

BANKI
KUU YA
KENYA



CENTRAL
BANK OF
KENYA

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A. RESULTS OF TREASURY BOND ISSUE NO. FXD 2/2010/10 YEAR VALUE DATED 01/11/2010

This month the Central Bank of Kenya offered a 10-year Treasury Bond for a total amount of up to Kshs 15.0 Billion. The total number of bids received was 560 amounting to Kshs 24.14 Billion or 161% subscription. The market determined coupon rate was 9.307%. Bids accepted was amounted to Kshs 14.46 Billion. The Weighted average rate for successful bids was 8.646% up from 8.633%, for the last 10 year Treasury bond issued in April 2010. The other market rates are as summarised below.

TENOR	10 YEAR
Due Date	19/10/2020
Total Amount Offered (Kshs. M)	15,000.00
Total bids Received (Kshs. M)	24,144.96
Performance Rate (%)	160.97
Total Number of Bids Received	560
Number of Successful Bids	357
Total Amount Accepted (Kshs. M)	14,462.47
Of which : Competitive bids	12,287.96
: Non-competitive bids	2,174.51
Market Weighted Average Rate	9.307%
Market Lowest Bid Rate	7.250%
Market Highest Bid Rate	12.750%
Cut off Rate	9.490%
Weighted Average Rate of accepted bids	8.646%
Price per Kshs 100 at Weighted Average Rate for accepted bids	104.366
Market Determined Coupon Rate (%)	9.307%
Purpose/ Application of funds:	
Redemptions	-
New Borrowing	14,462.47

B. COMPARATIVE AVERAGE INTEREST RATES

	THIS AUCTION (%)	LAST AUCTION (%) 26/04/2010	VARIANCE (%)
WEIGHTED AVERAGE RATE FOR SUCCESSFUL BIDS	8.646	8.633	0.013 ↑
CUT-OFF INTEREST RATES	9.490	8.900	0.590 ↑

C. FORTHCOMING TREASURY BOND ISSUE FOR THE MONTH OF NOVEMBER 2010

	Kshs (M)
OFFER AMOUNT (at cost) of which:	12,000.00
Redemptions	6,216.78
New Borrowing	5,783.22

(i) The forthcoming issue(s) will be dated 29th November 2010.

(ii) The specific features of the Bonds, that is the Tenor, Amounts, Coupon rates and issue terms will be provided in the prospectus and in the press before the issue date.

JACKSON M.KITILI
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