

**A. RESULTS OF 91 DAYS TREASURY BILLS ISSUE NO. 1901 VALUE DATED 30/05/2011**

This week the Central Bank of Kenya offered 91 day Treasury Bills for a total of Kshs 3 Billion. The total number of bids received was 186 amounting to Kshs. 8.8 Billion, representing a 295% subscription rate. Bids accepted amounted to Kshs. 8.8 Billion. The weighted average rate of accepted bids, which will be applied for non-competitive bids, was 7.942% up from 6.409% in the previous auction. The other auction statistics are summarised in the table below.

Due Date	29/08/2011
Amount Offered (Kshs. M)	3,000.00
Bids Received (Kshs. M)	8,843.39
Performance Rate (%)	295
Number of Bids Received	186
Number of accepted Bids	186
Amount Accepted (Kshs. M)	8,843.39
Of which : Competitive bids	8,153.69
: Non-Competitive bids	689.69
Purpose / Application of Funds:	
Rollover / Redemptions-91 days	1,973.19
Rollover / Redemptions-182 days	1,713.15
Total Redemptions	3,686.34
New Borrowing	5,157.05
Market Weighted Average Rate	7.942%
Weighted Average Rate of accepted bids	7.942%
Price per Kshs 100 at Weighted Average Rate for accepted bids	98.058

**B. COMPARATIVE INTEREST RATES**

	This Auction	Last Auction	Variance
Value Dates	30/05/2011	23/05/2011	
Weighted Average Rate of Accepted bids (%)	7.942	6.409	1.533 ↑

**C. NEXT WEEK'S TREASURY BILLS AUCTION: ISSUE NOS. 1902/91 & 1890/182 VALUE DATED 06/06/2011**

TENOR	91 DAYS	182 DAYS	TOTAL
Offer amount (Kshs. M)	2,500.00	3,000.00	5,500.00
<b>AUCTION DATES &amp; BIDS CLOSURE</b>	02/06/2011	02/06/2011	
<b>RESULTS ANNOUNCEMENT</b>	03/06/2011	03/06/2011	
Redemptions			1,084.54
New Borrowing			4,415.46

The actual amount to be realised from the auction will be subject to Treasury's immediate liquidity requirements for the week. Where several successful bidders quote a common rate, The Central Bank of Kenya reserves the right to allot bids on a pro-rata basis. The Central Bank reserves the right to accept/reject bids in part or in full without giving any reason. Individual bids must be of a minimum face value of Kshs 100,000.00. Only CDS holders with updated mandates are eligible.

Bids must be submitted using the specified format and must reach the Central Bank (HQ or Branch) by 2.00 p.m. on Thursday, 2nd June 2011 for both the 91 & 182 day Treasury Bills. Payments above Kshs.1 Million must be made by electronic transfer using RTGS. Payments below Kshs. 1 Million may be made by Banker's Cheque and must reach the Central Bank not later than 2.00 p.m. on Monday 6th June 2011 for Cheques and 3.00 p.m for RTGS electronic fund transfers. Please provide the following details with each payment: Name, Reference No., CDS account No., and include 'Government Treasury Bills Suspense A/c no. 01-070-0001' when using RTGS.

**D. NON-COMPETITIVE BIDS**

Non-competitive bids are subject to a maximum of Kshs. 20 Million per investor and are issued at the weighted average of accepted bids.

**E. IMPORTANT NOTICE**

Investors are informed that due to the national holiday on Wednesday 1st June 2011 both the 91 & 182 day auctions will be held on Thursday 2nd June 2011 and results announced on Friday 3rd June 2011.

**MARK L. LESIIT**  
**ASSISTANT DIRECTOR, FINANCIAL MARKETS DEPARTMENT**  
 Thursday, May 26, 2011