

Angola Weekly | 02/08

Market Information

IGAPE started last Wednesday a cycle of meetings with international investors with the aim of promoting the State Privatization Program (Propriv). According to the first meeting held by videoconference, the Government plans to start the privatization process of 112 companies between 2021 and 2022; among the companies to be privatized are Angola Cables, Nova Cimangola, TV Cabo and Biocom. Additionally, the institution informed that it intends to start the process of selling 30 manufacturing units located in the Special Economic Zone (ZEE) in the coming days. **The deadline for submitting applications to participate in the privatization process for 51% of the capital of the insurance company ENSA was extended to September 6, 2021.** According to the press release, this extension aims to encourage the participation of the greatest number of candidates to ensure a healthy environment and free competition between all participants. **Last week, the President of the Republic approved the entry of 5 companies from the CIF and Cochán group into the 2019-2022 Privatization Program.** In accordance with the Presidential Decree 182/21, the DAMER graphic, CIF Cement, CIF Logística, CIF Lowendo Cervejas and CIF SGS Automóveis were added; these companies were retrieved by the State under an investigation process in October 2020.

The Angolan Central Bank (BNA) revoked last week the license of eight non-banking financial institutions. According to the BNA, this decision was taken due to the inadequacy of the share capital and regulatory own funds to the established minimum and due to inactivity for a period exceeding 6 months; moreover, the BNA acknowledged the expiry of the license of the microcredit company Mão Solidária, as it did not start operating within the established period.

The National Institute of Statistics (INE) plans to register around six thousand companies in the agricultural and aquaculture sector in the last phase of the Agricultural and Fisheries Census. This project is worth USD 25 million and was financed by the World Bank, it started in March this year, and is expected to be completed next year.

President João Lourenço approved an additional AOA 87.9 billion (Bn) credit in the 2021 State Budget - USD 138 million - in favor of the Ministry of Transport. According to Presidential Decree 180/21 of 20 July, this credit intends to cover the expenses of projects under the Public Investment Program of the Budget Unit - Ministry of Transport. It is the first additional credit to the 2021 OGE made by the President and raises to AOA 8948 Bn - USD 14.0 Bn - the total amount of expenses accounted for this year.

Market Information

Indicator	2020*	2021**	2022**
GDP change (%)	-5,4	2,9	7,3
Average Inflation (%)	22,3	22,5	22,5
Current Account (% GDP)	1,5	9,1	6,0

*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*

	30/07/21	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	16,82%	0,11	6,57	1,42
USD/AOA	638,6	-0,19%	-1,74%	11,65%
AOA/USD	0,00157	0,19%	1,77%	-10,44%
EUR/AOA	759,9	0,94%	-4,63%	16,41%
EUR/USD	1,187	0,84%	-2,83%	0,19%
USD/ZAR	14,60	-1,67%	-0,63%	-12,90%

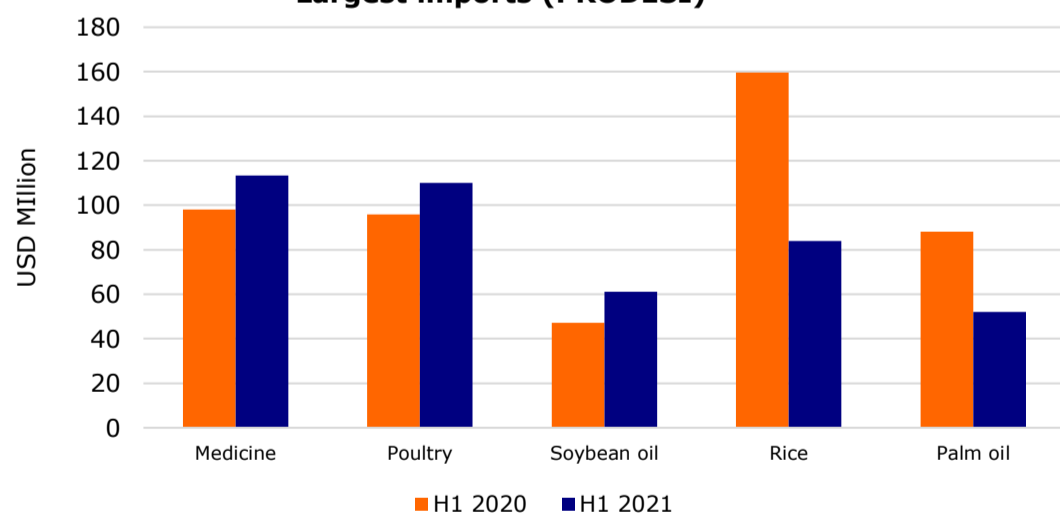
*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

