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Mozambique's mobile telecoms market





Market status and forecasts

Overview

- Mozambique has one of the least developed telecoms markets in Africa
- Key limiting factors: underinvestment in network infrastructure; unfavourable macroeconomic indicators and, until recently, limited competition

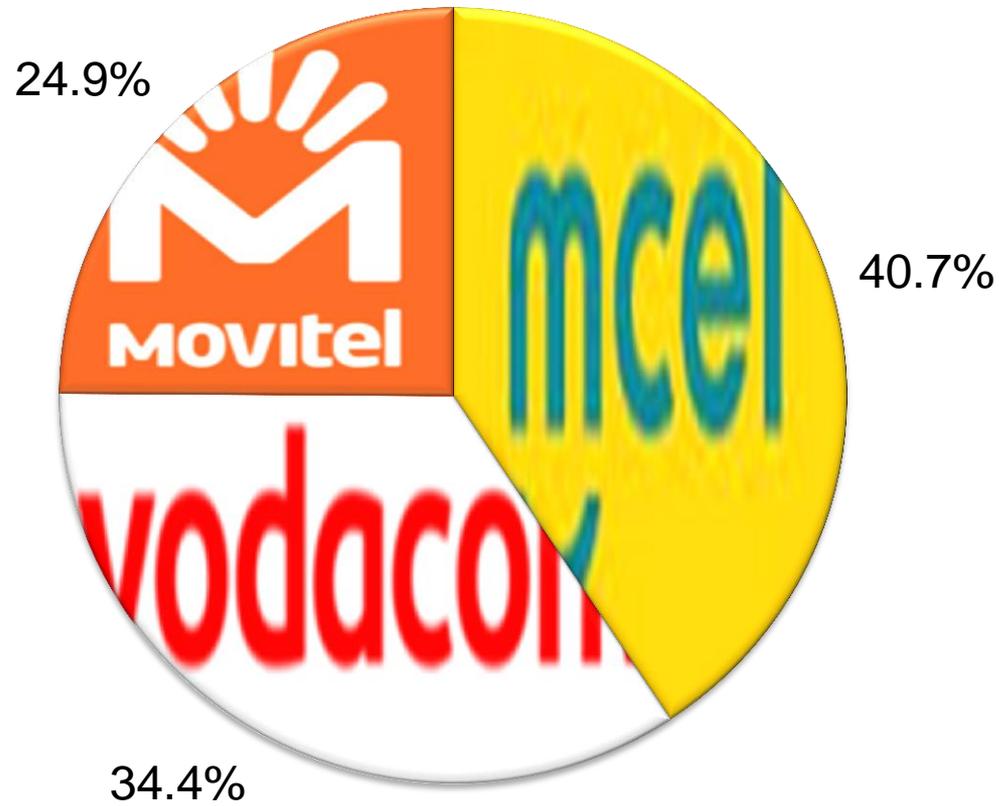
Key Figures	2013
Cellular Mobile Phone Subscribers '000	12,500
Mobile Phone Subscribers/100 inhabitants (penetration)	48.4
3G & 4G phone subscribers, '000	1,050
3G & 4G phone market, % of mobile market	8.4
Monthly Blended ARPU, MZN	178

Growth

- Mobile market grew 39% in 2013 driven by strong subscription growth by the 3 mobile operators
- Strong performance is expected to continue due to the country's positive economic outlook
- 2018 Forecast: Mobile subscriptions expected to rise to 18.8mn (64.7% penetration rate) with 3G subscriptions reaching 15.5% of the total mobile subscriber base



Market Share (end Q3 2014)





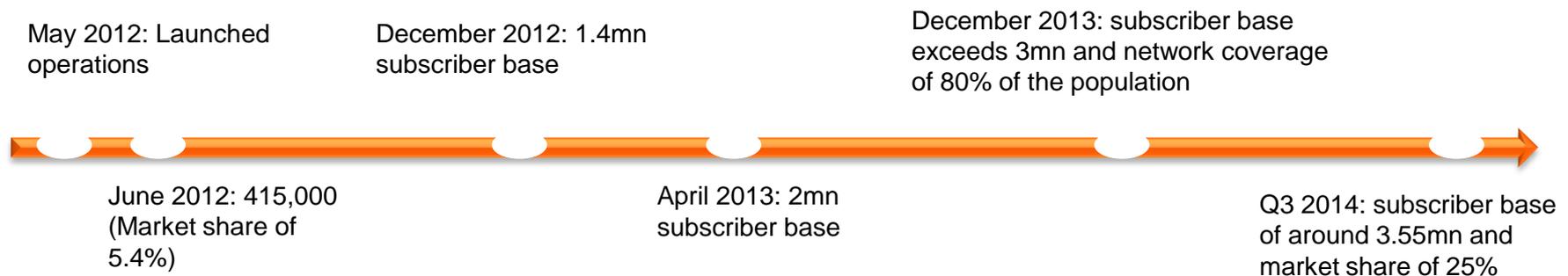
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Movitel: new kid on the block



- Launched operations in May 2012 (Mozambique's third commercial license)
- Backed by Viettel Group, Vietnam's largest mobile network operator
- Has implemented a number of value-led growth strategies for its Mozambican operations, including aggressive network deployment in underserved areas and mass market pricing strategies
- Pledged to invest more than USD400mn in network infrastructure development
- Claimed around 2mn subscriptions in its first year of operation
- Given that Movitel's rapid expansion is mainly attributed to its aggressive promotional activities, some analysts expect a significant correction in the future due to the discounting of lines that may become inactive upon the expiration of some of its initial offers





Mozambique operators: Mobile rate comparison

	Same Network	Different Network	SMS	MB rate
	3.90 (peak) 3.00 (off-peak)	4.20	2.11	2.50
	4.20	4.20	1.97	3.49
	3.90 (peak) 1.95 (off-peak)	4.20 2.10	1.60	2.90

Note: Rates in Metical; Basic prepaid; Domestic charges

Source: collected from company websites



Mozambique operators: Bundle comparison

	Voice Bundle	SMS Bundle	Data Bundle (1d)	Data Bundle (7d)	Data Bundle 30d)	Integrated Bundle
	5MT: 10MT +10SMS	NA	2MT: 10MB	50MT: 100MB	160MT: 1GB	20MT; 40MT+40SMS+ 20MB
	10MT: 35MT	2MT: 8SMS	2MT: 10MB	50MT: 100MB	250MT: 1GB	20MT; 80MT+80SM S+15MB
	5MT: 10MT +10SMS	5MT: 15SMS	2MT: 5MB	30MT: 100MB	200MT: 1GB	20MT; 40MT+40SMS+ 20MB

Source: collected from
company websites



Cost of Mobile telecommunications: international comparison

Rank (166 countries)	Country	As % of GNI per capita*	USD	PPP\$	GNI per capital USD, 2013
1	Macau, China	0.11	5.68	7.68	64,691
30	Mauritius	0.79	6.09	9.85	9,300
31	U.S.A	0.80	35.62	35.62	53,670
64	Botswana	1.64	10.57	-	7,730
83	India	2.23	2.91	9.74	1,570
103	South Africa	3.40	20.40	36.12	7,190
146	Zambia	14.31	17.64	34.52	1,480
157	Mozambique	25.91	12.74	24.04	590
166	Malawi	56.29	12.67	40.13	270

*based on ITU Mobile-cellular sub-basket, 2013



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The End