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## Rwanda Stock Exchange (RSE) – Frequently Asked Questions (FAQs)

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### ■ General Information

#### 1. What is the Rwanda Stock Exchange (RSE)?

The Rwanda Stock Exchange (RSE) is the national securities exchange of Rwanda. It provides a regulated marketplace for trading financial instruments such as shares, corporate bonds, and government securities.

#### 2. When was the Rwanda Stock Exchange established?

The RSE was established in 2005 and officially launched its trading operations on January 31, 2011.

#### 3. What are the main functions of the RSE?

RSE facilitates the listing, trading, and settlement of securities; promotes investment and savings; enables companies and the government to raise capital; and supports Rwanda's economic development.

#### 4. What types of securities are traded on the RSE?

Securities traded on the RSE include **shares (equities)**, **corporate bonds**, and **government securities** such as Treasury bonds.

#### 5. Where is the RSE located?

The Rwanda Stock Exchange is located in **Kigali, Rwanda**, currently at **KN 81 St, Kigali City Tower**.

#### 6. What are the official trading hours of the RSE?

Trading takes place **Monday to Friday, from 9:00 AM to 12:00 PM**, except on public holidays.

#### 7. How is the RSE different from a commercial bank?

A commercial bank accepts deposits and issues loans, while the RSE provides a platform for companies and governments to raise long-term capital by selling shares or bonds to investors.

#### 8. What is the vision and mission of the RSE?

The RSE's vision is to be a world-class exchange that fosters capital formation and sustainable investment. Its mission is to provide a transparent, efficient, and accessible securities market that supports Rwanda's economic growth.



## 9. Who owns and governs the RSE?

The RSE is a **private company limited by shares**, owned by licensed brokers, dealers, and other institutional investors. It is governed by a **Board of Directors** and regulated by the **Capital Market Authority (CMA)**.

## 10. How does the RSE contribute to Rwanda's economy?

The RSE supports economic growth by channeling savings into productive investments, providing businesses with long-term financing, and promoting a culture of savings and investment.

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## Investor Information

### 11. Who can invest in the Rwanda Stock Exchange?

Any individual or institution—whether Rwandan or foreign—can invest on the RSE through licensed intermediaries.

### 12. How can an individual start investing in shares or bonds?

To invest, you must open a **Central Securities Depository (CSD) account** through a licensed stockbroker or custodian. After your account is set up, you can start buying or selling securities.

### 13. What is a Central Securities Depository (CSD) account?

A CSD account is an electronic account where your securities (shares or bonds) are held safely, eliminating the need for physical certificates.

### 14. How do I open a CSD account?

You can open a CSD account by visiting a licensed stockbroker or custodian, completing an application form, and providing the required identification documents.

### 15. What documents are needed to open a trading account?

You'll need a valid national ID or passport, a passport-sized photo, and proof of residence. For companies, business registration documents are required.

### 16. Can foreign investors trade on the RSE?

Yes. Foreign investors are allowed to buy and sell securities on the RSE under the same conditions as local investors.

### 17. How can I find a licensed stockbroker in Rwanda?

A list of all licensed stockbrokers, custodians, and investment advisors is available on the **RSE website** and the **Capital Market Authority (CMA) website**.



### **18. How do I know which shares or bonds to buy?**

You can consult your broker or financial advisor for guidance. You can also review financial reports and market data published on the RSE website.

### **19. How do I monitor my investments?**

You can track your holdings through your broker, receive statements from the CSD, and check daily market summaries and prices on the RSE website.

### **20. What are the risks and benefits of investing in the stock market?**

Investing offers opportunities for income and growth, but values can fluctuate based on market conditions. It's important to diversify and invest for the long term.

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## **■ Trading and Market Operations**

### **21. How does trading take place on the RSE?**

Trading is conducted through licensed brokers on the RSE's platform (currently open outcry, soon a digital system to be launched). Orders are matched based on price and time priority.

