

## Angola Weekly | 04/08

### Market Information

**In June, the Industrial Production Index (IPI) contracted by 8.7% compared to the same period in 2024, primarily reflecting the sharp negative impact of the extractive sector.** On a month-on-month basis, industrial production declined 6.6%, signaling a continued slowdown in industrial activity. The extractive industry, which accounts for 78.3% of the total IPI, was the main driver of the decline, recording a monthly drop of 8.8% and a year-on-year decrease of 12.8%. Within this sector, oil and natural gas extraction, representing 74.9% of the industry's weight, fell 13.2% year-on-year, confirming the structural downward trend in crude oil production in the country. These figures are consistent with data from ANPG, indicating an approximate 10.0% contraction in oil output during the second quarter of 2025, averaging 1.0 million barrels per day. Natural gas production also declined by 8.0% over the same period, following a 3.3% increase in the previous quarter. Overall, we estimate that the oil GDP contracted by 10.2% in the second quarter. Conversely, the manufacturing industry, which represents 17.5% of IPI, posted a marginal growth of 0.3% in June. This performance was mainly supported by the food industry, which expanded 2.9% year-on-year, and the production of petroleum products, chemicals, and related goods, which grew 2.1% over the same period. Thus, the sharp decline in the IPI in June was largely driven by the substantial contraction in oil and gas output, only partially offset by the slight resilience of the manufacturing sector, thereby reinforcing the ongoing weakening of Angola's industrial sector.

**By July, the total trading volume in Bodiva's markets reached approximately AOA 3.0 trillion (t), of which around AOA 2.5t was conducted bilaterally, accounting for over 85% of total transactions.** The remaining volume was traded in the multilateral market. Notably, June recorded the highest monthly trading activity, with AOA 694.4 billion (b), representing an increase of about 54% compared to the previous month.

**International reserves closed July at USD 15.1b, marking a decline of USD 496.9 million from June.** Based on our calculations using BNA data, current reserves provide coverage for approximately 7 months of goods and services imports.

### Macroeconomic Forecasts

Indicator	2024*	2025**	2026**
GDP change (%)	4.4	1.9	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\*

	01/08/2025	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	19.00%	0.01%	-3.69%	-6.25%
USD/AOA	911.96	0.00%	0.00%	4.10%
AOA/USD	0.00110	0.00%	0.00%	-3.94%
EUR/AOA	1056.0	-1.19%	11.21%	11.72%
EUR/USD	1.159	-1.32%	11.91%	7.38%
USD/ZAR	18.11	1.94%	-3.88%	-0.88%

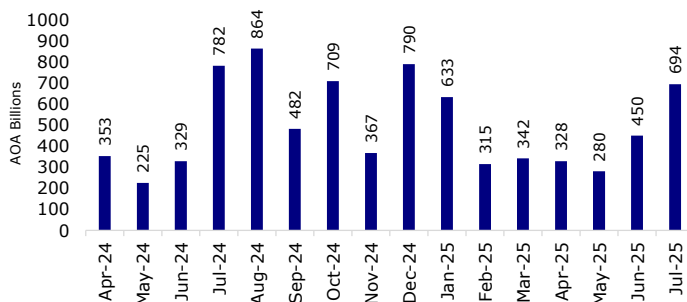
\*Change of USD/AOA (or EUR/AOA) shows the appreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

### Weekly domestic debt securities auctions

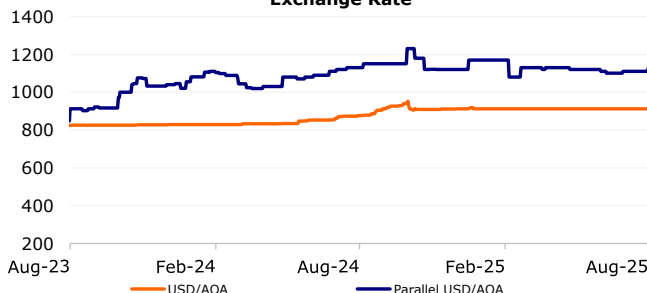
Term	Yield	Offer	Demand	Allocated
OT AOA (3 years)	16.75%	10,000	2,000	2,000
OT AOA (3 years)	16.75%	18,000	10,869	10,869
OT AOA (5 years)	17.25%	18,000	3,853	3,853
OT AOA (5 years)	17.25%	10,000	1,926	1,926
OT USD (3 years)	4.00%	45	19	19
OT USD (3 years)	4.00%	44	44	44

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

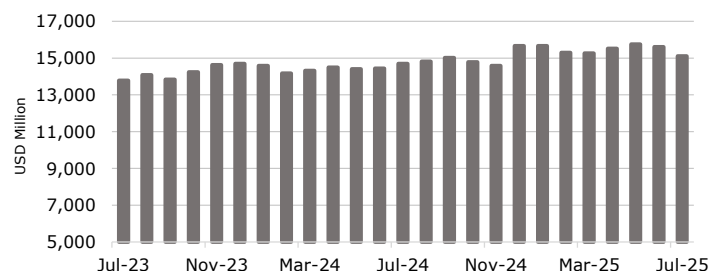
### BODIVA Negotiations



### Exchange Rate



### International Reserves



### Oil Prices (Brent) and Eurobond Yield 2032

