

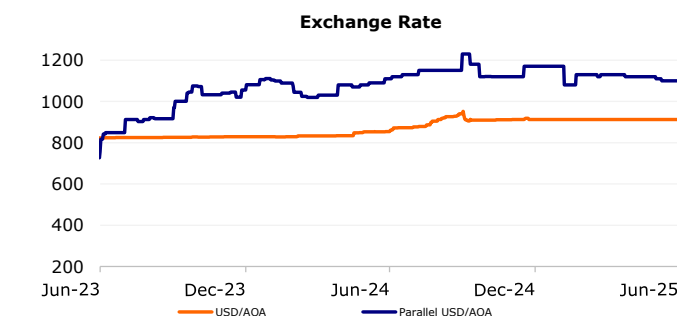
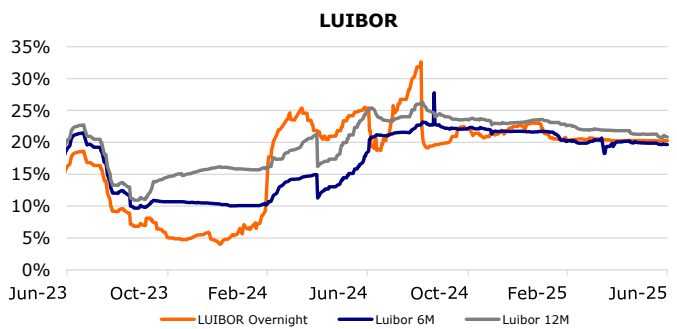
## Angola Weekly | 30/06

### Market Information

**The money market has remained liquid, reflecting both a prudent positioning by banks and the need to maintain holdings in Kwanzas to meet foreign exchange market demands.** Many banks continue to allocate excess liquidity to the Central Bank through open market operations (OMO) with repurchase agreements, leveraging this instrument as a safe short-term investment vehicle. In parallel, some banks have occasionally accessed the interbank market, suggesting marginal liquidity adjustments and confirming the absence of systemic stress. This scenario aligns with the most recent data from the BNA. In May, open market operations reached AOA 3.4 Trillion (T), reflecting the banks' preference for low-risk, short-term investments. Interbank market transactions totaled AOA 825 Billion (B), down from AOA 1.0T in April, indicating a reduced need for liquidity among banks. The Overnight marginal Lending Facility stood at AOA 55.67B, up from AOA 19B in April, signaling a higher demand for liquidity on a punctual basis, though not indicative of systemic tightening. **Interbank money market interest rates further support this assessment.** The Luibor overnight, which signals the level of liquidity in the market, has declined by a cumulative 244 basis points since the beginning of the year. Despite this downward trend, the rate has remained stable around 20% in recent months. This stabilization suggests that while the market has absorbed the initial effects of monetary policy easing, there remains some rigidity in short-term rates, possibly linked to an asymmetric behavior in the supply and demand for liquidity. Altogether, these indicators point to a banking system with comfortable liquidity levels, with banks selectively using the available instruments.

**In June, total trading volume in the Bodiva markets reached approximately AOA 450.0B, of which AOA 393.8B was executed bilaterally, accounting for over 88% of the total.** The remaining volume was traded on the multilateral market. In 2025, January recorded the highest trading volume of the year at around AOA 633.2B, followed by June. In cumulative terms, total trading volume in the markets amounted to approximately AOA 2.3T by the end of June. Compared to the same period last year, this represents a decline of around 8.0%.

**International reserves closed the month of June at USD 15.6B, marking an increase of approximately USD 263.0 million compared to May.** According to our calculations, based on BNA data, current reserves cover roughly 7 months of imports of goods and services.



### Macroeconomic Forecasts

Indicator	2024*	2025**	2026**
GDP change (%)	4.4	3.9	2.9
Average Inflation (%)	28.2	20.2	13.9
Current Account (% GDP)	9.3	9.1	8.5

\*Inflation - INE/ GBP and Current Account - BFA Forecast; BFA \*\*Forecast

### Sovereign Rating

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

### Monetary and Forex data\*

	27/06/2025	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	20.24%	0.01%	-2.45%	-5.26%
USD/AOA	911.96	0.00%	0.00%	6.83%
AOA/USD	0.00110	0.00%	0.00%	-6.40%
EUR/AOA	1079.1	1.66%	13.65%	18.11%
EUR/USD	1.172	1.69%	13.17%	9.47%
USD/ZAR	17.82	-0.96%	-5.43%	-3.53%

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

### Weekly domestic debt securities auctions

Term	Yield	Offer	Demand	Allocated
BT (364 days)	16.00%	5,000	2,000	2,000
OT AOA (3 years)	16.75%	5,000	3,610	3,610
OTME (3 years)	4.00%	18	18	18

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

