



**Uganda**  
Securities Exchange

January 2023

# MONTHLY BULLETIN

## ACTIVITY REPORT

### MARKET PERFORMANCE

#### Equities Report

The trading volume for January 2023 was 85,203,295 shares with a turnover of UGX 6,837,238,932. This month's turnover performance was a 233% increase from the UGX 2,050,479,088 that was recorded in January 2022.

Activity in January increased 197% compared to the turnover registered in December 2022, from 2.3 billion to 6.8 billion. This represents a daily average turnover of approximately UGX 325 million. Volume traded increased to 85 million shares compared to 13 million shares traded in December 2022. The number of deals increased to 586 deals up from 310 deals executed in December 2022, with 45.7 per cent of the deals attributed to the MTN Uganda Limited counter.

#### Turnover performance per counter

MTN Uganda Limited counter dominated activity for the month accounting for 51.27 percent of the total turnover followed by UMEME with 29.07 percent. In third position was Stanbic with 18.90 per cent contribution to the month's turnover and Bank of Baroda Uganda in fourth position with 0.31 percent. CIPLA, Uganda Clays Limited, National Insurance Corporation Limited, and DFCU Limited combined recorded 0.45 percent of the total turnover.

#### Volume traded per counter

Stanbic registered the highest volume of shares with 66.56 percent, followed by MTN Uganda Limited with 22.82 percent. UMEME came third with 7.80 percent of the volume, while National Insurance

Corporation Limited was in the fourth position with 1.53 percent of the total volume. Uganda Clays Limited accounted for 0.75 percent, Bank of Baroda Uganda, CIPLA, DFCU Limited and New vision Limited had the least number of shares traded amounting to 466,439 shares representing 0.54 percent of total number of shares traded.

#### Trading Volumes and Activity on a Monthly Basis year on year

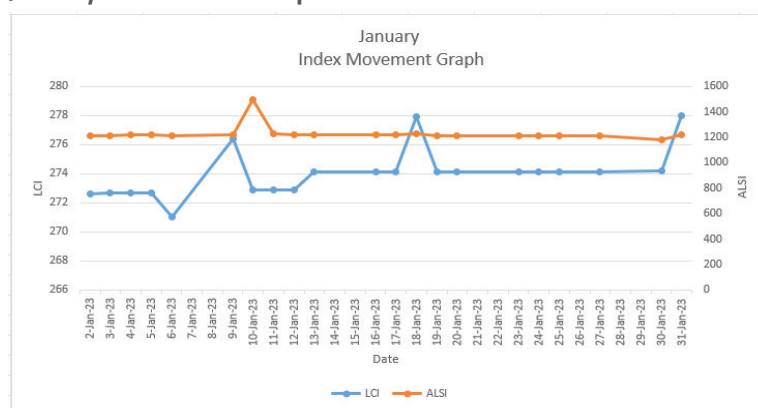
	January 2023	January 2022
Volume Traded	85,203,295	41,935,930
Turnover (UGX)	6,837,238,932	2,050,479,088
Number of Deals	586	371
Trading Days	21	20
Daily Average Turnover (UGX)	325,582,806	102,523,954
Daily Average number of trades	28	19
Market Capitalization (UGX.bn)	20,945.74	23,549.32
USE All Share Index (ASI)	1,217.76	1,369.35
Local Share Index (LSI)	277.99	313.54

Source USE Product Markets Department

#### USE Index Results

The Local Company Index (LCI) slightly increased during the period with many local counters registering minimal price movements. The local index commenced the month at 272.67 and closed at 277.99 representing a 1.96 percent rise. The All Share Index (ALSI) rose by 0.43 percent to 1217.76 from 1212.58 at the start of the month.

#### January 2023 Indices Graph



#### Equities Report

The trading volume for January 2023 was  
**85,203,295** shares



#### Turnover performance per counter

**MTN Uganda Ltd** counter dominated activity for the month accounting for **51.27** % of the total turnover



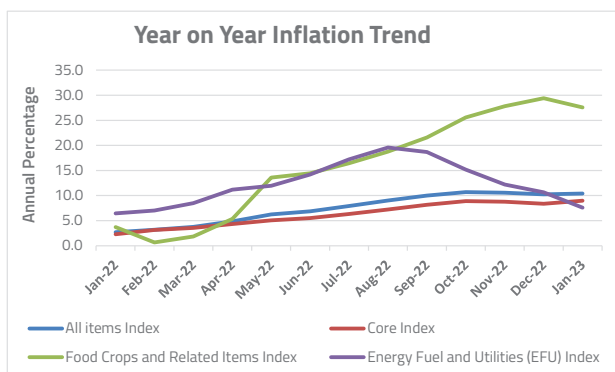
#### Volume traded per counter

Stanbic registered the highest volume of shares with **66.56%**, followed by MTN Uganda Ltd

