

**December 9, 2008**

**BANKING CIRCULAR NO. 8 OF 2008**

**TO ALL CHIEF EXECUTIVES OF COMMERCIAL BANKS AND NON-BANK FINANCIAL INSTITUTIONS**

Currently, small investors do not seem to have the same access to Treasury Bills as institutional investors since the investment threshold is set at Kshs.1 million. This threshold should be reduced to allow wider participation.

In this regard and in order to provide an alternative investment avenue to a wider investment base, the Central Bank of Kenya has decided to reduce the threshold for investments in Treasury Bills in the primary market from the current Kshs 1,000,000.00 to Kshs 100,000.00 beginning January 2009. However, the minimum investment amount in Treasury Bonds will remain unchanged at Kshs 50,000.00.

All commercial banks and non-bank financial institutions are hereby requested to prepare for this positive development and are encouraged to inform and make all their investors in Treasury Bills aware of this decision.

Any enquiries and clarifications may be directed to the Director, Monetary Operations and Debt Management Department.

**JACKSON M. KITILI**  
**DIRECTOR, MONETARY OPERATIONS AND DEBT MANAGEMENT**