



## Telecoms

**Comment on recent news** – this page

Today's headlines – page two

**Recommendations and valuations** – page three

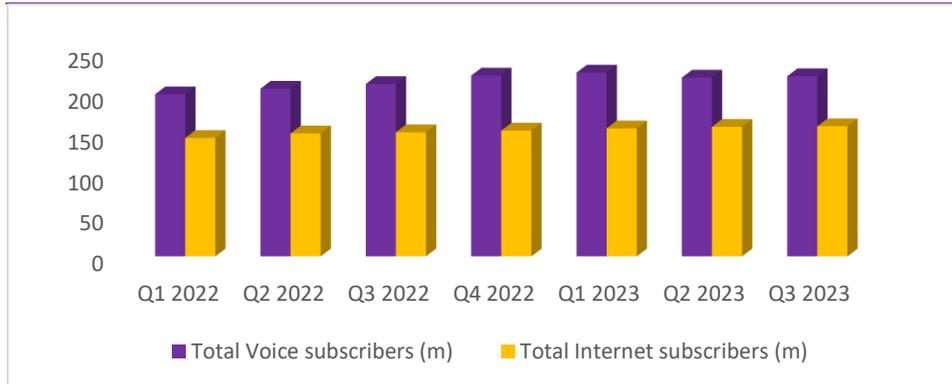
### Voice and internet subscriptions grow in Q3 2023.

According to the Nigeria Bureau of Statistics (NBS), the total number of active voice subscribers grew by 4.51% y/y in Q3 2023 to 221.77 million from 212.20 million reported in Q3 2022. On a quarter-on-quarter basis, voice subscribers rose by 0.76% from 220.09 million in Q2 2023. Also, in Q3 2023, the total number of active internet subscribers was 160.17 million from 152.78 million reported in Q3 2022, an increase of 4.83%. On a quarter-on-quarter basis, the figure grew by 0.42% from the 159.50 million recorded in Q2 2023. MTN led the pack with a total of 85.9m active voice subscriptions and 68.6m internet subscriptions, followed by Globacom with a total voice subscription of 61.5 million and 44m internet subscriptions. Airtel trailed Glo with 60.3m voice and 45.1m internet subscriptions. gMobile recorded 13.8m active voice and 4m internet subscriptions.

The rise in voice subscribers can be attributed to growing investments in network infrastructure, particularly in rural areas. As telcos continue to accelerate the development of rural network infrastructure, we anticipate that voice subscriber growth will continue, albeit at a slower rate. On the other hand, we expect that the number of internet users will continue to rise due to the ongoing shift to a data-centric model, which is being driven by increased smartphone penetration and the continuous expansion of telcos 4G and 5G networks.

The Information and Communications Technology (ICT) sector's growth rate declined to a five year low of 6.69% y/y in Q3 2023 compared with 10.53% recorded in Q3 2022 and 8.60% recorded in Q2 2023. The telecommunications subsector growth rate fell by 23.06% y/y to 7.74% in real terms. In Q3 2023, the sector contributed 15.97% to Nigeria's total GDP, higher than 15.35% in Q3 2022 but significantly lower than the 19.54% contribution in Q2 2023. The ailing macroeconomic environment and government policies like the devaluation of the Naira affected the growth of the telecommunication sector significantly but we maintain our long-term positive outlook for the sector, to be driven by growth in mobile subscriptions.

### Total Voice and Internet Subscribers (m)



Source: CSL Research, NCC

### MARKET UPDATE

	1 year	29-Dec-23	1 day
NSE - Index*	52,657.69	74,773.77	95,768.12
Naira / US\$	461.14	907.11	925.34
Brent, US\$/bbl	88.19	77.04	80.06
MPR %	16.50	18.75	18.75

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

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## News headlines:

**Dangote Cement emerges first stock to hit N10tn capitalisation on NGX:** The market capitalisation of Dangote Cement hit N10tn at the close of trading on Monday, emerging as the first company to achieve that milestone on the Nigerian Exchange. It closed trading with a N10.098tn market cap after gaining N917bn. This month, it displaced Airtel Africa as the most capitalised stock on the local bourse. In terms of capital gains, investors in the stocks of Dangote Cement had seen 85.25 per cent added to their wealth. Its share price at the close of trading on Monday stood at N592.60 per unit. The company closed in 2023 with a market cap worth N5.451tn. Source: Punchng.com

<https://punchng.com/updated-dangote-cement-emerges-first-stock-to-hit-n10tn-capitalisation-on-ngx/>

**NERC: Discos Reduced Electricity Metering Deficit by 51,631 in November:** The Nigerian Electricity Regulatory Commission (NERC) has stated that electricity Distribution Companies (Discos) reduced the total nationwide metering deficit by 51,631 in November 2023. A document from the commission detailing the development, stated that with the marginal reduction in unmetered customers, the total number of houses that do not had access to meters is now 7.31 million. NERC said the total number of registered customers in the country as of November 2023 hit 13.1 million, while the total number of metered customers was 5.79 million, putting the metering rate at 44.23 per cent. Overall, Ikeja Disco had the highest metering rate of 72.43 per cent, followed by Abuja Disco with 60.43 per cent and Eko Disco with 58.45 per cent. Source: .thisdaylive.com

<https://www.thisdaylive.com/index.php/2024/01/23/nerc-discos-reduced-electricity-metering-deficit-by-51631-in-november>

**NCC blames duplicated NINs for barred lines:** Duplicated National Identification Numbers are responsible for the new wave of complaints from subscribers who have had their SIMs barred despite linking them to their NINs. This, according to the Nigerian Communications Commission, is due to the activity of third-party agents who duplicate NINs for unsuspecting telecom subscribers. The commission revealed this at a recent media briefing in Lagos. Commenting on the issue, the commission's Director of Compliance, Mr Efosa Idehen, said, "On the issue of already registered SIMs and NIN, the issue is that some of those SIMs were registered with duplicated NINs. "When an audit of the system is carried out, actual owners of the NINs reclaim them. Source: Punchng.com

<https://punchng.com/ncc-blames-duplicated-nins-for-barred-lines/>

**Nigerians further squeezed as food prices rise:** The constant rise in inflationary pressures has plunged many Nigerians into a financial crisis, increasing their costs of living and worsening their livelihoods. This surge in the costs of food items and other consumables not only affects the buying power of households, but it has also reduced the sales of foodstuffs in the market. A trader who sells foodstuffs at wholesale prices in the Ikotun market told BusinessDay that since the beginning of June last year, sales of rice, groundnut oil, beans, and yams have dropped significantly while demand for spaghetti and noodles has increased. The latest report by the National Bureau of Statistics (NBS) showed that Nigeria's inflation rose for the 12th straight month to a 20-year high of 28.92 percent from 28.20 percent in November, causing Nigerians to prioritise their spending as well as their lifestyles.

Source: businessday.ng

<https://businessday.ng/business-economy/article/nigerians-further-squeezed-as-food-prices-rise/>



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