



**Uganda**  
Securities Exchange

December 2022

# MONTHLY BULLETIN

## ACTIVITY REPORT

### MARKET PERFORMANCE

#### Equities Report

The trading volume for December 2022 was 13,331,729 shares with a turnover of UGX 2,301,413,510. This month's turnover performance was a 70.6% decrease from the UGX 7,831,549,997 that was recorded in December 2021. Activity in December decreased 13.65% compared to the turnover registered in November 2022, from 2.6 billion to 2.3 billion. This represents a daily average turnover of approximately UGX 109 million. Volume traded decreased to 13 million shares compared to 18 million shares traded in November 2022. The number of deals decreased to 310 deals down from 520 deals executed in November 2022, with 39.6 per cent of the deals attributed to the MTN Uganda Limited counter.

#### Turnover performance per counter

UMEME counter dominated activity for the month accounting for 88.07 percent of the total turnover followed by MTN Uganda Limited with 7.42 percent. In third position was Stanbic with 2.36 per cent contribution to the month's turnover and Bank of Baroda Uganda in fourth position with 1.46 percent. CIPLA, National Insurance Corporation Limited, Uganda Clays Limited and DFCU Limited combined recorded 0.69 percent of the total turnover.

#### Volume traded per counter

UMEME registered the highest volume of shares with 60.39 percent, followed by Stanbic with 19.32 percent. National Insurance Corporation Limited came third with 8.73 percent of the volume, while MTN Uganda Limited was in the fourth

position with 7.12 percent of the total volume. Bank of Baroda Uganda accounted for 2.96 percent, CIPLA, Uganda Clays Limited, and DFCU Limited had the least number of shares traded amounting to 197,347 shares representing 1.48 percent of total number of shares traded.

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

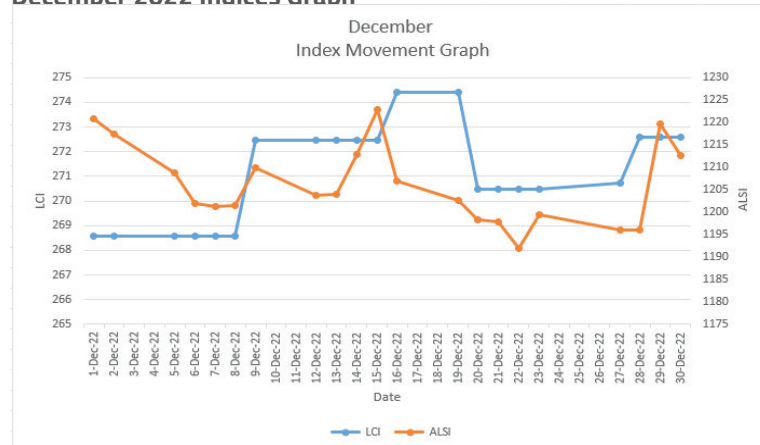
	December 2022	December 2021
Volume Traded	13,331,729	256,786,258
Turnover (UGX)	2,301,413,510	7,831,549,997
Number of Deals	310	435
Trading Days	21	23
Daily Average Turnover (UGX)	109,591,120	340,502,174
Daily Average number of trades	15	19
Market Capitalization (UGX.bn)	20,856.35	24,432.44
USE All Share Index (ASI)	1212.58	1420.69
Local Share Index (LSI)	272.67	324.66

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 268.60 and closed at 272.67 representing a 1.26 percent rise. The All Share Index (ALSI) declined by 1.25 percent to 1212.58 from 1228.03 at the start of the month.

