Capital Markets Authority
Protecting Your Investments

CAPITAL MARKETS INDUSTRY REPORT
2023/24

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Josephine Okui Ossiya

Chief Executive Officer

FOREWORD

It is with great pleasure that I present the Capital Markets Industry Report 2023/24, which provides an in-depth analysis of the performance, trends, and developments in Uganda's capital markets, covering the period from July 1, 2023, to June 30, 2024. This report serves as a key reference point for investors, policymakers, market participants, and stakeholders seeking to understand the evolving landscape of our capital markets.

The 2023/24 financial year saw significant progress, demonstrating the resilience and growth of Uganda's capital markets despite global economic uncertainties. Notably, the industry witnessed growth in Collective Investment Schemes, continued improvements in market participation, and increased investor awareness - milestones that underscore the deepening of the markets. The listing of Airtel Uganda Limited and the secondary offer of shares by MTN Uganda further strengthened our equity market, providing investors with more investable opportunities.

As the regulator, the Capital Markets Authority (CMA) remains committed to fostering an efficient, transparent, and inclusive capital market. Our efforts continue to focus on market development, investor protection, and regulatory excellence to position Uganda's capital markets as a key driver of sustainable economic growth.

On behalf of the board, management, and staff of CMA, I extend my gratitude to all stakeholders for their continued collaboration and support during the data collection, compilation, and publication processes. We warmly welcome feedback from all stakeholders to enhance our service in meeting their information needs. To ensure easy access, the 2023/24 Annual Industry Report has been published on the Authority's website (www.cmauganda.co.ug).

Finally, I extend my appreciation to the Board of Directors for their leadership in the in the development of this publication, as well as to the CMA staff for their diligent efforts and contributions to the successful completion of this publication.

Josephine Okui Ossiya
Chief Executive Officer

This report serves as a key reference point for investors, policymakers, market participants, and stakeholders seeking to understand the evolving landscape of our capital markets.

This report focuses on the period from July 1, 2023, to June 30, 2024

We warmly welcome feedback from all stakeholders to enhance our service in meeting their information needs.

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CMA has no objection to the material contained herein being referenced, provided an acknowledgement of the same is made. Any comments and/or suggestions may be brought to the notice of the Authority through email: research@cmauganda.co.ug.

The Capital Markets Authority reserves the right to revise/amend any information published in this Industry Report.

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The Year 2023/24 In Brief

Collective Investment Scheme AUM

UGX 3,175.5 b

↑ 60.2%

Total AUM for CIS managers at the end of the FY 2023/24 was UGX 3,175.5 Billion (2022/23: UGX 1,982.4 Billion)

Fund Managers' AUM

UGX 5.1 trn

↑ 10.3%

Total AUM for Fund Managers at the end of the FY 2023/24 was UGX 5.1 Trillion (2022/23: UGX 4.6 Trillion)

Domestic Market Capitalization

UGX 10.7 trn

↑ 46.1%

Domestic Market Capitalization closed the FY 2023/24 at UGX 10.7 Trillion (2022/23: UGX 7.3 Trillion)

Total Market Capitalization

UGX 22.4 trn

↑ 26.9%

Total Market Capitalization closed the FY 2023/24 at UGX 22.4 Trillion (2022/23: UGX 17.7 Trillion)

USE Local Counter Index

259.1 Points

↓ 4.6%

USE LCI closed the FY 2023/24 at 259.1 points (2022/23: 271.7 points)

USE All Share Index

1,028.9 Points

↑ 1.1%

USE ALSI closed the FY 2023/24 at 1,028.9 points (2022/23: 1,017.7 points)

Equity Turnover

UGX 59.6 b

↑ 0.8%

Total equity turnover in the FY 2023/24 was UGX 59.6 Billion (2022/23: UGX 59.1 Billion)

List Of Abbreviations

ALSI	All Share Index
AUM	Assets Under Management
BATU	British American Tobacco Uganda
BOBU	Bank of Baroda Uganda
BOU	Bank of Uganda
CBR	Central Bank Rate
CEO	Chief Executive Officer
CENT	Centum Investment Company Limited
CFO	Chief Finance Officer
CIS	Collective Investment Scheme
CMA	Capital Markets Authority
CQCIL	Cipla Quality Chemicals Limited
DFCU	Development Finance Corporation of Uganda
DPS	Dividend Per Share
FY	Financial Year
FSD	Financial Sector Deepening
GDP	Gross Domestic Product
IPO	Initial Public Offering
LCI	Local Counter Index
NIC	National Insurance Corporation
NSE	Nairobi Securities Exchange
NVL	New Vision Limited
ROA	Return on Assets
ROE	Return on Equity
RSE	Rwanda Stock Exchange
SBU	Stanbic Bank Uganda
SCD	Securities Central Depository
UBOS	Uganda Bureau of Statistics
UCL	Uganda Clays Limited
UGX	Uganda Shillings
USD	United States of America Dollar
USE	Uganda Securities Exchange
182D T-bill	182 Day Treasury Bill

Glossary Of Terms Used

Assets Under Management	The total market value of the investments or assets that an entity manages on behalf of clients.
Balanced Fund	A CIS fund comprised of short, medium and long-term interest-bearing investments plus equities.
CIS Manager	A licensed firm that markets and sells CIS units to potential investors. The role of the CIS manager is to decide, within the rules of the trust and the various regulations, which investments are included within the unit trust.
Collective Investment Scheme	An investment product that allows an investor to pool savings with other investors, creating a large pool of funds to be invested on their behalf by a professional CIS manager.
Corporate Bond	A security issued by a non-government entity borrowing from the public in return for interest payment and principal repayment at the end of the term of the bond.
Equity Fund	A CIS fund comprised of investments in only shares.
Initial Public Offering	An issue of securities for the first time to the public.
Investment Adviser	A licenced person who makes investment recommendations or conducts securities analysis in exchange for a fee.
Money Market Fund	A CIS fund containing interest-bearing investments with a maturity of 12 months or less or having a weighted average time to maturity of 12 months or less.
Market Capitalization	The total market value of a company's outstanding shares or other securities in issue.
Stock broker	A licensed firm that buys and sells securities on behalf of clients.
Treasury Bill	A security issued by a government to borrow money from the public for a period of one year or less. In Uganda, these are issued with maturity of 91-days, 182-days, and 364-days.
Treasury Bond	A security issued by a government to borrow money from the public for a period of more than one year. These are issued with a maturity of 2 years, 3 years, 5 years, 10 years, and 15 years.

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EXECUTIVE SUMMARY

According to Uganda Bureau of Statistics (UBoS) estimates, the economy expanded by 6.1% in the financial year 2023/24 compared to 5.3% in 2022–2023. In the financial year 2023/24, the economy's real size grew to UGX 153 trillion from UGX 144.2 trillion in the previous year. Notably, the industrial sector experienced a 4.9% growth during the financial year, surpassing the 4% growth in the previous year.

A closer look at the macro economy shows that the annual average headline inflation for the financial year 2023/24 was recorded at 3.2%, a decrease from the 8.8% recorded in the previous financial year 2022/23. This was also lower than the 7.1% average inflation registered in Sub-Saharan Africa in 2023. The decrease in annual average headline inflation was driven partly by a drop in annual average core inflation, which fell to 3% during the financial year 2023/24, down from 7.4% in FY 2022/23.

Performance of the Capital Markets

Domestic market capitalization that represents the value of locally listed counters closed higher at **Ugx 10.7 trillion**, representing a gain of 46.1%, from **Ugx 7.3 trillion** at the end of FY 2022/23. This increase was mainly due to Airtel Uganda's listing and the growth in market capitalization of three locally listed counters: SBU (42.3%), BOBU (25.9%), and UMEME (4.5%).

As a measure of the wealth in the capital markets in relation to the size of the economy, domestic market capitalization increased from 5.1% at the end of the financial year 2022/23 to 7% at the end of the financial year 2023/24. The listing of Airtel Uganda and the rise in market capitalization of the three locally listed counters: SBU, BOBU, and UMEME were the primary causes of this increase.

The total value of shares exchanged, or equity turnover, rose by 0.8% to **Ugx 59.6 billion** in the financial year 2023/24 from **Ugx 59.1 billion** in the financial year 2022/23. In FY 2023/24, the average daily turnover grew to **Ugx 244.2 million** from **Ugx 232.3 million** in the prior financial year. Increased participation from domestic investors, especially an upturn in activity on the Umeme counter, drove the increase in value traded. This increase in activity on the Umeme counter can be attributed to heightened investor interest, driven by the expectation of a government payout upon the expiration of Umeme's concession with the state.

At the end of the 2023/24 financial year, CIS Managers were holding Assets Under Management (AUM) totaling **Ugx 3,175.5 billion**, reflecting a growth of 60.2% from **Ugx 1,982.4 billion** at the close of the previous financial year. Additionally, the number of funded investor accounts held by CIS managers reached **92,165,** representing a 61.8% increase from the

GDP

6.1%

UGX 153 trn

growth of 6.1% for the economy in the financial year 2023/24, surpassing the 5.3% growth in the previous year.

3.2%

annual average headline inflation for the financial year 2023/24 was recorded at 3.2%, a decrease from the 8.8% recorded in the previous financial year 2022/23

46.1%

Domestic Market Capitalization closed higher at Ugx 10.7 trillion, representing a gain of 46.1%

0.8%

The total value of shares exchanged, or equity turnover, rose to Ugx 59.6 billion in the financial year 2023/24, an increase 0.8%

56,955 accounts recorded at the end of 2022/23. This increase in AUM and clients can be ascribed partially to local investors becoming more aware of CIS. This enhanced awareness can be attributed to the CMA and CIS managers' effective public education campaigns.

At the end of the 2023/24 financial year, the total AUM managed by CMA licensed fund managers reached **Ugx 5.1 trillion**, reflecting a 10.3% increase from **Ugx 4.6 trillion** at the close of the FY 2022/23. This growth was driven by both the appreciation in value of the assets held and the enrollment of new members into the schemes under management.

The Economic Outlook and Implications for the Capital Markets

The International Monetary Fund projects that Sub-Saharan Africa's economic growth will remain subdued, but is expected to see a modest pickup to 4.2% in 2025. Meanwhile, the Bank of Uganda forecasts economic growth of 6-6.5% for FY2024/25, with the potential to exceed 7% in later years. This growth is anticipated to be driven by investments in the extractive industry and government initiatives aimed at enhancing productivity.

Looking ahead, the expected growth, which is being propelled by government efforts to boost productivity and investments in the extractive sector, offers a promising future for Uganda's capital markets. As economic growth accelerates, there will likely be a greater need for capital to support infrastructure and oil industry expansion, potentially leading to the introduction of new financial instruments. Increased investment and availability of capital could boost investor confidence. However, market sentiment may be hampered by negative factors such as geopolitical tensions and slower global growth. Additionally, increased domestic borrowing may limit enterprises' access to capital, potentially hindering their growth and expansion.

60.2%

CIS Managers had Ugx 3,175.5 billion in Assets under Management at the end of FY 2023/24, an increase of 60.2%

10.3%

Total Assets under Management of fund Managers licensed by CMA stood at Ugx 5.1 trillion at the end of the FY2023/24, an increase of 10.3%

1.0 INTRODUCTION

1.0 INTRODUCTION

1.1 Overview of the Capital Markets, Role in the Economy and the Need for Regulation

Capital markets are avenues where those with individual or group savings can provide long-term capital to governments and corporations that need it. These markets make it possible for governments and companies with productive ideas but with insufficient capital to access funding from those individuals and institutions with savings. In the capital markets, savers buy financial instruments known as securities and in exchange provide their savings as capital. These financial instruments usually have a term that exceeds one year. To ensure consumers of financial products are protected, and public confidence is maintained at all times, it is important that fit and proper persons, capable of professionally and ethically undertaking the role of financial intermediation, are licensed and regulated. Effective regulation seeks to address the issues that may erode public confidence and participation in securities markets.

1.2 The Capital Markets Authority

The Capital Markets Authority (CMA) is an autonomous body that was established in 1996, by the CMA Act, Cap 84. The Authority is responsible for promoting, developing and regulating the capital markets industry in Uganda, with the overall objectives of investor protection and market efficiency. CMA is governed by a Board of Directors appointed by the Minister of Finance, Planning, and Economic Development. The CMA Act prescribes the following as the functions of the Authority:

- Approval of prospectuses and other offering documents under which securities are offered to the public;
- Development of all aspects of the capital markets with particular emphasis on the removal of impediments to, and the creation of incentives for long-term investments in productive enterprises;
- Creation, maintenance and regulation, through the implementation of a system in which the market participants are self-regulatory to the maximum practicable extent, of a market in which securities can be issued and traded in an orderly, fair and efficient manner;
- Cooperation with, provision of information to, conducting any investigation or inquiry for, or otherwise assisting any foreign regulatory authority in the performance of its duties;
- Implementation of regional and international standards and best practices in securities markets, securities regulation and supervision;
- Protection of investors; and
  Operation of an Investor Compensation Fund.

