THE IMPACT OF PUBLIC AWARENESS ON THE GROWTH OF CAPITAL MARKETS IN UGANDA

CASE STUDY: UGANDA SECURITIES EXCHANGE LIMITED

BY

KISANG K PAUL

07/K/2707/EXT

SUPERVISOR: MR. NUWAGABA GEOFFREY

A RESEARCH REPORT SUBMITTED IN PARTIAL FULLFILMENT OF THE REQUIREMENTS FOR THE AWARD OF A BACHELOR OF COMMERCE DEGREE OF MAKERERE UNIVERSITY

JUNE 2011
DECLARATION

I, **KISANG K Paul** do hereby declare that this research report is my original work and it has not been submitted in this university or any other university or institution of higher learning for any academic award.

Signed…………………………………                      Date………/…………/…………….

KISANG K PAUL

07/K/2707/EXT
APPROVAL

This is to certify that this research report has been submitted in partial fulfillment of the requirements for the award of the degree of Bachelor of Commerce with my approval as the university supervisor.

Signed……………………… Date………. /........../…………..

MR NUWAGABA GEOFFREY
DEDICATION

This book is dedicated to my parents Mr. Kisang Kaino Kipchoge and Mrs. Elizabeth Sogomo Kisang. My guardians Mr. Thomas Mkamba, Richard Cherop, Ezekiel Cheruiyot, Julius Kipkore, Jemba Kaggwa, Dramadri Isaac, William Kiptum, Elly Yano and my dear Ms. Lizzie Kiptoo. They made it possible for me to complete this course.

Above all and beyond utterance to the Almighty God for sustaining me throughout this period and the time I have spent at the university at large.
ACKNOWLEDGEMENT

During the course of my study, I received great support from many people. To all of them I will forever be indebted. May the Almighty God bless you and your families.

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I would like to appreciate all the staff of Uganda Securities Exchange Limited who helped me with the information I required during my research.

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<td>USE</td>
<td>Uganda Securities Exchange</td>
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<tr>
<td>CMA</td>
<td>Capital Market Authority</td>
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<tr>
<td>SCDS</td>
<td>Securities Central Depository System</td>
</tr>
<tr>
<td>BOU</td>
<td>Bank of Uganda</td>
</tr>
<tr>
<td>EADB</td>
<td>East African Development Bank</td>
</tr>
<tr>
<td>MIMS</td>
<td>Main Investment Market Segment</td>
</tr>
<tr>
<td>NSE</td>
<td>Nairobi Stock Exchange</td>
</tr>
<tr>
<td>CMAC</td>
<td>Capital Market Advisory Council</td>
</tr>
<tr>
<td>FISMS</td>
<td>Fixed Income Securities Market Segment</td>
</tr>
<tr>
<td>EASEA</td>
<td>East Africa Securities Exchange Association</td>
</tr>
<tr>
<td>DSE</td>
<td>Dar es Salaam Stock Exchange</td>
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<tr>
<td>DFCU</td>
<td>Development Finance Company of Uganda</td>
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<tr>
<td>NIC</td>
<td>National Insurance Corporation</td>
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<tr>
<td>SCDA</td>
<td>Security Central Depository Agents</td>
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<td>SPSS</td>
<td>Statistical Package for Social Scientists</td>
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ABSTRACT
The major objective of this study was to establish the relationship between the impact of public awareness on the growth of Capital Markets in Uganda. Other objectives of the study were to find out whether the general public is aware and participating in the Securities Market, to find out the benefits of listing and to establish on the relationship between public participation and growth of Securities Markets.

The research was carried out in Uganda Securities Exchange Limited. The research used purposive and judgmental sampling procedure to targeted respondents that provided the most needed data. The sources of data were both primary and secondary sources. Primary data were collected by use of questionnaires while secondary data were collected from existing literature, Journals and USE quarterly and various annual reports. After collecting all the questionnaires from respondents, Statistical Package for Social Scientists (SPSS) was used to analyze the data collected and the findings were presented in form of tables showing frequencies and percentages.

In line with the objectives of the study, the major findings on the impact of public awareness and the growth of Capital Market, it was found out that public awareness of the USE, listed stocks, price and returns on stocks has a significant positive relationship on the growth of Capital Markets has revealed by the Pearson correlation (r=0.732).

The study recommends increasing public awareness. In particular, the USE should increase spread of information through public awareness campaigns, training programs, focused seminars and workshops. These national campaigns should communicate returns on stocks, stock prices, listed stocks and some forecasts on stocks likely to have higher returns in the short-term. The campaigns should communicate the process of buying and selling of securities.

In addition, for a significant growth to be realized in the Capital Markets, massive public awareness should be carried out, increase its products, market them among other factors that contribute to the growth of the Capital Market in Uganda in order to attract investors and the much needed eligible companies from the private sector which has the financial ability. A current feasibility study from USE reveals that forty one companies across the country are eligible for listing into the stock market. Their entrance will increase on the number of listed companies thereby leading to the growth of Capital Market
CHAPTER ONE

1.0 INTRODUCTION
Establishment of stock market is important to the overall development of the financial system. This is because it permits lenders the flexibility of making adjustments in their holdings. This is by providing an entry and exit mechanism for investment programs.

The Uganda Securities Exchange (U.S.E) is Uganda’s principal and only Stock Exchange. It was founded on May 5 1997. The USE is operated under the jurisdiction of Uganda’s Capital Market Statute (1997) and reports to the Capital Market Authority which in turn reports to the government of Uganda.

1.0 Background of the Study
Cohen, (1999) Capital Markets or Securities Markets refers to the entire spectrum of activities which relate to the buying and selling of financial instruments. This market is like any other market where goods and services are traded, but in the case of stock market the products sold are financial instruments such as bonds, treasury bills, and stocks at negotiated price. Individual, companies and the government can raise long term funds through this market. The capital market includes the stock market and the bond market. Financial regulators such as the Capital Market Authority, oversee the capital market to ensure that investors are protected.

In 1996, the Capital Markets Authority Statute was passed. This was a stage forward to the development of capital market in the country. The CMA is charged with regulating and promoting the development of Securities Exchange in Uganda, with a view of creating infrastructure for the efficient mobilization of savings to finance economic development in the country.

In January 1998, USE came into existence. At the time, the Exchange had only one listing, a bond issued by the East African Development Bank. Trading was limited to a handful of trades per week. The USE has moved from a startup entity to a fully fledged stock exchange and currently trades thirteen listed companies out of which six of them are from Kenya after the listing of Centum company on February 2011 in Uganda cross listing and over thirty Treasury and Corporate bonds.

Securities markets in Uganda comprise of primary and secondary markets. Primary market is a segment of a money or capital market where securities are bought and sold by wholesale by underwriters or investments brokers on a retail basis to individuals and institutions to acquire new capital (Reilly, 1985). In secondary market there is trading in outstanding stock.

Securities are traditionally divided into debt securities and equity securities. Debt securities may be called debentures, bonds, deposits, notes or commercial paper depending on maturities and
characteristics. The holder of a debt security is entitled to the payment of a principal and interest together with other contractual rights under the terms of the issue such as right to reserve information. Debt securities are generally issued for a fixed term of period. Debt securities may be protected by collateral or may be unsecured.

An equity security is a share in the capital stock of the company. The holder of equity is a shareholder, owning a share on fraction part of the issuer. Unlike debt securities which typically require regular payments (interest) to the holder, equity security owners are not entitled to any payment. In bankruptcy, they are only on a residual interest of the issuer after the obligations have been paid to creditors. Equity holders are entitled to prorate portion of control of company. They also enjoy rights to profits and capital gains whereas holders of debt securities receive only interest of the principal. The members of securities exchange are financial firms and institutions. The USE is governed by the exchange council, which consist of eight directors including the chief executive officer of Uganda Securities Exchange.

1.2 Statement of the Problem
There is dire need for the general public to mobilize short term and long term financing. Capital markets are a means through which individuals and institutional investors can access finance at a lower cost than would be possible from bank lending. By their very nature, people are reluctant to embrace or engage in activities which they know nothing or little. Lack of public education and continuous dissemination of information to the public and the privately owned companies eligible for listing, limited knowledge and familiarity by the general public on how capital markets carry out their operations limits the potential of the general public to participate in the capital markets.

