

JSE gives the green light to actively managed certificates

The Johannesburg Stock Exchange (JSE) has amended the listing requirements to include actively managed certificates (AMCs) in the suite of products offered to the market, providing investors with exposure to one of the fastest-growing securities globally.



Source: [Fxabay](#)

AMCs are non-interest paying instruments that offer investors exposure to the performance of a portfolio that is actively managed by an independent portfolio manager according to a specific investment mandate.

AMCs usually reference local or offshore portfolios with underlying assets such as liquid securities, derivatives, commodities and currencies.

AMCs are, therefore, used by both institutional and retail investors wishing to gain exposure to assets, which are managed according to a specific active investment strategy, by means of a listed instrument.

“We are committed to exploring solutions that will meet the needs of our clients while creating an enabling environment for issuers. There is growing demand locally for AMCs with an increasing listing trend of AMCs globally attributable to the product’s appeal in flexibility, application possibilities and cost efficiency,” says Valdene Reddy, director of capital markets at the JSE.

The listing of AMCs comes after a rigorous public-consultation process by the JSE and the Financial Sector Conduct Authority (FSCA).

Growing local interest in AMCs

There has been a growth in interest by local investors in AMCs because they offer investors the ability to diversify their portfolios into offshore or local markets, gain exposure to the performance of an investment manager's actively managed portfolio and their prowess, all while being able to buy and sell the product during JSE trading hours.

They trade under exchange traded products (ETP) trading segment ZA06 and the AMC trading sector.

"We are thrilled about the listing of AMCs under new regulations as we expand the plethora of securities that can be listed and traded on the JSE. The listing of AMCs is a testament to JSE's commitment to collaborating and co-creating responsive solution to market needs," Reddy concludes.

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