CMA executes its legal mandate with the following objectives:

- Promoting confidence in the capital markets;
- Ensuring honesty and transparency in capital markets transactions;
- Carrying out investor education;
- Protecting investors; and
- Reducing systemic risk.

1.3 The CMA Annual Industry Report

The annual capital markets industry report covers the activities, developments and performance of Uganda's capital markets industry. This report aims at providing insights into the domestic capital markets performance and related activities taking note of global and regional developments. This industry report focuses on the period from 1st July 2023 to 30th June 2024.

1.4. Structure of the Report

This report is divided into four chapters. Chapter one provides an introduction and macroeconomic context for the Industry Report, while Chapter two highlights the performance of the capital markets industry. Chapter three focuses on the performance of regional capital markets, and chapter four discusses the outlook.

1.5 Macroeconomic Context for the Industry Report

This section reviews the key macro-economic indicators which include: Global economic growth, domestic economic growth, gross domestic savings, inflation, exchange rate, central bank rate and treasury securities rates. A sound macroeconomic environment enables capital markets to fulfil an important role in the economy by channeling savings into financial instruments (securities) issued by entities that need capital.

1.4.1 Global Economic Growth

Global growth is projected to remain stable, albeit unimpressive, at 3.2% in 2025. However, the International Monetary Fund (IMF) notes that significant adjustments have occurred, with upgrades to the forecast for the United States offsetting downgrades in those for other advanced economies, particularly the main European countries.

Similarly, disruptions to commodities' production and shipping, such as oil conflicts, civil unrest, and extreme weather events have resulted in downward adjustments to the outlooks for the Middle East and Central Asia, as well as Sub-Saharan Africa. However, these have been accounted for by upgrades to the forecast for emerging Asia, where soaring demand for semiconductors and electronics, driven by major investments in artificial intelligence, has reinforced development.

This trend is supported by the substantial public investment in China and India, according to the IMF. Global growth is expected to reach 3.1% in five years, which is below the pre-pandemic average. Many economies are facing persistent structural headwinds such as an aging population and low productivity, which are limiting the potential growth.

1.4.2 Domestic Economic Growth

According to Uganda Bureau of Statistics (UBOS) estimates, the economy expanded by 6.1% in the financial year 2023/24 as opposed to 5.3% in 2022–2023. In the financial year 2023/24, the economy's real size grew to UGX 153 trillion from UGX 144.2 trillion in the previous year.

The industrial sector experienced a 4.9% growth during the 2023/24 financial year, surpassing the 4% growth in the previous year. This increase was largely attributed to the manufacturing and construction industries, which recorded growth rates of 4.7% and 5.3% respectively in 2023/24, up from 3.1% and 4.9% in 2022/23. Similarly, the agricultural, forestry, and fishing sector expanded by 5.4% in 2023/24, a notable improvement from the 4.5% growth registered in 2022/23, driven by strong performance in cash crops and agriculture support services. The services sector also exhibited growth, expanding by 6.8% in the financial year 2023/24 compared to the 5.9% growth seen in the previous financial year, primarily driven by the strong performance in public administration plus financial and insurance activities.

Table I: GDP Statistics (2019/20 – 2023/24)

	2019/20	2020/21	2021/22	2022/23	2023/24
Gross Domestic Product					
GDP at current prices (Ugx Billion)	139,689	148,310	162,750	183,004	202,725
GDP at constant 2016/17 prices (UGX Billion)	126,410	130,881	136,886	144,191	153,040
Annual Growth at constant 2016/17 Prices (%)	3	3.5	4.6	5.3	6.1
GDP Per Capital					
GDP per capita at current prices (Ugx '000)	3,403	3,500	3,723	4,058	4,359
GDP per capita at current prices (US $)	916	957	1,042	1,081	1,154
Memorandum items					
Population ('000)	41,054	42,369	43,717	45,097	46,508
Exchange Rate (Ugx per US $)	3,715	3,659	3,572	3,752	3,779

Source: Uganda Bureau of Statistics

The central bank projects that economic growth for the financial year 2024/25 will fall within the range of 6% to 6.5% and 7 to 7.5% over the medium term. The growth strategy is supported by strategic government interventions such as the parish development model, an increase in foreign direct investments in the extractive industry and the commencement of oil production in the FY 2025/26.

To this end, the CMA will continue with its sensitization efforts aimed at increasing the uptake of market-based financing among business owners and founders of businesses to fund growth opportunities in an expanding economy. An expanding economy implies increased employment opportunities which could lead to an increase in savings that can be channeled to the real economy as market-based capital.

1.4.2 Gross Domestic Savings

Over the last five years, Gross Domestic Savings (GDS), comprising of savings of households, private corporate firms, and the public sector, have grown at a compounded average rate of 7.6%. This has resulted in an increase from Ugx 26.5 trillion in 2018 to Ugx 35.5 trillion in 2023. It is noteworthy that the rate of saving among Ugandans has been expanding both in absolute terms (see table II). Uganda's GDS to GDP ratio of 19.2% for 2023 exceeds the Sub-Saharan Africa average of 4.7%.

Table II: Gross Domestic Savings Statistics (2019 – 2023)

	2019	2020	2021	2022	2023
Gross Domestic Savings (Ugx Trillion)	26.48	26.87	26.63	31.31	35.5
Gross Domestic Savings (% of GDP)	20.1	19.2	18	19.3	19.2

Source: World Bank

An increase in Gross Domestic Savings implies that there are more resources to be deployed as long-term capital via the capital markets. This long-term capital can facilitate refinancing efforts, expansion as well as exit strategies by business owners through the capital markets in the form of private and public equity and/or debt. Additionally, an increase in savings enhances liquidity, reduces reliance on off-shore investors, and could incentivize intermediaries to develop innovative products.

1.4.3 Inflation

The annual average headline inflation for the financial year 2023/24 was recorded at 3.2%, a decrease from the 8.8% recorded in the previous financial year 2022/23. This was also lower than the 7.1% average inflation registered in Sub-Saharan Africa in 2023. The decrease in annual average headline inflation was driven by a drop in annual average core inflation, which fell to 3% during the financial year 2023/24, down from 7.4% in FY 2022/23.

Additionally, the annual average inflation for food crops and related items decreased to 3.5% in the financial year 2023/24, down from 22.9% in the previous financial year. Similarly, the Annual average inflation for energy, fuels and utilities declined to 4.8% in FY 2023/24, from 9.2% in FY 2022/23.

Figure I: Annual Average Headline and Core Inflation Rates (FY 2014/15 – FY 2023/24)

Source: Uganda Bureau of Statistics

The Central Bank forecasts that average core inflation will remain below the medium target of 5%, averaging 3.7% in FY 2024/25 and 4.2% in FY 2025/26. This outlook is supported by factors such as favorable food and oil prices, decreasing global inflationary pressures, and capital inflows into the mining and oil industries, which are expected to bolster the shilling exchange against most hard currencies.

However, there are risks to the inflation forecast. On the downside, inflation could be lower if the shilling appreciates further, partly due to stronger capital inflows related to oil development and continued low global growth and inflation. On the upside, inflation could be higher if: global inflation, which remains elevated in several economies, reverses its declining trend.

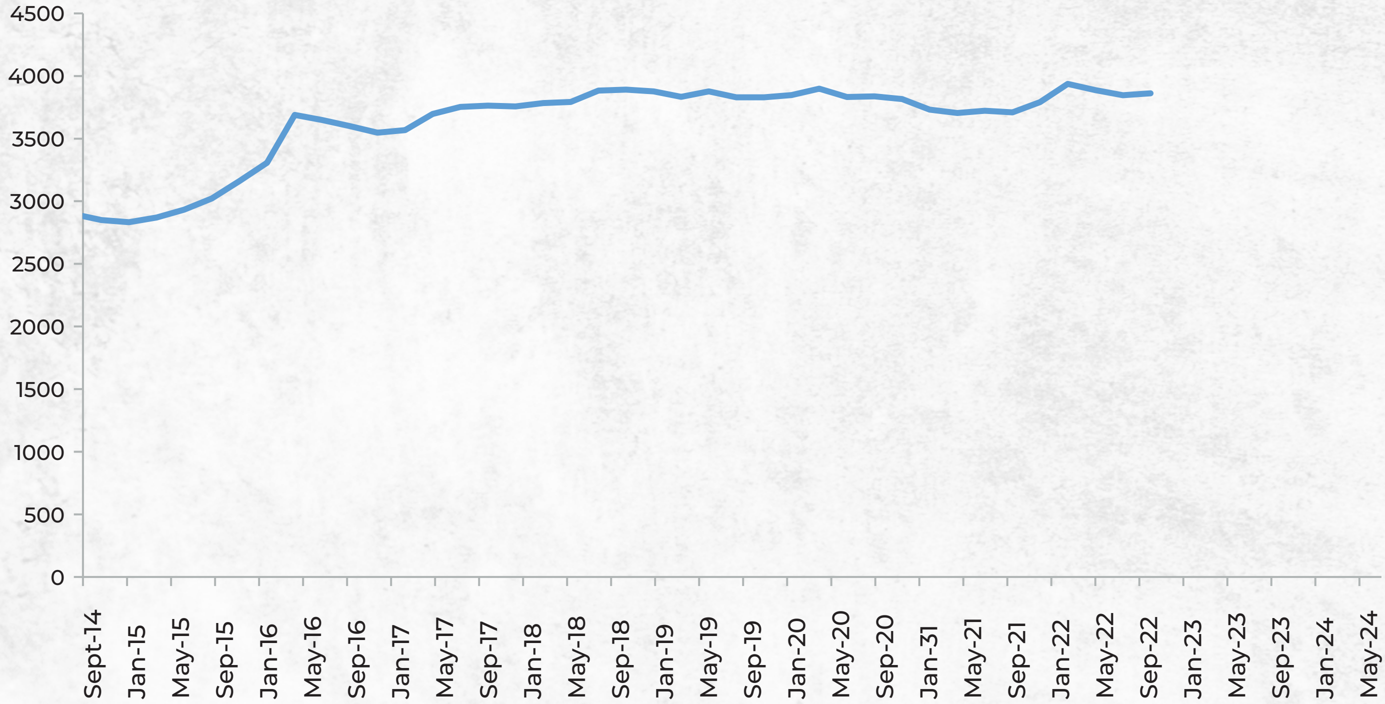
A stable inflation environment signals that the Ugandan shilling remains a reliable store of value, which is crucial for fostering growth in savings. Notably, a low-inflation environment generally favors fixed-income investments since bond prices tend to increase as inflation declines, while a high-inflation environment tends to see share prices adjust downwards as interest rates rise in an inflationary environment.

1.4.5 Exchange Rate

During the FY 2023/24, the Ugandan shilling witnessed a 0.6% depreciation against the US Dollar, with a monthly average exchange rate of Ugx 3,777 compared to Ugx 3,754 in the previous year, 2022/23. Other East African currencies, including the Kenyan shilling, Tanzanian shilling, and Rwandan franc, also experienced depreciation against the US Dollar, with rates of 8.1%, 8.4%, and 16.3%, respectively, over the same timeframe.

An analysis of the Ugandan local currency's performance over the past decade reveals an annualized depreciation of 3.3% against the US Dollar, with the exchange rate rising from Ugx 2,823 in 2014/15 to Ugx 3,777 during the review period.

Figure II: Trends in USD/UGX Exchange Rate (2014/15 – 2023/24)



Source: Bank of Uganda

The medium-term outlook for the Ugandan shilling remains mixed. The currency has recently shown resilience, supported by inflows from coffee exports, remittances, and foreign direct investment (FDI), particularly in oil-related projects. However, external factors like global oil prices and potential economic shocks could impact the shilling's performance. The Bank of Uganda's monetary policies will also play a crucial role in maintaining stability.

A depreciating domestic currency decreases the purchasing power of income and capital gains derived from any returns on investment for offshore investors. On the flip side, domestic assets become affordable for investors holding hard currencies such as the US dollar, providing an opportune moment for the purchase of discounted assets.

1.4.6 Interest rates

1.4.6.1 Central Bank Rate

The Bank of Uganda increased the Central Bank Rate (CBR) by 250 basis points, from 10% in June 2022 to 10.25% in June 2024. The depreciation of the shilling, which was part of the unfolding risks, prompted the need to tighten monetary policy. This exchange rate depreciation was partly caused by the outflow of offshore investor funds from the domestic market, as they pursued more attractive yields available in other markets.

Looking ahead, the Central Bank is expected to hold the Central Bank Rate as it studies local and global developments.

A contractionary monetary policy characterised by high-interest rates aims at reducing the level of the money supply to create a balance between demand and supply in the economy. A rise in interest rates increases the cost of capital for businesses and compresses valuations for assets in both the private and public markets. In addition, an increase in yields can lead to outflows from equity markets to fixed income markets.

1.4.6.2 Treasury Bill Rates

In June 2024, the Monthly Average Annualized yields on the 91-Day and 182-Day Treasury bills rose to 10.7%, 13.1%, and 13.6%, compared to 9.8%, 11% and 12% in July 2023. This increase can be attributed to the tight monetary policy stance of the Bank of Uganda (BOU), which raised the Central Bank Rate to counter the depreciation of the shilling exchange rate.

