



The Bank of Zambia on behalf of the Government of the Republic of Zambia invites applications for Government Bond Auction Number 10/2023/BA to be held on October 27, 2023. Bid applications can be submitted electronically through email or the Boz Government Securities Investor Portal. Bid applications can also be submitted physically to either Bank of Zambia or commercial banks. All bids must be submitted by 16:00 hours on Thursday, October 26, 2023. Settlement will be on Monday, October 30, 2023. 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 | K270.0 Million | K315.0 Million | K360.0 Million |
| Non- Competitive Tender | K30.0 Million | K35.0 Million | K40.0 Million |
| Total Tender Amount | K300.0 Million | K350.0 Million | K400.0 Million |
| ISIN | ZM1000005950 | ZM1000005968 | ZM1000005976 |
| Maturity Dates | 30 October 2025 | 30 October 2030 | 30 October 2038 |
| Coupon Dates | 30 April, 30 October | 30 April, 30 October | 30 April, 30 October |
| Description | New Issue | New Issue | New Issue |

Benchmark Bonds

| Tenor | 3 Years | 5 Years | 10 Years |
|----------------------------|------------------------|------------------------|------------------------|
| Coupon | 10% | 11% | 13% |
| Competitive Tender Amounts | K360.0 Million | K585.0 Million | K450.0 Million |
| Non- Competitive Tender | K40.0 Million | K65.0 Million | K50.0 Million |
| Total Tender Amount | K400.0 Million | K650.0 Million | K500.0 Million |
| ISIN | ZM1000005877 | ZM1000005885 | ZM1000005901 |
| Maturity Dates | 21 August 2026 | 21 August 2028 | 21 August 2033 |
| Coupon Dates | 21 February, 21 August | 21 February, 21 August | 21 February, 21 August |
| Description | Re-Issue | Re-Issue | Re-Issue |

A. TENDER CONDITIONS:

1. Total amount of bonds on tender is **K2,600,000,000.00 (Two Billion Six 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 non-competitive and **K500, 000.00 (Five Hundred 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. The Bank of Zambia will determine allotment of issue and the results will be announced on **Friday, October 27, 2023**. The Bank reserves the right to reject any bids not conforming to regulations as prescribed.
6. **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:

7. 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%) and handling fee (currently at 1%).**
4. **Discount interest will not be subject to withholding tax and handling fee.**
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.
7. Coupon and Maturity payments on a non-business day shall be paid on the next business day.