

A. RESULTS OF TREASURY BONDS ISSUE NOS. FXD 2/2010/10 RE-OPEN & FXD 1/2011/5 VALUE DATED 31/01/2011

This month the Central Bank of Kenya offered 5-year and 10-year Treasury Bonds for a total amount of up to Kshs 16 Billion. The total number of bids received was 877 amounting to Kshs 30.5 Billion or 191% subscription. The market determined coupon rate was 7.636% for the 5 year bond. Bids accepted amounted to Kshs 11.9 Billion. The Weighted average rate for successful bids was 7.636% up from 6.671% for the 5-year Bond and 9.683% up from 8.646% for the 10-year Bond. The other auction statistics are summarised in the table below.

TENOR	5 YEAR	10 YEAR	
Due Date	25-01-16	19-10-20	
Total Amount Offered (Kshs. M)			16,000.00
Total bids Received (Kshs. M)	12,808.26	17,694.00	30,502.26
Performance Rate (%)			190.64
Total Number of Bids Received	337	540	877
Number of Successful Bids	280	104	384
Total Amount Accepted (Kshs. M)	10,810.80	1,085.65	11,896.44
Of which : Competitive bids	10,668.10	684.13	11,352.22
: Non-competitive bids	142.70	401.52	544.22
Average Redemption yield (%)	7.636	9.683	
Price per Kshs 100 at average yield	100.000	97.634	
Coupon Rate (%)	7.636	9.307	
Purpose/ Application of funds:			
Redemptions			3,124.58
New Borrowing			8,771.86

B. COMPARATIVE INTEREST RATES

	THIS AUCTION (%)	LAST AUCTION (%) 29/11/10	VARIANCE (%)
5 YEAR - MARKET WEIGHTED AVERAGE RATE	7.746	7.078	0.668
- WEIGHTED AVERAGE RATE OF ACCEPTED BIDS	7.636	6.671	0.965

	THIS AUCTION (%)	LAST AUCTION (%) 01/11/10	VARIANCE (%)
10 YEAR - MARKET WEIGHTED AVERAGE RATE	10.503	9.307	1.196
- WEIGHTED AVERAGE RATE OF ACCEPTED BIDS	9.683	8.646	1.037

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

	Kshs (M)
OFFER AMOUNT (at cost) of which:	32,000.00
Redemptions	3,387.13
New Borrowing	28,612.87

- (i) The forthcoming issue(s) will be dated 28th February 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.