As a result, this study will therefore seek to give information to the general public on the entire spectrum of activities in the USE and hence building their confidence and awareness in capital markets industry in Uganda.

1.3 Purpose of the Study
The purpose of this study is to establish the level of public awareness through participation in the stock market.
1.4 **Objectives of the Study**

1. To find out whether the general public is aware and participating in the securities market.
2. To find out the benefits of listing in the securities exchange
3. To establish on the relationship between public participation and the growth of capital markets.

1.5 **Research Questions**

1. Is the general public aware and participating in securities exchange?
2. What are the benefits of listing in the securities exchange?
3. What is the relationship between public awareness and the growth of capital markets?

1.6 **SCOPE OF THE STUDY**

1.6.1 **Geographical scope**

The study will cover capital market with main emphasis vested in USE Limited, located at Workers House, Second floor, Western Wing.1 Pilkington road.

1.6.2 **Time scope**

The study is to cover a period of 1996 to 2011.

1.6.3 **Subject/content scope**

The study is focused on the impact of public awareness on the growth of capital markets in Uganda.

1.7 **Significance of the Research**

i. The research will help to bring capital markets to the attention of entrepreneurs and the public in general to be in a better position to source the much needed capital for expansion and diversification of their business.
ii. It will be beneficial to other academicians who will be interested in building or expanding the same or related topic.

iii. The study will enable the researcher to acquire his bachelor’s degree in commerce.
CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction
This chapter seeks to review the related literature covering the two variables public awareness and the growth and developments of capital markets.

2.1.0 Public Awareness and Education.
Educating the public is one of the core activities that Uganda Securities Exchange need to put much emphasis. The intention of this awareness is to put a flat form where general public are made aware of the different investment vehicles available in the local money markets and beyond. It is argued that the error of receiving financial assistance from international donors is long over and there is need to inform the public about the alternative ways of financing.

Awareness has even more important role in explaining lack of participation on the USE. In each case the proportion of investing in stocks and bonds would more than double if all investors were aware of the assets. Considering the differing characteristics of aware and unaware investors attenuates the effect of awareness on the participation. Participation is evidenced that income, wealth and education could have influence on the demand for stocks.

Wagacha, (2000) found out that lack of awareness and information on the side of the local investors, inability of the exchange to absorb more enterprises, and uncertainties in the economic condition are some of the key reasons for the dismal participation by local investors.

The awareness of returns as a factor limiting demand for stocks is in agreement with the principle of comparability, according to which buyers of stocks can, and can, compare and rank different options of investing their savings in stocks in terms of utility that purchase of a stock would yield (Fama, 1965). If offered two different stocks, the individual buyer is sufficiently well informed to be able to declare a preference of one of the stocks. Hence, awareness of returns enables an investor to make a decision on whether to buy stocks, which stocks to buy and in what quantities.

Assuming no effects on return, awareness may have an even more role in explaining lack of participation in mutual funds, investment accounts and corporate bonds. In each case the proportion in this assets would more than double if investors were aware of all these assets, assuming no effects on return. If all investors were all aware of all risky assets, total stockholding (stocks, mutual funds and investment accounts) would increase (Guiso and Japeli,
(2006). Considering the different characteristics of aware and unaware investors attenuates the effect of awareness in participation.

Lack of awareness and information on the side of local investors, inability of the exchange to absorb more enterprises and uncertainties in the economic conditions are some of the key reasons for the dismal participation by local investors (Wagacha, 2000)

As a matter of fact, USE have really tried in educating the public through financial literacy conferences, participating in trade fairs, oracle workshops, and students outreach. Despite all these efforts, most people are still ignorant about this financial market. The USE should identify and approach the various companies and explain to them what they are up to. They should also hold one-on-one meetings with the leaders of the target companies as they are the ones to take the education campaign to their companies.

Poterba, (2001) voiced out that there is some evidence for a relationship between one’s education levels and the demand for stocks. Card and Lemieux, (2003) proved that individuals with college graduation were more likely to buy stocks than individuals without elementary education.

USE should identify themselves with the people in the various parts of the country and give them a lecture about the matters concerning stock market operations. Currently, more than 67,000 Tanzanians own shares in various companies listed in Dar es Salaam Securities Exchange (DSE), this has been possible because the DSE took their campaigns to the grassroots levels.

In his general theory, Keynes postulated that demand is a function of income. Basing on his psychological law, Keynes argued that when income increases demand increases. It is out of awareness, taste and preference of these stocks by the investors that leads to the growth of Capital Markets.

2.1.1 Participants in a Capital Market

According to Reilly, (1985) an initial and very important of an efficient market is that there are a large number of profit maximizing participants concerned with the analysis of valuation of securities and who operate independently of each other.

The Capital Market consist of the following; sellers of Financial Instruments, the Underwriters, Brokers-dealers Broker representative, stockholders, Securities Exchange, Investment Advisers, Lawyers, Accountants, Potential Purchasers, Regulators. Broker dealers are companies that specialize in the securities industry. A broker is a company, which buys or sells financial securities as agent of the customer. A dealer is a company that buys or sells financial securities for its own account. In the real world, a number of companies act as both brokers and dealers and hence are referred as broker-dealers. Apart from selling and buying, broker-dealers also advise companies on issues of raising capital. Broker representative work for broker-dealers. They are also referred as stockbrokers. In Uganda both broker dealers and broker representatives must be
licensed by Capital Market Authority, the chief overseer of the entire activities of buying and selling securities.

Harris et al, (1993) point out that any factor that increases the number of market participants in the securities market has a self-enforcing and self-sustaining effect on the operation of the bourse.

2.1.2 Trading System
Trading is conducted on the USE Trading Floor under a continuous open outcry trading system. At the sound of the bell the licensed broker who converge at the trading floor trade by shouting their orders to the board writer who records the orders on the board. A transaction occurs when orders are matched at the end of the trading session the bell is rung to close the trading session of the day.

2.1.3 Structure
The USE membership consist of licensed broker firms all of which have access to the Trading Floor at the USE where they carry on the business of buying and selling of securities as agents for investors in return for a commission, or a principal on their own account.

Rutega, (2010) Uganda Securities Exchange is headed by an effective council which is balanced and has a mix of nine; (7) member directors and two (2) independent directors. It is collectively responsible for the success of the company

2.1.4 Official Trading Hours
Due to increased activity in the bourse, the USE trading days has officially been increased to five days. That is from Monday to Friday starting from (March 7, 2011). Previously, trading was conducted on Mondays, Tuesdays and Thursdays only.

Kitamarike, (2011) the decision to extend the trading days to five was in line with the rising volumes and traded equity. It was also in line with moving at par with the Nairobi Stock Exchange (NSE) and the Dar es Salaam Stock Exchange (DSE).

Following the increased trading days, total turnover rose to shs 165m from shs 42m largely backed by sales on the DFCU and UCL counters. Total shares traded also rose to 1,584,033 from 186,760, this was a contribution of both listed and the cross listed companies.
2.1.5 Shares/Stocks

Arrow, (1964) stocks represent the purchase of ownership in the business firm measured in units of shares. In everyday language, when we talk of stocks we normally refer to equity stocks or ordinary stocks of a company. The terms shares and stocks essentially mean the same thing the latter being a more common American usage.

(USE Investor Guide), a share is a unit of ownership of a company. When you buy shares you become a part owner in that company or a share holder of that company. The physical evidence of this ownership is a document called the stock certificate. For these shares, a shareholder stands to gain a return in form of dividends out of the profit a company invested in gains. And for a company offering the shares it is a source of long and short-term capital. Stocks are kept in electronics to ease transacting business. When you invest in stocks, you are actually purchasing a fraction of ownership of that company.

In the quarterly bulletin (vol. 12 issue 4), the quarter covering a period October, November and December 2010 recorded remarkable growth in activity in fourth quarter, as investor confidence in the bourse continued to return following the effects of the global crisis. The quarter recorded a slight increase in transaction with a single session posting a turnover

Of Ushs 11 billion, this being the largest over recorded. Total turnover rose from the Q3-10 position of Ushs 3.9 billion to Ushs 17.6 billion in Q4-10. Volumes transacted were up 238% from 23.1 million shares. The deals recorded at the market stood at 1,171 up from 1,053 in the previous quarter.

