

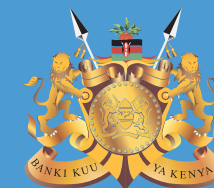
**PRICE GUIDE FOR THE 20- YEAR FIXED COUPON
TREASURY BOND ISSUE FXD1/2018/20.**

YIELD(YTM)	CLEAN PRICE
10.000%	127.455
10.125%	126.158
10.250%	124.882
10.375%	123.628
10.500%	122.393
10.625%	121.179
10.750%	119.984
10.875%	118.808
11.000%	117.651
11.125%	116.512
11.250%	115.391
11.375%	114.289
11.500%	113.203
11.625%	112.135
11.750%	111.083
11.875%	110.047
12.000%	109.028
12.125%	108.024
12.250%	107.036

YIELD(YTM)	CLEAN PRICE
12.375%	106.063
12.500%	105.105
12.625%	104.161
12.750%	103.231
12.875%	102.316
13.000%	101.415
13.125%	100.526
13.200%	100.000
13.250%	99.652
13.375%	98.790
13.500%	97.941
13.625%	97.104
13.750%	96.280
13.875%	95.468
14.000%	94.667
14.125%	93.879
14.250%	93.101
14.375%	92.335
14.500%	91.580

IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh.0 per Ksh 100.
Withholding Tax is computed on clean price.Example: If yield quoted is 13.200%,
Settlement price is the clean price (Ksh.100.00) plus AI (Ksh.0)
which gives Ksh.100.00



CENTRAL BANK OF KENYA

**PROSPECTUS FOR FIVE YEAR & TWENTY YEAR
FIXED COUPON TREASURY BONDS**

ISSUE NOs. FXD 1/2018/5 & FXD 1/2018/20

TOTAL VALUE: KSHS 40 BILLION

MARCH 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 1/2018/5 & FXD 1/2018/20

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	:	Five Year-New Twenty Year-New		
Coupon	:	Five Year - Market Determined Twenty Year - 13.200% p.a		
Period of sale	:	09/03/2018 to 20/03/2018		
Value Date	:	26/03/2018		
Price Quote	:	Discounted/Premium/ Par		
Minimum Amount	:	Kshs. 50,000.00		
Interest Payment Dates	:	5 - Year		
		24/09/2018	21/09/2020	19/09/2022
		25/03/2019	22/03/2021	20/03/2023
		23/09/2019	20/09/2021	
		23/03/2020	21/03/2022	
		20 - Year		
		24/09/2018	16/03/2026	05/09/2033
		25/03/2019	14/09/2026	06/03/2034
		23/09/2019	15/03/2027	04/09/2034
		23/03/2020	13/09/2027	05/03/2035
		21/09/2020	13/03/2028	03/09/2035
		22/03/2021	11/09/2028	03/03/2036
		20/09/2021	12/03/2029	01/09/2036
		21/03/2022	10/09/2029	02/03/2037
		19/09/2022	11/03/2030	31/08/2037
		20/03/2023	09/09/2030	01/03/2038
		18/09/2023	10/03/2031	
		18/03/2024	08/09/2031	
		16/09/2024	08/03/2032	
		17/03/2025	06/09/2032	
		15/09/2025	07/03/2033	
Taxation	:	Discount/Interest is subject to withholding tax at a rate of 15% for 5-year and 10% for 20-year.		
Redemption Dates	:	5 Year - 20/03/2023 20 Year - 01/03/2038		
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 March 20, 2018.
Auction Date	:	21/03/2018
Results	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on 22/03/2018.
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, March 27, 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.