URBRA
UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY

Retirement Benefits Sector

Investment Snapshot

Quarter End | June 2025

Total sector portfolio increased by 5.83% from UGX 29.24 trillion in March 2025 to UGX 30.94 trillion in June 2025

Performance Indicators

The Authority presents the Retirement Benefits Sector Investment Snapshot for the quarter ended June 2025. This snapshot is compiled to provide consolidated statistics and analysis relating to Retirement Benefits Schemes' Investments under management. The snapshot provides Retirement Benefits Sector statistics as well as trends, performance and other developments based on Investment Returns submitted by all Licensed Retirement Benefits Schemes and the supervisory & enforcement initiatives conducted by URBRA.

The scope and depth of analysis depends on the completeness and the accuracy of the data submitted by the Schemes.

Sector Performance Indicators at a Glance: June 2025

- **Assets under management**: Sector assets stood at UGX 30.9 Trillion
- **Sector Growth Rate**: The sector grew by 5.83 % and 23.9% on QoQ and YoY basis respectively
- **Median Performance**: Quoted Equities, Fixed Income and Money Market registered 12-month median performances of 34.1%, 15.7% and 12.0% respectively
- **Withdrawals & Expenses**: Total withdrawals during the quarter amounted to UGX 159 Billion and Expenses stood at UGX 462 Billion
- **Contributions**: Total Contributions during the quarter stood at UGX 711 Billion
- **Investment Income**: Total Investment Income during the quarter was UGX 924 trillion

Risk Factors and Sector impliction: Compared to the previous quarter

- **GDP +6.3%**: The growth provides opportunity for increased business activity
- **Exchange Rate/ USD +1.7%**: This could moderate returns for schemes with foreign currency exposure, although it may ease imported inflation and support domestic macroeconomic stability.
- **Investment Income -2.4%**: The slowdown in investment income growth may slow fund adequacy and overall asset growth
- **Inflation +0.5 Points**: Rising inflation can lead to higher production costs and may initially boost aggregate demand, but sustained inflation can also reduce purchasing power, potentially dampening demand over time
- **Contributions +16.8%**: Increased contributions are a positive indicator of savings and economic activity.
- **Political Stability**: Cautiously optimistic outlook as Uganda gears for 2026 elections.

ECONOMY

Economic Growth

Uganda sustained solid momentum in FY2024/25, with real GDP growth of 6.3%, up from 6.1% in FY2023/24. On the supply side, services remained the largest contributor to output, though its GDP share declined to 41.9% from 43.1%. Sector growth also moderated to 5.4% from 6.4% a year earlier. Agriculture increased its share to 26.2% from 24.6%, reinforcing its continued importance to activity and livelihoods.

On the demand side, growth was led by private investment and exports, while household and government consumption stayed relatively subdued, consistent with lingering effects of earlier inflation on real incomes. Fiscal policy was marginally more conservative: expenditure growth slowed and tax collections improved, supporting a narrower fiscal deficit and reducing pressures that can crowd out private credit.

External accounts remained a constraint. The trade balance stayed in deficit, with imports especially capital goods and oil-related machinery outpacing exports in nominal terms. That said, tourism receipts, remittances, and regional trade in services provided important offsets. Conditions were also supported by firmer commodity earnings (notably coffee, gold, and other agricultural exports) and improving regional demand as East Africa's recovery strengthened.

Recent history and projections	2021/22	2022/23	2023/24	2024/25e	2025/26f	2026/27f
Real GDP growth, at constant market prices	4.6	5.3	6.1	6.3	6.4	9.8
Private consumption	3.8	3.6	0.8	8.2	6.4	4.6
Government consumption	5.2	3.8	14.9	29.4	2.1	1.8
Gross fixed capital investment	7.3	3.7	6.7	8.1	3.1	8.7
Exports, goods and services	-19.7	0.3	47.1	23.7	10.2	35.6
Imports, goods and services	-7.9	-2.6	9.5	9.6	4.2	12.8
Real GDP growth, at constant factor prices	4.4	5.1	5.9	6.2	6.4	9.8
Agriculture	4.2	4.5	5.6	6.6	6.5	6.3
Industry	5.1	4.0	5.5	7.0	6.2	18.5
Services	4.0	5.9	6.4	5.4	6.6	6.5
Inflation (consumer price index)	3.7	8.8	3.2	3.7	3.5	3.5
Current account balance (% of GDP)	-7.6	-7.7	-7.8	-5.9	-5.2	-3.2
Net foreign direct investment inflow (% of GDP)	5.0	6.1	5.6	6.0	4.3	4.9
Fiscal balance (% of GDP)	-7.4	-5.5	-4.7	-6.1	-6.2	-5.3
Revenues (% of GDP)	14.1	14.5	14.1	14.8	14.8	16.0
Debt (% of GDP)	48.4	47.4	46.6	51.3	52.8	51.9
Primary balance (% of GDP)	-4.3	-2.3	-1.6	-2.4	-1.4	-0.2
International poverty rate ($3.00 in 2021 PPP)[1,2]	59.3	58.2	57.0	55.6	54.4	51.0
Lower middle-income poverty rate ($4.20 in 2021 PPP)[1,2]	75.9	75.3	74.3	73.4	72.5	70.2
Upper middle-income poverty rate ($8.30 in 2021 PPP)[1,2]	93.5	93.1	92.8	92.3	92.1	91.3
GHG emissions growth (mtCO2e)	-0.3	2.0	2.8	3.0	2.6	3.3

