Banco de Fomento Angola
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Angola Weekly |02/03

Market Information

The oil market reacted with a sharp surge following the escalation of the conflict between the U.S./Israel and Iran, which disrupted ship traffic through the Strait of Hormuz, a route that accounts for around 20% of global oil flows. This has increased pressure on global supply and heightened risk perception among investors. Brent opened the week with a jump of around 10.0%, trading at approximately USD 80 per barrel after closing last week at about USD 73, while WTI also rose considerably in early trading following the attacks and is now hovering around USD 72. If the conflict persists and maritime routes remain obstructed, prices could move even higher, with some scenarios considering the possibility of Brent surpassing USD 100 per barrel in the event of a prolonged disruption to shipments. This price dynamic reflects the direct geopolitical impact on energy supply and the risks of further supply shocks in the global oil market.

In **January, credit to the private sector in Kwanzas (local currency) stood at around AOA 6.4 trillion, recording a nominal year-on-year increase of approximately 19.2%.** According to our calculations based on BNA data, after adjusting for inflation, credit posted modest real growth of 4.7% YoY. On the public sector side, credit in local currency grew 21.7% YoY in nominal terms, translating into real growth of only 7.1%. By sector of activity, credit to public administration (+34.7% YoY) and the extractive industry (+33.5% YoY) has been growing strongly in real terms. In contrast, credit to Transport (-15.8% YoY) and Hospitality (-15.3% YoY) has been declining. Credit to the trade sector and to individuals (which together account for about 36.9% of total credit granted) showed mixed movements, with trade contracting by 10.1% YoY and lending to individuals increasing by 1.5% YoY.

International reserves closed the month of February at USD 15.9 billion (b), representing a decrease of about USD 157 million compared to January. According to our calculations based on BNA data, reserves cover approximately seven months of imports of goods and services.

Total trading volume on Bodiva in February amounted to AOA 1.4t, a significant increase compared to the AOA 779.5b traded in January. The volume traded in the bilateral market recorded monthly growth of around 106.0%, reaching AOA 1.2b, while volume in the multilateral market declined by 50.3% MoM to AOA 77.4b.

Macroeconomic Forecasts

Indicator	2024*	2025**	2026**
GDP change (%)	4.4	1.9	3.3
Average Inflation (%)	28.2	20.2	12.6
Current Account (% GDP)	12.0	5.3	4.5

*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*

	27/02/2026	Change 7 days (%)	Change YTD (%)	Change 12 months (%)
LUIBOR O/N	20.45%	0.45%	1.66%	0.11%
USD/AOA	912.13	0.00%	-0.02%	0.01%
AOA/USD	0.00110	0.00%	0.02%	0.01%
EUR/AOA	1076.5	0.35%	0.65%	11.46%
EUR/USD	1.180	0.14%	0.46%	13.48%
USD/ZAR	15.93	-0.68%	-3.81%	-13.72%

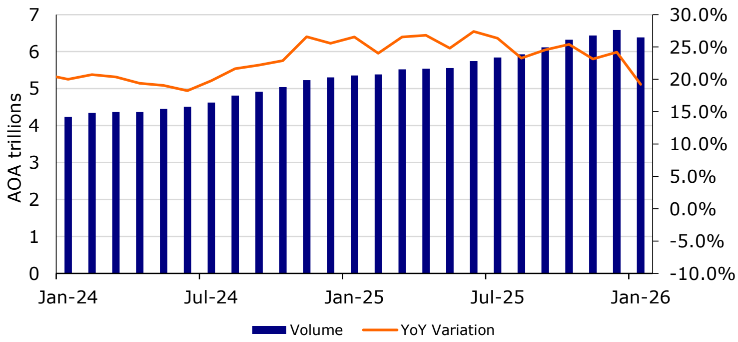
*Change of USD/AOA (or EUR/AOA) shows the appreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

Weekly domestic debt securities auctions

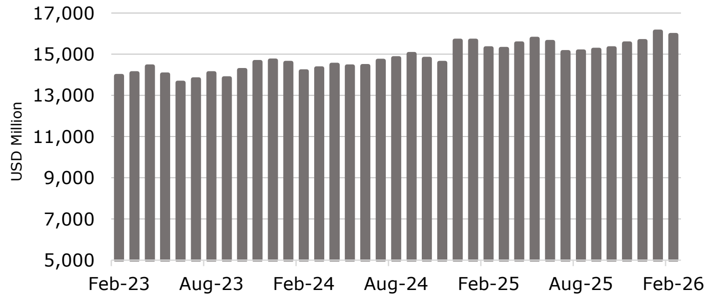
Term	Yield	Offer	Demand	Allocated
BT 364 days	16.00%	50,000	40,000	40,000
OT AOA (3 years)	16.75%	10,000	9,950	9,950
OT AOA (3 years)	16.75%	30,000	24,162	24,162
OT AOA (5 years)	17.25%	20,000	17,608	17,608
OT AOA (5 years)	17.25%	2,500	2,500	2,500

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

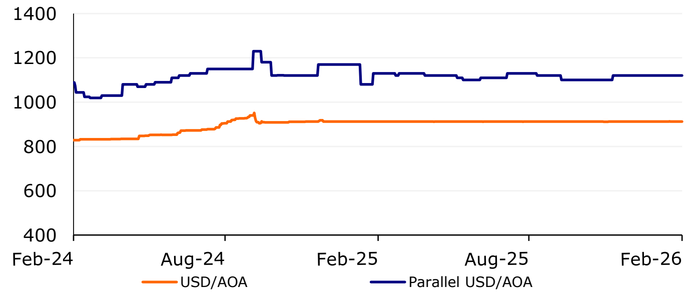
Credit to the private sector



International Reserves



Exchange Rate



Oil Prices (Brent) and Eurobond Yield 2032