

Market Information

Data from secondary sources used by OPEC point to a production of 1.17 mbd in the last month of 2020, bringing the average annual production in 2020 to 1.26 mbd - a drop of 9.9% compared to the average production in 2019. On the other hand, according to information published on the ANPG website, the country produced around 1.18 mbd in December, which brings the annual average to 1.28 mbd, very close to the data posted by OPEC. In the international market, Brent recovered value and reaches USD 57.42 in trading, last Friday, reflecting the market optimism regarding the inauguration of the new President of the United States, and the balanced supply resulting from OPEC+ positioning; Brent ended the day trading around USD 54.

The Sociedade Mineira de Catoca (SMC) is now held at 41% by Endiama (the Angolan diamond-producing SOE), following a purchase of 8.2% held by Odebrecht Angola, a deal valued at around USD 70 million. The Russian firm Alrosa purchased another 8.2%, now holding also 41%; the remaining 18% are held by the Chinese firm Leviev International.

In the foreign exchange market, the exchange rate has remained quite stable for the last 3 months, around USD/AOA 650. In the parallel market, the Kwanza appreciated slightly, averaging USD/AOA 785 last Friday, in the available sources online. Compared to the reference rate, the gap closed somewhat, now just above 20%; against the average sell rate by retail banks, the gap is now around 18%.

Last Monday, BNA revoked Banco Kwanza Investimento's banking license for insufficient regulatory capital funds. According to information in the press, the bank missed a January 15 deadline to mitigate the shortfall. The headquarters office, atm network and mobile banking will be fully operative until January 31, in order to allow clients to withdraw and transfer existing funds.

The State will start issuing debt securities in the domestic market this year as early as today, starting by offering T-Bills at 3, 6 and 12 months, and T-Bonds in Kwanzas at 18 months, 2, 3, 4 and 5 years. It will be worth observing the evolution of rates compared to last year, with BFA expecting a downward trend. In addition to these securities, T-Bonds denominated in Dollars will also be issued, with maturities of 2, 3, 4 and 5 years, with fixed rates of 3.7%, 4.5%, 5.2% and 5.9%, respectively. The first auction of these bonds will take place on Friday the 29th.

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Indicator	2019*	2020**	2021**
GDP change (%)	-5.6	1.6	5.3
Average Inflation (%)	22.3	19.4	19.4
Current Account (% GDP)	0.9	8.3	9.2

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

Sovereign Rating

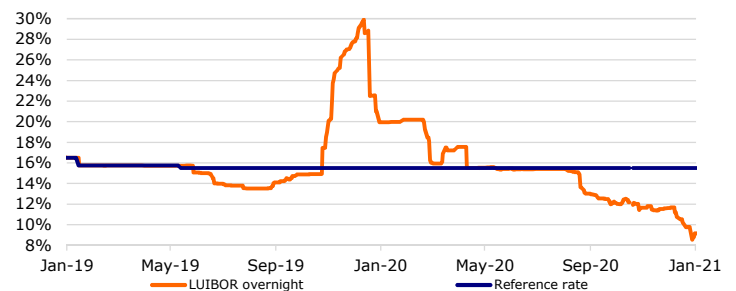
Rating Agency	Rating	Outlook	Last change
Fitch	CCC	-	04/09/20
Moody's	Caa1	Stable	08/09/20
Standard & Poor's	CCC+	Stable	26/03/20

Monetary and ForEx data*

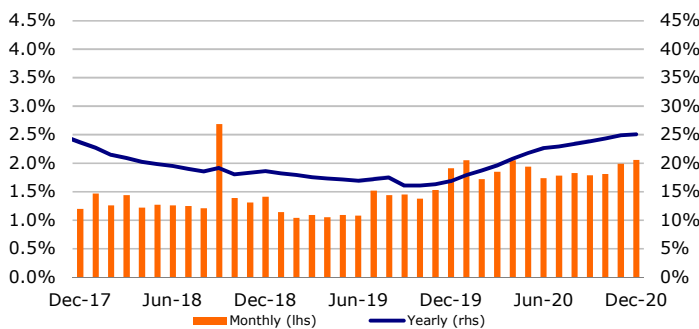
	22/01/21	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LIUBOR O/N	9.17%	0.63	-1.08	-10.77
USD/AOA	651.7	-0.12%	0.28%	31.25%
AOA/USD	0.00153	0.12%	-0.28%	-23.81%
EUR/AOA	793.8	0.35%	-0.37%	44.18%
EUR/USD	1.217	0.71%	-0.39%	10.07%
USD/ZAR	15.08	-0.97%	2.64%	4.74%

*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.

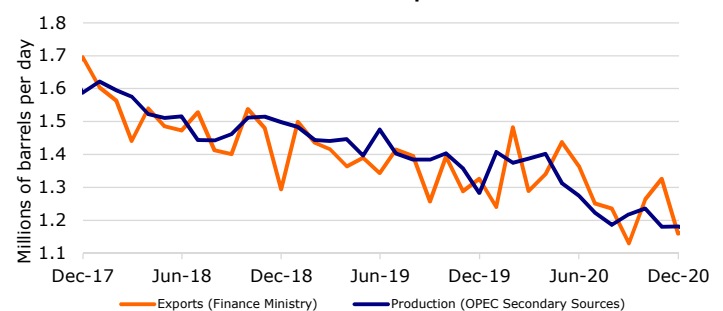
Reference rate and interbank rate



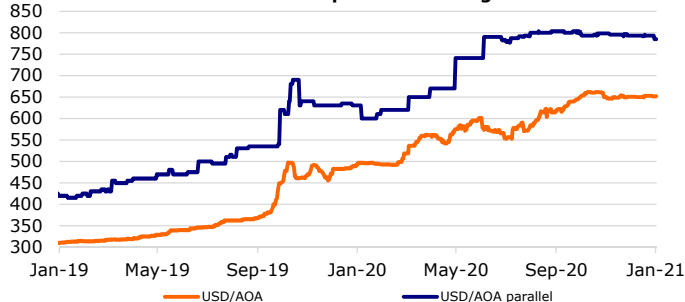
Inflation



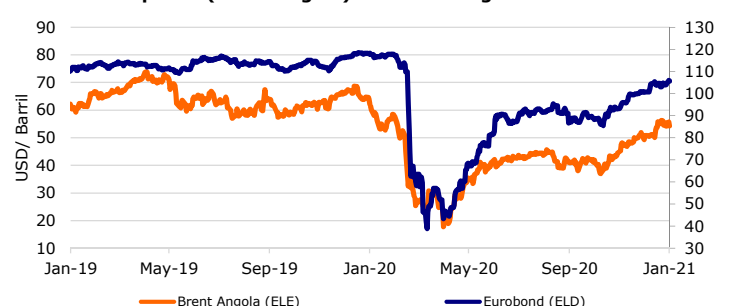
Oil Production and Exports



Official and parallel exchange rate



Oil prices (Brent Angola) and 2025 Angola Eurobond



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