A shareholder is an individual or company that legally owns one or more shares of stock in a joint stock company. Shareholders are granted a special privilege depending on the class of stock chosen.

2.1.6 Bonds

Magezi, (2002) in its simplest form, a bond is a promise to systematically repay a borrowed amount by the end of the clearly stated period of time. Normally Government issues bonds as a monetary policy buying from the public. The bond holder in return is paid an interest also referred as coupon according to the terms of the bond.

USE quarterly bulletin, (2010) Government has been the main proponent in the bond market. Trading on secondary market recorded a turnover of Ushs 104,099,900,000 down from Ushs 468,675,000,000 recorded in the previous quarter.

The Eastern and Southern African Trade and Development Bank (PTA Bank) bond was listed on the USE Fixed Income Securities Market Segment (FISMS) in November 2009. The bond which
is worth Ushs 40 billion, has a floating rate component priced at 125bp above the 182-day Treasury bill rate and a fixed rate component priced at 14.5

2.2.0 Capital Markets Growth and Development
Horwood, (2009) capital markets development requires the maintenance of a stable micro environment namely; low inflation, small budget deficits and positive long term real interest rates. Institutional investors can also contribute to capital market development. In developing countries where commercial banks dominate the financial sector, institutional investors can promote competition and efficiency in the financial system, through forcing commercial banks to rationalize and improve financial innovation. Institutional investors can also put pressure on companies to enhance transparency and information disclosure and strengthen corporate governance.

The USE has a very clear vision to be the leading platform for securities and mobilizing of capital and savings in Uganda. In achieving this, they aim to provide an efficient, secure and transparent securities market upholding core values which include, transparency, accountability, efficiency, integrity, commitment and innovation.

The 70’s and 80’s were times of financial cases due to political and economic mismanagement and inflation being at an absurd rate of 106%. This was certainly not conducive for capital markets.

Kanyike, (2006) a committee set up by the governors of Bank of Uganda in 2007 was to lead the security of the CMA (Capital Markets Authority) that later enacted and licensed the USE being the 17th licensed Capital Market in Africa.

From the lukewarm start of East Africa Development Bank (EADB) being the only security listed, to the currently fourteen listed companies after the 10th January 2011 gross listing of the Centum Investments Limited a Kenyan based company whose shares are in Nairobi stock exchange. This recent gross listing increased the number Kenyan gross listed companies to six out of the fourteen equities in USE.

USE (2010) Bank of Uganda (BOU) has long promoted and supported capital markets. Because of this Bank of Uganda action, Rutega, (2010) pointed out that the milestones achieved during this eleven years affirm the fact that the Ugandan investment community is fast coming to grips with the benefits of investing and saving with the capital markets industry, this realized up to Ushs 161.5 billion in equity transactions and witnessing growth in number of listings. In January 2011, USE approved the gross listing of Centum Investments Limited, seven corporate bonds and approximately 40 government listings.
Stuart et al, (1999) capital markets development often interacts with privatization programs. Privatization and gross listings can boost the supply of shares on the exchange often a crucial step, since owners of companies in many developing countries are often reluctant to raise funds through equity issues with the attendant demand in terms of disclosure and fielding on some control.

2.2.1 Securities Central Depository System
USE quarterly bulletin (Vol.12 issue 2). An SCD system is one which securities belonging to a particular investor are deposited into the custody of an electronic central depository such that transactions or transfers concerning such securities are executed in book entry form. It is a paperless way of clearing and settlement.

The SCD acts like a bank for securities. Investors are required to open electronic accounts (just like bank accounts) on which their securities are deposited and held.

The SCD is operated by the USE through approved Securities Central Depository Agents (SCDAs). The CMA is responsible for regulating SCD operations whereas Securities Depository Agents are the custodians.

Under the SCD framework, it is possible for a shareholder to open and maintain more than one securities account. A shareholder will be allowed to open an account individually or as a part of joint account or organization. The only restriction is that a shareholder can only hold one type of account per SCDA. Further still, clients wishing to effect transfers will be requested to approach their SCDA, and fill relevant SCD forms.

The new SCD structure allows for willing investors to continue holding for paper certificate. Furthermore, the system allows for investors to withdraw their securities from the system and return to the paper. However, any investor wishing to trade through the USE will be required to deposit their securities with the SCD.

The securities central depository system is required by law to redistribute statements to all investors when they might need them. The SCD system is safer, faster and reliable. The Exchange will continue from time to time to develop this system to extend more services for the benefit of investors, intermediaries, listed entities and capital markets in general.

2.2.2 LEGAL AND SURVEILLANCE

2.2.2.1 Rules review
USE quarterly bulletin (Vol.12 issue 4). Over the period and since incorporation, Uganda Securities Exchange Limited in pursuance of a mission to develop and manage the most efficient and transparent securities market that matches the best international standards and its of fostering investor protection, has undertaken review of portions of its rules from time to time to ensure
that the interests of investing public are not only protected but also seen to be protected. Examples include a provision proposed for rule 98 to prescribe forfeiture of commission earned and or suspension of a member who is found guilty of contravening the rule on requirements for contract notes, on a provision proposed for rule 100 to provide for forfeiture of commission earned as a penalty for under payment of clients.

Other development of the legal and regulatory framework include the introduction of a volume weighted price which is seen as a fairer basis for establishing a reference price at the opening of the trading session, as opposed to the adoption of the last transaction price. The listing rules were amended to require companies intending to list to prepare a set of audited accounts where more than six months have elapsed since the issuer’s last accounting period for which audited financial statements have been prepared.

2.2.2.2 Market surveillance

USE Ltd annual report, (2009) Market surveillance is a key in promoting fair, efficient and transparent operations on the bourse, which in turn goes a long way in fostering investor confidence. As a part of market surveillance role, the legal department carries out scheduled inspections of member firms augmented by ad hoc surveillance visits on a case by a case basis. The exchange also monitors compliance by listed entities as far as their continuing listing obligations are concerned.

2.2.2.3 Regulatory Framework

Alile, (1992) for proper functioning of financial markets, an adequate regulatory and supervising system is essential. The major objectives and prudential regulation are to ensure public confidence in the activities of capital markets; operational stability of the market; operating efficiency and equity of markets.

The legal framework delineates rules and regulations, which guide operators in the market. It provides rules, principles and procedures that guide the conduct of the participants in the bourse. A comprehensive legal framework creates investor confidence and therefore, essential for proper functioning of capital markets.

Pardy, (1997) indicates that a legal framework provides for property rights, contractual relationships, forms of incorporation, and rights and responsibilities of participants in the bourse. It also specifies the powers and responsibilities of the government supervisory authority and self regulatory organizations.
2.2.3 Information Technology
Collin, (1996) defines a computer as a machine that receives or stores or processes data very quickly according to the stored programs. The core mandate of the IT department at the USE is to maintain a robust and efficient IT infrastructure by ensuring compliance with industry standards and optimal utilization of the infrastructure by both internal and external users. This infrastructure provides a number of services systems, business application and communication tools. The department is staffed by three technical resource personnel; The Head IT, IT supports Officer and a temporary IT support staff.

The system run by the department include database system, the corporate network connected to the internet, communication systems including public address system, email and user application and anti-virus software. The incremental backups of the above systems are carried out daily to an offsite Data District. The website (www.use.or.ug) is updated regularly with trading and marketing information, and together with the mailing list facility has been instrumental in disseminating information to the general public.

Pertaining hardware, the computing and the telecommunication equipment continues to be regularly serviced once every quarter. The IT staff participates in a number of local and international training workshops, both technical and business related.

2.2.4 Getting Listed on the Security Exchange
According to the USE listing brochure, (2008) .In order for a company to raise capital by issuing securities to the general public and provide the investors with a mechanism to sell the securities that they have purchased, the company or the securities must be listed on the USE Limited. Listing on USE is governed by the Listing Rules of the Exchange, the provisions of the Capital Markets Authority Act, Cap 84 Laws of Uganda 2000, the Capital Markets (prospectus Requirements) Regulations, 1999, and the companies Act Cap 110 Laws of Uganda.