Table III: Monthly Average Annualized Yields on Treasury Bills in FY 2023/24

	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Arp	May	Jun
91-Day	9.8	10.3	10.0	9.3	9.7	9.8	9.8	9.6	9.8	9.8	9.6	10.7
182-Day	11.0	11.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.6	13.1	13.1
364-Day	12.0	12.5	12.8	12.9	12.8	12.8	13.1	13.1	13.3	13.4	13.6	13.6

Source: Bank of Uganda

In the short term, government securities' yields are forecast to remain relatively stable, as BOU holds the CBR.

2.0 INDUSTRY PERFORMANCE OVERVIEW

2.0 INDUSTRY PERFORMANCE OVERVIEW

This section examines the performance of the equity market, Collective Investment Schemes (CIS), and Fund Management. It also offers insights into the Government bond market and corporate bonds.

2.1 Equity Market Performance

All the listed equities in Uganda are on the Uganda Securities Exchange (USE), thus the equity market performance is evaluated based on USE.

2.1.1 Number of Listed Companies

By the end of the review period, the USE had 18 listed companies. Seven companies are cross-listed from the Nairobi Securities Exchange, while eleven are listed locally. Nevertheless, the listing of Uchumi Supermarkets' shares on the official list and trading in the company's shares on USE's Main Investment Market Segment remains halted. The aforementioned suspension resulted from Uchumi's persistent noncompliance with listing requirements outlined in the USE Listing Rules of 2021 and the USE Fees, Charges, and Penalties Rules of 2021, respectively.

Table IV: Number of Companies Listed at the USE

Listing Status	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
New Local Listings	0	0	0	0	1	0	0	1	0	1
New Cross Listings	0	0	0	0	0	0	0	0	0	0
Total Foreign Listings	8	8	8	8	8	8	8	8	8	8
Total Domestic Listings	8	8	8	8	9	9	9	10	10	11
Total Listings	**16**	**16**	**16**	**16**	**17**	**17**	**17**	**18**	**18**	**19**

Source: USE

A lack of awareness with respect to market-based financing, a young private sector dominated by family-run businesses, and a lack of investment readiness on the side of companies are some of the possible causes of the limited supply of securities or the small number of issuers.

A number of efforts are in place to ensure that more businesses have access to the market. The Deal Flow Facility (DFF) is one such example. The CMA, Financial Sector Deepening Uganda, and the European Union collaborated to create the DFF, which serves as a hub that facilitates business access to market-based financing. Through its business development services, the DFF empowers a select group of businesses to become more competitive and opens doors to market-based funding, including debt and/or private and public equity.

Since its inception, the DFF has received a total of 207 applications from enterprises. Of these, 38 applicants have been successfully matched with investors, representing 16% of all applicants. The potential deal value is estimated to exceed USD 30 million. Notably, two companies have received an estimated USD 3.4 million in funding.

2.1.2 Number of Securities Central Depository (SCD) Accounts at the USE

From 132,397 at the end of FY 2022/23 to 253,275 at the end of FY 2023/24, the total number of SCD accounts grew by 91.3%. The USE's digital service, which was introduced in collaboration with MTN Mobile Money Uganda and Airtel Uganda to enable easy SCD account opening using the mobile phone platform, and the heightened investor awareness are two factors contributing to the growth of SCD accounts. Since more investors will be able to open SCD accounts, which are necessary in order to trade in the securities market, the digital SCD account opening service is expected to democratize and strengthen trading as well as access to the USE.

Table V: Number of SCD Accounts Per Investor Category

Investor Category	2022/23	2023/24	% Change
Ugandan Individuals	110,863	231,024	108.4
Ugandan Companies	1,337	1,381	3.3
East African Individuals	11,100	11,632	4.8
East African Companies	6,049	6,071	0.4
Foreign Individuals	1,458	1,524	4.5
Foreign Companies	1,590	1,643	3.3
Total	**132,397**	**253,275**	**91.3**

Source: USE

2.1.3 Capital Raised through the Equity Market

During the period under review, there was one initial public offering and one secondary market offering. Table VI shows the capital that has been raised **(Ugx 1.99 Trillion)** on the USE through a combination of IPOs, rights issues, bonus issues and secondary offerings over the last eleven years.

2.1.3.1 The Airtel Uganda Limited Initial Public Offering (IPO)

The Airtel Uganda Limited IPO opened on 30th August 2023, and closed on 27th October 2023. The telecommunications company offered 8 billion ordinary shares at a price of UGX 100 per share, resulting in an offer size of **Ugx 800 billion**. The subscription level for the offer was 54.5%, equivalent to 4.36 billion shares, and a total of **Ugx 211.4 billion** was raised. The company was listed on the USE on 7th November 2023 and the counter closed the day at **Ugx 100** and market capitalization of **Ugx 4 Trillion**.

2.1.3.2 MTN Uganda Secondary Market Offer of Securities

The secondary market sale of shares by MTN Uganda took place between 27th May 2024 and 10th June 2024. This offering was made in accordance with Rule 15 of the Uganda Securities Exchange Listing Rules 2021, which allows an existing shareholder of a listed company to conduct a public offering of shares on the secondary market. This was a follow-on transaction to the initial public offering and listing of MTN Uganda in 2021.

Pursuant to the terms of the National Broadband Policy 2018, MTNU was required to offer and list 20% of its shareholding to the public. The IPO achieved a public float of 12.97%, and MTNU was listed on the USE on 6th December, 2021. The listing was approved following MTNU's written undertaking to the USE to make the additional 7.03% float available by 5th December, 2024.

Against this backdrop, the secondary market offer was conducted, involving the sale of 1.57 billion ordinary shares, comprising 7.03% of MTNU's shareholding, raising a total of Ugx 220.47 billion. The offer resulted in 20% of MTNU's shareholding being held by the public. It is worth noting that in addition to the 20,634 existing investors, the participation of the National Social Security Fund and other local pension funds has facilitated more than 2 million Ugandans to become indirect investors in MTNU.

Table VI: Capital Raised at the USE (Ugx, Billion)

Listing Status	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Rights issues	7	0	0	0	191	0	0	0	0	0	0
Bonus issues	4.1	160	0	0	0	0	0	0	0	128.5	0
Secondary offers of shares	248	0	0	113	0	0	0	0	0	0	220.5
IPOs	0	0	0	0	0	167	0	0	536	0	211.4
Total capital raised	**259.1**	**160**	**0**	**113**	**191**	**167**	**0**	**0**	**536**	**128.5**	**431.9**

Source: USE, CMA Database

CMA is taking steps to ensure that there is more issuer participation and that more products make it to market. Given that a large number of local businesses are family-owned and controlled, CMA is engaging with these businesses through the DFF's business support services, providing them with the opportunity to raise capital privately prior to using public funds, as described in the previous section (2.3.1).

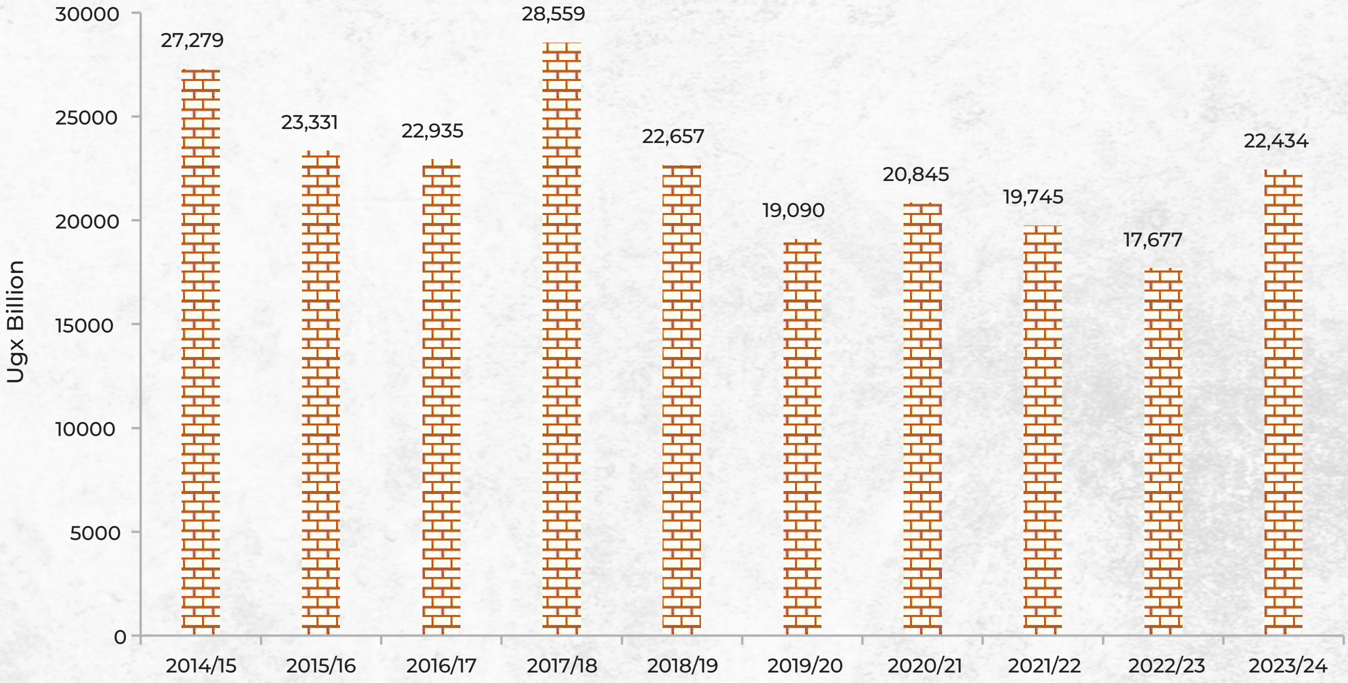
2.1.4 Secondary Market Activity

2.1.4.1 Market Size

I. Total Market Capitalization

The USE total market capitalization grew by 26.9% to Ugx 22.4 trillion at the end of FY 2023/24 from Ugx 17.7 trillion at the close of the previous financial year. This growth was due to the increase in market capitalization observed on six cross-listed counters (CENT, EABL, EBL, JHL, KA, and KCB) and three locally listed counters (UMEME, SBU, and BOBU). The rise in market capitalization was due to share price gains which can be attributed partly to a number of variables such as: strong performance on the counters, generous dividend distribution and the positive sentiment around the Ugandan economy.

Figure III: Trends in Total Market Capitalization (2014/15 - 2023/24)

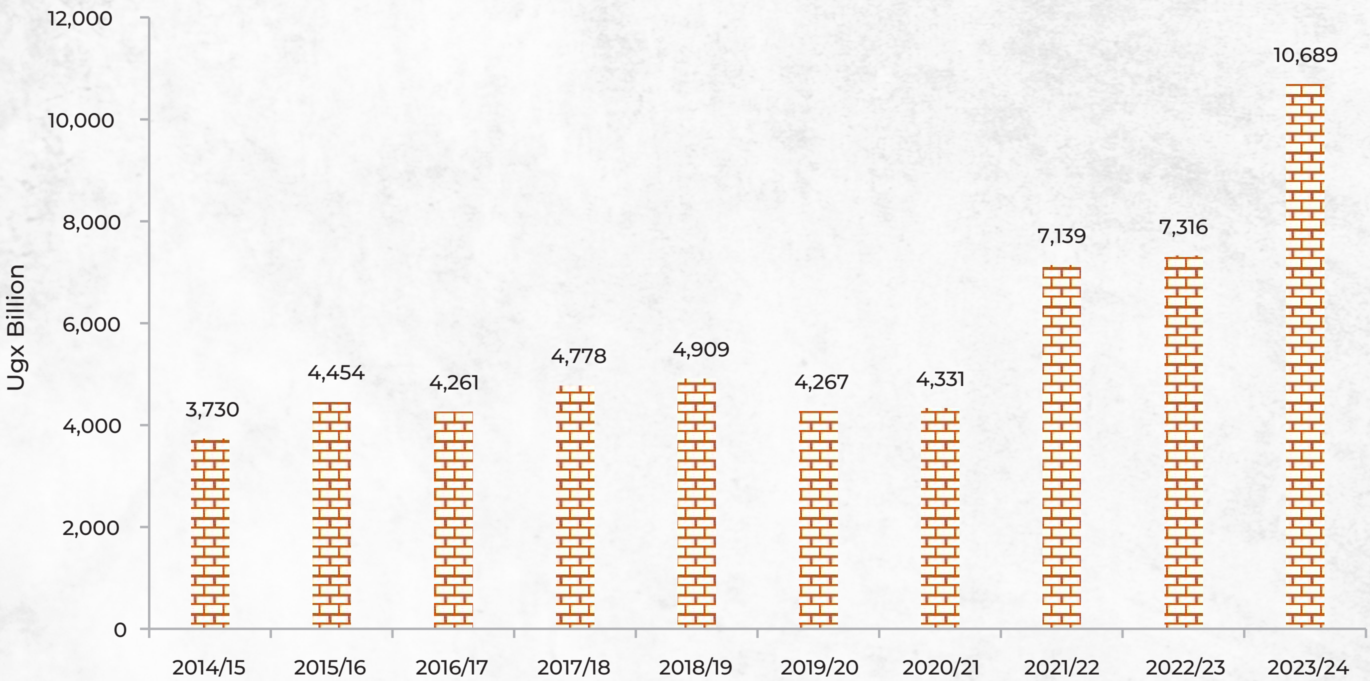


Source: USE market reports

II. Domestic Market Capitalization

Domestic market capitalization that represents the value of locally listed counters closed higher at Ugx 10.7 trillion, representing a gain of 46.1%, from Ugx 7.3 trillion at the end of FY 2022/23. This increase was mainly due to Airtel Uganda's listing and the growth in market capitalization of three locally listed counters: SBU (42.3%), BOBU (25.9%), and UMEME (4.5%).

