

**Price Guide for the 20-Year Amortized Fixed Coupon
Infrastructure Bond Issue IFB1/2018/20**

9.125%	121.288
9.250%	120.205
9.375%	119.136
9.500%	118.082
9.625%	117.043
9.750%	116.016
9.875%	115.004
10.000%	114.005
10.125%	113.019
10.250%	112.046
10.375%	111.086
10.500%	110.138
10.625%	109.203
10.750%	108.280
10.875%	107.369
11.000%	106.470
11.125%	105.582
11.250%	104.705
11.375%	103.840
11.500%	102.986
11.625%	102.143
11.750%	101.310
11.875%	100.488
11.950%	100.000
12.000%	99.677
12.125%	98.875
12.250%	98.084
12.375%	97.302
12.500%	96.530
12.625%	95.768
12.750%	95.015
12.875%	94.272
13.000%	93.537



Central Bank Of Kenya

**PROSPECTUS
FOR GOVERNMENT OF KENYA
INFRASTRUCTURE BOND OFFER**

**20-YEAR AMORTIZED BOND
ISSUE NO. IFB 1/2018/20**

TOTAL VALUE: KSHS 50 BILLION

NOVEMBER 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

IFB 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 bond whose terms and conditions are as follows:-

Central Bank of Kenya, acting in its capacity as fiscal agent for the Republic of Kenya, invites bids for the above bond whose terms and conditions are as follows:-

Issuer	:	Republic of Kenya.
Amount	:	Kshs. 50 Billion.
Purpose	:	For partial funding of infrastructure projects in Roads, Water and Energy sectors.
Tenor	:	Twenty-year
Coupon	:	11.950%
Period of sale	:	12/11/2018 to 13/11/2018
Value Date	:	19/11/2018
Price Quote	:	Discounted/Premium/ Par
Minimum Amount	:	Kshs. 100,000.00
Interest Payment Dates:	:	20/05/2019 13/05/2024 07/05/2029 01/05/2034 18/11/2019 11/11/2024 05/11/2029 30/10/2034 18/05/2020 12/05/2025 06/05/2030 30/04/2035 16/11/2020 10/11/2025 04/11/2030 29/10/2035 17/05/2021 11/05/2026 05/05/2031 28/04/2036 15/11/2021 09/11/2026 03/11/2031 27/10/2036 16/05/2022 10/05/2027 03/05/2032 27/04/2037 14/11/2022 08/11/2027 01/11/2032 26/10/2037 15/05/2023 08/05/2028 02/05/2033 26/04/2038 13/11/2023 06/11/2028 31/10/2033 25/10/2038
Redemption Date	:	25/10/2038
Taxation	:	The Bond will be tax free as is the case for all Infrastructure Bonds as provided for under the Income Tax Act.
Redemption Structure	:	6th November, 2028- 50.00% of unencumbered outstanding principal amount 31st October, 2033- 50.00% of unencumbered outstanding principal amount 25th October, 2038 - 100% - Final Redemption of all outstanding amounts
Amortization	:	No partial redemption will be paid on encumbered securities on amortization dates. Any amount upto Kshs. 1.0 million per CDS account at amortization will be redeemed in full except for encumbered securities.
Issuing and Paying Agent	:	Central Bank of Kenya
Placing Agents	:	Commercial Banks, Non-Bank Financial

Auction Method	:	Multi-Price Bid Auction.
Non-Competitive Bids	:	Maximum Kshs 20 Million per CDS Account. 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, 13th November, 2018.
Auction Date	:	Wednesday, 14/11/2018
Results	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on Thursday 15/11/2018.
Defaulters	:	Defaulters may be suspended from subsequent investment in Government Securities.
Re-opening Commission	:	The Bond may be re-opened at a future date 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 bond 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 bond 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.
Listing	:	The bond will be listed on the Nairobi Securities Exchange.
Classification	:	The bond is a non-benchmark Bond
Eligibility	:	Only investors with active CDS accounts at Central Bank of Kenya
Secondary Trading	:	Secondary trading in multiples of KShs 50,000.00 to commence on Tuesday, 20th November, 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.