

**BANKI
KUU YA
KENYA**



**CENTRAL
BANK OF
KENYA**

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A. RESULTS OF 91 DAYS TREASURY BILLS ISSUE NO. 1970 VALUE DATED 24/09/2012

This week the Central Bank of Kenya offered 91 day Treasury Bills for a total of **Kshs 4 Billion**. The total number of bids received was **175** amounting to **Kshs. 4.95 Billion** representing a subscription of **124%**. The market weighted average rate was **9.395%** and the weighted average of accepted bids which will be applied for non-competitive bids was **7.647%** up from **7.515%** recorded in the previous auction. The other auction statistics are summarised in the table below.

Due Date	24/12/2012
Amount Offered (Kshs. M)	4,000.00
Bids Received (Kshs. M)	4,951.46
Performance Rate (%)	124
Number of Bids Received	175
Number of accepted Bids	157
Amount Accepted (Kshs. M)	1,928.58
Of which : Competitive bids	1,457.27
: Non-Competitive bids	471.31
Purpose / Application of Funds:	
Rollover / Redemptions	1,435.30
Total Redemptions	1,435.30
New Borrowing	493.28
Market Weighted Average Rate	9.395%
Weighted Average Rate of accepted bids	7.647%
Price per Kshs 100 at Weighted Average Rate for accepted bids	98.129

B. COMPARATIVE INTEREST RATES

	This Auction	Last Auction	Variance
Value Dates	24/09/2012	17/09/2012	
	7.647	7.515	0.132 ↑

C. NEXT WEEK'S TREASURY BILLS AUCTIONS: ISSUE NOS. 1971/91 & 1952/182 DATED 01/10/2012

TENOR	91 DAYS	182 DAYS	TOTAL
Offer Amount (Kshs. M)	4,000.00	4,000.00	8,000.00
Auction Dates & Bids Closure	27/09/2012	26/09/2012	
Results Announcement	28/09/2012	27/09/2012	
Redemptions			5,199.75
New Borrowing			2,800.25

The actual amount to be realised from the auction will be subject to Treasury's immediate liquidity requirements for the week. Where several successful bidders quote a common rate, the Central Bank of Kenya reserves the right to allot bids on a pro-rata basis. The Central Bank reserves the right to accept/reject bids in part or in full without giving any reason. Individual bids must be of a minimum face value of Kshs 100,000.00. Only CDS holders with updated mandates are eligible.

Bids must be submitted using the specified format and must reach the Central Bank (HQ, Branch or Currency Centre) by 2.00 p.m. on Wednesday 26th September 2012 for 182 day and Thursday 27th September 2012 for 91 day Treasury Bills respectively. Payments above Kshs.1 Million must be made by electronic transfer using RTGS. Payments below Kshs. 1 Million may be made by Banker's Cheque or RTGS and must reach the Central Bank not later than 2.00 p.m. on Monday 1st October 2012 for Cheques and 3.00 p.m for RTGS electronic fund transfers. Please provide the following details with each payment: Name, Reference No., the New CDS Portfolio and the customer's Virtual account No.

D. NON-COMPETITIVE BIDS

Non-competitive bids are subject to a maximum of Kshs. 20 Million per investor and are issued at the weighted average of accepted bids.

MWENDA K. MARETE
ASSISTANT DIRECTOR, FINANCIAL MARKETS DEPARTMENT
20/09/2012