

Invula Securities under way with ESG/impact investing broker model

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Innovative new South African broker Invula Securities has started trading in recent months, bringing together two premium partners, the Maharishi Institute and African Alliance Securities Trading.

Invula Securities is 51% black-owned and the first of its kind in the South African financial markets. It is 49% owned by African Alliance Securities Trading and 51% owned by the Maharishi Invincibility Institute, a free university for marginalised black youth which puts students through a five-year degree in financial markets, cyber security and agriculture. The university is 75% self-funded and Invula is planning on funding the balance.

As an accredited and registered private South African non-profit education institution, the Maharishi Institute is focused on providing world-leading education for all. It was started 18 years ago by Taddy Blacher in Johannesburg as a free university for marginalised youth. Thus far 19,000 students have graduated, with 95% of its graduates employed, and 70% of students women.

Long-time market traders Ziv Okun, Ryan Bell, Michael Barnes and Neil Barnard bought Africa Alliance Securities Trading in July 2021.

Okun spent eight years at Investec as a frontier market equities trader, trading equities and forex across the African markets, and before that was a pan African equities trader at African Alliance. Bell spent eight years at Investec, trading all African markets, and prior to that was at African Alliance for seven years, as head of group trading. Barnes and Barnard had both been working at African Alliance prior to the management buyout, and together the four partners have over 70 years' experience in the financial markets.

"We are already set up with institutional asset managers in South Africa and globally," says Okun. "With our new entity Invula Securities we will leverage our relationships to generate greater flows for the business. Invula is for those clients who want best execution and to trade through an authentic black-owned stockbroker, with real tangible and measurable impact on the university, students and ultimately thousands of lives making it also an ESG/impact investing broker."

Invula's trading desk is run by Tubby Goodwin, who has 35 years' trading experience,



Graduation day at the Maharishi University of Management

starting out trading Krugerrands, futures and equities and working on the open outcry JSE floor until it closed. A JSE stockbroker, he spent 30 years at Investec on the trading desk, joining Invula Securities in June 2022.

Brenda Leshilo is Invula's institutional sales trader, bringing 10 years of work experience. She started her career in the airline industry before joining a stockbroking company where she spent six years as an equity sales trader. She holds a BCom Accounting degree, an advanced diploma in financial markets, and has completed her JSE exams. She is currently completing her post-graduate diploma in investment planning.

Sipenathi Koos heads operations, with six years of market experience. She graduated from CIDA City Campus (the original Maharishi Institute) with a business administration degree majoring in investments, and has completed RPE exams with the SAIFM. She started her career at Compushare in 2014 as a settlement officer and moved to Societe Generale Securities Services before joining Absa Investor Services as a corporate action specialist in 2020.

Invula Securities lives the ethos of what it represents by basing the office at the MI University in Johannesburg CBD with an open-door policy for students to come in, ask questions and learn. The goal is to train up students not only on the theoretical but also practical aspects of the markets, including broking, research, compliance and back of-

office roles. Invula has also recently signed an agreement with a research house that covers 30 small to mid-cap stocks on the JSE as their exclusive distribution partner.

Invula is currently a BEE level 2 firm, and will achieve level 1 next year, targeting the "transformation spend" of South African institutional asset managers.

By purchasing from a black qualifying small enterprise (QSE) or exempted micro enterprise (EME), clients stand to receive R7.50 procurement recognition for every R1 spent. This is much higher than other BEE brokers as the owners of MI are the students of the university. This also has a significant social impact with measurable results, with Invula able to run learnership programmes for its clients, supplying talent for the buy side and sell side.

Okun notes that Maharishi graduates are highly sought after by blue-chip names like Accenture, and two Invula students have already been permanently placed at a fund manager.

"Our goal is to build a world-class execution desk, research house and stepping stone for hundreds of students over the years into the financial markets," says Okun. "Clients have been blown away by this initiative, including during our recent roadshow in London. We are a commercial brokerage with an NGO as a partner. I don't think this exists possibly anywhere in the world. It is a tangible ESG/impact story. From a commercial aspect, 51% goes directly to the students."