

**PRICE GUIDE FOR THE 25-YEAR FIXED COUPON BOND  
ISSUE FXD1/2018/25**

<b>YIELD(YTM)</b>	<b>CLEAN PRICE</b>
10.000%	131.035
10.125%	129.608
10.250%	128.207
10.375%	126.831
10.500%	125.481
10.625%	124.155
10.750%	122.852
10.875%	121.574
11.000%	120.318
11.125%	119.084
11.250%	117.872
11.375%	116.682
11.500%	115.512
11.625%	114.363
11.750%	113.234
11.875%	112.124
12.000%	111.033
12.125%	109.961
12.250%	108.907
12.375%	107.871
12.500%	106.853
12.625%	105.851
12.750%	104.866
12.875%	103.898
13.000%	102.945
13.125%	102.008
13.250%	101.086
13.375%	100.180
<b>13.400%</b>	<b>100.000</b>
13.500%	99.288



**Central Bank Of Kenya**

**PROSPECTUS FOR TWENTY FIVE YEAR  
FIXED COUPON TREASURY BOND**

---

**ISSUE NO. FXD 1/2018/25**

---

**TOTAL VALUE: KSHS 40 BILLION**

---

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

## FXD 1/2018/25

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:-

<b>Issuer</b>	:	Republic of Kenya
<b>Amount</b>	:	Kshs. <b>40 Billion</b>
<b>Purpose</b>	:	Budgetary Support
<b>Tenor</b>	:	<b>Twenty Five Year-New</b>
<b>Coupon</b>	:	<b>13.400%</b>
<b>Period of sale</b>	:	<b>07/06/2018 to 19/06/2018</b>
<b>Value Date</b>	:	<b>25/06/2018</b>
<b>Price Quote</b>	:	Discounted/Premium/ Par
<b>Minimum Amount</b>	:	<b>Kshs. 50,000.00</b>
<b>Interest Payment Dates:</b>		
		24/12/2018 18/12/2023 11/12/2028 05/12/2033 29/11/2038
		24/06/2019 17/06/2024 11/06/2029 05/06/2034 30/05/2039
		23/12/2019 16/12/2024 10/12/2029 04/12/2034 28/11/2039
		22/06/2020 16/06/2025 10/06/2030 04/06/2035 28/05/2040
		21/12/2020 15/12/2025 09/12/2030 03/12/2035 26/11/2040
		21/06/2021 15/06/2026 09/06/2031 02/06/2036 27/05/2041
		20/12/2021 14/12/2026 08/12/2031 01/12/2036 25/11/2041
		20/06/2022 14/06/2027 07/06/2032 01/06/2037 26/05/2042
		19/12/2022 13/12/2027 06/12/2032 30/11/2037 24/11/2042
		19/06/2023 12/06/2028 06/06/2033 31/05/2038 25/05/2043
<b>Taxation</b>	:	Discount/Interest is subject to withholding tax at a rate of <b>10%</b> .
<b>Redemption Date</b>	:	<b>25/05/2043</b>
<b>Issuing and Paying Agent</b>	:	Central Bank of Kenya.
<b>Placing Agents</b>	:	<ul style="list-style-type: none"> <li>• Commercial Banks</li> <li>• Non-Bank Financial Institutions</li> <li>• Licensed Stock Brokers</li> <li>• Licensed Investment Advisors</li> </ul>
<b>Issuance method</b>	:	Multi-Price Bid Auction.
<b>Non-Competitive Bids</b>	:	Maximum <b>Kshs 20 Million</b> per investor .This does not apply to State Corporation, public universities and semi autonomous government agencies.

<b>Bids Closure</b>	:	Duly completed bond application forms must be submitted to any branch of the Central Bank in the specified tender box by <b>2.00 p.m on Tuesday June 19, 2018.</b>
<b>Auction Date</b>	:	<b>20/06/2018</b>
<b>Results</b>	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on <b>21/06/2018.</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 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.
<b>Listing</b>	:	The bond will be listed on the Nairobi Securities Exchange.
<b>Classification</b>	:	This bond is a benchmark bond.
<b>Eligibility</b>	:	Only investors with active CDS Accounts with the Central Bank of Kenya
<b>Re-opening</b>	:	The Bond 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, June 26, 2018.</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.