

By Aloysius Kasoma

Insurance players enhance unit trust offering

PHOTO BY ALOYSIUS KASOMA

Insurance and investment players have enhanced unit trusts to combine wealth creation with built-in financial protection for investors.

According to Zacchaeus Kisesi, the Old Mutual Investment Group managing director, the enhanced products were informed by a pattern observed among investors.

"We recognised a recurring challenge among investors," Kisesi said. "Many customers withdraw their investments prematurely to respond to emergencies, such as funeral expenses, disability or urgent family needs," he said.

Kisesi explained that the goal was to strengthen the investment structure so customers can continue building wealth while also having protection during difficult moments.

According to Patrick Kimathi, the managing director of UAP Old Mutual Life Assurance, the partnership between the asset management and life insurance arms represents a deliberate

shift toward more integrated financial solutions.

"By combining investment expertise with life assurance capabilities, we are delivering a solution that addresses both wealth growth and financial protection," he said. "Instead of customers treating investment and insurance as separate decisions handled by different providers, we structure them to work together seamlessly under one group," Kimathi added.

Through this model, Unit Trust investors automatically qualify for protection benefits linked to their account balances, ensuring that insurance support does not disrupt their investment plans.

A FORWARD-THINKING APPROACH
Regulators welcomed the innovation, describing it as a positive step toward strengthening Uganda's financial markets and improving

BETWEEN THE LINES

By combining investment with built-in protection, the enhanced unit trust aims to address unexpected financial shocks and strengthen financial resilience among investors.

investor protection.

Charles Obel, the director of supervision at the Insurance Regulatory Authority of Uganda, said initiatives that combine investment and protection respond directly to the realities faced by individuals and businesses.

"Embedding protection within investment solutions, particularly at no additional cost to the customer, represents the kind of forward-thinking approach that strengthens financial inclusion," he said.



Old Mutual Investment Group's Kisesi speaking at the launch recently

The initiative has also been welcomed by the Capital Markets Authority (CMA), which sees it as an example of innovation that can deepen investor participation in Uganda's capital markets.

Dennis Kizito, the CMA director of market supervision, said collective investment

schemes, such as unit trusts continue to play an important role in wealth creation.

"Unexpected financial shocks can sometimes force investors to liquidate their investments prematurely, which may undermine the long-term benefits of investing," he said.

Industry players say such

FOREX RATES

CURRENCY	BUY	SELL
US DOLLAR	3,690	3,740
EURO	4,215	4,350
POUND	4,900	5,100
KENYA SH	28	30
TZ SH	1.37	1.57
DHIRAM	925	1,045
S.A.RAND	205	260
JAPANESE YEN	16	30
RWANDESE FRANCS	2.0	4.0
DOLLAR OLDER & SMALLER	3,500	3,740

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RATES ARE SUBJECT TO CHANGE

collaborations between asset managers, insurers and regulators signal a growing shift toward solutions that balance wealth creation with financial security for investors.