



Uganda
Securities Exchange

May 2023

MONTHLY BULLETIN

ACTIVITY REPORT

MARKET PERFORMANCE

Equities Report

The total trading volume for May 2023 was 165,510,482 shares with a turnover of UGX 15,541,482,879. This month's turnover performance showed a 141.03% increase from the UGX 6,448,037,343 recorded in May 2022. Activity in May increased by 408.25% in comparison with the turnover registered in April 2023, from 3.06 billion to 15.54 billion. This turnover represents a daily average turnover of UGX 706 million. Volume traded increased to approximately 165.5 million shares compared to 24.8 million shares traded in April 2023. The number of deals increased to 501 deals from 493 deals executed in April 2023.

Turnover performance per counter

UMEME Limited (UMEM) counter dominated monthly activity, accounting for 67.91% of the total turnover followed by Stanbic Bank Uganda (SBU) with 21.56%. In third position was MTN Uganda Limited (MTNU) with 10.43% contribution to the month's turnover and National Insurance Corporation (NIC) in fourth position with 0.08%. Bank of Baroda (BOBU), Cipla Quality Chemicals Uganda Limited (CQCIL), DFCU Limited (DFCU), New Vision Printing and Publishing Limited (NVL) and Uganda Clays Limited all traded a combined total of 0.02% of total turnover.

The Local Company Index (LCI) increased during the period with local counters including UMEM, SBU and registering price increases. The local index commenced the month at 270.11 and closed at 273.54 representing a 1.27% increase. The All-Share Index (ALSI) dropped by 6.75% to 1,041.05 from 1,116.41 at the start of the month.

Counter Price Movements May 2023

Top Movers

Company	Ticker	Closing Price	% m/m	% YTD	Turnover (UGX '000)	Market cap (UGX '000)
Umeme Limited	UMEM	440	↑10.00%	↑60.00%	10,554,462	714,682,322
Stanbic Uganda Holdings Limited	SBU	26	↑4.00%	↑23.81%	3,350,775	1,330,905,412
MTN Uganda Limited	MTNU	165	↓0.01%	↓8.33%	1,620,653	3,694,192,299
Cipla QC Limited	CQCIL	70	↑0.00%	↑16.67%	1,365	255,633,644
Bank of Baroda Uganda Limited	BOBU	75	↓11.76%	↓11.76%	858	187,500,000

Source USE Trading and Research Department

Top Gainers

Company	Ticker	Closing Price	% m/m	% YTD	Turnover (UGX '000)	Market cap (UGX '000)
Nation Media Group	NMG	534	↑21.56%	↑8.68%	-	100,772,081
Umeme Limited	UMEM	440	↑10.00%	↑60.00%	10,554,462	714,682,322
Stanbic Uganda Holdings Limited	SBU	26	↑4.00%	↑23.81%	3,350,775	1,330,905,412

Source USE Trading and Research Department

Top Losers

Company	Ticker	Closing Price	% m/m	% YTD	Turnover (UGX '000)	Market cap (UGX '000)
Equity Group Holdings Plc	EBL	1,017	↓19.52%	↓25.26%	-	3,766,761,007
Bank of Baroda Uganda	BOBU	75	↓11.76%	↓11.76%	858	187,500,000
East African Breweries Limited	EABL	4,080	↓7.64%	↓18.78%	-	3,226,359,372
KCB Group Plc	KCB	866	↓7.28%	↓24.31%	-	2,585,217,581
Centum Investment Co Plc	CENT	238	↓3.66%	↓3.64%	-	158,554,812

Source USE Trading and Research Department

Trading Volumes and Activity on a Monthly Basis year on year

	May - 23	May - 22
Volume Traded	165,510,482	52,464,273
Turnover (UGX)	15,541,482,879	6,448,037,343
Number of Deals	501	552
Trading Days	22	21
Daily Average Turnover (UGX)	706,431,040	307,049,397
Daily Average number of trades	23	26
Market Capitalization (UGX.bn)	17,908.00	21,480.45
USE All Share Index (ASI)	1,041.05	1,249.07
Local Share Index (LSI)	273.54	282.93

