# BFA Angola Weekly |23/06

### **Market Information**

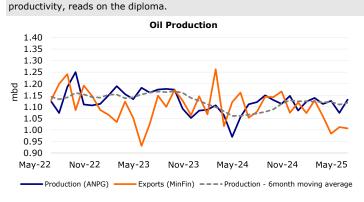
Total oil production in May stood at 31.4 million barrels, which corresponds to a daily average of 1.01 million barrels (mbd), according to ANPG data. This level represents a drop of 10.2% compared to the same month of the previous year, reflecting the structural trend of

decline in domestic production. Even so, there was a slight recovery of 1.4% Current Account (% GDP) 5.3 compared to April. Year-to-date, average production is around 1.03 mbd, reflecting a contraction of 7.2% compared to the same period in 2024. Despite the reduction in production, the price of Brent - a benchmark for Sovereign Rating Angola's oil exports - remains at levels favorable to tax collection. Last week, Brent traded at USD 77 per barrel, driven by geopolitical tensions, particularly the recent US attacks on nuclear facilities in Iran. In addition, statements by F the Iranian government about the closure of the Strait of Hormuz - a strategic N corridor through which about a quarter of the world's oil production flows, or a more than 20 million barrels per day - have exerted additional pressure on prices. However, we believe that the duration and intensity of this impact depend largely on the reaction of China, Iran's strategic ally and one of the economies most exposed to this route. It is estimated that about 40% of its oil and gas imports for industrial processing and re-export originate in the Middle East and must pass through the Strait of Hormuz.

Regarding the management of monetary policy, in May, the monetary  $\Delta$ base in local currency stood at AOA 2.2 Trillion (T), remaining almost unchanged when compared to the same period of the previous year and registering a contraction of 3.7% compared to April, mainly justified by the reduction in excess reserves (-26.9% mom). The  $\underline{{}^{U}}$ monetary aggregate, M2, stood at AOA 10.3T, an expansion of 8.4% yoy, AOA/USD shows the appreciation/depreciation of the Kwanza against the USD. remaining 12.3 percentage points below year-on-year inflation.

In May, credit to the private sector in the local currency grew to 5.5T, a sharp nominal increase of 24.3% yoy, but much slight when seen in real terms, 4.1% yoy. Credit to the public sector, on the other hand, grew <sup>B</sup> by 48.2% yoy, in real terms. Among the sectors of activity, the trade, and B private sectors - which correspond to 39.6% of the total granted - grew by B 19.3% and 21.1%, respectively. C

A Financing Agreement was signed between Angola and the World C Bank in the amount of USD 250 million to cover the Project for the C Creation of Employment Opportunities in Angola. The project aims to BT are treasury Bills, OT are Treasury Bonds; Note: amounts (except for yield) are in million Kwanza. OT USD increase job opportunities for young people and consequently increase (Dollar Treasury Bonds) are shown in million Dollars





### **Macroeconomic Forecasts**

2024*	2025**	2026**
4.4	3.9	2.9
28.2	20.2	13.9
9.3	9.1	8.5
	4.4 28.2	4.4 3.9   28.2 20.2

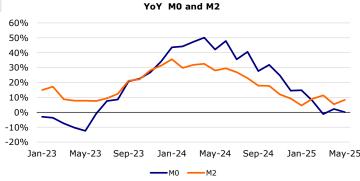
Rating Agency	Rating	Outlook	Last change
Fitch	B-	Stable	26/06/2023
Moody's	B3	Stable	29/11/2024
Standard & Poor's	B-	Stable	04/02/2022
Menatows and Fenal date *			

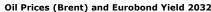
## **Monetary and Forex data\***

		Change				
	20/06/2025	7 days (%)	YTD (%)	12 months (%)		
LUIBOR O/N	20.23%	-0.02%	-2.46%	-4.74%		
JSD/AOA	911.96	0.00%	0.00%	6.98%		
AOA/USD	0.00110	0.00%	0.00%	-6.52%		
EUR/AOA	1061.5	0.99%	11.80%	16.15%		
EUR/USD	1.152	-0.23%	11.29%	7.67%		
JSD/ZAR	17.99	0.27%	-4.51%	0.09%		
Change of LISD/AOA (or ELIP/AOA) shows the appreciation of the LISD (or ELIP) against the Kwanza; the change of						

### Weekly domestic debt securities auctions

ffer D	Demand	Allocated
15,000	2,313	2,313
15,000	1,155	1,155
17,000	17,450	17,450
5,000	1,944	1,944
5,000	1,965	1,965
7,000	5,015	5,015
	15,000 15,000 17,000 5,000 5,000	15,000 2,313   15,000 1,155   17,000 17,450   5,000 1,944   5,000 1,965







The information contained in this document has been obtained from sources believed to be reliable, but its accuracy cannot be fully guaranteed. Recommendations are intended exclusively for internal use and may be changed without prior notice. The opinions expressed are the sole responsibility of their authors, reflecting only their points of view and may not coincide with BFA's position in the markets mentioned. BFA, or any affiliate, in the person of its employees, is not responsible for any loss, direct or potential, resulting from the use of this publication or its contents. BFA and its collaborators may hold positions in any asset mentioned in this publication. Reproduction of part or all of this publication is permitted, subject to indication of the source.