



Central Bank of Kenya

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

**FXD1/2020/05 , FXD2/2018/10
AND
FXD1/2019/15**

TOTAL VALUE: KSHS 60 BILLION

JULY 2020

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

FXD1/2020/5 , FXD2/2018/10 & FXD1/2019/15

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. 60 Billion
Purpose	:	Budgetary Support
Tenor	:	Five- year (4.90years)
	:	Ten -year (8.49years)
	:	Fifteen -year (13.61 years)
Coupon Rate	:	Five year-11.667%
	:	Ten year-12.502%
	:	Fifteen year-12.857%
Period of sale	:	06/07/2020 to 21/07/2020
Value Date	:	27/07/2020
Price Quote	:	Discounted/Premium/ Par
Minimum Amount	:	Kshs. 50,000.00
Interest Payment Dates	:	FXD1/2020/05
		09/11/2020 07/11/2022 04/11/2024
		10/05/2021 08/05/2023 05/05/2025
		08/11/2021 06/11/2023
		09/05/2022 06/05/2024
		FXD2/2018/10
		14/12/2020 12/06/2023 09/06/2025 07/06/2027
		14/06/2021 11/12/2023 08/12/2025 06/12/2027
		13/12/2021 10/06/2024 08/06/2026 05/06/2028
		13/06/2022 09/12/2024 07/12/2026 04/12/2028
		12/12/2022
		FXD1/2019/15
		25/01/2021 22/07/2024 17/01/2028 14/07/2031
		26/07/2021 20/01/2025 17/07/2028 12/01/2032
		24/01/2022 21/07/2025 15/01/2029 12/07/2032
		25/07/2022 19/01/2026 16/07/2029 10/01/2033
		23/01/2023 20/07/2026 14/01/2030 11/07/2033
		24/07/2023 18/01/2027 15/07/2030 09/01/2034
		22/01/2024 19/07/2027 13/01/2031
Taxation	:	Discount/Interest is subject to withholding tax at a rate of 15% for the 5-year and 10% for the 10 and 15-year .
Redemption Dates	:	Five year -05/05/2025
		Ten year - 04/12/2028
		Fifteen year-09/01/2034
Issuing and Paying Agent	:	Central Bank of Kenya.
Placing Agents	:	• Commercial Banks

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, 21st July, 2020.
Auction Date Results	:	Wednesday, 22/07/2020.
	:	Investors should obtain details of amounts payable for successful bids from Central Bank of Kenya on 23/07/2020.
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	:	The bonds are benchmark Bonds.
	:	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, 28th July, 2020.
Right to accept applications	:	The Central Bank reserves the right to accept bids in full or part thereof or reject them in