



Capital Markets Authority
Protecting Your Investments



ANNUAL INDUSTRY REPORT 2024/25



BOARD MEMBERS



Saul Sseremba

Board Chairman, Represents the Insurance Institute of Uganda



Elizabeth Nakkungu

Represents the Office of the Solicitor General, Ministry of Justice and Constitutional Affairs



Protazio Begumisa

Represents the Institute of Certified Public Accountants of Uganda



Joseph Enyimu

Represents the Permanent Secretary / Secretary to the Treasury, Ministry of Finance, Planning & Economic Development



Dr. Martin Kyeyune

Represents Uganda Manufacturers' Association



Arnold Bagubwagye

Represents the Governor, Bank of Uganda



Sarah Arapta

Represents the Uganda Bankers Association



Mercy Kainobwiso

Registrar General, Uganda Registration Services Bureau



Mohamed Kaliisa

Represents the Uganda National Chamber of Commerce & Industry



Mathias Nalyanya

Represents the Uganda Law Society



Josephine Okui Ossiya

Chief Executive Officer

TOP MANAGEMENT



Josephine Okui Ossiya

Chief Executive Officer



Miriam Ekirapa Musaali

Director, Legal & Board Affairs



Denis Kizito

Director, Market Supervision



Dickson Ssembuya

Director, Research and Market Development



Foreword

Distinguished stakeholders, investors, issuers, intermediaries and partners, It is my honour to present the Capital Markets Industry Report for the financial year 2024/25. This report comes at a defining moment for Uganda. As we close the National Development Plan III (NDP III) period and transition into NDP IV, the data and analysis in the report tell a story of a capital markets industry that has matured significantly, deepened its contribution to the real economy and positioned itself as a credible vehicle for financing Uganda's long-term development ambitions.

The year's performance was anchored on a resilient macroeconomic environment. Real GDP grew by 6.3%, inflation averaged 3.5% and the Uganda shilling appreciated by 2.7%. These conditions fostered investor confidence and enabled stronger capital deployment.

The industry recorded strong growth in the period under review. Collective Investment Scheme (CIS) assets grew by 43.8% to UGX 5.6 trillion from UGX 3.8 trillion, while funded accounts rose by 71.2% to 206,405 from 113,445. Domestic market capitalisation (representing the value of companies incorporated in Uganda) increased by 25.4% to UGX 15.92 trillion from UGX 12.7 trillion. Equity turnover rose by 13.09% to UGX 33.7 billion from UGX 29.8 billion in the previous financial year. In the same breath, segregated assets under management reached UGX 5.91 trillion from UGX 4.78 trillion, a growth of 23.6%. These gains reflect growing trust from investors, issuers and intermediaries and that trust is the most important asset we hold.

Over the NDP III period, the market transformed significantly. CIS assets grew from UGX 388.5 billion at the start of the plan to UGX 4.6 trillion, an expansion of 1,084%. Funded CIS accounts rose from 8,804 to 157,762 during the implementation period for the plan, while domestic market capitalisation more than tripled from UGX 4.1 trillion to UGX 15.92 trillion. Landmark listings, including MTN Uganda and Airtel Uganda Initial Public Offerings, attracted new retail investors.



During the implementation period for the national plan, licensed intermediaries increased from 86 to 146, and Uganda's ranking on the Absa Africa Financial Markets Index improved from 10th to 3rd.

Looking ahead, NDP IV, the tenfold growth strategy and Vision 2040 will require large-scale, long-term capital. Capital markets are well positioned to play a key role in financing priority sectors such as agro-industrialisation, tourism, mining, oil and gas, and science and technology.

Despite strong progress, risks remain, including global economic uncertainty, geopolitical tensions, and rising yields affecting capital flows. The Authority remains committed to investor protection, market integrity, and effective risk management.

On behalf of the Capital Markets Authority, I extend my sincere appreciation to the Minister of Finance, Planning and Economic Development, the Board of Directors under the chairmanship of Mr. Saul Sseremba, sister regulators, our licensed market intermediaries, issuers, partners and staff for the progress made thus far and their contribution to this report

It is my hope that this report will serve as a useful reference for policy-makers, investors, industry participants and academics, and that it will inform the conversations and decisions that will shape the next chapter of Uganda's capital markets story.

Josephine Okui Ossiya

Chief Executive Officer

Capital Markets Authority of Uganda

Disclaimer

While all care has been taken in the preparation of this Industry Report, the Capital Markets Authority does not, in any way, warrant expressly the accuracy and completeness of the contents of this document. CMA shall not be liable for any loss or damage (including, without limitation, damages for loss of business or loss of profits) arising in contract, tort or otherwise suffered by any person/entity relying on the information contained in this Industry Report.

The contents of this Industry Report are meant for information purposes only. The statistics collected through statutory returns and other submissions have been prepared for a general overview. CMA is in no way providing financial or other professional advice through this report and none of its contents should be interpreted or relied on as such. Readers should consult their investment advisors for guidance.

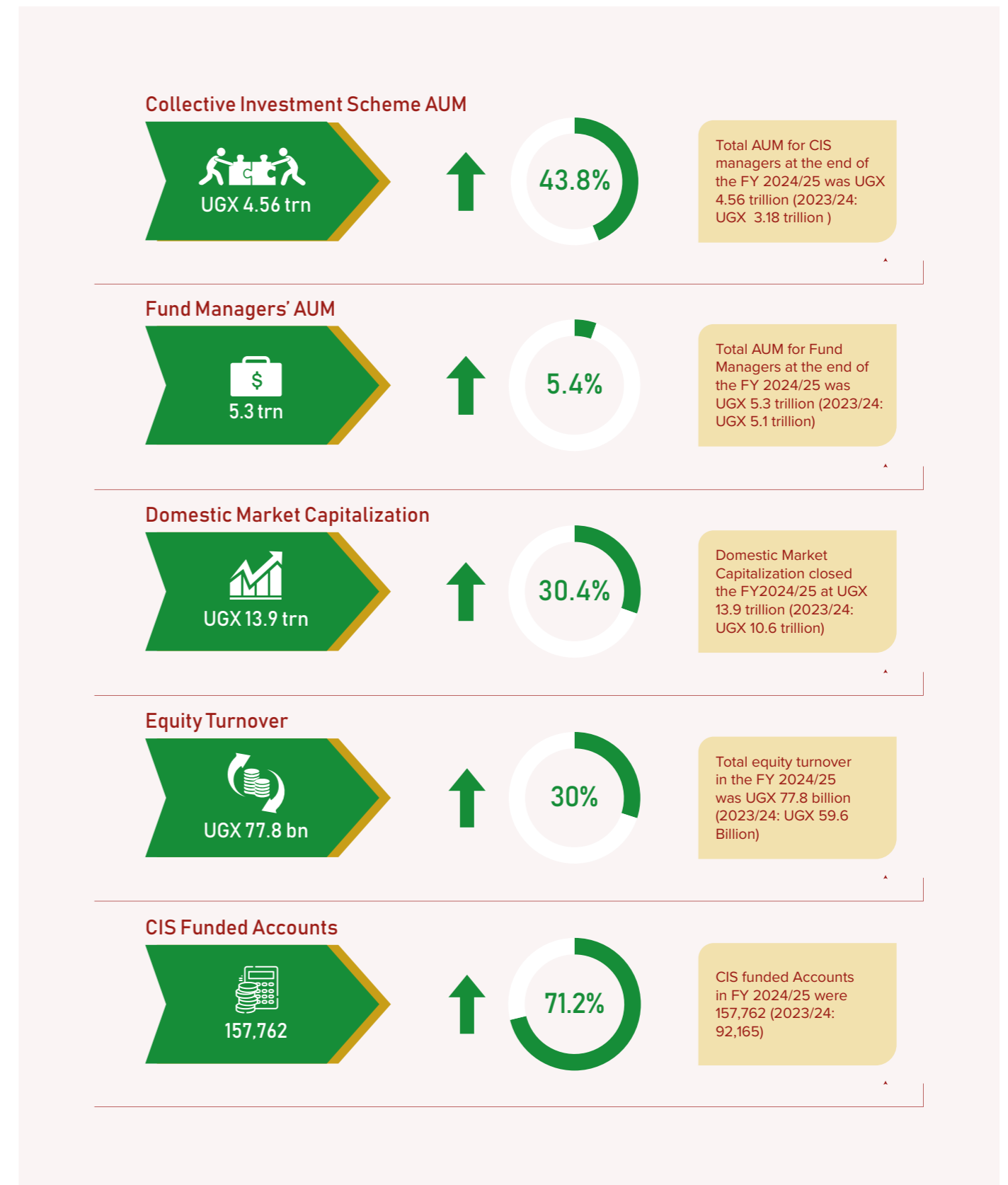
Any discrepancy may be brought to the notice of the Authority through email: research@cmauganda.co.ug.

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

Research & Market Development Team

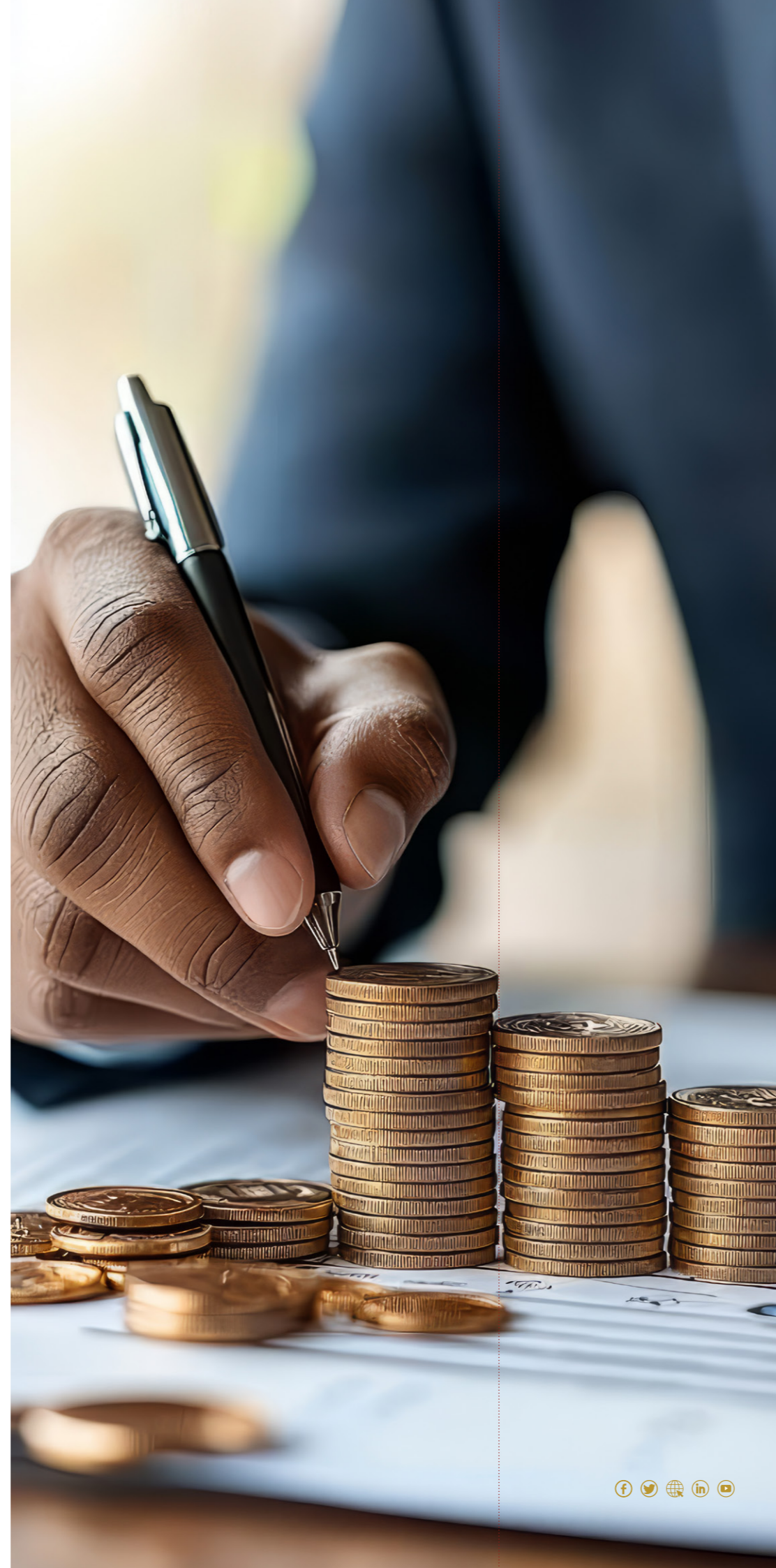
- **Dickson Ssembuya**
Director Research and Market Development
- **Terrence Jason Tumwine**
Senior Research Officer
- **Dreck Murozi**
Research Officer
- **Taaka Proscovia Mugeni**
Graduate Trainee.

The Year 2024/25 in Brief



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
QCIL	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
182	Day T-bill
182	Day Treasury Bill
364	Day T-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.
Rights Issue	The issue of new ordinary shares to a company's shareholders in proportion to each shareholder's existing shareholding, usually at a price discounted to that prevailing in the market.
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.
Umbrella Fund	A CIS fund with any number of constituent parts (sub-funds), providing the opportunity for unit holders to switch all or part of their investment from one part to another.