Source USE Trading and Research Department



Equities Report

Trading volume for April 2023 was
24,829,350 shares



Turnover performance per counter

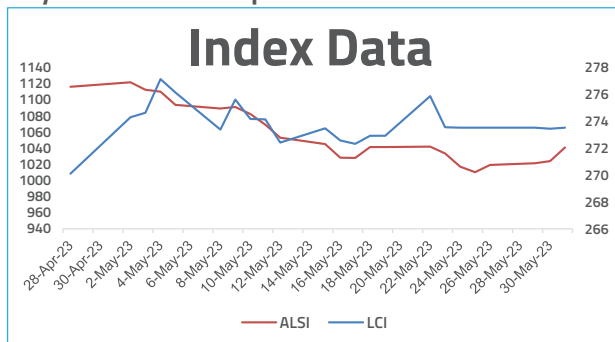
UMEME Limited
(UMEM) counter dominated monthly activity, accounting for **39.33%** of the total turnover



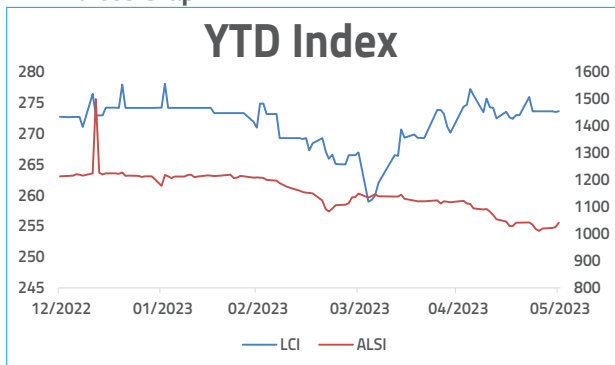
Volume traded per counter

BOBU registered the highest volume of shares with **31.09%**, followed by SBU

May 2023 Indices Graph



YTD Indices Graph

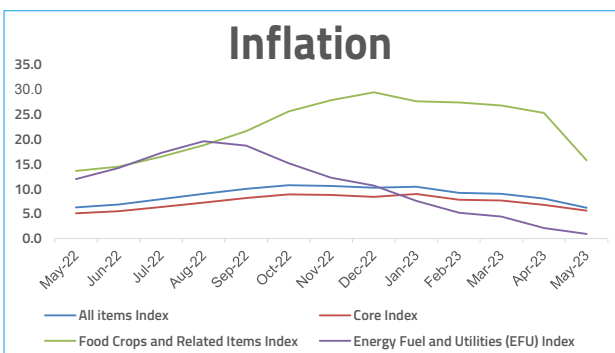


Source: USE Trading and Research Department

ECONOMIC & FINANCIAL DEVELOPMENTS: May 2023

INFLATION – OUTLOOK AND RISKS

Annual inflation as measured by the consumer price index of Uganda for the 12 months to May 2023 printed at 6.2% compared to 8.00% registered in the 12 months to April 2023. This was attributed to drops recorded in both Food Crops and Energy, Fuel and Utilities prices. These also carry the biggest weights on the index. Year on year Annual Food Crops and Related Items Inflation decreased to 15.7% in the 12 months to May 2023, down from 25.3% registered in the year ended April 2023. Year on year Annual Energy Fuel and Utilities (EFU) Inflation registered at 0.9% for the 12 months to May 2023, compared to 2.1% registered in the year ended March 2023.

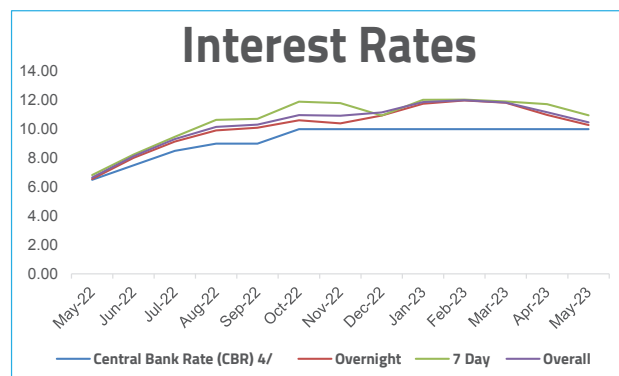


Source: UBOS UGANDA CONSUMER PRICE INDEX: 2016/17=100 Apr 2023

INTEREST AND LENDING RATES

Interbank Money Market Rates

Interbank Money Market rates edged slightly lower averaging 10.46% in May 2023 compared to 11.17% in April 2023. Overnight rates edged slightly lower at 10.28% in May 2023 compared to 10.99% in April 2023 additionally 7-Day rates edged slightly lower averaging at 10.95% in May 2023 compared to 11.73% in April 2023. The CBR rate has been maintained at 10% by the Bank of Uganda Monetary Policy Committee for 9 months in a row in a bid to curb inflation.



Source: Bank of Uganda

Yields on Government securities.

Rates on the short end of the yield curve at the end of May 2023 remained stable compared to the end of April 2023. Average yields in the bond market at the end of May 2023 dropped significantly across all tenors.