### **22. What is the settlement period for trades?**

The standard settlement cycle is **T+2**, meaning ownership and payment are completed two business days after the trade date.

### **23. What does "T+2" mean?**

"T+2" stands for "Trade Date plus Two Days." It means transactions are finalized two days after trading.

### **24. How are share prices determined on the market?**

Share prices are determined by **demand and supply** — the prices buyers are willing to pay and sellers are willing to accept.

### **25. What is the minimum investment amount?**

There is no fixed minimum; it depends on the share price and the broker's policies. You can start with a small amount based on your budget.

### **26. Can I trade shares directly without a broker?**

No. All trades must go through a **licensed stockbroker** who executes transactions on behalf of investors.

### **27. What happens when I buy or sell shares?**

When you buy, your account is credited with the shares; when you sell, your account is debited and payment is transferred to you after settlement.



### **28. What are transaction fees or commissions charged by brokers?**

Brokers charge small commissions, usually a percentage of the transaction value. The rates are set within regulatory limits. (check the RSE Rule Book)

### **29. How can I find daily share prices and market summaries?**

You can find up-to-date market prices, trading volumes, and indices on the official **RSE website**.

### **30. What happens if I lose my share certificate or records?**

Since securities are now held electronically in the CSD, physical certificates are no longer issued. Your ownership is securely recorded electronically.

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## **■ Company Listings and Issuers**

### **31. How can a company list its shares or bonds on the RSE?**

A company must meet RSE's listing requirements, prepare a prospectus, and receive approval from the **Capital Market Authority (CMA)** before listing.

### **32. What are the requirements for listing on the RSE?**

Requirements include audited financial statements, corporate governance standards, minimum capital thresholds, and shareholder distribution criteria. (check the RSE Rule Book)

### **33. What is the difference between the Main Market Segment and the Alternative Market Segment (AMS)?**

The Main Market Segment is for large, established companies, while the AMS caters to small and medium-sized enterprises (SMEs) with lighter requirements.

### **34. What are the benefits for a company to list on the Exchange?**

Listing provides access to long-term capital, enhances visibility, improves corporate governance, and allows liquidity for shareholders.

### **35. Can small and medium-sized enterprises (SMEs) list on the RSE?**

Yes. The RSE offers the **Alternative Market Segment (AMS)** designed to support SMEs and other corporate seeking to raise capital (through the Investment Clinic Platform).

### **36. What is the process for delisting a company?**

A company can be delisted voluntarily or by the Exchange for failing to comply with regulations, subject to approval by the CMA.

### **37. Are there fees for listing or maintaining a listing on the RSE?**

Yes. Listing and annual fees apply, depending on the size and type of security issued.



**38. How does RSE ensure transparency and governance among listed companies?**

The RSE enforces disclosure requirements, corporate governance standards, and continuous reporting obligations for listed companies.

**39. What disclosures are listed companies required to make?**

They must publish annual and interim financial statements, material announcements, and information that may affect their share price.

**40. How often do listed companies publish financial statements?**

Listed companies are required to publish **semi-annual and annual** audited financial reports.

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**Regulation and Oversight**

**41. Who regulates the Rwanda Stock Exchange?**

The RSE operates under the oversight of the **Capital Market Authority (CMA)** of Rwanda.

**42. What is the role of the Capital Market Authority (CMA)?**

The CMA supervises and regulates the capital market industry, protects investors, and ensures fair and transparent market practices.

**43. How are investors protected from fraud or malpractice?**

The RSE and CMA enforce strict licensing, disclosure, and compliance requirements to protect investors and maintain market integrity.

**44. What happens in case of a dispute between investors and brokers?**

Disputes can be resolved through the broker's internal mechanisms or escalated to the CMA for mediation or arbitration.

**45. Are insider trading and market manipulation prohibited?**

Yes. Insider trading and market manipulation are illegal under Rwanda's capital market laws and attract severe penalties.