Source: World Bank, Poverty and Economic Policy Global Departments. Emissions data sourced from CAIT and OECD.
Notes: e = estimate, f = forecast. Data in annual percent change unless indicated otherwise. All data and projections use fiscal years (July-June), except poverty data, which use calendar years.
1/ Calculations based on 2019-UNHS. Actual data: 2019. Nowcast: 2020-2024. Forecasts are from 2025 to 2027.
2/ Projection using neutral distribution (2019) with pass-through = 0.7 (Low (0.7)) based on GDP per capita in constant LCU.

Key headwinds included adverse weather in parts of the country toward mid-2025, and continued pressure from a large import bill alongside slower recovery in some export markets. For long-term investors, the combination of steady growth and contained inflation remained supportive for corporate earnings and asset valuations, particularly in industry and agriculture-linked value chains.

For market stakeholders, Uganda's steady growth with low inflation was broadly positive news, Retirement Schemes and long-term investors saw economic stability as supportive of corporate earnings and asset values. Strong GDP growth in sectors like industry and agriculture implied better performance for companies in those areas.

Over the next 6–12 months, growth is expected to remain in the 6–7% range, supported by public investment and oil-sector preparations.

Commercial oil production is expected by late 2025; the US$10 billion EACOP is central to export plans but continues to face financing and environmental scrutiny. Logistics and energy projects include Bukasa Inland Port (due 2025), Nyagak III Hydropower Station (6.6MW; commissioned 1 August 2025), and the New Karuma Bridge (JICA-funded; construction expected mid-2026). Downside risks include weather shocks, pre-election fiscal pressures ahead of the early-2026 general election, tight global financing conditions, and fuel-price/geopolitical volatility.

Monetary Policy and CBR

The Bank of Uganda pivoted to a calmer monetary stance during FY2024/25, in response to the sharp cooling of inflation. The central bank's benchmark was held at 10% in 2024 and briefly increased up to 10.25% in April 2024.

BoU moved to stimulate the economy. On October 2024, BoU cut the CBR to 9.75%, the first rate reduction in two years citing an improved inflation outlook and easing global cost pressures.

For the remainder of the fiscal year (through June 2025), the CBR was kept steady at 9.75%, as the Monetary Policy Committee gauged the effects of earlier moves. By May 2025, this was the third consecutive policy meeting with no change.

The near-term expectation is for policy to remain cautiously accommodative, anchored by expectations that inflation will stay around the 5% target or slightly below.

Currency

The Uganda shilling strengthened modestly against the US dollar over FY2024/25, supported by market conditions and steady external inflows. On an end-period basis, the exchange rate appreciated from UGX 3,706.7/US$ (Jun-2024) to UGX 3,594.6/US$ (Jun-2025), a gain of about 3.0%.

On a period-average basis, the shilling moved from UGX 3,776.6/US$ to UGX 3,605.8/US$, implying a stronger 4.5% year-on-year appreciation.

Reserve buffers strengthened over the same period, improving confidence in the FX market. Gross foreign exchange reserves rose to US$4,297.8 million in Jun-2025 (3.9 months of imports) from US$3,234.0 million (3.0 months) a year earlier.

The risks are tilted by external conditions particularly the US dollar cycle, commodity-price shocks, and sector related activities and the political election cycle in 2026.

Quoted Equities

East African stock markets recorded robust growth in the year to June 30, 2025. Major indices in Uganda, Kenya, Tanzania, and Rwanda all rose significantly. Uganda's All Share Index (ALSI) surged 25.1% YoY to close at 1,287.6 points while Kenya's NSE All Share Index (NASI) jumped about 40% to 153.4 points

Tanzania's Dar es Salaam Stock Exchange Index (DSEI) climbed roughly 18% on an annual basis This broad uptrend reflects improved investor sentiment and recovery from prior-year lows. Solid corporate earnings and dividend payouts underpinned equity gains. In Kenya, heavyweight Safaricom saw its share price soar (up 66% in 2024) on strong profits, contributing Kes 452 billion to market cap.

Uganda's market was driven by both cross-listed firms and local banks, Bank of Baroda Uganda jumped 63.8% and Stanbic (SBU) 28.3% year-on-year.

Fixed Income

Uganda's government bond yields remained high over the year to June 2025, with a slight upward shift observed in the longer tenors. The yield curve in Uganda continued to slope upward, reflecting a substantial term premium.

Short-term yields on Treasury bills rose modestly with the 364-day T-bill yield edged up to 15.6% in June 2025 (from about 13.6% a year earlier) while the 182-day averaged 12.8%.

Yields on longer-term Treasury bonds similarly ticked higher. For instance, the 5-year bond was issued at an annualized 16.8% in June 2025, slightly above previous levels (16.7%). The the 15-year bond stood around 17.8% and the 2-year bond held at 15.75%.

