

ISLAMIC MEDIUM TERM NOTES

Cagamas concludes RM100m sukuk ahead of Fed rate hike

KUALA LUMPUR: Cagamas Bhd has successfully priced the RM100 million three-year Islamic Medium Term Notes (IMTNs) to fund the purchase of house financing from the financial system.

The transaction was priced ahead of the widely expected interest rate hike last week by the United States Federal Reserve (Fed) in its efforts to contain inflation, said the national mortgage corporation.

“The Fed later announced an increase of 75 basis points (bps) in the interest rate, the largest increase since 1994,” said Cagamas

yesterday.

Cagamas president and chief executive officer Datuk Chung Chee Leong said the company was encouraged by its issuance performance thus far, registering a total of RM7.3 billion worth of bonds and sukuk.

“Despite a challenging market environment, the company’s sukuk continued to garner interest from investors.”

He said the issuance was concluded via private placement and competitively priced at 40bps above the corresponding Malaysian Government Investment Issues. **Bernama**