

Market Information

The Producer Price Index (IPP) for the 4th Quarter of 2021 increased by 63.7% year-on-year, in particular due to the increase in energy product prices, with an increase of 62.4%. The INE data point to much less significant increases in terms of intermediate goods and consumer goods, which rose, respectively, by 6.9% and 7.0% compared to the last quarter of 2020. Within energy products, a note on oil and gas extraction, whose prices increased 68.6% yoy. The various manufacturing industries recorded year-on-year increases of between 5.3-9.2%, with the highest change occurring in the manufacture of textiles, clothing and footwear.

The price of Brent remains quite volatile, having closed the week above USD 115. After a price drop to below USD 100 recorded in the second week of the month, the drag on the conflict between Ukraine and Russia once again put pressure on the commodity, currently trading close to USD 117.

The Luanda Refinery expects to produce 1,200 metric tons of gasoline per day from the second quarter of this year. According to the statement made public last Thursday, the capacity will increase, from the current 300 tons/day, following completion of upgrade works. According to IGAPE data on consumption in the 1st half of 2021, capacity would represent around 56% of gasoline consumption, instead of the current 14%. Fuel imports accounted for 17.2% of total imported goods in 2021, close to USD 1.89 billion (bn).

Last Monday, IGAPE opened the public tender for the sale of the Cubal agro-industrial unit. According to the Institution's note, the public tender for the privatization of the unit, located in the Province of Benguela, is being carried out through the electronic auction portal.

The Minister of Finance, Vera Daves de Sousa, points to the possibility of Angola issuing public debt soon, without, however, advancing a date. According to the official, in statements to the Bloomberg financial information agency, the issuance of debt will depend on the evolution of the markets; according to the Annual Indebtedness Plan, the issuance may be around USD 2.75bn. According to a statement from BODIVA, a non-resident entity bought Treasury bonds in national currency for the first time, in the amount of AOA 45bn (approximately USD 99 million); the purchase took place in the primary market. **According to the Minister of State for Economic Coordination, Manuel Nunes Júnior, debt as a percentage of GDP fell from 121% in 2020 to 84% in 2021.** The numbers were, at this point, relatively expected, but this is the first source official to recognize the significant decrease; the official made these statements at the 1st Angola-European Union Business Forum, in Brussels.

Macroeconomic Forecasts

Indicator	2021*	2022*	2023*
GDP change (%)	0,8	5,5	4,0
Average Inflation (%)	25,8	18,7	8,5
Current Account (% GDP)	11,4	6,6	1,5

*BFA forecasts

Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	B-	-	21/01/22
Moody's	B3	Stable	13/09/21
Standard & Poor's	B-	Stable	04/02/22

Monetary and ForEx data*

	25/03/22	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	18,96%	0,00	0,00	13,32
USD/AOA	455,6	-0,08%	-17,90%	-26,65%
AOA/USD	0,00219	0,08%	21,81%	36,34%
EUR/AOA	455,6	-9,45%	-27,57%	-37,92%
EUR/USD	1,098	-0,62%	-3,40%	-6,64%
USD/ZAR	14,54	-2,86%	-8,76%	-3,17%

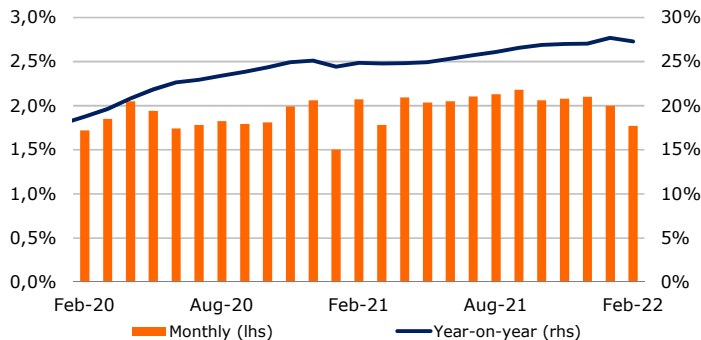
*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanzas; the change of AOA/USD shows the appreciation/depreciation of the Kwanzas against the USD.

Auctions of Treasury bonds and bills last week

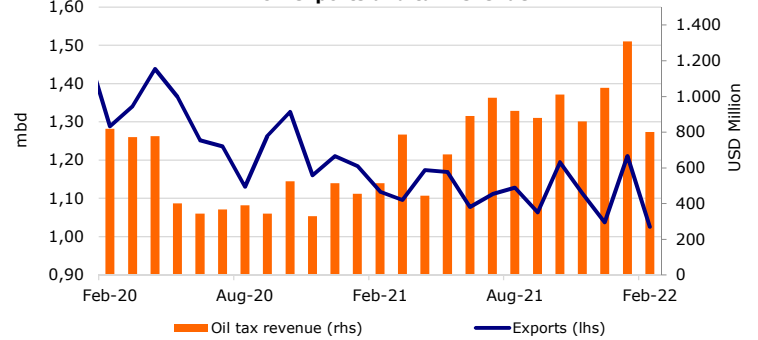
Maturity	Rate	Supply	Demand	Allocated
OT AOA (2 years)	16,5%	5.000	38.000	38.000
OT AOA (4 years)	18,4%	5.000	30.000	30.000
OT AOA (6 years)	19,5%	5.000	7.000	7.000
OT USD (3 years)	3,7%	2	1	1

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

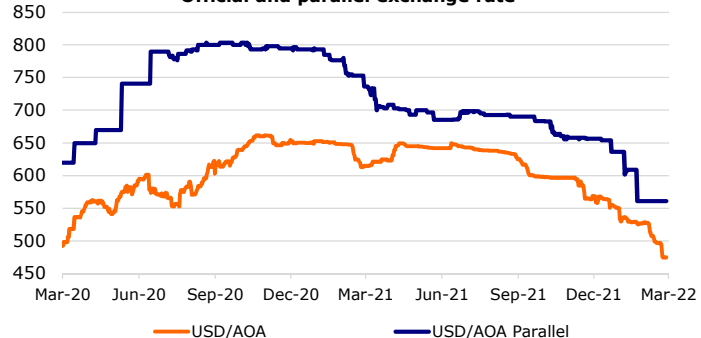
Inflation



Oil exports and tax revenue



Official and parallel exchange rate



Oil price (Brent Angola) and Eurobond 2025

