

**PRICE GUIDE FOR THE 10-YEAR FIXED COUPON  
RE-OPEN TREASURY BOND ISSUE FXD1/2013/10**

YIELD(YTM)	CLEAN PRICE
9.000%	117.670
9.125%	116.942
9.250%	116.220
9.375%	115.504
9.500%	114.793
9.625%	114.088
9.750%	113.389
9.875%	112.696
10.000%	112.008
10.125%	111.326
10.250%	110.648
10.375%	109.977
10.500%	109.311
10.625%	108.650
10.750%	107.995
10.875%	107.345
11.000%	106.700
11.125%	106.060
11.250%	105.425
11.375%	104.796
11.500%	104.171
11.625%	103.551
11.750%	102.937
11.875%	102.327
12.000%	101.722
12.125%	101.121
12.250%	100.526
<b>12.371%</b>	<b>99.954</b>
12.500%	99.349
12.625%	98.757
12.750%	98.190
12.875%	97.618
13.000%	97.050
13.125%	96.486
13.250%	95.927
13.375%	95.373
13.500%	94.822

**IMPORTANT INFORMATION**

The bond attracts Accrued Interest (AI) of Ksh 2.855 per Ksh 100. Withholding Tax is computed on clean prices. Example: If yield quoted is 12.371%, Settlement price is the clean price (Ksh 99.954) plus AI (Ksh 2.855) which gives Ksh 102.809.

**PRICE TABLE FOR THE 15-YEAR RE-OPEN FIXED  
COUPON BOND ISSUE FXD2/2013/15**

YIELD(YTM)	CLEAN PRICE
8.000%	130.622
8.125%	129.473
8.250%	128.340
8.375%	127.220
8.500%	126.114
8.625%	125.022
8.750%	123.941
8.875%	122.874
9.000%	121.820
9.125%	120.779
9.250%	119.751
9.375%	118.735
9.500%	117.731
9.625%	116.739
9.750%	115.759
9.875%	114.790
10.000%	113.834
10.125%	112.888
10.250%	111.955
10.375%	111.031
10.500%	110.119
10.625%	109.219
10.750%	108.327
10.875%	107.446
11.000%	106.577
11.125%	105.717
11.250%	104.867
11.375%	104.027
11.500%	103.197
11.625%	102.377
11.750%	101.566
11.875%	100.765
<b>12.000%</b>	<b>99.973</b>
12.125%	99.190
12.250%	98.416
12.375%	97.651
12.500%	96.894

**IMPORTANT INFORMATION**

The bond attracts Accrued Interest (AI) of Ksh 4.846 per Ksh 100. Withholding Tax is computed on clean prices. Example: If yield quoted is 12.000%, Settlement price is the clean price (Ksh 99.973) plus AI (Ksh 4.846) which gives Ksh 104.819.



**CENTRAL BANK OF KENYA**

**PROSPECTUS FOR TEN YEAR (RE-OPEN) &  
FIFTEEN YEAR (RE-OPEN)**

**FIXED COUPON TREASURY BONDS**

**ISSUE NOS. FXD 1/2013/10 & FXD 2/2013/15**

**TOTAL VALUE: KSHS 25 BILLION**

**MARCH 2016**

For enquiries please contact Central Bank of Kenya, Financial Markets Department on 2860000 or our Branches in Mombasa, Kisumu and Eldoret or Nyeri, Meru and Nakuru Currency Centres or any Commercial Bank, Investment Bank, Stock Brokers or send an email to [NDO@centralbank.go.ke](mailto:NDO@centralbank.go.ke) or visit the CBK website on [www.centralbank.go.ke](http://www.centralbank.go.ke)

## FXD 1/2013/10 & FXD 2/2013/15

The Central Bank of Kenya, acting in its capacity as fiscal agent for the Republic of Kenya invites bids for the above bonds whose terms and conditions are as follows:-