Uganda Securities Exchange list two broad types of securities, Equity and debt (bonds) the market has been segmented in listing rules accordingly. Two segments exist under equity, the Main investment Market Segment (MIMS), and the Alternative Investment Market Segment otherwise called AIMS. In both segments the application to list is accompanied by a document called prospectus that incorporates all the requirements for listing as stipulated in the listing rules and the relevant legislation has mentioned above.

The debt segment is called Fixed Income Securities Market Segment (FISMS) which caters for corporate and government bond issues, preference shares, debentures stocks and any other fixed income instruments. The principal document prepared in compliance with the listing Rules is called an information memorandum which for all intents and purposes is similar to a prospectus save for its name.
2.2.4.1 Main Investment Market Segment (MIMS)

Market performance, annual report (2009) there are certain requirements that an applicant must meet in order to qualify for a listing on a USE. Some of these requirements are similar for all the market segments while others are a specific to a segment. In addition to the eligibility criteria, companies who seek to list on MIMS must meet certain requirements which include the following:

The issuer must be a public company limited by shares incorporated under the companies Act, Cap 110 Laws of Uganda. This means that both local and foreign companies can apply. The issuer must also have fully paid up shares capital of Ushs 1,000,000,000 and assets of a minimum value of Ushs 2,000,000,000 before the public offering of shares.

The issuer must have published audited financial statements for a period of at least five years complying with international accounting standards for an accounting period ending not more than six months prior to the proposed date of the offer. The issuer is also to comply with the detained disclosure requirements for MIMS as specified in appendix 1 of the Listing Rules.

The industry witnessed a new market record as total turnover rose to Ushs 131.5 billion last year. This represents a daily average turnover of approximately Ushs 592 million. Volumes of shares have so far increased 437.7 million shares and the number of deals increased to 38,480 deals.

2.2.4.2 Fixed Income Securities Market Segment (FISMS)

The issuer of a fixed income security may be a company, or a government, a local body corporate. The fiscal agent of the government is required to issue to the Exchange a draft prospectus or letter of offer as stipulated in the Public Finance and Accountability Act, 2003 and Regulations made there under, the Bank of Uganda is the fiscal agent of the government.

There were 35 issuances on the 2, 3 and 5 year tenors during the period 2010. The aggregate face value of all the new issuances is approximately Ushs 1,152,755,930,000. As at December 31st 2010, there were approximately 36 listed bonds representing a total outstanding amount of approximately Ushs 1.3 trillion under the FISMS Segment

2.2.5 Benefits of listing on the Securities Exchange.

Listing is the process of taking a privately owned organization or company and making a transition to a publicly owned entity whose shares can be traded on the securities exchange. The world’s stock exchange have been listing companies, trusts, and other products for hundreds of years, so the benefits of this path are well known to the market. The benefits of listing include the following.
Access to Capital Market. Listing gives investors the opportunity to raise capital and to fund acquisitions and/or organic growth which leads to an increase in the market capitalization of the economy.

Higher public and investor profile. Listing generally raises your organization’s public profile with customers, suppliers, investors and the media. Your organization may also be covered in analyst reports and may be included in an index.

Institutional investment. Public listing means your organization will find it easier to attract institutional and professional investors.

Improved valuation. Being listed generates an independent valuation of your organization by the market.

It acts as a secondary market for your organization’s shares. Trading of your shares on exchange gives shareholders the opportunity to realize the value of their holdings, which in turn can help broaden your shareholders base.

Exit strategy for early stage investors. Listing provides a mechanism for founders of the company, family interests or early stage investors or to exit their investment.

Alignment of employee/management interests. The process of remunerating your employees, executives and directors with shares is simplified, making it easier to align the interests of your employees with the goals of the organization.

Exposure to retain and institutional investors both domestic and international. Listing on the securities exchange gives your company the opportunity to get external world

2.2.6 Regional Integration

The impetus for the regionalization of the stock markets in East Africa continued to take central stage, as region member states moved together towards realization of the common market in 2012 and federation by 2015. The East Africa Securities Exchanges Association (EASEA) increased its membership tremendously and the Markets Advisory Council (CMAC). Uganda hosted the 12th African Securities Exchange Association (ESEA) 2008, the conference held under the theme “AFRICAN ON THE MOVE”

Kitua, (2010, chief executive officer of the Dar es Salaam Stock Exchange, called upon EASEA in the development of practical strategies to harmonize cross border trading.

2.3.0 The Relationship between Public Awareness and the Growth of Capital Markets

Emerging stock exchanges in developing countries like Uganda assist in mobilizing long term capital for the private sector and support economic growth and development. The capital markets
in Uganda need to strengthen the presence of domestic investors through the public awareness of USE, the listed stocks, the price of shares and the awareness of returns of shares. These four dimensions need more emphasis to investors in order bring about the growth of capital market.

Education of the public on the basic operation of the securities exchange is an important element of ensuring the development of the capital market. Public information campaigns generate public awareness and disseminate knowledge on the usefulness and performance of the capital markets (Bohnstedt, 2000). In the process awareness instills public confidence.

Aware investors are more likely to purchase stocks/shares than the unaware investors, depending on the threshold, increase with fixed costs, risky aversion and the variance of the returns to shares. Other determinants of growth being individuals or investors who are willing to invest in large shares of their wealth in stocks are more to enter the stock market because they are aware on the benefits of investing in stocks such that they have more to gain from taking advantage of the equity premium. Hence lack of awareness of returns can account for at least part of stock holding puzzle. Stock market participation by the local investors through public awareness leads to the growth of capital markets. The relationship between public awareness and the growth of capital markets is that when extensive awareness are carried out, wealth individuals and companies will be attracted to diversify their resources in this market thereby leading to the growth of capital market in Uganda.
CHAPTER THREE

METHODOLOGY

3.0 Introduction
This chapter describes the methodology that was used in carrying out and analyzing the study. It included the research design that was used, the sampling design, sample size, sources of data, data collection instruments, data analysis and presentation and the limitations of the study.

3.1 Research Design
The research design was a descriptive study which helped the researcher collect data through the use of questionnaires in order to find out the impact of the topic under study. It also helped the researcher to understand the characteristics of the variables.

3.2 Sampling Procedure
The researcher took a purposive and judgmental sampling procedure to a target population that provided the most needed data.

3.3 Sample Size
The researcher took a sample of about 35 respondents who were supplied with questionnaires to fill so as to provide the necessary information. They included USE staff, members of the general public which include institutional stakeholders, undergraduates and businessmen.

Table 1: Sample size

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>USE staff</td>
<td>7</td>
</tr>
<tr>
<td>Institutional stakeholders</td>
<td>10</td>
</tr>
<tr>
<td>Businessmen</td>
<td>8</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>35</strong></td>
</tr>
</tbody>
</table>
3.4 DATA SOURCES
The study was based on primary and secondary sources of data.

3.4.1 Primary data
The primary data was collected using self administered questionnaires

3.4.2 Secondary data
Secondary data was obtained from USE annual reports; data gathered by other people, text books, journals, USE quarterly bulletins and annual reports, newspapers and the internet.

3.5 DATA COLLECTION
The researcher used questionnaires and interviews as instruments for the carrying out this study. The researcher also had to review existing literature and information from documents. Control questions were also incorporated in a bid to cross check some of the information provided by the respondents.

3.5.1 Questionnaire
The questionnaires were used to get information from the respondents. They were both open ended and closed ended questions. The questionnaire had three sections covering, personal data of the respondent, the respondent’s knowledge about capital markets and the relationship of between growth and public awareness on capital market

3.5.2 Interview.
This method has become increasingly popular in research. It is a face to face communication in which the interviewer asks questions designed to obtain answers relevant to the research problem. The researcher applied this method in order to learn more about the respondents.