Contents



1.0 Introduction

1.1. Overview of the Capital Markets, Role in the Economy and the Need for Regulation	17	1.5.1. Global Economic Growth	19
1.2. The Capital Markets Authority	18	1.5.2. Domestic Economic Growth	20
1.3. The CMA Annual Industry Report	19	1.5.3. Gross Domestic Savings	21
1.4. Structure of the Report	19	1.5.4. Inflation	21
1.5. Macroeconomic Context for the Industry Report	19	1.5.5. Exchange Rate	22
		1.5.6. Interest rates	23



2.0 Industry Performance Overview

2.1. Performance of Collective Investment Schemes	25	2.6.1. Primary Market Activity	41
2.2. Segregated Fund Management Performance	27	2.6.2. Secondary Market Activity	42
2.3. Equity Market Performance	30	2.6.3. Treasury Bonds Yields	43
2.3.1. Number of Listed Companies	30	2.7. Corporate Bond Performance	44
2.3.2. Capital Raised through the Equity Market	31	2.7.1. Corporate bond trading statistics	44
2.3.3. Secondary Market Activity	32	2.8. Competitiveness and Inclusiveness	45
2.4. Performance of Locally Listed Companies	37	2.8.1. Domestic Market Capitalization as a Percentage of GDP	45
2.5. Private Capital	40	2.8.2. CIS AUM as a Percentage of GDP	46
2.6. Government Bonds Performance	41	2.8.3. ROE for Selected Listed Companies Across the Region	47



3.0 Performance of Regional Capital Markets

3.1. Equity Market Activity	49
3.1.1. Equity Turnover	49
3.1.2. Market Capitalization	49
3.1.3. Index Levels	50

4.0 Capital Markets Performance During National Development Plan III

4.1. Key Market Indicators	47
4.2. Baseline ATMS Financing during the NDP III Period	48
4.3. Uganda's Capital Markets and the Parish Development Model	49



5.0 Outlook

5.1. Economic Outlook	50
5.2. Implications for Capital Markets	50
Appendix: List of Licensed Persons	52



List of Tables

Table I: GDP Statistics (2020/21 – 2024/25)	19
Table II: Gross Domestic Savings Statistics (2020 – 2024)	20
Table III: Monthly Average Annualized Yields on Treasury Bills in FY 2024/25	23
Table IV: CIS Assets under Management per CIS Manager	25
Table V: Assets under Management by Fund Type (2024/25)	25
Table VI: CIS Industry Asset allocation (Percentage) at year-end	26
Table VII: Assets under Management per Fund Manager	28
Table VIII: Fund Managers' Asset Allocation (Percentage) at year-end	29
Table IX: Number of Companies Listed at the USE	29
Table X: Number of SCD Accounts Per Investor Category	30
Table XI: Capital Raised at the USE (UGX, Billion)	30
Table XII: Market Capitalization as a Percentage of GDP (2015/16 - 2024/25) (UGX Trillions)	32
Table XIII: Equity Turnover per Counter at the USE (UGX, Billion)	33
Table XIV: Percentage of Total Equity Turnover per Investor Category (%)	34
Table XV: Development of End-of-Period Share Prices on the USE (2020/21– 2024/25)	35
Table XVI: Summary of Full Year 2024 performance for Locally Listed Companies (UGX Billion)	38
Table XVII: ROE for Locally Listed Companies (2020 - 2024)	38
Table XVIII: DPS for Locally Listed Companies (UGX, 2020 - 2024)	39
Table XIX: Dividend Yield for Locally Listed Companies (Percentage, 2020 - 2024)	39
Table XX: Selected Private Equity/Debt Deals in Uganda by Sector in the FY 2024/25	39
Table XXI: Issuance by Security at Cost (UGX, Billion)	40
Table XXII: Quarterly Evolution of Yields on Treasury bonds (FY 2024/25)	42
Table XXIII: Corporate Bonds Listed at the USE since Inception	43
Table XXIV: Domestic Market Capitalization and GDP Statistics (US \$ billion)	46
Table XXV: CIS AUM as a Percentage of GDP (US \$ billion)	47
Table XXVI: Return on Equity for Selected Listed Companies Across the Region	47
Table XXVII: Market Turnover (in US\$ million) for Regional Markets	49
Table XXVIII: Domestic Market Capitalization for Regional Markets (US \$ billion)	49

List of Figures

Figure I: Annual Average Headline and Core Inflation Rates (FY 2014/15 – FY 2024/25)	22
Figure II: Trends in USD/UGX Exchange Rate (2014/15 – 2024/25)	23
Figure III: Trends in CIS Assets under Management (2014/15 - 2024/25)	25
Figure IV: Trends in Assets under Management for Fund Managers (2014/15 - 2024/25)	28
Figure V: Trends in Domestic Market capitalization (2014/15 - 2024/25)	33
Figure VI: USE All Share and USE Local Counter Index Levels (2024/25)	36
Figure VII: Secondary Market Trading for Government Bonds (2015/16 - 2024/25)	43
Figure VIII: Trends in the USE All-share, RSE All-share, DSE All-share and NSE All-share Indices (June 2023 – June 2025)	49



Executive Summary



According to Uganda Bureau of Statistics (UBoS) estimates, the economy expanded by 6.3% in the financial year 2024/25 as opposed to 6.1% in 2023/2024. In the financial year 2024/25, the economy's real size grew to UGX 163 trillion from UGX 153 trillion in the previous year. Notably, the industrial sector expanded by 7.0% in FY 2024/25, up from 5.5 percent in FY 2023/24. The agricultural sector expanded by 6.6 % in FY 2024/25, compared to 5.6 % in the previous fiscal year.

A closer look at the macro economy shows that the annual average headline inflation for the fiscal year 2024/25 was recorded at 3.5%, an increase from the 3.2% recorded in the previous fiscal year. This was also lower than the 4.2% predicted inflation for Sub-Saharan Africa in 2024. The uptick in headline inflation was mainly attributed to an increase in core inflation, which rose to 3.9% from 3.0% in the previous fiscal year.

Performance of the capital markets

At the end of the 2024/25 fiscal year, CIS managers held assets under management (AUM) totaling UGX 4,567.8 billion, reflecting a 43.8% increase from UGX 3,175.5 billion at the close of the previous financial year. Additionally, the number of funded investor accounts reached 157,762, representing a 71.2% increase from 92,165 accounts at the end of 2023/24. On average, each CIS investor account held approximately UGX 31.4 million during the 2024/25 fiscal year, down from UGX 34.5 million in the prior year. This growth in AUM and investor accounts is largely due to increased awareness of CIS among local investors. Furthermore, the professional fund management and the benefits of portfolio diversification have further sparked interest in CIS among the investing public.

Domestic market capitalization, representing the value of locally listed counters, closed higher at UGX 13.9 trillion, marking a 30.4% increase from UGX 10.6 trillion at the end of FY 2023/24. This growth was driven by the gains in market capitalization of six key listed companies: BOBU (70%), QCIL (60%), MTN (53.5%), SBU (28.3%), NIC (25.9%), and DFCU (12.4%).

As an indicator of the wealth held in the capital markets relative to the size of the economy, domestic market capitalization rose from 7% at the end of FY 2023/24 to 8.5% at the end of FY 2024/25. This increase was primarily driven by the growth in market capitalization of six key locally listed companies: BOBU, QCIL, MTN, SBU, NIC, and DFCU.

At the close of the 2024/25 financial year, the total segregated AUM¹ stood at UGXUGX 5.3 trillion, representing a 5.4% increase from UGX 5.1 trillion recorded in 2023/24. This growth was supported by the appreciation in the value of underlying asset and the continued registration of new members in the managed schemes.

The total value of shares exchanged, or equity turnover, rose by 30% to UGX 77.8 billion in the fiscal year 2024/25 from UGX 59.6 billion in the fiscal year 2023/24. In FY 2024/25, the average daily turnover grew to UGX 310.1 million from UGX 244.2 million in the prior fiscal year. Increased participation from domestic investors, drove the increase in value traded as a result of improved investor confidence.

¹ Segregated AUM – funds managed for pension funds, SACCOs, occupational schemes





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.

The economic outlook and implications for the capital markets

According to the International Monetary Fund, global economic growth is projected to decline from 3.3% in 2024 to 3.2% in 2025 and 3.1% in 2026, reflecting persistent structural headwinds, moderating demand, and ongoing external shocks. Meanwhile, the Bank of Uganda projects economic growth for FY 2025/26 to range between 6.0% and 6.5%, and to rise to about 8% over the medium term. This positive outlook is supported by increased investment in the extractive industry, improved agricultural productivity, and stronger export performance driven by deeper regional integration and participation in emerging

African trade blocs. Looking ahead, the anticipated acceleration of Uganda's economic growth, underpinned by strategic investments in infrastructure, extractive industries, and industrialization, signals a dynamic environment for the capital markets. Expanding financing needs for large-scale projects are likely to drive innovation in financial instruments and broaden investor participation, enhancing market depth and liquidity. However, global uncertainties, geopolitical risks, and upcoming elections could temper investor.

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:

- i. Approval of prospectuses and other offering documents under which securities are offered to the public;
- ii. 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;
- iii. 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;
- iv. 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;
- v. Implementation of regional and international standards and best practices in securities markets, securities regulation and supervision;

- vi. Protection of investors; and
- vii. Operation of an Investor Compensation Fund.

CMA executes its legal mandate with the following objectives:

- a) Promoting confidence in the capital markets;
- b) Ensuring honesty and transparency in capital markets transactions;
- c) Carrying out investor education;
- d) Protecting investors; and
- e) Reducing systemic risk.

1.3. The CMA Annual Industry Report

The annual capital markets industry report covers key 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 2024 to 30th June 2025.

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 focuses on highlighting the performance of the capital markets industry. Chapter three presents the performance of regional capital markets, and chapter four discusses the outlooks.

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.

1.5.1. Global Economic Growth

Global growth is projected to slow from 3.3 % in 2024 to 3.2 % in 2025², reflecting persistent structural headwinds, moderating demand, and ongoing external shocks. Advanced economies are expected to grow at 1.6 %, while emerging market and developing economies are projected to expand just above 4 %, highlighting the continued divergence in growth prospects.

In the Asia and Pacific region, growth is moderating, with China's GDP at 4.2 % in 2025, down from 4.8 %, and India's at 6.2 %, down from 6.6 %. The slowdown reflects structural adjustments, trade shifts, and global demand trends, even as investment in technology and infrastructure continues to support development.

The global outlook remains fragile, with growth below the pre-pandemic average of 3.7 %. Uncertainty, protectionist measures, labor and fiscal shocks, and financial market vulnerabilities could further weigh on growth, emphasizing the need for the industrial sector to focus on efficiency, innovation, and resilience.

Businesses and policymakers are therefore encouraged to implement credible, transparent, and sustainable policies, enhance operational agility, invest in technology, and adopt sustainable practices to navigate a challenging global environment while seizing opportunities in high-growth regions.

1.5.2. Domestic Economic Growth

According to Uganda Bureau of Statistics (UBoS), the economy expanded by 6.3% in the financial year 2024/25 as opposed to 6.1% in 2023–2024. In the financial year 2024/25, the economy's real size grew to UGX 163 trillion from UGX 153 trillion in the previous year.

The industrial sector grew by 7.0% in FY 2024/25, up from 5.5% in FY 2023/24. The agricultural sector also expanded by 6.6% in FY 2024/25, compared to 5.6% in the previous fiscal year.

Table I: GDP Statistics (2020/21 – 2024/25)

	2020/21	2021/22	2022/23	2023/24	2024/25
Gross Domestic Product					
GDP at current prices (UGX Billion)	148,310	162,750	183,004	202,725	226,344
GDP at constant 2016/17 prices (UGX Billion)	130,881	136,886	144,191	153,040	162,562
Annual Growth at constant 2016/17 Prices (%)	3.5	4.6	5.3	6.1	6.3
GDP Per Capita					
GDP per capita at current prices (UGX '000)	3,500	3,723	4,058	4,359	4,661
GDP per capita at current prices (US \$)	957	1,042	1,081	1,154	1,263
Memorandum items					
Population ('000)	42,369	43,717	45,097	46,508	48,557
Exchange Rate (UGX per US \$)	3,659	3,572	3,752	3,779	3,692

Source: Uganda Bureau of Statistics

The Central Bank projects that economic growth for the fiscal year 2025/26 will range between 6.0% and 6.5%, and rise to about 8% over the medium term. This growth outlook is underpinned by continued private investment, progress in the extractive sector, and targeted public infrastructure development.

In line with this, the Capital Markets Authority (CMA) will sustain its sensitization and outreach initiatives aimed at promoting the uptake of market-based financing among business owners and entrepreneurs. An expanding economy requires additional capital that can be mobilized through the capital markets to support real-sector growth.

1.5.3. Gross Domestic Savings

Over the last five years, Uganda's Gross Domestic Savings (GDS) comprising of savings from households, private corporate entities, and the public sector have grown at a compound annual growth rate of 15.7%, rising from UGX 26.87 trillion in 2020 to UGX 48.18 trillion in 2024. This trend highlights a steady expansion in domestic savings, both in absolute terms and as a proportion of GDP.

In 2024, Uganda's GDS-to-GDP ratio stood at 23.8%, well above the Sub-Saharan Africa average of 4.7%, reflecting improved domestic resource mobilization and a growing culture of saving. The increase in savings provides a stronger foundation for investment in productive sectors, including industry, and supports the development of market-based financing mechanisms.

Table II: Gross Domestic Savings Statistics (2020 – 2024)

	2020	2021	2022	2023	2024
Gross Domestic Savings (UGXUGX Trillion)	26.87	26.63	31.31	35.5	48.18
Gross Domestic Savings (% of GDP)	19.2	18	19.3	19.2	23.8
Market Cap/ Gross Domestic Index (GDI) %	2.92	4.39	4.00	5.27	6.16

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.

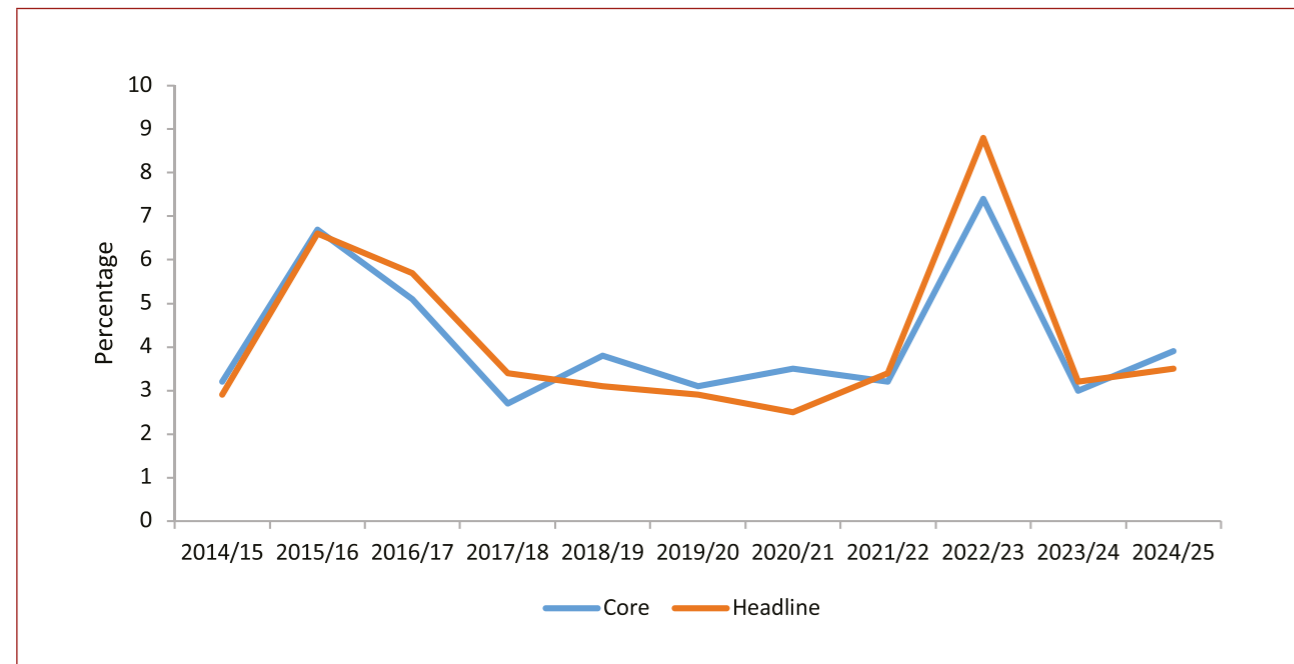
1.5.4. Inflation

The annual average headline inflation for the fiscal year 2024/25 was recorded at 3.5%, an increase from the 3.2% recorded in the previous fiscal year 2023/24. This was also lower than the 4.2% inflation registered in Sub-Saharan Africa in 2024. The uptick in headline inflation was mainly attributed to an increase in core inflation, which rose to 3.9% from 3.0% in the previous fiscal year. This growth in core inflation was driven by rising prices of services and other goods, the key components of the core inflation basket. In particular, services inflation rose to 5.6% from 4.0%, reflecting stronger domestic demand and higher input costs in sectors such as transport, education, and healthcare.

