



## Telecoms

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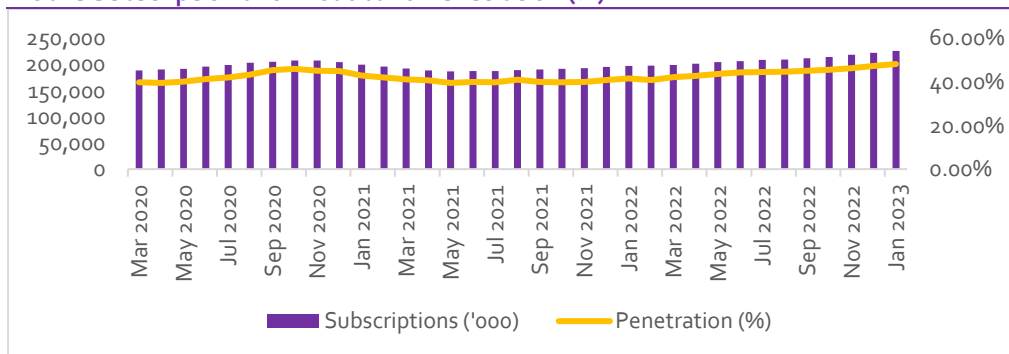
### Mobile subscription rises to 225.88 million in January.

Based on new industry data from the Nigerian Communications Commission (NCC), the adoption of mobile technology continues to grow in Nigeria with the total number of mobile subscriptions hitting 225.88 million in January 2023. This is 3.66 million more mobile subscriptions than the 222.23 million subscriptions that were recorded in December 2022. Teledensity, the number of active telephones per 100 people living within an area, grew to 118.51 percent. These numbers reflect Nigeria's prominence in the telecommunications sector, owing to the country's massive population. Nigeria also boasts one of the highest internet penetrations in Africa at 51%. The country has the largest mobile population in Africa, and with a young population, all growing to be eligible mobile subscribers, the industry is only set to soar higher over the next few years. GSMA, the global body for telecom has projected that Nigeria will have 18 million new telecom subscribers by 2025.

In January, broadband penetration in Nigeria grew to 48.20%, with the number of mobile Internet subscriptions at 155.68 million. This is set to surpass the government's broadband penetration target of 50% for 2023. MTN Nigeria retained the lion share of mobile subscriptions in Nigeria, with its number of subscriptions growing to 91.95 million, airtel grew to 60.56 million, Globacom grew to 60.34 and 9mobile grew to 13.03 million. We believe the continuous growth in mobile subscriptions is as a result of telcos recovering from the NIN saga, as the number of NIN registered subscribers has significantly increased to approximately 77% from 16.7% previously.

The growth of the mobile industry has translated to economic gains for the country. In 2022, the industry contributed N10.13tn to the economy in real terms. Looking ahead, we believe that the CBN's aggressive drive towards cashless policy will continue to boost mobile subscription numbers, as people would be forced to adopt internet banking. Mobile transactions grew by 230% in January. We also expect the persistent expansion of the 4G network and the roll out of the 5G network by telcos to significantly impact mobile subscriber numbers this year.

### Mobile Subscription and Broadband Penetration (%)



Source: CSL Research, NCC

### MARKET UPDATE

	1 year	30-Dec-22	1 day
NSE - Index*	47,482.73	51,251.06	55,806.26
Naira / US\$	416.67	461.50	462.00
Brent, US\$/bbl	104.97	85.91	83.45
MPR %	11.50	16.50	17.50

Source: NGX Exchange, Central Bank of Nigeria, Bloomberg. \*NGX Exchange All-Share Index.

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## News headlines:

**INEC declares Tinubu winner of presidential election:** The Independent National Electoral Commission has declared the All Progressives Congress presidential candidate, Bola Tinubu, as the president-elect. Tinubu, a former Lagos State governor, was declared the president-elect after the 70-year-old polled 8,794,726 votes to win the 2023 presidential election. The INEC Chairman, Professor Mahmood Yakubu, announced Tinubu as the winner at the International Collation Centre in Abuja during the early hours of Wednesday. Tinubu won the election ahead of other contenders the People Democratic Party candidate, Atiku Abubakar; the Labour Party candidate, Peter Obi; and the New Nigeria Peoples Party candidate, Rabiu Kwankwaso. Source: Punchng.com

<https://punchng.com/breaking-inec-declares-tinubu-winner-of-presidential-election/>

**Forex inflows into Nigeria's economy drop 40% to \$26bn:** Foreign exchange in flows into Nigeria's economy fell year-on-year (YoY) by 40 percent to \$26.32 billion in the first 11 months of 2022 (11m'22), from \$44.01 billion in the corresponding period of 2021. Data from the Central Bank of Nigeria, CBN, Monthly Economic Report showed that aggregate foreign exchange inflow into the economy was \$63.57 billion, representing a 26 percent decline compared with \$86.34 billion in Nov 2021. The data also showed that foreign exchange outflow YoY fell by two percent to \$37.2 billion in Nov 2022, from \$37.96 billion in Nov 2021. Outflows through the Central Bank of Nigeria, CBN, rose by 2.14 percent to \$30 billion in Nov 2022, from \$29.37 billion in Nov 2022. Source: vanguardngr.com

<https://www.vanguardngr.com/2023/03/forex-inflows-into-nigerias-economy-drop-40-to-26bn/>

**Only 24% of CBN Anchor Borrowers' loans repaid – IMF:** The International Monetary Fund has disclosed that only 24 per cent of loans disbursed under the Anchor Borrowers' Programme of the Central Bank of Nigeria have been repaid. This disclosure was contained in the IMF's Selected Issues paper on Nigeria, which was prepared by a staff team of the fund as background documentation for the periodic consultation with the country. It was noted that the document was based on the information available as of the time it was completed on January 12, 2023. According to the IMF, agricultural credit in the country has not significantly boosted production even though there is the challenge of targeting the right recipients for the credit. Source: Punchng.com

<https://punchng.com/only-24-of-cbn-anchor-borrowers-loans-repaid-imf/>

**Banks open but no cash after elections:** Many Nigerians who hoped to get access to cash after Saturday's elections were disappointed on Tuesday as banks started resuming operations with no cash at their branches. The BusinessDay visited several banks in Lagos, including Ecobank and Access Bank at Ojuelegba, Zenith and GTBank at opposite Abalti Barracks, and Zenith Bank, Idioro, Mushin as well as First Bank of Nigeria, Access Bank, Fidelity and Zenith Bank at Mazamaza. Customers thronged the bank's premises but were told that there was no cash over the counter and in the Automated Teller Machines (ATMs). BusinessDay observed that the bank security officers were not wearing their uniform. "We chose to go on mufti because we are being cautious of the recent crisis happening around the country. If anything is happening, we pretend to be customers," one of the bank's security officers said on Tuesday. Source: Businessday.ng

<https://businessday.ng/business-economy/article/banks-open-but-no-cash-after-election/>

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% distribution	49%	29%	14%	9%	
Investment banking clients	0	1	1	0	2
% distribution	0%	50%	50%	0%	

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