

## MONTHLY NEWSLETTER

ISSUE 16 VOL. 2



### People Management: The Importance of Training and Development of Employees

By **Uitnei Chamusso\***

The world is constantly changing and, as a consequence of these changes, new models have emerged in the organizational environment.

Leaders have identified new needs on the employees profiles. Nowadays, it is very common to see companies investing in training and development of their employees, starting from the strategic up to the operational level.

This action has become the result of the changes that have now gained space, generating a very common practices which have become inevitable, such as technology, the information and communications.

With this in mind, it is necessary to adapt and develop management strategies, which must now suit these new needs.

In face of this new reality, the training and development of employees has proved to be essential to achieve company goals. Companies try to adapt their strategies to management models, methods and techniques solely focused on effectiveness and profit for the business of the company.

In order for the companies to understand and development new learning skills, they need to work on the organizational methods and management practices, acknowledge the changes on the environment around them.

The positive outcome from the training and development process of companies depends solely on the alignment of employee's goals to the common organizational goal. For this to happen, the employees must be mindful of the perspective of the company's future, it must be a motivating factor for the leaders as well as the employees.

People are very important to the success of any contemporary company. Based on this assumption, stimulating people's growth is a responsibility of the leaders. If people are encouraged to grow professionally having their goals aligned with the company goals, the possibility of succeeding is higher.

People are the essential principle of their dynamics, they put on efforts in activities and processes, innovate, create, recreate contexts and situations that can help the company to position itself in a competitive, cooperative and differentiated way with clients, other companies and the business environment.

Investing in training and development of people in the organizational environment is to invest in the internal clients and consequently in better quality of service, higher productivity, overcoming goals, better quality of life, and last but not least, better organizational outcome.

\*People Solutions Manager | RSM Mozambique



### What is the ideal moment to invest?

By **Alberto Pitoro\***

As referred on our last edition, both Market Timing and Dollar-Cost Averaging, have advantages and disadvantages which the investor must take into account.

The Dollar-Cost Averaging method spare the investor from the need of identifying the ideal moment to invest; reduces the overall impact of the asset prices volatility, and also prevents mistakes such as investing (concentrating) a large sum of assets in market condition unfavorable to the investor.

However, some considerations should be taken into account, the Dollar-Cost Averaging is based on the assumption that the price of the desired asset will grow continuously. In these circumstances, the average cost achieved through this strategy, improves the investment performance in medium or long term. Nonetheless, it does not protect the investor against the risk of price falls.

Dollar-Cost Averaging is suitable for investors with a low risk tolerance. The gradual investment in small assets brings us back to the concept of diversification, discussed on previous editions. Investing a large sum of assets at once may result in considerable losses if the decision is made at an inappropriate moment.

So what would be the ideal strategy? It depends on several factors, such as objectives, time horizon, investor risk profile, among others. Anyway, between investing and not investing, it is always recommended to invest.

\*Head of Treasury | Absa Bank Mozambique

## Market Intelligence

By **Absa Bank Mozambique**



### Macroeconomic Indicators

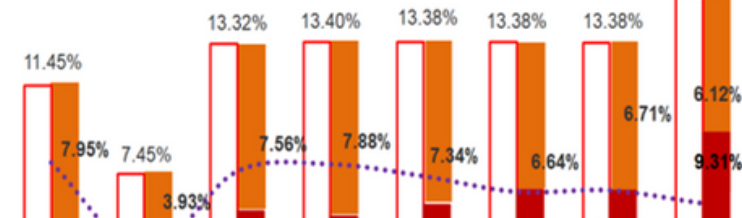
Source: **Central Bank, INE, MEF, Absa Research**

	2018	2019	2020	2021F	2022F	2023F	2024F
Real GDP (% y/y)	3.3	2.2	-1.3	1.9	3.9	5.0	6.1
GDP (USD bn)	14.8	15.3	13.9	15.1	18.2	21.0	21.6
Current Account Balance (% GDP)	-30.3	-19.7	-25.8	-23.8	-23.7	-23.1	-23.7
Fiscal Balance (% GDP)	-5.3	-0.2	-10.8	-8.6	-7.7	-5.7	-4.7
Public Debt (% GDP)	110.0	105.7	114.2	116.4	101.9	90.8	90.1
CPI (%Dec/Dec)	3.5	3.5	3.5	6.7	6.7	8.1	7.9
CPI (p avg.)	3.9	2.8	3.1	5.7	6.7	7.5	7.9
Policy Rate (MIMO, % eop)	14.25	12.75	10.25	13.25	13.75	14.75	15.25
USD/MZN (avg)	61.63	61.64	74.60	64.00	63.00	61.00	60.00
USD/MZN (avg)	60.34	62.43	69.87	69.30	63.50	62.00	60.50

	Q3 21	Q4 21F	Q1 22F	Q2 22F	Q3 22F	Q4 22F	Q1 23F
CPI (% y/y, eop)	6.7	5.8	6.7	7.1	6.7	6.9	8.0
Policy rate (% eop)	13.25	13.75	13.75	13.75	13.75	13.75	14.75