Conversely, inflation in food crops and related items declined to 0.5% from 3.5%, while energy, fuel, and utilities (EFU) inflation dropped to 1.8% from 4.8%. These declines were largely due to favorable weather conditions that enhanced food supply and the continued moderation of global energy prices.

Inflation remained muted overall, despite the rise in core inflation, supported by subdued imported inflation and the relative stability of the Uganda shilling, backed by prudent monetary policy.

Figure I: Annual Average Headline and Core Inflation Rates (FY 2014/15 – FY 2024/25)



Source: Uganda Bureau of Statistics

The Central Bank projects that average core inflation will remain below the medium-term target of 5%, averaging between 4.5% and 4.8% in FY 2025/26. This outlook is underpinned by prudent monetary policy, a stable exchange rate, improved domestic food supply, and favorable global commodity price trends. However, risks to the inflation outlook remain tilted to the upside in the near term, largely due to potential adverse weather conditions, global supply chain disruptions, and possible depreciation of the shilling. On the downside, inflation could ease further if the shilling strengthens, domestic and global demand remain subdued, or international oil prices decline.

A sustained low-inflation environment continues to reinforce the stability of the Ugandan shilling as a reliable store of value, which is vital for promoting savings and investment. Moreover, this environment stimulates higher valuations for equities due to lower cost of capital, while fixed income prices rise and yields decline.

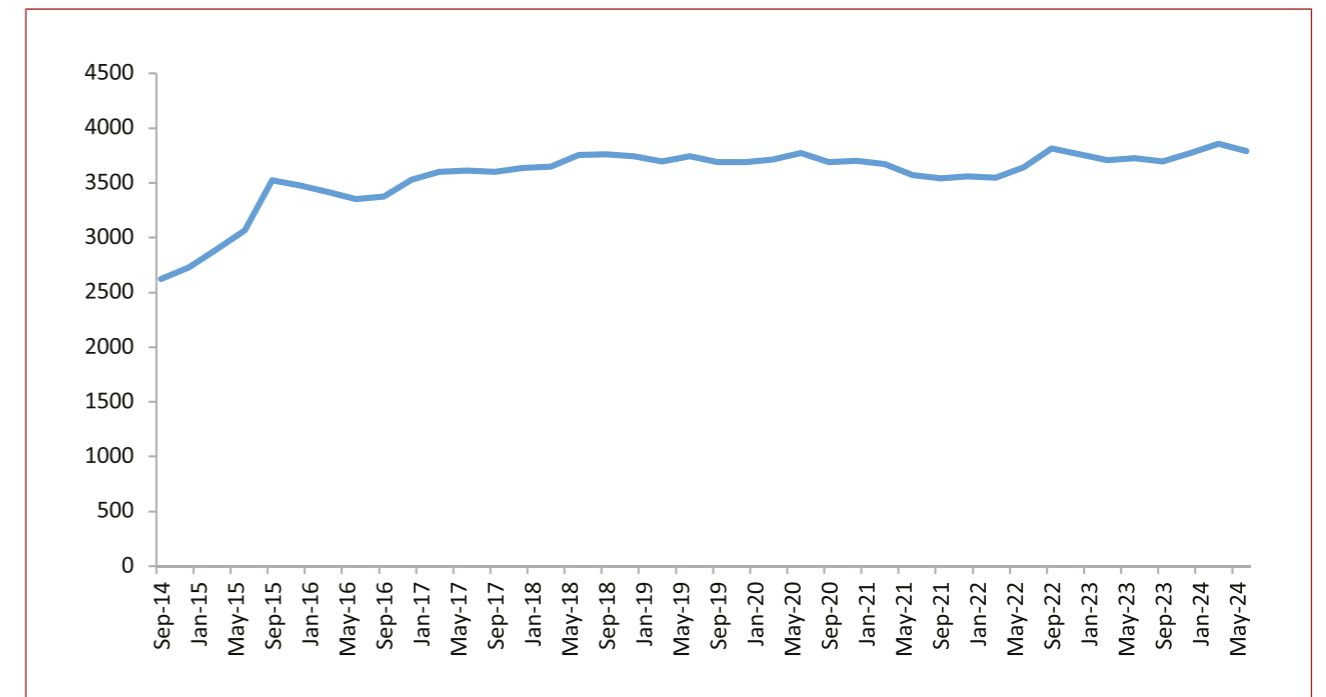
1.5.5. Exchange Rate

During the FY 2024/25, the Ugandan shilling appreciated by an average of 2.7% against the US Dollar, marking a reversal from the 0.6% depreciation recorded in FY 2023/24. The annual mid-rate stood at UGX 3,678 per USD, compared to UGX 3,777 per USD in the previous year, reflecting sustained strength of the domestic currency throughout the period.



This performance was underpinned by prudent monetary and fiscal policies and increased foreign exchange inflows from coffee exports, remittances, and NGOs, which comfortably met corporate demand. The appreciation was also supported by the relative weakening of the US dollar, following declines in the US Federal Reserve Index partly attributed to tariffs and retaliatory trade measures.

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 optimistic. The currency has shown resilience, boosted by strong inflows from commodity exports (notably coffee), remittances and foreign investment. However, external factors like global oil prices and potential economic shocks could impact the shilling's performance. Going forward, striking a balance between demand and supply for hard currencies will play a crucial role in maintaining stability.



An appreciating domestic currency, as witnessed during FY 2024/25, enhances the purchasing power of income and capital gains. However, it also makes domestic assets relatively more expensive for investors holding currencies such as the US dollar, potentially reducing the attractiveness of new investments in local assets

1.5.6. Interest rates

1.5.6.1. Central Bank Rate

The Central Bank Rate (CBR) was adjusted from 10.25% at the close of FY 2023/24 to 10.0% in August 2024, and further reduced to 9.75% in October 2024, where it was maintained for the remainder of FY 2024/25. This reflected efforts to support economic growth while keeping inflation under control in a dynamic macroeconomic environment. The CBR has remained at 9.75% since October 2024 and is projected to stay stable, supporting sustained economic growth and price stability.

1.5.6.2. Treasury Bill Rates

Yields rose across most tenors of bills in FY 2024/2025 compared to FY 2023/2024. In June 2025, Uganda’s monthly average annualized Treasury bill yields showed mixed movements; the 91-day and 364-day T-bills rose to 12% and 15.6%, respectively, while the 182-day T-bill edged down to 12.8%. The rise in short and long-term yields reflects the Bank of Uganda’s tight monetary policy, aimed at stabilizing the shilling and containing inflation, whereas the modest decline in the medium-term yield highlights market adjustments in response to evolving investor demand and economic conditions.

Table III: Monthly Average Annualized Yields on Treasury Bills in FY 2024/25

Tenor	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
91-Day	10.0	9.54	11.1	10.8	11.6	10.4	10.4	10.7	11.3	9.5	12.1	12.0
182-Day	13.0	13.1	13.4	13.4	13.6	13.4	14.4	14.0	13.2	12.8	12.7	12.8
364-Day	13.6	13.7	14.4	14.5	14.9	15.0	15.3	15.0	14.8	15.1	15.4	15.6

Source: Bank of Uganda

In the short term, government securities’ yields are forecast to remain relatively stable, with limited upside pressure owing to improved liquidity conditions and the central bank’s anticipated accommodative monetary policy.

2.0 Industry Performance Overview

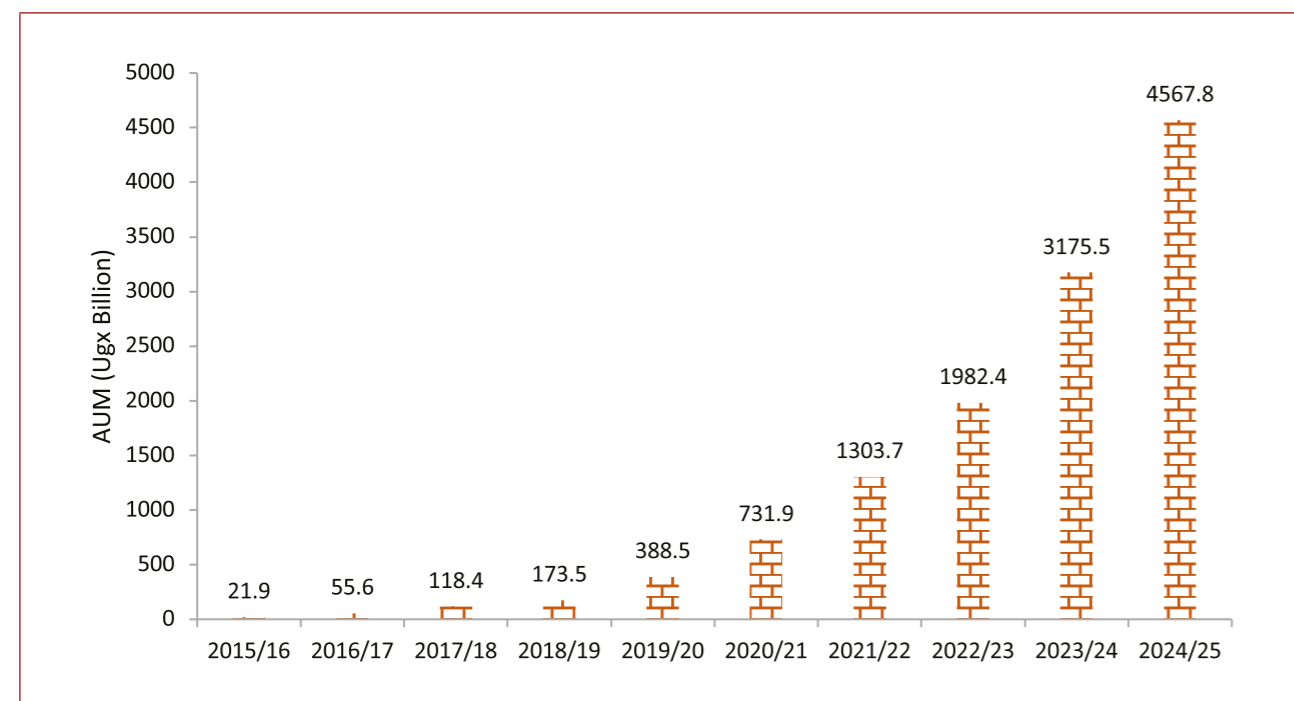
This section covers the performance of Collective Investment Schemes (CISs) and Fund Management. It also provides insights into equity market performance, Government bond market & corporate bonds.

2.1. Performance of Collective Investment Schemes

At the end of the 2024/25 fiscal year, CIS Managers were holding Assets Under Management (AUM) totaling **UGX 4,567.8 billion**, reflecting a growth of 43.8% from **UGX 3,175.5 billion** at the close of the previous financial year. Additionally, the number of funded investor accounts held by CIS managers reached **157,762**, representing a 71.2% increase from the **92,165** accounts recorded at the end of 2023/24. On average, each CIS investor account held UGX 31.4 million during 2024/25 fiscal year, down from UGX 34.5 million in the prior fiscal 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 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 70.8%, rising from UGX 21.9 billion at the end of the 2015/16 fiscal year to UGX 4567.8 billion at the close of 2024/25.

Figure III: Trends in CIS AUM (2014/15 - 2024/25)



Source: CMA Market Supervision Department

Table IV shows the breakdown of CIS AUM per CIS manager. The top two CIS managers controlled 78.6% of the total AUM at the end of FY 2024/25.

Table IV: CIS Assets under Management per CIS Manager

CIS Manager	AUM (UGX Billion)		Change (%)
	2023/24	2024/25	
Old Mutual Investment Group Limited	2,222.2	3,010	35.4
ICEA Lion Asset Management Limited	408.6	581.2	42.2
Sanlam Investments East Africa Limited	244.9	406.7	66
Britam Asset Managers Uganda Limited	200.4	229.3	14.4
XENO Investment Management Limited	60.7	89.1	46.8
SBG Securities Limited	38.6	216	459.5
Cornerstone Asset Managers Limited	-	34.9	-
Total	3,175.5	4,567.8	43.8

Source: CMA Market Supervision Department

A breakdown of the CIS assets by fund type at the end of the fiscal year 2024/25 showed that Umbrella Funds held a significant portion of the assets at 72.2%, followed by 15.8% in money market funds and 7.5% 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 V: Assets under Management by Fund Type (2024/25)

Unit Trust Fund	AUM (UGX Billion)	Percentage (%)
Umbrella Funds	3298.4	72.2
Money Market Funds	723.4	15.8
Fixed Income Funds	342.6	7.5
Dollar Funds	190.9	4.2
Balanced Funds	8.4	0.2
Equity Funds	4.0	0.1
Total	4567.8	100

Source: CMA Market Supervision Department

At the close of FY 2024/25, total allocation to Government of Uganda stood at 78%; with 68.7% of AUM was allocated to Government of Uganda bonds, and 9.3% in Government of Uganda Treasury bills. 16.3% in fixed deposits.

