest from 18 accounts comprising insurance companies, financial institutions, asset managers,

corporates, cooperatives and a statutory body," Chung said.

The IMTNs which are the company's ninth issuance exercise for the year, brings the company's year-to-date overall issuance amount to RM6.2 billion.

"They will be redeemed at their full nominal value upon maturity, are unsecured obligations of the company, ranking pari passu with all other existing unsecured obligations of the company," it said. — Bernama