

**PRICE GUIDE FOR THE 15-YEAR FIXED COUPON  
RE-OPEN TREASURY BOND ISSUE FXD2/2007/15.**

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
8.000%	123.591	12.625%	103.297
8.125%	122.978	12.750%	102.811
8.250%	122.369	12.875%	102.328
8.375%	121.763	13.000%	101.848
8.500%	121.162	13.125%	101.371
8.625%	120.564	13.250%	100.896
8.750%	119.970	13.375%	100.425
8.875%	119.380	<b>13.500%</b>	<b>99.957</b>
9.000%	118.794	13.625%	99.491
9.125%	118.211	13.750%	99.029
9.250%	117.632	13.875%	98.569
9.375%	117.056	14.000%	98.112
9.500%	116.485	14.125%	97.658
9.625%	115.917	14.250%	97.206
9.750%	115.352	14.375%	96.757
9.875%	114.791	14.500%	96.311
10.000%	114.233	14.625%	95.868
10.125%	113.679	14.750%	95.428
10.250%	113.129	14.875%	94.990
10.375%	112.582	15.000%	94.554
10.500%	112.038	15.125%	94.122
10.625%	111.498	15.250%	93.692
10.750%	110.961	15.375%	93.264
10.875%	110.427	15.500%	92.840
11.000%	109.897	15.625%	92.417
11.125%	109.370	15.750%	91.998
11.250%	108.847	15.875%	91.580
11.375%	108.326	16.000%	91.166
11.500%	107.809	16.125%	90.754
11.625%	107.295	16.250%	90.344
11.750%	106.784	16.375%	89.937
11.875%	106.277	16.500%	89.532
12.000%	105.773	16.625%	89.130
12.125%	105.271	16.750%	88.730
12.250%	104.773	16.875%	88.332
12.375%	104.278	17.000%	87.937
12.500%	103.786	17.125%	87.544

**IMPORTANT INFORMATION**

The bond attracts accrued interest (AI) of Ksh 1.817 per Ksh 100. Withholding tax is computed on clean prices. Example: If yield quoted is 13.500%, the settlement price is the clean price (Ksh 99.957) plus AI (Ksh 1.817) which gives Ksh.101.774.



**CENTRAL BANK OF KENYA**

**PROSPECTUS FOR FIXED COUPON RE-OPEN  
FIFTEEN -YEAR TREASURY BOND**

**ISSUE NO. FXD 2/2007/15**

**TOTAL VALUE: KSHS 30 BILLION**

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

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>	:	<b>Kshs. 30 Billion</b>
<b>Purpose</b>	:	Budgetary Support
<b>Tenor</b>	:	<b>Fifteen-year (Re-open 5.37 years)</b>
<b>Coupon</b>	:	<b>13.500%</b>
<b>Period of sale</b>	:	<b>12/01/2017 to 24/01/2017</b>
<b>Value Date</b>	:	<b>30/01/2017</b>
<b>Price Quote</b>	:	Discounted/Premium/ Par
<b>Minimum Amount</b>	:	<b>Kshs. 50,000.00</b>
<b>Interest Payment Dates</b>	:	12/06/2017 08/06/2020 11/12/2017 07/12/2020 11/06/2018 07/06/2021 10/12/2018 06/12/2021 10/06/2019 06/06/2022 09/12/2019
<b>Taxation</b>	:	Discount/Interest is subject to withholding tax at a rate of <b>10%</b> .
<b>Redemption Date</b>	:	<b>06/06/2022</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.
<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</b> on <b>Tuesday, 24th January 2017.</b>
<b>Auction Date</b>	:	<b>Wednesday, 25/01/2017</b>

<b>Results</b>	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on <b>Thursday, 26/01/2017.</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 bond 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>	:	The bond is a benchmark Bond.
<b>Eligibility</b>	:	Only investors with active CDS accounts at 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, 31st January, 2017.</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.