



Save Money, **Make Money**, Build Kenya

P R E S S R E L E A S E

Nairobi - Monday, February 25, 2019

TREASURY RE-OPENS M-AKIBA RETAIL INFRASTRUCTURE BOND

The National Treasury (TNT), the Central Depository and Settlement Corporation (CDSC) and the Nairobi Securities Exchange (NSE) have today jointly re-opened the **M-Akiba Retail Infrastructure Bond Issue No 2/2017/03 re-open one of March 2019**.

This tranche seeks to raise Ksh.250,000,000.00 (two hundred and fifty million Kenyan Shillings) against the Ksh. 1,000,000,000.00 (one billion Kenyan Shillings) target. The offer will be open for ten days from February 25, 2019 to March 8, 2019 after which it will be listed on the NSE for secondary trading on March 12, 2019. The tenure for this bond will be one and a half years, with a redemption date of September 7, 2020.

CDSC Chief Executive, Ms. Rose Mambo confirmed the depository's commitment to perform their role as the issuing and paying agent for the bond, *"During the offer period, CDSC will facilitate the creation of CDS accounts, processing of applications in the primary market, and shall offer registry services as a sub-register to the Central Bank of Kenya. During the secondary market, CDSC shall continue to facilitate the settlement of M-Akiba transactions traded on the NSE and shall manage coupon payments and redemption of the bond at maturity."*

M-Akiba retail bond seeks to deepen and enhance financial inclusion through leveraging on increased mobile phone penetration to democratize access to formal financial systems for savings and investments. More Kenyans are now able to participate in Government bonds by investing a minimum Ksh. 3,000.00 which is considerably lower in comparison to the minimum Ksh.50,000.00 required to invest in other Treasury bills and bonds. Since inception, the bond has attracted over 300,000 new investors onto the bond platform underscoring the bond's potential to revolutionize access to capital market products.

Speaking during the launch, the NSE Chief Executive, Mr. Geoffrey Odundo noted, *"This initiative underpins our commitment to grow local retail participation in our bond market in line with our corporate strategy. M-Akiba is a low risk investment product that offers investors a steady source of income and an effective way of saving for the future. The bond offers simplicity, convenience as well as great value to Kenyans across a wide spectrum of the economy."*

Commenting on the re-opening, the Capital Markets Authority Chief Executive, Mr. Paul Muthaura noted, *"The M-Akiba initiative is well aligned to the Capital Markets masterplan 2014-2023 which identifies technological innovations as one of the four centers of excellence of the Kenyan capital markets."*

This reopening will enable Kenyans enjoy a high return of 10% interest within the duration of one and a half years, tax exempt, proving to be very competitive against other investment instruments.

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-Ends-

Notes to the editor:

About M-Akiba

M-Akiba bond; is a Government infrastructure retail bond that is issued and traded exclusively via the mobile phone through dialing a USSD code *889#. Among the key features of the bond is the low entry level of Ksh. 3,000 only, and the ability to buy and sell the bond conveniently from anywhere at any time.

About CDSC

The Central Depository & Settlement Corporation Limited (CDSC) is a limited liability Company approved by the Capital Markets Authority to provide automated clearing, delivery and settlement facilities in respect of transactions carried out at the NSE as well as holding of listed and non-listed securities including other documents of title on behalf of investors.

About NSE

The Nairobi Securities Exchange (NSE) is the principal securities exchange of Kenya. Besides equity securities, the NSE offers a platform for the issuance and trading of debt securities. The NSE is a member of the African Securities Exchanges Association (ASEA) and the East African Securities Exchanges Association (EASEA). It is a full member of the Association of Futures Markets (AFM) and the World Federation of Exchanges (WFE), and a partner Exchange in the United Nations Sustainable Stock Exchanges Initiative (SSE).

FOR MORE INFORMATION, PLEASE CONTACT:

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