

## Market Information

The Angolan economy grew 0.6% qoq in the last 3 months of 2020, declining by 5.4% when compared to Q4 2019. In 2020 as a whole, economic activity dropped 5.2%, the sharpest decline since the end of the conflict in 2002, in line with the dramatic effect of the pandemic on many other economies in the rest of the world. The oil economy saw its decrease accelerate, down 10.8% yoy in the last 3 months of 2020, 8.0% in the whole year. At the same time, the remaining non-oil GDP (a proxy for the growth of the non-oil sector) fell less sharply: -3.0% yoy, an improvement from 6.5% in Q3 and -8.2% in Q2. **The Construction sector tumbled again, by 41.5% yoy, with activity in the sector decreasing 29.4% during the year - in direct terms, this had more impact on the GDP than the oil sector downturn.** In the opposite direction, Retail grew 13.5% yoy, on the rise for the 3rd consecutive quarter. Finally, Agriculture was the only sector with year-on-year growth throughout the year: activity increased 7.5% yoy in the last quarter, having grown 4.4% during the year.

In Q1 2021, oil exports recorded a sharp decrease in volume, by around 18%, averaging around 1.13 million barrels per day (mbd) according to the Ministry of Finance, well below its own 1.22 mbd expectations for this year. On the other hand, prices were still down year-on-year from January through March, at about -10.5%: the average selling price was USD 55.5. As a result of these two factors, export revenues were still 26.8% down from the same period in 2020. Regarding tax collection, March was the 1st month in more than a year with tax revenue increasing year-on-year, in Dollars (+1.9% yoy). Notwithstanding, total tax revenues in the quarter amounted to USD 1.75Bn, 35.9% below Q1 2020. **Sonangol sold its stake in Puma Energy to Trafigura, a commodities trader, for USD 600 million, buying a series of company assets in Angola for the same amount, including 79 Pumangol service stations and a series of airport terminals.**

Annual inflation fell slightly, from 24.85% in February to 24.77% in March. In the province of Luanda, prices accelerated its rise, to 27.27% yoy, as food prices rose more sharply in the capital. **The Kwana depreciated again this week, 3.4% against the Dollar.** At the same time, the gap to the parallel market is around 9%, the lowest since March 2014. Using average sell rates from banks, the gap was 7.9% for the USD/AOA, and practically null in the EUR/AOA.

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Indicator	2020*	2021**	2022**
GDP change (%)	-5.4	3.4	6.5
Average Inflation (%)	22.3	19.8	19.8
Current Account (% GDP)	1.5	11.3	7.0

\*Inflation, GDP - INE; Current Account - BNA;  
\*\*BFA forecasts

## 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\*

	16/04/21	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	5.38%	0.00	-4.87	-12.16
USD/AOA	645.2	3.54%	-0.73%	14.71%
AOA/USD	0.00155	-3.42%	0.73%	-12.82%
EUR/AOA	772.8	4.32%	-3.00%	26.34%
EUR/USD	1.198	0.71%	-1.91%	10.54%
USD/ZAR	14.31	-2.06%	-2.62%	-24.20%

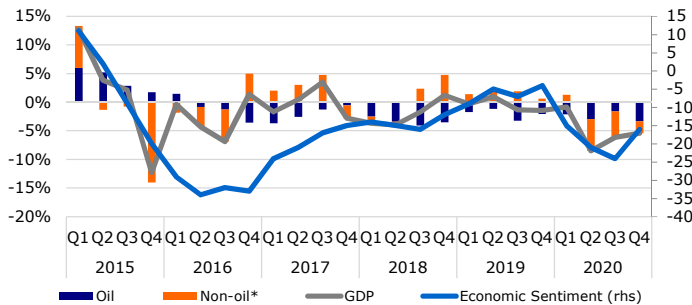
\*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwana; the change of AOA/USD shows the appreciation/depreciation of the Kwana against the USD.

## Auctions of Treasury bonds and bills last week

Maturity	Rate	Supply	Demand	Allocated
BT (12 months)	17.5%	8,500	14,500	8,500
BT (12 months)	16.8%	14,117	2,016	2,016
BT (12 months)	16.0%	12,102	18	2
OT 1.5 years	23.8%	11,436	5,000	5,000
OT 4 years	24.5%	13,189	3,430	3,430
OT 5 years	25.0%	16,342	2,000	2,000

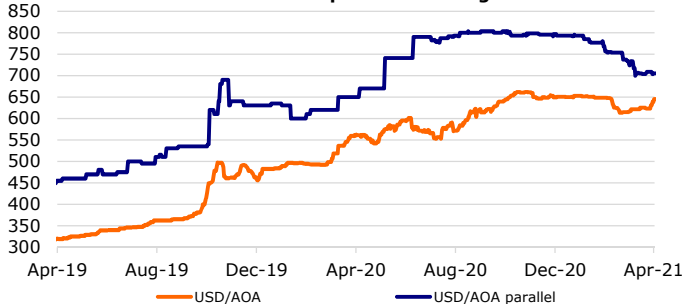
BT are treasury bills, OT are treasury bonds; Note: amounts (except for the rate) are in million Kwana. USD OT in million Dollars \* Bond linked to the exchange rate \*\* Bond linked to treasury bills

GDP yoy growth and economic sentiment

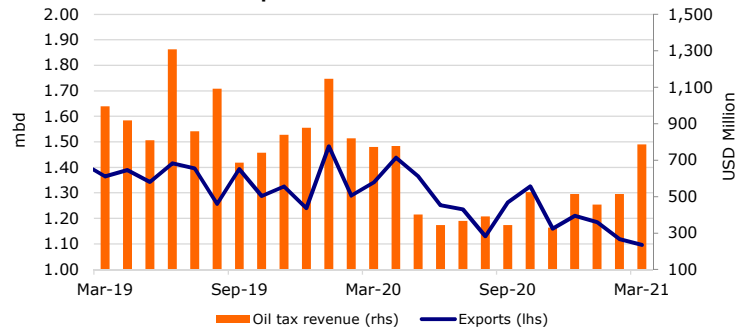


\*Statistical proxy

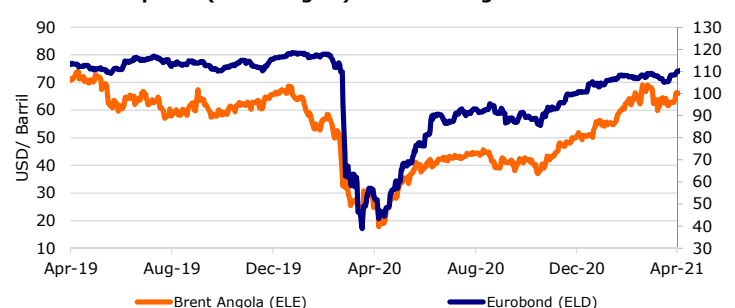
Official and parallel exchange rate



Oil exports and oil tax revenue



Oil prices (Brent Angola) and 2025 Angola Eurobond



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