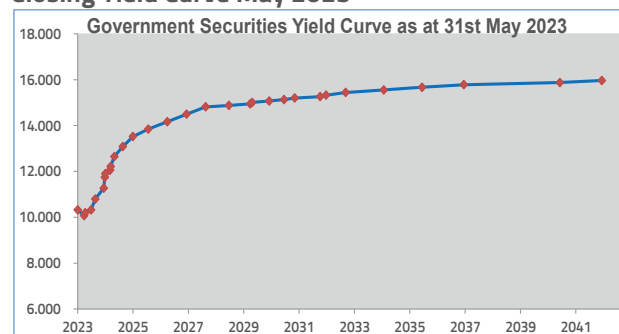
Tenors	Mar-23	Apr-23	May-23
91 Days	10.4	10.4	10.4
182 Days	10.5	10.5	10.5
364 Days	12.8	12.5	11.9

Source: Bank of Uganda

Maturity	Mar-23	Apr-23	May-23
2 years	13.734%	13.381%	12.213%
3 years	13.956%	13.866%	13.519%
5 years	15.141%	15.153%	14.816%
10 years	15.538%	15.553%	15.325%
15 years	16.566%	16.263%	15.781%
20 years	16.956%	16.731%	16.056%

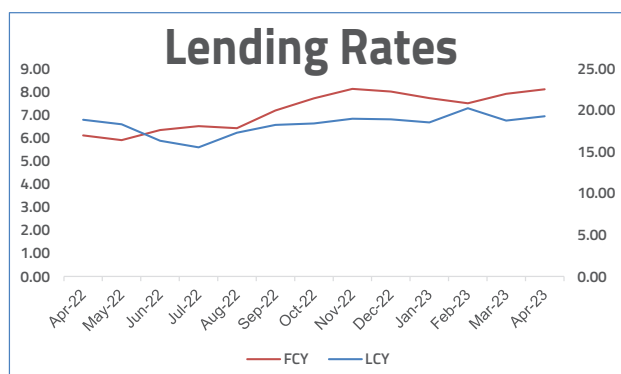
Source: Bank of Uganda

Closing Yield Curve May 2023



Lending rates

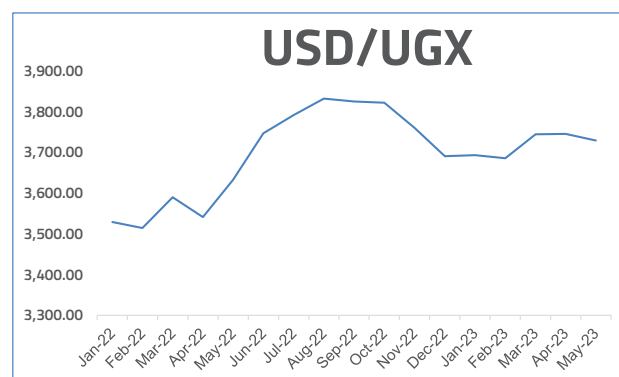
Shilling denominated lending rates rose to 19.27% in April 2023 from 18.76% in March 2023. Month on month, foreign currency denominated lending rates slightly increased to 8.11% in April 2023 compared to 7.91% in March 2023.



Source: Bank of Uganda

Foreign Exchange Rate Development

The local currency gained slightly against the US dollar month on month averaging 3,729.55 for May 2023 in comparison to 3,745.82 for April 2023.



Source: Bank of Uganda

BOND LISTINGS

There were reopens for the 5-year and 20-year bonds closing at 14.75% and 16.25% respectively. The current total value of the Government Bonds listed on the bourse stands at UGX 31.3 trillion.