3.5.3 Observation
Observation method of data collection was used to assess the social aspects like the respondents attitude towards the topic under study

3.6 Data Analysis
The responses collected from the field were edited with an intention of checking for completeness and accuracy. Since the research study were intended to analyze the relationship between public awareness and the growth and development of capital markets. Data analysis was presented in form of tables showing percentages as well as absolute terms. Findings are interpreted in light of the research objectives and the literature reviewed.
3.7 Limitations to the Study
The researcher faced the following problems

i. Insufficient finances due to a number of activities carried out to acquire and present the report like printing charges, movement and communication between the numerous respondents.

ii. The time constraint, time given to researcher to carry out the research was not enough. The researcher was limited by time because there are other course units which also require some time to be attended to. The researcher was on several occasions had to sleep very late in order to finish the work on time.

iii. The researcher faced a problem of lack of cooperation of some of the respondents and therefore made the exercise tedious and some questionnaires were receipt back incomplete
CHAPTER FOUR

PRESENTATION, INTERPRETATION AND ANALYSIS OF FINDINGS

4.0 Introduction
In this chapter, the researcher presents, analyzes and interprets the findings of the study. The findings are based on the data collected using questionnaires. Questionnaires were administered to the respondents. Frequency tables and percentages were used to present and analyze data. The purpose of interpretations was to search for broader meanings of answers got from respondents by linking them to other available knowledge. This helped the researcher to draw the conclusions.

4.1.1 Gender distribution of respondents
The table below shows the gender distribution of respondents

Table 2. Showing gender distribution of respondents.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>24</td>
<td>68</td>
<td>68</td>
</tr>
<tr>
<td>Female</td>
<td>11</td>
<td>32</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

The table above shows that 68% of those who were reached as the respondents to this study were males while 32% were females.

4.1.2 Findings on demography
The information about respondents’ age brackets was got and this is shown in the table below:-
Table 3. Showing age of the respondents.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>21-30</td>
<td>10</td>
<td>28.6</td>
<td>28.6</td>
</tr>
<tr>
<td>31-40</td>
<td>18</td>
<td>51.4</td>
<td>80.0</td>
</tr>
<tr>
<td>41-50</td>
<td>5</td>
<td>14.3</td>
<td>94.3</td>
</tr>
<tr>
<td>51 and above</td>
<td>2</td>
<td>5.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

From table 3 above, findings indicate that 28.6% of the respondents were aged between 20-30 years, 51.4% between 31-40 years, 14.3% between 41-50, 5.7% are those who are above the age of 50 years. This implies that those who are interested in investing in securities are the young people whose dependency ratio is not as high as those in the age bracket of 50 and above.

4.1.3 Responses on the education level

The table below indicates the responses on the education levels from the respondents.

Table 4. Showing responses on the education level

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate</td>
<td>5</td>
<td>14.3</td>
<td>14.3</td>
</tr>
<tr>
<td>Diploma</td>
<td>19</td>
<td>54.3</td>
<td>68.6</td>
</tr>
<tr>
<td>Degree</td>
<td>9</td>
<td>25.7</td>
<td>94.3</td>
</tr>
<tr>
<td>Others</td>
<td>2</td>
<td>5.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

From table 4 above, it is shown that 14.3% of the respondents are certificate holders, 54.3% are diploma holders, 25.7% are degree holders and 5.7% represent those having technical know-how but are engaged in business. This shows that majority of the respondents were able to read and
comprehend the questions asked in the questionnaire and respond accordingly such that the researcher draws appropriate conclusions basing on such responses.

4.1.4 Work experience of respondents
Responses were got from 25 respondents. These responses were recorded in the table below:

Table 5: Showing work experience of respondents

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-2 years</td>
<td>10</td>
<td>28.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>28.6</td>
</tr>
<tr>
<td>2-4 years</td>
<td>8</td>
<td>22.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>51.4</td>
</tr>
<tr>
<td>4-6 years</td>
<td>11</td>
<td>31.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>82.9</td>
</tr>
<tr>
<td>7-9 years</td>
<td>6</td>
<td>17.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source primary data

Table 5 above indicates that 28.6% have been working or in business for one or two years, 22.9% between two to four years, 31.4% indicate that they have in business for a period between 4-6 years and they are the majority while 17.1% have been in a business for a period of 7-9 years. This implies that those who have been working or in business for long period of time are very much aware of the capital market unlike who have been there for few years.

4.1.5 Findings on whether a respondent knows what a security is in relation to capital market.
In finding out whether the respondents knows what a security is in relation to securities market, the following responses were got as summarized in the table below.
Table 6: Showing what a security is in relation to capital market

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>15</td>
<td>42.9</td>
<td>42.9</td>
</tr>
<tr>
<td>No</td>
<td>20</td>
<td>57.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

Table 6 above shows that 42.9% knows what a security is in relation to securities exchange while the remaining 57.1% do not comprehend the term in relation to capital market. This implies that the term security is not known, most people were attributing it to its ordinary every day usage which is not the case here.

4.2.0 PUBLIC AWARENESS

4.2.1 Findings on whether the respondent knows the term capital market.
Respondents were asked whether they understand the term capital market, the following were their responses.

Table 7: Responses on the term capital market

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>13</td>
<td>37.1</td>
<td>37.1</td>
</tr>
<tr>
<td>No</td>
<td>22</td>
<td>62.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

From table 7 above, it indicates that most of the people who were selected as respondents do not know the meaning of the term capital market and they represent 62.9% as opposed the 37.1% of the respondents who actually understood what is meant by term capital market. This shows that majority of the respondents do not know the meaning of the term capital market.
4.2.2 Findings on the number of trading days per week.

In order to know whether the respondents are following on the activities of the securities exchange, this very question were asked and the following were their responses.

Table 8: Responses on trading days

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Once a week</td>
<td>2</td>
<td>5.7</td>
<td>5.7</td>
</tr>
<tr>
<td>Twice a week</td>
<td>9</td>
<td>25.7</td>
<td>31.4</td>
</tr>
<tr>
<td>Thrice a week</td>
<td>13</td>
<td>37.1</td>
<td>68.6</td>
</tr>
<tr>
<td>Five times a week</td>
<td>11</td>
<td>31.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

From table 8 above, 5.7% thinks that trading takes place once in a week, 25.7% are of the view that trading takes place twice a week, the majority of the respondents thinks that trading still takes three days per week the way it used to be. Only 31.4% knows that of recent trading days have increased to five days a week that is from Monday to Friday. This indicates that most people have not been following on the various changes on the securities markets over the trading days.

4.2.3 Findings showing responses on the situation of the U.S.E head office.

In finding out whether respondents know where the U.S.E head office is located, the research got the following findings as summarized in the table below.
Table 9: Showing whether a respondent knows where U.S.E head office is located.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>21</td>
<td>60.0</td>
<td>60.0</td>
</tr>
<tr>
<td>No</td>
<td>14</td>
<td>40.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

Head offices of most companies are situated at the capital city of Kampala; it seemed in this perspective that 60% of the respondents claimed to know where the U.S.E head office is located while 40% responded that they do not know where the latter head office is situated.

4.2.4 Findings on whether respondents are aware of the prices of some listed securities.

In finding out the prices of some of the securities listed on the securities exchange, this question was asked and the responses are summarized in the table below.

Table 10: Showing average price per share of Uganda Clays Limited.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>UGX 200</td>
<td>2</td>
<td>5.7</td>
<td>5.7</td>
</tr>
<tr>
<td>UGX 75</td>
<td>9</td>
<td>25.7</td>
<td>31.4</td>
</tr>
<tr>
<td>UGX 750</td>
<td>24</td>
<td>68.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

From table 10 above, findings indicate that 5.7% of the respondents think that the price per share of the Uganda Clays Limited is Ushs 200, 25.7% thinks that the price is Ushs 75 while the majority fall under 68.6%. This implies that respondents do not know generally that prices for shares are quite cheap and in fact affordable to everyone who is really interested and willing to invest in securities market.
4.2.5 Findings on cheapness of the prices of securities exchange

The researcher was interested in finding out whether respondents know how cheap is buying of shares in the securities exchange; the following responses were summarized in the table below.