A five-year trend analysis (2020/21–2024/25) shows a decline in allocations to corporate bonds, from 1.4% to 0.2%, and to listed equities, from 0.2% to 0.02%. The expansion in government bond holdings alongside the reduction in equity investments largely reflects the increasing dominance of umbrella funds, which traditionally maintain a conservative portfolio structure centered on treasury instruments

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

Asset	2020/21	2021/22	2022/23	2023/24	2024/25
Government of Uganda Bonds	67.4	76.5	71.7	64.9	68.7
Fixed Deposits	13.7	13.3	15.3	18.9	16.3
Call Deposits	5.3	3.2	4.6	4.5	0
Government of Uganda Treasury Bills	8.9	3.3	6.1	5.1	9.3
Cash	1	1.6	0.3	0.3	4.2
Commercial Paper	1.6	0.8	0.2	1.3	0.08
Corporate Bonds	1.4	0.8	1.6	4.5	0.24
Euro Bond				0.4	0
Listed Equities in Uganda	0.2	0.05	0.04	0.02	0.02
Listed Equities in Rest of East Africa	0.1	0.07	0.05	0.03	0.03
Other Investments (Off-shore and foreign exchange)	0.4	0.4	0.2	-	-
CIS-Mauritius					1.34
Total	100	100	100	100	100

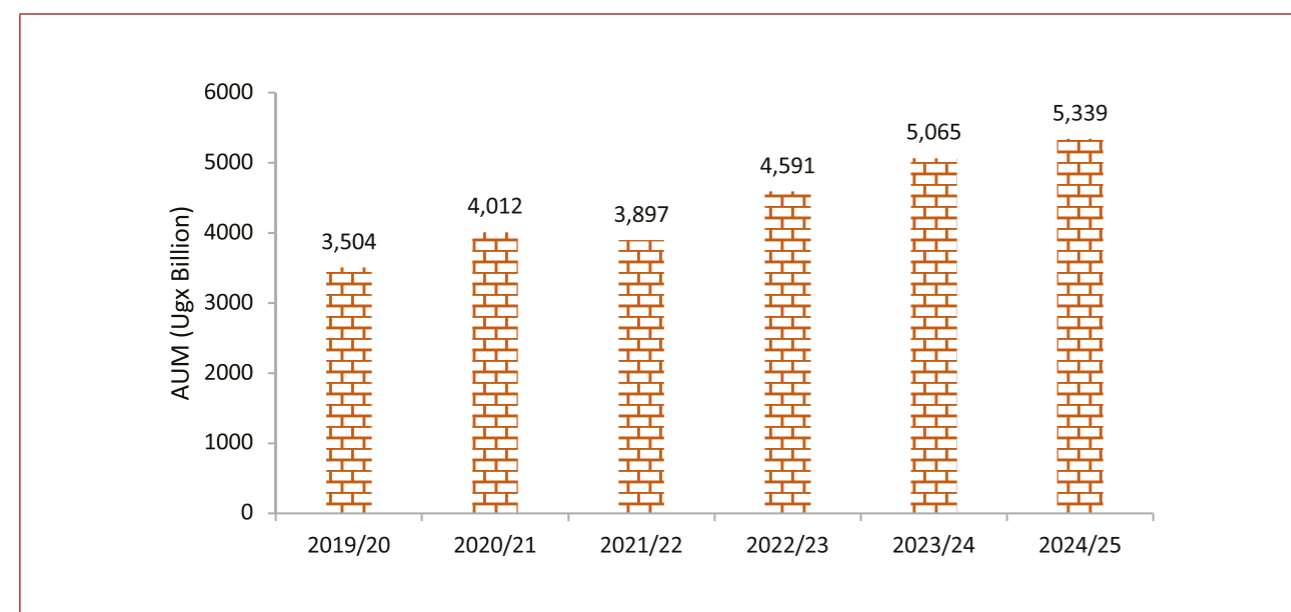
Source: CMA Market Supervision Department

2.2. Segregated Fund Management Performance

At the close of the 2024/25 financial year, the total segregated AUM stood at **UGX 5.3 trillion**, representing a 5.4% increase from **UGX 5.1 trillion** recorded in 2023/24. This growth was supported by the appreciation in asset values and the continued registration of new members in the managed schemes.

Over the last ten years, AUM has expounded at an annualized rate of 14.7%, increasing from Ugx 1.5 trillion in 2015/16 to Ugx 5.3 trillion in 2024/25. The steady rise reflects the expansion in the number of retirement benefit schemes as well as capital gains in the underlying assets.

Figure IV: Trends in Assets under Management for Fund Managers (2015/16 - 2024/25)



Source: CMA Market Supervision Department

At the end of the fiscal year 2024/25, Uganda's segregated AUM to GDP was 2.4%. 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 resources for investment in capital markets.

Table VIII below shows a breakdown of segregated AUM per fund manager. The top three fund managers in the FY 2024/25 controlled 83.5% of the total AUM during the period.

Table VII: Assets under Management per Fund Manager

Fund Manager	AUM (UGX Billion)		Change (%)
	2023/24	2024/25	
Sanlam Investments East Africa Limited	2,171.3	2,106	-3.0
GenAfrica Asset Managers Uganda Limited	1,175.6	1,339.7	13.9
UAP-Old Mutual Financial Services Limited	794.4	1,015.7	27.8
Britam Asset Managers Uganda Limited	687.6	309.7	8.5
ICEA Lion Asset Management Limited	236.7	486.5	-54.9
Goldkach	-	0.7	-
Cornerstone	-	80.8	-
Total	5,065.6	5,339.4	5.4

Source: CMA Market Supervision Department

The bulk of segregated AUM at the end of FY 2024/2025 (80%) was allocated to Government of Uganda bonds. Collective investment schemes came in second at 6.3%, followed by Fixed Deposits at 6.2%. 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 1.4% of assets at the end of the 2020/21 financial year to now accounting for 6.3% at the close of the financial year 2024/25. This growth is driven by CIS's attractive returns, enhanced liquidity, and increasing investor confidence relative to alternatives such as fixed deposits.

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

Asset	2020/21	2021/22	2022/23	2023/24	2024/25
Government of Uganda Bonds	71.9	75.2	76.5	78.9	80
Government of Uganda Treasury Bills	8.8	4.1	5.1	4	2.4
Government Bonds in Rest of East Africa	0.1	0.02	0.01	0.01	0.00
Listed Equities in Uganda	2.2	3.3	2.7	2.4	2.8
Listed Equities in Rest of East Africa	8.5	5.7	3	1.4	1.6
Fixed Deposits	5.7	6.3	6.7	6	6.2
Real Estate	0.6	0.5	0.4	0.3	0.2
Cash	0.5	0.6	0.5	0.4	0.3
Collective Investment Schemes	1.4	3.4	4.9	6.4	6.3

Asset	2020/21	2021/22	2022/23	2023/24	2024/25
Other (Dividend Income Receivable and Wealth management)	0.03	0.7	0.04	0.01	0.04
Corporate Bonds	0.1	0.1	0.1	0.1	0.2
Unlisted Equities in Uganda	0.01	0.01	0.01	0.01	0.02
Unlisted Equities in the Rest of East Africa	0.03	0.03	0.02	0.02	0.03
Off-shore Investments (Equities)	0.003				0.01
Total	100	100	100	100	100

Source: CMA Market Supervision Department

2.3. 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 data.

2.3.1. Number of Listed Companies

By the end of the review period, the USE had 19 listed companies. Eight 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 remain 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 IX: Number of Companies Listed at the USE

Listing Status	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
New Local Listings	0	0	0	1	0	0	1	0	1	0
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	9	9	9	10	10	11	11
Total Listings	16	16	16	17	17	17	18	18	19	19

Source: Uganda Securities Exchange

A key constraint to expanding the supply of securities in Uganda has been the limited readiness of privatesector firms to access marketbased financing, a predominance of youthful, familyrun businesses in the private sector, and a general lack of understanding of nonbank capital markets. To increase access to market-based financing for business enterprises in Uganda, CMA, in partnership with the Financial Sector Deepening (FSD) Uganda and the European Union, launched a Deal Flow Facility in 2021. The DFF helps businesses prepare for and gain access to private and public equity or debt financing by actively matching selected enterprises with long-term investment capital, allowing them to focus on growth rather than short-term funding needs. In addition to matchmaking, the facility provides business development support services.

Since its inception, the DFF has received 320 applications from enterprises. Of these, 214 passed the first-level assessment, representing 66.9% of all applicants. From this group, 110 enterprises successfully completed the second-level due diligence assessment, accounting for 51.4% of Level 1 applicants. Notably, 60 investor-ready enterprises have been matched with investors, including six closed deals.

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

The total number of SCD accounts increased from 253,275 at the end of FY 2023/24 to 266,158 by the close of FY 2024/25, reflecting a 5% growth. This rise has been supported by the USE's digital SCD account service, developed in partnership with MTN Mobile Money Uganda and Airtel Uganda, which allows investors to open accounts conveniently via mobile money platforms. Greater investor awareness has also played a key role in driving account growth. By making SCD accounts more accessible, this digital service is expected to broaden participation in the securities market, enhance trading activity, and improve overall access to the Ugandan capital markets.

Table X: Number of SCD Accounts Per Investor Category

Investor Category	2023/24	2024/25	% Change
Ugandan Individuals	231,024	243,723	5.5
Ugandan Companies	1,381	1,407	1.8
East African Individuals	11,632	11,683	0.4
East African Companies	6,071	6,079	0.1
Foreign Individuals	1,524	1,561	2.4
Foreign Companies	1,643	1,705	3.8
Total	253,275	266,158	5.0

Source: Uganda Securities Exchange

2.3.3. Capital Raised through the Equity Market

During the period under review, there were no initial public offerings (IPOs) on the USE. This marks a continuation of the challenges in mobilizing new public offers, despite the market raising a total of UGX 2.1 trillion over the last eleven years through a combination of IPOs, rights issues, bonus issues, and secondary offerings. The absence of IPOs during this review period underscores the need for continued efforts to deepen capital markets and broaden participation.

In response, the CMA has intensified initiatives aimed at promoting IPO activity, including enhancing issuer education and awareness. CMA is conducting extensive stakeholder engagements, meeting with CEOs, Managing Directors, and senior management teams of prospective listing companies. These discussions focus on fundraising opportunities, regulatory compliance, and readiness for public offerings. By actively engaging with business owners and addressing barriers to public offers, CMA aims to encourage more companies to access long-term capital through the securities market, fostering growth, liquidity, and diversification in Uganda's capital markets.

Complementing these efforts, the DFF plays a central role by supporting businesses to become investment-ready and linking them with potential investors, thereby creating a pipeline of enterprises that could pursue IPOs in the near future.

Table XI: Capital Raised at the USE (UGX, Billion)

Listing Status	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Rights issues	0	0	0	191	0	0	0	0	0	0	0
Bonus issues	160	0	0	0	0	0	0	0	128.5	0	0
Secondary offers of shares	0	0	113	0	0	0	0	0	0	0	0

Listing Status	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
IPOs	0	0	0	0	167	0	0	536	0	211.4	0
Total capital raised	160	0	113	191	167	0	0	536	128.5	211.4	211.4

Source: Uganda Securities Exchange, CMA Database

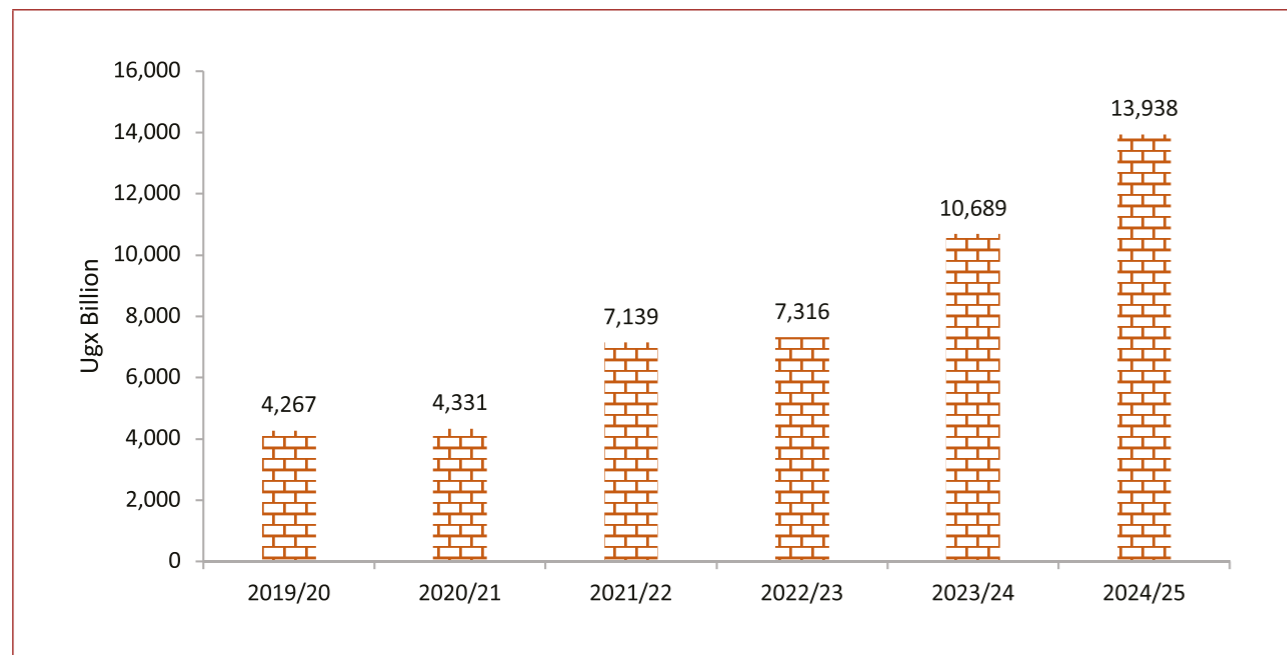
2.3.4. Secondary Market Activity

2.3.4.1. Market Size

I. Domestic Market Capitalization

Domestic market capitalization, representing the value of locally listed counters, closed higher at UGX 13.9 trillion, marking a 30.4% increase from UGX 10.6 trillion at the end of FY 2023/24. This growth was driven by gains in market capitalization of six key listed companies: BOBU (70%), QCIL (60%), MTN (53.5%), SBU (28.3%), NIC (25.9%), and DFCU (12.4%). The rise in the market capitalization of these stocks was primarily due to share price appreciation, influenced in part by demand for shares exceeding supply during the review period.

Figure V: Trends in Domestic Market capitalization (2019/20 - 2023/24)



Source: USE market reports

II. Domestic Market Capitalization as a percentage of GDP

As an indicator of the wealth held in the capital markets relative to the size of the economy, domestic market capitalization rose from 7% at the end of FY 2023/24 to 8.5% at the end of FY 2024/25. This increase was primarily driven by the growth in market capitalization of six key locally listed companies: BOBU, QCIL, MTN, SBU, NIC, and DFCU.

Table XII: Market Capitalization as a Percentage of GDP (2015/16 - 2024/25) (UGX Trillions)

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Domestic market capitalization	4.5	4.3	4.8	4.9	4.3	4.3	7.1	7.3	10.7	13.9
GDP at Constant 2016/17 Prices	104.5	108.5	115.4	122.8	126.4	130.9	136.9	144.2	153	163
Domestic market capitalization to GDP (%)	4.3	3.9	4.2	4	3.4	3.3	5.2	5.1	7	8.5

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 2024/25, the domestic market capitalization to GDP ratio of Kenya, Tanzania and Rwanda stood at 17.8%, 6.5% and 4.5% respectively.

The Authority continues to actively engage with business owners and founders, exploring opportunities for them to participate as market issuers and access market-based financing to support their growth and expansion

2.3.4.2. Market Activity

I. Market Turnover

The total value of shares traded, or equity turnover, rose by 30% to UGX 77.8 billion in the fiscal year 2024/25 from UGX 59.6 billion in the fiscal year 2023/24. In FY 2024/25, the average daily turnover grew to UGX 310.1 million from UGX 244.2 million in the prior fiscal year. Increased participation from domestic investors, drove the increase in value traded owing to improved investor confidence.

