

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
7.000%	110.004	11.625%	100.550
7.125%	109.733	11.750%	100.310
7.250%	109.464	11.875%	100.108
7.375%	109.195	11.952%	99.957
7.500%	108.927	12.000%	99.831
7.625%	108.661	12.125%	99.593
7.750%	108.395	12.250%	99.355
7.875%	108.129	12.375%	99.118
8.000%	107.865	12.500%	98.882
8.125%	107.601	12.625%	98.647
8.250%	107.339	12.750%	98.412
8.375%	107.077	12.875%	98.178
8.500%	106.816	13.000%	97.945
8.625%	106.556	13.125%	97.712
8.750%	106.296	13.193%	97.586
8.875%	106.038	13.250%	97.480
9.000%	105.780	13.375%	97.249
9.125%	105.523	13.500%	97.019
9.250%	105.267	13.750%	96.560
9.375%	105.012	13.875%	96.332
9.500%	104.757	14.000%	96.105
9.625%	104.503	14.125%	95.878
9.750%	104.250	14.250%	95.652
9.875%	103.998	14.375%	95.426
10.000%	103.747	14.500%	95.202
10.125%	103.496	14.625%	94.977
10.250%	103.247	14.750%	94.754
10.375%	102.998	14.875%	94.531
10.500%	102.750	15.000%	94.309
10.625%	102.502	15.125%	94.088
10.750%	102.255	15.250%	93.867
10.870%	102.019	15.375%	93.647
11.000%	101.764	15.500%	93.428
11.125%	101.520	15.625%	93.209
11.250%	101.277	15.750%	92.991
11.375%	101.034	15.875%	92.774
11.500%	100.792	16.000%	92.557

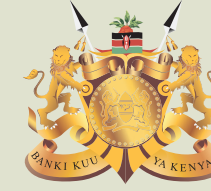
**IMPORTANT INFORMATION**

The bond attracts Accrued Interest (AI) of Ksh. 3.213 per Ksh 100.  
Example: If yield quoted is 11.934%, Settlement price is the clean price (Ksh.99.957) plus AI (Ksh.3.213) which gives Ksh.103.17  
Withholding tax is computed on clean prices.

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
7.000%	107.587	11.625%	100.443
7.125%	107.385	11.750%	100.259
7.250%	107.183	11.855%	100.105
7.375%	106.982	11.952%	99.963
7.500%	106.782	12.000%	99.893
7.625%	106.582	12.125%	99.710
7.750%	106.383	12.250%	99.528
7.875%	106.184	12.375%	99.346
8.000%	105.985	12.500%	99.165
8.125%	105.787	12.625%	98.984
8.250%	105.590	12.750%	98.803
8.375%	105.393	12.875%	98.623
8.500%	105.197	13.000%	98.444
8.625%	105.001	13.125%	98.265
8.750%	104.805	13.193%	98.168
8.875%	104.610	13.250%	98.066
9.000%	104.416	13.375%	97.908
9.125%	104.222	13.500%	97.730
9.250%	104.029	13.750%	97.376
9.375%	103.836	13.875%	97.199
9.500%	103.643	14.000%	97.023
9.625%	103.451	14.125%	96.848
9.750%	103.260	14.250%	96.673
9.875%	103.069	14.375%	96.498
10.000%	102.878	14.500%	96.324
10.125%	102.688	14.625%	96.150
10.250%	102.498	14.750%	95.976
10.375%	102.309	14.875%	95.803
10.500%	102.120	15.000%	95.631
10.625%	101.932	15.125%	95.458
10.750%	101.745	15.250%	95.287
10.870%	101.565	15.375%	95.115
11.000%	101.370	15.500%	94.944
11.125%	101.184	15.625%	94.774
11.250%	100.998	15.750%	94.604
11.375%	100.813	15.875%	94.434
11.500%	100.628	16.000%	94.265

**IMPORTANT INFORMATION**

The bond attracts Accrued Interest (AI) of Ksh 4.131 per Ksh 100.  
Example: If yield quoted is 11.952%, Settlement price is the clean price (Ksh.99.963) plus AI (Ksh.4.137) which gives Ksh.104.100  
Withholding tax is computed on clean prices.



