

UTT-AMIS opens new window for investment

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Dar es Salaam. Investors, seeking to inject their money into long-term investment avenues have another chance to do so, thanks to an initiative by UTT Asset Management and Investor Service (UTT-AMIS).

UTT-AMIS yesterday announced the second window for investors to put their money in a bond fund after a one-month cool-off period.

The firm received permission to introduce the bond fund under the Capital Markets and Securities (Collective Investment Schemes), Regulations of 1997 and opened the first window on September 16. The second window was opened last Saturday.

UTT-AMIS managing director Simon Migangala said yesterday that the fund raised Sh15.9 billion from about 2,000 investors in the first phase.

"During the one month period, we witnessed the value of the units appreciating by 1.4 per cent to Sh101.41 from Sh100 that was tenable during the initial public offering," he said.

UTT director of operations Issa Wahichinida said a total of 1,966 investors invested in the first phase.

"This is yet another chance for

more investors to come and invest in the bonds," he said.

He added that after closing the first phase, some investors kept investing in the units. In this case, the investors will be considered in the second phase, noting however that each unit will now be valued (and thus be bought) at Sh101.41.

Like in the previous window, one will be required to inject into the Bond Fund a minimum initial investment of Sh50,000.

Those who have already invested can increase their stakes by investing more, starting with a minimum of Sh5,000.

The Bond Fund offers annual, semi-annual and monthly income distributions to investors, whereby those investing Sh10 million would be eligible for monthly income distribution.

Those investing Sh5 million will be eligible for semi-annual income distribution, while investing Sh50,000 and above will benefit through appreciation of their capital.

The minimum sum in shillings by which those who have already invested can increase their stakes in the second phase

5,000

How to invest

The head of ICT at UTT-AMIS, Ms Sofia Mgaya, said one can invest in the scheme in a number of ways, including by downloading the UTT app or by using mobile money accounts such as TigoPesa, M-Pesa and Airtel Money, among others.

"We are now working with Halotel and Ezy Pesa to reach more people. We have also integrated with CRDB Bank so that customers using the bank can also invest," she said, noting that plans were underway to strike similar deals with other banks.

UTT introduced the Bond Fund from September 15 to October 15 in the first phase and opened the open-end second phase on November 16. An open-end scheme places no limit to investing and investors can withdraw money on a monthly basis depending on how much they have invested.

Compared with government securities, the scheme is cheaper than bonds offered by the Bank of Tanzania (BoT) and Dar es Salaam Stock Exchange (DSE), whose initial investment is Sh1 million and Sh500,000, respectively.

Mr Migangala said shareholders in five UTT schemes will meet from November 30 to December 1, 2019. The five schemes are Umoja Fund, Wekeza Maisha, Watoto Fund, Jikimu Fund and Liquid Fund.