These figures indicate that compared to mid-2024, Uganda's yield curve lifted by roughly 1–2 percentage points on the long end and somewhat less on the short end, resulting in a steep curve

Real interest rates were firmly positive, given that inflation averaged only 3.5% in FY2024/25

Sector Portfolio

Asset Class	March 2025 Amount (Million)	March 2025 %	June 2025 Amount (Million)	June 2025 %
Cash and Demand	95,460	0.3	126,031	0.4
Fixed Deposits	249,265	0.9	259,115	0.8
Other Fixed Income*	315,430	1.1	291,240	0.9
Government Securities	23,598,710	80.7	24,826,500	80.2
Quoted Equities	3,458,123	11.8	3,406,302	11.0
Unquoted Equities	402,165	1.4	398,718	1.3
Immovable Property	1,100,474	3.8	1,616,757	5.2
Other Investment**	19,573	0.1	18,112	0.1
Total	29,239,199	100	30,942,775	100

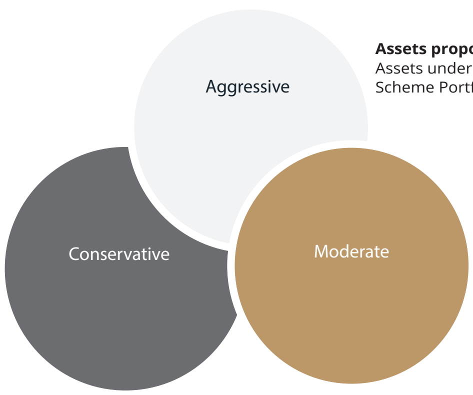
* Represents Commercial Paper, Corporate bonds, Asset Backed Securities, Collective Investment Schemes.
**Represents other approved assets

Mandatory Scheme Portfolio

Asset Class	NSSF Amount (Million)	NSSF %	Parliamentary Pension Scheme Amount (Million)	Parliamentary Pension Scheme %	Makerere University Amount (Million)	Makerere University %
Cash and Demand	115,871	0.4	904	0.2	962	0.2%
Fixed Deposits	52,886	0.2	6,960	1.2	366	0.1%
Other Fixed Income	-	-	109,876	19.0	49,537	10.4%
Government Securities	21,374,968	80.0	424,322	73.3	415,597	87.0%
Quoted Equities	3,186,437	11.9	18,520	3.2	353	0.1%
Unquoted Equities	397,887	1.5	-	-	24	-
Immovable Property	1,606,000	6.0	-	-	10,757	2.3%
Other Investment	-	-	18,112	3.1	-	-
Total	26,734,049	100	578,695	100	477,597	100

Risk Profile

The Conservative risk profile is composed of portfolios with allocation of over 70% in Fixed Income , while Moderate and Aggressive profiles are composed of portfolios with allocation between 70% - 50% and less than 50% respectively.



Assets proportion - 0.2%
Assets under management - 24.1 Billion
Scheme Portfolios - 2

Assets proportion - 99.9%
Assets under management - 30.9 Trillion
Scheme Portfolios - 57

Assets proportion - 0.0%
Assets under management - 0 Billion
Scheme Portfolios - 0

Fund Manager's Holding (Billion)

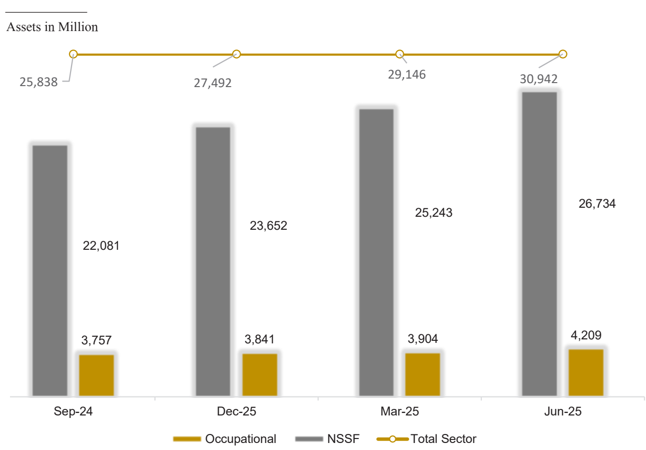
All figures in UGX

Fund Manager		Total Assets	Asset Class: Fixed Income	Money Market	Equites	Others
NSSF	June 25, UGX Billion	26,734	21,375	169	3,584	1,606
	March 25, UGX Billion	21,441	17,025	387	2,812	1,217
	QoQ Change, %	24.7%	25.5%	-56.4%	27.5%	32.0%
Britam	June 25, UGX Billion	307	273	29	4	-
	March 25, UGX Billion	521	462	42	17	-
	QoQ Change, %	-41.2%	-40.9%	-30.8%	-73.7%	-100.0%
Sanlam	June 25, UGX Billion	1,614	1,339	173	102	-
	March 25, UGX Billion	1,303	1,049	181	73	-
	QoQ Change, %	23.9%	27.6%	-4.2%	39.8%	-100.0%
Genafrica	June 25, UGX Billion	1,299	1,043	154	91	11
	March 25, UGX Billion	1,114	866	153	80	14
	QoQ Change, %	16.6%	20.5%	0.5%	13.3%	-25.0%
ICEA	June 25, UGX Billion	245	182	55	9	-
	March 25, UGX Billion	124	96	21	7	-
	QoQ Change, %	97.2%	89.5%	160.0%	18.6%	-
Old Mutual	June 25, UGX Billion	725	576	134	15	-
	March 25, UGX Billion	509	373	121	15	-
	QoQ Change, %	42.6%	54.4%	11.5%	0.1%	-

