

Market Information

The Angolan economy grew 4.6% in Q12024, an acceleration of 2.6pp in the growth rate and the highest growth since Q12015. The non-oil economy grew 3.9% yoy, the highest since Q12023 and added around 3.0pp to the economy's overall growth rate. In particular, the Commerce sector (2nd largest sector of GDP) grew 6.0%, contributing 1.1pp to the year-on-year growth rate. INE points to the increase in the production of goods as justification for this growth. The Transport sector returned to strong growth (+19.4% yoy), after a significant drop in the Q4 (-15.4% yoy) – the increase in the number of passengers has supported the sector's growth. Almost all sectors recorded growth, with the exception of the Communications sector, with a drop of 3.1% yoy. **It should be noted, however, that part of the growth is due to the 6.9% rise in the oil economy,** the highest growth since Q32015, largely due to the comparison effect, as in the same quarter of the previous year, at the beginning of 2023, there was a production stoppage in the Dália field, in Block 17, which at the time led to an 8.0% yoy drop in oil GDP. Even so, activity in the oil sector also increased compared to Q42023, by 2.1%. This acceleration of the non-oil economy could lead us to review the upward growth forecast for 2024, but it will be necessary to evaluate the evolution in Q2, especially taking into account the relevant impact of the foreign exchange shortage that existed in the period, and which will still occur partly in the 2nd semester, and delays in Treasury payments in some sectors, such as Construction.

The IMF considers that Angola's capacity to repay the Fund is adequate, although subject to risks, according to what was disclosed in a new post-financing assessment. The Bretton Woods institution reinforced that the increased resilience of the Angolan economy was helped by the authorities' efforts to continue the economic reforms initiated during the 2018-2021 financial assistance program.

Interbank money market (IMM) interest rates have been registering mixed movements. At a time when the Ministry of Finance is launching bonds that use the 6-month Luibor rate as a reference, it has been rising and ended last week at 20.8%, 251 basis points more compared to the 18.3% of last week. The overnight rate, which more directly signals the economy's degree of liquidity, is now at 19.4%, a reduction from 25.0% at the end of the previous week.

Macroeconomic Forecasts

Indicator	2023*	2024**	2025**
GDP change (%)	0.9	2.1	3.2
Average Inflation (%)	13.6	21.7	15.7
Current Account (% GDP)	4.5	7.9	8.1

*INE; 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*

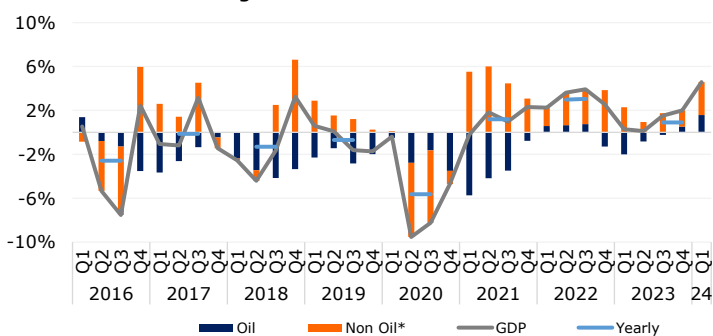
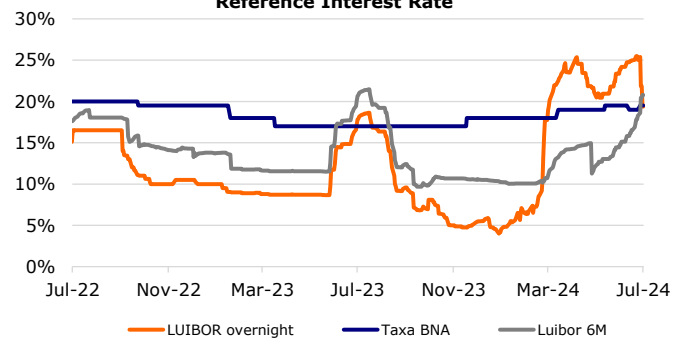
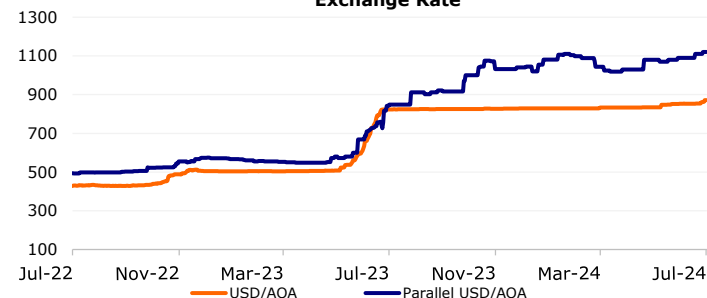
	05/07/2024	7 days (%)	Change	
			YTD (%)	12 months (%)
LUIBOR O/N	19.39%	-5.64%	14.85%	1.46%
USD/AOA	871.3	2.07%	5.12%	5.80%
AOA/USD	0.00115	-2.02%	-4.87%	-5.48%
EUR/AOA	943.1	3.22%	2.96%	5.59%
EUR/USD	1.084	1.19%	-1.80%	-0.45%
USD/ZAR	18.18	-0.06%	-0.98%	-4.85%

*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
OT USD (5 years)	5.1%	1,00	0,26	0,26

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

YoY change of GDP and sector contributions

Reference Interest Rate

Exchange Rate

Oil Price (Brent) and Eurobond Yield 2024
