Banco de Fomento Angola
www.bfa.ao | Email: dfi.gee@bfa.ao

Angola Weekly |17/11

Market Information

According to the Budget Execution Report for the third quarter of 2025, the Angolan State collected a cumulative total of AOA 11.9 trillion (t), which represents about 60% of the total foreseen in the State Budget. On the current revenue side, the main contribution came from oil taxes, which totaled AOA 6.7t, making an execution of approximately 62% compared to AOA 10t, scheduled for the whole year. This performance fell short of that recorded in the same period of 2024, when revenues from the oil sector reached AOA 7.1t, due to the combination of lower crude oil production (which by the way is falling by about 10% yoy) and the reduction in average oil prices on the international market compared to last year (Brent Angola is falling 15% yoy). On the other hand, non-oil revenues recorded a more positive performance. In total, these reached AOA 5.1t, which represents 58% of the expected value, but significantly exceeds the AOA 3.9t collected in the same period of the previous year. Other tax revenues stand out in this group, representing around 80% of non-oil revenues and registering a yoy growth of 31%, supported by the increase in the collection of taxes on income and consumption. Capital revenues reached AOA 6.0t, corresponding to 41% of forecast. Financing revenues, which correspond to more than 90% of capital revenues, stood at around AOA 6.0t, this figure is more than double that recorded in the same period of 2024, reflecting a particular improvement in the conditions of access to external financing. External financing, which represents 57% of the total, reached AOA 3.4t, a growth of around 297% compared to the previous year, benefiting from a more favourable international context and greater investor confidence, as recently highlighted by the IMF. Domestic financing, in turn, increased by 82%, reaching AOA 2.6t, although it represents only 35% of the forecast. We note that historically, more than 70% of annual funding is raised in the fourth quarter, so execution is expected to accelerate by the end of the year. On the expenditure side, current expenses totaled AOA 9.5t, with emphasis on personnel costs, which totaled AOA 3.0t (32% of the total), and debt interest, which reached AOA 2.6t (28%). Compared to 2024, interest expenses increased by around 19%.

Fitch Ratings has confirmed the Republic of Angola's rating at "B-" with a stable outlook. Despite the expected reduction in oil prices and the weakening economy, Fitch highlighted above-average international reserves, current account surpluses and a controlled budget deficit as supporting factors. On the other hand, risks persist associated with high dependence on raw materials, still high inflation and significant external debt repayment. The report underlines that debt sustainability remains vulnerable to external shocks and currency devaluation.

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*

	14/11/2025	Change 7 days (%)	YTD (%)	12 months (%)
LUIBOR O/N	18.75%	0.00%	-3.94%	-2.51%
USD/AOA	912.09	0.00%	0.01%	0.12%
AOA/USD	0.00110	0.00%	-0.01%	-0.12%
EUR/AOA	1076.0	0.72%	13.33%	11.98%
EUR/USD	1.162	0.48%	12.24%	10.36%
USD/ZAR	17.09	-1.23%	-9.30%	-6.46%

*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 (4 years)	16.75%	33,000	33,000	33,000
OT AOA (4 years)	16.75%	14,000	14,000	14,000
OT AOA (6 years)	17.25%	35,000	35,000	35,000
OT AOA (6 years)	17.25%	40,000	37,700	37,700

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