Figure IV: Trends in Domestic Market capitalization (2014/15 - 2023/24)



Source: USE market reports

III. Domestic Market Capitalization as a Percentage of GDP

As a measure of the wealth in the capital markets in relation to the size of the economy, domestic market capitalization increased from 5.1% at the end of the financial year 2022/23 to 7% at the end of the financial year 2023/24. The listing of Airtel Uganda and the rise in market capitalization of the three locally listed counters: SBU, BOBU, and UMEME were the primary drivers of this increase.

Table VII: Market Capitalization as a Percentage of GDP (2014/15 - 2023/24) (Ugx, Trillions)

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Domestic market capitalization	3.7	4.5	4.3	4.8	4.9	4.3	4.3	7.1	7.3	10.7
GDP at Constant 2016/17 Prices	99.8	104.5	108.5	115.4	122.8	126.4	130.9	136.9	144.2	153
Domestic market capitalization to GDP (%)	3.7	4.3	3.9	4.2	4	3.4	3.3	5.2	5.1	7

Source: USE market reports, Uganda Bureau of Statistics

In comparison with other jurisdictions, Uganda's domestic market capitalization to GDP ratio is still low. At the end of the FY 2023/24, the domestic market capitalization to GDP ratio of Kenya, Tanzania and Nigeria stood at 12.6%, 6.7% and 72.6% respectively.

The Authority actively continues to engage with business owners and founders seeking ways for them to participate as issuers in the market to access market-based financing to fuel their expansion.

2.1.4.2 Market Activity

I. Market Turnover

The total value of shares exchanged, or equity turnover, rose by 0.8% to Ugx 59.6 billion in the financial year 2023/24 from Ugx 59.1 billion in the financial year 2022/23. In FY 2023/24, the average daily turnover grew to Ugx 244.2 million from Ugx 232.3 million in the prior financial year. Increased participation from domestic investors, especially an upturn in activity on the UMEME counter, drove the increase in value traded. The increased investor interest resulting from the expectation of a government payout at the end of its concession with the state is the reason for this rise in activity on the UMEME counter.

Uganda's equity turnover ratio, which is calculated by dividing total equity turnover by total market capitalization, was 0.3% at the end of FY 2023/24. In contrast, neighboring countries like Kenya and Tanzania boasted higher ratios of 4.5% and 1.6% respectively, suggesting ample room for growth in Uganda's capital markets. To bolster market activity, key strategies employed in other jurisdictions have focused on empowering local investors through various means. This includes public education campaigns and leveraging technology to provide market participants with convenient, real-time access to securities exchanges, as well as pension reforms. Notably, the CMA, along with other stakeholders, actively conduct investor education programs aimed at raising awareness and increasing local investor participation in Uganda's capital markets.

The USE's total equity turnover has dropped by 15.2% on an annualized basis over the past five years, from Ugx 115.4 billion in FY 2019/20 to Ugx 59.6 billion in the review period.

Table VIII: Equity Turnover per Counter at the USE (Ugx, Billion)

Counter	2019/20	2020/21	2021/22	2022/23	2023/24
AIRTEL U					0.04
BATU		0.0001	0.007		
BOBU	0.2	1.7	2.8	4.1	4.1
CENT	0.01	0.0001	0.001	0.03	
CQCIL	0.1	0.3	0.06	0.07	0.11
DFCU	50.9	0.03	0.03	0.04	4.3
KCB			0.0004		
MTNU			4.6	15.3	6.8
NIC	0.008	0.03	0.02	0.09	0.04
NVL	0.01	0.03	0.05	0.004	0.003
SBU	33.1	7.9	11.9	9.4	7.9
UCL	0.2	0.5	1.2	0.16	0.19
UMEME	30.7	6.8	23.6	30	36.3
Total	**115.4**	**17.3**	**44.3**	**59.1**	**59.6**

Source: USE market reports

Foreign corporations accounted for approximately 77.1% of the total equity turnover in FY 2023/24, followed by Ugandan companies (11.6%) and Ugandan individuals (5.9%), according to a breakdown of turnover by investor category.

Notably, the equity turnover of foreign companies as a percentage of overall equity turnover increased from 39% at the end of FY 2022/23 to 77.1% at the end of FY 2023/24.

Table IX: Percentage of Total Equity Turnover per Investor Category (%)

Investor Category	2022/23	2023/24
Ugandan Individuals	14	5.9
Ugandan Companies	36.2	11.6
East African Individuals	1	0.8
East African Companies	9.1	4.3
Foreign Individuals	0.8	0.3
Foreign Companies	39	77.1
Total	**100**	**100**

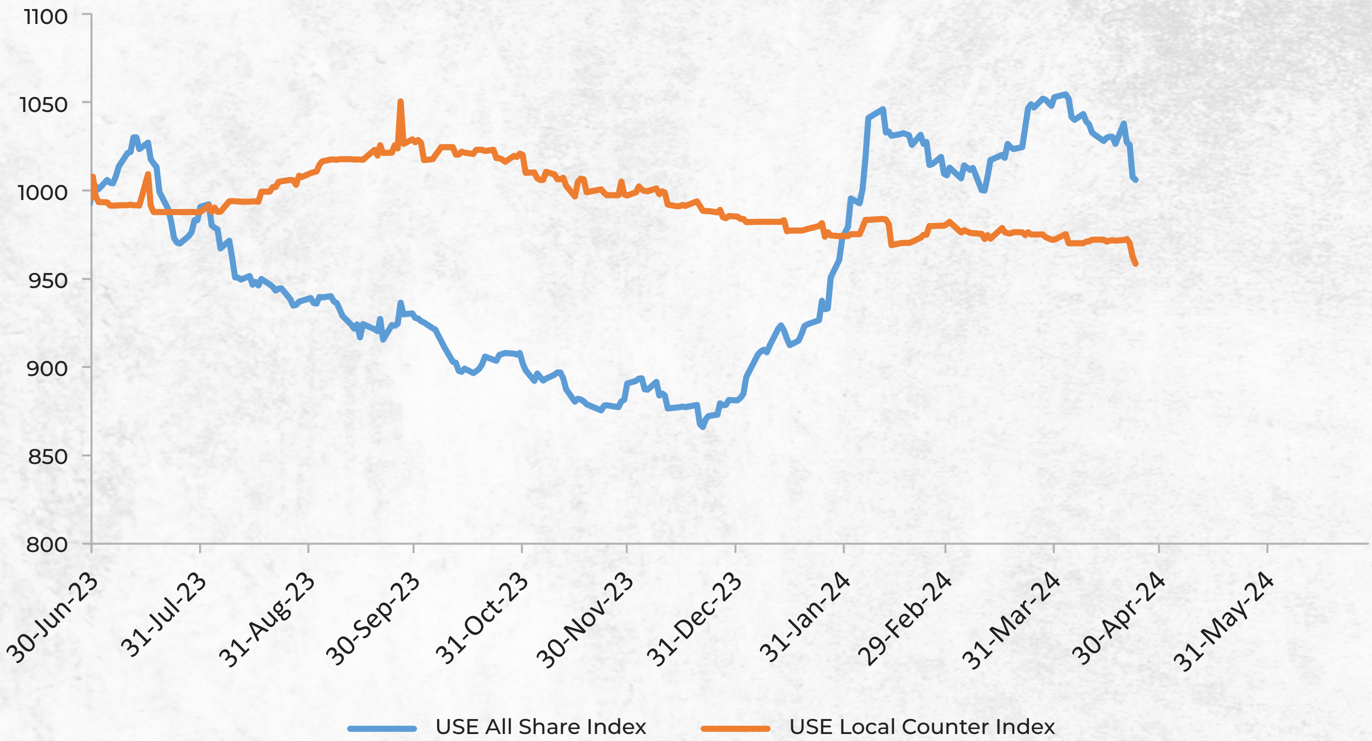
Source: USE

2.1.4.3 Index Levels

The USE All Share Index (ALSI) grew by 1.1% to close the financial year 2023/24 at 1,011.1 points from 1,000 points recorded at the end of the previous financial year. The ALSI increase was due to higher share prices on six cross-listed stocks (Centum Investment, East African Breweries Limited, Equity Bank Limited, Jubilee Holdings Limited, Kenya Airways, and Kenya Commercial Bank Limited) and three locally listed stocks (Bank of Baroda, Stanbic Holdings Limited, and UMEME).

The USE Local Counter Index (LCI) fell by 4.6% closing the financial year 2023/24 at 953.9 points from 1,000 points at the end of the FY 2022/23. The LCI decline was influenced by share price drops registered on four locally listed stocks (Quality Chemical Industries Limited, DFCU Group, Vision Group, and Uganda Clays Limited).

Figure V: USE All Share and USE Local Counter Index Levels (2023/24)



Source: USE market reports

2.1.4.4 Share Price Performance of Locally Listed Companies

Three locally listed companies, Stanbic Holdings Limited, Bank of Baroda, and Umeme, posted share price gains of 42.3%, 25.9%, and 4.5% respectively, closing the review period at Ugx 37, Ugx 20, and Ugx 460. Table X presents trends in prices and key driver key drivers of prices on the locally listed counters.

Table X: Development of End-of-Period Share Prices on the USE (2019/20– 2023/24)

Counter	2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023/ 24	YoY (%)	Comments on Key Price
AIRTEL					70		
BATU	30,000	30,000	15,000	15,000	15,000	0	Liquidity remains low on this counter due to limited float.
BOBU	110	120	80	15.89	20	25.9	The high demand for this counter due to its dividend payout has led to the price rally.
CQCIL	100	100	69	70	55.5	-20.7	Investor demand for the stock remains low with an excess supply of stock.
DFCU	645	590	550	264	225	-14.8	The share price has mainly been affected by low investor appetite with supply outstriping demand for the counter.
MTNU			178.09	170	170	0	Despite improved performance and dividend payout, the stock's share price remained unchanged during the review period.
NIC	9	6	6.2	5.5	5.5	0	Investors' wait-and-see attitude toward the company's recovery and expansion plan was the primary reason why the share price of the stock stayed unchanged.
NVL	315	310	160	155	153	-1.3	The New Vision share price was partly affected by low investor demand for the stock owing to its poor full-year results for the period ended June 2024.
SBU	24	26.5	22	26	37	42.3	The high demand for this counter resulted from its stellar performance in 2023 and its dividend payout.
UCL	9	8.2	19	15	12	-20	The primary factor influencing UCL's share price was the lack of investor interest in the company, which can be partly attributed to the 2023 net loss and the absence of a dividend payment.
UMEME	245	219	239.01	440	460	4.5	UMEME's rising share price reflected the growing investor interest in anticipation of the government payout at the end of the concession period.

Source: USE market reports

2.2 Performance of Locally Listed Companies

Overall, the profitability of locally listed companies on the USE reported for the full year 2023 grew by 24.7% to Ugx 1,371.4 billion compared to Ugx 1,099.7 billion for the full year 2022. Notably, eight locally listed companies registered a profit in 2023 while in 2022 all listed companies registered a profit. MTNU contributed Ugx 493.1 Billion, representing about 35.9% of the total earnings of listed companies.

Table XI: Summary of Full Year 2023 performance for Locally Listed Companies (Ugx Billion)

	2023				2022			
Counter	Total Assets	Total Equity	Revenue	Net Profit	Total Assets	Total Equity	Revenue	Net Profit
AIRTEL	2,200.6	126.7	1,783.9	296.9	1,970.4	123.9	1,599.9	325.8
BATU	58.1	38.9	85.9	8.9	56.4	38.2	99.5	9.9
BOBU	2,804.8	708.9	295	115.9	2,435.8	610.3	261.7	122.2
CQCIL	213.5	171.4	221.5	18.9	246.7	159.7	267.4	24.1
DFCU	3,158.1	644	449.2	17.6	3,243.1	632.5	431.5	38.5
MTNU	4,682.5	1,014.2	2,669.1	493.1	3,969.8	903.9	2,286.3	406.1
NIC	96.6	40.9	29.9	-2	106.4	44.2	29.3	4.7
NVL	115.9	59.8	87.6	-5.5	102.1	65.7	111.4	0.9
SBU	9,303.4	1,881.4	1,284.3	408.6	9,058.9	1,782.8	1,097.6	349.5
UCL	76.8	43.2	30.4	-2.9	76.9	41.8	36.6	2.4
UMEME	2,347.2	937.4	2,196.4	11.5	2,571.1	1,010	1,887.3	148.2

Source: Company Fillings, CMA Database

Airtel Uganda recorded the highest Return on Equity (ROE) of 234.3% in 2023 implying that the company's management is effectively using the company's equity to create value for shareholders. On the other hand, NVL had the lowest Return on Equity of -9.2%.