<b>Issuer</b>	:	Republic of Kenya		
<b>Amount</b>	:	Up to <b>Kshs.25 Billion</b>		
<b>Purpose</b>	:	Budgetary Support		
<b>Tenor</b>	:	<b>Ten Year-Re-open (7.269 years)</b>		
	:	<b>Fifteen Year-Re-open (12.096 years)</b>		
<b>Coupon</b>	:	<b>Ten Year - 12.371% p.a.</b>		
	:	<b>Fifteen Year - 12.000% p.a.</b>		
<b>Period of sale</b>	:	<b>4/03/2016 to 15/03/2016</b>		
<b>Value Date</b>	:	<b>21/03/2016</b>		
<b>Price Quote</b>	:	Discounted/Premium/Par		
<b>Minimum Amount</b>	:	<b>Kshs.50,000.00</b>		
<b>Interest Payment Dates</b>	:	<b>10-year</b>		
		27/06/2016	24/12/2018	21/06/2021
		26/12/2016	24/06/2019	20/12/2021
		26/06/2017	23/12/2019	20/06/2022
		25/12/2017	22/06/2020	19/12/2022
		25/06/2018	21/12/2020	19/06/2023
		<b>15 -year</b>		
		25/04/2016	19/10/2020	14/04/2025
		24/10/2016	19/04/2021	13/10/2025
		24/04/2017	18/10/2021	13/04/2026
		23/10/2017	18/04/2022	12/10/2026
		23/04/2018	17/10/2022	12/04/2027
		22/10/2018	17/04/2023	11/10/2027
		22/04/2019	16/10/2023	10/04/2028
		21/10/2019	15/04/2024	
		20/04/2020	14/10/2024	
<b>Taxation</b>	:	Discount/Interest is subject to withholding tax at a rate of <b>10%</b> for both 10-year and 15-year.		
<b>Redemption Dates</b>	:	<b>10-year - 19/06/2023 15-year - 10/04/2028</b>		
<b>Issuing and Paying Agent</b>	:	Central Bank of Kenya		
<b>Placing Agents</b>	:	<ul style="list-style-type: none"> <li>• Commercial Banks</li> <li>• Non-Bank Financial Institutions</li> <li>• Licensed Stock Brokers</li> <li>• Licensed Investment Advisors</li> </ul>		

<b>Issuance method</b>	:	Multi-Price Bid Auction.
<b>Non-Competitive Bids</b>	:	Maximum <b>Kshs.20 Million</b> per CDS account per tenor.
<b>Bids Closure</b>	:	Duly completed bond application forms must be submitted to any Branch or Currency Centre of the Central Bank in the specified tender box by <b>2.00 p.m on Tuesday, 15th March 2016.</b>
<b>Auction Date</b>	:	<b>16/03/2016</b>
<b>Results</b>	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on <b>Thursday 17/03/2016.</b>
<b>Defaulters</b>	:	Defaulters may be suspended from subsequent investment in government securities.
<b>Commission</b>	:	Licensed placing agents will be paid commission at the rate of <b>0.15%</b> of actual sales (at cost ) net of <b>5%</b> withholding tax.
<b>Rediscounting</b>	:	The Central Bank will rediscount the bonds as a last resort at <b>3%</b> above the prevailing market yield or coupon rate whichever is higher, <b>upon written confirmation to do so from the Nairobi Securities Exchange.</b>
<b>Liquidity</b>	:	The bonds qualify for statutory liquidity ratio requirements for Commercial Banks and Non-Bank Financial Institutions as stipulated in the Banking Act CAP 488 of the Laws of Kenya.
<b>Listing</b>	:	The bonds will be listed on the Nairobi Securities Exchange.
<b>Classification</b>	:	These bonds are benchmark Bonds.
<b>Eligibility</b>	:	Only investors with active CDS accounts.
<b>Re-opening</b>	:	The Bonds may be re-opened at a future date.
<b>Secondary Trading</b>	:	Secondary trading in multiples of Kshs. 50,000.00 to commence on <b>Tuesday, 22nd March 2016.</b>
<b>Right to accept applications:</b>		The Central Bank reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.