**46. How does RSE promote compliance and good market practices?**

Through continuous monitoring, regular audits, training, and collaboration with the CMA to uphold standards.

**47. Is the RSE a member of any regional or international associations?**

Yes. RSE is a member of the **African Securities Exchanges Association (ASEA)** and collaborates with regional markets.



#### **48. Does the RSE cooperate with other African stock exchanges?**

Yes. RSE works with regional exchanges to promote cross-listings, knowledge sharing, and market integration within Africa.

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### **■ Dividends, Bonds, and Returns**

#### **49. How do investors earn money from shares?**

Investors earn through **dividends** paid by companies and **capital gains** when share prices increase.

#### **50. How and when are dividends paid to shareholders?**

Dividends are declared by the company's board and paid electronically to shareholders' accounts via the CSD.

#### **51. What is the difference between shares and bonds?**

Shares represent ownership in a company, while bonds are debt instruments through which investors lend money to an issuer for interest income.

#### **52. How do government bonds work in Rwanda?**

Government bonds are issued by the National Bank of Rwanda on behalf of the government to raise funds for public projects. They pay interest at fixed intervals.

#### **53. Can individuals invest in Treasury bonds through the RSE?**

Yes. Individuals can purchase Treasury bonds through licensed brokers participating in the primary or secondary market.

#### **54. How are interest payments on bonds made?**

Interest is paid directly to the investor's bank or CSD account according to the bond's coupon schedule.

#### **55. What are capital gains, and are they taxable in Rwanda?**

Capital gains refer to profits made when selling a security at a higher price. In Rwanda, capital gains on listed securities are **currently exempt from tax**.

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### **● Technology, Digital Access & Education**

#### **56. Can I trade or check my investments online?**

Yes. Investors can view holdings through brokers and access market updates via the RSE website and or submitted reports by brokers via email.



**57. Does RSE have a mobile app or online trading system?**

RSE is developing digital channels to enhance online trading and real-time access to market data.

**58. Where can I find real-time stock prices?**

Real-time and daily price updates are published on the official **RSE website** and major financial news outlets.

**59. How does the RSE ensure data security and privacy?**

RSE implements secure systems, encryption, and strict data protection protocols to safeguard investor information.

**60. Does RSE offer training or investor education programs?**

Yes. RSE conducts regular investor education campaigns, workshops, and school outreach programs across Rwanda.

**61. How can students or researchers access market data?**

Students can request information from RSE's Public Education Department or access reports and data on the website.

**62. What initiatives does RSE or CMA have to promote financial literacy?**

RSE and CMA runs the **Capital Market University Challenge**, school outreach programs, and public awareness campaigns.

**63. How can I visit the RSE for an educational tour?**

You can schedule a group or individual visit by contacting the RSE through the official website or email.

**64. How can I contact the Rwanda Stock Exchange?**

You can reach the RSE via email: [info@rse.rw](mailto:info@rse.rw), phone, or through the contact form available at [www.rse.rw](http://www.rse.rw).

**65. Where can I find annual reports and publications from RSE?**

All official reports, market updates, and publications are available under the **“Resources”** or **“Publications”** section of the RSE website.

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● **Market Performance and Indices**

**66. What is the RSE All Share Index (RSE-ALSI)?**

The RSE-ALSI measures the overall performance of all listed equities on the Exchange.



**67. How is the RSE index calculated?**

The index is calculated using the market capitalization-weighted method, reflecting price movements of listed shares.

**68. What does it mean when the market index rises or falls?**

A rise indicates overall market growth and investor optimism; a fall shows declining share prices or lower market confidence.

**69. Which are the top-performing companies on the RSE?**

Performance varies by period. Updated information is published in RSE's market summaries and reports.

**70. How can I analyze RSE market performance historically?**

Historical data, reports, and charts are available on the RSE website and in annual market performance publications.