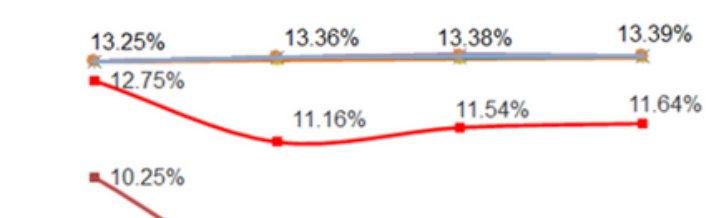
	Spot	Q4 21F	Q1 22F	Q2 22F	Q3 22F	Q4 22F	Q1 23F
USD/MZN	63.66	63.72	63.48	63.24	63.00	62.50	62.00
ZAR/MZN	4.14	4.18	4.30	4.22	4.06	3.96	3.82

#### Yield Curve



Note: Inflation for Jun-22 still the one as of May-22

#### Yield Curve



#### Foreign Exchange Rate



## Mozambique Financial Markets

By **Banco BiG Mozambique\***

### PRIMARY MARKET

During the auctions held in June, there were issued treasury bonds with 4 year maturities (OT 2022 S6) with a fixed rate of 17,00% in both auctions. On the first auction, the demand/supply ratio was 79,0%, with an average yield of 17,73%. On the second auction, the demand/supply ratio was 109,0%, with an average yield of 17,66%. The treasury has managed to raise MZN 2.350 billion combined (against MZN 4.025 billion in May).

	1º Auction	2º Auction
Bond	OT 2022 S6	OT 2022 S6 (I)
Type	Opening	Reopening
Maturity	4 years	4 years
Coupon Interest Rate	17,00%	17,00%
Amount of the Issue	4.000.000.000	2.850.000.000
Amount from demand	3.142.000.000	3.097.000.000
Amount issued	1.150.000.000	1.200.000.000
Nominal Value	100	100
Minimum Rate	17,25%	17,25%
Maximum Rate	19,50%	20,75%
Average Rate	17,73%	17,66%
Nº of Bonds Issued	11.739.661	12.227.091
Demand /Supply Ratio	79,00%	109,00%

### SECONDARY MARKET

#### BVM – Shares

In June, the Stock market was marked by depreciations on the most transacted shares. The EMOSE shares registered a depreciation of (-25,00%), followed by the HCB shares with (-14,89%) and CDM (-2,86%). With regards to the volume, CDM shares were the most transacted (MZN 1,7 Billion), followed by the CMH shares (MZN 554 thousand).



Shares	Price	Volume	Δ Weekly	Δ Monthly	Δ YTD
CDM	68.00	1,716,806.70	13.33%	-2.86%	36.00%
HCB	2.00	182,435.25	0.00%	-14.89%	-33.33%
CMH	2,800.00	544,400.00	0.00%	0.00%	-6.67%
EMOSE	15.00	52,669.00	0.00%	-25.00%	-25.00%

The table above shows the shares with higher transaction volume over the last (6) six months.

### BVM – Bonds

In the secondary market, around MZN 606 million were transacted in treasury bonds.

### Treasury Bonds

Bonds	Current Coupon	Type of Coupon	Next Coupon	Maturity	Yield
OT 2019 S8	10.00%	Fixed	24-oct-22	24-apr-25	16.81%
OT Fornecedores 2019	4.06%	Inflation + 0.5%	29-jul-22	29-jan-29	18.68%
OT 2020 S3	14.94%	BT's + 1.50%	11-sep-22	11-mar-23	15.75%
OT 2020 S10	14.94%	BT's + 1.50%	07-oct-22	07-oct-24	16.53%
OT 2021 S1	14.88%	BT's + 1.50%	10-aug-22	10-feb-25	16.70%
OT 2021 S2	14.65%	BT's + 1.25%	24-aug-22	24-feb-26	17.22%
OT 2021 S4	14.00%	BT's + 1.00%	21-oct-22	21-apr-26	17.30%
OT 2021 S8	14.00%	BT's + 0.75%	22-sep-22	22-sep-25	17.01%
OT 2021 S10	14.50%	Fixa	10-nov-22	10-nov-25	17.08%
OT 2022 S1	14.50%	BT's + 1.00%	09-aug-22	09-feb-27	17.70%
OT 2022 S3	15.25%	BT's + 1.75%	09-sep-22	09-mar-30	19.23%
OT 2022 S5	17.00%	Fixa	11-nov-22	11-may-25	16.83%
OT 2022 S6	17.00%	Fixa	08-dec-22	08-jun-26	17.66%
MOZAM (USD)	5.00%	Fixa	15-sep-22	15-sep-31	13.14%

