

Market Information

Between January and September 2021, Angola's oil exports recorded an average of 1.12 million barrels per day (mbd), a drop of 14.2% compared to the same period of the previous year. According to the Ministry of Finance data, 1.06 mbd were exported in September, a drop of 15.8% yoy and the lowest value since the beginning of the statistical series (January 2011). In the first three quarters of the year, the average export price stood at USD 63.3 (+47.6% yoy). In relation to export earnings, oil yielded USD 19.5 billion (Bn) during the period, recording a year-on-year increase of 25.4%. On the fiscal revenue side, the Angolan State collected around USD 6.6Bn (+22.3% yoy) during the period. **According to data collected independently by OPEC, Angola produced around 1.13 mbd in September (-8.3% yoy);** compared to August, this is a slight increase of 1.5%. In the first 9 months of the year, Angolan average oil production stood at 1.12 mbd, a drop of 13.4% yoy. On the other hand, in the monthly report on the oil market, the cartel estimates that world demand for oil in 2021 will be at 96.6 mbd (+5.8 mbd than 2020); for 2022, OPEC expects demand to be around 100.76 mbd. **On the international markets, Brent rose about 2.8% in the last week, and is now trading around USD 84.7;** the highest value in the last three years.

Angola annual inflation rose to 26.6% in September, registering the 6th consecutive month of increase and the highest value since July 2017. According to data from INE, between August and September, prices increased by 2.18%, driven in particular by Food and non-alcoholic beverages, which recorded a monthly variation of 2.59%. In the capital Luanda, year-on-year inflation reached 30.2%, with a monthly price variation of 2.34%. This increase is mainly due to food and non-alcoholic beverages (+2.65%), alcoholic beverages (+2.59%) and Goods and services (+2.33%). **At the Monetary Policy Committee held at the end of September, BNA revised upwards its year-end inflation expectations to 27%;** for this to be possible, the average monthly variation in prices should be around 2.09% in the last quarter of the year.

The International Monetary Fund (IMF) forecasts a 0.66% contraction of the Angolan economy in 2021. According to the World Economy Outlook report published last week, the Fund predicts that government debt at the end of the year will be around 104 % of GDP (vs. 137% of GDP in 2020) and that the current account will have a positive balance of 7.3% of GDP (vs. 1.5% of GDP in 2020).

Market Information

Indicator	2020*	2021**	2022**
GDP change (%)	-5.4	1.3	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	B3	Stable	13/09/21
Standard & Poor's	CCC+	Stable	26/03/20

Monetary and ForEx data*

	15/10/21	7 days (p.p./%)	Change	
			YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	17.42%	0.10	7.17	4.94
USD/AOA	597.7	-0.12%	-8.03%	-6.93%
AOA/USD	0.00167	0.12%	8.74%	7.44%
EUR/AOA	693.7	0.28%	-12.94%	-7.73%
EUR/USD	1.160	0.28%	-5.03%	-0.91%
USD/ZAR	14.60	-2.18%	-0.62%	-12.26%

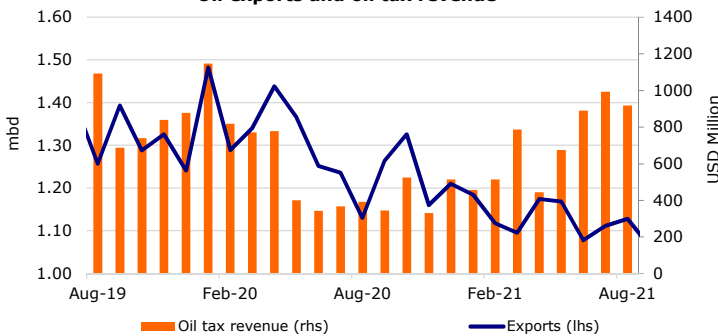
*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanzas; the change of AOA/USD shows the appreciation/depreciation of the Kwanzas against the USD.

Auctions of Treasury bonds and bills last week

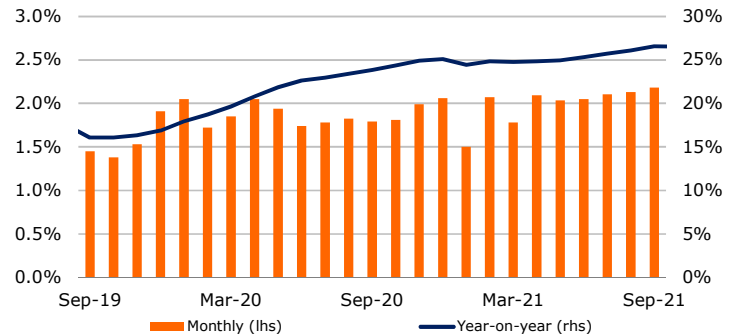
Maturity	Rate	Supply	Demand	Allocated
BT (12 months)	17.5%	10,000	5,917	5,917
OT 1.5 years	23.8%	5,000	1,679	1,679
OT 2 years	24.7%	5,000	3,695	3,695
OT 3 years	24.7%	4,000	2,980	2,980
OT 5 years	25.0%	5,000	3,590	3,590
OT USD 2 years	3.7%	1.00	0.25	0.25

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

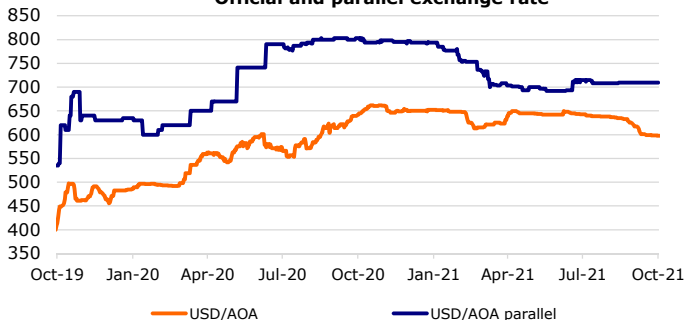
Oil exports and oil tax revenue



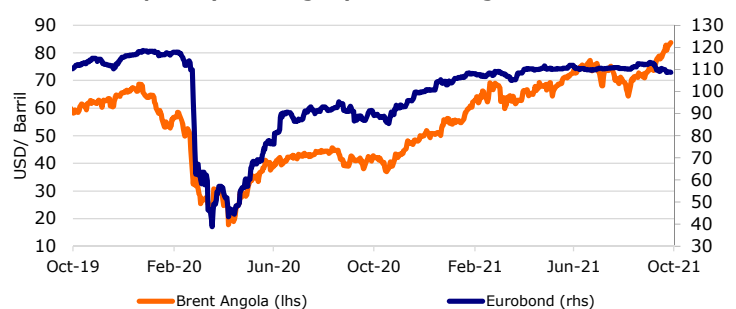
Inflation



Official and parallel exchange rate



Oil prices (Brent Angola) and 2025 Angola Eurobond



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