newgold ETF

Investors shy away from gold backed security at the bourse

Kenya was allocated 400,000 units worth Sh500M to be traded at the Nairobi Exchange

Nearly three years down the line, investors are not scrambling for gold at the Nairobi Bourse.

The Barclays NewGold ETF, the only listed Exchange Traded Fund at the Nairobi Securities Exchange has only sold 12,600 units worth Sh1.5 billion since it was listed on March 27, 2017.

An ETF is a type of fund that owns assets like stocks, commodities, or futures, but has its ownership divided into shares (or units) that trade on stock exchanges. The gold-backed security was part of the market strategy to diversify investments for investors from equities and bonds but investors are yet to embrace the new product.

The promoters, Absa Group purchased 13,260 units for its own account and the remaining 13,260 units were sold to the market.

The units were initially listed on the Johannesburg Stock Exchange and later on across-listed in Botswana, Mauritius, Namibia, Ghana, and Kenya. Kenya was allocated 400,000 units worth Sh500 million to be traded at the Nairobi bourse.

The ETF is a product of NewGold, a financial analyst and fund manager that markets Exchange Traded Products. The fund is listed at the Nairobi Securities Exchange and is also tradable on the Botswana Stock Exchange.

**NEWGOLD ETF**

**TIP OF THE DAY**

**MAKE BETTER DECISIONS**

**HELP YOUR TEAM MAKE BETTER DECISIONS**

Monday, January 27, 2020

Every manager wants his employees to have good judgment. The good news is that judgment is a muscle that can be improved and built. Start by talking through how you make important decisions. Explain the criteria and stakeholders you consider, as well as any risks and trade-offs you assess. This will teach people how you think and help them understand company priorities, and demonstrate the factors you want them to consider when they’re making future judgement calls. Acknowledge that mistakes will happen, and that it’s okay. You need to let your team know it is okay to make mistakes and decisions on their own from time to time. Remind yourself of the mistakes that you made that helped you grow. And, be curious, not dismissive. When a team member makes a poor judgment call, ask them questions that help you understand their thought process and push their thinking for the next time.

The ETF’s unit value has grown.