Fund Managers	Cash and Demand	Fixed Deposits	Other Fixed Income	Government Securities	Quoted Equities	Unquoted Equities	Immovable Property	Other	Total
Britam	2,150	-	26,779	273,178	4,495	-	-	-	306,602
Genafrica	4,945	17,677	114,111	1,060,853	90,657	-	10,757	-	1,299,000
ICEA	88	41,823	4,302	190,661	8,626	-	-	-	245,499
Sanlam	1,862	119,563	41,219	1,349,762	100,947	807	-	-	1,614,160
PPS Loan	-	-	-	-	-	-	-	18,112	**18,112**
Old Mutual	1,114	27,166	104,830	577,078	15,140	24	-	-	725,353
Xeno*	-	-	-	-	-	-	-	-	-
Total	10,160	206,229	291,240	3,451,532	219,865	831	10,757	18,112	4,208,727

* The Licensed Fund Manager does not currently manage any Retirement Benefits Scheme funds.

Sector Growth (%)



Schemes	Sept-24	Dec-24	Mar-25	Jun-25	QAGR
Occupational	6.96%	2.24%	4.06%	5.31%	4.64%
NSSF	2.95%	7.11%	6.73%	5.91%	5.68%
Sector	3.52%	6.40%	6.35%	5.83%	5.53%

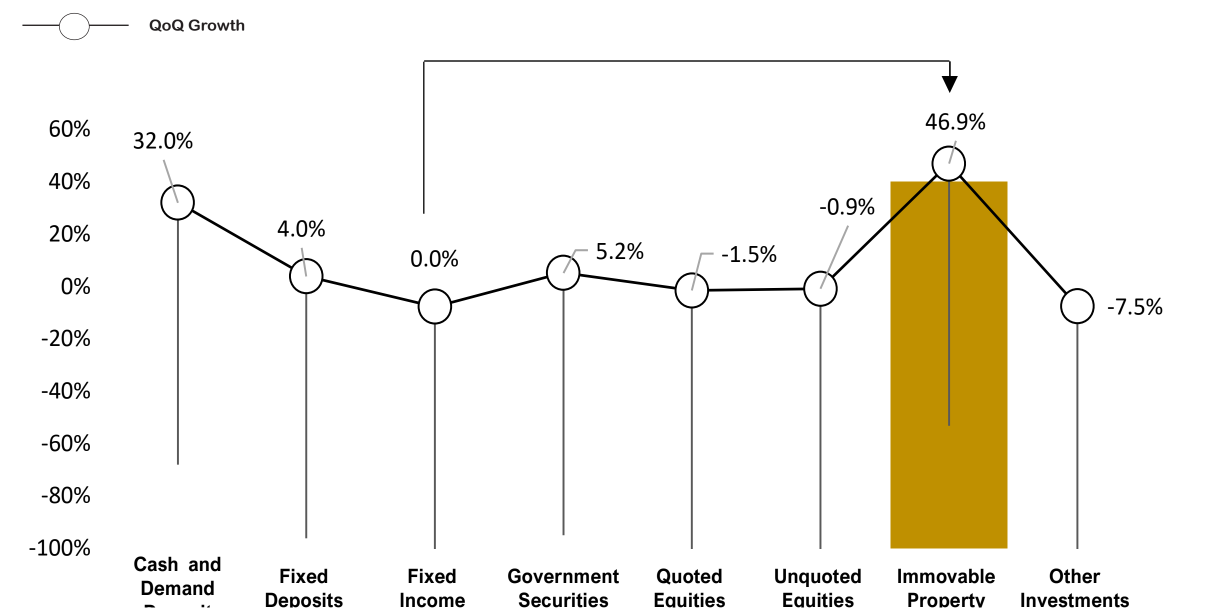
QAGR: Quarterly Average Growth Rate

During the year, total sector growth peaked at 6.40% in Dec 2024 from 3.52% in Sept 2024, before moderating to 6.35% (March 25) and 5.83% (June 25) closing the period qith a QAGR of 5.53%. In absolute terms, sector assets reached UGX 30.94 trillion as at June 2025, representing 23.9% YoY growth from UGX 24.95 trillion over the same period last year.

Annually NSSF expanded from UGX 21.44 trillion to UGX 26.73 trillion while Occupational Schemes increased from UGX 3.51 trillion to close at UGX 4.20 trillion in June 2025.

Asset Class Movement

Asset Class Movement



Total sector assets rose by 5.83% QoQ to UGX 30.94 trillion in June 25 from UGX 29.24 trillion in March 25. Government Securities increased by 5.2% to UGX 24.83 trillion lifting the allocation to 80.2% (from 80.7%) of sector assets accounting for the bulk of portfolio's expansion that continues to be driven by domestic debt investment. Quoted Equities reduced by 1.5% to UGX UGX 3.40 trilliontrimming allocation to 11.0% (from 11.8%) that suggest the continued cautious position as the sector leaned further into fixed income securities and liquidity management assets.

