

Market Information

According to MinFin, the government collected non-oil tax revenues of around AOA 1.14 trillion between January and July this year, a 27.2% increase compared to 2018; this was a better-than-expected performance as the Revised State Budget envisaged growth of 17.9% compared to 2018. More than 3/4 of the increase in non-oil revenue was due to higher collection of corporate tax (+55% yoy) and income tax (+40% yoy). On the other hand, there was an 8% yoy decrease in the consumption tax revenue. Corporate tax, income tax and consumption tax are the main sources of non-oil tax revenue, representing over 63% of its total.

Maurel & Prom has announced the completion of the acquisition of 20% of two offshore oil blocks from Angola Japan Oil Company. They announced the deal in October 2018 with the initial payment of USD 80 million plus USD 35 million paid on completion. The National Oil and Gas Agency (ANPG), Sonangol and Chevron have announced a partnership for the study and technical evaluation of Block 33 in the Congo Basin offshore. In the past, Exxon-Mobil has studied this Block, having given up exploration and retreated from its role as operator; other shareholders in the Block include Sonangol, Total, Falcon and Galp. According to Reuters, Dalia and Girassol oil exports (both from Block 17, operated by Total) are being offered in the market at rising premiums, reaching USD 3 above Brent. The referred oil will be favoured by the IMO 2020 rules, which will come into force in January, restricting the sulfur content of the oil to be transported, as they are "sweet" (less than 0.5% sulfur) and "heavy" (denser). In the international market, Brent closed the week at USD 59.9, the highest since early August.

In the foreign exchange market, the Kwanza kept relatively stable versus other currencies. Against the US Dollar, there was a slight appreciation of AOA 0.015 and against the Euro a 0.26% depreciation (as a result of the EUR/USD depreciation). In the parallel market, the USD/AOA exchange rate maintained the 40.9% exchange rate difference between the markets.

Work visas for foreign investors will be issued within a maximum of 15 days by the Agency for Private Investment and Export Promotion (AIPEX). This new procedure will take effect from September onwards and is part of one of the measures of the Export Diversification and Import Substitution Program (PRODESI).

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Indicator	2018*	2019**	2020**
GDP change (%)	-1.2	0.3	2.0
Average Inflation (%)	19.6	17.0	15
Current Account (% GDP)	7.0	0.8	-0.3

*GDP - IMF forecast; Inflation - INE; Current Account - BNA with BFA calc.
** Average of forecasts from Bloomberg

Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	B	Negative	12/07/19
Moody's	B3	Stable	27/04/18
Standard & Poor's	B-	Negative	08/02/19

Monetary and ForEx data*

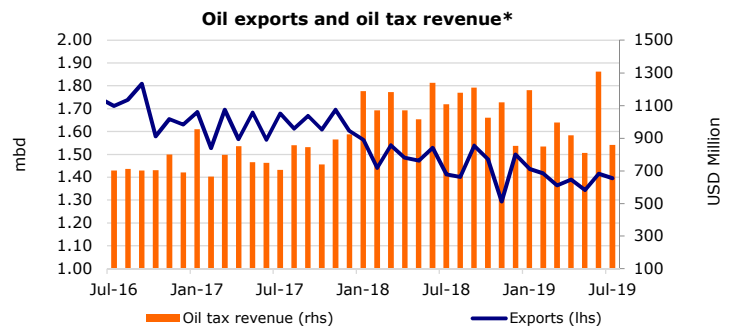
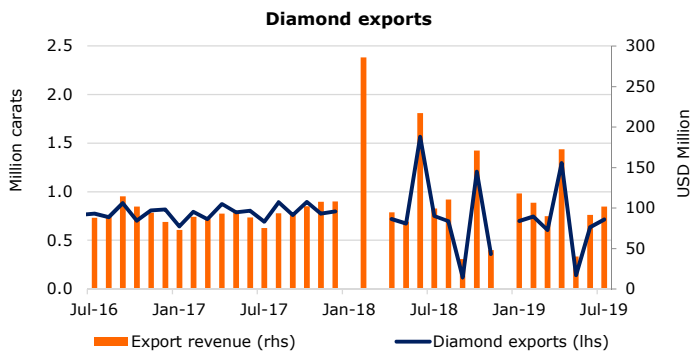
	23/08/19	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	13.50%	0.00	-3.25	-2.84
USD/AOA	362.0	0.00%	17.30%	34.58%
AOA/USD	0.00276	0.00%	-14.75%	-25.70%
EUR/AOA	400.1	-0.26%	13.34%	28.36%
EUR/USD	1.107	-0.20%	-3.48%	-4.09%
USD/ZAR	15.16	-0.97%	5.65%	5.22%

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

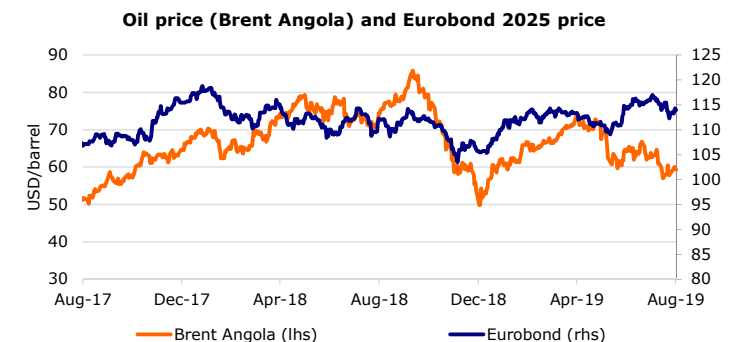
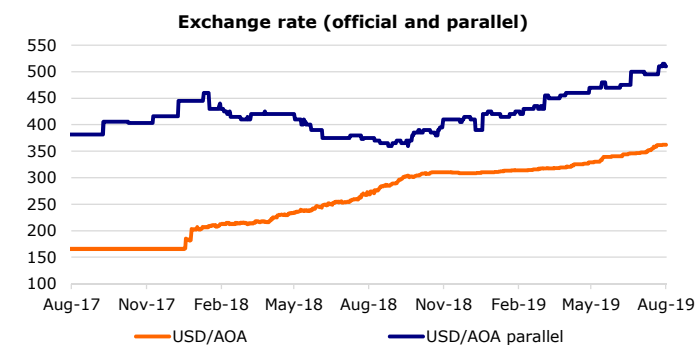
Auctions of Treasury bonds and bills last week

Maturity	Rate	Supply	Demand	Allocated
BT (1 year)	14.71%	27,183	15,868	15,868

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



*Including Sonangol revenue



Sources: Bloomberg, BNA, INE, Finance Ministry