

PRICE GUIDE FOR THE 15-YEAR RE-OPEN FIXED COUPON BOND ISSUE FXD1/2010/15

YIELD(YTM)	CLEAN PRICE
8.000%	111.947
8.125%	111.235
8.250%	110.530
8.375%	109.830
8.500%	109.136
8.625%	108.448
8.750%	107.765
8.875%	107.088
9.000%	106.416
9.125%	105.749
9.250%	105.088
9.375%	104.432
9.500%	103.782
9.625%	103.137
9.750%	102.496
9.875%	101.861
10.000%	101.232
10.125%	100.607
10.250%	99.987
10.375%	99.372
10.500%	98.762
10.625%	98.157
10.750%	97.556
10.875%	96.961
11.000%	96.370
11.125%	95.784
11.250%	95.202
11.375%	94.625
11.500%	94.053
11.625%	93.485
11.750%	92.922
11.875%	92.363
12.000%	91.808
12.125%	91.258
12.250%	90.712
12.375%	90.171
12.500%	89.633

IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh 4.534 per Ksh 100. Withholding Tax is computed on clean prices.

Example: If quoted yield is 10.250%, settlement price is the clean price (Ksh 99.987) plus AI (Ksh 4.154) which gives Ksh.104.520.

PRICE GUIDE FOR THE 15-YEAR RE-OPEN FIXED COUPON BOND ISSUE FXD2/2013/15

YIELD(YTM)	CLEAN PRICE
10.000%	112.543
10.125%	111.694
10.250%	110.854
10.375%	110.022
10.500%	109.199
10.625%	108.385
10.750%	107.579
10.875%	106.781
11.000%	105.992
11.125%	105.211
11.250%	104.437
11.375%	103.672
11.500%	102.915
11.625%	102.165
11.750%	101.424
11.875%	100.689
12.000%	99.963
12.125%	99.243
12.250%	98.531
12.375%	97.827
12.500%	97.129
12.625%	96.438
12.750%	95.755
12.875%	95.078
13.000%	94.408
13.125%	93.745
13.250%	93.089
13.375%	92.439
13.500%	91.796
13.625%	91.159
13.750%	90.529
13.875%	89.904
14.000%	89.287
14.125%	88.675
14.250%	88.069
14.375%	87.469
14.500%	86.875

IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh 4.154 per Ksh 100. Withholding Tax is computed on clean prices.

Example: If quoted yield is 12.000%, settlement price is the clean price (Ksh 99.963) plus AI (Ksh 4.154) which gives Ksh.104.116.



CENTRAL BANK OF KENYA

**PROSPECTUS FOR REOPEN FIFTEEN YEAR
FIXED COUPON TREASURY BONDS**

ISSUE NOS. FXD 1/2010/15 & FXD 2/2013/15

TOTAL VALUE: KSHS 40 BILLION

FEBRUARY 2018

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

FXD 1/2010/15 & FXD 2/2013/15

The 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. 40 Billion		
Purpose	:	Budgetary Support		
Tenor	:	FXD1/2010/15 (7.06 years)		
	:	FXD2/2013/15 (10.15 years)		
Coupon	:	FXD1/2010/15 - 10.25% p.a		
	:	FXD2/2013/15 - 12.00% p.a		
Period of sale	:	12/02/2018 to 20/02/2018		
Value Date	:	26/02/2018		
Price Quote	:	Discounted/Premium/ Par		
Minimum Amount	:	Kshs. 50,000.00		
Interest Payment Dates	:	FXD1/2010/15		
		19/03/2018	14/09/2020	13/03/2023
		17/09/2018	15/03/2021	11/09/2023
		18/03/2019	13/09/2021	11/03/2024
		16/09/2019	14/03/2022	09/09/2024
		16/03/2020	12/09/2022	10/03/2025
		FXD2/2013/15		
		23/04/2018	18/10/2021	14/04/2025
		22/10/2018	18/04/2022	13/10/2025
		22/04/2019	17/10/2022	13/04/2026
		21/10/2019	17/04/2023	12/10/2026
		20/04/2020	16/10/2023	12/04/2027
		19/10/2020	15/04/2024	11/10/2027
		19/04/2021	14/10/2024	10/04/2028
Taxation	:	Discount/Interest is subject to withholding tax at a rate of 10%		
Redemption Dates	:	FXD1/2010/15 - 10/03/2025		
	:	FXD2/2013/15 - 10/04/2028		
Issuing and Paying Agent	:	Central Bank of Kenya.		
Placing Agents	:	<ul style="list-style-type: none"> • 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 investor per tenor.
Bids Closure	:	Duly completed bond application forms must be submitted to any branch of the Central Bank in the specified tender box by 2.00 p.m on Tuesday February 20, 2018.
Auction Date	:	21/02/2018
Results	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on 22/02/2018.
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	:	The Central Bank 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	:	These 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 of KShs 50,000.00 to commence on Tuesday, 27 February 2018.
Right to accept applications	:	The Central Bank reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.