#### December 2022 Indices Graph



#### Equities Report

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#### Turnover performance per counter

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#### Volume traded per counter

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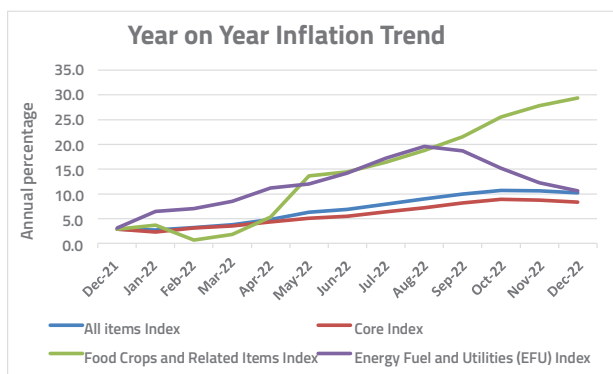
## INFLATION – OUTLOOK AND RISKS

Annual Inflation in December 2022 was registered at 10.2 percent, compared to 10.6 percent registered for the year ended November 2022. This was mainly driven by the increase in the price of commodities under core inflation that was registered at 8.4 percent in the year ending December 2022, compared to 8.8 percent registered in the year ended November 2022.

The Monthly Headline Inflation for December 2022 increased by 0.1 percent the same rise recorded in the month of November 2022. This was attributed to the monthly core inflation that rose by 0.2 percent in December 2022 the same rise recorded in November 2022. Core Inflation decreased to 8.4 percent in the year ending December 2022, down from 8.8 percent registered in the year ended November 2022.

Year on year Annual Food Crops and Related Items Inflation increased to 29.4 percent in the year ending December 2022, up from 27.8 percent registered in the year ended November 2022.

Year on year Annual Energy Fuel and Utilities (EFU) Inflation registered at 10.6 percent for the 12 months to December 2022, compared to 12.2 percent registered in the year ended November 2022.



Source: UBOS UGANDA CONSUMER PRICE INDEX: 2016/17=100 DECEMBER 2022

## INTEREST AND LENDING RATES

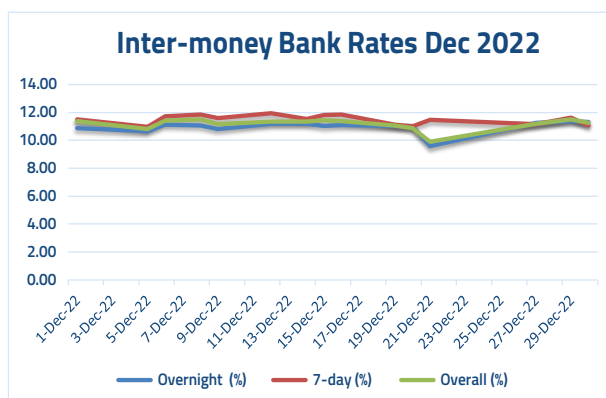
### Interbank Money Market Rates

Interbank Money Market rates edged slightly higher averaging 11.15 in December 2022 compared to 10.93 in November 2022. Overnight rates edged at 10.94 in December 2022 compared to 10.40 in November 2022 while 7-Day rates edged slightly lower averaging at 11.49 last month compared to 11.80% in November 2022.

At the monetary committee meeting held on 7<sup>th</sup> December the bank of Uganda maintained the central bank rate at 10 percent. This will allow time to assess the evolving economic outlook.

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.

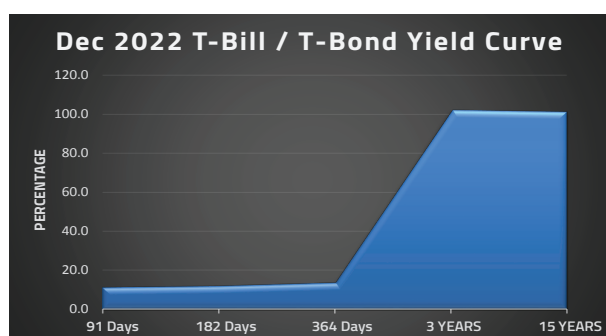
Any adjustments to the monetary policy stance will continue to be determined by the incoming data and in a measured and gradual manner, ensuring that monetary policy remains supportive of sustainable economic growth in an environment of price stability.