Three financial metrics drive ROE: operating efficiency, asset use efficiency, and financial leverage. A sustainable and increasing ROE over time can mean that a company is good at generating shareholder value because it knows how to allocate capital wisely, so as to increase productivity and profits. In contrast, a declining ROE can mean that management is making poor decisions in capital allocation.

Table XII: ROE for Locally Listed Companies (2019 - 2023)

Counter	2019	2020	2021	2022	2023
AIRTEL				262.9	234.3
BATU	35.7	41.3	26.8	25.9	22.9
BOBU	11.5	18.4	16.3	20	16.3
CQCIL	4	-15.9	15.1	11	11
DFCU	12.9	4.1	1.6	4.7	2.7
MTNU			40.7	44.9	48.6
NIC	-8.3	5.4	8.3	9.3	-4.9
NVL	2.9	3.7	0.6	1.4	-9.2
SBU	23.2	19.4	17.6	20	21.7
UCL	-0.3	13.6	14.5	5.7	-6.7
UMEME	16.7	5.4	15.6	14.7	1.2

Source: Company Fillings, CMA Database

BATU posted the highest Dividend per Share (DPS) of Ugx 181 in 2023. The dividend per share allows an investor to determine how much income from the company they will receive on a per-share basis. It is important to highlight that eight listed companies declared a dividend in 2023 compared to last year when all of the 10 listed companies declared a dividend.
The table below shows the DPS of locally listed companies over the last five years.

Table XIII: DPS for Locally Listed Companies (Ugx, 2019 - 2023)

Counter	2019	2020	2021	2022	2023
AIRTEL					7.35
BATU	320	406	209.58	209	181
BOBU	10	0	20	10	2
CQCIL	0	0	2	2.5	2.5
DFCU	0	17.38	0	8.19	9.1
MTNU			14.99	15.9	18
NIC	0	0	0	1	
NVL	25	18	0	6.46	
SBU	2.15	0	1.96	3.61	5.47
UCL	0	1.35	1.5	0.5	
UMEME	41.34	12.2	54.1	63.9	78.2

Source: Company Fillings, CMA Database

UMEME posted the highest dividend yield of 17% in 2023. The dividend yield is used to determine the cash flows attributed to an investor from owning stocks or shares in a company. The ratio shows the dividends earned as a percentage of the share price. The table below shows the dividend yield (in %) of locally listed companies over the last five years.

Table XIV: Dividend Yield for Locally Listed Companies (Percentage, 2019 - 2023)

Counter	2019	2020	2021	2022	2023
AIRTEL					10.5
BATU	0.93	1.07	1.39	1.4	1.2
BOBU	8	8.33	25	11.8	10
CQCIL	0	0	2.89	4.2	4.5
DFCU	0	2.78	0	1.5	4
MTNU			8.42	8.8	10.6
NIC	0	0	0	20	
NVL	7.58	5.71	0	4.2	
SBU	8.24	8.09	8.86	17.2	14.8
UCL	0	16.88	7.89	2.9	
UMEME	17.74	5.57	22.64	23.2	17

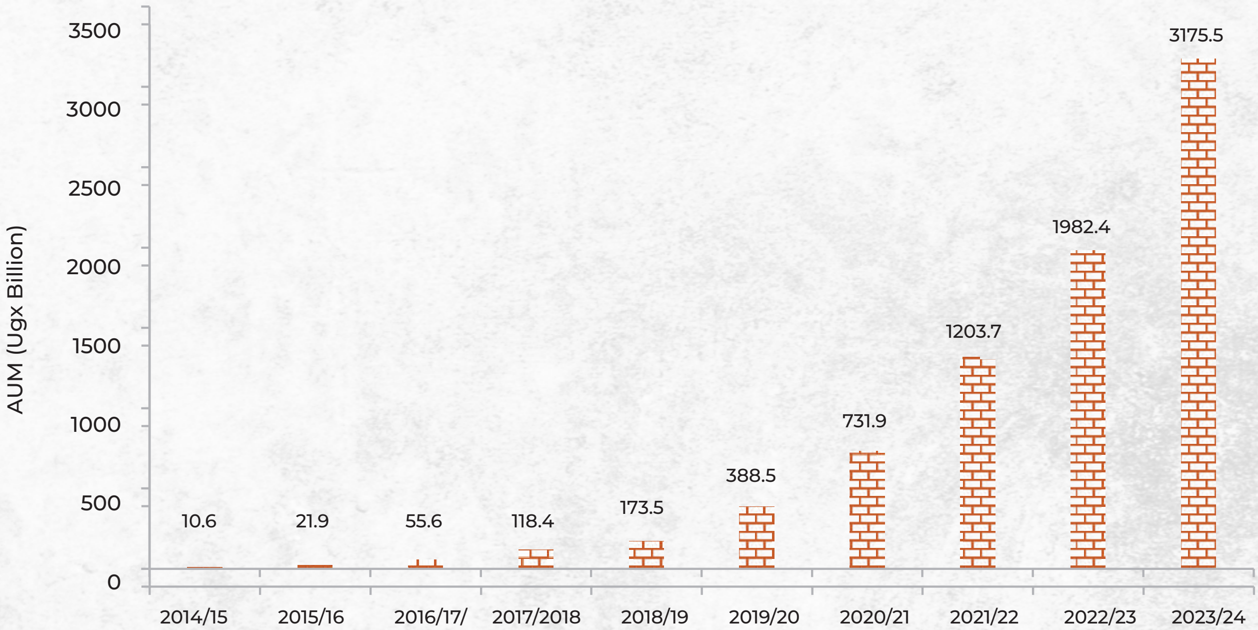
Source: Company Fillings, CMA Database

2.3 Performance of Collective Investment Schemes

At the end of the 2023/24 financial year, CIS Managers were holding Assets Under Management (AUM) totaling Ugx 3,175.5 billion, reflecting a growth of 60.2% from Ugx 1,982.4 billion at the close of the previous financial year. Additionally, the number of funded investor accounts held by CIS managers reached 92,165, representing a 61.8% increase from the 56,955 accounts recorded at the end of 2022/23. On average, each CIS investor account held approximately Ugx 34.5 million during the 2023/24 financial year, down from Ugx 34.8 million in the prior financial year. This increase in AUM and clients can be ascribed to local investors becoming more aware of CIS. This enhanced awareness can be attributed to the CMA and CIS managers' effective public education campaigns. Furthermore, the professional fund management, the tax exemption for distributions made to unit holders, and the numerous benefits of diversification have sparked interest in CIS among the investing public.

Over the past decade, total AUM has grown at an annualized rate of 88.4%, rising from Ugx 10.6 billion at the end of the 2014/15 financial year to Ugx 3,175.5 billion at the close of 2023/24.

Figure VI: Trends in CIS Assets under Management (2014/15 - 2023/24)



Source: CMA Market Supervision Department

Table XV shows the breakdown of CIS AUM per CIS manager. The top two CIS managers controlled 82.8% of the total AUM at the end of FY 2023/24.

Table XV: CIS AUM per CIS Manager

CIS Manager	AUM (Ugx Billion)		Change (%)
	2022/23	2023/24	
Old Mutual Investment Group Limited	1,365.1	2,222.2	62.8
ICEA Lion Asset Management Limited	258.6	408.6	58
Sanlam Investments East Africa Limited	83.3	244.9	193.9
Britam Asset Managers Uganda Limited	190.3	200.4	5.4
XENO Investment Management Limited	50.5	60.7	20.3
SBG Securities Limited	34.6	38.6	11.6
Total	**1,982.4**	**3,175.5**	**60.2**

Source: CMA Market Supervision Department

A breakdown of the CIS assets by fund type at the end of the financial year 2023/24 showed that Umbrella Funds held a significant portion of the assets at 76.6%, followed by 15.2% in money market funds and 4.8% in fixed income funds. The umbrella funds' dominance is partly due to their ability to generate higher returns compared to other fund types. These funds primarily invest in interest-bearing securities, including treasury bills, treasury bonds, corporate bonds, and fixed deposits with approved financial institutions. Their returns are further boosted by the inclusion of carefully selected, highly rated corporate and government debt instruments from the region and offshore markets.

Table XVI: AUM by Fund Type (2023/24)

Unit Trust Fund	AUM (Ugx Billion)	Percentage (%)
Umbrella Funds	2.432.9	76.6
Money Market Funds	481.2	15.2
Fixed Income Funds	153.9	4.8
Dollar Funds	97.7	3.1
Balanced Funds	7.2	0.2
Equity Funds	2.6	0.1
Total	**3,175.5**	**100**

Source: CMA Market Supervision Department

At the close of the 2023/24 financial year, a breakdown of AUM by asset class showed that 64.9% was invested in Government of Uganda (GOU) bonds, 18.9% in fixed Deposits, and 5.1% in GOU Treasury Bills. A significant share of the assets in CIS Umbrella Funds are allocated to fixed-income securities, with treasury bonds being the primary investment. CIS investments in GOU bonds trended downwards year-on-year as BOU tightened monetary policy, leading to a fall in the price of bonds.

A five-year analysis of CIS asset allocation reveals that investments in corporate bonds as a percentage of total AUM have increased from 1.2% in 2019/20 to 4.5% in 2023/24. Conversely, the allocation to listed equities in Uganda declined from 0.3% to 0.02% over the same period. The growth in corporate bond investments is largely attributable to diversification efforts in fixed income securities by CIS managers, to minimize the investment risk that comes with huge exposure to GOU bonds.

Notably, corporate bonds are key to Uganda's economy as they provide a vital channel of long-term financing, particularly for small and medium enterprises (SMEs). By offering an alternative to traditional bank loans, these bonds help businesses secure the necessary capital for expansion, innovation, and job creation. This not only supports sustainable economic growth but also contributes to a more resilient and diversified financial system in Uganda.

Table XVII: CIS Industry Asset allocation (Percentage) at year-end

Asset	2019/20	2020/21	2021/22	2022/23	2023/24
Government of Uganda Bonds	59.7	67.4	76.5	71.7	64.9
Fixed Deposits	19.1	13.7	13.3	15.3	18.9
Call Deposits	9.7	5.3	3.2	4.6	4.5
Government of Uganda Treasury Bills	7.2	8.9	3.3	6.1	5.1
Cash	2.7	1	1.6	0.3	0.3
Commercial Paper		1.6	0.8	0.2	1.3
Corporate Bonds	1.2	1.4	0.8	1.6	4.5
Euro Bond					0.4
Listed Equities in Uganda	0.3	0.2	0.05	0.04	0.02
Listed Equities in Rest of East Africa	0.1	0.1	0.07	0.05	0.03
Other Investments (Off-shore and foreign exchange)		0.4	0.4	0.2	
Total	**100**	**100**	**100**	**100**	**100**

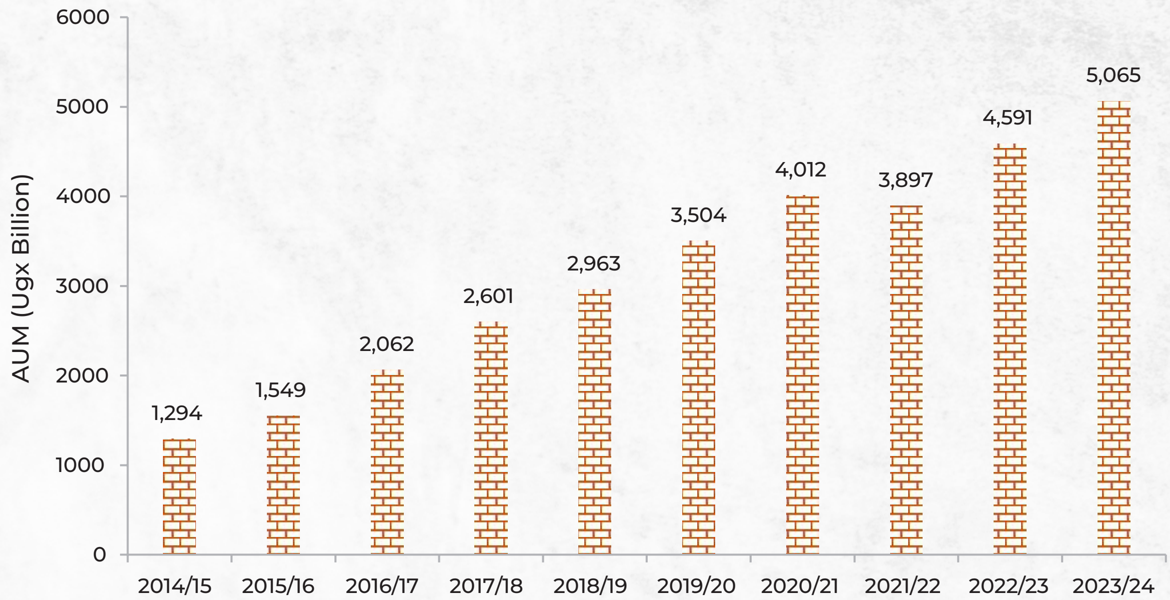
Source: CMA Market Supervision Department

2.4 Fund Management Performance

At the end of the 2023/24 financial year, the total AUM managed by CMA licensed fund managers reached Ugx 5.1 trillion, reflecting a 10.3% increase from Ugx 4.6 trillion at the close of 2022/23. This growth was driven by both the appreciation in value of the assets held and the enrollment of new members into the schemes under management.

