

Market Information

Oil exports between January and September fell 4.6% yoy - on average, 1.31 million barrels per day (mbd) were exported compared to 1.38 in the same period last year. In September, exports totaled 1.26 mbd - an increase of 11% compared to August. Since the beginning of the year, Angolan crude has been sold at an average of USD 43.1 (USD 63.2 in the same period); tax revenue in the period was USD 15.5 MM, - 35.0% yoy. Production is expected to remain below 1.30mbd, due to OPEC's production quotas.

In the second quarter of the year, the current account showed a deficit of USD 1.3 billion (bn), with the balance showing a slight deficit (USD 66.8 million) in the first half of the year. In 2019, the balance showed a USD 1.9Bn surplus for the same period. On the export side, there was a 63.2% yoy decrease in sales of crude oil, as a result of the reduction in the export price and in the volume exported. With regard to non-oil exports, there was a decrease of 36.4% compared to the same period last year, which was essentially due to the 38.2% drop registered in the diamond sector. On the other hand, imports of goods fell 32.5% yoy to USD 2.11 bn: in particular, imports of consumer goods fell 37.3%, while purchases of intermediate goods and capital goods from abroad decreased. 21.6% and 24.0%, respectively. Service imports also declined significantly (-32.5% yoy). For the rest of the year, we now expect an improvement in performance, with the possibility of a current account surplus, albeit modest, not exceeding USD 1.0Bn, which would be equivalent to about 1.6% of GDP.

Last Wednesday, the Angolan central bank held the first forward foreign currency auction where USD 25 million were made available with effective settlement within 30 days. The auction was open to the participation of all commercial banks, under the same conditions applicable to current foreign currency auctions. **According to BNA data, in September, just over USD 389 million in foreign currency were made available to commercial banks (-59.9% yoy).**

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Indicator	2019*	2020**	2021**
GDP change (%)	-0.9	-4	0.9
Average Inflation (%)	17.2	22.6	20.0
Current Account (% GDP)	5.8	-6.6	-5.55

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

Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	CCC	-	04/09/20
Moody's	Caa1	Stable	08/09/20
Standard & Poor's	CCC+	Stable	26/03/20

Monetary and ForEx data*

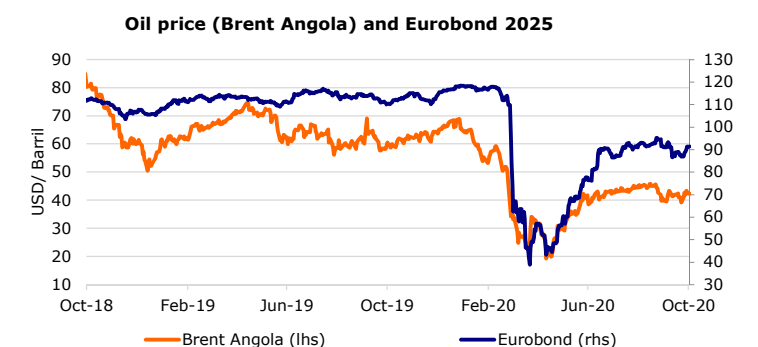
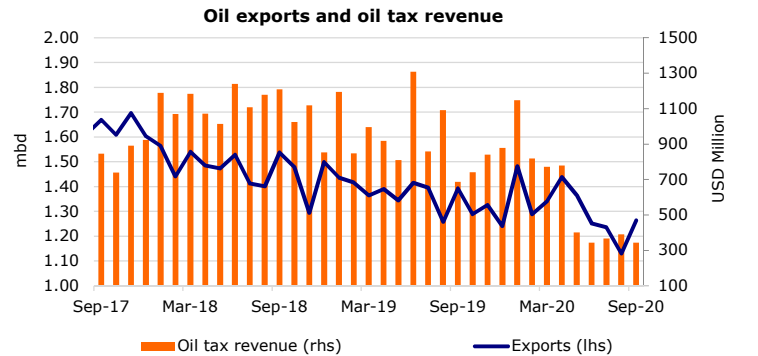
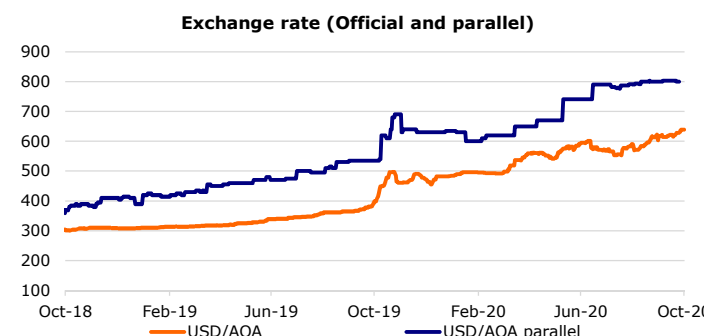
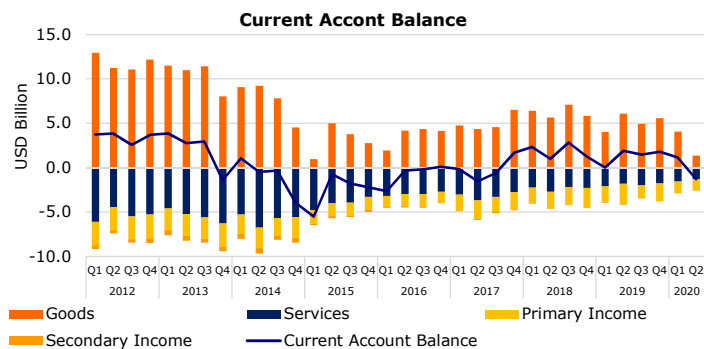
	09/10/20	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LIUBOR O/N	12.48%	-0.08	-16.34	-2.05
USD/AOA	639.3	1.85%	32.58%	63.06%
AOA/USD	0.00156	-1.82%	-24.57%	-38.67%
EUR/AOA	754.4	2.56%	39.49%	74.36%
EUR/USD	1.183	0.94%	5.47%	7.46%
USD/ZAR	16.47	-0.37%	17.63%	9.42%

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

Auctions of Treasury bonds and bills last week

Maturity	Rate	Supply	Demand	Allocated
BT (3 months)	17.1%	10,000	6,121	6,121
BT (6 months)	18.0%	7,600	21,821	21,821
BT (12 months)	19.0%	9,535	6,221	6,221
OT (2 years)	24.0%	15,000	1,287	1,287
OT (3 years)	24.3%	14,999	625	625
OT (4 years)	24.8%	15,000	284	284

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



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