Source: Bank of Uganda

### Yields on Government securities

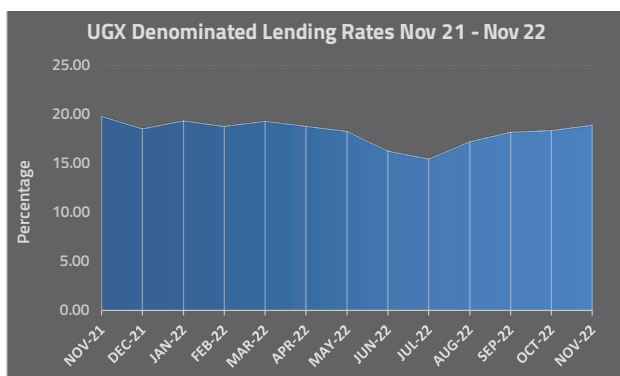
Rates on the short end of the yield curve at the end of December 2022 edged slightly higher compared to the end of November 2022. So, the 91-Day, 182-Day and 364-Day, closed the past month at 11.3%, 12.1%, 13.8% compared to 10.65%, 12.09% and 13.35% respectively in November. The recently re-opened 3-year and 15-year government papers closed December 2022 at 102.052% and 101.191% respectively.



Source: Bank of Uganda

### Lending rates

Shilling denominated lending rates slightly rose to 18.98% in November 2022 from 18.42% in October 2022. Month on month Foreign Currency denominated lending rates slightly increased to 8.13% in November 2022 compared to 7.71% in October 2022. On average foreign currency denominated lending rates have been fluctuating pointing to a differing appetite for these loans.

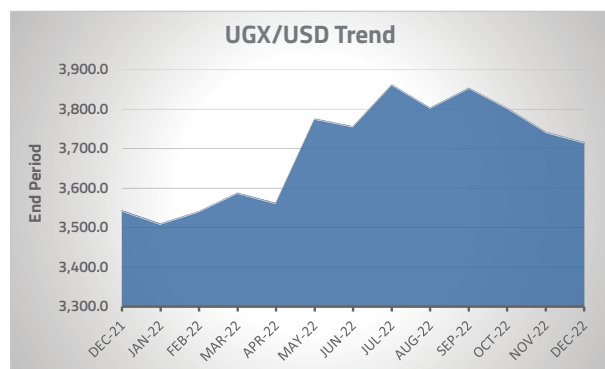


Source: Bank of Uganda

### FOREIGN EXCHANGE RATE DEVELOPMENT

The local currency edged slightly higher month on month closing at 3715 in December compared to 3,741 in November driven by lower appetite for foreign currency

during the period. The Uganda Shilling has weakened by 4.8% against the USD so far this year compared to 3,544 at the end of December 2021.



Source: Bank of Uganda

### BOND LISTINGS:

There were a 3-Year and 15-year re-open with a value of UGX 550 bn listed in December 2022. The current total value of the Government Bonds listed on the bourse stands at UGX 27.6 trillion.

### Government Bond Schedule: December 2022

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	739BN	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	400BN	2022/08/11	0.00	2024/08/08

### Corporate Bond Activity: December 2022

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: December 2022

	Month	Security	Amount Auction	Secondary
01	Dec - 22	TBILL	468,000,000	700,000
02		TBOND	164,600,000	1,219,200,000
	Total		632,600,000	1,219,900,000

### CORPORATE ANNOUNCEMENTS: DECEMBER 2022



#### UMEME CONCESSION

The Company received written communication from the Government of the Republic of Uganda, notifying it that the current Concession will continue to run until its natural end in March, 2025 as stipulated in the Concession Agreements after which, there will be no renewal.

Full announcement is available on our website;  
*UMEME Public Notice | Uganda Securities Exchange (USE)*

### EDUCATION COLUMN.

#### USE SPECIALIST MARKET /USE EDAALA



#### Accelerating Business Growth Together.

USE Eddaala” 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 Eddaala** 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

**Uganda Securities Exchange**

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## INVESTORS

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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