



**A. RESULTS OF 91 & 182 DAY TREASURY BILLS ISSUES 1945/91 & 1926/182 DATED**

**02/04/2012**

This week the Central Bank of Kenya offered 91 and 182 Days Treasury Bills for a total of Kshs 7 Billion. The total number of bids received was 190 amounting to Kshs. 1.19 Billion representing 30% subscription and 170 bids amounting to Kshs. 4.47 Billion representing 149% subscription for 91 and 182 days respectively. Bids accepted amounted to Kshs. 1.19 Billion for 91 and Kshs. 4.47 Billion for the 182 day. The weighted average rate of accepted bids, which will be applied for non-competitive bids, was 16.728% and 17.660% for the 91 and 182 Day Treasury Bills respectively. The other auction statistics are summarised in the table below.

	91 DAYS	182DAYS	TOTAL
Due Date	02/07/2012	01/10/2012	
Amount Offered (Kshs. M)	4,000.00	3,000.00	7,000.00
Bids Received (Kshs. M)	1,189.54	4,473.73	5,663.27
Performance Rate (%)	29.74	149.12	80.90
Number of Bids Received	190	170	360
Number of Accepted Bids	188	170	358
Total Amount Accepted (Kshs. M)	1,189.35	4,473.73	5,663.08
Of which: Competitive bids	742.15	3,974.17	4,716.32
: Non-competitive bids	447.20	499.56	946.76
<b>Purpose / Application of Funds:</b>			
Rollover / Redemptions	2,172.29	2,596.22	4,768.51
New Borrowing/Net Repayment	982.94	1,877.51	
Market Weighted Average Rate	16.729%	17.660%	
Weighted Average Rate of accepted bids	16.728%	17.660%	
Price per Kshs 100 at average rate	95.996	91.907	

**B. COMPARATIVE AVERAGE INTEREST RATES**

	This Auction	Last Auction	Variance
	(%)	(%)	
91 - day	16.728	17.006	0.278 ↓
182 - day	17.660	17.726	0.066 ↓

**C. NEXT WEEK'S TREASURY BILLS AUCTIONS: ISSUE NOS. 1946/91,1927/182 & 1874/364 DATED 09/04/2012 (ON WEDNESDAY, 04/04/2012)**

TENOR	91 DAYS	182 DAYS	364 DAYS	TOTAL
Offer amount (Kshs. M)	4,000.00	3,000.00	3,000.00	10,000.00
<b>AUCTION DATES &amp; BIDS CLOSURE</b>	04/04/2012	04/04/2012	04/04/2012	
<b>RESULTS ANNOUNCEMENT</b>	05/04/2012	05/04/2012	05/04/2012	
Redemptions				7,382.17
New Borrowing				2,617.83

**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.) Kindly note with effect from 2nd April 2012, investors are required to quote the **Interest Rate** instead of price on their competitive Treasury Bills applications.
- 4.) Payments by successful bidders for the issues dated 02/04/2012 will **only be accepted on 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.