Uganda's equity turnover ratio, which is calculated by dividing total equity turnover by total market capitalization, was 0.6% at the end of FY 2024/25. To stimulate market activity, several jurisdictions have prioritized empowering local investors through targeted initiatives. These include extensive public education campaigns, the adoption of digital platforms to provide convenient and real-time access to securities exchanges, and the implementation of pension sector reforms. In line with these approaches, the CMA, in collaboration with other stakeholders, continues to conduct investor education programs aimed at enhancing public awareness and promoting greater participation by domestic investors in Uganda's capital markets.

Table XIII: Equity Turnover per Counter at the USE (UGX, Billion)

Counter	2020/21	2021/22	2022/23	2023/24	2024/25
AIRTEL U				0.04	0.5
BATU	0.0001	0.007			
BOBU	1.7	2.8	4.1	4.1	6.6
CENT	0.0001	0.001	0.03		0.002
CQCIL	0.3	0.06	0.07	0.11	0.09
DFCU	0.03	0.03	0.04	4.3	0.3
KCB		0.0004			0.006
MTNU		4.6	15.3	6.8	35.6
NIC	0.03	0.02	0.09	0.04	0.03
NVL	0.03	0.05	0.004	0.003	0.001
SBU	7.9	11.9	9.4	7.9	15.1

Counter	2020/21	2021/22	2022/23	2023/24	2024/25
UCL	0.5	1.2	0.16	0.19	0.16
UMEME	6.8	23.6	30	36.3	19.5
Total	17.3	44.3	59.1	59.6	77.8

Source: USE market reports

Foreign corporations accounted for approximately 37.9% of the total equity turnover in FY 2024/25, followed by Ugandan companies (32.3%) and Ugandan individuals (18.4%), according to a breakdown of turnover by investor category.

Notably, the equity turnover of foreign companies as a percentage of overall equity turnover decreased from 77.1% at the end of FY 2023/24 to 37.9% at the end of FY 2024/25. This is indicative of inflow reversals from frontier markets, driven by healthy yields and a booming US economy.

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

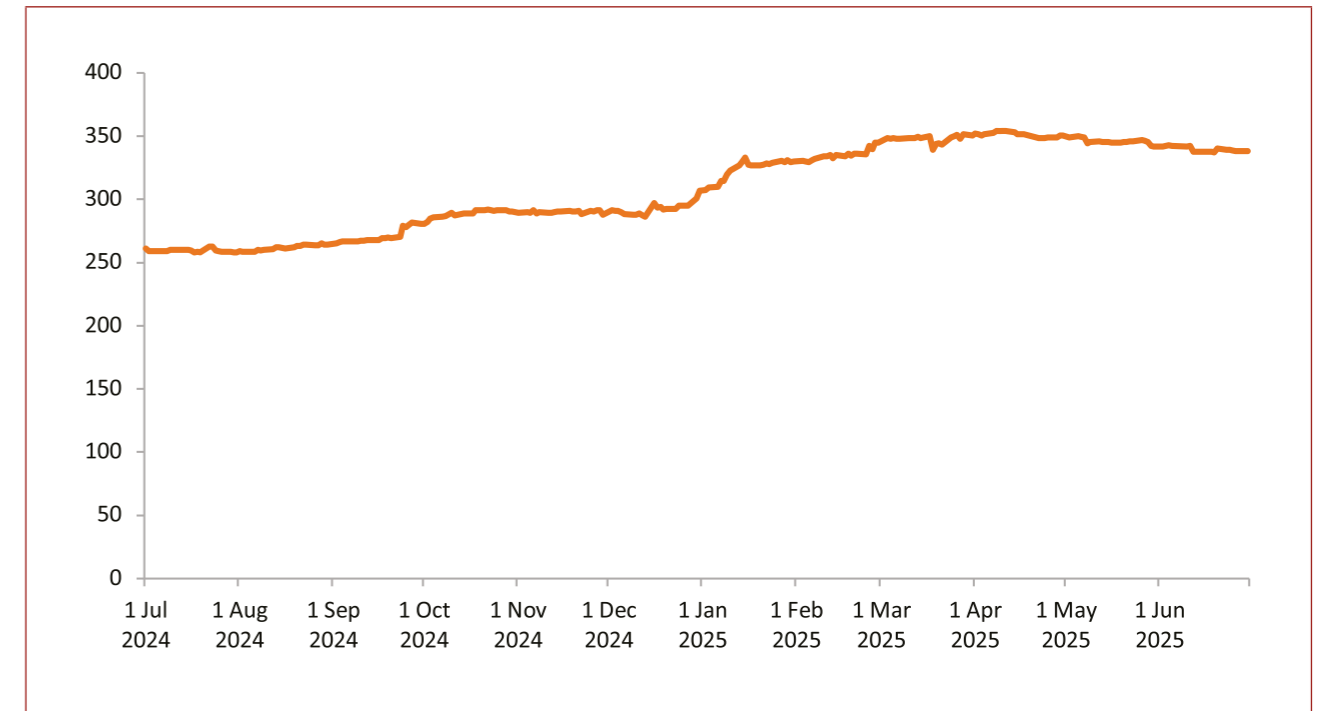
Investor Category	2022/23	2023/24	2024/25
Ugandan Individuals	14	5.9	18.38
Ugandan Companies	36.2	11.6	32.28
East African Individuals	1	0.8	2.72
East African Companies	9.1	4.3	7.72
Foreign Individuals	0.8	0.3	0.99
Foreign Companies	39	77.1	37.91
Total	100	100	100

Source: Uganda Securities Exchange.

2.3.4.3. Index Levels

The USE Local Company Index increased by 29.5%, from 261.07 points to 337.97 points over the period under review. The annualized performance of the LCI reflected notable price gains in six local companies: AIRTEL (14.2%), BOBU (63.8%), DFCU (12.4%), MTNU (55.54%), QCIL (60.3%), and SBU (28.3%).

Figure VI: USE Local Counter Index Levels (2024/25)



Source: USE market reports

2.3.4.4. Share Price Performance of Locally Listed Companies

Six locally listed counters, Bank of Baroda Uganda, Cipla Quality Chemicals Limited, MTN, Stanbic Holdings Limited, Airtel and DFCU registered share price gains of 63.8%, 60.4%, 54.5%, 23.4%, 14.3% and 12.4% respectively, to close the period under review at UGX 32.75, UGX 89, UGX 262.58, UGX 47.5, UGX 80 and UGX 253. Table XVI shows trends in prices and key drivers of prices on the locally listed counters.

Table XV: End-of-Period Share Prices on the USE (2020/21– 2024/25)

Counter	2020/21	2021/22	2022/23	2023/24	2024/25	YoY (%)	Comments on Key Price
AIRTEL				70	80	14.3	The high demand for this counter reflects increased investor interest in its telecom services expansion.
BATU	30,000	15,000	15,000	15,000	15,000	0	Liquidity remains low on this counter due to limited float.
BOBU	120	80	15.89	20	32.75	63.8	The high demand for this counter is as a result of increased investor demand traced to strong earnings growth and possibly dividend expectations.
CQCIL	100	69	70	55.5	89	60.4	Investor demand for the stock is tied to robust operational performance.
DFCU	590	550	264	225	253	12.4	The share price has been driven by improved performance
MTNU		178.09	170	170	262.58	54.5	The positive price change is driven by substantive operational and financial growth and positive strategic news.

Counter	2020/21	2021/22	2022/23	2023/24	2024/25	YoY (%)	Comments on Key Price
NIC	6	6.2	5.5	5.5	5.1	-7.3	The share price was negatively impacted as supply exceeded demand in absence of positive triggers.
NVL	310	160	155	153	152	-0.7	Investors' wait-and-see attitude toward the company indicates a relatively stable share price but one where investor sentiment remains lukewarm.
SBU	26.5	22	26	37	47.5	23.4	The high demand for this counter resulted from its dividend payout and expectations.
UCL	8.2	19	15	12	6.5	-45.8	The primary factor influencing UCL's share price is the lack of investor interest in the company, which can be partly attributed to the 2024 net loss and the absence of a dividend payment.
UMEME	219	239.01	440	460	415	-9.7	The decline in UMEME's share price was mainly driven by reduced investor demand following the end of the electricity distribution concession.

Source: USE market reports

2.4. Performance of Locally Listed Companies

Overall, the profitability of locally listed companies on the USE increased by 23.5%, reaching UGX 1,694.4 billion in 2024, up from UGX 1,371.4 billion in 2023. Notably, nine locally listed companies recorded profits during the year, while two registered losses. MTNU was the largest contributor, posting UGX 641.5 billion, which accounted for approximately 37.8% of the total earnings of listed companies.

Table XVI: Summary of Full Year 2024 performance for Locally Listed Companies (UGX Billion)

Counter	2024				2023			
	Total Assets	Total Equity	Revenue	Net Profit	Total Assets	Total Equity	Revenue	Net Profit
AIRTEL	2,605.5	142.5	1,986.5	316.7	2,200.6	126.7	1,783.9	296.9
BATU	52.8	44.1	45.1	10.3	58.1	38.9	44.8	8.9
BOBU	3,082.9	807.6	347.8	133.9	2,804.8	708.9	295	115.9
CQCIL	228.9	186.5	267.1	40.7	213.5	171.4	221.5	18.9
DFCU	3,429	704	454.9	72	3,158.1	644	449.2	17.6
MTNU	4,670.6	1,196.7	3,172.7	641.5	4,682.5	1,014.2	2,669.1	493.1
NIC	91.4	41.7	0.9	0.47	96.6	40.9	29.9	-2
NVL	112.5	72.8	42.6	0.8	115.9	59.8	37.2	-5.5
SBU	10,393.8	2,055.0	1,297.3	478	9,303.4	1,881.4	1,284.3	408.6
UCL	76.3	38.2	31.6	-4.9	76.8	43.2	30.4	-2.9
UMEME	1,389	241.5	2,315	-511	2,347.2	937.4	2,196.4	11.5

Source: Company Filings, CMA Database

Airtel Uganda recorded the highest Return on Equity (ROE) of 222.2% in 2024, indicating that the company's management is highly effective in utilizing shareholders' equity to create value. In contrast, UMEME posted the lowest ROE of -211.6%, reflecting a loss in shareholder value during the year.

ROE is driven by three key financial components: operating efficiency, asset use efficiency, and financial leverage. A sustained and increasing ROE over time signals that a company is efficiently generating shareholder value by allocating capital wisely to enhance productivity and profitability. Conversely, a declining ROE may indicate inefficient capital allocation or poor management decisions, potentially undermining long-term shareholder returns.

Table XVII: ROE for Locally Listed Companies (2020 - 2024)

Counter	2020	2021	2022	2023	2024
AIRTEL			262.9	234.3	222.2
BATU	41.3	26.8	25.9	22.9	23.4
BOBU	18.4	16.3	20	16.3	16.6
CQCIL	-15.9	15.1	11	11	21.8
DFCU	4.1	1.6	4.7	2.7	10.2
MTNU		40.7	44.9	48.6	53.6
NIC	5.4	8.3	9.3	-4.9	1.1
NVL	3.7	0.6	1.4	-9.2	1.0
SBU	19.4	17.6	20	21.7	23.3
UCL	13.6	14.5	5.7	-6.7	-12.8
UMEME	5.4	15.6	14.7	1.2	-211.6

Source: Company Filings, CMA Database

BATU posted the highest Dividend per Share (DPS) of UGX 210 in 2024. The DPS indicates the income an investor can expect to receive per share from the company. Notably, seven listed companies declared dividends in 2024, compared to all eight domestic listed companies in 2023.

The table below shows the DPS of locally listed companies over the last five years.

Table XVIII: DPS for Locally Listed Companies (UGX, 2020 - 2024)

Counter	2020	2021	2022	2023	2024
AIRTEL				7.35	7.88
BATU	406	209.58	209	181	210
BOBU	0	20 ³	10	2	4.0
CQCIL	0	2	2.5	2.5	3.5
DFCU	17.38	0	8.19	9.1	20.1
MTNU		14.99	15.9	18	22.6
NIC	0	0	1	-	-
NVL	18	0	6.46	-	-

SBU	0	1.96 ⁴	3.61	5.47	3.13
UCL	1.35	1.5	0.5	-	-
UMEME	12.2	54.1	63.9	78.2	-

Source: Company Filings, CMA Database

CQCIL posted the highest dividend yield of 11.3% in 2024. The dividend yield is used to determine the cash flows attributed to an investor from owning shares in a company. The metric 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 XIX: Dividend Yield for Locally Listed Companies (Percentage, 2020 - 2024)

Counter	2020	2021	2022	2023	2024
AIRTEL				10.5	9.3
BATU	1.07	1.39	1.4	1.2	1.4
BOBU	8.33	25	11.8	10	8.5
CQCIL	0	2.89	4.2	4.5	11.3
DFCU	2.78	0	1.5	4	6.7
MTNU		8.42	8.8	10.6	6.5
NIC	0	0	20	-	-
NVL	5.71	0	4.2	-	-
SBU	8.09	8.86	17.2	14.8	9.2
UCL	16.88	7.89	2.9		-
UMEME	5.57	22.64	23.2	17	-

Source: Company Filings, CMA Database

2.5. Private Capital

Despite earlier optimism about Uganda's growth prospects, the value of disclosed transactions in the private capital markets declined by 67.7%, falling from US\$ 207.1 million in FY 2023/24 to US\$ 66.9 million in the review period. The healthy yields in the more advanced economies led to a reversal of inflows and at the same time increased the cost of capital for business owners and founders, slowing down uptake of private capital.

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

Month/Year	Target Company	Target Sector	Acquirer Name	Deal Value (US\$)
Nov-24	Sukuma Commodities	Agribusiness	Sahel Capital	1,000,000
Nov-24	Spouts International	Manufacturing	Incofin	3,200,000
Dec-24	AMEA Power	Energy	Emerging Africa and Infrastructure Fund (EAIFF)	18,000,000
Aug-24	Fido Solutions Limited	Financial Services	FMO	10,000,000
Sept-24	Fido	Financial Services	Blue Orchard and FMO	20,000,000

4

Month/Year	Target Company	Target Sector	Acquirer Name	Deal Value (US\$)
Sept-24	Agent Banking Company of Uganda (ABC)	Financial Services	Goodwell Investments	Undisclosed
Jan-25	Watu Credit Uganda	Financial services	FMO	5,000,000
Jan-25	Flow Uganda	Financial services	Inua Capital	Undisclosed
Apr-25	GOGO Electric	E-mobility	Uganda Development Bank (UDB)	3,000,000
Apr-25	JKCC	Agriculture	IDH FarmFit	6,500,000
May-25	GOGO Electric	E-mobility	Cygnum Capital (Africa Go Green Fund)	Undisclosed
May-25	African Mushroom Growers	Agriculture	Kampani	221,000

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 2024/25 financial year, the Bank of Uganda issued UGX 23 trillion worth of treasury bonds, reflecting a 186.1% increase from the previous year's issuance of UGX 8 trillion. This rise in debt issuances can be attributed to the additional domestic borrowing approved by the parliament of Uganda to meet spending needs. Among these bonds, the 10-year bond raised the most funds, accounting for 40.6% 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	2024/25	Change (%)
2-Year	649.3	1,041.3	1,358.9	30.5
3-Year	1,185.4	886.7	1,378.2	55.4
5-Year	621.9	769	2,923	280.1
10-Year	703.3	1,413.5	10,762.4	661.4
15-Year	1,298.2	1,717.9	3,541.3	106.1
20-Year	1,360.7	2,242.2	3,133.1	39.7
Total Bonds Issuance	5,818.7	8,070.6	23,096.9	186.1

Source: Ministry of Finance Planning and Economic Development; Annual Debt Statistical Bulletin and Public Debt Portfolio Analysis.

