

**PRICE GUIDE FOR THE 10- YEAR FIXED COUPON BOND  
RE-OPEN TREASURY BOND ISSUE FXD2/2010/10.**

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
7.000%	106.905	11.625%	93.587
7.125%	106.515	11.750%	93.257
7.250%	106.127	11.855%	92.980
7.375%	105.741	11.934%	92.773
7.500%	105.356	12.000%	92.600
7.625%	104.974	12.125%	92.274
7.750%	104.592	12.250%	91.950
7.875%	104.213	12.375%	91.626
8.000%	103.835	12.500%	91.305
8.125%	103.459	12.625%	90.984
8.250%	103.085	12.750%	90.666
8.375%	102.712	12.875%	90.348
8.500%	102.341	13.000%	90.032
8.625%	101.972	13.125%	89.717
8.750%	101.605	13.193%	89.546
8.875%	101.239	13.250%	89.404
9.000%	100.874	13.375%	89.092
9.125%	100.512	13.500%	88.781
9.250%	100.150	13.750%	88.164
9.375%	99.791	13.875%	87.857
9.500%	99.433	14.000%	87.552
9.625%	99.077	14.125%	87.248
9.750%	98.722	14.250%	86.946
9.875%	98.369	14.375%	86.644
10.000%	98.017	14.500%	86.344
10.125%	97.667	14.625%	86.046
10.250%	97.319	14.750%	85.748
10.375%	96.972	14.875%	85.452
10.500%	96.627	15.000%	85.157
10.625%	96.283	15.125%	84.864
10.750%	95.941	15.250%	84.572
10.870%	95.614	15.375%	84.281
11.000%	95.281	15.500%	83.991
11.125%	94.923	15.625%	83.702
11.250%	94.587	15.750%	83.415
11.375%	94.252	15.875%	83.129
11.500%	93.919	16.000%	82.844

**IMPORTANT INFORMATION**

The bond attracts Accrued Interest (AI) of Ksh. 0.716 per Ksh 100.  
Example: If yield quoted is 10.000%, Settlement price is the clean price (Ksh.98.017) plus AI (Ksh.0.716) which gives Ksh.98.733  
Withholding tax is computed on clean prices.

**PRICE GUIDE FOR THE 15- YEAR FIXED COUPON BOND  
RE-OPEN TREASURY BOND ISSUE FXD1/2009/15.**

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
7.000%	131.345	11.625%	104.239
7.125%	130.498	11.750%	103.615
7.250%	129.657	11.855%	103.094
7.375%	128.824	11.934%	102.704
7.500%	127.998	12.000%	102.380
7.625%	127.178	12.125%	101.771
7.750%	126.366	12.250%	101.166
7.875%	125.560	12.375%	100.566
8.000%	124.761	12.500%	99.971
8.125%	123.968	12.625%	99.380
8.250%	123.183	12.750%	98.795
8.375%	122.403	12.875%	98.214
8.500%	121.630	13.000%	97.637
8.625%	120.864	13.125%	97.065
8.750%	120.104	13.193%	96.756
8.875%	119.350	13.250%	96.498
9.000%	118.602	13.375%	96.935
9.125%	117.861	13.500%	96.377
9.250%	117.125	13.750%	94.273
9.375%	116.396	13.875%	93.728
9.500%	115.672	14.000%	93.187
9.625%	114.955	14.125%	92.651
9.750%	114.243	14.250%	92.118
9.875%	113.538	14.375%	91.590
10.000%	112.838	14.500%	91.066
10.125%	112.143	14.625%	90.546
10.250%	111.465	14.750%	90.030
10.375%	110.772	14.875%	89.518
10.500%	110.094	15.000%	89.010
10.625%	109.422	15.125%	88.506
10.750%	108.756	15.250%	88.006
10.870%	108.121	15.375%	87.510
11.000%	107.439	15.500%	87.018
11.125%	106.789	15.625%	86.529
11.250%	106.144	15.750%	86.045
11.375%	105.504	15.875%	85.564
11.500%	104.869	16.000%	85.087

**The bond attracts Accrued Interest (AI) of Ksh. 1.202 per Ksh 100.**

Example: If yield quoted is 12.500%, Settlement price is the clean price (Ksh.99.971) plus AI (Ksh.1.202) which gives Ksh.101.173  
Withholding tax is computed on clean prices.

