

## A. RESULTS OF TREASURY BONDS ISSUE NOS. FXD 4/2010/2 & FXD 2/2010/15 VALUE DATED 27/12/2010

This month the Central Bank of Kenya offered 2-year and 15-year Treasury Bonds for a total amount of up to Kshs 15 Billion. The total number of bids received was 425 amounting to Kshs 24.3 Billion or 162% subscription. The market determined coupon rate was 4.586% for the 2-year bond. Bids accepted amounted to Kshs 15.3 Billion. The Weighted average rate for successful bids was 4.586% up from 3.698% for the 2-year Bond and 10.923% up from 9.980% for the 15-year Bond. The other auction statistics are summarised in the table below.

TENOR	2 YEAR	15 YEAR	
Due Date	12/24/2012	12/8/2025	
<b>Total Amount Offered (Kshs. M)</b>			<b>15,000.</b>
<b>Total bids Received (Kshs. M)</b>	<b>13,577.02</b>	<b>10,698.94</b>	<b>24,275.</b>
<b>Performance Rate (%)</b>			<b>161.</b>
Total Number of Bids Received	133	292	4
Number of Successful Bids	107	234	3
<b>Total Amount Accepted (Kshs. M)</b>	<b>8,947.01</b>	<b>6,316.19</b>	<b>15,263.</b>
Of which : Competitive bids	8,913.41	5,567.94	14,481.
: Non-competitive bids	33.60	748.25	781.
Average Redemption yield (%)	<b>4.586</b>	<b>10.923</b>	
Price per Kshs 100 at average yield	100.000	85.966	
Coupon Rate (%)	<b>4.586</b>	<b>9.000</b>	
<b>Purpose/ Application of funds:</b>			
Redemptions			3,090.
New Borrowing			12,172.

## B. COMPARATIVE INTEREST RATES

	THIS AUCTION (%)	LAST AUCTION (%) 27/09/10	VARIANCE (%)
<b>2 YEAR - MARKET WEIGHTED AVERAGE RATE</b>	<b>5.039</b>	<b>3.814</b>	<b>1.225 ↑</b>
<b>- WEIGHTED AVERAGE RATE OF ACCEPTED BIDS</b>	<b>4.586</b>	<b>3.698</b>	<b>0.888 ↑</b>

	THIS AUCTION (%)	LAST AUCTION (%) 29/03/10	VARIANCE (%)
<b>15 YEAR - MARKET WEIGHTED AVERAGE RATE</b>	<b>11.978</b>	<b>10.133</b>	<b>1.845 ↑</b>
<b>- WEIGHTED AVERAGE RATE OF ACCEPTED BIDS</b>	<b>10.923</b>	<b>9.980</b>	<b>0.943 ↑</b>

## C. FORTHCOMING TREASURY BOND(S) ISSUES FOR THE MONTH OF JANUARY 2011

	Kshs (M)
<b>OFFER AMOUNT (at cost) of which:</b>	<b>13,000.</b>
Redemptions	3,124.
New Borrowing	9,875.

- (i) The forthcoming issue(s) will be dated 31st January 2011.
- (ii) The specific features of the Bond(s), that is the Tenor, Amounts, Coupon rates and issue terms will be provided in the prospectus and in the press before the issue date.