

**PRICE GUIDE FOR THE 15 YEAR FIXED
COUPON BOND ISSUE FXD1/2018/15.**

YIELD(YTM)	CLEAN PRICE
9.000%	129.727
9.150%	128.256
9.275%	127.048
9.400%	125.858
9.525%	124.684
9.650%	123.526
9.775%	122.384
9.900%	121.258
10.025%	120.148
10.150%	119.052
10.275%	117.972
10.400%	116.907
10.525%	115.856
10.650%	114.819
10.775%	113.796
10.900%	112.788
11.025%	111.792
11.150%	110.811
11.275%	109.842
11.400%	108.886
11.525%	107.944
11.650%	107.013
11.775%	106.095
11.900%	105.190
12.025%	104.296
12.150%	103.414
12.275%	102.543
12.400%	101.684
12.525%	100.837
12.650%	100.000
12.775%	99.174
12.900%	98.359
13.025%	97.555
13.150%	96.761
13.275%	95.977
13.400%	95.203
13.525%	94.439



Central Bank Of Kenya

**PROSPECTUS FOR FIFTEEN YEAR
FIXED COUPON TREASURY BOND**

ISSUE NO. FXD 1/2018/15

TOTAL VALUE: KSHS 40 BILLION

MAY 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

FXD 1/2018/15

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:-

Issuer	:	Republic of Kenya
Amount	:	Kshs. 40 Billion
Purpose	:	Budgetary Support
Tenor	:	Fifteen Year-New
Coupon	:	12.650%
Period of sale	:	09/05/2018 to 22/05/2018
Value Date	:	28/05/2018
Price Quote	:	Discounted/Premium/ Par
Minimum Amount	:	Kshs. 50,000.00
Interest Payment Dates	:	15 Year
		26/11/2018 20/11/2023 13/11/2028
		27/05/2019 20/05/2024 14/05/2029
		25/11/2019 18/11/2024 12/11/2029
		25/05/2020 19/05/2025 13/05/2030
		23/11/2020 17/11/2025 11/11/2030
		24/05/2021 18/05/2026 12/05/2031
		22/11/2021 16/11/2026 10/11/2031
		23/05/2022 17/05/2027 10/05/2032
		21/11/2022 15/11/2027 08/11/2032
		22/05/2023 15/05/2028 09/05/2033
Taxation	:	Discount/Interest is subject to withholding tax at a rate of 10% .
Redemption Date	:	09/05/2033
Issuing and Paying Agent	:	Central Bank of Kenya.
Placing Agents	:	<ul style="list-style-type: none"> • Commercial Banks • Non-Bank Financial Institutions • Licensed Stock Brokers • Licensed Investment Advisors
Issuance method	:	Multi-Price Bid Auction
Non-Competitive Bids	:	Maximum Kshs 20 Million per investor 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 May 22, 2018.
Auction Date Results	:	23/05/2018 Investors should obtain details of amounts payable for successful bids, from Central Bank on 24/05/2018.
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 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	:	This bond is a benchmark bond.
Eligibility	:	Only investors with active CDS Accounts with the Central Bank of Kenya
Re-opening	:	The Bond may be re-opened at a future date.
Secondary Trading	:	Secondary trading in multiples of KShs 50,000.00 to commence on Tuesday, May 29, 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.