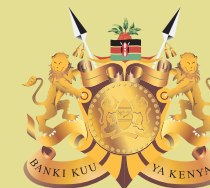


**PRICE GUIDE FOR THE 20- YEAR FIXED COUPON BOND
TREASURY BOND ISSUE FXD1/2016/20.**

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
8.000%	159.378	12.625%	109.950
8.125%	157.604	12.750%	108.976
8.250%	155.861	12.875%	108.017
8.375%	154.147	13.000%	107.073
8.500%	152.463	13.125%	106.142
8.625%	150.806	13.250%	105.225
8.750%	149.178	13.375%	104.322
8.875%	147.578	13.500%	103.432
9.000%	146.004	13.625%	102.555
9.125%	144.456	13.750%	101.691
9.250%	142.935	13.875%	100.839
9.375%	141.438	14.000%	100.000
9.500%	139.967	14.125%	99.173
9.625%	138.519	14.250%	98.357
9.750%	137.096	14.375%	97.554
9.875%	135.696	14.500%	96.761
10.000%	134.318	14.625%	95.980
10.125%	132.963	14.750%	95.210
10.250%	131.630	14.875%	94.451
10.375%	130.319	15.000%	93.703
10.500%	129.028	15.125%	92.965
10.625%	127.758	15.250%	92.237
10.750%	126.509	15.375%	91.519
10.875%	125.279	15.500%	90.811
11.000%	124.069	15.625%	90.113
11.125%	122.878	15.750%	89.425
11.250%	121.706	15.875%	88.745
11.375%	120.552	16.000%	88.075
11.500%	119.416	16.125%	87.414
11.625%	118.298	16.250%	86.762
11.750%	117.197	16.375%	86.119
11.875%	116.113	16.500%	85.484
12.000%	115.046	16.625%	84.858
12.125%	113.996	16.750%	84.240
12.250%	112.961	16.875%	83.630
12.375%	111.942	17.000%	83.028
12.500%	110.938	17.125%	82.434



CENTRAL BANK OF KENYA

**PROSPECTUS FOR FIVE YEAR (NEW) & TWENTY
YEAR (NEW)**

FIXED COUPON TREASURY BONDS

ISSUE NOs. FXD 3/2016/5 & FXD 1/2016/20

TOTAL VALUE: KSHS 25 BILLION

SEPTEMBER 2016

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 3/2016/5 & FXD 1/2016/20

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	:	Up to Kshs.25 Billion
Purpose	:	Budgetary Support
Tenor	:	Five Year-New
	:	Twenty Year-New
Coupon	:	Five Year -Market Determined
	:	Twenty Year - 14.000%
Period of sale	:	08/09/2016 to 20/09/2016
Value Date	:	26/09/2016
Price Quote	:	Discounted/Premium/Par
Minimum Amount	:	Kshs.50,000.00
Interest Payment Dates	:	5-year
		27/03/2017 25/03/2019 22/03/2021
		25/09/2017 23/09/2019 20/09/2021
		26/03/2018 23/03/2020
		24/09/2018 21/09/2020
		20 -year
		27/03/2017 21/03/2022 15/03/2027 08/03/2032
		25/09/2017 19/09/2022 13/09/2027 06/09/2032
		26/03/2018 20/03/2023 13/03/2028 07/03/2033
		24/09/2018 18/09/2023 11/09/2028 05/09/2033
		25/03/2019 18/03/2024 12/03/2029 06/03/2034
		23/09/2019 16/09/2024 10/09/2029 04/09/2034
		23/03/2020 17/03/2025 11/03/2030 05/03/2035
		21/09/2020 15/09/2025 09/09/2030 03/09/2035
		22/03/2021 16/03/2026 10/03/2031 03/03/2036
		20/09/2021 14/09/2026 08/09/2031 01/09/2036
Taxation	:	Discount/Interest is subject to withholding tax at a rate of 15% for 5-year and 10% for 20-year.
Redemption Dates	:	5-year - 20/09/2021
	:	20-year - 01/09/2036
Issuing and Paying Agent	:	Central Bank of Kenya
Placing Agents	:	• Commercial Banks
	:	• Non-Bank Financial Institutions

	:	• Licensed Stock Brokers
	:	• Licensed Investment Advisor
Non-Competitive Bids	:	Maximum Kshs.20 Million per CDS account per tenor.
Bids Closure	:	Duly completed bond application forms must be submitted and received by CBK either manually (application forms delivered in Treasury Bond tender boxes in any Branch or Currency Centre of Central Bank of Kenya or electronically (via CBK Internet Banking platform for commercial Banks) by 2.00pm Tuesday, 20th September 2016
Auction Date	:	21/09/2016.
Results	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on Thursday 22/09/2016.
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 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.
Eligibility	:	Only investors with active CDS accounts.
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, 27th September 2016.
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.