It is anticipated that in FY 2025/26, the Ugandan government will continue to prioritize the issuance of long-term treasury bonds. This strategic shift aims to extend the maturity profile of domestic debt and mitigate refinancing risks within the portfolio. In line with this objective, the government, through the Bank of Uganda, has introduced a 25-year treasury bond, further demonstrating its commitment to deepening the domestic debt market and promoting a more sustainable debt structure.

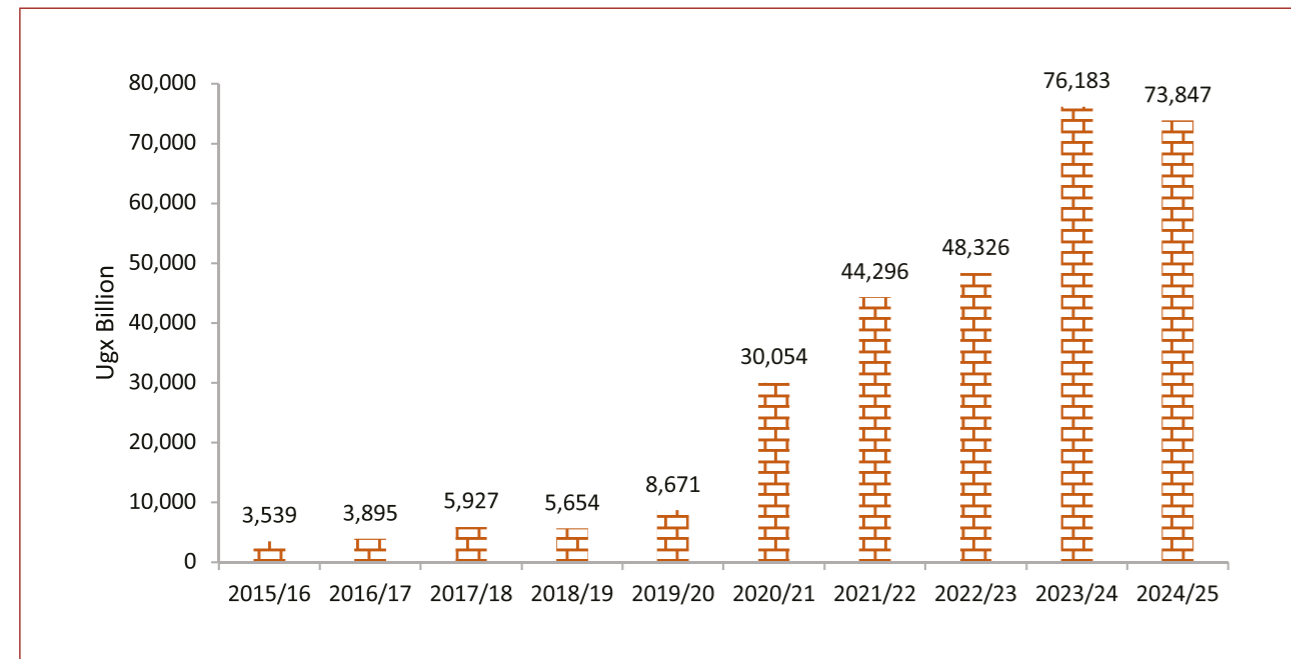
2.6.2. Secondary Market Activity⁵

The value of government bonds traded in the secondary market, fell by 3% to UGX 73.8 trillion in FY 2024/25 from UGX 76.2 trillion in FY 2023/24. Average monthly turnover also fell by 3% to UGX 6.1 trillion in the financial year 2024/25 from UGX 6.3 trillion previously. The decline in secondary market turnover during FY 2024/25 largely reflects market stabilization after strong growth driven by primary dealership reforms in the previous year.

⁵ The figures only refer to the Over-the-Counter trading and not on-exchange trading

Over the last ten years, the government bond turnover on the secondary market has increased from UGX 3.5 trillion in FY 2015/16 to UGX 73.8 trillion in FY 2024/25.

Figure VII: Secondary Market Trading for Government Bonds (2015/16 - 2024/25)



Source: Bank of Uganda Money Market Reports

At the close of the financial year 2024/25, Uganda's government bond turnover ratio was recorded at 20.4%, whereas Kenya's bond market had a turnover ratio of 28.5% during the same period, highlighting the greater liquidity of Kenya's government bond market relative to Uganda's.

2.6.3. Treasury Bonds Yields

Yields on Treasury bonds in the primary market rose across all maturities during the financial year, reflecting the Bank of Uganda's tight monetary policy stance aimed at containing inflation, as well as increased government borrowing requirements to finance fiscal needs.

Table XXII: Quarterly Evolution of Yields on Treasury bonds (FY 2024/25)

Maturity	Jul – Sept	Oct – Dec	Jan – Mar	Apr – Jun
2-Year	15.4	15.8	16	15.8
3-Year	15.3	15.7	16.6	16.5
5-Year	15.8	16	16.7	16.6
10-Year	15.8	16.4	17.1	17.5
15-Year	16.2	16.8	17.3	17.5
20-Year	16.5	17.2	17.9	18.1

Source: Bank of Uganda

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 Committee

(UFIMC), aim to spur secondary market activity and facilitate appropriate pricing of risk in the fixed-income securities market.

2.7. Corporate Bond Performance

2.7.1. Corporate bond trading statistics

In the review period, there was no activity in both the primary and secondary markets for corporate bonds. Elevated yields on government securities made corporate bonds less attractive to issuers and investors, as corporations faced higher borrowing costs to compete with the safer, high-yielding government instruments. To stimulate issuance in the primary market, CMA continues to raise awareness among business owners and founders on the benefits of corporate bonds as an alternative source of market-based financing. Efforts also continue for the lobbying of a favorable tax regime.

In line with Uganda's Fourth National Development Plan (NDPIV), which emphasizes the need for innovative financing mechanisms to drive the ten-fold growth strategy, the CMA is actively engaging entities particularly State-Owned Enterprises (SOEs) to issue corporate bonds as a means of mobilizing long-term capital for development. Furthermore, the CMA is promoting the use of tools such as guarantees, sinking funds, and credit ratings to enhance investor confidence. The revival of secondary market activity is expected to benefit from initiatives such as the establishment of the UFIMC, which also seeks to coordinate development initiatives in the fixed income space.

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: Uganda Securities Exchange, CMA Database

2.8. Competitiveness and Inclusiveness

2.8.1. Domestic Market Capitalization as a Percentage of GDP

In comparison with other jurisdictions in the region, Uganda's domestic market capitalization to GDP ratio remains low in absolute terms, but it ranked second out of four countries in FY 2024/25. Kenya recorded the highest ratio at 17.8%, highlighting both Uganda's relative regional position and the potential for further market development.

To support growth in the significance of the capital markets in financing the economy, the Authority continues to educate entrepreneurs and business owners on market-based financing as an alternative source of funding. Drawing on successful case studies from other jurisdictions, the Authority actively engages with key persons in the financial services and telecommunications sectors, as well as with previously privatized state-owned enterprises, to promote wider participation in the capital market.

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

Country	Indicator	2023/24	2024/25
Uganda	Domestic market capitalization	2.8	3.87
	GDP at Constant Prices	40.5	49.4
	Domestic market capitalization to GDP (%)	6.9	7.8
Kenya	Domestic market capitalization	11.2	18.6
	GDP at Constant Prices	99.9	104.6
	Domestic market capitalization to GDP (%)	11.2	17.8
Tanzania	Domestic market capitalization	4.7	4.88
	GDP at Constant Prices	70.6	74.5
	Domestic market capitalization to GDP (%)	6.7	6.5
Rwanda	Domestic market capitalization	0.53	0.69
	GDP at Constant Prices	14	15.26
	Domestic market capitalization to GDP (%)	3.8	4.5

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 3.6% at the end of FY 2024/25, up from 1.9% the previous year, reflecting growing participation in market-based savings products. By comparison, Morocco's CIS AUM to GDP ratio stands at 58.4%, demonstrating significant success in mobilizing savings through structured investment vehicles. Pension funds and other institutional investors are the dominant participants in Moroccan CIS, accounting for a large share of total assets under management.

To further support growth in Uganda's CIS sector, the CMA continues to promote public awareness of CIS products and collaborate with market intermediaries to enhance distribution channels.

Rising GDP per capita plays a key role in boosting savings through CIS by increasing disposable incomes. Economic growth also encourages long-term financial planning and fosters a culture of investment. A robust economy typically leads to better financial infrastructure, more proactive government initiatives, and expanded access to investment opportunities, collectively creating an environment that supports higher savings rates in CIS and the broader capital market.

Table XXV: CIS AUM as a Percentage of GDP

Country	Indicator	2023/24	2024/25
Uganda	CIS Assets under Management (US \$, Billion)	0.8	1.8
	GDP at Constant Prices (US \$, billion)	40.5	49.4
	CIS Assets under Management to GDP (%)	1.9	3.6
Kenya	CIS Assets under Management US \$, Billion)	1.9	3.8
	GDP at Constant Prices (US \$, Billion)	99.9	104.6
	CIS Assets under Management to GDP (%)	1.9	3.6
Tanzania	CIS Assets under Management US \$, Billion)	0.9	1.2
	GDP at Constant Prices (US \$, Billion)	70.6	74.5
	CIS Assets under Management to GDP (%)	1.3	1.6
Morocco	CIS Assets under Management US \$, Billion)	60.3	78.6
	GDP at Constant Prices (US \$, Billion)	129.5	134.5
	CIS Assets under Management to GDP (%)	46.6	58.4

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

ROE patterns across East Africa show clear regional distinctions. Uganda displays extreme variance, led by Airtel's exceptional 222.2% and MTN's strong 53.6%, indicating telecom dominance. Kenya on the other hand demonstrates remarkable consistency, with the 5 largest counters clustered between 24-30% ROE, reflecting mature markets and stable returns across banking, telecom, and consumer goods sectors.

Tanzania's firms show positive but more moderate equity efficiency compared to Kenya's consistent highs and Uganda's telecom-driven peaks.

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

Uganda					
Counter	AIRTEL	BATU	CQCIL	MTNU	SBU
ROE (%)	222.2	23.4	21.8	53.6	23.3
Kenya					
Counter	BAT	KCB	EABL	Safari com	Stan Chart
ROE (%)	28.5	24.6	29.6	27.8	28.0
Tanzania					
Counter	CRDB	NMB	TPCC	TCC	TBL
ROE (%)	27.7	25	17.6	51.4	18.5

Source: Company Filings, CMA Database



3.0 Performance of Regional Capital Markets

This section covers the performance of regional equity markets. It provides insights into the equity’s 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 Rwanda Stock Exchange (RSE) recorded a 63.9% decline in equity turnover during FY 2024/25, with trading value falling from US\$ 8.6 million in the previous year to US\$ 3.1 million. In contrast, market turnover increased in Uganda, Kenya, and Tanzania by 36.5%, 42.8%, and 5.5%, respectively. The growth in these markets was driven by increased investor confidence in the domestic economy, improved liquidity in the equity market, and higher participation from institutional and retail investors.

Table XXVII: Regional Equity Turnover (in US\$ million)

Securities Exchange	2020/21	2021/22	2022/23	2023/24	2024/25
USE	4.7	12.3	15.8	15.6	21.3
NSE	1,242.8	1,083.9	802.6	555.1	585.5
DSE	232.2	55.1	46.5	110.3	157.5
RSE	43.4	19.1	12.4	8.6	3.1

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

3.1.2. Market Capitalization

Domestic market capitalization across all regional securities exchanges increased during FY 2024/25, reflecting improved investor sentiment and stronger market fundamentals. The Nairobi Securities Exchange registered the highest growth, rising by 47.6% to US\$ 18.6 billion from US\$ 12.6 billion in FY 2023/24.

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

Securities Exchange	2023/24	2024/25	Change (%)
USE	2.8	3.9	39.3
NSE	12.6	18.6	47.6
DSE	4.7	4.9	4.3
RSE	0.61	0.7	16.7

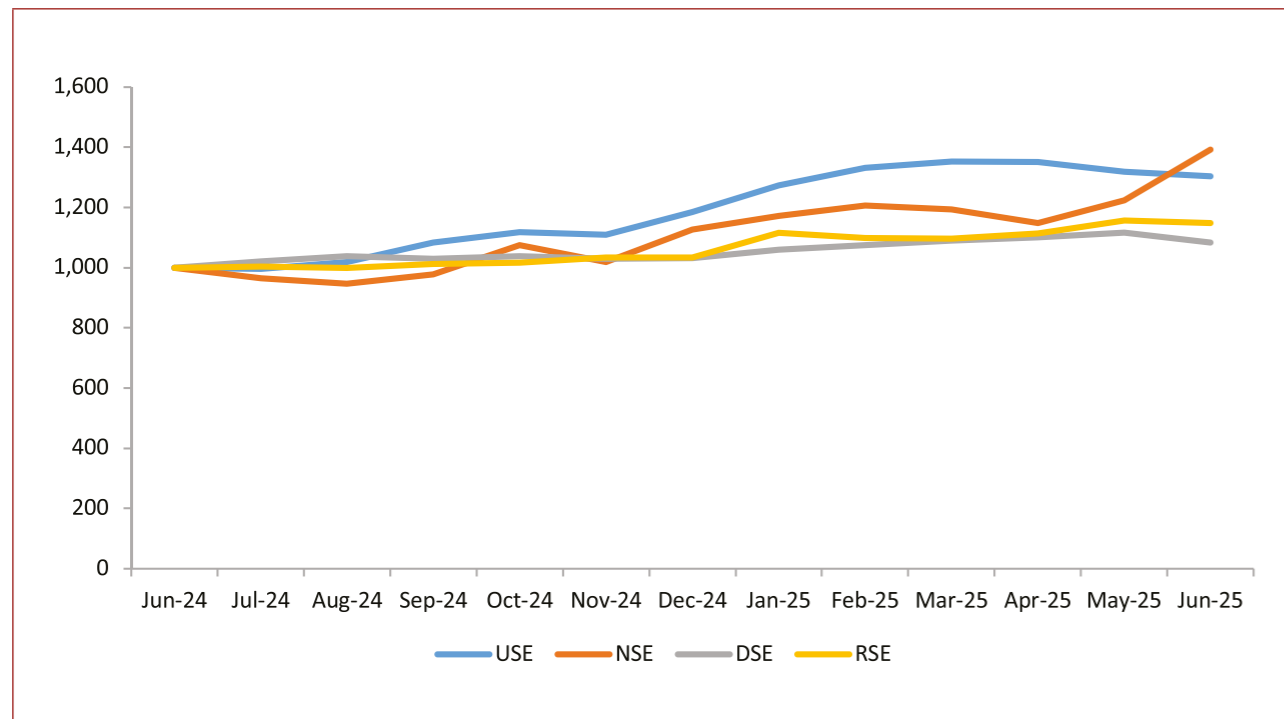
Source: DSE market reports, RSE market reports, USE market reports and NSE market reports

3.1.3. Index Levels⁶

Regionally, the NSE All-Share Index rose by 36%, closing the financial year 2024/25 at 1,392 points from 1,023 points at the end of the financial year 2024/25. The changes in index level are reflective of the changes in domestic market capitalization, driven by similar factors.

