

**Market Information**

**Year-on-year inflation in April stood at 11.6%, the lowest value since August 2015, when it stood at 11.0%.** In monthly terms, the Consumer Price Index (CPI) recorded a change of 0.58%, representing the second consecutive acceleration of monthly inflation compared to the previous month. Even so, the year-on-year inflation trajectory remains downward and should continue to decelerate, even in the face of possible monthly accelerations. At the level of the CPI classes, the highest year-on-year rates of change were observed in "Transport" (+16.5%YoY), "Housing, Water, Electricity and Fuels" (+15.2%YoY) and "Education" (+13.4%YoY). Nevertheless, the class "Food and Non-Alcoholic Beverages" continued to exert the greatest pressure on the general price index, contributing with 7.3 percentage points (pp) to the total change. In geographical terms, the provinces that recorded the highest year-on-year inflation rates were Cabinda (+17.9% YoY), Malanje (+14.2% YoY) and Lunda Sul (+13.5% YoY). In Luanda, prices grew by 11.1% year-on-year, the lowest value since May 2023. The current inflationary dynamics remain favorable, mainly reflecting exchange rate stability and the positive performance of domestic economic activity. Even so, we do not anticipate that these indicators will be sufficient to justify a further cut in key interest rates by the Central Bank of Angola (BNA), given the uncertainties arising from geopolitical tensions. The next meeting of the Monetary Policy Committee is scheduled for the 14th and 15th of this month.

**In April, the supply of foreign exchange in the FX market amounted to USD 1.5 billion, representing a year-on-year growth of 61.5%.**

According to BNA data, the supply of foreign currency was mainly supported by oil operators and Diverse customers, which together provided around USD 847.7 million, corresponding to approximately 56% of the total transacted in the period. The National Treasury contributed about USD 509.2 million, equivalent to 33.7% of the total supply, while the BNA contributed USD 152.0 million.

**Fitch has maintained Angola's rating at 'B-' with a stable outlook.**

According to Fitch Agency, Angola's rating reflects balances in external accounts with current account surpluses, international reserves above the peer-to-peer medians and a decrease in the public debt ratio, however these indicators are counterbalanced by weak governance indicators, high inflation, high levels of public debt denominated in foreign currency and one of the largest commodity dependencies among sovereigns rated by Fitch.

**Macroeconomic Forecasts**

Indicator	2025*	2026**	2027**
GDP change (%)	3.1	3.3	4.0
Average Inflation (%)	20.2	12.6	11.6
Current Account (% GDP)	5.3	4.5	3.8

\*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\***

	08/05/2026	7 days (%)	Change	
			YTD (%)	12 months (%)
LUIBOR O/N	16.93%	-0.71%	-1.86%	-3.35%
USD/AOA	913.12	0.00%	0.09%	0.13%
AOA/USD	0.00110	0.00%	-0.09%	-0.13%
EUR/AOA	1074.4	0.56%	0.45%	3.15%
EUR/USD	1.179	0.56%	0.35%	4.98%
USD/ZAR	16.38	-1.62%	-1.12%	-10.03%

\*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)	16.40%	36,500	34,298	34,298
OT AOA (4 years)	16.75%	21,000	11,950	11,950
OT AOA (4 years)	16.75%	5,000	2,500	2,500
OT AOA (5 years)	17.25%	30,000	12,930	12,930
OT AOA (5 years)	17.25%	10,000	5,000	5,000
OT AOA (7 years)	17.75%	5,000	1,500	1,500

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