Table 11: Responses on how cheap securities are

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>7</td>
<td>20.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Agree</td>
<td>12</td>
<td>34.3</td>
<td>54.3</td>
</tr>
<tr>
<td>Not sure</td>
<td>9</td>
<td>25.7</td>
<td>80.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>7</td>
<td>20.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

Table 11 above shows that 20% respondents strongly agree that the prices for shares are really cheap, 34.3% agree, 25.7% are not sure, while 20% disagree that the prices for shares are not cheap. It is true that the prices of shares are cheap, the truth of the matter is that the average price for Bank of Baroda is UGX 745, Stanbic Bank UGX 275, DFCU UGX 900, NIC UGX 70, Kenya Airways UGX 1,131, Centum UGX 670, to mention but a few.

4.2.6 Findings on the respondent’s participation in the buying of securities in the U.S.E

The following findings summarizes on whether respondents participates in the buying of securities. Their responses are shown in the table below.
Table 12: Showing respondents participation in the buying and selling of securities in the stock exchange?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Always</td>
<td>5</td>
<td>14.3</td>
<td>14.3</td>
</tr>
<tr>
<td>Sometimes</td>
<td>8</td>
<td>22.9</td>
<td>37.1</td>
</tr>
<tr>
<td>Rarely</td>
<td>22</td>
<td>62.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

From table 12 above, it is indicated that 14.3% participate in the buying and selling of securities, 22.9% sometimes do the buying and selling of securities while 62.9% which represent the majority group rarely engage themselves in the buying and selling of securities exchange. This implies that 37.2% participate in the buying and selling of securities, meaning 62.8% rarely buy or sell securities.

4.2.7 Findings on public awareness and education.

The table below summarizes the views of respondents on public awareness and education.

Table 13: Showing the emphasis that public awareness and education should be given paramount emphasis

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>8</td>
<td>22.9</td>
<td>22.9</td>
</tr>
<tr>
<td>Agree</td>
<td>23</td>
<td>65.7</td>
<td>88.6</td>
</tr>
<tr>
<td>Not sure</td>
<td>4</td>
<td>11.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

Table 13 above shows that 22.9% of the respondents strongly agree that public awareness and education should be given much emphasis, 65.7% agree, 11.4% are not sure whether public awareness and education ought to be given attention. The responses forwarded by those who agree and strongly agree on the subject matter above, when implemented it increases on the growth of the securities exchange.
4.3.0 FINDINGS ON THE GROWTH OF CAPITAL MARKET.
The following are findings on the growth of capital market.

4.3.1 Findings on whether aware investors are more likely to buy shares.
The table below shows the finding on whether aware investors are more likely to buy shares than the unaware investors.

Table 14: Showing whether aware investors are more likely to purchase shares.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>9</td>
<td>25.7</td>
<td>25.7</td>
</tr>
<tr>
<td>Agree</td>
<td>24</td>
<td>68.6</td>
<td>94.3</td>
</tr>
<tr>
<td>Not sure</td>
<td>2</td>
<td>5.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

Table 14 above shows that 25.7% strongly agree that aware investors purchase shares than the unaware investors, 68.6% agree, while 5.7% are not sure of the question under discussion. This implies that people enjoy doing what they understand. Lack of knowledge and familiarity hinders able or eligible investors to purchase shares.

4.3.2 Findings on the composition of the securities exchange.
In finding on the composition of the investors, the following table summarizes the responses put forward by the respondents.
Table 15: Showing whether U.S.E is dominated financial institutions and small scale individuals.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>1</td>
<td>2.9</td>
<td>2.9</td>
</tr>
<tr>
<td>Agree</td>
<td>24</td>
<td>68.6</td>
<td>71.4</td>
</tr>
<tr>
<td>Not sure</td>
<td>7</td>
<td>20.0</td>
<td>91.4</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>5.7</td>
<td>97.1</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>1</td>
<td>2.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

Table 15 above shows that 2.9% strongly agree that U.S.E is dominated by financial institutions, 68.6% agree, 5.7% disagree while, 2.9% strongly disagree while 20% are not sure whether U.S.E is dominated by financial institutions which include banks and insurance companies. This implies that majority of the respondents knows that most and almost all the investors in this market are financial institutions.

4.3.3 Findings on the total number of listed companies on the Uganda Securities Exchange. The table below shows the finding of all the listed securities listed on the U.S.E, the researcher got the following as summarized in the table below.

Table 16: Showing the total number of all listed companies in the securities exchange

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>11</td>
<td>31.4</td>
<td>31.4</td>
</tr>
<tr>
<td>7</td>
<td>10</td>
<td>28.6</td>
<td>60.0</td>
</tr>
<tr>
<td>10</td>
<td>7</td>
<td>20.0</td>
<td>80.0</td>
</tr>
<tr>
<td>14</td>
<td>7</td>
<td>20.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data
From table 16 above, findings revealed that 31.4% are of the view that the total number of listed companies are three, 28.6% say it is 7, 20% thinks that the total number of listed securities are 10, the remaining 20% are really the ones who knows that the total number of securities listed on the U.S.E are 14 in number. This implies that majority of the respondents do not know the exact number of the listed securities on the Uganda Securities Exchange.

4.3.4 Findings on the number of the cross-listed securities.
The table below shows the summary of findings on the number of cross-listed securities on the Uganda Security Exchange.

**Table 17: Showing the number of cross-listed securities**

<table>
<thead>
<tr>
<th>Securities</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>11</td>
<td>31.4</td>
<td>31.4</td>
</tr>
<tr>
<td>4</td>
<td>8</td>
<td>22.9</td>
<td>54.3</td>
</tr>
<tr>
<td>6</td>
<td>4</td>
<td>11.4</td>
<td>65.7</td>
</tr>
<tr>
<td>7</td>
<td>12</td>
<td>34.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Source primary data**

Table 17 above shows that 31.4% are of the view that the number of cross-listed companies are only two, 22.9% says that the number of cross-listed securities are four, 11.4% knows that the number is four, while 34.3% are of the view that the total number of cross-listed companies are 7. this implies that it is only those who fall under the 11.4% that are sure of the total number of cross-listed which are actually 6 in number after the cross listing of Centum on 10TH February 2011.

4.3.5 Findings on the number of the Ugandan based listed securities.
The respondents were asked if they actually know the number of the listed securities on the stock market. The responses are summarized in the table below.
Table 18: Showing the number of listed companies.

<table>
<thead>
<tr>
<th>Securities</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>5</td>
<td>14.3</td>
<td>14.3</td>
</tr>
<tr>
<td>4</td>
<td>11</td>
<td>31.4</td>
<td>45.7</td>
</tr>
<tr>
<td>6</td>
<td>14</td>
<td>40.0</td>
<td>85.7</td>
</tr>
<tr>
<td>8</td>
<td>5</td>
<td>14.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

From table 18 above, findings reveal that 14.3% of the respondent’s points out that the numbers of listed companies are two, 31.4% says its 4 securities, 40% are of the view that it is six, while the remaining 14.3% says it is 8 which is really the correct answer. This indicates that 85.7% do not know that the numbers of listed companies on the U.S.E are 8 out of the 14 listed and cross-listed.

4.3.6 Findings on the extent of the growth of capital market.

In finding out on the extent of the growth of capital market from the respondents, the following table summarized their responses.

Table 19: Showing respondents view about the growth of capital market.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly Developed</td>
<td>8</td>
<td>22.9</td>
<td>22.9</td>
</tr>
<tr>
<td>Developed</td>
<td>9</td>
<td>25.7</td>
<td>48.6</td>
</tr>
<tr>
<td>Not Sure</td>
<td>7</td>
<td>20.0</td>
<td>68.6</td>
</tr>
<tr>
<td>Underdeveloped</td>
<td>5</td>
<td>14.3</td>
<td>82.9</td>
</tr>
<tr>
<td>Not Developed</td>
<td>6</td>
<td>17.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

From table 19 above, findings indicates that 22.9% of the respondents are of the view that the capital market is highly developed, 25.7%, developed, 14.3% underdeveloped while 17.1% says
that the capital markets in the country is not developed. This indicates that the respondents have reactions as per as growth of capital market is concerned. Uganda’s capital market is only 12 years of age and therefore though it is developing it can be rated as under developed.

4.4 Findings on the relationship between public awareness and the growth of capital market.
In finding the relationship between the public awareness and the growth of capital markets, the following questions were put forward.