## INFLATION – OUTLOOK AND RISKS

Annual inflation as measured by the consumer price index for Uganda for the 12 months to January 2023 is 10.4 percent compared to 10.2 percent registered in the year ended December 2022. This was due to the increase in core inflation that was registered at 9.0 percent in the year ending January 2023 compared to 8.4 percent registered in the year ended December 2022. The Monthly Headline Inflation for January 2023 registered 0.2 percent drop compared to 0.1 percent rise recorded in the month of December 2022. This was attributed to the monthly core inflation that registered 0.1 percent drop in January 2023 compared to 0.2 percent rise recorded in December 2022.

The annual core inflation was mainly attributed to the increase in the annual services inflation of 4.9 percent in the year ending January 2023 compared to 3.6 percent registered in the year ended December 2022. Year on year Annual Food Crops and Related Items Inflation decreased to 27.6 percent in the year ending January 2023, down from 29.4 percent registered in the year ended December 2022. Year on year Annual Energy Fuel and Utilities (EFU) Inflation registered at 7.6 percent for the 12 months to January 2023, compared to 10.6 percent registered in the year ended December 2022.



Source: UBOS UGANDA CONSUMER PRICE INDEX: 2016/17=100 JANUARY 2023

## INTEREST AND LENDING RATES

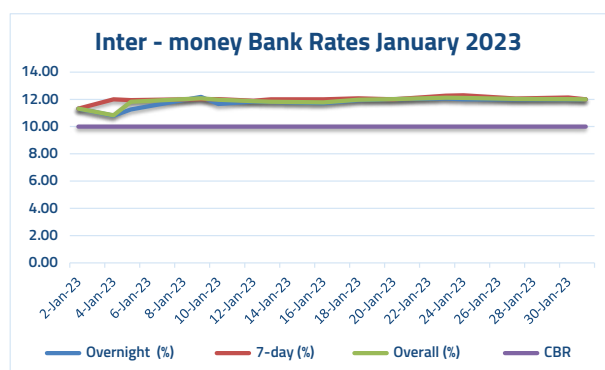
### Interbank Money Market Rates

Interbank Money Market rates edged slightly higher averaging 11.87 in January 2023 compared to 10.15 in December 2022. Overnight rates edged at 11.76 in January 2023 compared to 10.94 in December 2022 while 7-Day rates edged slightly higher averaging at 12.03 last month compared to 11.49% in December 2022.

At the monetary committee meeting held on 7<sup>th</sup> February the bank of Uganda maintained the central bank rate at 10 percent. This will contain domestic demand pressures while accommodating and supporting economic recovery.

The band on the CBR remains at +/-2 percentage points. The margins on the CBR for the re-discount and bank rates will remain at 3 and 4 percentage points. Consequently, the re-discount and bank rate will be 13 percent and 14 percent respectively.

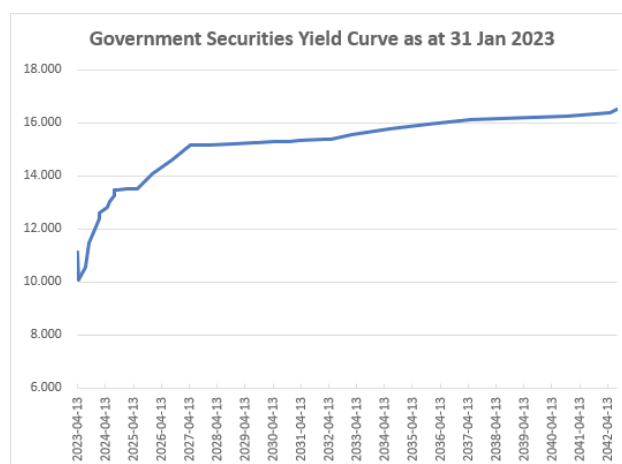
The Bank of Uganda will continuously review the monetary policy stance against new information and stands ready to respond appropriately to ensure that inflation is brought back sustainably to the 5% medium term target.