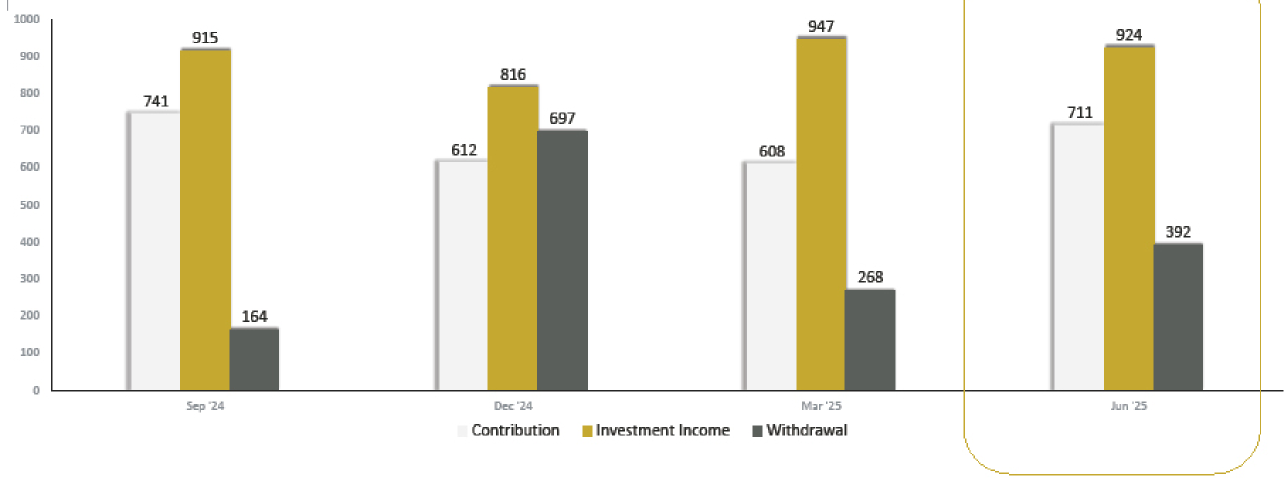
Assets Held by Umbrella Schemes

All figures in UGX

	March 2024 (Million)	June 2025 (Million)	Growth (%)
Britam Umbrella Scheme	31,363	36,717	6.4
Enwealth Uganda Umbrella Retirement Scheme	13,404	20,184	9.4
ICEA (U) Limited Retirement Benefits Scheme*	85,603	197,657	158.4
ICEA Lion Teleka Umbrella Fund	18,839	22,864	7.3
Jubilee Life Umbrella Retirement Scheme	26,682	30,676	-1.6
Octagon Uganda Umbrella Retirement Benefits Scheme	15,405	19,955	8.7
Sara Umbrella Retirement Benefits Scheme	4,814	3,963	8.8
The Liaison Umbrella Fund	19,893	21,205	7.3
UAP Life Umbrella Retirement Benefits Scheme	53,029	93,617	9.4
Zamara Retirement Fund	76,686	98,561	6.1
Total	345,718	545,399	35.6

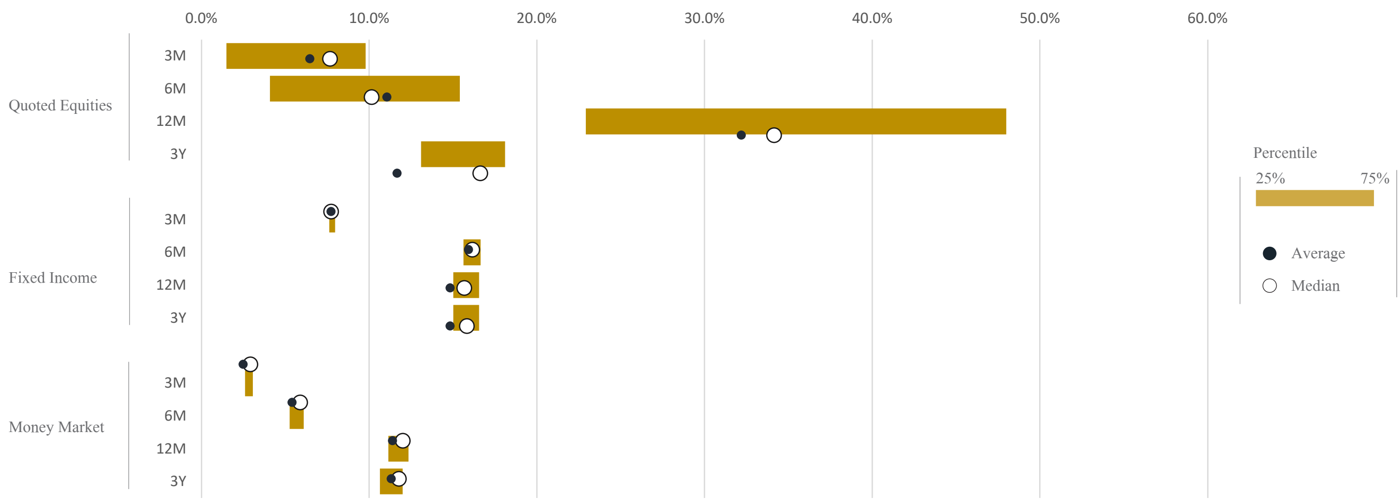
Umbrella schemes recorded growth, with assets under management increasing by 35.6% from UGX 402.1 billion in March 2024 to UGX 545.4 billion in June 2025. This performance was driven by ICEA (U) Limited Retirement Benefits Scheme, whose assets grew by 158.4% to UGX 197.7 billion, while the rest of the segment largely posted steady gains of between 6.1% and 9.4%. Despite Jubilee Life Umbrella Retirement Scheme registered a slight decline of 1.6%, the overall trajectory remained positive.

