

PRICE GUIDE FOR THE 15-YEAR RE-OPEN FIXED COUPON BOND ISSUE FXD1/2008/15.

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
8.00%	118.957	12.625%	99.483
8.125%	118.369	12.750%	99.016
8.250%	117.785	12.875%	98.551
8.375%	117.205	13.000%	98.090
8.500%	116.628	13.125%	97.632
8.625%	116.056	13.250%	97.176
8.750%	115.486	13.375%	96.723
8.875%	114.920	13.500%	96.272
9.000%	114.358	13.625%	95.825
9.125%	113.799	13.750%	95.380
9.250%	113.244	13.875%	94.938
9.375%	112.692	14.000%	94.498
9.500%	112.144	14.125%	94.061
9.625%	111.599	14.250%	93.627
9.750%	111.057	14.375%	93.196
9.875%	110.519	14.500%	92.767
10.000%	109.984	14.625%	92.340
10.125%	109.452	14.750%	91.916
10.250%	108.924	14.875%	91.495
10.375%	108.399	15.000%	91.076
10.500%	107.877	15.125%	90.660
10.625%	107.359	15.250%	90.246
10.750%	106.843	15.375%	89.835
10.875%	106.331	15.500%	89.426
11.000%	105.822	15.625%	89.020
11.125%	105.316	15.750%	88.616
11.250%	104.814	15.875%	88.214
11.375%	104.314	16.000%	87.815
11.500%	103.817	16.125%	87.418
11.625%	103.324	16.250%	87.023
11.750%	102.833	16.375%	86.631
11.875%	102.346	16.500%	86.242
12.000%	101.861	16.625%	85.854
12.125%	101.380	16.750%	85.469
12.250%	100.901	16.875%	85.086
12.375%	100.425	17.000%	84.705
12.500%	99.953	17.125%	84.327

PRICE GUIDE FOR THE 10-YEAR RE-OPEN FIXED COUPON BOND ISSUE FXD1/2017/10.

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
8.00%	132.864	12.625%	101.833
8.125%	131.855	12.750%	101.142
8.250%	130.866	12.875%	100.458
8.375%	129.888	12.966%	99.964
8.500%	128.919	13.000%	99.760
8.625%	127.960	13.125%	99.109
8.750%	127.010	13.250%	98.444
8.875%	126.070	13.375%	97.755
9.000%	125.140	13.500%	97.133
9.125%	124.219	13.625%	96.487
9.250%	123.307	13.750%	95.847
9.375%	122.405	13.875%	95.213
9.500%	121.511	14.000%	94.586
9.625%	120.627	14.125%	93.964
9.750%	119.751	14.250%	93.348
9.875%	118.884	14.375%	92.738
10.000%	118.026	14.500%	92.134
10.125%	117.176	14.625%	91.535
10.250%	116.335	14.750%	90.942
10.375%	115.502	14.875%	90.355
10.500%	114.677	15.000%	89.773
10.625%	113.860	15.125%	89.197
10.750%	113.052	15.250%	88.626
10.875%	112.251	15.375%	88.060
11.000%	111.459	15.500%	87.499
11.125%	110.674	15.625%	86.944
11.250%	109.897	15.750%	86.394
11.375%	109.127	15.875%	85.849
11.500%	108.365	16.000%	85.309
11.625%	107.611	16.125%	84.775
11.750%	106.864	16.250%	84.245
11.875%	106.124	16.375%	83.720
12.000%	105.391	16.500%	83.199
12.125%	104.666	16.625%	82.684
12.250%	103.947	16.750%	82.173
12.375%	103.236	16.875%	81.667
12.500%	102.531	17.000%	81.166

IMPORTANT INFORMATION

Withholding tax is computed on clean prices. The fifteen-year bond attracts Accrued Interest (AI) of Ksh.3.125 per Ksh 100. If yield quoted is 12.500%, the settlement price is the clean price (Ksh.99.953) plus AI (Ksh.3.125) which gives Ksh.103.078. The ten-year bond attracts Accrued Interest (AI) of Ksh.4.987 per Ksh 100. Example: If yield quoted is 12.966%, the settlement price is the clean price (Ksh.99.964) plus AI (Ksh.4.987) which gives Ksh.104.951.



CENTRAL BANK OF KENYA

**PROSPECTUS FOR FIFTEEN YEAR (RE-OPEN)
& TEN YEAR (RE-OPEN)
FIXED COUPON TREASURY BONDS**

ISSUE NOS. FXD 1/2008/15 & FXD 1/2017/10

TOTAL VALUE: KSHS 30 BILLION

DECEMBER 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 or visit the CBK website on www.centralbank.go.ke

FXD 1/2008/15 & FXD 1/2017/10

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. 30 Billion		
Purpose	:	Budgetary Support		
Tenor	:	Fifteen-year-Re-open (5.25 years)		
	:	Ten-year-Re-open (9.62 years)		
Coupon	:	Fifteen-year - 12.500% p.a.		
	:	Ten-year - 12.966% p.a.		
Period of sale	:	07/12/2017 to 13/12/2017		
Value Date	:	18/12/2017		
Price Quote	:	Discounted/Premium/ Par		
Minimum Amount	:	Kshs. 50,000.00		
Interest Payment Dates	:	15 - Year		
		19/03//2018	16/03/2020	14/03/2022
		17/09/2018	14/09/2020	12/09/2022
		18/03/2019	15/03/2021	13/03/2023
		16/09/2019	13/09/2021	
		10 - Year		
		29/01/2018	24/01/2022	19/01/2026
		30/07/2018	25/07/2022	20/07/2026
		28/01/2019	23/01/2023	18/01/2027
		29/07/2019	24/07/2023	19/07/2027
		27/01/2020	22/01/2024	
		27/07/2020	22/07/2024	
		25/01/2021	20/01/2025	
		26/07/2021	21/07/2025	
Taxation	:	Discount/interest is subject to withholding tax at a rate of 10% for both bonds.		
Redemption Dates	:	15 Year - 13/03/2023		
	:	10 Year - 19/07/2027		
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 CDS account per tenor.		

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 Wednesday, 13/12/2017.
Auction Date Results	:	14/12/2017 Investors should obtain details of amounts payable for successful bids, from Central Bank on 15/12/2017.
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	:	Central Bank of Kenya 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 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	:	These bonds are benchmark Bonds
Registrar	:	National Debt, Central Bank of Kenya.
Eligibility	:	Only investors with active CDS Accounts with the Central Bank of Kenya
Re-opening	:	The Bonds may be re-opened at a future date.
Secondary Trading	:	Secondary trading in multiples of KShs 50,000.00 to commence on Tuesday, 19th December, 2017.
Right to accept applications	:	Central Bank of Kenya reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.