

Market Information

Total revenue collected by the State in Q2 2021 recorded a year-on-year growth of 42% , from AOA 2.3 trillion (Tn) to AOA 3.2Tn. According to the Q2 2021 Budget Execution Report, the increase was mainly due to the year-on-year increase of AOA 1.3Tn (+53%) in oil revenues. The sum of the total revenues collected in the first half of the year represent more than 80% of what was foreseen in the 2021 State Budget (AOA 7,922.3 billion). **On the Expense side, there was a slight variation of +6% yoy in Q2 2021, mainly due to the combined increase in the Goods and Services items of 172% and 97%, respectively.** The total expenses for the first half of 2021 represent about 65% of the expenses foreseen in the 2021 State Budget. Q2 2021 closed with a surplus of AOA 0.10 billion (Bn). Regarding the first semester, the State registered a surplus of AOA 729.4Bn (representing about 127% of what was estimated for the whole year in the 2021 State Budget); this was essentially due to the increase in the average price of oil, which was above what was forecasted in the State Budget (USD 68.5 vs USD 39.0).

Last Thursday, the Secretary of State for Planning, Milton Reis, announced that the IMF is preparing the sixth and final assessment of the extended arrangement under the Extended Fund Facility Program. The Government expects for the last IMF Review to receive a disbursement of USD 773 million, which will bring the total amount of the Program slightly above USD 4.5 Bn.

In the foreign exchange market, last week was marked by a 1.2% appreciation of the Kwanza against the Dollar and 1.6% against the Euro, having closed the week at USD/AOA 625.3 and EUR/AOA 739.7. Since the beginning of the year, the Angolan currency has gained around 3.9% against the Dollar and 7.7% against the Euro. On the parallel market, the Dollar is trading at AOA 709.2; the gap with the parallel market widened to around 13.4%, but the gap is smaller when compared to the sale rates of commercial banks.

Last week, the President of Angola authorized the acquisition of 10 million doses of the Sinopharm vaccine, as well as logistics and equipment services worth USD 80 million. The Government received this weekend about 500,000 doses of this vaccine.

The Angola Oil & Gas Conference was held in Luanda on the past 9th and 10th of September, with the Angolan government expressing its intention to proceed with an Initial Public Offering of 30% of the capital of the Angolan state oil company. According to Sonangol's CEO, Sebastião Gaspar Martins, the process could yield between EUR 5 and 7 Bn to the State's coffers. According to their Annual Report, the company recorded a negative net result of USD 3Bn in 2020, as a result of the reduction in revenues from sales of crude oil and the high degree of impairments.

Market Information

Indicator	2020*	2021**	2022**
GDP change (%)	-5,4	2,1	4,8
Average Inflation (%)	22,3	24,3	24,3
Current Account (% GDP)	1,5	9,3	5,8

*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*

	10/09/21	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LIUBOR O/N	17,17%	0,03	6,92	3,84
USD/AOA	625,3	-1,22%	-3,79%	3,62%
AOA/USD	0,00160	1,23%	3,94%	-3,50%
EUR/AOA	739,7	-1,58%	-7,15%	1,55%
EUR/USD	1,183	-0,40%	-3,14%	0,15%
USD/ZAR	14,13	-1,29%	-3,86%	-16,44%

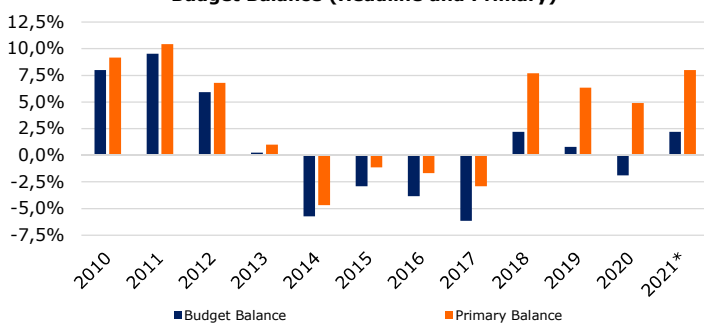
*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

Auctions of Treasury bonds and bills last week

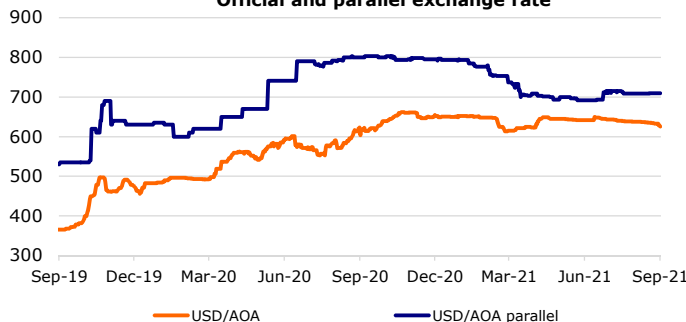
Maturity	Rate	Supply	Demand	Allocated
BT (12 months)	17,5%	9.870	852	852
OT 1.5 years	23,8%	9.956	11	11
OT USD (2 years)	3,7%	1,0	0,1	0,1
OT USD (3 years)	4,5%	1,0	1,6	1,6
OT USD (4 years)	5,2%	1,0	0,2	0,2

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

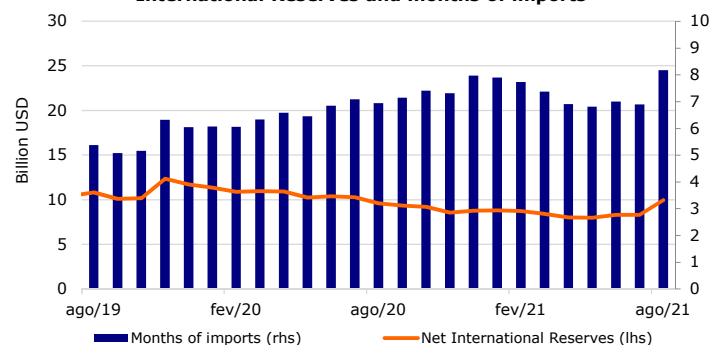
Budget Balance (Headline and Primary)



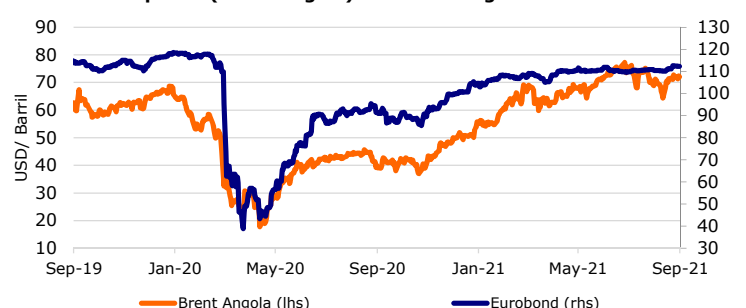
Official and parallel exchange rate



International Reserves and months of imports



Oil prices (Brent Angola) and 2025 Angola Eurobond



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