

YIELD(YTM)	CLEAN PRICE
10.000%	130.472
10.125%	129.078
10.250%	127.709
10.375%	126.364
10.500%	125.043
10.625%	123.744
10.750%	122.468
10.875%	121.215
11.000%	119.983
11.125%	118.772
11.250%	117.582
11.304%	117.074
11.375%	116.412
11.500%	115.262
11.625%	114.132
11.750%	113.020
11.875%	111.928
12.000%	110.853
12.125%	109.796
12.250%	108.757
12.375%	107.734
12.500%	106.729
12.625%	105.739
12.750%	104.766
12.875%	103.809
13.000%	102.866
13.125%	101.939
13.250%	101.027
13.375%	100.129
13.400%	99.951
13.525%	99.070
13.650%	98.203
13.775%	97.349
13.900%	96.509
14.025%	95.681

IMPORTANT INFORMATION

The Twenty five-year bond attracts accrued interest (AI) of Ksh. 2.319 per Ksh 100. Withholding tax is computed on clean prices. Example: if yield quoted is 13.400%, the settlement price is clean price (Ksh 99.951) plus AI (Ksh 2.319) which gives Ksh. 102.270.



Central Bank of Kenya

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

TOTAL VALUE: KSHS 50 BILLION

FEBRUARY 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

FXD1/2020/15 & FXD1/2018/25

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	:	Fifteen- year (New)
	:	Twenty Five -year (23.33 years)
Coupon Rate	:	Fifteen year-Market Determined
	:	Twenty Five year-13.400%
Period of sale	:	03/02/2020 to 18/02/2020
Value Date	:	24/02/2020
Price Quote	:	Discounted/Premium/ Par
Minimum Amount	:	Kshs. 50,000.00
Interest Payment Dates	:	FXD1/2020/15
		24/08/2020 19/08/2024 14/08/2028 09/08/2032
		22/02/2021 17/02/2025 12/02/2029 07/02/2033
		23/08/2021 18/08/2025 13/08/2029 08/08/2033
		21/02/2022 16/02/2026 11/02/2030 06/02/2034
		22/08/2022 17/08/2026 12/08/2030 07/08/2034
		20/02/2023 15/02/2027 10/02/2031 05/02/2035
		21/08/2023 16/08/2027 11/08/2031
		19/02/2024 14/02/2028 09/02/2032
		FXD1/2018/25
		22/06/2020 15/06/2026 07/06/2032 31/05/2038
		21/12/2020 14/12/2026 06/12/2032 29/11/2038
		21/06/2021 14/06/2027 06/06/2033 30/05/2039
		20/12/2021 13/12/2027 05/12/2033 28/11/2039
		20/06/2022 12/06/2028 05/06/2034 28/05/2040
		19/12/2022 11/12/2028 04/12/2034 26/11/2040
		19/06/2023 11/06/2029 04/06/2035 27/05/2041
		18/12/2023 10/12/2029 03/12/2035 25/11/2041
		17/06/2024 10/06/2030 02/06/2036 26/05/2042
		16/12/2024 09/12/2030 01/12/2036 24/11/2042
		16/06/2025 09/06/2031 01/06/2037 25/05/2043
		15/12/2025 08/12/2031 30/11/2037
Taxation	:	Discount/Interest is subject to withholding tax at a rate of 10%.
Redemption Dates	:	Fifteen year - 05/02/2035 Twenty five year-25/05/2043
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 by 2.00 p.m on Tuesday, 18th February, 2020.
Auction Date Results	:	Wednesday, 19/02/2020. Investors should obtain details of amounts payable for successful bids from Central Bank of Kenya on 20/02/2020.
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 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 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 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, 25th February, 2020.
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.