



CAGAMAS IN THE NEWS

Cagamas remains market choice for funding in times of high market volatility

KUALA LUMPUR: The National Mortgage Corporation of Malaysia, Cagamas Bhd (Cagamas) announced its RM350 million combined issuances comprising RM45 million 1-year Conventional Medium Term Notes (CMTNs), RM55 million 2-year CMTNs and RM250 million 3-month Conventional Commercial Papers (CCPs).

In a statement yesterday, Cagamas said the proceeds from the respective issuances will be used to fund purchases of mortgage loans from the

financial system.

It said the 1 and 2-year CMTNs were concluded at 3.25 per cent and 3.45 per cent respectively, 28 and 29 basis points (bps) above Malaysian Government Securities, whilst the CCPs were priced at 20 bps above the 3-month Kuala Lumpur Interbank Offered Rate or equivalent to 3.0 per cent on the pricing date.

President/Chief Executive Officer Datuk Chung Chee Leong said risk sentiments in the local bond market remain fragile after experiencing major market

turmoil recently while heavy market activities centred on the flight to liquidity triggered by the rapid spread of COVID-19 outbreak throughout the world coupled with potential global recession fears. "Cagamas will continue to fulfil its role as a financial intermediary by providing liquidity to the banking system which is in support of Bank Negara Malaysia's efforts in the recent announcement of measures to ensure sufficient liquidity in the system," he said.

— Bernama

Cagamas year-to-date issuance surpasses RM11 bln mark

KUALA LUMPUR: Cagamas Bhd (Cagamas), the National Mortgage Corporation of Malaysia, has announced its aggregate issuances of RM1.9 billion equivalent – comprising S\$130 million one-year Singapore dollar denominated Fixed Rate Note (EMTN), RM800 million one-year Conventional Medium Term Notes (CMTNs) and RM700 million six-month Conventional Commercial Papers (CCPs).



Datuk Chung Chee Leong

Proceeds from the issuances will be used to fund the purchase of housing loans from the financial system.

"We are pleased with the successful conclusion of the Singapore dollar EMTN and ringgit issuances which were concluded post-recent downgrade of Malaysia's sovereign rating by one of the international credit rating agencies, Fitch Ratings, Cagamas president/Chief Executive Officer Datuk Chung Chee Leong said.

"Despite some initial knee-

jerk reactions from the market arising from the rating announcement, demand for Cagamas bonds remains resilient, underpinned by its strong credit fundamentals that led to the conclusion of the deal.

The conclusion of the Singapore dollar issuance at 0.85 per cent via the company's subsidiary, Cagamas Global PLC, which carries an issue rating of A3 represents the company's re-entry into the Singapore dollar market since October 2018 in addition to being Malaysia's first

Singapore dollar denominated issuance for the year 2020.

The company has once again demonstrated its capability to provide competitive funding rates to onshore financial institutions in a challenging environment through combined issuances of foreign currency and ringgit denominated bonds.

The transaction marks the company's 21st issuance exercises for the year and brings the year-to-date issuance amount to RM11.2 billion. It also represented the company's first EMTN issuance for the year since 2018.

The Singapore dollar denominated bond issued will be fully and unconditionally guaranteed by Cagamas.

The issuance, which will be redeemed at their full nominal value upon maturity, is unsecured obligations of the company, ranking pari passu with all other existing unsecured obligations of the company.

Cagamas concludes pricing for RM150m of conventional commercial papers

KUALA LUMPUR: National Mortgage Corporation of Malaysia, Cagamas Bhd has announced the conclusion of its RM150 million three-month Conventional Commercial Papers (CCPs).

In a statement yesterday, Cagamas said the proceeds from the issuance will be used to fund the purchase of housing loans from the financial system.

Cagamas president/Chief Executive Officer Datuk Chung Chee Leong said the successful pricing of the CCPs evidenced investor confidence in the company's short-term debt securities.

"This was despite the global financial markets bracing for reopening, coupled with the uncertainty surrounding the COVID-19 pandemic, which affected the global financial system," he said.

Chung said the CCPs were competitive in the current market. The three-month Kuala Lumpur Interbank Offered Rate (KLOR) benchmark rate plus three basis points (bps), or equivalent to 2.11 per cent on KLOR, fixed on the

pricing date.

"The pricing of the CCPs reversed 28 bps above the unsecured obligations of the company, ranking pari passu with all other existing unsecured obligations of the company," he said.

