

Market Information

Last week, the Angolan State announced the end of the cap on gasoline subsidy cards until April 30th, a measure defined to mitigate the negative impacts of the beginning of the removal of subsidies. This is the update of a measure initiated in June 2023, as part of the strategy to restructure fuel subsidies. This decision is justified by the need to safeguard the purposes and effects of the fuel price reform, prevent distortions in price formation and guarantee the sustainability of public finances.

External public debt ended 2023 at USD 49.6 Billion (B), the lowest value in the last three years. According to external statistics released by the BNA, the debt registered a fall of around 4.6% compared to the same period last year, after reaching the highest level in 2022 on record. Debt with China, USD 17,9 B, which represents 36.1% of the total, has registered slight year-on-year declines in recent years and has now fallen at a faster pace, reaching the lowest amount outstanding since the beginning of 2016. Debt with the United States of America has been growing in recent years and has now reached its highest value since the beginning of the statistical series, USD 4,1 B.

International reserves ended the month of February valued at USD 14.2 B, USD 349 million less compared to the previous month. According to our calculations, based on data released by the BNA, these reserves cover approximately 7 months of imports of goods and services.

The price of a barrel of Brent oil, a reference for Angolan exports, ended last week trading at USD 82.08, USD -1.47 compared to the end of the previous week, influenced by increases in OPEC production and concerns about attacks in the Middle East. OPEC oil production rose to 26.680 million barrels per day (mbd) in February, a factor that dragged oil prices down as Iraq and the United Arab Emirates continue to produce above their production quotas and influenced the decision taken at the beginning of the previous week regarding the extension of oil production cuts of around 2 mbd until the end of June. The market still remains concerned that the war between Israel and Hamas could extend into Lebanon. On the one hand, there continues to be tension in the Red Sea near the Suez Canal, with the US and UK now involved in retaliatory airstrikes against Houthi rebels in Yemen. On the other hand, earlier attacks by Iran-backed Houthi rebels forced shippers to divert shipments around the southern tip of Africa instead of passing through the Red Sea, disrupting the normal global supply of crude oil.

Macroeconomic Forecasts

Indicator	2023*	2024*	2025*
GDP change (%)	0.8	2.1	3.2
Average Inflation (%)	13.7	21.7	15.7
Current Account (% GDP)	0.1	7.9	8.1

BFA **Forecast

Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	B-	Stable	26/06/2023
Moody's	B3	Positive	20/10/2022
Standard & Poor's	B-	Stable	04/02/2022

Monetary and Forex data*

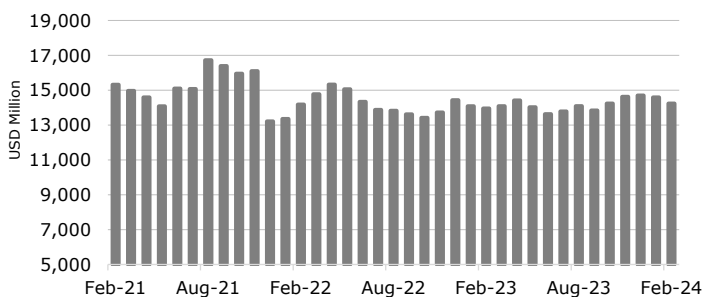
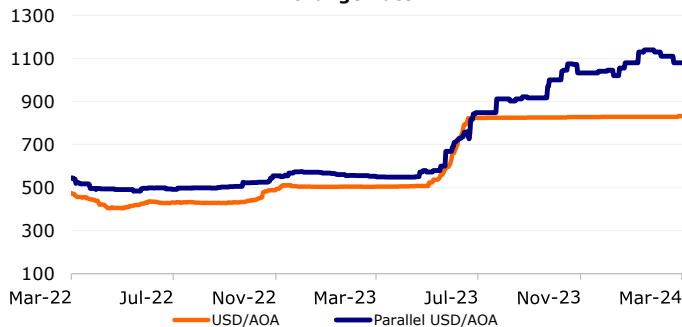
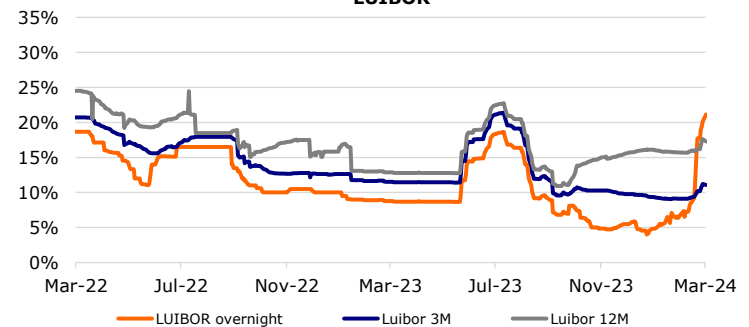
	07/03/2024	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	20.14%	2.41%	15.60%	11.36%
USD/AOA	832.6	0.50%	0.46%	65.21%
AOA/USD	0.00120	-0.49%	-0.46%	-39.47%
EUR/AOA	905.9	0.99%	-1.10%	68.57%
EUR/USD	1.095	1.32%	-0.82%	3.82%
USD/ZAR	18.68	-2.72%	1.74%	0.40%

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

Weekly domestic debt securities auctions

Term	Yield	Offer	Demand	Allocated
BT AOA (182 days)	17.8%	2,500	15,250	15,250
BT AOA (364 days)	18.3%	2,500	13,250	12,750
OT AOA (5 years)	19.2%	3,000	492	492
OT AOA (7 years)	21.0%	3,000	1,000	1,000
OT AOA (10 years)	23.0%	3,000	5,005	5,005

BT are treasury Bills, OT are Treasury Bonds; Note: amounts (except for yield) are in million Kwanzas. OT USD (Dollar Treasury Bonds) are shown in million Dollars

International Reserves

Exchange Rate

LUIBOR

Oil Price (Brent) and Eurobond Yield 2025