⁶ The indices have been rebased using the same start level of 1,000 points, to easily compare the performance of the indices

Figure VIII: Trends in Regional Share Indices (June 2024 – June 2025)⁷



Source: USE, RSE, DSE and NSE market reports

4.0 Capital Markets Performance During National Development Plan III

4.1. Key Market Indicators

Progress was made during the implementation period for the National Development Plan (NDP) III. Table 1 below compares five key capital markets indicators at the start and end of the NDP III plan period. The five-year compound annual growth rate (CAGR) is calculated over the full NDP III period.

Table XXIX: Uganda's Capital Markets — NDP III Performance (30 June 2020 vs 30 June 2025)

Indicator	30 June 2020 (NDP III Start)	30 June 2025 (NDP III End)	5-Year CAGR
CIS Assets Under Management (AUM)	UGX 388.5 billion	UGX 4,584.9 billion	63.7% p.a.
Funded CIS Investor Accounts	8,804	157,762	78.3% p.a.
Segregated Funds AUM (pension & occupational schemes)	UGX 4.02 trillion	UGX 5.25 trillion	5.5% p.a.
USE Domestic Market Capitalization	UGX 4.33 trillion	UGX 13.9 trillion	26.3% p.a.
Licensed Market Intermediaries (total regulated entities)	86	146	11.2% p.a.

Source: CMA Research & market development department

CIS AUM grew from UGX 388.5 billion at NDP III commencement to UGX 4,584.9 billion by June 2025, a compound annual growth rate (CAGR) of 63.7%. This growth was driven by the NSSF mid-term access, which allowed contributors to channel a portion of their savings into CIS products; the licensing of additional CIS Managers; sustained investor education campaign; and a regulatory framework that drove public confidence. Funded investor accounts grew from 8,804 to 157,762 over the same period, reflecting a structural shift in how Ugandans save, with the move being towards formal savings.

Domestic market capitalization grew from UGX 4.33 trillion to UGX 13.9 trillion, a five-year CAGR of 26.3%. The primary driver was the December 2021 listing of MTN Uganda Limited (the largest IPO in Uganda's history) followed by the Airtel Uganda listing in 2022. These two transactions together raised UGX 968.9 billion from the equity capital markets, compared to UGX 155 billion raised in the preceding five-year period. The MTN and Airtel listings also onboarded hundreds of thousands of new retail investors into the equity market.

Segregated fund AUM, covering pension schemes, SACCOs, and occupational schemes managed by CMA-licensed fund managers, grew from UGX 4.02 trillion to UGX 5.25 trillion (June 2025), a CAGR of 5.5%. Growth was driven by member contributions and appreciation of underlying government bond portfolios, partially offset by elevated withdrawals from occupational schemes following COVID-19 related employment disruptions. The number of licensed fund managers expanded from five to thirteen over the NDP III period, broadening the institutional capacity to manage Uganda's growing pool of formal savings.

The total number of licensed market intermediaries grew from 86 to 146. This growth extended the reach of regulated capital markets to previously underserved market segments. Uganda's ranking on the Absa Africa Financial Markets Index improved from 10th to 3rd in Africa by the end of NDP III, reflecting the quality of the regulatory framework established during the plan period.



4.2. Baseline ATMS Financing during the NDP III Period

The Government of Uganda launched the Tenfold Growth Strategy, which seeks to expand Uganda’s economy from approximately USD 63 billion to USD 500 billion. The strategy is anchored on four pillars: agro-industrialisation; tourism; minerals and oil and gas, and science, technology and innovation. No financing instruments were issued during NDP III targeting these sectors, hence the absence of a baseline. The table that follows highlights instruments that could be used to finance these priority sectors.

Table XXX: ATMS Sector Financing — NDP III Status and NDP IV Requirements

ATMS Sector	Tenfold Strategy Financing
Agro- Industrialization	<ul style="list-style-type: none"> a. Operationalize warehouse receipt securities to unlock financing for the agricultural sector; b. Enable commodity bonds backed by contracted off-take agreements for large processors; and c. Develop a Credit Guarantee Facility to de-risk first-time agro-sector bond issuers.
Tourism	<ul style="list-style-type: none"> a. Facilitate conservation REITs; b. Issuance of a diaspora bond with proceeds earmarked for priority tourism infrastructure.
Minerals, Oil & Gas	<ul style="list-style-type: none"> a. Structure project bonds backed by oil revenue streams b. Pursue SOE capital markets issuances
Science, Tech & Innovation (STI)	<ul style="list-style-type: none"> a. Issuance of STI-Labelled Innovation Bonds. b. Enactment of a virtual assets regulatory framework to enable digital and tokenized securities.

Source: CMA Research & market development department



5.0 Outlook

5.1. Economic Outlook

According to the International Monetary Fund, global economic growth is projected to drop from 3.3% in 2024 to 3.2% in 2025 and 3.1% in 2026, reflecting persistent structural headwinds, moderating demand, and ongoing external shocks. Growth in advanced economies is expected to average 1.6%, while emerging market and developing economies are projected to expand slightly above 4%, underscoring the continued divergence in recovery prospects. In Sub-Saharan Africa, economic growth is expected to remain steady at 4.1% in 2025, with a modest pickup anticipated in 2026, supported by macroeconomic stabilization and reform efforts in key economies. However, the IMF notes that the region still faces overlapping monetary, fiscal, and external vulnerabilities, with risks tilted to the downside.

Domestically, the Bank of Uganda projects economic growth for FY 2025/26 to range between 6.0% and 6.5%, and to rise to about 8% over the medium term. This positive outlook is supported by increased investment in the extractive industry, improved agricultural productivity, and stronger export performance driven by deeper regional integration and participation in emerging African trade blocs. A monetary policy stance that remains supportive of growth is also expected to underpin macroeconomic stability.

Nonetheless, several downside risks could constrain economic performance. Adverse weather conditions could disrupt agricultural output and rural livelihoods, while tight domestic financing conditions and reduced external support may limit investment by both the public and private sectors. In addition, rising geopolitical tensions among key trading partners could weaken global demand and disrupt trade flows, while election-related uncertainty could slow down economic activity as businesses and consumers adopt a cautious approach.

The overarching objective for the FY 2026/27 budget strategy is to strengthen Uganda's economic growth drivers, restore the economy to its medium-term growth path, and directly contribute to the government's ambition of expanding GDP ten-fold from the current US\$ 63.6 billion to US\$ 500 billion by 2040. Government's top priority is to achieve full monetization of the economy by transitioning the 33% of households still engaged in subsistence production into the money economy. This will be realized by removing key binding constraints in priority sectors such as agro-industrialisation, tourism, mining, and science & technology, and innovation, in order to enhance productivity, competitiveness, and resilience.

The budget strategy for FY 2026/27 further emphasizes the need to enhance domestic revenue mobilization through improved tax administration and an expanded tax base, while ensuring fiscal consolidation through expenditure efficiency, value-for-money and results-based budgeting. Strategic public investment will focus on key economic enablers, including infrastructure such as roads, railways, energy, and irrigation, as well as human capital development to improve productivity. Strengthening Public Financial Management systems remains central to promoting fiscal discipline, accountability, and transparency in resource utilization.

These priorities are consistent with the National Development Plan IV, which seeks to achieve industrialization for inclusive growth, employment, and wealth creation, and are aligned with the Vision 2040 target of transforming Uganda from a predominantly low-income to an upper-middle-income country through sustained and inclusive economic growth.

5.2. Implications for Capital Markets

The anticipated acceleration of Uganda's economic growth, underpinned by strategic investments in infrastructure, extractive industries, and industrialization, signals a dynamic environment for the capital markets. Expanding financing needs for large-scale projects are likely to drive innovation in financial instruments and broaden investor participation, enhancing market depth and liquidity. At the same time, global uncertainties, geopolitical risks, and upcoming elections could temper investor sentiment and constrain private-sector access to capital, highlighting the importance of strong market regulation and confidence-building measures. Overall, the evolving economic landscape presents both opportunities and challenges, underscoring the capital markets' critical role in supporting sustainable growth.

5.3. Uganda's Capital Markets and the Parish Development Model

The nexus between the Parish Development Model (PDM) and Uganda's capital markets revolves around economic development and financial inclusion i.e. transforming rural households into monetized economy through microfinance. PDM brings together subsistence households into enterprise groups into parish SACCOs to manage the Parish Revolving Fund (PRF). On the other hand, the capital markets aim at providing scalable long-term financing (patient capital) that the transitioning enterprises require to sustain their long-term growth.

PDM builds a savings culture that expands Uganda's domestic investor base by organising rural households into SACCOs. As these rural enterprises continue to outgrow micro-loans, then the Capital Markets Authority (CMA) of Uganda provides the institutional framework like collective investment schemes (CIS), to act as a regulatory pipeline to move the parish SACCOs from mere micro-savers to investors in Uganda's capital markets.



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 2024/25.

Firms	Address	Contacts and Contact Person
Authorized Corporate Director (1)		
Rekindle Capital Limited	Plot 2702 Block 244, Nyangweso Road, Off Kironde Tank Road, Tankhill Muyenga Kampala	Tel:0772-744309 Email: jogwal@ligomarc.com Contact: Mr. Joshua Ogwal
Open Ended Investment Company (1)		
Rekindle Asset Reconstruction Fund Limited	Plot 2702 Block 244, Nyangweso Road, Off Kironde Tank Road, Tankhill Muyenga Kampala	Tel:0772-744309 Email: jogwal@ligomarc.com Contact: Mr. Joshua Ogwal
Trustees (2)		
Standard Chartered Bank Uganda Limited	Plot 5, Speke Road Kampala, Uganda	Tel: 0313-294269, 0313294100 Email: Uganda.Fundservices@sc.com; Contact: Ms. Roseline Ochola
KCB Bank Uganda Limited	7 th Floor, Commercial Plaza Plot 7, Kampala Road, Kampala, Uganda	Tel: 0417-118336, 0417-118280 Email: snyerwanire@ug.kcbgroup.com Contact: Ms. Sheila Nyerwanire
Unit Trust Managers (8) and their Respective Schemes		
Old Mutual Investment Group Limited • Balanced Fund Unit Trust Scheme • Money Market Fund Unit Trust Scheme • Umbrella Fund Unit Trust Scheme • Dollar Fund Unit Trust Scheme	5 th Floor, UAP Nakawa Business Park, (1st Tower) Plot 3-5 New Port Bell Road	Tel: 0414-332700 Email: Zkisesi@uap-group.com Contact: Mr. Zaccheus James Kiseesi
Britam Asset Managers Company (Uganda) Limited • Equity Fund Unit Trust Scheme • Umbrella Fund Unit Trust Scheme • Money Market Fund Unit Trust Scheme • Fixed Income Money Market Fund Unit Trust Scheme • Fixed Income Money Market Fund Unit Trust Scheme (USD)	Britam Centre, Plot 24A, Akii-Bua Road, Kampala	Tel: 0417-702600, 0312 305 600 Email: info@britam.com Contact: Mr. Ronald Kasolo
Sanlam Investments East Africa Limited • Umbrella Fund Unit Trust Scheme	1 Pilkington Road, 7 th Floor Workers House, Kampala, Uganda	Tel: 0414 -340707/8, 0312-265618 Email: Mubbale.Mugalya@sanlameastafrica.com Contact: Mr. Dennis Mugalya
SBG Securities Uganda Limited • Umbrella Fund Unit Trust Scheme	Ground Floor, Crested Towers (Long) 17 Hannington Road, Kampala, Uganda	Tel: 0312-224600, 0312-224985 Email: sbgqueries@stanbic.com Contact: Mr. Grace Semakula

Firms	Address	Contacts and Contact Person
Xeno Investment Management Limited • Money Market Fund, • Unit Trust Scheme • Bond Fund Unit Trust Scheme • Domestic Equity Fund Unit Trust Scheme, • Regional Equity Fund Unit Trust Scheme	1 st Floor, Workers House, 1 Pilkington Road, Kampala, Uganda	Tel: 0392-177488, 0772-842100 Email: uganda@myxeno.com Contact: Mr. Aeko Ongodia
ICEA Lion Asset Management Ltd • Balanced Fund Unit Trust Scheme • Money Market Fund Unit Trust Scheme • Income Fund Unit Trust Scheme • Okusevinga Money Market Fund Unit Trust Scheme	Rwenzori Courts, Kampala, Uganda	Tel: 0414-347535, 0414-232337 Email: icea@africaonline.co.ug Contact: Mr. Emmanuel Mwaka
Genafrica Asset Managers Uganda Limited • Genafrica Fixed Income Fund Unit Trust Scheme	6th Floor, Aha Towers, Plot 7, Lourdel Road, Nakasero, Kampala	Tel:0414-252343/ 50 Fax: 0414-253344 Email: uganda@genafrica.com Contact: Mr. George Mulindwa
Cornerstone Asset Managers Limited • Income Fund Unit Trust Scheme • Dollar Income Fund Unit Trust Scheme	Plot 16A Ntinda 11 Road, Naguru, Kampala, Uganda	Tel:0704552554 Email: kusiima.mwebaze@gmail.com Contact: Mr. Simon Mwebaze Kusiima
Investment Advisers (15)		
AMIOO Capital Limited	Royal Palms, Butabiika, Luzira, Nakawa	Tel: 0775098781 Email: onguraj@amioo.com Contact: Mr. Joram Ongura
Blue Solitaire Investments Limited	Plot 203-Kirabo Complex, Bukoto-Kisasi Road, Kampala, Uganda	Tel: +256-752711660 Email: jatin@blue-solitaire.com Contact: Mr. Jatin B. K. Ghughu
PKF Consulting (U) Ltd	Plot 1B Kira Road House Kalamu Kampala, Uganda	Tel: 0414-341523/5 Email: pkfkam@ug.pkfea.com Contact: Mr. Innocent Dennis Dankaine
Standard Chartered Bank Uganda Limited	Plot 5, Speke Road, Kampala, Uganda	Tel: 0313-294269, 0313294100 Email: ug.service@sc.com Contact: Mr. Stanley Katwaza
Old Mutual Investment Group Limited	5 th Floor, UAP Nakawa Business Park, (1 st Tower) Plot 3-5 New Port Bell Road Kampala, Uganda	Tel: 0414-332700 Email: Zkisesi@uap-group.com Contact: Mr. Zaccheus James Kiseesi
Profin Group Uganda Limited	Bwindi Trust House, Room C1, Plot 1 Kampala. Katalima Crescent, Naguru.	Tel: 0414-533261 Email: uganda@theprofiningroup.com Contact: Mr. Eric Duplessis
Level Africa	Plot 73, Bunyonyi Drive Kiswa Bugoloobi, Kampala, Uganda	Tel: 0765972769 Email: support@level.africa Contact: Mr. Abraham Banaddawa