Over the past decade, AUM has grown at an annualized rate of 16.3%, rising from Ugx 1.3 trillion in 2014/15 to Ugx 5.1 trillion in 2023/24. This increase can largely be attributed to the growth in the number of retirement benefit schemes and the recruitment of new members by these schemes.

Figure VII: Trends in Assets under Management for Fund Managers (2014/15 - 2023/24)



At the end of the financial year 2023/24, Uganda's fund managers' AUM to GDP ratio was 3.3%. In contrast, Kenya's ratio was significantly higher at 19%, highlighting Kenya's greater success in mobilizing savings through pension reforms. Uganda's low AUM to GDP ratio is partly due to the slow pace of pension reform implementation. Advancing these reforms could significantly expand pension coverage and enhance the mobilization of local savings, providing a valuable resource for investment in capital markets. Notably, pension savings can be a source of long term capital.

Table XVIII below shows a breakdown of AUM per fund manager. The top three fund managers in the FY 2023/24 controlled 82.4% of the total AUM during the period.

Table XVIII: AUM per Fund Manager

Fund Manager	AUM (Ugx Billion)		Change (%)
	2022/23	2023/24	
Sanlam Investments East Africa Limited	1,947.6	2,171.3	11.5
GenAfrica Asset Managers Uganda Limited	988.1	1,175.6	19
UAP-Old Mutual Financial Services Limited	711	794.4	11.7
Britam Asset Managers Uganda Limited	633.9	687.6	8.5
ICEA Lion Asset Management Limited	310.9	236.7	-23.9
Total	4,591.5	5,065.6	10.3
Total	**1,982.4**	**3,175.5**	**60.2**

Source: CMA Market Supervision Department

The majority of investments (78.9%) at the end of FY 2023/2024, were in Government of Uganda bonds, according to a breakdown of AUM by asset allocation. There is a preference for fixed-income instruments since retirement benefits make up the majority of the asset composition. This strategy, called the Liability Relative Approach to asset allocation, guarantees that funds will be available when needed and permits hedging against pension liabilities.

Over the past five years, an analysis of annual asset allocation trends has revealed the increasing significance of CIS investments. These investments have grown from comprising 1% of assets at the end of the 2019/20 financial year to now accounting for 6.4% at the close of the financial year 2023/24. This expansion is ascribed to the liquidity advantage CIS have over alternatives such as fixed deposits.

Table XIX: Fund Managers' Asset Allocation (Percentage) at year-end

Asset	2019/20	2020/21	2021/22	2022/23	2023/24
Government of Uganda Bonds	65	71.9	75.2	76.5	78.9
Government of Uganda Treasury Bills	14.6	8.8	4.1	5.1	4
Government Bonds in Rest of East Africa	0.1	0.1	0.02	0.01	0.01
Listed Equities in Uganda	2.6	2.2	3.3	2.7	2.4
Listed Equities in Rest of East Africa	8	8.5	5.7	3	1.4
Fixed Deposits	6.6	5.7	6.3	6.7	6
Real Estate	0.7	0.6	0.5	0.4	0.3
Cash	0.5	0.5	0.6	0.5	0.4
Collective Investment Schemes	1	1.4	3.4	4.9	6.4
Other (Dividend Income Receivable and Wealth management)	0.5	0.03	0.7	0.04	0.01
Corporate Bonds	0.4	0.1	0.1	0.1	0.1
Unlisted Equities in Uganda	0.01	0.01	0.01	0.01	0.01
Unlisted Equities in the Rest of East Africa	0.04	0.03	0.03	0.02	0.02
Off-shore Investments (Equities)	0.01	0.003			
Total	**100**	**100**	**100**	**100**	**100**

Source: CMA Market Supervision Department

2.5 Private Capital

According to statistics from I&M Burbidge Capital and the East Africa Private Equity and Venture Capital Association, Uganda's private capital activity declined in FY 2023/24. The low number of deals in Uganda led to a 6.7% decrease in the deal value, which fell from US$ 221.9 million in FY 2022/23 to US$ 207.1 million in the review period. In FY 2023/24, there were 16 private capital deals, compared to 26 in the prior year. These transactions primarily benefited the financial and agricultural sectors.

Agriculture remains a cornerstone of Uganda's economy. Not only does it provide livelihoods for a significant portion of the population and ensure food security, but also drives export revenues and rural development. Simultaneously, the financial services sector plays a crucial role in boosting economic growth by enhancing financial inclusion. By broadening access to credit, encouraging savings, and supporting businesses, financial services help to stimulate innovation and investment, which further reinforces Uganda's economic resilience.

Table XX: Selected Private Equity/Debt Deals in Uganda by Sector in the FY 2023/24

Month/Year	Target Company	Target Sector	Acquirer Name	Deal Value (US$)
Jul-23	Guardian Health Limited	HealthCare	MyDawa	Undisclosed
Jul-23	Patasente Uganda	Financial Services	Verdant capital	Undisclosed
Aug-23	Mahathi			
Infra Uganda Limited	Energy	Africa Finance Corporation	95,250,000	
Oct-23	JKCC General Supplies	Agriculture	Bamboo Capital	
Partners	850,000			
Oct-23	Bamboo Capital			
Partners	ICT	Roha Group Inc		
And Meridiam	46,000,000			
Oct-23	Amos Dairies	Agriculture	EXEO Capital	10,000,000
Nov-23	Cipla Quality Chemical Industries			
Limited	HealthCare	Africa Capitalworks	Undisclosed	
Dec-23	Kazi Food Logistics	Logistics	ARCH Cold	
Chain Solution				
East Africa Fund	Undisclosed			
Jan-24	Opareta	Fintech	Renew Capital	Undisclosed
Jan-24	Watu Credit	Asset Finance	Gateway Partners	15,000,000
Feb-24	Level Africa	Financial services	Renew Capital	Undisclosed
Mar-24	TowerCo of Africa Uganda	Telecommunications	European Investment Bank, the Development Bank of Austria and Belgian Investment Company for Developing countries	40,000,000
May-24	Forna Health Foods	Food	Inua Capital	Undisclosed
Jun-24	Equator chocolate	Agro-processing	Inua Capital	Undisclosed
Jun-24	Enimiro Products Uganda Limted	Agriculture	Pearl Capital Partners	Undisclosed

Source: East Africa Private Equity and Venture Capital Association, I&M Burbidge Capital

2.6 Government Bonds Performance

2.6.1 Primary Market Activity

In the 2023/24 financial year, the Bank of Uganda issued Ugx 7.8 trillion worth of treasury bonds, reflecting a 34.3% increase from the previous year's issuance of Ugx 5.8 trillion. This rise in debt issuances can be attributed to the additional domestic borrowing approved by the parliament of Uganda. Furthermore, the bond switch auction conducted in August 2023 also contributed to this increase. Among these bonds, the 20-year bond raised the most funds, accounting for 28.7% of the total Treasury bond issuances during the period under review.

Table XXI: Issuance by Security at Cost (Ugx, Billion)

Maturity	2022/23	2023/24	Change (%)
2-Year	649.3	816.5	25.8
3-Year	1,185.4	1,111.5	-6.2
5-Year	621.9	769	23.7
10-Year	703.3	1,156.3	64.4
15-Year	1,298.2	1,717.9	32.3
20-Year	1,360.7	2,242.2	64.8
Total Bonds Issuance	**5,818.7**	**7,813.3**	**34.3**

Source: BOU, Ministry of Finance Planning and Economic Development

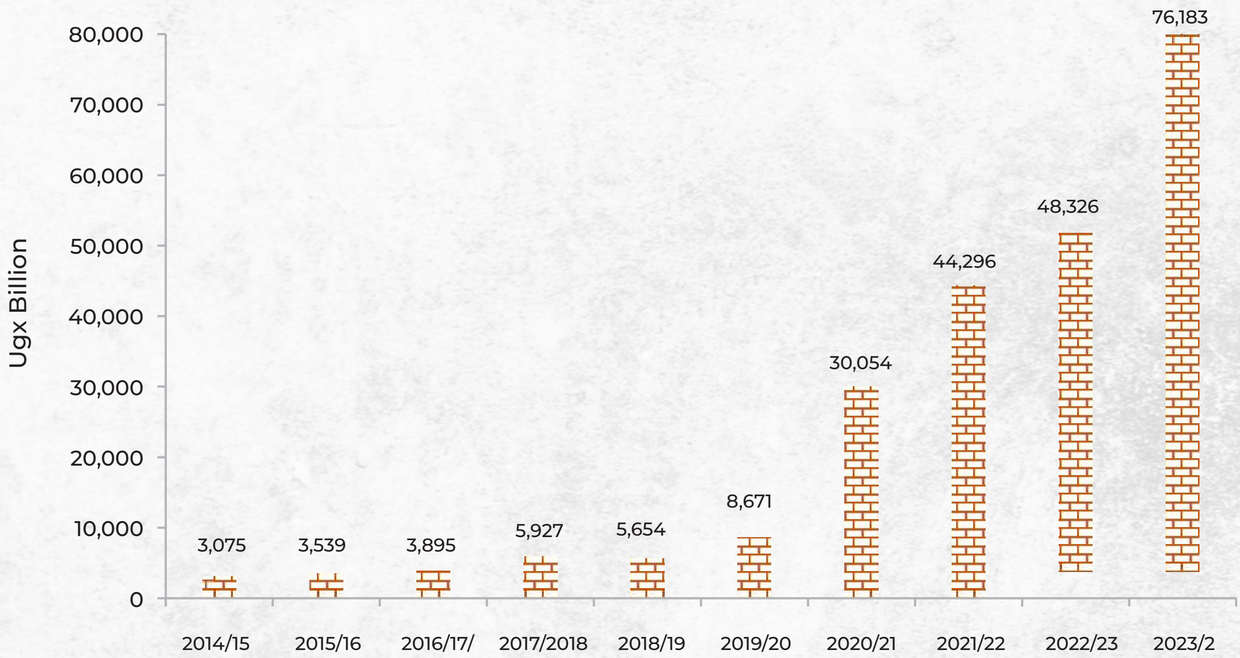
It is anticipated that the Ugandan government will give priority to issuing treasury bonds rather than treasury bills in the longer term as the amount of domestic debt rises in order to extend the maturity profile. The goal of this calculated action is to lessen the risk associated with refinancing the domestic debt portfolio.

2.6.2 Secondary Market Activity

The value of government bonds traded in the secondary market, rose by 57.6% to Ugx 76.2 trillion in FY 2023/24 from Ugx 48.3 trillion in FY 2022/23. Average monthly turnover also grew by 57.5% to Ugx 6.3 trillion in the financial year 2023/24 from Ugx 4 trillion previously. The reforms in the primary dealership system have contributed to increased turnover, bolstered by growing investor interest in Ugandan government securities.

Over the last ten years, the government bond turnover on the secondary market has increased by 42.9% on an annualized basis, from Ugx 3.1 trillion in FY 2014/15 to Ugx 76.2 trillion in FY 2023/24.

Figure VIII: Secondary Market Trading for Government Bonds (2013/14 - 2022/23)



Source: BOU Money Market Reports

At the close of the financial year 2023/24, Uganda's government bond turnover ratio was recorded at 229.1%. In contrast, Kenya's bond market turnover ratio stood at 20.6% during the same timeframe, underscoring the far greater liquidity of Uganda's government bond market relative to Kenya's during the period examined.

2.6.3 Treasury Bonds Yields

In the primary market, yields on treasury bonds edged upward across all maturities. This increase in yields can be partly attributed to the tight monetary policy stance of the Bank of Uganda and the increase in demand for funding by the government.

