

**A. RESULTS OF 91 DAYS TREASURY BILLS ISSUE NO. 1943 VALUE DATED 19/03/2012**

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 213 amounting to Kshs. 4.35 Billion, representing a subscription of 109%. Bids accepted amounted to Kshs 2.45 Billion. The market weighted average rate was 18.232%, and the weighted average of accepted bids which will be applied for non-competitive bids was 17.461% down from 17.983% in the previous auction. The other auction statistics are summarised in the table below.

Due Date	18/06/2012
Amount Offered (Kshs. M)	4,000.00
Bids Received (Kshs. M)	4,354.93
Performance Rate (%)	109
Number of Bids Received	213
Number of accepted Bids	212
Amount Accepted (Kshs. M)	2,445.39
Of which : Competitive bids	1,904.49
: Non-Competitive bids	540.90
Purpose / Application of Funds:	
Rollover / Redemptions	10,690.70
Total Redemptions	10,690.70
Net Repayment	8,245.31
Market Weighted Average Rate	18.232%
Weighted Average Rate of accepted bids	17.461%
Price per Kshs 100 at Weighted Average Rate for accepted bids	95.828

**B. COMPARATIVE INTEREST RATES**

	This Auction	Last Auction	Variance
Value Dates	19/03/2012	12/03/2012	
Weighted Average Rate of Accepted bids (%)	17.461	17.983	0.522 ↓

**C. NEXT WEEK'S TREASURY BILLS AUCTIONS: ISSUE NOS. 1944/91 & 1925/182 DATED 26/03/2012 (BOTH ON WEDNESDAY, 21/03/2012)**

TENOR	91 DAYS	182 DAYS	TOTAL
Offer amount (Kshs. M)	4,000.00	3,000.00	7,000.00
<b>AUCTION DATES &amp; BIDS CLOSURE</b>	21/03/2012	21/03/2012	
<b>RESULTS ANNOUNCEMENT</b>	22/03/2012	22/03/2012	
Redemptions			2,624.05
New Borrowing			4,375.95

**D. IMPORTANT INFORMATION TO ALL INVESTORS IN GOVERNMENT SECURITIES**

The Bank is preparing to move to a new IT System effective Monday, 2nd April, 2012. Investors are therefore advised to take note of the following changes arising from the change-over preparations and implementation of the new system.

- 1.) No new applications for opening CDS Accounts will be accepted with effect from Monday, 19th March, 2012. This will resume on 10th April, 2012.
  - 2.) Effective 2<sup>nd</sup> of April 2012, the CDS Account Numbers currently in use will be replaced with new CDS Account Numbers (*Portfolio Account Numbers*) and each *Portfolio Account Number* will be allocated a new *Virtual Account Number* to be used when making payments for investments in Government Securities. All CDS Account holders will therefore be required to obtain from the Bank, their new *Portfolio* and *Virtual Account Numbers*, which will be available from Wednesday, 28<sup>th</sup> March 2012, to enable them participate in future issues of Government securities.
  - 3.) The Auction for Treasury bond value dated Monday 26<sup>th</sup> March 2012, will take place on Tuesday 20th March, 2012 while the auctions for 91 and 182 Days Treasury bills value dated 26<sup>th</sup> March 2012 will be combined and be held Wednesday, 21<sup>st</sup> March, 2012. Payments for by successful bidders for all auctions value dated 26<sup>th</sup> March 2012 will be received by latest 2.00 pm Friday, 23<sup>rd</sup> March 2012.
  - 4.) The Auction for issues value dated Monday 2<sup>nd</sup> April 2012, which will involve only 91 and 182 Days Treasury bills, will be held on Wednesday, 28<sup>th</sup> March, 2012. Payments by successful bidders for these issues will only be accepted from Monday 2<sup>nd</sup> April 2012 and will be effected through the new *Virtual Account Numbers*.
- All other procedures and guidelines for investments in Government Securities remain unchanged.

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