Auctions of Treasury bonds and bills last week

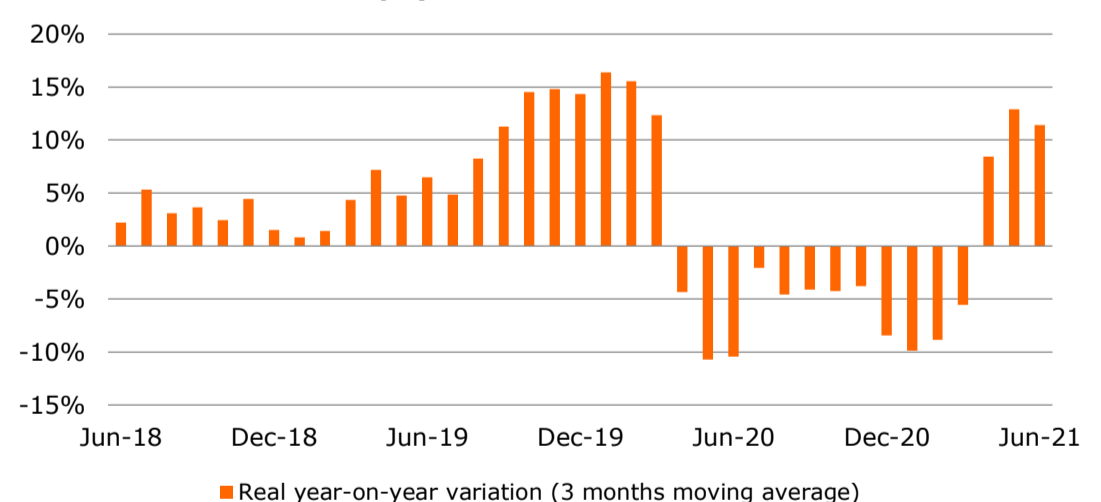
Maturity	Rate	Supply	Demand	Allocated
BT (12 months)	17,5%	13.281	117	117
OT 2 years	24,5%	10.000	2.500	2.500

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

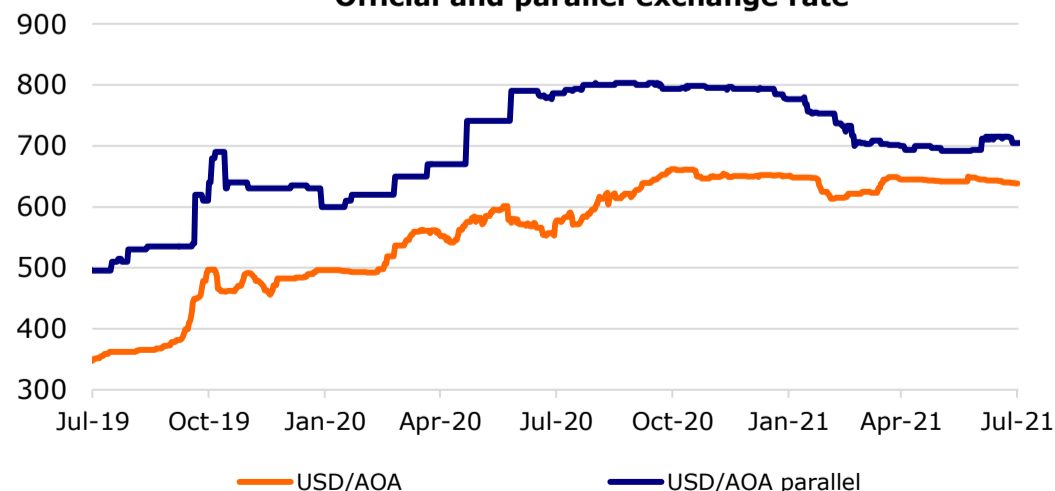
Largest imports (PRODESI)



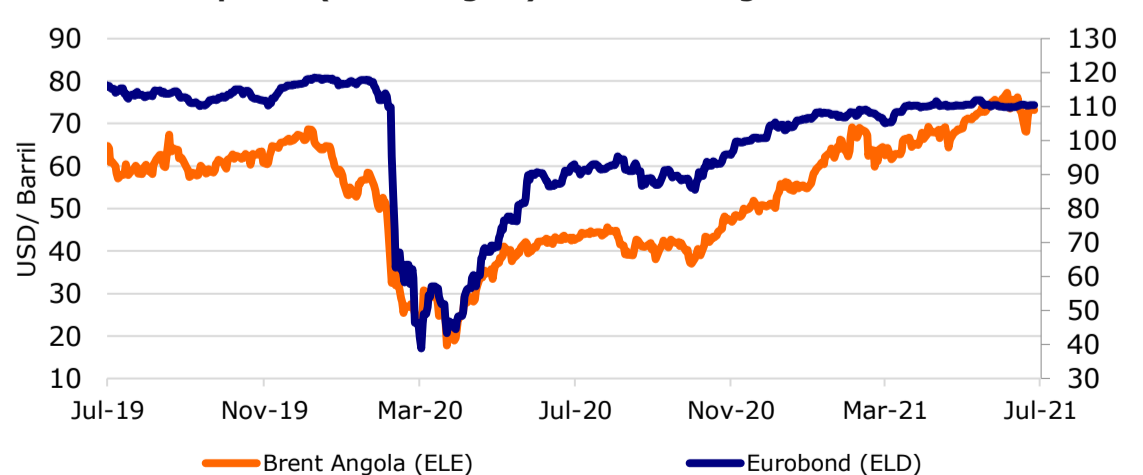
POS payments + withdrawals



Official and parallel exchange rate



Oil prices (Brent Angola) and 2025 Angola Eurobond



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