

BANKI
KUU YA
KENYA



CENTRAL
BANK OF
KENYA

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A. RESULTS OF 91 DAYS TREASURY BILLS ISSUE NO.1963 VALUE DATED 06/08/2012

This week the Central Bank of Kenya offered 91 day Treasury Bills for a total of Kshs 4 Billion. The total number of bids received was 241 amounting to Kshs. 12.9 Billion, representing a subscription of 322%. Bids accepted amounted to Kshs 5.4 Billion. The market weighted average rate was 13.054%, and the weighted average of accepted bids which will be applied for non-competitive bids was 12.864% down from 13.226% in the previous auction. The other auction statistics are summarised in the table below.

| | |
|---|------------|
| Due Date | 05/11/2012 |
| Amount Offered (Kshs. M) | 4,000.00 |
| Bids Received (Kshs. M) | 12,868.67 |
| Performance Rate (%) | 322 |
| Number of Bids Received | 240 |
| Number of accepted Bids | 210 |
| Amount Accepted (Kshs. M) | 5,437.61 |
| Of which : Competitive bids | 4,980.28 |
| : Non-Competitive bids | 457.33 |
| Purpose / Application of Funds: | |
| Rollover / Redemptions | 2,469.13 |
| Total Redemptions | 2,469.13 |
| New Borrowing | 2,968.48 |
| Market Weighted Average Rate | 13.054% |
| Weighted Average Rate of accepted bids | 12.864% |
| Price per Kshs 100 at Weighted Average Rate for accepted bids | 96.892 |

B. COMPARATIVE INTEREST RATES

| | This Auction | Last Auction | Variance |
|--|--------------|--------------|----------|
| Value Dates | 06/08/2012 | 30/07/2012 | |
| Weighted Average Rate of Accepted bids (%) | 12.864 | 13.226 | 0.362 ↓ |

C. NEXT WEEK'S TREASURY BILLS AUCTIONS: ISSUE NOS. 1964/91, 1945/182 & 1879/364 DATED 13/08/2012

| TENOR | 91 DAYS | 182 DAYS | 364 DAYS | TOTAL |
|------------------------------|------------|------------|------------|-----------|
| Offer Amount (Kshs. M) | 4,000.00 | 4,000.00 | 7,000.00 | 15,000.00 |
| Auction Dates & Bids Closure | 09/08/2012 | 08/08/2012 | 08/08/2012 | |
| Results Announcement | 10/08/2012 | 09/08/2012 | 09/08/2012 | |
| Redemptions | | | | 7,650.52 |
| New Borrowing | | | | 7,349.48 |

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, Branch or Currency Centre) by 2.00 p.m. on Wednesday 8th August 2012 for 182 & 364 day and Thursday 9th August 2012 for 91 day Treasury Bills respectively. 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 or RTGS and must reach the Central Bank not later than 2.00 p.m. on Monday 13th August 2012 for Cheques and 3.00 p.m for RTGS electronic fund transfers. Please provide the following details with each payment: Name, Reference No., the New CDS Portfolio and the customer's Virtual account No.

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.

GERALD A. NYAOMA
DIRECTOR, FINANCIAL MARKETS DEPARTMENT
02/08/2012