



Central Bank Of Kenya

**PROSPECTUS FOR TEN-YEAR & TWENTY-YEAR
FIXED COUPON TREASURY BONDS**

ISSUE NOs. FXD 2/2019/10 & FXD 1/2019/20

TOTAL VALUE: KSHS 50 BILLION

APRIL 2019

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 2/2019/10 & FXD 1/2019/20

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. 50 Billion
Purpose	:	Budgetary Support
Tenor	:	Ten-year(New) Twenty-year(New)
Coupon Rates	:	Ten-year-Market Determined Twenty-year-Market Determined
Period of sale	:	22/03/2019 to 9/04/2019
Value Date	:	15/04/2019
Price Quote	:	Discounted/Premium/ Par
Minimum Amount	:	Kshs. 50,000.00
Interest Payment Dates	:	FXD2/2019/10 14/10/2019 11/04/2022 07/10/2024 05/04/2027 13/04/2020 10/10/2022 07/04/2025 04/10/2027 12/10/2020 10/04/2023 06/10/2025 03/04/2028 12/04/2021 09/10/2023 06/04/2026 02/10/2028 11/10/2021 08/04/2024 05/10/2026 02/04/2029 FXD1/2019/20 14/10/2019 05/10/2026 28/03/2033 13/04/2020 05/04/2027 26/09/2033 12/10/2020 04/10/2027 27/03/2034 12/04/2021 03/04/2028 25/09/2034 11/10/2021 02/10/2028 26/03/2035 11/04/2022 02/04/2029 24/09/2035 10/10/2022 01/10/2029 24/03/2036 10/04/2023 01/04/2030 22/09/2036 09/10/2023 30/09/2030 23/03/2037 08/04/2024 31/03/2031 21/09/2037 07/10/2024 29/09/2031 22/03/2038 07/04/2025 29/03/2032 20/09/2038 06/10/2025 27/09/2032 21/03/2039 06/04/2026
Taxation	:	Discount/Interest is subject to withholding tax at 10% for both bonds.
Redemption Dates	:	Ten-year - 02/04/2029 Twenty-year - 21/03/2039
Issuing and Paying Agent	:	Central Bank of Kenya.
Placing Agents	:	• Commercial Banks • Non-Bank Financial Institutions

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 by 2.00 p.m on Tuesday, 9th April 2019.
Auction Date Results	:	Wednesday, 10/04/2019. Investors should obtain details of amounts payable for successful bids from Central Bank of Kenya on 11/04/2019.
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 Eligibility	:	These bonds are benchmark Bonds. Only investors with active CDS Accounts with the Central Bank of Kenya.
Re-opening Secondary Trading	:	The Bonds may be re-opened at a future date. Secondary trading in multiples of KShs 50,000.00 to commence on Tuesday, 16th April, 2019.
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.