Table XXII: Quarterly Evolution of Yields on Treasury bonds (FY 2023/24)

Maturity	Jul – Sept	Oct – Dec	Jan – Mar	Apr – Jun
2-Year	13.5	13	13.2	13.8
3-Year	13.6	13.8	14.9	15.5
5-Year	15.2	14.5	14.6	15.5
10-Year	15.2	15	15.5	16
15-Year	16.1	16	16.3	16.5
20-Year	16	15.8	16.8	17

Source: BOU

A high-interest-rate environment for treasury securities can attract more investors to government debt, providing a stable and predictable investment option. This environment encourages businesses to prioritize efficiency and high-return projects, promoting better resource allocation. However, high yields also indicate higher borrowing costs for the government as investors demand greater compensation for the risks of holding long-term fixed-income securities. Ongoing initiatives, such as the establishment of the Uganda Fixed Income Market Company (UFIM), aim to spur secondary market activity and facilitate appropriate pricing of risk in the fixed-income securities market. A fully operational UFIM would increase liquidity in the debt capital markets, contribute to reducing borrowing costs for the government and private sector, and enhance market transparency.

2.7 Corporate Bond Performance

2.7.1 Corporate bond trading statistics

There was a noticeable lack of activity in both the primary and secondary markets for corporate bonds listed on the USE during the FY 2023/24. When government securities provide high returns, corporate bonds become less attractive to both issuers and investors due to increased competition. Corporations face higher borrowing costs, as they must offer higher yields to persuade investors to choose their offerings over the safer, high-yielding government securities. To stimulate activity in the primary market for corporate bonds, the CMA will continue to raise awareness among business owners and founders about the benefits of using corporate bonds as an alternative form of market-based financing. Additionally, the CMA will emphasize the use of tools such as guarantees, sinking funds, and credit ratings to boost investor confidence. The level of activity in the secondary market will depend on efforts to enhance trading activities, including the establishment of the Uganda Fixed Income Market Company, which is expected to catalyze secondary market activity for both government and corporate bonds.

Table XXIII: Corporate Bonds Listed at the USE since Inception

Issuer	Amount Raised (Ugx Billion)	Tenor (Years)	Rate	Listing Date
Matured/Redeemed Bonds				
East African Development Bank	10	4	182D Tbill+2%	Jan-98
Eastern & Southern Africa Trade & Development Bank	10.36	5	182D Tbill+1.75%	Mar-99
MTN (Tranche 1)	5	4	182D Tbill+1.75%	AUgx-01
MTN (Tranche 2)	2.5	4	182D Tbill+1.75%	Nov-01
MTN (Tranche 3)	2	4	182D Tbill+1.75%	Dec-01
Uganda Telecom Limited	24	5	182D Tbill+1.65%	Sep-03
East African Development Bank	20	7	182D Tbill+0.75%	Dec-05
Standard Chartered Bank	6.4	10	182D Tbill+1.25%	Dec-06
Housing Finance Bank Limited	30	10	182D Tbill+2%	Jan-08
Stanbic Bank Uganda Limited	30	7	182D Tbill+1.5%	Dec-09
Eastern & Southern Africa Trade & Development Bank	8.5	7	182D Tbill+1.25%	Sep-09
Standard Chartered Bank	40	10	182D Tbill+1.25%	Dec-10
African Development Bank (Tranche 1)	12.5	10	12.61%	AUgx-12
African Development Bank (Tranche 2)	12.5	10	12.61%	Jun-13
Kakira Sugar Limited	75.4	10	14.70%	Dec-13

Source: USE, CMA Database

2.8 Competitiveness and Inclusiveness

2.8.1 Domestic Market Capitalization as a Percentage of GDP

In comparison with other jurisdictions across the region, Uganda's domestic market capitalization to GDP ratio is still low. In the FY 2023/24, Kenya recorded the highest domestic market capitalization to GDP ratio at 12.6%.

In order to support their growth, the Authority keeps educating entrepreneurs and business owners about market-based financing as an alternative source of funding. Drawing on successful case studies from other jurisdictions, the Authority continues to engage with key persons of companies in the financial services and telecommunications sector, as well as previous state-owned businesses that were privatized.

Table XXIV: Domestic Market Capitalization and GDP Statistics (US $ billion)

Country	Indicator	2022/23	2023/24
Uganda	Domestic market capitalization	1.9	2.8
	GDP at Constant Prices	38.4	40.5
	Domestic market capitalization to GDP (%)	5	7
Kenya	Domestic market capitalization	12.2	12.6
	GDP at Constant Prices	94.8	99.9
	Domestic market capitalization to GDP (%)	12.9	12.6
Tanzania	Domestic market capitalization	4.4	4.7
	GDP at Constant Prices	67.2	70.6
	Domestic market capitalization to GDP (%)	6.5	6.7
Rwanda	Domestic market capitalization	0.58	0.61
	GDP at Constant Prices	12.9	14
	Domestic market capitalization to GDP (%)	4.5	4.4

Source: World Bank, DSE market reports, RSE market reports, USE market reports and NSE market reports

2.8.2 CIS AUM as a Percentage of GDP

Uganda's CIS AUM as a proportion of GDP increased to 1.9% at the end of the financial year 2023/24, up from 1.4% the previous year. In comparison, Morocco had a CIS AUM to GDP ratio of 46.6%, indicating success in mobilizing savings through CIS. Notably, pension funds and institutional investors participate heavily in Moroccan CIS funds, accounting for more than 90% of total assets under management. To further encourage growth in the CIS sector, the CMA intends to increase public knowledge of CIS products and work with the market intermediaries to improve distribution.

An increase in GDP per capita significantly boosts savings rates in CIS through multiple channels. As average incomes rise, individuals have more disposable income to save and invest. Economic growth associated with higher GDP per capita often enhances financial literacy, enabling people to understand and capitalize on investment opportunities in CIS. A strong economy also fosters investor confidence, encouraging individuals to prioritize their long-term financial goals.

Furthermore, economic growth typically leads to improved financial infrastructure, proactive government initiatives, and a cultural shift toward investment. Together, these factors create an environment conducive to saving, improving the overall savings rates.

Table XXV: CIS AUM as a Percentage of GDP (US $ billion)

Country	Indicator	2022/23	2023/24
Uganda	CIS Assets under Management	0.5	0.8
	GDP at Constant Prices	38.5	40.5
	CIS Assets under Management to GDP (%)	1.4	1.9
Kenya	CIS Assets under Management	1.2	1.9
	GDP at Constant Prices	94.8	99.9
	CIS Assets under Management to GDP (%)	1.3	1.9
Tanzania	CIS Assets under Management	0.6	0.9
	GDP at Constant Prices	67.1	70.6
	CIS Assets under Management to GDP (%)	1	1.3
Morocco	CIS Assets under Management	49.9	60.3
	GDP at Constant Prices	125.5	129.5
	CIS Assets under Management to GDP (%)	39.9	46.6

Source: World Bank, CMA Uganda Market Supervision Department, CMA Kenya and Moroccan Capital Market Authority

2.8.3 ROE for Selected Listed Companies Across the Region

Across the region, Airtel Uganda recorded the highest ROE of 234.3% in 2023, indicating that the company's management is effectively utilizing the company's equity to generate value for shareholders. MTN Uganda followed with ROE of 48.6%.

Table XXVI: Return on Equity for Selected Listed Companies Across the Region

Uganda											
Counter	AIRTEL	BATU	BOBU	CQCIL	DFCU	MTNU	NIC	NVL	SBU	UCL	UMEME
ROE (%)	234.3	22.9	16.3	11	2.7	48.6	-4.9	-9.2	21.7	-6.7	1.2
Kenya											
Counter	BAT	ABSA	Co-op	Equity	KCB	I&M	NCBA	Stanbic	Stan Chart	Safari Com	EABL
ROE (%)	34.3	24.6	21	21.8	17.5	15.3	24	19.2	23.5	27.8	29.6
Tanzania											
Counter	NICOL	CRDB	NMB	TPCC	DSE	VOD	TCPLC	Swissport	TCC	TBL	TOL
ROE (%)	4.4	26.6	29	30.2	19	5.4	-115	11.1	42.7	16.3	10.7

Source: Company Fillings, CMA Database

3.0 PERFORMANCE OF REGIONAL CAPITAL MARKETS

3.0 PERFORMANCE OF REGIONAL CAPITAL MARKETS

This section covers the performance of regional equity markets. It provides insights into the equities turnover, market capitalization and index levels on the Nairobi Securities Exchange, Rwanda Stock Exchange and the Dar es Salaam Stock Exchange.

3.1 Equity Market Activity

3.1.1 Equity Turnover

The Nairobi Stock Exchange (NSE) experienced a 30.8% drop in equity turnover during the 2022/23 financial year, with trading value declining from US$ 802.6 million in the previous year to US$ 555.1 million. This reduction in market activity was partly driven by investor concerns about the impact of anti-government protests on the Kenyan economy. Additionally, the subdued trading can be attributed to foreign investors liquidating their holdings, driven by a disparity in investment returns. Specifically, investments in developed markets have generated higher gains compared to those in emerging and frontier economies, particularly following interest rate increases by their central banks.

Table XXVII: Market Turnover (in US$ million) for Regional Markets

Securities Exchange	2019/20	2020/21	2021/22	2022/23	2023/24
USE	31.2	4.7	12.3	15.8	15.6
NSE	1,485	1,242.8	1,083.9	802.6	555.1
DSE	293.4	232.2	55.1	46.5	110.3
RSE	2.9	43.4	19.1	12.4	8.6

Source: DSE market reports, RSE market reports, USE market reports and NSE market reports

3.1.2 Market Capitalization

Domestic market capitalization at the NSE grew by 2.7% to US$ 12.6 billion at the end of the review period, from US$ 12.2 billion at the end of FY 2022/23. The increase in market capitalization was driven by the strengthening Kenyan shilling, supported by successful euro-bond issue and debt buyback initiatives as well as a $684.7 million injection from the International Monetary Fund in January 2024, which have bolstered the nation's foreign reserves. It is important to note that dollar supply issues in 2023 had discouraged foreign investors from entering the market due to challenges in repatriating capital gains and dividends.

Table XXVIII: Domestic Market Capitalization for Regional Markets (US $ billion)

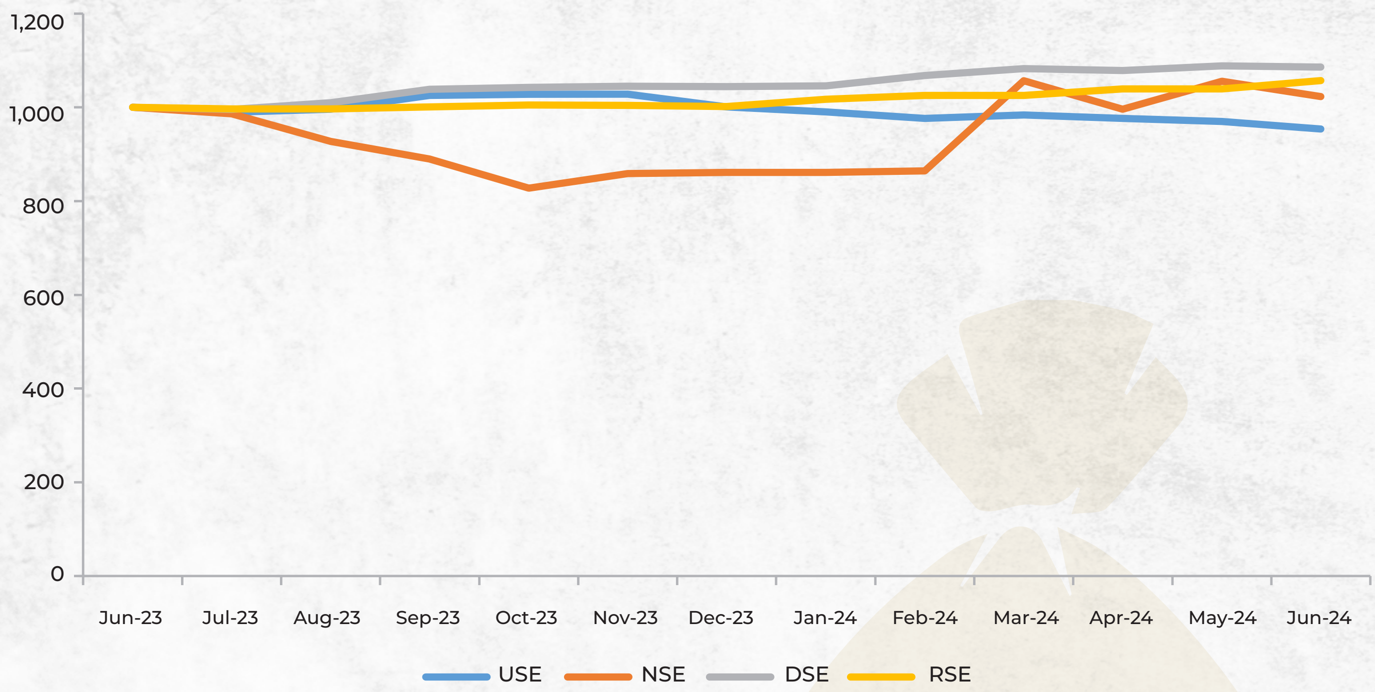
Securities Exchange	2019/20	2020/21	2021/22	2022/23	2023/24
USE	31.2	4.7	12.3	15.8	15.6
NSE	1,485	1,242.8	1,083.9	802.6	555.1
DSE	293.4	232.2	55.1	46.5	110.3
RSE	2.9	43.4	19.1	12.4	8.6

Source: DSE market reports, RSE market reports, USE market reports and NSE market reports

3.1.3 Index Levels

Regionally, the NSE All-Share Index gained 2.3%, closing the financial year 2023/24 at 1,023 points from 1000 points at the end of the financial year 2022/23. The changes in index level are reflective of the changes in domestic market capitalization, driven by similar factors.