Contributions, Investment Income & Withdrawal



Contributions remained a key source of growth, rising to UGX 711.4 billion overall, of which NSSF accounted for UGX 610.0 billion while occupational schemes contributed UGX 101.4 billion. Benefit outflows were mixed, with occupational schemes recording withdrawals of UGX 116.8 billion, while NSSF registered UGX 276.2 billion in withdrawals. Investment performance remained the strongest driver of asset growth, with investment income of UGX 924.9 billion and unrealised gains of UGX 288.1 billion, supporting an increase in total market value.

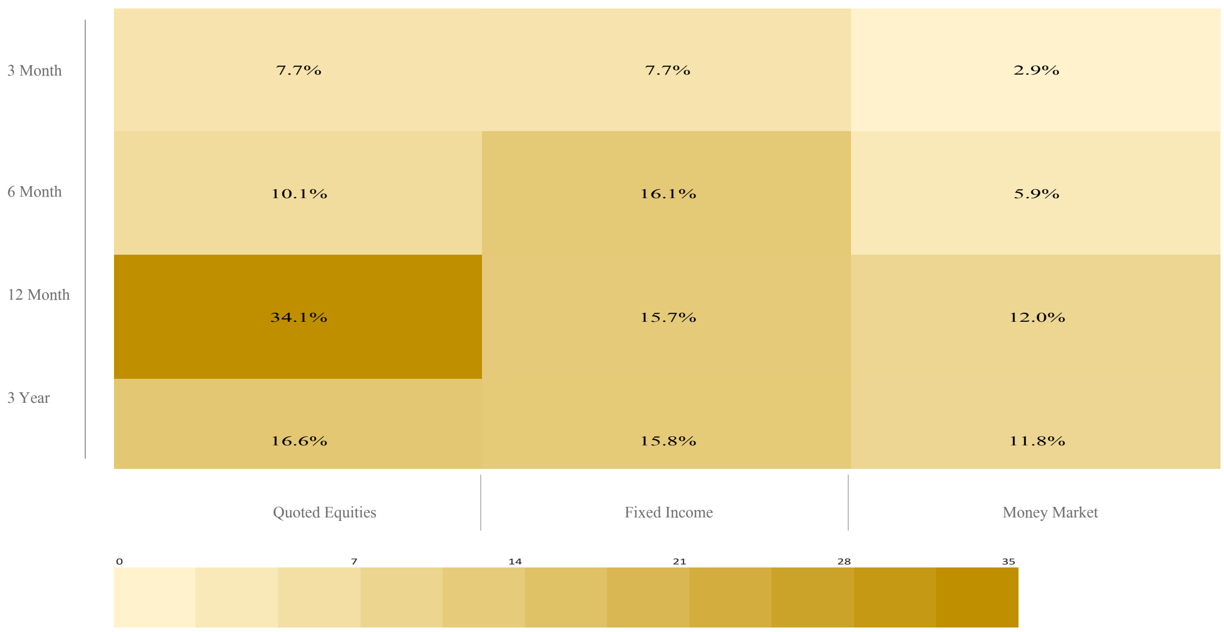
Performance (%)



	Quoted Equities				Fixed Income				Money Market			
	3 Months	6 Months	1 Year	3 Year	3 Months	6 Months	1 Year	3 Year	3 Months	6 Months	1 Year	3 Year
25' Percentile	1.5%	4.1%	22.9%	13.1%	7.6%	15.6%	15.0%	15.0%	2.6%	5.3%	11.2%	10.6%
Median	7.7%	10.1%	34.1%	16.6%	7.7%	16.1%	15.7%	15.8%	2.9%	5.9%	12.0%	11.8%
75' Percentile	9.8%	15.4%	48.0%	18.1%	8.0%	16.7%	16.6%	16.6%	3.1%	6.1%	12.4%	12.0%
Range	19.8%	44.2%	68.6%	46.4%	3.6%	5.6%	29.2%	0.0%	17.2%	19.2%	20.7%	6.6%
Average	6.5%	11.1%	32.2%	11.7%	7.7%	15.9%	14.8%	14.8%	2.49%	5.41%	11.39%	11.32%
W.A.P*	17.70%	24.78%	73.46%	21.91%	6.46%	13.41%	24.36%	15.43%	4.24%	8.90%	16.77%	11.20%

* Weighted Average Performance

Median Performance Heat Map - Scan View -June 2025



As at the quarter end June 2025, the 12 month median perfromance was 15.7% for Fixed Income and 12.0% for Money Market. Quoted Equities posted the highest 12-month median at 34.1% but with a far wider dispersion (P25 - P75: 22.7% - 48.1%) i.e. Some did much better while some much worse. Scheme level equity leaders include Uganda National Examination Board Staff RBS (57.47%), Watoto Ministries Provident Fund (56.02%) and I&M Bank Staff DC Scheme (55.29%) over 12 months.