Table 20: Showing the relationship between public awareness and the growth of capital market.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>11</td>
<td>31.4</td>
<td>31.4</td>
</tr>
<tr>
<td>Agree</td>
<td>9</td>
<td>25.7</td>
<td>57.1</td>
</tr>
<tr>
<td>Not sure</td>
<td>8</td>
<td>22.9</td>
<td>80.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>7</td>
<td>20.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

Table 20 above shows that 31.4 respondents strongly agreed public awareness leads to the growth of capital market, 27.5% agree, 22.9% are not sure while 20% disagree that public awareness does not lead to the growth of capital market. This implies that 59.3% are of the view that public awareness leads to the growth of capital market.

4.4.1 Findings whether continuous public sensitization campaigns and education leads to the growth of capital market.
Respondents were asked whether the growth of capital markets is as a result of capital markets, the table below summarized their responses.
Table 21: Inadequate community education and involvement through continuous public sensitization campaigns.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>6</td>
<td>17.1</td>
<td>17.1</td>
</tr>
<tr>
<td>Agree</td>
<td>22</td>
<td>62.9</td>
<td>80.0</td>
</tr>
<tr>
<td>Not sure</td>
<td>7</td>
<td>20.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

From table 21 above, findings indicate that 17.1% strongly agreed that the growth of capital market is as a result of public sensitization and community education, 62.9 % agree, while 20% are not sure whether continuous public sensitization and community education leads to the growth of capital market. This implies that majority of the respondents are of the view that growth of capital market is as a result of continuous public awareness.

4.4.2 Findings whether listed and cross-listed securities are aware of the benefits of capital markets.

The table below summarizes the findings whether listed and cross-listed companies are aware of the benefits of capital markets.

Table 22: Showing whether companies listed and cross listed are aware of the benefits of capital markets

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>11</td>
<td>31.4</td>
<td>31.4</td>
</tr>
<tr>
<td>Agree</td>
<td>9</td>
<td>25.7</td>
<td>57.1</td>
</tr>
<tr>
<td>Not sure</td>
<td>8</td>
<td>22.9</td>
<td>80.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>7</td>
<td>20.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data
The results of table 22 above indicates that 31.4% strongly agreed that listed and cross-listed companies are aware of the benefits of the capital markets, 25.7% agree, 22.9% are not sure, while 20% disagree. It therefore implies that the majority of the respondents are proposing that listed and the cross-listed companies are aware of the benefits of the capital markets and that is the reason why they are diversifying their resources in that market.

4.4.3 Findings on the limited listing of companies
In finding the reason why most eligible companies have not been participating in the securities exchange, the responses put forward are summarized in the table below.

Table 23: Showing whether limited participation by non-financial firms and small scale enterprises is caused by public awareness

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>8</td>
<td>22.9</td>
<td>22.9</td>
</tr>
<tr>
<td>Agree</td>
<td>16</td>
<td>45.7</td>
<td>68.6</td>
</tr>
<tr>
<td>Not sure</td>
<td>7</td>
<td>20.0</td>
<td>88.6</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>5.7</td>
<td>94.3</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>2</td>
<td>5.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

Table 23 above shows that 22.9% of the respondents is of the view that limited participation of securities are caused by public awareness, 47.5% agree, 20% are therefore not sure, 5.7% disagreed and strongly disagreed respectively. This implies that those companies which have the potential to participate in capital markets are not aware and thus there is need for extensive public awareness campaigns.

4.4.4 Findings whether the role and function of capital market should be clear to the people.
The table below shows summaries of findings on whether the role and function of the capital markets should be clear to the people.
Table 24: Showing whether the role and function of capital market should be clear to the people

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>9</td>
<td>25.7</td>
<td>25.7</td>
</tr>
<tr>
<td>Agree</td>
<td>26</td>
<td>74.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source primary data

From table 22 above, findings indicate that 25.7% strongly agreed that the role and functions of the capital markets should be made clear to the people, which are supported by the remaining 74.3% which agreed on the opinion. This shows that companies come in to participate in the activities of the capital markets after knowing about the accruing benefits owing to the rule that businesses work for profit gains.

4.4.5 Relationship between Public Awareness and the growth of Capital Market.

A correlation between public awareness and the growth of the Capital Market was conducted. A correlation helps to determine the relationship between the two variables. The analysis and results are presented in table 25 below.

Table 25: Relationship between public awareness and the growth of Capital Market

<table>
<thead>
<tr>
<th></th>
<th>public awareness</th>
<th>capital market growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>public awareness</td>
<td>Pearson Correlation 1.000</td>
<td>.732</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>50</td>
</tr>
<tr>
<td>capital market growth</td>
<td>Pearson Correlation  .732</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>50</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).
The impact of public awareness was co-related with the growth of capital market using Pearson’s linear correlation coefficient as shown in table 25. This yielded a value of 0.732. Pearson’s table was then used to establish the significance, critical and rejection level. Although this correlation was significant at the 0.01 level (2-tailed), the significance level ($a$) of 0.05 was chosen because it is the most popular one for social scientists. This is because if the test has a significance level of 0.05 (5%) it means that if the research hypothesis is true, there is a probability of 0.05 (5%) that you will get results at this extreme by chance alone. In other words, such a test has a 1 in 20 chance of rejecting the hypothesis erroneously. This means that the hypothesis is prone to be accepted to the level of 95%. The degree of freedom was reached at by subtracting 2 from the sample size, which is given by (35-2= 33). From Pearson’s table, the number next to 143 is 100, and at ($a$) 0.05, the critical value is 0.2732. Since 0.2732 is more than 0.732, we can conclude that there is a high positive relationship between public awareness and the growth of Capital Market.
CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction
This chapter covers the summary of findings, conclusions and recommendations based on the findings and suggestions on the areas of further study.

5.1. Summary of Findings
The researcher summarized the major findings basing on the research objectives after interpreting and analyzing responses.

The research was carried out on the basis of three objectives; to find out whether the general investing public is aware and participating in the securities market, to find out the benefits of listing on the securities exchange and to establish the relationship between participation and the growth of capital market.

5.1.1 Summary on objective one: to find out whether the general public is aware and participating in the securities exchange.
The findings revealed that public awareness and community education has a great impact on the growth of capital markets. On responding to this issue, 88.6% of the respondents strongly agreed and agree that it is only through public awareness and education that most Ugandans are informed of the existence of an alternative form of investment by either investing in shares or in bond market. According to the respondents responses in chapter four above shows that some people are not aware of the existence of Capital Market and how the carry out its operations. There are so many companies out there who perform even better than the existing financial and insurance companies listed in the Securities Exchange. If these companies are served with adequate set of information they might join in, leading to the increase on the number of listed securities and hence improve on the growth of capital Market.
Findings further reveal that to a smaller extent the term listing is a very new term to most of the respondents. Listing refers to a process of taking privately owned company making the transition to a publicly owned entity whose shares can be traded on the stock exchange. The listed companies represent 57.12% of the total listed companies on the U.S.E. The bourse is not well represented because it is only dominated by banking entities and one insurance company. The researcher is of the view that other companies in the country from all sectors of the economy be informed about this form of investment so the stock market becomes well represented like the Nairobi Stock Exchange with 49 listed securities.

5.1.2 Relationship between public awareness and the growth of Capital Market.
The findings from chapter four reveal that public awareness is positively related to the growth of Capital Market as indicated by Pearson’s correlation ($r=0.732$) and also since the critical value of 0.2732. Further findings indicate that when carried out effectively and efficiently public awareness gives change to those companies which are financially sound to participate.

5.2 Conclusions
After an analysis of findings based on research objectives, the researcher come up with a conclusion that public awareness and community education has a significant effect on the growth of capital market.

It should however be noted that in measuring the impact of public awareness on the growth of capital markets, other qualitative aspects like shareholder satisfaction and payment of dividends should be encouraged since the capital market is still developing.