Figure IX: Trends in the USE All-share, RSE All-share, DSE All-share and NSE All-share Indices (June 2023 – June 2024)[11]



Source: USE, RSE, DSE and NSE market reports

4.0 OUTLOOK

4.0 OUTLOOK

4.1 Economic Outlook

The International Monetary Fund states that Sub-Saharan Africa's economic growth is projected to remain subdued, with a modest pickup to 4.2% expected in 2025. The report notes that countries in the region are still grappling with macroeconomic imbalances, and tight financing conditions, amid rising social pressures, leaving policymakers facing difficult choices in implementing reforms. Within this environment, policymakers face a difficult balancing act in striving for macroeconomic stability while also working to address development needs and ensure that reforms are socially and politically acceptable. Protecting the most vulnerable from the costs of adjustment and realizing reforms that create sufficient jobs will be critical to mobilize public support.

The Bank of Uganda forecasts economic growth of 6-6.5% for FY2024/25, with the potential to exceed 7% in later years. This growth will be fueled by investments in the extractive industry and government initiatives to enhance productivity. The report notes that risks to this outlook are balanced. On the downside, heightened geopolitical tensions could disrupt trade and supply chains, driving up commodity prices, particularly for oil. Adverse weather may also hinder growth. Other potential challenges include increased domestic borrowing, crowding out the private sector, weaker global growth and lower coffee prices reducing export earnings. On the upside, greater investment in the extractive industry, with anticipated oil exports in FY2025/26, could spur growth. Favourable weather leading to abundant food harvests, government interventions, an accommodative monetary policy and rising disposable incomes may also significantly boost demand.

The overarching objective of the FY 2025/26 budget strategy is to strengthen the economic growth drivers that will restore the economy to its medium-term growth path and directly contribute to expanding GDP ten-fold from the current US$ 53 billion to US$ 500 billion by 2040, and doubling it to US$100 billion by FY 2029/30. The budget strategy's theme is the full monetization of Uganda's economy through commercial agriculture, industrialization, expanded and broadened services, digital transformation, and improved market access.

The Budget Strategy for the next financial year is grounded in the principles of the tenfold growth strategy, the gains, lessons learned, and opportunities from NDPIII as well as the strategic direction of NDPIV. The overarching NDPIV strategic objectives aim to achieve industrialization for inclusive growth, employment, and wealth creation. Notably, the capital markets will play a pivotal role in the financing plan for FY 2025/2026 through: incentivizing the diversification of private capital to balance government securities against other forms of private finance, such as equities; issuing infrastructure bonds to unlock the significant financing potential; forming a conglomerate of equity companies around the mineral reserves/assets owned by the Government to attract private capital through share listings; and incentivizing and promoting corporate debt financing to alleviate the Government's debt burden generated from financing institutions like UDB, UDC, and the National Water and Sewerage Corporation through more favourable corporate bond terms. The aforementioned initiatives to finance the budget for FY 2025/2026 will require collaboration with various stakeholders to ensure full implementation.

4.2 Implications for Capital Markets

Looking ahead, the expected growth, which is being propelled by government efforts to boost productivity and investments in the extractive sector, offers a promising future for Uganda's capital markets. As economic growth picks up speed, there will probably be a greater need for capital to support infrastructure and oil industry expansion, which could lead to the introduction of new financial instruments. Investing more and having more capital to spend could boost investor confidence. However, market sentiment may be hampered by negative concerns, including geopolitical tensions and slower global growth. Increased domestic financing may also limit enterprises' access to capital, which could hinder their expansion.

APPENDIX: LIST OF LICENSED PERSONS

Appendix: List of Licensed Persons

This is a list of persons approved and licensed by the Capital Markets Authority to provide various services related to the capital markets industry in Uganda at the end of FY 2023/24.

Firm	License Held	Address	Contact Person
AB FCP I	Recognised Scheme	AllianceBernstein 2-4, Rue Eugene Ruppert L-2453, Luxembourg	Standard Chartered Bank Uganda Limited
Agola Holdings Limited	Investment Adviser	Wamala Road, Kalinabiri, Ntinda P. O. Box 24531 Kampala, Uganda Tel: 0782540805 Email: tabulino@yahoo.co.uk	Mr. Taban Charles Lino
ALTX Clearing Ltd	Securities Central Depository	Plot 1 Mackenzie Close, Kololo P. O. Box 40138 Kampala, Uganda Tel: 0790-536781/ 0312-209600 Email: info@altxafrica.com	Mr. Joseph Kitamirike
ALTX East Africa Ltd	Stock Exchange	Plot 1 Mackenzie Close, Kololo P. O. Box 40138 Kampala, Uganda Tel: 0790-536781/ 0312-209600 Email: info@altxafrica.com	Mr. Joseph Kitamirike
Asigma Capital Advisory Services Ltd	Investment Adviser	First Floor, Legacy House Plot 38B, Windsor Crescent, Kololo P. O. Box 2841 Kampala, Uganda Tel: 0392159560 E-mail: info@asigmacapital.com	Mr. David Nanambi
Blue Solitare Investments Limited	Investment Adviser	203 – Kirabo Complex Bukoto – Kisasi Road P.O Box 1534 Kampala, Uganda Tel: 0752711660 Email: jatin@blue–solitaire.com	Mr. Jatin B.K. Ghughu
Britam Asset Managers Company (Uganda) Limited	Fund Manager, Unit Trust Manager/ Collective Investment Scheme Manager	Course View Towers, 1st Floor Yusuf Lule Road P.O Box 36583 Kampala, Uganda Tel: 0417-702600/ 0312-305600 Email: info@britam.com	Mr. Ronald Kasolo
Chipper Technologies Uganda Limited	Stock Broker	2nd Floor, Room 203 SMS House, 7th Street Industrial Area P.O Box 29274 Tel: 0200-935935	Mr. Dan Tumuramye
Crested Capital	Stock Broker, Dealer, Transaction Adviser and Commodities Broker	1st Floor Impala House Plot 13/15 Kimathi Avenue P. O. Box 31736, Kampala, Uganda Tel: 0414-230900 Email: info@crestedcapital.com	Mr. Robert Baldwin
Custody and Registrars Services Uganda Limited	Authorised Registrar	4th Floor, DTB Centre P.O Box 74895, Kampala, Uganda Tel: 0757-072773	Ms. Mary Ndia

Firm	License Held	Address	Contact Person
Deloitte Uganda Limited	Authorised Registrar	3rd Floor, Rwenzori House 1 Lumumba Avenue P.O Box 10314, Kampala, Uganda Tel: 0417-701000	Norbert Kagoro
Dyer and Blair Uganda Limited	Stock Broker	Ground Floor, Rwenzori House Plot 1 Lumumba Avenue P. O. Box 36620, Kampala, Uganda Tel: 0414-233050, 0312-265469 Email:sharesuganda@dyerandblair.com	Ms. Esther Kakiiza
GenAfrica Asset Managers Uganda Ltd	Fund Manager	6th Floor, Aha Towers Plot 7, Lourdel Road, Nakasero P. O. Box 75200, Kampala Tel: 0414-252343/ 350 Fax: 0414-253344 Email: uganda@genafrica.com	Mr. George Mulindwa
Goldkach Uganda Limited	Fund Manager	Suite F3-F4, 3rd Floor Kanjokya HousePlot 90, Kanjokya Street P. O. Box 500094 Kampala, Uganda Tel: 0759-083314 Email: joluka@goldkach.com	Mr. Julius Oluka
Housing Finance Bank Uganda Limited	Custodian	Investment House Plot 4, Wampewo Avenue, Kololo P.0 Box 1539, Kampala Uganda Tel: 0417-803000 Email: info@housingfinance co.ug	Ms. Angela Ndawula
ICEA Lion Asset Management (U) Ltd	Fund Manager, Unit Trust Manager/ Collective Investment Scheme Manager	2nd Floor Rwenzori Courts P. O. Box 33953, Kampala, Uganda Tel: 0414-347535, 0414-232337 Email: icea@africaonline.co.ug	Mr. Emmanuel Mwaka
International Finance Consultants Limited	Investment Adviser	Plot 24A Hannington Road P.O. Box 70658, Kampala Tel: 039 3202692 Email: ifc@kskassociates.net	Farouk Kitumba
Inua Capital Limited	Fund Manager	2nd Floor, Studio House Bandali Rise, Bugolobi P.O Box 113135, Kampala, Uganda Email: kim@inuacapital.com	Kim Kamarebe
Inua Impact Fund Limited	Approved Venture Capital Fund	2nd Floor, Studio House Bandali Rise, Bugolobi P.O Box 113135, Kampala, Uganda Email: kim@inuacapital.com	Kim Kamarebe
Image Registrars Uganda Limited	Authorised Registrar	1st Floor, Jubilee Insurance Centre Plot 14, Parliament Avenue Tel: 0762260804	Precious Aheirwe
J. SR Consulting Limited	Investment Adviser	Plot 30, Lugogo Bypass P.O. Box 22934, Kampala Tel: 0772 703444 Email: info@jsamuelrichards.com	Robert Anthony Katuntu
KCB Bank Uganda Limited	Trustee – Collective Investment Schemes, Custodian	7th Floor, Commercial Plaza Plot 7, Kampala Road P.O Box 7399, Kampala, Uganda Tel: 0417-118336, 0417-118280	Ms. Sheila Nyerwanire

Firm	License Held	Address	Contact Person
Level Africa Uganda Limited	Investment Adviser	73, Bunyonyi Drive Kiswa Bugoloobi, Kampala, Uganda Tel: 0765972769 Email: support@level.africa	Mr. Abraham Banaddawa
Old Mutual Investment Group Limited	Stock Broker, Fund Manager, Investment Adviser, Unit Trust Manager/ Collective Investment Scheme Manager	5th Floor, UAP Nakawa Business Park, (1st Tower) Plot 3-5 New Port Bell Road P. O. Box 1610, Kampala, Uganda Tel: 0414-332824 Email: financialservices@uap.co.ug info@uap.co.ug	Mr. Zac Kisesi
Old Mutual Rekindle Asset Reconstruction Fund	Open-Ended Investment Company	Plot 2702 Block 244, Nyangweso Road Off Kironde Tank Road, Tankhill Muyenga Kampala Tel:0772-744309 Email: jogwal@ligomarc.com	Mr. Joshua Ogwal
PCP Uganda Limited	Fund Manager	Plot M697, Equata Building 2nd Floor UMA Show Grounds, Lugogo P. O. Box 15373, Kampala, Uganda Tel: 0312-264983/4 Fax: 0312-264985 Email: info@pearlcapital.net	Mr. Edward Isingoma Matsiko
PKF Consulting Limited	Investment Adviser	Plot 1B Kira Road Kalamu House P. O. Box 24544, Kampala, Uganda Tel: 0414-341523/5 Fax: 0414-251370, 0414-341371 Email: pkfkam@ug.pkfea.com	Mr. Dennis Innocent Dankaine
Profin Group Uganda Limited	Investment Adviser	Plot 1, Naguru, Katalima Crescent Bwindi Trust House, Room C1 P.O Box 36697 Kampala, Uganda Tel: 0414533261	Mr. Eric Duplessis
Regency Wealth Management Uganda Limited	Investment Adviser	5th Floor, Shumuk House, Office SH9 Kampala, Uganda Tel: 0312-314316/ 0791-224611 Email: matthew@regency-wealth.com	Mr. Matthew Turner
Rekindle Capital Limited	Authorised Corporate Director	Plot 2702 Block 244, Nyangweso Road, Off Kironde Tank Road, Tankhill Muyenga Kampala Tel:0772-744309 Email: jogwal@ligomarc.com	Mr. Joshua Ogwal
Sail Global Corp Limited	Investment Adviser	Plot 26 Golf Course Road – Kololo P.O. Box 6111, Kampala Tel: 0414696297 Email: info@sail-globalcorp.com	Ronald Kwesiga
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Stanbic Bank Uganda Limited	Custodian	Crested Towers Plot 17, Hannington Road, Kampala Tel: 0800 250 250	Mr. Andrew Omiel
Standard Chartered Bank Uganda Limited	Trustee – Collective Investment Schemes, Custodian, Investment Adviser	Plot 5, Speke Road P. O. Box 7111, Kampala, Uganda Tel: 0312-294459, 0414-340077 Fax: 0414-231473 Email: ug.service@sc.com	Mr. Stanley Katwaza
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USE Nominees Limited	Registrar	4th Floor, Block A, North Wing Plot 3-5, UAP Nakawa Business Park P. O. Box 23552, Kampala, Uganda Tel: 0312-370815/ 7/ 8 Email: info@use.or.ug	Mr. Bob Musinguzi
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