Source: Bank of Uganda

### Yields on Government securities

Rates on the short end of the yield curve at the end of January 2023 edged slightly lower compared to the end of December 2022. So, the 91-Day, 182-Day and 364-Day, closed the past month at 10.4%, 11.0%, 12.4% compared to 11.3%, 12.1% and 13.8% respectively in December. The recently re-opened 2-year and 10-year government papers closed January 2023 at 13.500% and 15.390% respectively.

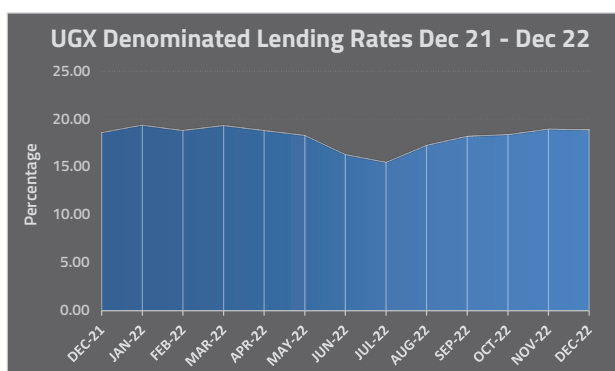


Source: Bank of Uganda

### Lending rates

Shilling denominated lending rates slightly declined to 18.91% in December 2022 from 18.98% in November 2022.

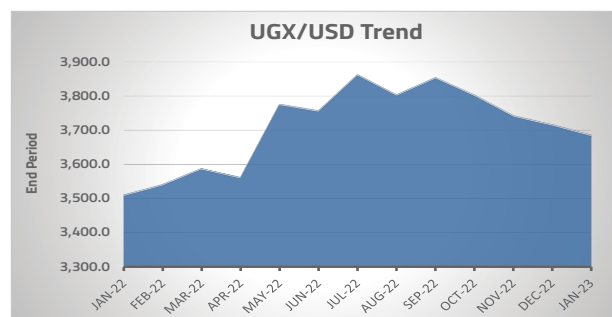
Month on month Foreign Currency denominated lending rates slightly decreased to 8.01% in December 2022 compared to 8.13% in November 2022. On average foreign currency denominated lending rates have been fluctuating pointing to a differing appetite for these loans.



Source: Bank of Uganda

## FOREIGN EXCHANGE RATE DEVELOPMENT

The local currency edged slightly higher month on month closing at 3,685 in January compared to 3,715 in December driven by lower appetite for foreign currency during the period. The Uganda Shilling has weakened by 5% against the USD so far this year compared to 3,509 at the end of January 2022.



Source: Bank of Uganda

## BOND LISTINGS:

There were a 2-Year and 10-year re-open with a value of UGX 480 bn listed in January 2023. The current total value of the Government Bonds listed on the bourse stands at UGX 28.1 trillion.

