

A. RESULTS OF 91 DAYS TREASURY BILLS ISSUE NO. 1920 VALUE DATED 10/10/2011

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 366 amounting to Kshs. 12.93 Billion, representing a subscription of 323%. Bids accepted amounted to Kshs 12.65 Billion. The market weighted average rate was 14.868%, while the weighted average rate of accepted bids, which will be applied for non-competitive bids, was 14.836% up from 13.741% in the previous auction. The other auction statistics are summarised in the table below.

IMPORTANT NOTICE: Please note that 182 Day Treasury Bill is on offer in next week's auction, value date 17th October 2011.

Due Date	09/01/2012
Amount Offered (Kshs. M)	4,000.00
Bids Received (Kshs. M)	12,925.72
Performance Rate (%)	323
Number of Bids Received	366
Number of accepted Bids	354
Amount Accepted (Kshs. M)	12,651.22
Of which : Competitive bids	11,708.64
: Non-Competitive bids	942.59
Purpose / Application of Funds:	
Rollover / Redemptions-91 days	4,070.43
Rollover / Redemptions-182 days	-
Total Redemptions	4,070.43
New Borrowing	8,580.79
Market Weighted Average Rate	14.868%
Weighted Average Rate of accepted bids	14.836%
Price per Kshs 100 at Weighted Average Rate for accepted bids	96.433

B. COMPARATIVE INTEREST RATES

	This Auction	Last Auction	Variance
Value Dates	10/10/2011	03/10/2011	
Weighted Average Rate of Accepted bids (%)	14.836	13.741	1.095 ↑

C. NEXT WEEK'S TREASURY BILLS AUCTION: ISSUE NOS. 1921/91 & 1902/182 VALUE DATED 17/10/2011

TENOR	91 DAYS	182 DAYS	TOTAL
Offer amount (Kshs. M)	4,000.00	3,000.00	7,000.00
AUCTION DATES & BIDS CLOSURE	13/10/2011	12/10/2011	
RESULTS ANNOUNCEMENT	14/10/2011	13/10/2011	
Redemptions			1,160.03
New Borrowing			5,839.97

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, 12th October 2011 for the 182 day Treasury Bills and Thursday 13th October 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 17th October 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.

MARK L. LESIIT
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Thursday, 6th October 2011