

Telecoms

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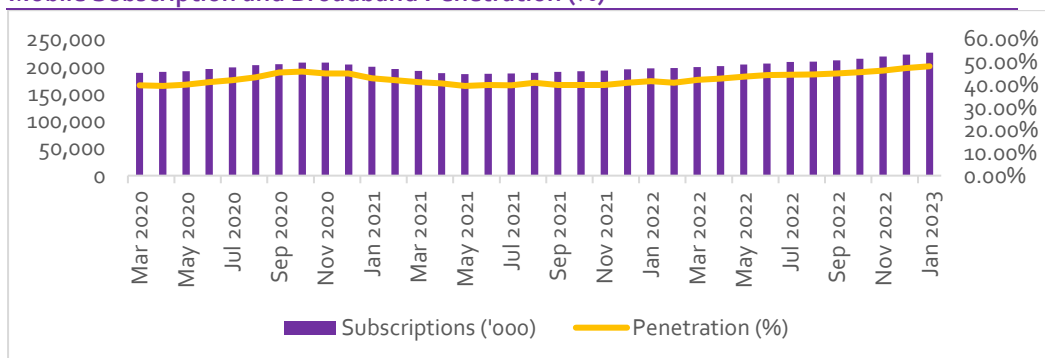
Voice and internet subscribers on the rise in Q4 2022.

According to a report from the Nigerian Bureau of Statistics (NBS), the total number of active voice subscribers in Q4 2022 grew by 13.87% to 222,571,568 from 195,463,898 reported in Q4 2021. On a quarter-on-quarter basis, voice subscribers grew by 4.89%. Also, in Q4 2022, the total number of active internet subscribers increased to 154,847,901 from 141,971,560 reported in Q4 2021, showing an increase of 9.07%. On a quarter-on-quarter basis, internet subscribers grew by 1.35%. Lagos State had the highest number of active voice users in 2022 at 26.5 million while Bayelsa had the least number of voice users at 1.6 million subscribers. Lagos State also had the highest number of internet users at 18.7 million subscribers, while Bayelsa recorded the least number of 1.1 million internet users.

The ICT sector remains one of the bright lights in the rather gloomy Nigerian economy. The increase in both voice and internet usage could be directly attributed to Nigeria's rapid transition from an analog economy to a digital economy and to the impact of covid-19 which forced persons and businesses to communicate and operate remotely. The sustenance of most of Nigeria's businesses depends largely on the ability to leverage new technologies to boost revenues and do business on an international scale. Also, the recovery by telcos of old voice customers who were caught off due to the Sim-NIN saga has also boosted the increase in voice subscribers.

MTN Nigeria contributed significantly to the increase in internet and voice subscriptions in Q4 2022 as it recorded the highest number of active voice subscribers (85.02 million), followed by Globacom (60.29 million), and Airtel at 60.07 million. MTN also reported the highest number of internet users (65.62 million), followed by Globacom (43.05 million) and Airtel (41.17 million) in Q4 Nigeria. MTN Nigeria remains the leader in the telecom sector. The company's impressive roll-out of its 5G spectrum, the expansion of its 4G network (broadband penetration of 74% in 2022), and the scaling up of its fintech operations have all contributed to its sustained growth. Looking ahead, we believe that new technologies, increasing smartphone usage, and rising digital consciousness will continue to drive the increase in the number of active voice and internet subscribers in the country.

Mobile Subscription and Broadband Penetration (%)



Source: CSL Research, NCC

MARKET UPDATE

Indicators	1 year	30-Dec-22	1 day
NSE - Index*	48,568.57	51,251.06	51,606.49
Naira / US\$	415.92	461.50	463.44
Brent, US\$/bbl	104.99	85.91	80.60
MPR %	11.50	16.50	18.00

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

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News headlines:

FG cuts power firms from national grid: The Federal Government, on Tuesday, declared that it had commenced the disconnection of some power firms from the national grid because of their non-adherence to the Electricity Market Rules. Although it did not name the affected power plants, the government explained that the Nigeria Electricity Supply Industry was governed by rules, which were necessary for the viability and sustainability of the sector. These rules, according to the Federal Government, were sacrosanct and must be complied with by all existing or new players in the sector. Power sector players include the electricity generation, transmission, and distribution companies. For all players to interact effectively and create the requisite harmony for growth, efficiency and profitability of the sector, the rules must be obeyed and upheld, according to the government. Source: Punchng.com

<https://punchng.com/fg-cuts-power-firms-from-national-grid/>

DBN Disbursed N631bn to MSMEs in 2022: The Managing Director/Chief Executive, Development Bank of Nigeria (DBN) Plc, Dr. Tony Okpanachi, yesterday disclosed that the bank disbursed over N631 billion to over 313,000 MSMEs across the country in 2022. This was a significant improvement when compared to N482 billion which was lent to over 208,000 MSMEs in the preceding year. Speaking at the bank's Annual General Meeting (AGM) in Abuja, he said by deepening impact within five years of operations, the bank had been at the forefront of development, playing a focal and catalytic role in alleviating financing constraints for Nigeria's underserved MSMEs. He said the credit disbursements represented 31 per cent growth in financing support and 50 per cent growth in MSMEs impacted. Source: thisdaylive.com

<https://www.thisdaylive.com/index.php/2023/04/26/okpanachi-dbn-disbursed-n631bn-to-msmes-in-2022/>

US-based low-skilled Nigerians boost income by 1,500% – World Bank: The World Bank has disclosed that low-skilled Nigerians who moved to the United States of America increased their earnings by 1,500 per cent. This was contained in The World Development Report 2023: Migrants, Refugees, and Societies released on Tuesday on the World Bank's website. The report noted that the potential gains from migration are highest for people who moved from low to high-income countries. It read, "The potential gains are highest for people who move from low- to high-income countries. The labour demand at the destination also shapes outcomes. Gains depend on migrants' skills, gender, age, and language ability. Although the absolute gains are larger for high-skilled workers than for low-skilled workers, low-skilled workers experience a multifold increase in their income as well. Source: Punchng.com

<https://punchng.com/us-based-low-skilled-nigerians-boost-income-by-1500-world-bank/>

Food price inflation remains high globally – World Bank: The World Bank says inflation in food prices remains high globally. It made the declaration in its latest Food Security Update report issued on Wednesday. "Information from the latest month between December 2022 and March 2023 for which food price inflation data are available shows high inflation in almost all low and middle-income countries. "Inflation levels are greater than 5 per cent in 70.6 per cent of low-income countries and in 90.9 per cent of lower-middle-income countries. "Inflation rate is also above 5 per cent in 87 per cent of upper-middle-income countries some of which are experiencing double-digit inflation," it stated. It stressed that about 84.2 per cent of high-income countries were experiencing high food price inflation. Source: Vanguardngr.com

<https://www.vanguardngr.com/2023/03/cash-crunch-lingers-despite-compliance-with-supreme-court-ruling/>

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	Buy	Hold	Sell	Not Rated	Total
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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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