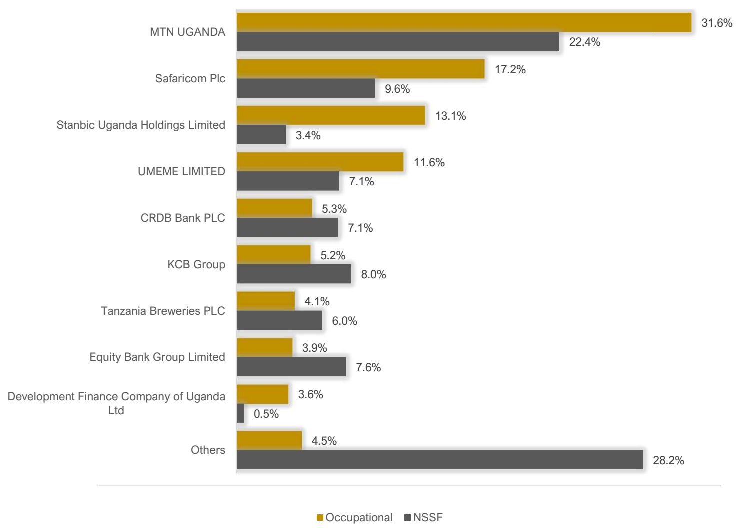
Quoted Equities

Sector	Quoted Equities (Billion)	Financial Sector	Consumer Staples	Consumer Discretionary	Utilities	Health Care	Material & Processing	Energy	Producer Durables	Technology & Telecom
NSSF	3,193	36.0%	10.5%	0.1%	7.1%	0.8%	2.3%	0.0%	0.0%	43.2%
Occupational	214	33.7%	5.4%	0.4%	11.6%	0.1%	0.0%	0.0%	0.0%	48.8%

The sector continued to be widely concentrated in the Financial and Technlogy & Telecom sector accounting for 35.8% and 42.6% respectively. Uganda's market was driven by cross-listed firms and local banks, for example, Bank of Baroda jumped 63.8% and Stanbic 28.3% Year on Year. Uganda also saw improved local participation: turnover rose on key counters like MTN Uganda (Over UGX 11 billion traded in Q1-Q2 2025). Some realloacation from Fixed Income to Equities contributed to the rally especially in Kenya; as its domestic interest rates stabilized and inflation eased, local investors shifted to stocks in search of higher returns.

Several developments in the pipeline could unlock value and deepen the markets. In Kenya, the government's plan to privatize and list stakes in state enterprise (e.g. the upcoming Kenya Pipeline company IPO in 2026) may broaden market breadth and attract new investors. Cross-border initiatives, such as integrating trading platforms and mutual market access within the EAC, are underway and could materialize by 2026, improving liquidity. Product innovation is also set to advance: Rwanda's approval of frameworks for ETFs and REITs should see new investment products launched in 2025/26.

Scheme Funds' Quoted Equities Holdings – September 2025

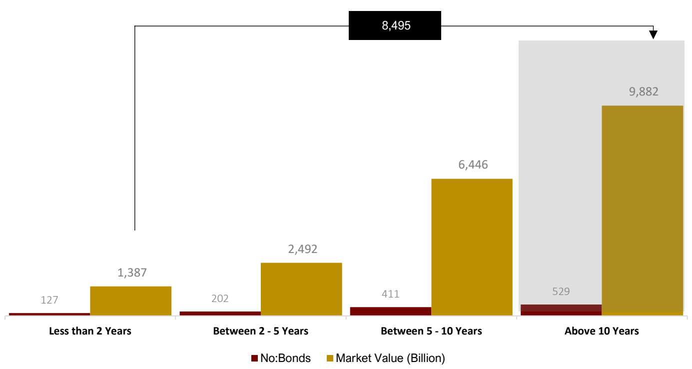


Occupational Schemess exibited a more concentrated tilt, particularly in MTN uganda (31.6%). By contrast, the NSSF allocated 22.4% to MTN but leaned more regionally diversified, with overweight positions in Airtel Uganda (10.6%), Safaricom (9.6%) and Kenyan banks (KCB at 8.0% & Equity Group at 7.6%.

