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A. RESULTS OF 91 DAYS TREASURY BILLS ISSUE NO. 1917 VALUE DATED 19/09/2011

This week the Central Bank of Kenya offered 91 day Treasury Bills for a total of Kshs 5 Billion. The total number of bids received was 304 amounting to Kshs. 15.40 Billion, representing a subscription of 307%. Bids accepted amounted to Kshs 12.40 Billion. The market weighted average rate of accepted bids, which will be applied for non-competitive bids, was 12.570% up from 11.685% in the previous auction. The other auction statistics are summarised in the table below.

IMPORTANT NOTICE: Please note that the Two Year Treasury Bond on offer is closing on Tuesday, 20th September 2011.

Due Date	19/12/2011
Amount Offered (Kshs. M)	5,000.00
Bids Received (Kshs. M)	15,374.32
Performance Rate (%)	307
Number of Bids Received	304
Number of accepted Bids	245
Amount Accepted (Kshs. M)	12,425.96
Of which : Competitive bids	11,639.26
: Non-Competitive bids	786.70
Purpose / Application of Funds:	
Rollover / Redemptions-91 days	6,703.08
Rollover / Redemptions-182 days	-
Total Redemptions	6,703.08
New Borrowing	5,722.88
Market Weighted Average Rate	12.938%
Weighted Average Rate of accepted bids	12.570%
Price per Kshs 100 at Weighted Average Rate for accepted bids	96.961

B. COMPARATIVE INTEREST RATES

	This Auction	Last Auction	Variance
Value Dates	19/09/2011	12/09/2011	
Weighted Average Rate of Accepted bids (%)	12.570	11.685	0.885 ↑

C. NEXT WEEK'S TREASURY BILLS AUCTION: ISSUE NOS. 1918/91 & 1899/182 DATED 26/09/2011

TENOR	91 DAYS	182 DAYS	TOTAL
Offer amount (Kshs. M)	5,000.00	4,000.00	9,000.00
AUCTION DATES & BIDS CLOSURE	22/09/2011	21/09/2011	
RESULTS ANNOUNCEMENT	23/09/2011	22/09/2011	
DUE DATES	26/12/2011	26/03/2012	
Redemptions			6,927.82
New Borrowing			2,072.18

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 21st September 2011 and 22nd September 2011 for the 182 and 91 days 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 26th September 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.

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DIRECTOR, FINANCIAL MARKETS DEPARTMENT

Thursday, September 15, 2011