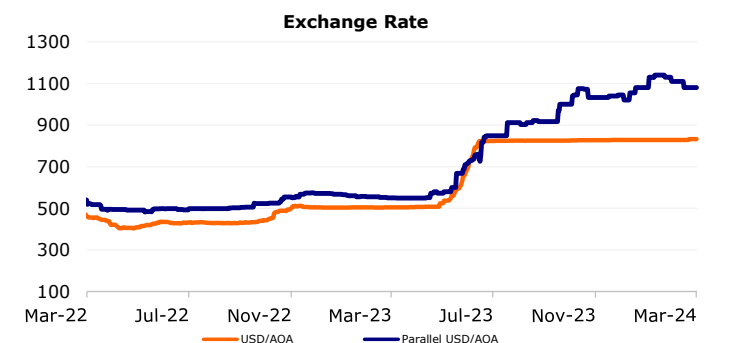
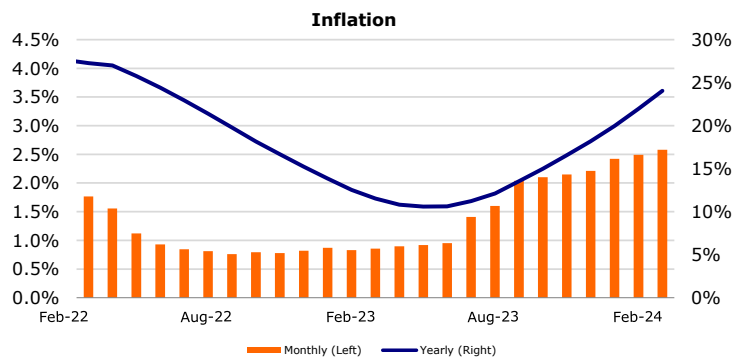


Market Information

According to statements by the Minister of State for Economic Coordination José Massano, Angola has managed to negotiate new conditions in debt payments to the China Development Bank, reducing the amounts set in the guaranteed account. In practice, the agreement that has been in force implies the allocation of revenues from the sale of oil to an escrow account, from which the amount owed is paid; this process restricts the liquidity of the treasury, since there is a large amount in Dollars that the State has to keep stopped in this account even before the maturity of installments; the State will have managed to reduce the amount requirement for the balance of this guarantee account, which will permanently release liquidity for the Angolan Treasury. On the other hand, deadlines for the disbursement of several lines of investment financing with the same institution were also extended. Public debt vis-à-vis Chinese entities has decreased for 6 consecutive quarters: at the end of 2023, debt was USD 17.9 billion, which compares with USD 21.9MM in Q2 2022, representing an average decrease of USD 663 million per quarter.

Month-on-month inflation stood at 2.6% in February, with year-on-year inflation rising to 24.1%. When compared to January's increase, this is an acceleration of 0.1 percentage points (pp) in price increases. The monthly inflation in the capital stood at 3.5%, while the year-on-year rate amounted to 32.0%; Luanda province continues to experience significantly higher inflation than the other provinces (8.6pp above national inflation). The classes with the highest change continue to be "Food and non-alcoholic beverages" and "Health", with an increase of 3.1%, and "Miscellaneous goods and services" with 2.9%; on the other hand, the classes of "Education", "Transport" and "Communication" continue to register the lowest changes with 0.0%, 0.4% and 0.8%, respectively. Looking at the Wholesale Price Index, the monthly change rate was 3.0%, with the prices of domestic products rising by about 2.9% (contributing 0.8pp to the overall index), while imported products rose by 3.0% (contributing 2.2pp): this is another short-term indicator that points to a persistent rise in inflation in the coming months.

The Monetary Policy Committee met on 15 March in the province of Bengo and decided to raise the main key rates due to the continuing inflationary pressure. The BNA decided to change the basic interest rate to 19%, +100 basis points (bps), the marginal lending facility (FPCL) to 19.5% (+100bps) and the marginal liquidity absorption facility (FPAL) to 18.5% (+100bps), and kept the other monetary policy instruments unchanged. At a time when inflation registered the thirteenth month of consecutive increase and signs of high liquidity remained, the BNA tightened monetary policy for the 3rd consecutive time. The next meeting will be held on 16 and 17 May in Luanda province.


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)	4.5	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*

	15/03/2024	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	21.54%	2.56%	17.00%	12.76%
USD/AOA	832.6	0.00%	0.46%	64.94%
AOA/USD	0.00120	0.00%	-0.46%	-39.37%
EUR/AOA	909.6	0.40%	-0.70%	70.90%
EUR/USD	1.088	-0.59%	-1.41%	2.89%
USD/ZAR	18.73	0.28%	2.03%	1.61%

*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%	34,000	34,000	34,000
BT AOA (91 days)	17.5%	23,000	23,000	23,000
OT AOA (3 years)	24.0%	40,000	47,862	47,862
OT AOA (5 years)	25.0%	41,600	18,983	18,983
OT AOA (10 years)	23.0%	25,000	21,791	21,791

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