Fixed Income

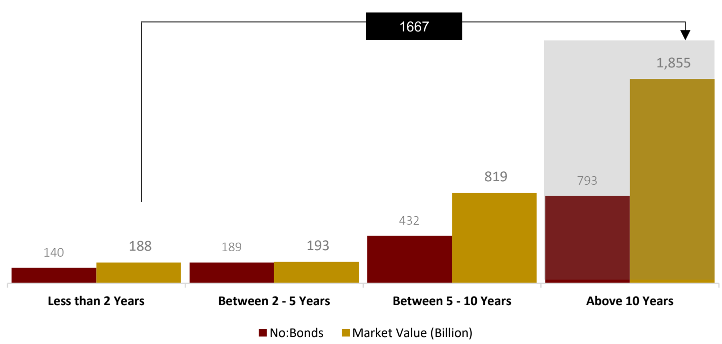
NSSF - BOND HOLDING

Maturity Profile



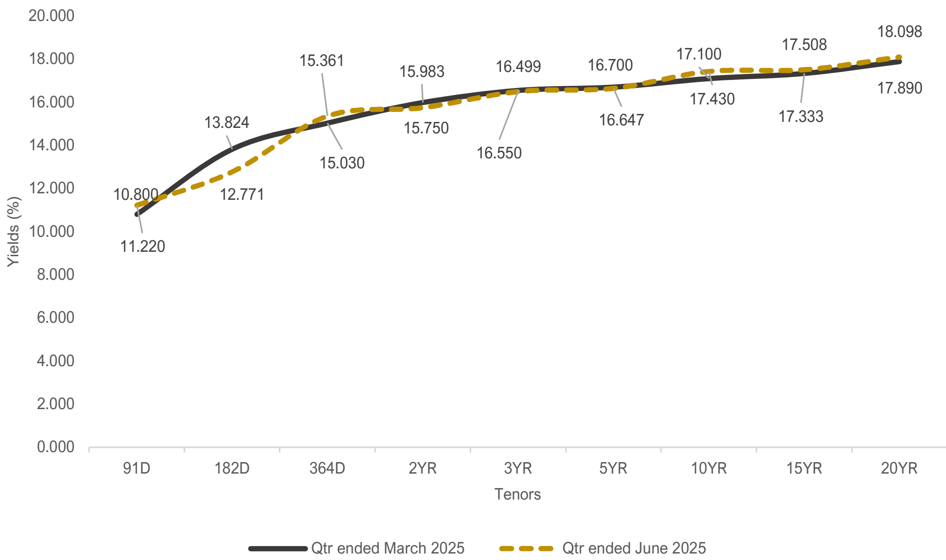
Occupational Schemes - BOND HOLDING

Maturity Profile



The National Social Security Fund and Occupational schemes sought longer term bonds to match their long-term liabilities. They showed robust appetite for the 10-year, 15-year and even the 20-year bonds. On the supply side, the Government of Uganda ramped up domestic borrowing to finance its budget, especially as concenssional external loan disbursement were slow. The total outstanding domestic debt climbed substantially with the domestic stock reaching about UGX 60.3 trillion by June 2025, from UGX 40.6 trillion the year earlier.

Yield Curve

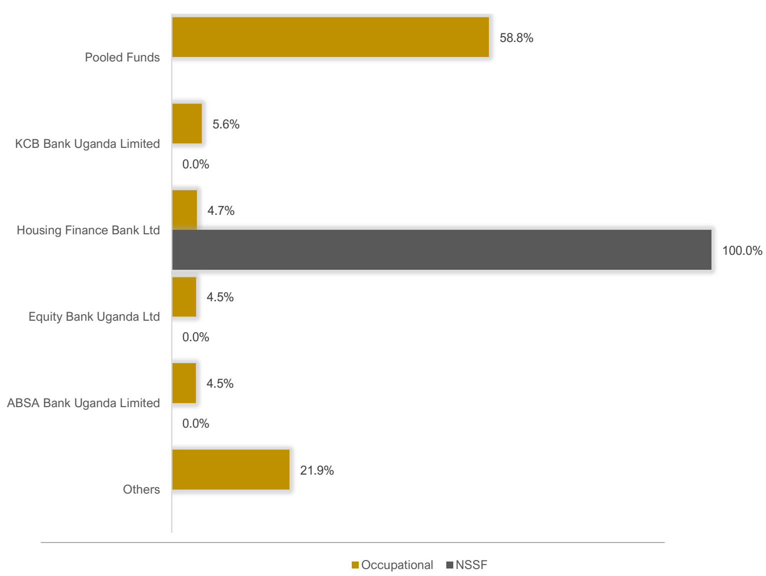


In reference to the average yields over the quarter to June 2025 across the curve, the 91-day bill was up to 11.22% from 10.80% (+42 bps) and the 182-day yield eased sharply to 12.77% from 13.82% (-105 bps), which stands out as the most pronounced move on the curve. At the long end, yields re-priced upward: 10-year rose to 17.43% (+33 bps), 15-year to 17.51% (+18 bps), and 20-year to 18.10% (+21 bps).

Investor demand for Uganda's government securities was strong throughout the quarter, particularly at the longer end of the curve, despite the high yields resulting in oversubscription auctions. All Treasury bill auctions in FY2024/25 closed with healthy bid-to-cover ratios, ending the year with an average cover of 1.55x in June 2025. Kenya faced more challenging issuance conditions. In late 2024 some Kenyan bond auctions were undersubscribed as investors demanded even higher rates. However, by Q2 2025 the situation improved after yields were adjusted upward and Kenya received IMF support, restoring some confidence.

East African Governments' borrowing continued at a high pace, raising questions about debt sustainability and credit ratings, which in turn affect fixed-income markets. Kenya's public debt metrics remained under close watch; however, the successful completion of an IMF program review and a Eurobond repayment in 2025 somewhat eased immediate concerns.

Scheme Funds' Fixed Deposit Holdings – June 2025



Occupational Schemes spread investment across pooled funds (58.8%) and bank placements like Housing Finance Bank, KCB Bank, Equity Bank and ABSA Bank. In contrast, NSSF invested 100% with Housing Finance Bank.

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