



BANK of ZAMBIA

The Bank of Zambia on behalf of the Government of the Republic of Zambia invites applications for Government Bond Auction Number 05/2021/BA. All applications (Competitive and Non-competitive) should be submitted through the Central Securities Depository system by 11:30 hours on Friday, May 28, 2021. Settlement will be on Monday, May 31, 2021. The following are the amounts on offer:

Non-Benchmark Bonds

Tenor	2 Years	7 Years	15 Years
Coupon rate	9%	12%	14%
Competitive Tender Amounts	K166.5 Million	K 121.5 Million	K 81.0 Million
Non- Competitive Tender	K 18.5 Million	K 13.5 Million	K 9.0 Million
Total Tender Amount	K185.0 Million	K135.0 Million	K90.0 Million
ISIN	ZM1000004789	ZM1000004797	ZM1000004805
Maturity Dates	31 May 2023	31 May 2028	31 May 2036
Description	New Issue	New Issue	New Issue

Benchmark Bonds

Tenor	3 Years	5 Years	10 Years
Coupon	10%	11%	13%
Competitive Tender Amounts	K288.0 Million	K369.0 Million	K324.0 Million
Non- Competitive Tender	K 32.0 Million	K 41.0 Million	K 36.0 Million
Total Tender Amount	K320.0 Million	K410.0 Million	K360.0 Million
ISIN	ZM1000004649	ZM1000004656	ZM1000004672
Maturity Dates	25 January 2024	25 January 2026	25 January 2031
Description	Re-Issue	Re-Issue	Re-Issue

A. TENDER CONDITIONS:

1. Total amount of bonds on tender is **K1,500,000,000.00 (One Billion Five Hundred Million Kwacha) at cost.**
2. **The off tender (non-competitive) window will have 10% of the total amount on offer.**
3. The minimum value of each application will be **K1,000.00 (One Thousand Kwacha)** for Off Tender and **K30, 000.00 (Thirty Thousand Kwacha)** for Competitive bids.
4. All tenders must be in multiples of **K1,000.00 (One Thousand Kwacha)** for Non Competitive bids and **K5, 000.00 (Five Thousand Kwacha)** for Competitive bids.

5. All tender bids should be submitted to the Bank of Zambia electronically through the Central Securities Depository (CSD).
6. The Bank of Zambia will determine allotment of issue and the results will be announced on **Friday, May 28, 2021**. The Bank reserves the right to reject any bids not conforming to regulations as prescribed.
7. **The Bank of Zambia reserves the right to accept bids higher or lower than the tender sizes.**

B. INTEREST PAYMENT:

Coupon Interest shall be paid semi- annually based on Actual /365 days from the date of settlement.

C. NON-COMPETITIVE:

8. Non-competitive bids on this auction will be issued as per Government Securities Operating Guidelines.

D. GENERAL CONDITIONS OF ISSUE:

1. The Government of the Republic of Zambia reserves the right to redeem the 7, 10 and 15-year bond before maturity. This call option may be exercised after the bond has run 60 percent of its life.
2. The Bank of Zambia will not rediscount any bonds issued.
3. Coupon interest will be subject to **withholding tax (currently at 15%)**.
4. **Discount interest will not be subject to withholding tax.**
5. All investors (individuals and corporate entities alike) are allowed to participate directly on this auction.
6. Coupon interest will be paid every six months from the date of settlement until maturity.