### Corporate Bonds

Bonds	Current Coupon	Type of Coupon	Next Coupon	Maturity	Yield
Bayport 2019 S1	20.00%	Fixed	12-oct-22	12-apr-24	18.87%
Bayport 2019 S2	19.00%	Fixed	21-oct-22	21-oct-24	19.23%
Bayport 2020 S1	16.00%	Fixed	27-sep-22	27-mar-25	19.53%
Bayport 2020 S2	19.40%	BT's + 6.00%	30-sep-22	30-mar-25	19.53%
Bayport 2021 S1	17.88%	BT's + 4.50%	21-nov-22	21-may-26	20.32%
Bayport 2021 S2	18.00%	BT's + 4.50%	26-jul-22	26-jul-26	20.44%
Bayport 2021 S3	18.00%	BT's + 4.50%	27-jul-22	27-jul-25	19.76%
Bayport 2021 S4	18.00%	BT's + 4.50%	16-sep-22	16-sep-26	20.54%
Visabeira 2020	23.00%	FPC + 4.75%	23-sep-22	23-mar-26	-
BNI 2019 S1	16.00%	MIMO + 2.75%	30-jul-22	30-jul-22	N/A

### Total Transactions on the Secondary Market

Around MZN 6.543 billion were transacted on the secondary market as at the end of June, a remarkable growth of 143,0% compared to the corresponding period in 2021.

\*Investment Banking

## Interviews

## Pension Funds in Mozambique

Our Director, Nácer Mondlane, had an interesting talk with Telma Le Guen, Founder of ConsultRAD, about Pension Funds in Mozambique.

Visit the link below to access the complete interview:  
<https://www.carlylepartners.llc/so/84O7qR4SX?languageTag=en#/main>

## Events

## After Work Session

The afterwork and networking session held by Carlyle Partners alongside MMO and Pernod Ricard allowed for clients and guests to socialise and engage after a busy week.

The session was a great platform for meeting new people and having great conversations.

Visit the link below to access the slideshow of the event:  
<https://www.carlylepartners.llc/so/84O7qR4SX?languageTag=en#/main>

## Upcoming Events

**CARLYLE PARTNERS ANNUAL PENSION FUND TRAINING 21 OCTOBER**

www.carlylepartners.llc  
corporate@carlylepartners.llc

2022

Carlyle Partners  
Health - Life - Pensions

The Carlyle Partners Pension Fund Training was designed for Trustees, HR and other professionals that may already be working with pension funds in their companies or are looking to implement one.

## News

**MMO**  
Mozambique Managed Offices

*Celebrates 10 Years!*

## Ten years of flexible working with Mozambique Managed Offices (MMO)

By **Sany Weng San\***

Our ten year anniversary is a time for celebration, and also an opportunity to reflect on the challenges – and opportunities – we’ve faced since opening our first managed office space in Maputo in 2012. Since then, we’ve expanded from one to four office locations and in 2018 we opened a second business, MMO Facilities.

First, the celebration! In my mind our greatest achievement is the team we have nurtured. Last year on this blog we interviewed Beatriz Nhanala, our first employee, who is also celebrating her 10 year anniversary. Beatriz is one of many women who have grown and developed with us. 80% of our employees are women and we have a 100% female senior management team.

We also enjoy strong relationships with our clients, many of whom have been with us for several years. I’m so proud that we’ve been able to have such a positive impact on our colleagues and clients, including Baker Hughes, CB&I, Worley Parsons, Diageo and General Electric.

We have also received external recognition for our work in Mozambique. In 2019 MMO won the BCI Bank’s Best Small to Medium Sized Business award. BCI Bank is one of our partners and it was an honour to be recognised by them.

Every challenge presents an opportunity

Without a doubt, our biggest challenge in the last ten years has been the COVID-19 pandemic. Prior to COVID we were operating at 90% capacity, but within a matter of months occupancy dropped to 40% as people were instructed to work from home or companies downsized. We quickly regrouped and consolidated, putting in place comprehensive safety measures and doubling down on our flexible rental options.

Clients are now returning to Mozambique and our occupancy has rebounded. COVID-19 has changed the way people are working and many companies are permanently revising their employment practices to embrace flexible and hybrid working. Flexibility has always been at the core of the MMO business model and we are perfectly positioned to meet this need.

The next ten years of Mozambique Managed Office

My team and I have big plans for MMO! We want to expand the number of office spaces we operate and increase geographically to new locations around Mozambique. This physical expansion will provide opportunities for our existing team members to gain new experience, as well as create new jobs.

As we grow, I’m determined to do our part for climate change and further reduce our carbon footprint. In September 2021, MMO was awarded the One Carbon World, Carbon Neutral International Standard following an inventory of our greenhouse gas emissions. We will continue to work with Maris to identify areas for further improvement and action. Mozambique is at the frontline of the climate crisis and we need to grow in harmony with the environment.

\*General Manage | Mozambique Managed Offices

Source: Mozambique Managed Offices

## Post of the Month

11 JULY

**BE RESPONSIBLE AND EMBRACE FAMILY PLANNING!**  
WORLD POPULATION DAY

2022

www.carlylepartners.llc  
corporate@carlylepartners.llc

**Carlyle Partners**  
Health - Life - Pensions

Carlyle Partners is an insurance advisory brokerage specialized in Health, Life and Pensions, licensed under the Insurance Supervision Institute of Mozambique (ISSM).

E-mail: [corporate@carlylepartners.llc](mailto:corporate@carlylepartners.llc)

Carlyle Partners | Av. Marginal,  
141C Rani Towers 6th floor  
+258 85 792 1192

Website:  
<https://www.carlylepartners.llc/>