

Market Information

British consultancy Oxford Economics predicts growth in the Angolan economy of around 2.2%, supported by increased crude oil production, higher oil revenues, better conditions for investments in oil refining and mining exploration and renewable energy infrastructures. According to the institution, oil production should also benefit from the addition of some new wells at the end of this year and Angola's exit from the Organization of Petroleum Exporting Countries. Meanwhile, despite the positive news from the oil sector, the continued growth in inflation represents one of the main risks to economic growth, according to the institution.

This Monday, the Angolan central bank made USD 200 million available to commercial banks through the Bloomberg platform, an amount that should help eliminate part of the outstanding foreign exchange needs at this point. This is an exceptional intervention by the central bank, which has not sold foreign exchange directly in the recent past. On the Treasury's part, sales have not been frequent: there was one sale last Friday, and only one sale in April, for example. In this sense, the parallel market has once again moved slightly away from the official market, to close to 30% at the moment, compared to 24% in the 2nd half of April. Future developments are still uncertain and will depend on more frequent sales by the Ministry of Finance, which appears to be a possibility but has not yet been confirmed. Considering this intervention by the BNA in the foreign exchange market, it is expected that interest rates in the money market will begin to react, tightening liquidity in Kwanzas: Luibor Overnight ended the week trading close to 21.1%, -77bps compared to the beginning of the week, but it could rise this week. In the remaining maturities, there were also significant drops - Luibor at 1 month, 6 months and 12 months fell by 188bps, 298bps and 445bps, respectively.

Bodiva markets traded a total of 353 Billion (B) in April, 128 B more compared to the previous month. Business volume in a bilateral environment, which represents more than 80% of the entire market, grew by 75% mom, to the highest value since the peaks recorded in January. The BNA, on behalf of MinFin, has been showing a relevant participation, with the Treasury continuing to finance itself, in part, in the secondary market, complementing issuances in the primary market, where the Treasury is trying to lower rates among investors.

International reserves ended the month of April valued at USD 14.5 B, 186 million more compared to the previous month. These reserves cover approximately 7 months of imports of goods and services.

Macroeconomic Forecasts

Indicator	2023*	2024**	2025**
GDP change (%)	0.9	2.1	3.2
Average Inflation (%)	13.6	21.7	15.7
Current Account (% GDP)	4.5	7.9	8.1

*INE; BFA **Forecast

Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	B-	Stable	26/06/2023
Moody's	B3	Positive	20/10/2022
Standard & Poor's	B-	Stable	04/02/2022

Monetary and Forex data*

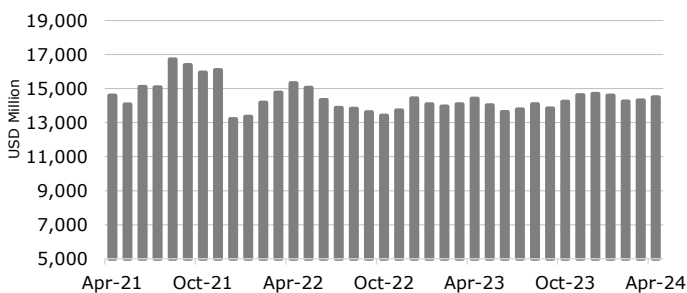
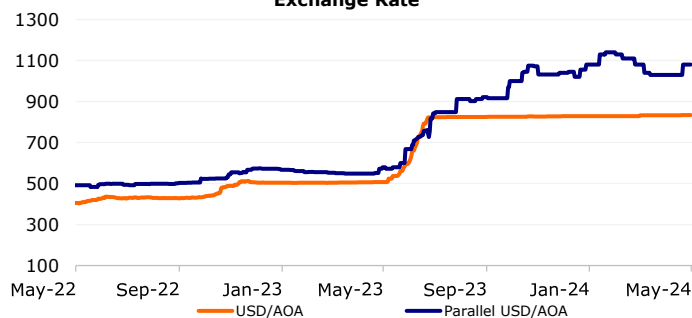
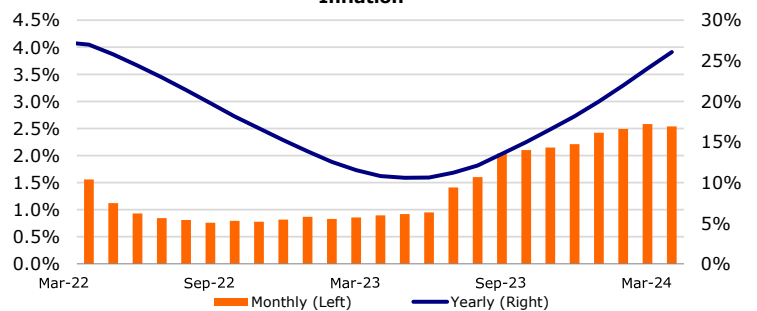
	03/05/2024	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	21.10%	-0.76%	16.56%	12.40%
USD/AOA	834.1	0.00%	0.63%	64.38%
AOA/USD	0.00120	0.00%	-0.63%	-39.16%
EUR/AOA	899.0	0.60%	-1.85%	60.48%
EUR/USD	1.076	0.64%	-2.52%	-2.28%
USD/ZAR	18.51	-1.59%	0.81%	1.22%

*Change of USD/AOA (or EUR/AOA) shows the appreciation of the USD (or EUR) against the Kwanzas; the change of AOA/USD shows the appreciation/depreciation of the Kwanzas against the USD.

Weekly domestic debt securities auctions

Term	Yield	Offer	Demand	Allocated
OT AOA (10 years)	23.0%	10,000	5,597	5,597

BT are treasury Bills, OT are Treasury Bonds; Note: amounts (except for yield) are in million Kwanzas. OT USD (Dollar Treasury Bonds) are shown in million Dollars

International Reserves

Exchange Rate

Inflation

Oil Price (Brent) and Eurobond Yield 2025