### Government Bond Schedule: January 2023

INSTRUMENT CODE	IS IN	ISSUED SHARES	ISSUE DATE	RATE	MATURITY
FXD/04/2016/15YR	UG12K0304317	1,630BN	2016/04/20	17.00	2031/04/03
FXD/12/2015/10YR	UG12J1812252	120BN	2015/12/30	19.50	2025/12/18
FXD 6/2013/10	UG0000001244	1,862BN	2013/04/24	11.00	2023/04/13
FXD 12/2013/15	UG0000001376	220BN	2013/12/04	15.25	2028/11/16
FXD 8/2014/10	UG0000001467	1,070BN	2014/08/13	14.00	2024/08/01
FXD01/2015/10	UG0000001517	850BN	2015/01/28	11.00	2025/01/16
FXD 2/2015/15	UG0000001533	1,865BN	2015/02/25	14.25	2029/08/23
FXD/08/2016/10YR	UG12J2708269	1,220BN	2016/09/08	16.63	2026/08/27
FXD/03/2017/15YR	UG12K0403325	1,620BN	2017/03/23	16.38	2032/03/04
FXD/5/2017/10YR	UG12J0605277	1,580BN	2017/05/18	16.00	2027/05/06
FXD/1/2018/10YR	UG12J1301280	620BN	2018/01/25	14.13	2028/01/13
FXD/2/2018/15YR	UG12K0302337	750BN	2018/02/22	14.38	2033/02/03
FXD/05/2015/15YR	UG12K0205308	120BN	2015/05/21	17.50	2030/05/02
FXD/01/2014/10YR	UG12J1801248	1,290BN	2014/01/30	14.00	2024/01/18
FXD/12/2017/5YR	UG12H2811224	156BN	2017/12/04	12.50	2022/11/28
FXD/05/2019/5	UG12H1005240	153BN	2019/05/17	14.88	2024/05/10
FXD/07/2019/15	UG12K2206346	2,259BN	2019/07/11	14.25	2034/06/22
FXD/11/2020/20YR	UG12L0111405	2,969BN	2020/11/27	17.50	2040/11/01
FXD/11/2020/15YR	UG12K0811352	1,826BN	2020/11/27	16.25	2035/11/08
FXD/11/2020/10YR	UG12J1411303	187BN	2020/11/27	16.00	2030/11/14
FXD/10/2019/5YR	UG12H2509240	250BN	2019/10/02	14.88	2024/09/25
FXD/09/2021/2YR	UG12F0709234	850BN	2021/09/09	0.00	2023/09/07
FXD/05/2022/15YR	UG12K1405378	835BN	2022/06/02	16.00	2037/05/14
FXD/05/2022/20YR	UG12L0805428	892BN	2022/06/02	17.75	2042/05/08
FXD/05/2022/10YR	UG12J2005328	1,039BN	2022/06/02	15.00	2032/05/20
FXD/05/2022/3YR	UG12G2905259	493BN	2022/06/02	0.00	2025/05/29
FXD/05/2022/2YR	UG12F3005242	291BN	2022/06/02	0.00	2024/05/30
FXD/09/2022/20YR	UG12L1408420	700BN	2022/09/08	0.00	2042/08/14
FXD/08/2022/2YR	UG12F0808242	580BN	2022/08/11	0.00	2024/08/08

### Corporate Bond Activity: January 2023

The corporate Bonds segment remained inactive throughout the period. Investors in this segment have continued to hold onto their investments and receive interest that is paid out semi-annually. Below is the corporate bond currently listed on the USE;

1. Kakira Sugar Limited Bond maturing on 07.12.2023

### Alternative trading of Government securities Activity: January 2022

	Month	Security	Amount Auction	Secondary
01	Jan-23	TBILL	740,100,000	2,100,000
02		TBOND	922,700,000	44,700,000
	Total		1,662,800,000	46,800,000

## CORPORATE ANNOUNCEMENTS: JANUARY 2023



### EAST AFRICAN BREWERIES PLC

#### RESULTS FOR THE HALF-YEAR ENDED 31ST DECEMBER 2022 (UNAUDITED)

**Operating Environment** The company witnessed a slowdown in economic growth across the region, with steep excise tax increases in Kenya adding to the heightened inflationary pressures. As a result, consumer spending power was depressed and operating costs increased significantly. Multiple excise tax increases in Kenya over the past 15 months exacerbated consumer prices and particularly impacted price-sensitive consumers in mainstream and value segments.

**H1 Business Review** Net revenue grew 4% to Kshs 57.3 billion primarily driven by improved brand mix and pricing to counter the impact of excise and inflation, partly offset by volume declines. At country level, Uganda and Tanzania continued their strong growth momentum reporting +19%, and +11% respectively, while Kenya revenues declined -1%

**Profit after tax** closed flat as revenue gains were offset by increases in cost of sales largely due to significant inflationary pressures on the cost of inputs.

**Profit attributable to equity holders** grew 2% resulting in an improvement in earnings per share (annualised) to Kshs 17.26 from Kshs 16.90.

**Dividend** The Board of Directors recommended an interim dividend of Kshs 3.75 per share subject to withholding tax, to be paid on or about 28th April 2023 to shareholders registered at the close of business on 16th February 2023.

Full announcement is available on our website; *HY Press Ad (2) (use.or.ug)*

### Bank of Baroda Uganda Limited.

Announcement of changes in the Board of the company.

Full announcement is available on our website; *BARODA - PUBLIC ANNOUNCEMENT | Uganda Securities Exchange (USE)*

### DFCU Limited

#### Announcement of change in management.

The Board of Directors of Dfcu Limited informed its shareholders and the public that Mr. Mathias Katamba, Chief Executive Officer and Managing Director of dfcu Bank Limited (a subsidiary of dfcu Limited) tendered in his resignation to the Dfcu Bank Board, effective 31st January 2023.