Disclosure of information is the whole basing of the listing requirement of U.S.E. The eligible companies which are almost 41 in number should know that when a listing is granted, the company is required to maintain a standard of continuing disclosure sufficient to enable investors and their investors to assess its performance and to estimate its prospects. Such disclosure is essential to correct investment analysis and decision making in joining the stock exchange. There was a positive relationship between public awareness and the growth of Capital Market. This was shown by the above findings which indicated that ($r=0.732$).
5.3 Recommendations.

From the findings of the study, the researcher made recommendations on different aspects of the study. The recommendations were based on both the opinions of the researcher and those of respondents after analyzing all information concerning the area of study.

Basing on the findings of the study, the researcher recommended the following, The Capital Market Authority ought to carry public awareness campaigns from grass-root levels the way Tanzania did in order to bring companies and investors together so that investors can invest in these companies and subsequently increase on the growth of the bourse.

For real growth to take place the securities exchange management need to invite various managers of different companies and discuss with them at length. These managers and Directors are the ones to bring real change in the capital market.

5.4 Areas of further research.
The researcher suggested the following areas for further research on the growth of capital markets.

1. Further research is needed to establish why other sectors of the economy such as industrial and the agricultural related companies are not represented in the U.S.E.

2. The role of member firms in the development of stock Market.

3. What is the impact of the securities exchange on financial deepening in Uganda?
REFERENCES


The internet, Website Page ( www.use.or.ug)


## APPENDIX I, ESTIMATED CASH BUDGET

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>ACTUAL AMOUNT INCURRED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Proposal</td>
<td>Ushs 75,000</td>
</tr>
<tr>
<td>Data Collection</td>
<td>Ushs 60,000</td>
</tr>
<tr>
<td>Data Analysis and Presentation</td>
<td>Ushs 150,000</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>Ushs 285,000</strong></td>
</tr>
</tbody>
</table>
APPENDIX II, TIME SCHEDULE

The research covered the following time schedule

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>DURATION</th>
<th>DATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning</td>
<td>1 weeks</td>
<td>16\textsuperscript{th} March to 23\textsuperscript{rd} March</td>
</tr>
<tr>
<td>Preparation of chapters; i, ii and iii</td>
<td>6 weeks</td>
<td>24\textsuperscript{th} March to 5\textsuperscript{th} May</td>
</tr>
<tr>
<td>Data collection</td>
<td>2 weeks</td>
<td>6\textsuperscript{th} May to 20\textsuperscript{th} May</td>
</tr>
<tr>
<td>Compilation, Analysis of Data and Producing Report</td>
<td>5 weeks</td>
<td>26\textsuperscript{th} May to 28\textsuperscript{th} June</td>
</tr>
</tbody>
</table>
QUESTIONNAIRE

Dear respondent,

I am a student of Makerere University offering Bachelor of Commerce purchasing and supplies option. I am carrying out a purely academic research with you.

Kindly spare some of your time and respond to the following questions with utmost good faith presenting facts about you. The information given in this questionnaire should be treated with high confidentiality and it is only intended for academic purposes.

Your cooperation will be greatly appreciated.

SECTION A. PERSONAL DATA

Please tick/fill in the spaces provided with appropriate answers

1. Sex: Male [ ] Female [ ]

2. Age: 21-30 [ ] 31-40 [ ] 41 and above [ ]

3. Education:
   Certificate [ ] Degree [ ]
   Diploma [ ] Others (Specify) ......................................................

4. For how long have you worked in USE or have been in business?
   1-2 years [ ] 2-4 years [ ] 4-6 years [ ] 7-9 years [ ]
SECTION B. PUBLIC AWARENESS

5. Do you know what a security in relation to capital markets is?
   (a) Yes  (b) No

6. Do you understand the term capital market?
   (a) Yes  (b) No

7. How many times does trading take place in security exchange?

<table>
<thead>
<tr>
<th>Once a week</th>
<th>Twice a week</th>
<th>Thrice a week</th>
<th>Five times a week</th>
<th>Not sure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. Do you know where USE head office is situated?
   (a) Yes  (b) No

9. What is the price per share of the Uganda Clays Limited?
   (a) Shs200  (b) Shs75  (c) Shs750  (d) Shs150

10. Most prices of securities are cheap.

<table>
<thead>
<tr>
<th>Agree</th>
<th>Strongly agree</th>
<th>Disagree</th>
<th>Strong disagree</th>
<th>Not sure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
11. Have you participated in the buying and selling of securities in the stock exchange?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Sometimes</th>
<th>At all times</th>
</tr>
</thead>
</table>

12. Public awareness and education should be given paramount emphasis.

<table>
<thead>
<tr>
<th>Agree</th>
<th>Strongly agree</th>
<th>Disagree</th>
<th>Strong disagree</th>
</tr>
</thead>
</table>

SECTION C. THE GROWTH OF CAPITAL MARKET

13. Aware investors are more likely to purchase shares than the unaware.

<table>
<thead>
<tr>
<th>Agree</th>
<th>Strongly agree</th>
<th>Disagree</th>
<th>Strong disagree</th>
<th>Not sure</th>
</tr>
</thead>
</table>

14. Investors in securities market are in most cases financial institutions (Insurance companies and banks) and small scale individuals

<table>
<thead>
<tr>
<th>Agree</th>
<th>Strongly agree</th>
<th>Disagree</th>
<th>Strong disagree</th>
<th>Not sure</th>
</tr>
</thead>
</table>
15. (a) How many companies are listed on the securities?

<table>
<thead>
<tr>
<th>(a) 3</th>
<th>(b) 7</th>
<th>(c) 10</th>
<th>(d) 14</th>
</tr>
</thead>
</table>

(b) Name three of them:

………………………………………………………………………………………………
………………………………………………………………………………………………
………………………………………………………………………………………………

16. (a) How many companies are cross listed? (from other countries)

<table>
<thead>
<tr>
<th>(a) 2</th>
<th>(b) 4</th>
<th>(c) 6</th>
<th>(d) 7</th>
</tr>
</thead>
</table>

(c) Name two of them

………………………………………………………………………………………………
………………………………………………………………………………………………
………………………………………………………………………………………………

17. Of the listed companies, how many is Ugandan based?

<table>
<thead>
<tr>
<th>(a) 2</th>
<th>(b) 4</th>
<th>(c) 6</th>
<th>(d) 8</th>
</tr>
</thead>
</table>

18. What is your view about the growth of USE?

<table>
<thead>
<tr>
<th>Highly developed</th>
<th>Under developed</th>
<th>Developed</th>
<th>Not sure</th>
<th>Not developed</th>
</tr>
</thead>
</table>
19. In your opinion, why do you think it is so?

…………………………………………………………………………………………………………
…………………………………………………………………………………………………………
…………………………………………………………………………………………………………

SECTION D. THE RELATIONSHIP BETWEEN PUBLIC AWARENESS AND THE GROWTH OF CAPITAL MARKETS

20. All companies listed and cross-listed are aware of the benefits of capital markets.

<table>
<thead>
<tr>
<th>Agree</th>
<th>Strongly agree</th>
<th>Disagree</th>
<th>Strong disagree</th>
<th>Not sure</th>
</tr>
</thead>
</table>

21. The growth of capital market depends on continuous public sensitization campaigns and community education.

<table>
<thead>
<tr>
<th>Agree</th>
<th>Strongly agree</th>
<th>Disagree</th>
<th>Strong disagree</th>
<th>Not sure</th>
</tr>
</thead>
</table>

22. Do you think that limited participation by non-financial firms and small scale enterprises is caused by public awareness?

<table>
<thead>
<tr>
<th>Agree</th>
<th>Strongly agree</th>
<th>Disagree</th>
<th>Strong disagree</th>
<th>Not sure</th>
</tr>
</thead>
</table>

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23. What are the contributions of creating public awareness on the growth of capital markets?

24. What are the benefits of listing on the securities exchange?

25. What problems have hindered the development of USE?

26. The role and the function of the capital markets should be made clear to the people

<table>
<thead>
<tr>
<th>Agree</th>
<th>Strongly agree</th>
<th>Disagree</th>
<th>Strong disagree</th>
</tr>
</thead>
</table>

27. Give any suggestions to help improve the growth of capital markets in Uganda

Thank you for your cooperation. Please check again and ensure that you have not left any question un-answered

May God Bless you.