

THE GOVERNMENT OF KENYA SECURITIES ISSUANCE CALENDAR FOR QUARTER ONE OF THE FY 2016-2017

A. Introduction

As a consequence of the National Treasury's decision to reform financial markets with regard to trading of government domestic debt securities, the National Treasury hereby announces the release of the "Government of Kenya Securities Issuance Calendar" for the Financial Year 2016/17. These reforms aim to increase liquidity, deepen the bond market and thereby reduce spreads thus increasing market access to Kenyans.

The Calendar will be released to cover one quarter in the interim with a view to issuing the full calendar in due course. Hence therefore, this is the calendar for Quarter One of FY 2016/2017. The publication of the issuance calendar is the first step towards these reforms.

The issuance calendar has been informed by four underlying strategic objectives as contained in the Medium Term Debt Management Strategy: Namely to:

- Lengthen the maturity profile of Government domestic debt;
- Build liquidity around benchmark tenors of Treasury Bonds of 2, 5, 10, 15 and 20 years to support secondary market activities as well as;
- Enhance the liquidity of Treasury bills to support Over the Counter Trading (OTC), a key feature of liquidity management in the financial system; and,
- Improve transparency of Government securities issuance by publishing the Calendar on regular basis.

To ensure issued bond series meet the minimum benchmark sizes of Kes 25 billion for short and medium term (2-5 years) securities and Kes 30 billion for long tenor (10-20 years) securities, strategies such as re-opening and tap issuance will be employed.

As this is the first quarterly issuance calendar for 2016/17 financial year, specific amounts and other features of the securities will be provided by the Fiscal Agent close to the auction dates.

B. Treasury Bills Issuance – Period July 2016 – September 2016

Issuance calendar of Treasury bills

91 days T-Bill				182 days T-Bill				364 days T-Bill		
Issuance Dates	Settlement dates	Maturity dates		Issuance Dates	Settlement dates	Maturity dates		Issuance Dates	Settlement dates	Maturity dates
JULY 2016										
7-Jul-16	11-Jul-16	6-Oct-16		6-Jul-16	11-Jul-16	4-Jan-17		6-Jul-16	11-Jul-16	5-Jul-17
14-Jul-16	18-Jul-16	13-Oct-16		13-Jul-16	18-Jul-16	11-Jan-17		13-Jul-16	18-Jul-16	12-Jul-17
21-Jul-16	25-Jul-16	20-Oct-16		20-Jul-16	25-Jul-16	18-Jan-17		20-Jul-16	25-Jul-16	19-Jul-17
28-Jul-16	1-Aug-16	27-Oct-16		27-Jul-16	1-Aug-16	25-Jan-17		27-Jul-16	1-Aug-16	26-Jul-17
AUGUST 2016										
4-Aug-16	8-Aug-16	3-Nov-16		3-Aug-16	8-Aug-16	1-Feb-17		3-Aug-16	8-Aug-16	2-Aug-17
11-Aug-16	15-Aug-16	10-Nov-16		10-Aug-16	15-Aug-16	8-Feb-17		10-Aug-16	15-Aug-16	9-Aug-17
18-Aug-16	22-Aug-16	17-Nov-16		17-Aug-16	22-Aug-16	15-Feb-17		17-Aug-16	22-Aug-16	16-Aug-17
25-Aug-16	29-Aug-16	24-Nov-16		24-Aug-16	29-Aug-16	22-Feb-17		24-Aug-16	29-Aug-16	23-Aug-17
				31-Aug-16	5-Sep-16	1-Mar-17		31-Aug-16	5-Sep-16	30-Aug-17
SEPTEMBER 2016										
1-Sep-16	5-Sep-16	1-Dec-16								
8-Sep-16	12-Sep-16	8-Dec-16		7-Sep-16	12-Sep-16	8-Mar-17		7-Sep-16	12-Sep-16	6-Sep-17
15-Sep-16	19-Sep-16	15-Dec-16		14-Sep-16	19-Sep-16	15-Mar-17		14-Sep-16	19-Sep-16	13-Sep-17
22-Sep-16	26-Sep-16	22-Dec-16		21-Sep-16	26-Sep-16	22-Mar-17		21-Sep-16	26-Sep-16	20-Sep-17
29-Sep-16	3-Oct-16	29-Dec-16		28-Sep-16	3-Oct-16	29-Mar-17		28-Sep-16	3-Oct-16	27-Sep-17

Month	Instrument	Issuance Dates	Settlement dates	Maturity dates
July-16	5 Year Bond	20-Jul-16	25-Jul-16	14-Jul-21
	20 Year Bond	20-Jul-16	25-Jul-16	05-Jun-28
August-16	10 year Bond	17-Aug-16	22-Aug-16	30-Jul-31
September-16	2 Year Bond	21-Sep-16	26-Sep-16	19-Sep-18
	15 Year Bond	21-Sep-16	26-Sep-16	9-Sep-26

NOTE:

1. The Issuance Calendar is subject to revision by the National Treasury.
2. The operational processes regarding issuance of Treasury securities will be managed by the Fiscal Agent (Central Bank of Kenya). However, where the issuance, auction, coupon payment or redemption dates specified above falls on a day that the electronic payment system is not in operation such as a public holiday; issuance, auction, coupon payment or redemption, will be effected on the next business day when the electronic payment system is in operation.
3. The Government reserves the right to issue other financing instruments, depending on market conditions and the general macroeconomic environment.