CENTRAL BANK OF KENYA

## PROSPECTUS FOR TWO FIVE YEAR (RE-OPEN) FIXED COUPON TREASURY BONDS

ISSUE NOs. FXD 2/2014/5 & FXD 3/2013/5

TOTAL VALUE: KSHS 30 BILLION

MARCH 2017

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](mailto:NDO@centralbank.go.ke) or visit the CBK website on [www.centralbank.go.ke](http://www.centralbank.go.ke)

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:-

<b>Issuer</b>	: Republic of Kenya
<b>Amount</b>	: <b>Kshs.30 Billion</b>
<b>Purpose</b>	: Budgetary Support
<b>Tenor</b>	: <b>FXD2/2014/5-Re-open(2.23 years)</b> : <b>FXD3/2013/5-Re-open (1.65 years)</b>
<b>Coupon</b>	: <b>FXD2/2014/5 -11.934% p.a.</b> : <b>FXD3/2013/5- 11.952% p.a.</b>
<b>Period of sale</b>	: <b>12/03/2017 to 21/03/2017</b>
<b>Value Date</b>	: <b>27/03/2017</b>
<b>Price Quote</b>	: Discounted/Premium/Par
<b>Minimum Amount</b>	: <b>Kshs.50,000.00</b>
<b>Interest Payment Dates</b>	: <b>5 year -FXD2/2014/5</b> 19/06/2017 18/06/2018 17/06/2019 18/12/2017 17/12/2018 <b>5 -year -FXD3/2013/5</b> 22/05/2017 21/05/2018 20/11/2017 19/11/2018
<b>Taxation</b>	: Discount/Interest is subject to withholding tax at a rate of <b>15%</b> for both bonds.
<b>Redemption Dates</b>	: <b>FXD2/2014/5 - 17/06/2019</b> <b>FXD3/2013/5 - 19/11/2018</b>
<b>Issuing and Paying Agent</b>	: Central Bank of Kenya
<b>Placing Agents</b>	: • Commercial Banks • Non-Bank Financial Institutions • Licensed Stock Brokers • Licensed Investment Advisors
<b>Non-Competitive Bids</b>	: Maximum <b>Kshs.20 Million</b> per CDS account per tenor.
<b>Bids Closure</b>	: Duly completed bond application forms must be submitted to any branch or Currency Centre of the Central Bank in the specified tender box by <b>2.00 p.m on Tuesday, 21st March 2017.</b>

<b>Auction Date</b>	: <b>Wednesday, 22/03/2017.</b>
<b>Issuance method</b>	: Multi-Price Bid Auction.
<b>Results</b>	: Investors should obtain details of amounts payable for successful bids, from Central Bank on <b>Thursday 23/03/2017.</b>
<b>Defaulters</b>	: Defaulters may be suspended from subsequent investment in government securities.
<b>Commission</b>	: Licensed placing agents will be paid commission at the rate of <b>0.15%</b> of actual sales (at cost ) net of <b>5%</b> withholding tax.
<b>Rediscounting</b>	: The Central Bank will rediscount the bonds as a last resort at <b>3%</b> above the prevailing market yield or coupon rate whichever is higher, <b>upon written confirmation to do so from the Nairobi Securities Exchange.</b>
<b>Liquidity</b>	: 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.
<b>Listing</b>	: The bonds will be listed on the Nairobi Securities Exchange.
<b>Classification</b>	: These bonds are benchmark Bonds.
<b>Eligibility</b>	: Only investors with active CDS accounts.
<b>Re-opening</b>	: The Bonds may be re-opened at a future date.
<b>Secondary Trading</b>	: Secondary trading in multiples of Kshs 50,000.00 to commence on <b>Tuesday, 28th March 2017.</b>
<b>Right to accept applications</b>	: The Central Bank reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.