



## Central Bank of Kenya

### TAP SALE OF FIXED COUPON TREASURY BOND ISSUE Nos. FXD1/2020/005 AND FXD1/2022/015 DATED 23/01/2023

Central Bank of Kenya is pleased to offer eligible investors an opportunity to participate in a Tap Sale of the above Fixed coupon Treasury Bonds whose details are as in the prospectus issued value date 16/01/2023. The Tap Sale will be offered on a **first- come -first- served basis**. Other features are as summarised in the table below.

<b>Period of Sale</b>	Tuesday, 17th January 2023 to Friday, 20th January 2023 or upon attainment of quantum, whichever comes first.
<b>Amount on offer</b>	Kes 10 Billion.
<b>Pricing</b>	Bids shall be priced at the average rate of the accepted bids for the Treasury Bond auction value dated 16/01/2023 and adjusted for accrued interest.
<b>Value Date</b>	Monday, 23rd January 2023.
<b>Closing date</b>	Friday, 20th January 2023, at 2pm or upon attainment of quantum, whichever comes first.
<b>Auction Results</b>	Investors should obtain details of amounts payable for successful bids from Central Bank of Kenya on Monday, 23rd January 2023
<b>Payment Deadline</b>	By 2.00 pm on Monday, 23rd January 2023.
<b>Bids Allotment</b>	Bids will be allotted on a first-come-first-served basis.
<b>Average Yield</b>	FXD1/2020/005 - 12.879% FXD1/2022/015 - 14.186%
<b>Adjusted Average Price (per Kes 100.00)</b>	FXD1/2020/005 - 100.085 FXD1/2022/015 - 101.950
<b>Coupon Rate (%)</b>	FXD1/2020/005 - 11.667% FXD1/2022/015 - 13.942%

David Luusa

Director, Financial Markets

17 January 2023

**FXD1/2017/010**

<b>YIELD (YTM)</b>	<b>CLEAN PRICE</b>
12.000%	103.234
12.125%	102.805
12.250%	102.379
12.375%	101.955
12.500%	101.533
12.625%	101.113
12.750%	100.696
12.875%	100.280
12.966%	99.979
13.000%	99.867
13.125%	99.456
13.250%	99.048
13.375%	98.641
13.500%	98.237
13.625%	97.835
13.750%	97.435
13.875%	97.037

**IMPORTANT INFORMATION**

The bond attracts Accrued Interest (AI) of Ksh 0.748 per Ksh 100. Withholding Tax is computed on clean prices.

Example: If quoted yield is 12.966%, dirty price is the clean price (Ksh 99.979) plus AI (Ksh 0.748) which equals Ksh.100.727



**PROSPECTUS FOR RE-OPENED TEN-YEAR  
AND NEW TEN-YEAR  
FIXED COUPON TREASURY BONDS**

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**FXD1/2017/010 AND FXD1/2023/010**

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**TOTAL VALUE : KSHS. 50 BILLION**

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**FEBRUARY 2023**

For enquiries please contact Central Bank of Kenya, Financial Markets Department on 2860000 or our Branches in Mombasa, Kisumu and Eldoret or Nyeri, Meru, Kisii and Nakuru Currency Centres or any Commercial Bank, Investment Bank, Stock Brokers or send an email to [NDO@centralbank.go.ke](mailto:NDO@centralbank.go.ke) or visit the CBK website on [www.centralbank.go.ke](http://www.centralbank.go.ke)

## FXD1/2017/010 & FXD1/2023/010

Central Bank of Kenya, acting in its capacity as fiscal agent for the Republic of Kenya, invites bids for the above bonds whose terms and conditions are as follows:-

**Issuer** : Republic of Kenya  
**Amount** : Kshs. 50 Billion  
**Purpose** : Budgetary Support  
**Tenor** : **FXD1/2017/010 - (4.5 years)**  
: **FXD1/2023/010 - (10.0 years)**  
**Coupon Rate** : **FXD1/2017/010 - 12.966%**  
: **FXD1/2023/010 -Market Determined**  
**Period of sale** : **17/01/2023 to 07/02/2023**  
**Value Date** : **13/02/2023**  
**Price Quote** : Discounted/Premium/ Par  
**Minimum Amount** : Kshs. 50,000.00  
**Interest Payment Dates** :

### FXD1/2017/010

24/07/2023 22/01/2024 22/07/2024 20/01/2025 21/07/2025 19/01/2026 20/07/2026  
18/01/2027 19/07/2027

### FXD1/2023/010

14/08/2023 12/02/2024 12/08/2024 10/02/2025 11/08/2025 09/02/2026 10/08/2026  
08/02/2027 09/08/2027 07/02/2028 07/08/2028 05/02/2029 06/08/2029 04/02/2030  
05/08/2030 03/02/2031 04/08/2031 02/02/2032 02/08/2032 31/01/2033

**Taxation** : Discount/Interest is subject to withholding tax at a rate of 10%.  
**Redemption Dates** : FXD1/2017/010 - 19/07/2027  
FXD1/2023/010 - 31/01/2033  
**Issuing and Paying Agent** : Central Bank of Kenya  
**Placing Agents** :  
• Commercial Banks  
• Non-Bank Financial Institutions  
• Licensed Stock Brokers  
• Licensed Investment Advisors  
**Issuance method** : Multi-Price Bid Auction.  
**Non-Competitive Bids** : Maximum **Kshs. 20 Million** per CDS account per tenor. This does not apply to State corporations, public universities and Semi-Autonomous Government Agencies.  
**Bids Closure** : Duly completed bond application forms must be submitted to any branch of the Central Bank in the specified tender box or via Treasury Mobile Direct (TMD) or CBK internet

**Auction Date** : **Banking by 2.00p.m on Tuesday, 7th February 2023.**  
**Results** : **Wednesday, 8th February 2023**  
Investors should obtain details of amounts payable for successful bids from Central Bank of Kenya on **Thursday, 9th February 2023.**  
**Defaulters** : Defaulters may be suspended from subsequent investment in Government Securities.  
**Commission** : Licensed placing agents will be paid commission at the rate of 0.15% of actual sales (at cost ) net of 5% withholding tax.  
**Rediscounting** : Central Bank of Kenya will rediscount the bonds as a last resort at 3% above the prevailing market yield or coupon rate whichever is higher, **upon written confirmation to do so from the Nairobi Securities Exchange.**  
**Liquidity** : The bonds qualify for statutory liquidity ratio requirements for Commercial Banks and Non- Bank Financial Institutions as stipulated in the Banking Act CAP 488 of the Laws of Kenya.  
**Listing** : The bonds will be listed on the Nairobi Securities Exchange.  
**Classification** : The bonds are benchmark Bonds.  
**Eligibility** : Only investors with active CDS Accounts with the Central Bank of Kenya.  
**Re-opening** : The Bonds may be re-opened at a future date.  
**Secondary Trading** : Secondary trading in multiples 50,000.00 to commence on **Tuesday, 14th February 2023.**  
**Right to accept applications** : Central Bank of Kenya reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.