

Market Information

The Angolan economy is timidly gaining some vitality, with industrial production posting an improvement in Q2 2021 of around 3.0% yoy. Based on the Q2 2021 Industrial Production Survey published by INE, this variation was mainly due to the 20.7% growth in manufacturing industries, reaching around AOA 229.2 billion (Bn) against AOA 189.8Bn in the same period last year, while the Extractive Industry declined by around 3.5% yoy. The segments that registered the most expressive growth were the textile, clothing and footwear industry, which stood at AOA 228.5Bn against AOA 170.7Bn (+33.9% yoy) and the Beverages and tobacco industries, which grew 42.2% yoy, going from AOA 217.5Bn to AOA 309.2Bn.

Financing granted to the Real Sector of the Economy stood at AOA 553.32Bn. According to BNA data, the amount disbursed by commercial banks until September totaled AOA 386.04Bn, representing an increase of AOA 34.37Bn (+9.77%) compared to August 2021 and AOA 310.7Bn (+412%) compared to the same period last year.

Despite the forecast of a 0.66% contraction of the Angolan economy in 2021, the IMF is confident in Angola's reforms. According to IMF Africa Director Abebe Selassie, Angola deserves a lot of credit for having persisted with the reforms it has been carrying out despite the terrible cost of the pandemic on its people and economy, including the sharp drop in oil prices over the past year and a half. **The World Bank forecasts a 0.4% growth for the Angolan economy in 2021.** According to the institution, efforts should continue, in order to have a more sustainable level of indebtedness and an improvement in the oil sector, which has been in decline due to lack of new investments in the last 10 years. **Finance minister Vera Daves de Sousa predicts that the Angolan economy will grow by 0.2% in 2021, rising to 2.4% in 2022.** In an interview to the Financial Times newspaper, the minister justified this growth sustained by economic reforms and by the rise in oil prices and also announced that the Government is aiming for growth of 4% a year.

The Instituto Gestão de Ativos e Participações do Estado (IGAPE) extended by 2 weeks the deadline for submitting candidacies for the privatization of four agro-industrial units. Applications were extended until November 19, 2021. According to BFA calculations, for Propriv, the state has already raised around AOA 461Bn (USD 768 million).

Market Information

Indicator	2020*	2021**	2022**
GDP change (%)	-5.4	1.3	5.3
Average Inflation (%)	22.3	25.1	25.1
Current Account (% GDP)	1.5	8.4	4.3

*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*

	23/10/21	7 days (p.p./%)	Change	
			YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	18.96%	1.39	8.71	6.96
USD/AOA	597.0	-0.11%	-8.14%	-8.43%
AOA/USD	0.00167	0.11%	8.86%	9.21%
EUR/AOA	695.1	0.20%	-12.76%	-9.84%
EUR/USD	1.164	0.33%	-4.72%	-1.51%
USD/ZAR	14.71	0.72%	0.09%	-9.27%

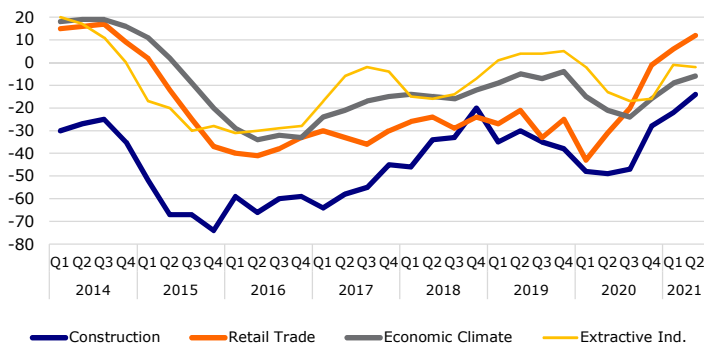
*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanzas; the change of AOA/USD shows the appreciation/depreciation of the Kwanzas against the USD.

Auctions of Treasury bonds and bills last week

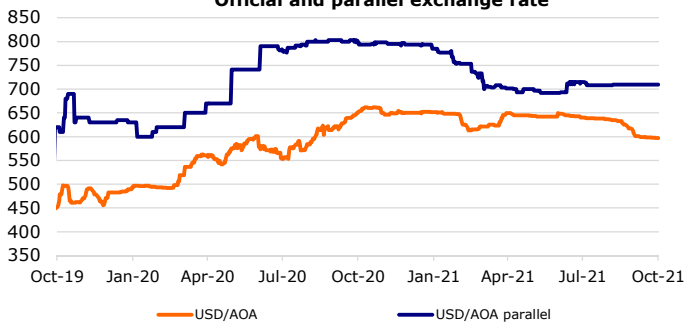
Maturity	Rate	Supply	Demand	Allocated
BT (12 months)	17.5%	7,766	4,755	4,705
OT 1.5 years	23.8%	3,321	1,502	1,502
OT 2 years	24.5%	5,000	3,122	3,122
OT 3 years	24.7%	3,000	3,772	3,772
OT USD 3 years	4.5%	1	2	2
OT USD 4 years	5.2%	1	2	2

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

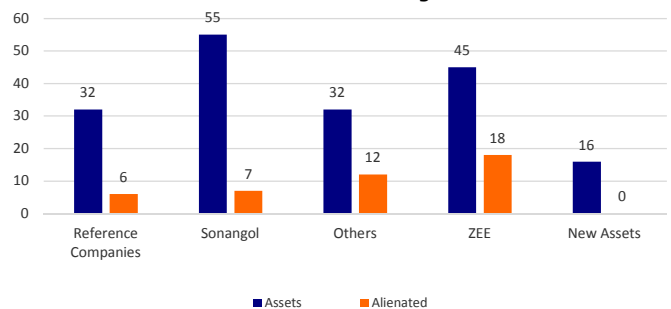
Economic Sentiment



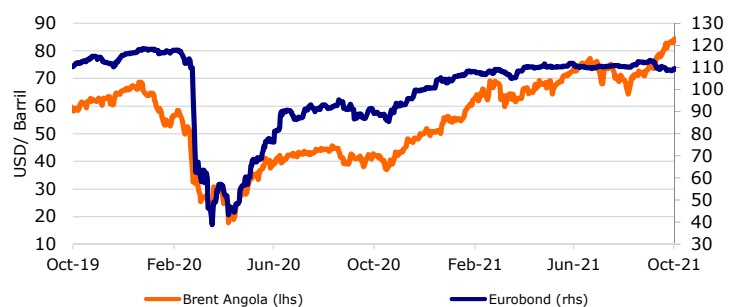
Official and parallel exchange rate



Privatization Program



Oil prices (Brent Angola) and 2025 Angola Eurobond



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