



**IMPEDIMENTS TO THE GROWTH OF CAPITAL MARKETS IN UGANDA: A
COMPARATIVE ANALYSIS BETWEEN THE LISTED AND UNLISTED
COMPANIES**

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ABSTRACT

The purpose and objectives of the study were to analyse the performance of the Capital Markets Authority (CMA) since inception and to establish factors preventing companies from getting listed on the Uganda Securities Exchange (USE).

This study used cross-sectional research design incorporating both qualitative and quantitative approaches. The researcher used a sample size of 59 respondents. Purposive and simple random sampling methods were used. Methods of data collection included questionnaires, published company reports, articles and text books. The data was analysed using Statistical Package for Social Sciences (SPSS).

The research concluded that whereas the CMA has experienced steady growth in its nineteen years of existence, few Ugandans know about its existence and operations. The industry in Uganda is still small in comparison with countries that have developed capital markets and the East African integration is core to the growth of CMA. Furthermore, the cumbersome process of launching an IPO and unlisted companies' failure to appreciate the benefits of being listed are among the major factors preventing companies from being listed on the USE.

The researcher recommends that CMA should reach out to the unlisted companies across the East African region because these are the prospective clients and target to get more private companies listed. Also, continuous improvement in technology and product portfolio for Uganda capital markets will go a long way in attracting more companies to get listed on the USE.