



## Central Bank of Kenya

### TAP SALE OF INFRASTRUCTURE TREASURY BOND ISSUE Nos. IFB1/2022/18 DATED 11/07/2022

<b>Period of Sale</b>	Tuesday, 28th June 2022 to Thursday, 7th July 2022 or upon attainment of quantum, whichever comes first.
<b>Amount on offer</b>	Kes 20 Billion.
<b>Pricing</b>	Bids shall be priced at the average rate of the accepted bids for the Treasury Bond auction value dated 13/06/2022 and adjusted for accrued interest.
<b>Value Date</b>	Monday, 11th July 2022.
<b>Closing date</b>	Thursday, 7th July 2022, 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 Friday, 8th July 2022
<b>Payment Deadline</b>	By 2.00 pm on Monday, 11th July 2022.
<b>Bids Allotment</b>	Bids will be allotted on a first-come-first-served basis.
<b>Average Yield</b>	IFB1/2022/18 - 13.742%
<b>Adjusted Average Price (per Kes 100.00)</b>	IFB1/2022/18 - 101.028
<b>Coupon Rate (%)</b>	IFB1/2022/18 - 13.742%

David Luusa  
Director, Financial Markets  
28 June 2022

FXD2/2013/015	
YIELD(YTM)	CLEAN PRICE
10.000%	108.530
10.125%	107.967
10.250%	107.408
10.375%	106.852
10.500%	106.301
10.625%	105.752
10.750%	105.208
10.875%	104.667
11.000%	104.129
11.125%	103.596
11.250%	103.065
11.375%	102.539
11.500%	102.015
11.625%	101.496
11.750%	100.979
11.875%	100.466
<b>12.000%</b>	<b>99.957</b>
12.125%	99.450
12.250%	98.947
12.375%	98.448
12.500%	97.951
12.625%	97.458
12.750%	96.968
12.875%	96.482
13.000%	95.998
13.125%	95.518
13.250%	95.041
13.375%	94.567
13.500%	94.096
13.625%	93.628
13.750%	93.163
13.875%	92.701
14.000%	92.242

#### IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh 3.231 per Ksh 100. Withholding Tax is computed on clean prices. Example: If quoted yield is 12.00%, dirty price is the clean price (Ksh 99.957) plus AI (Ksh 0.221) which equals Ksh.103.187

FXD2/2018/015	
YIELD(YTM)	CLEAN PRICE
10.000%	118.270
10.125%	117.336
10.250%	116.413
10.375%	115.501
10.500%	114.598
10.625%	113.706
10.750%	112.823
10.875%	111.951
11.000%	111.087
11.125%	110.234
11.250%	109.390
11.375%	108.555
11.500%	107.729
11.625%	106.912
11.750%	106.105
11.875%	105.306
12.000%	104.515
12.125%	103.734
12.250%	102.961
12.375%	102.196
12.500%	101.440
12.625%	100.691
<b>12.750%</b>	<b>99.951</b>
12.875%	99.219
13.000%	98.494
13.125%	97.778
13.250%	97.069
13.375%	96.368
13.500%	95.674
13.625%	94.987
13.750%	94.308
13.875%	93.636
14.000%	92.971

#### IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh 3.433 per Ksh 100. Withholding Tax is computed on clean prices. Example: If quoted yield is 12.75%, dirty price is the clean price (Ksh 99.951) plus AI (Ksh 3.433) which equals Ksh.103.384



Central Bank of Kenya

## PROSPECTUS FOR TWO RE-OPENED FIFTEEN-YEAR FIXED COUPON TREASURY BONDS

**FXD2/2013/15 AND FXD2/2018/15**

**TOTAL VALUE: KSHS 40 BILLION**

**JULY 2022**

For enquiries please contact Central Bank of Kenya, Financial Markets Department on 2860000 or our Branches in Mombasa, Kisumu and Eldoret or Nyeri, Meru, Nakuru and Kisii 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)

## FXD2/2013/15 & FXD2/2018/15

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** : **FXD2/2013/15-(5.8 years)**  
: **FXD2/2018/15-(11.3 years)**  
**Coupon Rate** : **FXD2/2013/15 -12.000% p.a.**  
: **FXD2/2018/15 -12.750% p.a.**  
**Period of sale** : **28/06/2022 to 19/07/2022**  
**Value Date** : **25/07/2022**  
**Price Quote** : Discounted/Premium/ Par  
**Minimum Amount** : Kshs. **50,000.00**  
**Interest Payment Dates** :

### FXD2/2013/15

17/10/2022	14/10/2024	12/10/2026
17/04/2023	14/04/2025	12/04/2027
16/10/2023	13/10/2025	11/10/2027
15/04/2024	13/04/2026	10/04/2028

### FXD2/2018/15

17/10/2022	13/10/2025	9/10/2028	6/10/2031
17/04/2023	13/04/2026	9/04/2029	5/04/2032
16/10/2023	12/10/2026	8/10/2029	4/10/2032
15/04/2024	12/04/2027	8/04/2030	4/04/2033
14/10/2024	11/10/2027	7/10/2030	3/10/2033
14/04/2025	10/04/2028	7/04/2031	

**Taxation** : Discount/Interest is subject to withholding tax at a rate of 10% for the two Bonds.

**Redemption Dates** : **FXD2/2013/15-10/04/2028**  
**FXD2/2018/15- 03/10/2033**

**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 Banking by **2.00 p.m on Tuesday, 19th July, 2022.**  
**Auction Date** : **Wednesday, 20/07/2022.**  
**Results** : Investors should obtain details of amounts payable for successful bids from Central Bank of Kenya on **21/07/2022.**  
**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** : 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 of KShs 50,000.00 to commence on **Tuesday, 26th July, 2022.**  
**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.