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

**ISSUE NOS. FXD 2/2010/10 & FXD 1/2009/15**

**TOTAL VALUE: KSHS 40 BILLION**

**MAY 2017**

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](mailto:NDO@centralbank.go.ke) or visit the CBK website on [www.centralbank.go.ke](http://www.centralbank.go.ke)



**CENTRAL BANK OF KENYA**

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:-

<b>Issuer</b>	:	Republic of Kenya
<b>Amount</b>	:	Kshs. <b>40 Billion</b>
<b>Purpose</b>	:	Budgetary Support
<b>Tenor</b>	:	<b>Ten Year-Re-open (3.42 years)</b>
	:	<b>Fifteen Year-Re-open (7.40 years)</b>
<b>Coupon</b>	:	<b>Ten Year - 9.307%</b>
	:	<b>Fifteen Year - 12.500%</b>
<b>Period of sale</b>	:	<b>09/05/2017 to 16/05/2017</b>
<b>Value Date</b>	:	<b>22/05/2017</b>
<b>Price Quote</b>	:	Discounted/Premium/ Par
<b>Minimum Amount</b>	:	<b>Kshs. 50,000.00</b>
<b>Interest Payment Dates</b>	:	<b>10 - Year</b>
		23/10/2017    22/04/2019    19/10/2020
		23/04/2018    21/10/2019
		22/10/2018    20/04/2020
		<b>15 - Year</b>
		16/10/2017    13/04/2020    10/10/2022
		16/04/2018    12/10/2020    10/04/2023
		15/10/2018    12/04/2021    09/10/2023
		15/04/2019    11/10/2021    08/04/2024
		14/10/2019    11/04/2022    07/10/2024
<b>Taxation</b>	:	Discount/Interest is subject to withholding tax at a rate of <b>10%</b>
<b>Redemption Dates</b>	:	<b>10 Year - 19/10/2020</b>
	:	<b>15 Year - 07/10/2024</b>
<b>Issuing and Paying Agent</b>	:	Central Bank of Kenya.
<b>Placing Agents</b>	:	<ul style="list-style-type: none"> <li>• Commercial Banks</li> <li>• Non-Bank Financial Institutions</li> <li>• Licensed Stock Brokers</li> <li>• Licensed Investment Advisors</li> </ul>
<b>Issuance method</b>	:	Multi-Price Bid Auction
<b>Non-Competitive Bids</b>	:	Maximum <b>Kshs 20 Million</b> per investor per tenor.
<b>Bids Closure</b>	:	Duly completed bond application forms must be

<b>Auction Date</b>	:	<b>17/05/2017</b>
<b>Results</b>	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on <b>18/05/2017</b> .
<b>Defaulters</b>	:	Defaulters may be suspended from subsequent investment in Government Securities.
<b>Commission</b>	:	Licensed placing agents will be paid commission at the rate of <b>0.15%</b> of actual sales (at cost ) net of <b>5%</b> withholding tax.
<b>Rediscounting</b>	:	The Central Bank will rediscount the bonds as a last resort at <b>3%</b> above the prevailing market yield or coupon rate whichever is higher, <b>upon written confirmation to do so from the Nairobi Securities Exchange</b> .
<b>Liquidity</b>	:	The bonds qualifies 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.
<b>Listing</b>	:	The bonds will be listed on the Nairobi Securities Exchange.
<b>Classification Eligibility</b>	:	These bonds are benchmark Bonds Only investors with active CDS Accounts with the Central Bank of Kenya
<b>Re-opening` Secondary Trading</b>	:	The Bonds may be re-opened at a future date. Secondary trading in multiples of KShs 50,000.00 to commence on <b>Tuesday, May 23, 2017</b> .
<b>Right to accept applications</b>	:	The Central Bank reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.