Firms	Address	Contacts and Contact Person
Agola Holdings Limited	Ntinda Kalinabiri, Wamala Road, Kampala, Uganda	Tel: 0782540805 Email: tabulino@yahoo.co.uk Contact: Mr. Taban Lino Charles
Asigma Capital Advisory Services Limited	1 st Floor, Legacy House, Plot 38B, Windsor Crescent, Kololo, Kampala, Uganda	Tel: 0392159560 Email: info@asigmacapital.com Contact: Mr. David Nanambi
Regency Wealth Management Limited	5 th Floor, Shumuk House, Office SH9 Kampala, Uganda	Tel: 0312-314316, 079-1224611 E-mail: matthew@regency-wealth.com Contact: Mr. Matthew Turner
Sail Global Corporation Limited	Plot 26 Golf Course Road – Kololo, Kampala	Tel: 0414696297 Email: info@sailglobalcorp.com Contact: Ronald Kwesiga
International Finance Consultants Limited	Plot 24A Hannington Road, Kampala,	Tel: 039 3202692 Email: ifc@kskassociates.net Contact: Farouk Kitumba
J. SR Consulting Limited	2 nd Floor, Regency Plaza, Plot 30 Lugogo Bypass, Naguru, Kampala	Tel: 0772 703444 / +256 786 624855 Email: info@jsamuelrichards.com Contact: Mr. Robert Anthony Katuntu
Ndovu Wealth Uganda SMC Limited	7 th Floor, Course View Towers, Plot 21, Yusuf Lule Road, Kampala	Tel: 0777 747897 Email: waanzilishicapital@gmail.com Contact: Rogito Nyangeri
PricewaterhouseCoopers Limited	Plot 1, Colville Street Communications House, Kampala Uganda	Tel: 0312 354400 Email: ug_general@pwc.com Contact: Hilda Kamugisha
Custodians (5)		
KCB Bank Uganda Limited	7 th Floor, Commercial Plaza Plot 7, Kampala Road, Kampala, Uganda	Tel: 0417-118336, 0417-118280 Email: snyerwanire@ug.kcbgroup.com Contact: Ms. Sheila Nyerwanire
Stanbic Bank Uganda Limited	4 th Floor, Crested Towers (Long) Plot 17, Hannington Road, Kampala,	Tel: 031 2224600 Email: spl@stanbic.com Contact: Mr. Andrew Omiel
Standard Chartered Bank Uganda Limited	Plot 5, Speke Road, Kampala, Uganda	Tel: 0313-294269, 0313294100 Email: ug.securities-services@sc.com; Contact: Ms. Roseline Ochola
Housing Finance Bank	Plot 4, Wampewo Avenue Kampala, Uganda	Tel: 0417-803000 Email: andawula@housingfinance.co.ug Contact: Ms. Angela Ndawula
Absa Bank Uganda Limited	Plot 2, Hannington Road, Kampala, Uganda	Tel: 0775110211 Email: PAUL.ODONG@absa.africa Contact: Paul Odong
Fund Managers (12)		
Old Mutual Investment Group Limited	5 th Floor, UAP Nakawa Business Park, (1 st Tower) Plot 3-5 New Port Bell Road, Kampala, Uganda	Tel: 0414-332700 Email: Zkisesi@uap-group.com Contact: Mr. Zaccheus James Kiseesi
Goldkach Uganda Limited	3 rd Floor Kanjokya House Plot 90, Kanjokya Street Kampala, Uganda	Tel: 0759-083314 Email: joluka@goldkach.com Contact: Mr. Julius Oluka

Firms	Address	Contacts and Contact Person
ICEA Lion Asset Management Ltd	Rwenzori Courts, Kampala, Uganda	Tel: 0414-347535, 0414-232337 Email: icea@africaonline.co.ug Contact: Mr. Emmanuel Mwaka
Britam Asset Managers Company (Uganda) Limited.	Britam Centre, Plot 24A, Akii-Bua Road, Kampala	Tel: 0417-702600, 0312 305 600 Email: info@britam.com Contact: Mr. Ronald Kasolo
GenAfrica Asset Managers Uganda Ltd	6 th Floor, Aha Towers Plot 7, Lourdel Road, Nakasero, Kampala	Tel: 0 41 4252343/4252350 Email: uganda@genafrika.com Contact: Mr. George Mulindwa
Sanlam Investments East Africa Limited	Plot 1 Pilkington Road, 7 th Floor Workers House, Kampala, Uganda	Tel: 0414 -340707/8, 0312-265618 Email: Mubbale.Mugalya@sanlameastafrica.com Contact: Mr. Dennis Mugalya
Pearl Capital Partners Uganda Limited	Plot M697, Equata Building 2nd Floor, Lugogo, Kampala	Tel: 0312-264983/4 Email: info@pearlcapital.net Contact: Mr. Edward Isingoma Matsiko
Inua Capital Uganda Limited	2 nd Floor, Studio House Bandali Rise, Bugolobi, Kampala	Tel: 0772 972227 Email: admin@inuacapital.com Contact: Ms. Kim Kamarebe
SBG Securities Uganda Limited	Ground Floor, Crested Towers (Long) 17 Hannington Road, Kampala, Uganda	Tel: 0312-224600, 0312-224985 Email: sbgqueries@stanbic.com Contact: Mr. Grace Semakula
Xeno Investments Uganda Limited	1 st Floor, Workers House, 1 Pilkington Road, Kampala, Uganda	Tel: 0392-177488, 0772-842100 Email: uganda@myxeno.com Contact: Mr. John Muhumuza Kamara
Cornerstone Asset Managers Limited	Plot 16A Ntinda 11 Road, Naguru, Kampala, Uganda	Tel: 0704552554 Email: kusiima.mwebaze@gmail.com Contact: Mr. Simon Mwebaze Kusiima
Asigma Capital Advisory Services Limited	1 st Floor, Legacy House, Plot 38B, Windsor Crescent, Kololo, Kampala, Uganda	Tel: 0392159560 Email: info@asigmacapital.com Contact: Mr. David Nanambi
Stock Brokers (6)		
Old Mutual Investment Group Limited	5 th Floor, UAP Nakawa Business Park, (1 st Tower) Plot 3-5 New Port Bell Road, Kampala, Uganda	Tel: 0414-332700 Email: Zkisesi@uap-group.com Contact: Mr. Zaccheus James Kiseesi
Dyer and Blair Uganda Limited	Rwenzori House, Kampala, Uganda	Tel: 0414-233050 Email: uganda@dyerandblair.com Contact: Ms. Esther Kakiiza
SBG Securities Uganda Limited	Ground Floor, Crested Towers (Long) 17 Hannington Road, Kampala, Uganda	Tel: 0312-224600, 0312-224985 Email: sbgqueries@stanbic.com Contact: Mr. Grace Semakula
Chipper Technologies Uganda Limited	Plot 6A, 7 th Street Industrial Area, 1 st Floor, SMS House, Kampala, Uganda	Tel: 0200-935935 Email: uganda@chippercash.com Contact: Mr. Dan Tumuramy
Crested Stocks and Securities Limited	1 st Floor Impala House, Plot 13/15 Kimathi Avenue, Kampala, Uganda	Tel: 0414-230900 Email: info@crestedcapital.com Contact: Mr. Robert Baldwin

Firms	Address	Contacts and Contact Person
BIK Capital Limited	Plot 78, First Floor, Media Plaza, Kira Road, Kampala, Uganda	Tel: 0780 142375/774 997424 Email: info@bikcapital.com Contact: Mr. Bakkabulindi Joseph
Commodities Broker (1)		
Crested Stocks and Securities Limited	1 st Floor Impala House, Plot 13/15 Kimathi Avenue, Kampala, Uganda	Tel: 0414-230900 Email: info@crestedcapital.com Contact: Mr. Robert Baldwin
Securities Central Depositories (2)		
Uganda Securities Exchange	4 th Floor, UAP Nakawa Business Park, Block A (North Wing) Plot 3-5 New Port Bell Road, Kampala	Tel: 0414-332824 Email: info@use.or.ug Contact: Mr. Paul Bwiso
ALTX East Africa Limited	Plot 1 Mackenzie Close, Kololo, Kampala	Tel: 0790-536781, 0312-209600 Email: info@altxafrica.com Contact: Mr. Joseph Kitamirike
Dealers (5)		
Crested Stocks and Securities Limited	1 st Floor Impala House, Plot 13/15 Kimathi Avenue, Kampala, Uganda	Tel: 0414-230900 Email: info@crestedcapital.com Contact: Mr. Robert Baldwin
Old Mutual Investment Group Limited	5 th Floor, UAP Nakawa Business Park, (1st Tower) Plot 3-5 New Port Bell Road, Kampala, Uganda	Tel: 0414-332700 Email: Zkisesi@uap-group.com Contact: Mr. Zacchaeus James Kiseesi
BIK Capital Limited	Plot 78, First Floor, Media Plaza, Kira Road, Kampala, Uganda	Tel: 0780 142375/774 997424 Email: info@bikcapital.com Contact: Mr. Bakkabulindi Joseph
Dyer and Blair Uganda Limited	Rwenzori House, Kampala, Uganda	Tel: 0414-233050 Email: uganda@dyerandblair.com Contact: Ms. Esther Kakiiza
Standard Chartered Bank Uganda Limited	Plot 5, Speke Road, Kampala, Uganda	Tel: 0313-294257 Email: FinancialMarketsUganda@sc.com; Contact: Oscar Muwanga
Recognized Schemes (2)		
AB FCP I & AB SICAV I	Plot 2-4, Rue Eugene Ruppert, L-2453, Luxembourg Representative: Standard Chartered Bank Uganda Limited's Address; Plot 5, Speke Road, Kampala, Uganda	Representative: Standard Chartered Bank Uganda Limited Tel: 0313-294269, 0313294100 Email: ug.service@sc.com Contact: Mr. Stanley Katwaza
APPROVED PERSONS		
Stock Exchanges		
Uganda Securities Exchange	4 th Floor, UAP Nakawa Business Park, Block A (North Wing) Plot 3-5 New Port Bell Road, Kampala	Tel: 0414-332824 Email: info@use.or.ug Contact: Mr. Paul Bwiso
ALTX East Africa Limited	Plot 1 Mackenzie Close, Kololo, Kampala	Tel: 0790-536781, 0312-209600 Email: info@altxafrica.com Contact: Mr. Joseph Kitamirike

Firms	Address	Contacts and Contact Person
Self-Regulatory Organization (1)		
Uganda Securities Exchange	4 th Floor, UAP Nakawa Business Park, Block A (North Wing) Plot 3-5 New Port Bell Road, Kampala	Tel: 0414-332824 Email: info@use.or.ug Contact: Mr. Paul Bwiso
Authorized Registrars (4)		
Deloitte Uganda Limited	3 rd Floor, Rwenzori House, Plot 1 Lumumba Avenue, Kampala, Uganda	Tel: 0417-701000 Email: admin@deloitte.co.ug Contact: Mr. Norbert Kagoro
Custody and Registrar Services Limited	4 th Floor, DTB Centre, Kampala, Uganda	Tel: 0757-072773 Email: shareholder@candrgroup.co.ug Contact: Ms. Mary Ndia
Image Registrars Uganda Limited	1 st Floor, Jubilee Insurance Centre Plot 14, Parliament Avenue	Tel: 0762260804 Email: info@image.co.ke Contact: Ms. Precious Aheirwe
USE Nominees Limited	4 th Floor, UAP Nakawa Business Park, Block A (North Wing) Plot 3-5 New Port Bell Road, Kampala	Tel: 0414-332824 Email: info@use.or.ug Contact: Mr. Bob Musinguzi
Commodities Exchange (1)		
USE Commodities Exchange Limited	4 th Floor, UAP Nakawa Business Park, Block A (North Wing) Plot 3-5 New Port Bell Road, Kampala	Tel: 0414-332824 Email: info@use.or.ug Contact: Mr. Paul Bwiso
Venture Capital Fund (1)		
Inua Impact Fund Limited	2 nd Floor, Studio House, Bandali Rise Bugolobi, Kampala	Tel: 0772 972227 Email: admin@inuacapital.com Contact: Ms. Kim Kamarebe
Transaction Advisers (4)		
J. SR Consulting Limited	2 nd Floor, Regency Plaza, Plot 30 Lugogo Bypass, Naguru, Kampala	Tel: 0772 703444 / +256 786 624855 Email: info@jsamuelrichards.com Contact: Mr. Robert Anthony Katuntu
Crested Stocks and Securities Limited	1 st Floor Impala House, Plot 13/15 Kimathi Avenue, Kampala, Uganda	Tel: 0414-230900 Email: info@crestedcapital.com Contact: Mr. Robert Baldwin
Absa Bank Uganda Limited	Plot 2, Hannington Road, Kampala, Uganda	Tel: 0775110211 Email: PAUL.ODONG@absa.africa Contact: Paul Odong
Dyer and Blair Uganda Limited	Rwenzori House, Kampala, Uganda	Tel: 0414-233050 Email: uganda@dyerandblair.com Contact: Ms. Esther Kakiiza
Credit Rating Agency		
ICRA Rating Agency Limited	1st Floor, Jumbo Plaza, Parliament Av., PO Box 114570, Kampala, Uganda	Tel: 0703107233 Email: www.icratingug.com Contact: Jeremiah Karugaba



Capital Markets Authority

Protecting Your Investments

CAPITAL MARKETS AUTHORITY

8th Floor, Uganda Business Facilitation Center,
1 Baskerville Avenue, Kololo

CONTACT US ON

+256-414-342788/91

+256-312-264950/1

Toll free line

0800100031