Cagamas

"They will be listed and tradable under the Scripless Securities Trading System," he said. — Bernama

CAGAMAS ISSUES RM450m BONDS

National mortgage corporation says fund will be used to purchase loans from financial system

KUALA LUMPUR: National Mortgage Corporation of Malaysia, Cagamas Bhd has announced the conclusion of its RM450 million combined issuances comprising RM45 million 1-year Conventional Medium Term Notes (CMTNs), RM55 million 2-year CMTNs and RM350 million 3-month Conventional Commercial Papers (CCPs).

In a statement yesterday, Cagamas said the proceeds from the respective issuances will be used to fund the purchase of housing loans from the financial system.

Cagamas president/Chief Executive Officer Datuk Chung Chee Leong said the successful pricing of the CCPs evidenced investor confidence in the company's short-term debt securities.

"This was despite the global financial markets bracing for reopening, coupled with the uncertainty surrounding the COVID-19 pandemic, which affected the global financial system," he said.

Chung said the CCPs were competitive in the current market. The three-month Kuala Lumpur Interbank Offered Rate (KLOR) benchmark rate plus three basis points (bps), or equivalent to 2.11 per cent on KLOR, fixed on the

Cagamas announces combined issuances

KUALA LUMPUR: National mortgage corporation, Cagamas Bhd, has announced the combined issuances of its RM600 million short-term papers, comprising RM300 million three-month Islamic Commercial Papers (ICPs) and RM300 million Conventional Commercial Papers (CCPs).

President/Chief executive officer Datuk Chung Chee Leong said proceeds from the issuances will be used to fund the purchase of house financings and housing loans from the financial system.

"We are pleased with the success of the issuances, given the uncertainties in the market environment.

"Market players continue to gauge the economic impact due to the recent resurgence of Covid-19 cases and the subsequent Conditional Movement Control Order enforced in targeted areas within the country, coupled with renewed anticipation for further rate cuts at the upcoming Bank Negara Malaysia's Monetary Policy Committee meeting next month," he said. — Bernama

Cagamas issues first multi-tenured ASEAN Sustainability Bonds for SME sector



Cagamas umum agregat terbitan RM1 bilion

我的首房計劃助640萬

ASEAN SUSTAINABLE: Cagamas Bhd has announced the issuance of its first multi-tenured ASEAN Sustainability Bonds for SME sector, worth RM1 billion.

The bonds, which will be used to fund the purchase of housing loans from the financial system, are unsecured obligations of the company, ranking pari passu with all other existing unsecured obligations of the company.

The issuance, which will be redeemed at their full nominal value upon maturity, is unsecured obligations of the company, ranking pari passu with all other existing unsecured obligations of the company.

我的首房計劃助640萬

Cagamas announces issuance of RM1 billion bonds and sukuk

KUALA LUMPUR: Cagamas Bhd has announced the issuance of its first multi-tenured ASEAN Sustainability Bonds for SME sector, worth RM1 billion.

The bonds, which will be used to fund the purchase of housing loans from the financial system, are unsecured obligations of the company, ranking pari passu with all other existing unsecured obligations of the company.

The issuance, which will be redeemed at their full nominal value upon maturity, is unsecured obligations of the company, ranking pari passu with all other existing unsecured obligations of the company.

我的首房計劃助640萬

Cagamas' proposed ASEAN Sustainability Bonds/SRI Sukuk secures environmental, social benefit ratings

KUALA LUMPUR: RAM Sustainability Solutions has assigned environmental benefit (EB) ratings to the proposed ASEAN Sustainability Bonds/SRI Sukuk.

The ratings, which will be used to fund the purchase of housing loans from the financial system, are unsecured obligations of the company, ranking pari passu with all other existing unsecured obligations of the company.

The issuance, which will be redeemed at their full nominal value upon maturity, is unsecured obligations of the company, ranking pari passu with all other existing unsecured obligations of the company.

我的首房計劃助640萬

Cagamas concludes pricing for RM400 mln CCPs amidst market uncertainties

KUALA LUMPUR: Cagamas Bhd has announced the conclusion of its RM400 million three-month Conventional Commercial Papers (CCPs).

In a statement yesterday, Cagamas said the proceeds from the issuance will be used to fund the purchase of housing loans from the financial system.

Cagamas president/Chief Executive Officer Datuk Chung Chee Leong said the successful pricing of the CCPs evidenced investor confidence in the company's short-term debt securities.

我的首房計劃助640萬

My First Home scheme loans to hit RM9bil

KUALA LUMPUR: The number of loan approvals for the My First Home Scheme (SRP) could increase by 14,400 this year, or 54.93%, from a base of 26,213 in 2019, with a total financing of RM9bil, says Cagamas SRP Bhd.

