



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

GOVERNMENT TARGETS KSHS. 500 MILLION DURING RE-OPEN 3 OF M-AKIBA BOND

Nairobi – Monday, 19 August, 2019

The National Treasury (TNT), the Central Depository and Settlement Corporation (CDSC) and the Nairobi Securities Exchange (NSE), have jointly launched the re-open of the M-Akiba Retail Infrastructure Bond Issue MAB/2/2017/03. The re-open will offer Kenyans another opportunity to invest in the Government Infrastructure Bond. This is the third re-open of the Bond since the first Issuance in 2017.

The Bond is scheduled to run from today Monday, August 19, 2019, to Friday, Midnight September 6, 2019 and seeks to raise Kshs. 500 Million (Five Hundred Million Kenyan Shillings). This follows the successful uptake of the Bond in May 2019 which attracted 75% subscription rate, representing Kshs.187 million against a target of Kshs.250 Million.

The value date shall be on Monday, September 9, 2019. The Bond will start trading at the NSE on Tuesday, September 10, 2019. The three year Bond has one year of its tenure remaining, with a redemption date of September 7, 2020.

CDSC Chief Executive Rose Mambo noted, *“M-Akiba continues to offer the great convenience, simplicity and value to investors, with a 10% guaranteed return in interest income per year which is tax free.*

M-Akiba is a government product that seeks to enhance financial inclusion amongst Kenyan citizens and the proceeds shall be applied towards government men infrastructure projects.

To date, the M-Akiba bond has raised a total of Kshs.782 million. The structure of uptake for the Offers has been more or less the same with about 68% of Kenyans taking up bonds worth between Kshs.3,000-20,000, while 24% of the investors bought bonds worth between Kshs.20,001-100,000, and the remaining 8% invested above Kshs.100,000.

CDSC on behalf of the National Treasury has paid out a total of Kshs.67million to investors as interest income. CDSC hosts over 513,000 M-Akiba CDS accounts

She affirmed *“CDSC will continue to safeguard investor information and ensure seamless settlement of transactions in the primary and secondary trading by continuously putting in place the latest advanced systems to ensure improved customer experience”.*

Reiterating her remarks, the NSE Chief Executive Geoffrey Odundo noted, *“The Exchange is keen and committed to enhancing growth among local retail bond investors through M-Akiba. The NSE will continuously provide a world class trading facility to facilitate the listing and consequent trading of the bond. The growth in registration and subscription of the bond is a testament of its ability to enhance financial inclusion in line with the NSE strategic objective and the Capital Markets Master Plan 2014 – 2023”.*

M-Akiba 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 Kshs. 3,000.00 which is considerably lower in comparison to the minimum Kshs. 50,000.00 required to invest in other Treasury bills and bonds.

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

-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 Nairobi Securities Exchange as well as holding of listed and non-listed securities including other documents of title on behalf of investors. CDSC has a subsidiary Company, CDSC Registrars; a private company duly incorporated in Kenya in 2009, and a sister company incorporated in Rwanda in 2010. The CDSC Registry combines experience, innovation and customer centricity approach to offer timeouts and meticulous services to businesses, Issuers, their shareholders and other stakeholders.

About NSE

The Nairobi Securities Exchange (NSE) is the principal securities exchange in Kenya. It offers a world class trading facility for local and international investors and issuers looking to gain exposure to Kenya's and Africa's economic growth. NSE plays a vital role in the growth of Kenya's economy through mobilization of domestic resources and international capital. The NSE is a founder 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). NSE operates under the jurisdiction of the Capital Markets Authority of Kenya.

FOR MORE INFORMATION, PLEASE CONTACT:

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