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A.

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 **178** amounting to **Kshs 3.69 Billion**, representing a subscription of **92.19%**. Total bids accepted amounted to **Kshs. 3.69 Billion**. The market weighted average rate was **8.561%** and the weighted average of accepted bids which will be applied for non-competitive bids was **8.561%** up from **8.484%** in the previous auction. The other auction statistics are summarised in the table below.

Due Date	27/03/2017
Amount Offered (Kshs. M)	4,000.00
Bids Received (Kshs. M)	3,687.50
Performance Rate (%)	92.19
Number of Bids Received	178
Number of accepted Bids	178
Amount Accepted (Kshs. M)	3,687.50
Of which : Competitive bids	2,840.28
: Non-Competitive bids	847.22
Purpose / Application of Funds:	
Rollover / Redemptions	5,350.39
Net Repayment	1,662.89
Market Weighted Average Rate	8.561%
Weighted Average Rate of accepted bids	8.561%
Price per Kshs.100 at Weighted Average Rate for accepted bids	97.910

B. COMPARATIVE INTEREST RATES

	This Auction	Last Auction	Variance
Value Dates	26/12/2016	19/12/2016	
Weighted Average Rate of Accepted bids (%)	8.561	8.484	0.077

C. NEXT WEEK'S TREASURY BILLS AUCTIONS: ISSUE NOS 2193/91, 2174/182 & 2103/364 DATED 02/01/2017

TENOR	91 DAYS	182 DAYS	364 DAYS	TOTAL
Offer Amount (Kshs. M)	4,000.00	6,000.00	6,000.00	16,000.00
Auction Dates & Bids Closure	29/12/2016	28/12/2016	28/12/2016	
Results Announcement	30/12/2016	29/12/2016	29/12/2016	
Redemptions				8,557.04
New Borrowing				7,442.96

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 investors with active CDS accounts are eligible.

Bids must be submitted and received by CBK either **manually** (application forms delivered in Treasury Bill tender boxes in any Branch or Currency Centre of Central Bank of Kenya or **electronically** (via CBK Internet Banking platform for commercial Banks) by 2.00 p.m. on **Wednesday, 28th December, 2016** for 182 & 364 days Treasury Bills and **Thursday 29th December** for 91 days Treasury Bill. Payments above Kshs.1 Million must be made by electronic transfer using RTGS. Payments below Kshs.1 Million may be made by Cash, Banker's Cheque or RTGS. These payments must reach the Central Bank not later than **Tuesday, 3rd December 2016, 2.00 p.m.** for Cash and Cheques and 3.00 p.m for RTGS electronic fund transfers. Please provide the following details with each payment: Name, Reference No., CDS Portfolio No. and the customer's Virtual account No.

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

E. **RESULTS FOR TAP SALE OF THE TREASURY BOND ISSUE NO. FXD3/2016/002 DATED 26/12/2016**

Central Bank of Kenya is offering a Tap Sale for the 2-year Treasury Bond on a first-come-first- served basis. The sale period commenced on 20th December 2016 and is to close either on attainment of the quantum on offer or on 27th December 2016, whichever ever comes first. Investors are advised to obtain results of the allocation of their bids for the first tranche at Central Bank of Kenya, Head office or at any Branch or Currency Center on Friday, 23rd December 2016. Payments deadline is on Tuesday, 27th December 2016, 2.00pm. The tap sale allocation statistics for the first tranche are summarised in the table below.

TENOR	2-year
Total bids Accepted at Face Value (Kshs. M)	13,637.90
Total bids Accepted at Cost (Kshs. M)	13,636.95
Total Number of Accepted Bids	152
Allocated average rate for accepted bids (%)	12.509%
Adjusted Average Price (Per Kes 100.00)	100.234
Coupon Rate (%)	12.509%

The sale period for the second tranche of the Tap Sale value dated 02 January 2017 commences on Friday, 23rd December 2016 to Thursday 29th December 2016, 2.00 pm.

John K. Birech
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22 December 2016