

ESWATINI ASSET MANAGEMENT INDUSTRY REPORT

Comprehensive Landscape Analysis (2014-2024)

1.24m	8.91b SZL	1 USD = 18.66 SZL	1.83%
Population 2024	AUM 2024	2024 (Year-end)	CAGR 2016-2024

1. EXECUTIVE SUMMARY

Eswatini's asset management sector is anchored by the Financial Services Regulatory Authority (FSRA), which oversees both pensions and capital markets under the FSRA Act, 2010 and the Securities Act, 2010. The FSRA operates with financial and operational independence, supported by levies and fees, and supervises licensing, prudential standards, governance, and disclosure across non-bank financial institutions.

Assets Under Management (AUM) for Collective Investment Schemes (CIS) reached E8.91 billion in 2024, reflecting a 7.93% year-on-year increase and steady growth since 2014. The market is highly concentrated, with Stanlib CIS and African Alliance CIS together managing nearly 90% of CIS assets. CIS Asset allocation is skewed towards bonds and cash and cash equivalents.

Despite a comprehensive regulatory framework and rising AUM, the sector faces persistent challenges: licensing delays, weak corporate governance enforcement, inadequate trading infrastructure, and poor liquidity on the Eswatini Stock Exchange. Retail participation remains limited due to high minimum investment thresholds, low financial literacy, and low disposable incomes, while ESG integration and product innovation are still at an early stage.

2. REGULATORY & INSTITUTIONAL FRAMEWORK

The Financial Services Regulatory Authority (FSRA), established under the FSRA Act of 2010, oversees all non-bank financial services including pensions, capital markets, and asset managers. The Securities Act of 2010 provides the legal foundation for licensing, prudential supervision, and market conduct, while the Eswatini Stock Exchange (ESE) functions as the primary trading platform under FSRA oversight. The FSRA is financially autonomous, funded through levies and fees, and operates with statutory independence in governance, supervision, and enforcement.

Main Laws and Regulations
• Financial Services Regulatory Authority (FSRA) Act, 2010
• Securities Act, 2010
• Companies Act (corporate governance of listed firms)

Scope of regulation

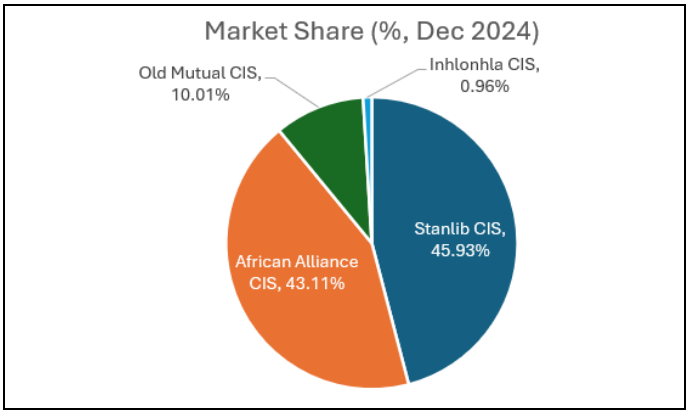
Area	Coverage (Yes/No)
Licensing and Registration	Yes
Investment Guidelines	Yes
Governance Standards	Yes
Disclosure and Communication	Yes
Dispute Resolution Mechanisms	Yes
Pricing Controls / Fee Caps	No
ESG Compliance in Regulation	No

3. MARKET STRUCTURE

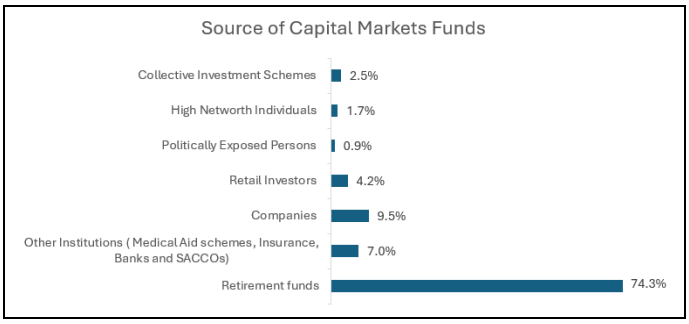
The Eswatini asset management landscape encompasses various key players: asset management companies, insurance firms, and banks. Asset managers oversee collective investment schemes (CIS), pension fund mandates, and alternative investments. Insurance companies and banks manage portfolios linked to savings, life insurance, and institutional products.

The market is highly concentrated, with a few large collective investment scheme managers controlling nearly all CIS assets under management. Stanlib CIS and African Alliance CIS together accounted for 89.04% of total AUM in 2024. Industry bodies such as the Central Bank of Eswatini, the Swaziland Bankers Association, and the Centre for Financial Inclusion play indirect roles in shaping the ecosystem, promoting financial inclusion, and supporting innovation.

