

Cable's wireless ambitions...one step closer

By [Jonathan Chaplin](#) | September 14, 2019

We have been arguing for a couple of years that investors have the 5G threat backwards. The opportunity for wireless carriers in the fixed broadband market is small and the threat to Cable often exaggerated. However, the opportunity for Cable companies entering wireless is much greater, and it is largely ignored by investors as an opportunity for Cable or as a threat to the Wireless carriers (we touched on it in our tome on Cable's wireless economics [HERE](#) (now a little dated), and in a past global weekly review [HERE](#), and Blair has commented on it [HERE](#)).

We have focused on this theme less in the last year because wireless subscriber growth had been slower than we expected for Cable, and the thesis wasn't likely to get much traction until they picked up the pace. We even pulled the value of the wireless opportunity out of our price targets for Comcast (worth \$5) and Charter (worth \$98). We had never included it in our valuation for Altice because they hadn't announced a strategy when we were focused on the issue, but a successful Wireless MVNO would be worth at least \$3 for them (we have a detailed wireless model for each of them; let us know if you need them).

We noticed something in the new iPhone that renewed our excitement. It could pave the way for Cable to move beyond the MVNO, with a much better wireless product, and much better wireless economics.

[\(more...\)](#)

Full 12-month historical recommendation changes are available on request

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