Government Bond Schedule: May 2023

ISIN	ISSUER NAME	TYPE	ISSUEDSHARES	ISSUEDATE	RATE	MATURITY
UG12K0304317	GOVERNMENT OF UGANDA	B	1,630,000,000,000.00	2016/04/20	17.00	2031/04/03
UG12J1812252	GOVERNMENT OF UGANDA	B	120,000,000,000.00	2015/12/30	19.50	2025/12/18
UG0000001376	GOVERNMENT OF UGANDA	B	220,000,000,000.00	2013/12/04	15.25	2028/11/16
UG0000001467	GOVERNMENT OF UGANDA	B	1,070,000,000,000.00	2014/08/13	14.00	2024/08/01
UG0000001517	GOVERNMENT OF UGANDA	B	850,000,000,000.00	2015/01/28	11.00	2025/01/16
UG0000001533	GOVERNMENT OF UGANDA	B	1,865,000,000,000.00	2015/02/25	14.25	2029/08/23
UG12J2708269	GOVERNMENT OF UGANDA	B	1,220,772,600,000.00	2016/09/08	16.63	2026/08/27
UG12K0403325	GOVERNMENT OF UGANDA	B	1,620,000,000,000.00	2017/03/23	16.38	2032/03/04
UG12J0605277	GOVERNMENT OF UGANDA	B	1,580,000,000,000.00	2017/05/18	16.00	2027/05/06
UG12J1301280	GOVERNMENT OF UGANDA	B	1,553,103,800,000.00	2018/01/25	14.13	2028/01/13
UG12K0302337	GOVERNMENT OF UGANDA	B	750,000,000,000.00	2018/02/22	14.38	2033/02/03
UG12K0205308	GOVERNMENT OF UGANDA	B	120,000,000,000.00	2015/05/21	17.50	2030/05/02
UG12J1801248	GOVERNMENT OF UGANDA	B	1,290,000,000,000.00	2014/01/30	14.00	2024/01/18
UG12H1005240	GOVERNMENT OF UGANDA	B	153,700,000,000.00	2019/05/17	14.88	2024/05/10
UG12K2206346	GOVERNMENT OF UGANDA	B	2,259,740,000,000.00	2019/07/11	14.25	2034/06/22
UG12L0111405	GOVERNMENT OF UGANDA	B	2,969,351,300,000.00	2020/11/27	17.50	2040/11/01
UG12K0811352	GOVERNMENT OF UGANDA	B	1,826,700,000,000.00	2020/11/27	16.25	2035/11/08
UG12J1411303	GOVERNMENT OF UGANDA	B	187,489,000,000.00	2020/11/27	16.00	2030/11/14
UG12H2509240	GOVERNMENT OF UGANDA	B	250,000,000,000.00	2019/10/02	14.88	2024/09/25
UG12F0709234	GOVERNMENT OF UGANDA	B	850,000,000,000.00	2021/09/09	0.00	2023/09/07
UG12K1405378	GOVERNMENT OF UGANDA	B	1,957,621,200,000.00	2022/06/02	16.00	2037/05/14
UG12L0805428	GOVERNMENT OF UGANDA	B	892,100,000,000.00	2022/06/02	17.75	2042/05/08
UG12J2005328	GOVERNMENT OF UGANDA	B	1,530,311,400,000.00	2022/06/02	15.00	2032/05/20
UG12G2905259	GOVERNMENT OF UGANDA	B	1,471,442,200,000.00	2022/06/02	0.00	2025/05/29
UG12F3005242	GOVERNMENT OF UGANDA	B	291,000,000,000.00	2022/06/02	0.00	2024/05/30
UG12F0808242	GOVERNMENT OF UGANDA	B	730,000,000,000.00	2022/08/11	0.00	2024/08/08
UG12L1408420	GOVERNMENT OF UGANDA	B	2,016,767,400,000.00	2022/09/08	0.00	2042/08/14

Corporate Bond Activity: May 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: May 2023

The following was the done through the alternative trading of government securities platform.

May23 (UGX)	Tbills	Tbonds
Auction	969,100,000	249,300,000
Secondary	25,000,000	0

CORPORATE ANNOUNCEMENTS: MAY 2023



NIC Holdings Limited Publication of Financials:

National Insurance Corporation Holdings Published its Financial Statements declaring a UGX 1 per share dividend for its shareholders.

Find announcement here: <https://www.use.or.ug/uploads/announcements/NIC%20Holdings%20Limited%202022%20Audited%20Financial%20Statements%20and%20Notice%20of%2022nd%20AGM.pdf>

UMEME Limited Post AGM Notice:

UMEME Limited published its post AGM notice.

Find announcement here: <https://www.use.or.ug/uploads/announcements/Umememe%20Post%20AGM%20Notice.pdf>

MTN Uganda Limited Post AGM Notice:

MTN Uganda Limited published its post AGM notice.

Find announcement here: <https://www.use.or.ug/uploads/announcements/MTN%20Post%20AGM%202023.pdf>

Stanbic Uganda Holdings Limited Post AGM Notice:

SUHL AGM Notice published.

Find announcement here: <https://www.use.or.ug/uploads/announcements/SHUL%20AGM%20NOTICE%202023.pdf>

EDUCATION COLUMN.

STOCK MARKET INDICES



A market index is a hypothetical portfolio of investment holdings that represents a segment of the financial market. The calculation of the index value comes from the prices of the underlying holdings. Some indexes have values based on market-cap weighting, revenue-weighting, float-weighting, and fundamental-weighting. Weighting is a method of adjusting the individual impact of items in an index.

