

Unveiling Africa's New Middle Class

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The logo for InVcap, featuring the letters 'InVcap' in a white, lowercase, sans-serif font. The letters are set against a black rectangular background. The 'V' is notably larger than the other letters. The logo is positioned at the bottom of the slide, above a decorative footer consisting of a yellow horizontal bar and a blue geometric shape.

The New Middle Class: Lions on the Move



- 350m people, 33% of Po, Earning 10k+
- Upper, Lower, Floating middle class
- Emerging MC, By 2020, 128m will earn \$5k p.a. Increasing disposable income and driving the consumer markets .
- MC- 2nd largest contributor to GDP 16%.
- Market: USD40b growth opportunity.

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The New Middle Class- Building Economic Stamina



- Affluence: 11 to 18% urban households have \$10k+ incomes. \$4-\$5 meal platter.
- Emerging MC: \$5k incomes grows from 20%-27% by 2020.
- Rate of urbanization is one of the world's fastest at 4% p.a
- 8 major cities with 16% of the nation's population will drive 36 percent of its growth by 2020.
- Per capita consumption higher in Cities than the Nation. In Lagos-134%, Accra-75%

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The New Middle Class- Infrastructure



- Opportunities in privatization of high growth sectors of power, oil and gas, real estate.
- Case Studies of Telecoms firms-Top listed
- Less than 40% of the population has access to electricity; all season roads
- Highly unregulated with pricing disparity across sectors to profit from.
- Housing deficit of 62% across major cities.
- Influx of hotel chains and new leisure spots.



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The New Middle Class- Retail Case Studies



- **Mozambique & Angola:** shopping centers in Luanda and Maputo
- **Namibia:** Regional expansion for businesses with hubs in SA with development of 54000m² Grove Shopping Centre.
- Windhoek and Northern Swakopmund and Walvis Bay.
- **Mauritius, Seychelles, and Madagascar:** tourism, real estate, 1st World infra, political, economic stability.

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The New Middle Class-Retail Case studies



- **Senegal and Swaziland:** traders setting up mini “markets: selling mobile-phone, Sim cards.
- **Nigeria:** MC using international brands: Hugo Boss
- **Dinning:** Domino’s Pizza, KFC in Lagos and Abuja
- **Pipelines:** Tommy Hilfiger, Chanel, Nine West and Christian Dior developing 200000m² Mall space in Kano, Port Harcourt and Ibadan.

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The New Middle Class: Bridging Disparities



- **Consumer products:** Repackage small sized goods for local affordability.
- **Food manufacturers:** Adapt to local
- **Vehicle manufacturers:** Partner Banks for vehicle financing.
- **Healthcare providers:** Affordable healthcare models.
- **Property developers:** Malls & Retail infrastructure, Housing for All project Nigeria's-160m, Ghana-26m
- **Energy IPP Firms:** Tap Africa's natural resources to close supply gap.
- **The Funding Gap:** Develop new models for female, mortgage, & entrepreneur loans
- Fastrack access to energy affordability

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The New Middle Class: Bridging Disparities

Questions ?



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