

**Market Information**

According to data from the Angolan statistics office (INE), the unemployment rate in the Q4 2019 was 31.8%, 1.7 percentage points (pp) above the previous quarter. The sharpest increase was seen in the urban area (+2.6pp), to 42.6%; in the rural area, unemployment is significantly lower, having risen 0.5pp to 17.0% between October and December. Likewise, the number of employed people aged 15 or above decreased by 0.6% compared to the previous quarter.

Retail banks acquired a total of USD 279 million in forex from the Oil and Gas Sector, according to the Angolan central bank - in a total of 90 transactions. Between March and April, BNA expects to sell a total of USD 800M - which may suffer adjustments with the evolution of external accounts.

According to the Public Debt Management Unit (UGD), a total of 6.25 billion (Bn) of local currency debt was sold in February. Almost all issues (99%) corresponded to 91-day BT sales (AOA 6.21 Bn); the remainder was divided between AOA 28.6M BT at 364 days and AOA 4.4M OT NR at 1.5 years. In foreign currency, on the other hand, USD 25M were issued in Dollar-denominated bonds: 40% at 2 years, 30% at 3 years, 10% at 4 years and 20% at 5 years. In March, UGD expects to issue AOA 36Bn in Kwanzas and USD 20M in Dollar-denominated Bonds.

In the international market, the markets are experiencing an historical fall, caused by a tumble in oil prices: Brent is trading at values around USD 30. Negotiations between OPEC and Russia to achieve a further decrease in production quotas - in order to offset the drop in demand due to the impact of COVID-19 - failed. In response, the Saudi regime has said it will resume production without any volume restrictions, and is even making aggressive discounts on various grades, in order to pressure Russia to return to the negotiating table.

Fitch has lowered the rating for Angola to B- (positive outlook), reflecting the impact of lower oil production level and lower prices, together with a more significant than expected depreciation. The agency is particularly concerned about the impact of the weaker Kwanza on public debt. It also said that "solid" progress in the reforms supported by the IMF is not being sufficient to stem the deterioration in public finances and external accounts. Fitch expects the Angolan economy to grow 1% in 2020, accelerating to 2.5% in 2021. The agency expects oil production to stabilize at 1.4mbd rate in 2020.

**Market Information**

Indicator	2019*	2020**	2021**
GDP change (%)	-0,6	0,9	1,8
Average Inflation (%)	17,5	19,9	14,6
Current Account (% GDP)	0,8	-0,5	-0,7

\*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-	Stable	09/03/20
Moody's	B3	Stable	27/04/18
Standard & Poor's	B-	Negative	08/02/19

**Monetary and ForEx data\***

	06/03/20	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LIUBOR O/N	19,25%	-0,94	-9,57	3,49
USD/AOA	491,9	-0,15%	2,00%	56,34%
AOA/USD	0,00203	0,15%	-1,96%	-36,04%
EUR/AOA	556,1	2,31%	2,83%	56,26%
EUR/USD	1,128	2,34%	0,63%	0,81%
USD/ZAR	15,68	0,12%	11,99%	8,10%

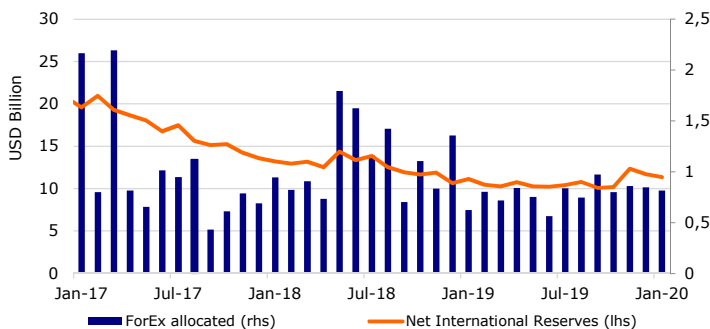
\*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

**Auctions of Treasury bonds and bills last week**

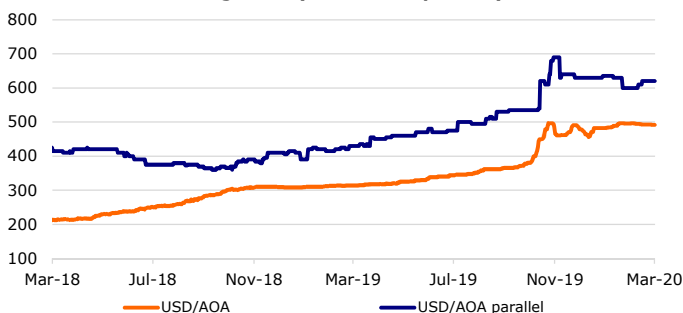
Maturity	Rate	Supply	Demand	Allocated
BT (3 months)	14,70%	8.000	900	900
BT ( 9 months)	16,50%	8.000	10	10
BT (12 months)	17,50%	8.000	9,3	9,3

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

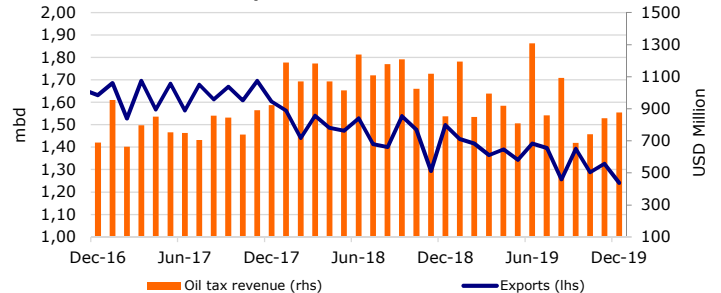
**ForEx allocation and International Reserves**



**Exchange rate (Official and parallel)**

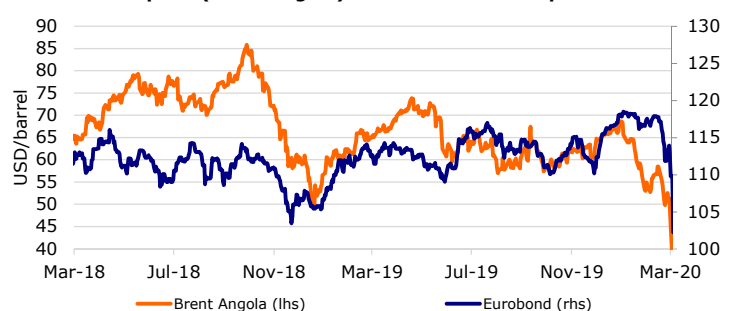


**Oil exports and oil tax revenue\***



\*Including Sonangol revenue

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



Sources: Bloomberg, BNA, INE, Finance Ministry, OPEC