Full announcement is available on our website; *DFCU - PUBLIC ANNOUNCEMENT | Uganda Securities Exchange (USE)*

## EDUCATION COLUMN.

### USE SPECIALIST MARKET /USE EDAALA

## Accelerating Business Growth Together.

**USE Edaala** is an **unquoted securities platform** that supports companies that may not yet be eligible to list on the Exchange's public market segment, access capital for long term funding through private placements and restricted offers. This is made possible by connecting them to select providers of capital (professional investors) for both equity and debt funding.

The platform also facilitates private companies with numerous shareholders benefit from the efficiencies provided by the existing trading and depository platforms. Shareholders specifically, are able to trade their shares should they wish to divest their stock and utilise portfolio management tools available through the platform.

**USE Edaala** is a product of the USE Specialist Market LLP, a fully owned subsidiary of Uganda Securities Exchange. The platform activities are governed by a set of operational guidelines which provide a guiding framework for participants and other stakeholders that desire to utilise the platform and its related services.

### USE Specialist Market: Key Benefits

#### KEY BENEFITS

##### FOR ISSUERS

- Access to long term capital through private placements for enterprise growth
- Access to a wider pool of domestic and international investors
- Flexible admission and regulatory compliance requirements
- Issuers can benefit from price discovery to recognize

the true value of their company.

- Training for the future- should one intend to list on the public market in the medium to long term.

##### FOR INVESTORS

- Platform provides a convenient and cost-effective entry and exit mechanism
- Increased transparency for Investors through regulated reporting
- Access to investor support management services through leveraging available integrated technology systems
- Increased liquidity and execution speed for securities of quoted companies.

Any private or public company incorporated in Uganda and registered /licensed with the relevant authority in its industry of operation with:

- Minimum net capital of Ugx 500Mln
- Has been in operation for not less than 03 years and is a going concern
- Not subject to any insolvency proceedings or subject to any voluntary creditor arrangements



#### STEP 1

Submit your application and required documentation and undergo initial eligibility assessment



#### STEP 2

Eligibility Assessment provided by the USE Assessment Team and implement any required remedial actions



#### STEP 3

Admission to Market Segment Market and Exposure to Professional Investors

## INVESTORS

**Uganda Securities Exchange**

**INTRODUCING USE Specialist Market "USE Edaala"**

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**"USE Edaala"**

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For more information about the USE Specialist market visit:  
<https://www.use.or.ug> or  
email: [listing@use.or.ug](mailto:listing@use.or.ug) or call  
03122370815

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**INSPIRING GROWTH.**

A professional Investor means a person whose ordinary business or regular activity involves buying and selling of securities as a principal and includes an underwriter, bank, Insurance company, Fund Manager, broker or their representative, Dealer or their representative, Investment advisor or their representative and may include high net worth individuals.

**Source;** USE Specialist Market | Uganda Securities Exchange (USE)

## Appendix I: USE Member Firms

The following USE Member Firms are licensed to act as both broker/dealers and Market Advisors:

Market Advisor	Contact Person:
<b>Dyer &amp; Blair (Uganda) Ltd</b> Rwenzori House Ground Floor P. O. Box: 36620 Kampala <b>Tel:</b> +256-414-233050 <b>Fax:</b> +256 -414 231813 <b>Email:</b> Uganda@dyerandblair.com	<b>Ms. Esther Kakiza</b>
<b>Crested Stocks and Securities Limited</b> Head Office - Impala House 6th Floor Plot 13-15, Kimathi Avenue P. O. Box 31736, Kampala, Uganda <b>Tel:</b> +256 312 230900/ +256 414 230 900 <b>Email:</b> info@crestedcapital.com <b>Website:</b> www.crestedcapital.com	<b>Mr. Robert H. Baldwin</b>
<b>UAP Old Mutual Financial Services Ltd</b> 2nd floor, Block A, Nakawa business park P. O. Box 20079, Kampala <b>Tel:</b> +256 414 332 825 <b>Email:</b> brokerageufs@uap-group.com	<b>Mr. Mwebaze Simon</b>
<b>SBG Securities Limited</b> 4th Floor Crested Towers (Short Towers) P. O. Box 7131, Kampala <b>Tel:</b> +256 0312 224 600 <b>Email:</b> sbgs_uganda@stanbic.com	<b>Mr. Joram Ongura</b>
<b>Chipper Technologies Uganda Limited</b> 2nd Floor, SMS House P. O. Box 29274, Kampala Uganda <b>Tel:</b> +256 200 935 935 <b>Email:</b> uganda@chippercash.com	<b>Mr. Dan Tumuramye</b>



**Uganda**  
Securities Exchange

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