Investors follow different market indexes to gauge market movements. The three most popular stock indexes for tracking the performance of the U.S. market are the Dow Jones Industrial Average (DJIA), S&P 500 Index, and Nasdaq Composite Index. The Uganda Stock market has two indices that are used to track market performance and that is the All-Share Index (ALSI) and Local Company Index (LCI). In the bond market, Bloomberg is a leading provider of market indexes with the Bloomberg U.S. Aggregate Bond Index serving as one of the most popular proxies for U.S. bonds. Investors cannot invest directly in an index, so these portfolios are used broadly as benchmarks or for developing index funds. A market index measures the value of a portfolio of holdings with specific market characteristics. Each index has its own methodology which is calculated and maintained by the index provider. Index methodologies will typically be weighted by either price or market cap. The ALSI and LCI are both market cap weighted indices and track changes in the listed company's market capitalizations.



Stock market indices

Broad market or Market-cap based indices – Collection of largest, most liquid and financially sound companies on stock exchange based on market capitalization

Example - Nifty, Sensex, NIFTY Next 50 Index, S&P BSE 200 Index

Sectoral indices - Indices that consist of companies of one particular sector

Example - NIFTY IT Index, NIFTY Bank Index, S&P BSE Energy, S&P BSE FMCG

Thematic indices - These indices are created based on different investment themes such as Indian manufacturing, commodities, Indian consumption, etc.

Example - NIFTY 100 ESG, NIFTY India Consumption Index, S&P BSE 500 Shariah, S&P BSE Bharat 22 Index

Strategy indices - These indices are designed based on quantitative model or investment strategy to provide a single value to the performance of the underlying companies

Example - NIFTY Alpha 50 Index, NIFTY 100 Equal Weight Index, S&P BSE Enhanced Value Index, S&P BSE Low Volatility Index

calculated as:

Company A market value = $(1,000,000 \times \text{UGX } 45) = \text{UGX } 45,000,000$

Company B market value = $(300,000 \times \text{UGX } 125) = \text{UGX } 37,500,000$

Company C market value = $(500,000 \times \text{UGX } 60) = \text{UGX } 30,000,000$

Company D market value = $(1,500,000 \times \text{UGX } 75) = \text{UGX } 112,500,000$

Company E market value = $(1,500,000 \times \text{UGX } 5) = \text{UGX } 7,500,000$

The entire market value of the index components equals UGX 232.5 million with the following weightings for each company:

Company A has a weight of 19.4% ($\text{UGX } 45,000,000 / \text{UGX } 232.5 \text{ million}$)

Company B has a weight of 16.1% ($\text{UGX } 37,500,000 / \text{UGX } 232.5 \text{ million}$)

Company C has a weight of 12.9% ($\text{UGX } 30,000,000 / \text{UGX } 232.5 \text{ million}$)

Company D has a weight of 48.4% ($\text{UGX } 112,500,000 / \text{UGX } 232.5 \text{ million}$)

Company E has a weight of 3.2% ($\text{UGX } 7,500,000 / \text{UGX } 232.5 \text{ million}$)

Although companies D and E have equal amounts of shares outstanding—1,500,000—they represent the highest and lowest weightings in the index, respectively, because of the effects of their prices on their individual market values. Changes in price of the stock with the largest weighting have the biggest effect on the index value.

Sources:

<https://www.investopedia.com/terms/c/capitalizationweightedindex.asp#:~:text=To%20find%20the%20value%20of,the%20company%20in%20the%20index,>

<https://www.investopedia.com/terms/m/marketindex.asp>

A wide variety of investors use market indexes for following the financial markets and managing their investment portfolios. Indexes are deeply entrenched in the investment management business with funds using them as benchmarks for performance comparisons and managers using them as the basis for creating investable index funds.

To find the value of a capitalization-weighted index, first multiply each component's market price by its total outstanding shares to arrive at the total market value.

The proportion of the stock's value to the overall total market value of the index components provides the weighting of the company in the index. For example, consider the following five companies:

Company A: 1 million shares outstanding, the current price per share equals UGX 45

Company B: 300,000 shares outstanding, the current price per share equals UGX 125

Company C: 500,000 shares outstanding, the current price per share equals UGX 60

Company D: 1.5 million shares outstanding, the current price per share equals UGX 75

Company E: 1.5 million shares outstanding, the current price per share equals UGX 5

The total market value of each company would be

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



Uganda
Securities Exchange

UGANDA SECURITIES EXCHANGE

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