CIS Asset Managers Market Share (Q4 2024)



Source of funds



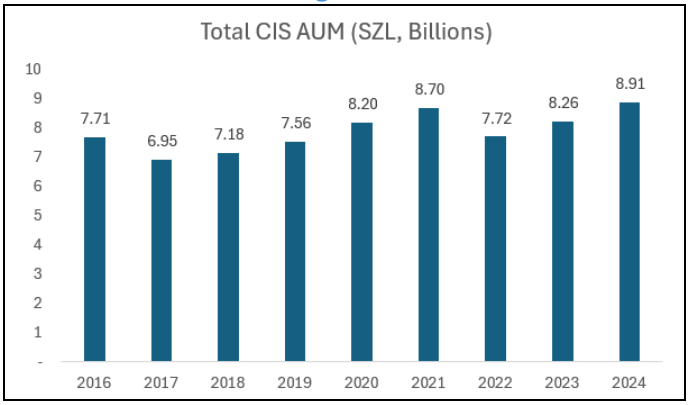
Key Observations:

- Pension funds dominate the asset management sector, with retirement assets contributing 74.3% of the capital markets funds.
- Institutional investors, including insurance companies and banks, play a significant role in portfolio management.
- Retail investors account for a very small share, constrained by high minimum investment thresholds, low disposable incomes, and limited financial literacy

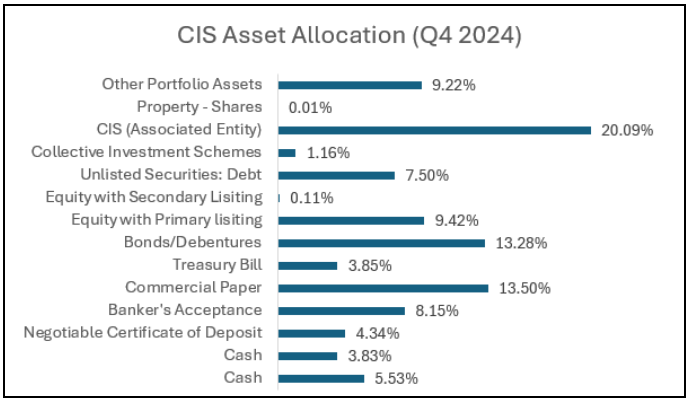
4. FINANCIAL PERFORMANCE AND ASSET ALLOCATION

Eswatini's asset management industry has recorded steady growth in assets over the past decade, supported by the expansion of pension funds and collective investment schemes under FSRA oversight.

Total Assets Under Management



Asset Allocation Trends



Key Observations:

- In 2024, the largest share of assets (38.14%) was allocated to commercial papers, bonds/debentures, unlisted debt and treasury bills, reflecting a strong preference for fixed-income securities.
- Cash and cash equivalents represented 21.85%, indicating a significant liquidity buffer within portfolios.
- Equities accounted for 9.53%, showing relatively modest exposure to listed and unlisted shares.

5. GENDER AND INCLUSIVITY

Eswatini's financial sector has made notable strides toward gender inclusion, though significant challenges remain. The National Financial Inclusion Strategy (NFIS) 2023-2028 explicitly prioritizes vulnerable groups including women, youth, people with disabilities, and the elderly, aiming to expand their access to tailored financial products and services.

On the positive side, the country launched its first Gender Inclusive Finance Roadmap in 2022, developed by the Central Bank, FSRA, and Ministry of Finance. This roadmap promotes sex-disaggregated data collection and encourages asset managers and financial institutions to design products specifically for women, reinforcing national commitments to gender-responsive finance.

However, women remain underrepresented in leadership and investment roles within asset management firms, and cultural norms, low financial literacy, and limited women-focused products continue to hinder progress. While frameworks exist to guide inclusivity, practical integration into asset management strategies is still evolving.

6. ESG AND SUSTAINABILITY

Eswatini's asset management industry is gradually engaging with ESG and sustainability themes, guided by national strategies and regulatory initiatives. The Eswatini Stock Exchange (ESE) has introduced an ESG Reporting Guide to encourage listed companies to disclose environmental, social, and governance indicators aligned with global frameworks, marking an important step toward transparency and responsible investment practices.

At the industry level, ESG integration within asset managers' strategies remains limited, with adoption largely voluntary and still at an early stage. While frameworks such as the National Financial Inclusion Strategy (2023-2028) and the UN Sustainable Development Cooperation Framework (2021-2025) emphasize climate resilience, gender empowerment, and inclusive growth, these priorities have not yet translated into widespread ESG-focused funds.

Overall, the market for green or sustainability-labelled products remains nascent. Impact-oriented initiatives, such as GET.invest Eswatini supporting clean energy projects, illustrate potential pathways, but retail investor awareness and demand for ESG products remain low.

7. TECHNOLOGY AND INNOVATION

Eswatini is actively promoting digital transformation in its financial sector through initiatives led by the Central Bank of Eswatini (CBE) and the Eswatini FinTech Working Group. The CBE established a dedicated FinTech Unit in 2018 to research emerging technologies such as AI, crypto-assets, and distributed ledger systems, assessing their potential application and risks for capital markets and asset management.

While blockchain is recognized for its potential to enhance transparency and reduce fraud, practical adoption in fund management and capital market transactions remains limited. Current innovation efforts are concentrated on expanding mobile money, improving digital access in rural areas, and strengthening reporting and supervisory systems. Most progress in the sector has focused on digitizing client interfaces, enhancing efficiency in compliance and reporting, and laying the groundwork for future integration of advanced technologies.