



Treasury & Capital Markets

Cagamas raises 21 billion ringgit amid market uncertainty

Malaysia's national mortgage corporation pursues social responsibility, sustainable finance agenda

The Asset

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Cagamas, the National Mortgage Corporation of Malaysia, has raised a total of 21.31 billion ringgit (US\$4.74 billion) at the conclusion of its fund-raising activities for 2024.

The achievement comes despite a year marked by significant market volatility, influenced by Federal Reserve policy shifts and geopolitical uncertainties including the US election and tensions in the Middle East, further reaffirming its role as a key player in Malaysia's debt capital market and liquidity provider to the financial system, Cagamas says.

“[This] underscores our strong market position, investor trust, and dedication to supporting Malaysia’s financial stability,” says Cagamas president and chief executive officer Kameel Abdul Halim. “As we navigate global challenges, we continue to be agile and responsive to evolving market needs, contributing to the resilience and stability of the financial landscape.”

The company also pursued its social responsibility agenda and made significant strides in sustainability. It executed its inaugural social repo and issued various sustainability-related bonds and sukuk during the year, supporting inclusive and responsible financing and setting a new benchmark in sustainable finance.

“We are grateful for the ongoing support from international investors, which highlights Cagamas' credibility and resilience in navigating a volatile market environment. This support enabled us to expand access to diverse liquidity sources by raising a total of 2.59 billion ringgit equivalent via multiple issuances of foreign currency. Access to international liquidity pools ensures Cagamas remains well-equipped to meet the liquidity requirements of asset-selling financial institutions while maintaining a strong foothold in regional capital markets,” Kameel adds.

Looking ahead, Cagamas says it will further strengthen the secondary mortgage market and advance the development of the capital market in 2025 and beyond. This reinforces its role as a secondary mortgage corporation, ensuring continued liquidity for primary lenders of home financing and housing loans.