

## TREASURY BOND RE-OPEN FXD2/2015/2

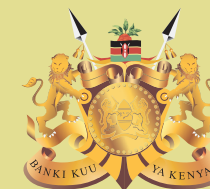
YIELD(YTM)	CLEAN PRICE
7.000%	109.569
7.125%	109.343
7.250%	109.117
7.375%	108.892
7.500%	108.667
7.625%	108.443
7.750%	108.220
7.875%	107.997
8.000%	107.775
8.125%	107.553
8.250%	107.332
8.375%	107.112
8.500%	106.892
8.625%	106.673
8.750%	106.454
8.875%	106.236
9.000%	106.019
9.125%	105.802
9.250%	105.586
9.375%	105.370
9.500%	105.155
9.625%	104.941
9.750%	104.727
9.875%	104.514
10.000%	104.301
10.125%	104.089
10.250%	103.878
10.375%	103.667
10.500%	103.456
10.625%	103.247
10.750%	103.037
10.870%	102.837
11.000%	102.620
11.125%	102.413
11.250%	102.206
11.375%	102.000
11.500%	101.794

YIELD(YTM)	CLEAN PRICE
11.625%	101.588
11.750%	101.384
11.855%	101.212
11.875%	101.179
12.000%	100.976
12.125%	100.772
12.250%	100.570
12.375%	100.368
12.500%	100.166
12.625%	99.965
12.750%	99.765
12.875%	99.565
13.000%	99.366
13.125%	99.167
13.250%	98.969
13.375%	98.771
13.500%	98.574
13.193%	99.059
13.750%	98.181
13.875%	97.985
14.000%	97.790
14.125%	97.595
14.250%	97.401
14.375%	97.208
14.500%	97.015
14.625%	96.822
14.750%	96.630
14.875%	96.438
15.000%	96.247
15.125%	96.057
15.250%	95.867
15.375%	95.677
15.500%	95.488
15.625%	95.300
15.750%	95.112
15.875%	94.924
16.000%	94.737

### IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh.1.943 per Ksh 100. Withholding tax is computed on clean prices.

**Example:** If yield quoted is 12.629%, Settlement price is the clean price (Ksh.99.959) plus AI (Ksh.1.943) which gives Ksh.101.902.



CENTRAL BANK OF KENYA

## PROSPECTUS FOR RE-OPEN TWO YEAR FIXED COUPON TREASURY BOND

ISSUE NO. FXD 2/2015/2

TOTAL VALUE: KSHS 20 BILLION

AUGUST 2015

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 2/2015/2

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

<b>Issuer</b>	:	Republic of Kenya
<b>Amount</b>	:	<b>Kshs.20 Billion</b>
<b>Purpose</b>	:	Budgetary Support
<b>Tenor</b>	:	<b>Two-Year (1.85 years to maturity)</b>
<b>Coupon</b>	:	<b>12.629% p.a.</b>
<b>Period of sale</b>	:	<b>05/08/2015 to 18/08/2015</b>
<b>Value Date</b>	:	<b>24/08/2015</b>
<b>Price Quote</b>	:	Discounted/Premium/ Par
<b>Minimum Amount</b>	:	<b>Kshs. 50,000.00</b>
<b>Interest Payment Dates:</b>		28/12/2015    26/12/2016 27/06/2016    26/06/2017
<b>Taxation</b>	:	Discount/Interest is subject to withholding tax at a rate of <b>15%</b> .
<b>Redemption Date</b>	:	<b>26/06/2017</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 investor.
<b>Bids Closure</b>	:	Duly completed bond application forms must be submitted to any branch of the Central Bank in the specified tender box by <b>2.00 p.m on Tuesday August 18, 2015.</b>
<b>Auction Date</b>	:	<b>19/08/2015</b>

<b>Results</b>	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on <b>20/08/2015.</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 bond 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 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.
<b>Listing</b>	:	The bond will be listed on the Nairobi Securities Exchange.
<b>Classification</b>	:	The Bond is a Benchmark Bond.
<b>Eligibility</b>	:	Only investors with active CDS Account with Central Bank of Kenya.
<b>Re-opening</b>	:	The Bond 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, August 25, 2015.</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.