

A. RESULTS OF 91 DAYS TREASURY BILLS ISSUE NO. 1906 VALUE DATED 04/07/2011

This week the Central Bank of Kenya offered 91 day Treasury Bills for a total of Kshs 2 Billion. The total number of bids received was 130 amounting to Kshs. 1.48 Billion, representing a subscription of 74%. Bids accepted amounted to Kshs 1.44 Billion. The market weighted average rate was 9.013 %, while the weighted average rate of accepted bids, which will be applied for non-competitive bids, was 8.988% down from 8.995% in the previous auction. The other auction statistics are summarised in the table below.

| | |
|---|------------|
| Due Date | 03/10/2011 |
| Amount Offered (Kshs. M) | 2,000.00 |
| Bids Received (Kshs. M) | 1,488.67 |
| Performance Rate (%) | 74 |
| Number of Bids Received | 130 |
| Number of accepted Bids | 118 |
| Amount Accepted (Kshs. M) | 1,442.28 |
| Of which : Competitive bids | 1,010.65 |
| : Non-Competitive bids | 431.63 |
| Purpose / Application of Funds: | |
| Roller / Redemptions-91 days | 2,425.77 |
| Roller / Redemptions-182 days | - |
| Total Redemptions | 2,425.77 |
| Net Repayment | 983.49 |
| Market Weighted Average Rate | 9.013% |
| Weighted Average Rate of accepted bids | 8.988% |
| Price per Kshs 100 at Weighted Average Rate for accepted bids | 97.808 |

B. COMPARATIVE INTEREST RATES

| | This Auction | Last Auction | Variance |
|--|--------------|--------------|----------|
| Value Dates | 04/07/2011 | 27/06/2011 | |
| Weighted Average Rate of Accepted bids (%) | 8.988 | 8.995 | 0.007 ↓ |

C. NEXT WEEK'S TREASURY BILLS AUCTION: ISSUE NOS. 1907/91 & 1863/364 VALUE DATED 11/07/2011

| TENOR | 91 DAYS | 364 DAYS | TOTAL |
|---|-------------------|-------------------|----------|
| Offer amount (Kshs. M) | 2,000.00 | 5,000.00 | 7,000.00 |
| AUCTION DATES & BIDS CLOSURE | 07/07/2011 | 06/07/2011 | |
| RESULTS ANNOUNCEMENT | 08/07/2011 | 07/07/2011 | |
| DUE DATES | 10/10/2011 | 09/07/2012 | |
| Redemptions | | | 6,580.12 |
| New Borrowing | | | 419.88 |

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 Wednesday, 6th July 2011 for the 364 day Treasury Bills and Thursday 7th July 2011 for the 91 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 or RTGS and must reach the Central Bank not later than 2.00 p.m. on Monday 11 th July 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. ROLLOVERS

Investors wishing to rollover maturing Treasury Bills can do so by submitting rollover instructions to the Central Bank of Kenya by 2.00 p. m. on Wednesday 6th July 2011.