

**Questionnaire**

The following rating scale is used

- SA** -Strongly Agree
- A** -Agree
- U** -Unsure
- D** -Disagree
- SD** - Strongly Disagree

**NB**-Please first read through all the statements thoroughly and then answer by an **X** to indicate your choice.

*The part in the shaded section and in italics is not the question and please do not answer against it. It is the meaning or guidance to the questions that follow to avoid confusion on the meanings of certain terms.*

<b>Active market</b>							
<b>Meaning and guidance</b>	<i>An active market is defined as a market where willing buyers and willing sellers are easily found at any time and prices are easily and readily available to the public.</i>						
		<b>SA</b>	<b>A</b>	<b>U</b>	<b>D</b>	<b>SD</b>	<b>TOTAL</b>
<b>Question 1(a)</b>	The Mozambique Stock Exchange is not an active market for ordinary shares, government bonds and corporate bonds.	10	9	1			20
		50%	45%	5%			
<b>Question 1(b)</b>	Ordinary shares of Cervejas de Mozambique are not actively traded on the Mozambique Stock Exchange.	5	6	6	2	1	20
		25%	30%	30%	10%	5%	
<b>Underdeveloped Stock Exchange</b>							
<b>Meaning and guidance</b>	<i>An underdeveloped stock exchange is one that can be considered to be still in its early stages of development. It has not reached maturity comparable to e.g. The New York stock Exchange.</i>						
		<b>SA</b>	<b>A</b>	<b>U</b>	<b>D</b>	<b>SD</b>	
<b>Question 2</b>	The Mozambique Stock Exchange is underdeveloped and it is not possible to obtain reliable fair values of bonds and equity shares from the Mozambique Stock Exchange.	15	4	1			20
		75%	20%	5%			
<b>Secondary market</b>							
<b>Meaning and guidance</b>	<i>The secondary market for financial instruments refers to the informal market where private companies and individuals conduct trade in particular types of financial instruments. The activities are not as regulated as those of the formal stock exchange.</i>						
		<b>SA</b>	<b>A</b>	<b>U</b>	<b>D</b>	<b>SD</b>	
<b>Question 3</b>	Secondary market trade in treasury bills in Mozambique is very thin. This means that it is not easy to find willing buyers and sellers of financial instruments in the secondary market at any time.	10	6	1	2	1	20
		50%	30%	5%	10%	5%	
<b>Credit rating agencies</b>							
<b>Meaning and guidance</b>	<i>In developed capital markets such as the US and the UK, credit rating agencies (such as Standard and Poor and Moody's and Fitch) assess and rate the credit risk or default risk of companies. Their ratings are publicly available and the ratings are used</i>						
		<b>SA</b>	<b>A</b>	<b>U</b>	<b>D</b>	<b>SD</b>	
<b>Question 4(a)</b>	Credit rating agencies are an important element of an effective capital market system for the assessment of the credit risk or default risk of companies.	9	11				20
		45%	55%				
<b>Question 4(b)</b>	There are no credible and reliable credit rating agencies in Mozambique.	14	4	1	1		20
		70%	20%	5%	5%		
<b>Question 4(c)</b>	The absence of credible and reliable credit rating agencies in Mozambique makes it difficult to value bond issues that are issued by companies in the economy.	6	7	4	3		20
		30%	35%	20%	15%		