

BANKI
KUU YA
KENYA



CENTRAL
BANK OF
KENYA

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A. RESULTS OF TREASURY BONDS ISSUE NO. FXD 1/2011/20 AND RE-OPENED ISSUE NOS. FXD 1/2010/10 & FXD 2/2011/2 DATED 30/05/2011

This month the Central Bank of Kenya issued a 20-year and re-opened 2-year and 10-year Treasury Bonds for a total amount of up to Kshs 18 Billion. The total number of bids received was 737 amounting to 19.06 Billion or 106% subscription. Bids accepted amounted to 18.60 Billion. The weighted average rate for the accepted bids was 10.387% up from 7.439% for the 2-year, 12.531% up from 8.633% for the 10-year Bond and 13.974% up from 13.691% for the 20-year Bond. The other auction statistics are summarised in the table below.

TENOR	2 - YEAR	10 - YEAR	20 - YEAR	
Due Date	22/04/2013	13/04/2020	05/05/2031	
Total Amount Offered (Kshs. M)				18,000.00
Total bids Received (Kshs. M)	6,788.22	6,192.81	6,078.54	19,059.57
Performance Rate (%)				106
Total Number of Bids Received	186	253	298	737
Number of Accepted Bids	183	230	293	706
Total Amount Accepted (Kshs. M)	6,695.71	5,895.64	6,010.63	18,601.99
Of which : Competitive bids	6,467.98	5,599.43	5,058.58	17,125.98
: Non-competitive bids	227.74	296.21	952.06	1,476.01
Average Redemption yield (%)	10.387	12.531	13.974	
Price per Kshs 100 at average yield	95.009	80.242	73.470	
Coupon Rate (%)	7.439	8.790	10.000	
Purpose/ Application of funds:				
Redemptions				11,397.40
New Borrowing				7,204.59

B. COMPARATIVE INTEREST RATES

	THIS AUCTION (%)	LAST AUCTION (%) 25/04/2011	VARIANCE (%)
2 YEAR - MARKET WEIGHTED AVERAGE RATE	10.411	8.477	1.934 ↑
- WEIGHTED AVERAGE RATE OF ACCEPTED BIDS	10.387	7.439	2.948 ↑

	THIS AUCTION (%)	LAST AUCTION (%) 26/04/2011	VARIANCE (%)
10 YEAR - MARKET WEIGHTED AVERAGE RATE	12.621	8.790	3.831 ↑
- WEIGHTED AVERAGE RATE OF ACCEPTED BIDS	12.531	8.633	3.898 ↑

	THIS AUCTION (%)	LAST AUCTION (%) 27/12/2010	VARIANCE (%)
20 YEAR - MARKET WEIGHTED AVERAGE RATE	13.993	13.909	0.084 ↑
- WEIGHTED AVERAGE RATE OF ACCEPTED BIDS	13.974	13.691	0.283 ↑

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

	Kshs (M)
OFFER AMOUNT (at cost) of which:	18,000.00
Redemptions	0.00
New Borrowing	18,000.00

(i) The forthcoming issue(s) will be dated 27th June 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.

MARK L. LESIIT
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