

**PRICE GUIDE FOR THE RE-OPENED FIFTEEN YEAR FIXED
COUPON TREASURY BOND ISSUE NO. FXD1/2010/15**

YIELD(YTM)	CLEAN PRICE
8.000%	115.591
8.150%	114.451
8.300%	113.326
8.450%	112.216
8.600%	111.120
8.750%	110.039
8.900%	108.972
9.050%	107.918
9.200%	106.879
9.350%	105.853
9.500%	104.840
9.650%	103.841
9.800%	102.855
9.950%	101.881
10.100%	100.920
10.250%	99.971
10.400%	99.035
10.550%	98.110
10.700%	97.198
10.850%	96.297
11.000%	95.407
11.150%	94.529
11.300%	93.662
11.450%	92.807
11.600%	91.962
11.750%	91.127
11.900%	90.304
12.050%	89.490
12.200%	88.687
12.350%	87.894
12.500%	87.111
12.650%	86.338
12.800%	85.574
12.950%	84.820
13.100%	84.076
13.250%	83.340
13.400%	82.614

YIELD(YTM)	CLEAN PRICE
13.550%	81.897
13.700%	81.188
13.850%	80.489
14.000%	79.798
14.150%	79.115
14.300%	78.441
14.450%	77.775
14.600%	77.117
14.750%	76.467
14.900%	75.826
15.050%	75.192
15.200%	74.565
15.350%	73.946
15.500%	73.335
15.650%	72.731
15.800%	72.134
15.950%	71.545
16.100%	70.962
16.250%	70.387
16.400%	69.818
16.550%	69.257
16.700%	68.701
16.850%	68.153
17.000%	67.611
17.150%	67.075
17.300%	66.546
17.450%	66.022
17.600%	65.505
17.750%	64.995
17.900%	64.490
18.050%	63.991
18.200%	63.497
18.350%	63.010
18.500%	62.528
18.650%	62.052
18.800%	61.581
18.950%	61.115

IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh 1.774 per Ksh 100. Withholding tax is computed on clean prices. Example: If yield quoted is 10.250%, settlement price is the clean price (Ksh 99.971) plus AI (Ksh 1.774) which gives Ksh 101.745.



CENTRAL BANK OF KENYA

**PROSPECTUS FOR FIXED COUPON
RE-OPEN FIFTEEN - YEAR
TREASURY BOND**

ISSUE NO. FXD 1/2010/15

TOTAL VALUE: UP TO KSHS 15 BILLION

NOVEMBER 2014

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 or visit the CBK website on www.centralbank.go.ke

FXD 1/2010/15

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

Issuer	:	Republic of Kenya
Amount	:	Up to Kshs. 15 Billion
Purpose	:	Budgetary Support
Tenor	:	Fifteen-year (Re-open 10.38 years)
Coupon	:	10.250%
Period of sale	:	06/11/2014 to 18/11/2014
Value Date	:	24/11/2014
Price Quote	:	Discounted/Premium/ Par
Minimum Amount	:	Kshs. 50,000.00
Interest Payment Dates	:	23/03/2015 17/09/2018 14/03/2022 21/09/2015 18/03/2019 12/09/2022 21/03/2016 16/09/2019 13/03/2023 19/09/2016 16/03/2020 11/09/2023 20/03/2017 14/09/2020 11/03/2024 18/09/2017 15/03/2021 09/09/2024 19/03/2018 13/09/2021 10/03/2025
Taxation	:	Discount/Interest is subject to withholding tax at a rate of 10% .
Redemption Date:	:	10/03/2025
Issuing and Paying Agent	:	Registrar, National Debt.
Placing Agents	:	<ul style="list-style-type: none">• Commercial Banks• Non-Bank Financial Institutions• Licensed Stock Brokers• Licensed Investment Advisors
Issuance method	:	Multi-Price Bid Auction.
Non-Competitive Bids	:	Maximum Kshs. 20 Million per investor.
Bids Closure	:	Duly completed bond application forms must be submitted to any branch of the Central Bank in the specified tender box by 2.00 p.m on Tuesday, 18th November, 2014.

Auction Date	:	Wednesday, 19/11/2014
Results	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on Thursday, 20/11/2014.
Defaulters	:	Defaulters may be suspended from subsequent investment in Government Securities.
Commission	:	Licensed placing agents will be paid commission at the rate of 0.15% of actual sales (at cost) net of 5% withholding tax.
Rediscounting	:	The Central Bank will rediscount the bond as a last resort at 3% above the prevailing market yield or coupon rate whichever is higher, upon written confirmation to do so from the Nairobi Securities Exchange.
Liquidity	:	The bond qualifies 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.
Listing	:	The bond will be listed on the Nairobi Securities Exchange.
Classification	:	The bond is a benchmark bond.
Registrar	:	National Debt, Central Bank of Kenya.
Eligibility	:	Only CDS Account holders with updated mandates.
Re-opening	:	The bond may be re-opened at a future date.
Secondary Trading	:	Secondary trading in multiples of Kshs. 50,000.00 to commence on Tuesday, 25th November, 2014
Right to accept applications:	:	The Central Bank reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.