

## Market Information

**According to the Finance Ministry, diamond exports amounted to 620.5 thousand carats in January, the lowest value since March 2015.** The volume exported dropped 22.3% mom, being 133.5k carats below the official forecast for average exports in 2018. On the other hand, the price of USD 136.2 per carat (+20.1% yoy) was the second highest since Oct. 2016, enabling dollar revenue to rise 16.1% yoy. Surprisingly, Government revenue (tax + royalties) stood 40.7% below January 2017, in spite of both the increased dollar revenue and the Kwana depreciation (which should on its own lead to a growth of revenue in local currency).

**Net international reserves fell again, towards USD 12.838 million.** Still, the monthly drop in Jan-Feb kept under USD 300 million, significantly less than the average fall of USD 622 million in 2017 - possibly already as a consequence of the depreciation. The central bank governor said in an interview to "O País" that depreciation "should decrease in intensity [in the future]", when the effects of both a more restrictive monetary policy and greater predictability of forex availability are felt.

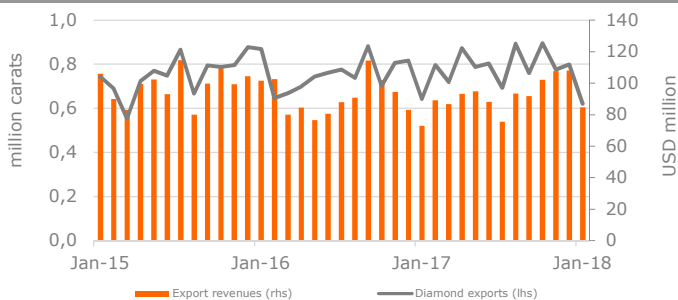
**While still below the average of the series, the Economic Climate Index rose from -17 to -15 in the last quarter of 2017.** Looking at each sector's confidence index, almost all of them showed year-on-year improvements in the quarter, with the exception of the extractive and the manufacturing sectors.

**Angola began issuing treasury bills this year; moreover, there is now a new maturity for treasury bonds (1 year and a half), and a new debt instrument, bonds which are linked to the average interest rate of 1 year treasury bills.**

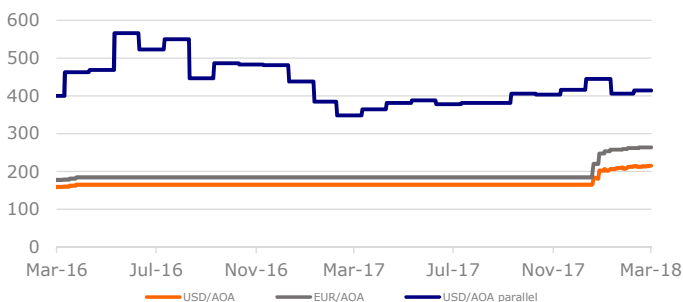
**Charges were pressed against both current and former holders of public office in corruption investigations.** Among others, the former central bank governor, the military head of the armed forces and the former president of the Angolan Sovereign Fund (which is also the son of the previous President, José Eduardo dos Santos).

**Brent oil was valued near USD 70 in the end of this week, having been above that level for various days.**

## Diamond exports



## Exchange rate (official and parallel)



## Macroeconomic Forecasts

Indicator	2017*	2018**	2019**
GDP change (%)	1,1	1,8	2,3
Inflation (%)	31,7	28,0	14,8
Current Account (% GDP)	-4,8	-3,5	-2,1

\*GDP: Finance Ministry estimate; Inflation: INE; Current Account Balance: IMF estimate  
\*\* Average of forecasts from Bloomberg

## Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	B	Stable	23/09/16
Moody's	B2	Negative	07/02/18
Standard & Poor's	B-	Stable	08/11/17

## Monetary and ForEx data

	29/03/18	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	20,10%	0,01	3,70	-3,57
USD/AOA*	214,12	0,50%	-22,51%	-22,52%
EUR/AOA*	264,38	0,00%	-29,87%	-29,88%
EUR/USD	1,23	0,07%	2,55%	14,35%
USD/ZAR	11,79	0,52%	5,02%	10,61%

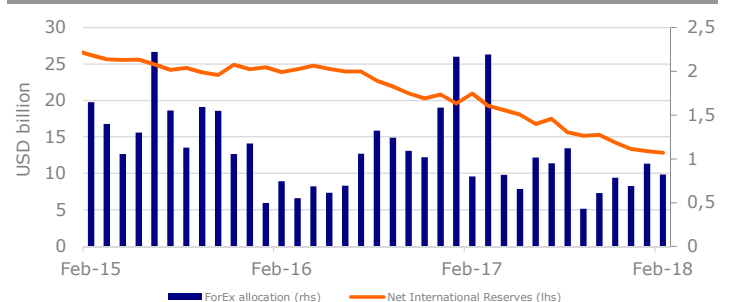
\* USD/AOA, EUR/AOA and USD/ZAR change is calculated inversely in order to directly evaluate the appreciation/depreciation of the Kwana/Rand relative to the other currency

## Weekly auctions of Treasury bonds and bills

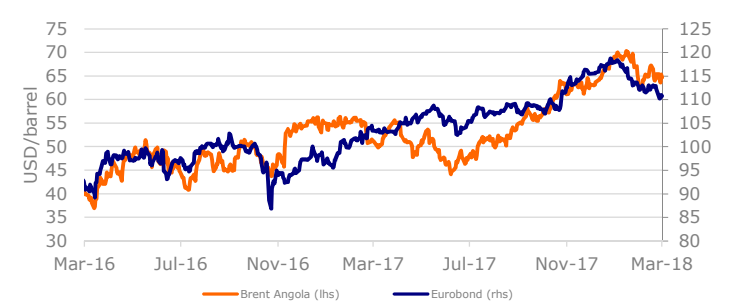
Maturity	Rate	Supply	Demand	Allocated
BT (182 days)	20,49%	12.781	12.781	12.781
BT (364 days)	23,87%	12.000	10.026	7.526
OT (1.5 years)	24,00%	12.000	12.000	12.000
OT (3 years)**	24,82%	10.000	10.000	10.000
OT (3 years)**	24,82%	7.500	100	100

BT are treasury bills, OT are treasury bonds; Note: amounts (except for the rate) are in million Kwana.  
\* Bond linked to the exchange rate \*\* Bond linked to treasury bills

## Net International Reserves and forex allocation



## Oil price (Brent Angola) and Eurobond 2025 price



Sources: Bloomberg, BNA, INE, Finance Ministry