



Central Bank of Kenya

TAP SALE OF INFRASTRUCTURE TREASURY BOND ISSUE No. IFB1/2022/006 DATED 26/12/2022

Central Bank of Kenya is pleased to offer eligible investors an opportunity to participate in a Tap Sale of the above Fixed coupon Treasury Bond whose details are as in the prospectus issued value date 05/12/2022. The Tap Sale will be offered on a first- come -first- served basis. Other features are as summarised in the table below.

Period of Sale	Wednesday, 14th December 2022 to Thursday, 22nd December 2022 or upon attainment of quantum, whichever comes first.
Amount on offer	Kes 20 Billion.
Pricing	Bids shall be priced at the average rate of the accepted bids for the Treasury Bond auction value dated 05/12/2022 and adjusted for accrued interest.
Value Date	Monday, 26th December 2022.
Closing date	Thursday, 22nd December 2022, at 2pm or upon attainment of quantum, whichever comes first.
Auction Results	Investors should obtain details of amounts payable for successful bids from Central Bank of Kenya on Friday, 23rd December 2022
Payment Deadline	By 2.00 pm on Tuesday, 27th December 2022.
Bids Allotment	Bids will be allotted on a first-come-first-served basis.
Average Yield	IFB1/2022/006 - 13.215%
Adjusted Average Price (per Kes 100.00)	IFB1/2022/006 - 100.741
Coupon Rate	IFB1/2022/006 - 13.215%

David Luusa
Director, Financial Markets
14 December 2022

FXD1/2020/005

YIELD(YTM)	CLEAN PRICE
10.000%	103.328
10.125%	103.070
10.250%	102.813
10.375%	102.558
10.500%	102.303
10.625%	102.048
10.750%	101.795
10.875%	101.542
11.000%	101.291
11.125%	101.040
11.250%	100.790
11.375%	100.540
11.500%	100.292
11.625%	100.044
11.750%	99.797
11.875%	99.551
12.000%	99.306
12.125%	99.061
12.250%	98.817
12.375%	98.574
12.500%	98.332
12.625%	98.090
12.750%	97.850
12.875%	97.610
13.000%	97.370

IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh 2.244 per Ksh 100. Withholding Tax is computed on clean prices. Example: If quoted yield is 11.667%, dirty price is the clean price (Ksh 99.961) plus AI (Ksh 2.244) which equals Ksh.102.205

FXD1/2022/015

YIELD(YTM)	CLEAN PRICE
10.000%	129.583
10.125%	128.446
10.250%	127.325
10.375%	126.218
10.500%	125.126
10.625%	124.048
10.750%	122.983
10.875%	121.933
11.000%	120.896
11.125%	119.872
11.250%	118.862
11.375%	117.865
11.500%	116.880
11.625%	115.908
11.750%	114.948
11.875%	114.000
12.000%	113.065
12.125%	112.141
12.250%	111.229
12.375%	110.328
12.500%	109.439
12.625%	108.560
12.750%	107.693
12.875%	106.836
13.000%	105.991
13.125%	105.155
13.250%	104.330
13.375%	103.515
13.500%	102.710
13.625%	101.915
13.750%	101.129
13.875%	100.354

IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh 3.217 per Ksh 100. Withholding Tax is computed on clean prices. Example: If quoted yield is 13.942%, dirty price is the clean price (Ksh 99.942) plus AI (Ksh 3.217) which equals Ksh.103.159



Central Bank of Kenya

**PROSPECTUS FOR RE-OPENED FIVE-YEAR
AND FIFTEEN-YEAR
FIXED COUPON TREASURY BONDS**

FXD1/2020/005 AND FXD1/2022/015

TOTAL VALUE : KSHS 50 BILLION

JANUARY 2023

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

FXD1/2020/005 & FXD1/2022/015

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 : **FXD1/2020/005 - (2.4 years)**
: **FXD1/2022/015 - (14.3 years)**
Coupon Rate : **FXD1/2020/005 - 11.667%**
: **FXD1/2022/015 - 13.942%**
Period of sale : **14/12/2022 to 10/01/2023**
Value Date : **16/01/2023**
Price Quote : Discounted/Premium/ Par
Minimum Amount : Kshs. 50,000.00
Interest Payment Dates :

FXD1/2020/005

08/05/2023 06/11/2023 06/05/2024 04/11/2024 05/05/2025

FXD1/2022/015

24/04/2023 23/10/2023 22/04/2024 21/10/2024 21/04/2025 20/10/2025
20/04/2026 19/10/2026 19/04/2027 18/10/2027 17/04/2028 16/10/2028
16/04/2029 15/10/2029 15/04/2030 14/10/2030 14/04/2031 13/10/2031
12/04/2032 11/10/2032 11/04/2033 10/10/2033 10/04/2034 09/10/2034
09/04/2035 08/10/2035 07/04/2036 06/10/2036 06/04/2037

Taxation : Discount/Interest is subject to withholding tax at a rate of 10% for FXD1/2022/015 and 15% for FXD1/2020/005
Redemption Dates : FXD1/2020/005- 05/05/2025
FXD1/2022/015 - 06/04/2037
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 **2.00p.m on Tuesday, 10th January 2023.**
Auction Date : **Wednesday, 11th January 2023.**
Results : Investors should obtain details of amounts payable for successful bids from Central Bank of Kenya on **Thursday, 12th January 2023.**
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 : Central Bank of Kenya 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 : 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 50,000.00 to commence on **Tuesday, 17th January 2023.**
Right to accept applications : Central Bank of Kenya reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.