

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

YIELD (YTM)	CLEAN PRICE
8.000%	133.557
8.125%	132.532
8.250%	131.518
8.375%	130.515
8.500%	129.522
8.625%	128.539
8.750%	127.567
8.875%	126.605
9.000%	125.652
9.125%	124.709
9.250%	123.777
9.375%	122.853
9.500%	121.939
9.625%	121.035
9.750%	120.140
9.875%	119.254
10.000%	118.377
10.125%	117.509
10.250%	116.649
10.375%	115.799
10.500%	114.957
10.625%	114.124
10.750%	113.299
10.875%	112.482
11.000%	111.674
11.125%	110.874
11.250%	110.082
11.375%	109.298
11.500%	108.521
11.625%	107.753
11.750%	106.992
11.875%	106.239
12.000%	105.493
12.125%	104.755
12.250%	104.024
12.375%	103.300
12.500%	102.583

YIELD (YTM)	CLEAN PRICE
12.625%	101.874
<b>12.750%</b>	<b>101.171</b>
12.875%	100.476
13.000%	99.787
13.125%	99.105
13.250%	98.430
13.375%	97.761
13.500%	97.099
13.625%	96.443
13.750%	95.794
13.875%	95.151
14.000%	94.515
14.125%	93.884
14.250%	93.260
14.375%	92.641
14.500%	92.029
14.625%	91.422
14.750%	90.822
14.875%	90.227
15.000%	89.638
15.125%	89.054
15.250%	88.476
15.375%	87.904
15.500%	87.337
15.625%	86.775
15.750%	86.219
15.875%	85.668
16.000%	85.122
16.125%	84.582
16.250%	84.046
16.375%	83.516
16.500%	82.990
16.625%	82.470
16.750%	81.954
16.875%	81.443
17.000%	80.937
17.125%	80.436



**CENTRAL BANK OF KENYA**

**PROSPECTUS FOR FIVE YEAR & TEN YEAR  
RE-OPEN  
FIXED COUPON TREASURY BONDS**

**ISSUE NOS. FXD 1/2017/5 & FXD 1/2017/10**

**TOTAL VALUE: KSHS 30 BILLION**

**AUGUST 2017**

**IMPORTANT INFORMATION**

The bond attracts Accrued Interest (AI) of Ksh.0.997 per Ksh 100.

Withholding Tax is computed on clean prices. Example: If yield quoted is 12.750%,

Settlement price is the clean price (Ksh.101.171) plus AI (Ksh.0.997) which gives Ksh.102.169.

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 1/2017/5 & FXD 1/2017/10

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:-

<b>Issuer</b>	:	Republic of Kenya
<b>Amount</b>	:	Kshs. <b>30 Billion</b>
<b>Purpose</b>	:	Budgetary Support
<b>Tenor</b>	:	<b>Five Year-New</b> <b>Ten Year-Re-open (9.9 years)</b>
<b>Coupon</b>	:	<b>Five Year - Market Determined</b> <b>Ten Year - 12.966%</b>
<b>Period of sale</b>	:	<b>07/08/2017 to 22/08/2017</b>
<b>Value Date</b>	:	<b>28/08/2017</b>
<b>Price Quote</b>	:	Discounted/Premium/ Par
<b>Minimum Amount</b>	:	<b>Kshs. 50,000.00</b>
<b>Interest Payment Dates</b>	:	<b>5 - Year</b> 26/02/2018    24/02/2020    21/02/2022 27/08/2018    24/08/2020    22/08/2022 25/02/2019    22/02/2021 26/08/2019    23/08/2021 <b>10 - Year</b> 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
<b>Taxation</b>	:	Discount/Interest is subject to withholding tax at a rate of <b>15%</b> for 5-year and <b>10%</b> for 10-year.
<b>Redemption Dates</b>	:	<b>5 Year - 22/08/2022</b> <b>10 Year - 19/07/2027</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 per tenor.
<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 August 22, 2017.</b>
<b>Auction Date</b>	:	<b>23/08/2017</b>
<b>Results</b>	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on <b>24/08/2017.</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 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 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.
<b>Listing</b>	:	The bonds will be listed on the Nairobi Securities Exchange.
<b>Classification</b>	:	These bonds are benchmark Bonds
<b>Registrar</b>	:	National Debt, Central Bank of Kenya.
<b>Eligibility</b>	:	Only investors with active CDS Accounts with the Central Bank of Kenya
<b>Re-opening</b>	:	The Bonds 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, August 29, 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.