Chairman Datuk Bakarudin Ishak said the hike would be supported by the newly-launched Digital SRP that provides new access for prospective first-time homebuyers to a wider selection of properties, including SRP — Bernama

Cagamas menjadi pilihan pasaran

KUALA LUMPUR: Perbadanan Gadai Jangli Nasional Malaysia, Cagamas Bhd (Cagamas) telah mengumumkan terbitan berjumlah RM550 juta yang terdiri daripada Nota Jangkam Sederhana Konvensional (CMTN) selama setahun sebanyak RM45 juta, CMTN dua tahun bernilai RM55 juta dan Kertas Komersial Konvensional (CCP) tiga bulan berjumlah RM250 juta.



PRESIDEN dan Ketua Pegawai Eksekutif Datuk Chung Chee Leong

Cagamas dalam satu kenyataan hari ini berkata hasil dari terbitan tersebut akan digunakan bagi membiayai pembelian pinjaman gadai jangli daripada sistem kewangan.

CMTN satu dan dua tahun telah dimuktamadkan, masing-masing 3.25 peratus dan 3.45 peratus, 28 serta 29 mata asas (bps) di atas Sekuriti Kerajaan Malaysia, manakala CCP bernilai 20 bps di atas tiga bulan Kadar Tawaran Antarabank Kuala Lumpur atau bersamaan dengan 3.0 peratus pada tarikh hari ini.

Presiden dan Ketua Pegawai Eksekutif Datuk Chung Chee Leong berkata, sentimen risiko dalam pasaran bursas yang kian ketidustabilan tempatan masih sensitif selepas mengalami kemelut pasaran utama baru-baru ini, manakala aktiviti pasaran tertumpu ke arah usaha kecairan yang telah dikeluarkan oleh Covid-19, selain, wujud kebimbangan mengenai kemelesetan ekonomi global.

"Cagamas akan terus menjalankan perannya sebagai perantara kewangan dengan menyediakan kecairan kepada sistem perbankan, seiring dengan usaha Bank Negara Malaysia bagi memastikan kecairan yang mencukupi dalam sistem seperti yang diumumkan baru-baru ini," katanya.

Cagamas-kertas itu yang akan diterbitkan dengan nilai nominal penuh mereka pada masa matang, adalah obligasi tanpa jaminan syarikat, mempunyai kedudukan yang setara antara mereka dan dengan semua obligasi tidak bercaja sedia ada syarikat, katanya.

— Bernama

Cagamas ready to support housing loan market

CAGAMAS Bhd anticipates housing loan finance to increase at a moderate pace as the relaunch of the Home Ownership Campaign helps boost the property market.

The national mortgage corporation's President and CEO Datuk Chung Chee Leong said some first-time homebuyers may adopt a wait-and-see approach amid job security concerns in the current uncertain economic conditions triggered by Covid-19.

"Nevertheless, we expect pent-up demand from those with secured loans to continue as people may find some properties are being offered at attractive prices. Some developers recently recorded that they recorded a substantial amount of bookings for houses priced RM500,000 and below even during the Movement Control Order period, hence," he said.

believe innovative selling programmes and embracing digitalisation are key to boost demand," he told the Malaysian Reserve.

Cagamas plays a role by purchasing housing loans and home financing from banking institutions to support their generic liquidity requirements.

In 2019, Cagamas purchased loans worth RM65 billion with a number of approved loans/financing for My First Home Scheme (SRP) and Youth Housing Scheme (SPH) extended to 15,462 borrowers worth RM2.6 billion.

Cumulative guarantee exposure for mortgage guarantees to SRP/SPH schemes last year was RM706.5 million.

Chung said the group aims to purchase RM8 billion worth of loans with an increase of approved loans

as the introduction of digital SRP by partnering selected property technology (proptech) firms," Chung added.

Digital SRP will make it easier for eligible first-time homebuyers to apply for SRP online once they have selected their homes on the proptech website or mobile application.

On another note, Chung stated the six-month loan moratorium may pose liquidity strain on the banking sector as funding commitments of lending institutions need to be met in the absence of loan repayments during that period.

Although banks have a healthy deposit base to weather through this period, in the absence of active economic activity, cashflow generation is also curtailed which could result in a diminishing bank deposit balance.

"The recent move by Bank Negara Malaysia to reduce Statutory Reserve Requirement (SRR) and easing of regulatory approach in complying with SRP and net banking ratio allows the banking sector to access a larger liquidity buffer."

"Having said that, Cagamas is well placed as a source of funding for banks with different liquidity needs to meet their respective liquidity requirements," he said.

In addition, Cagamas has the capacity to support affordable housing liquidity of banks through its sustainability framework.

"The small and medium enterprises sector is not left out either as we are able to work with banks on their liquidity needs for this sector," he added. — BY NUR HANANI AZMAN

