

Market Information

Angola's national year-on-year inflation maintained its downward trajectory in July, declining to 9.3%, from 10.1% in June, the lowest level in the series under analysis. This confirms the continuation of the disinflation process observed in recent months, amid greater exchange rate stability and a more accommodative monetary policy stance. Despite the decline in year-on-year inflation, the monthly change in the Consumer Price Index (CPI) accelerated by 0.23 percentage points (pp), from 0.52% in June to 0.75% in July. This was the highest monthly inflation rate recorded since the beginning of the year, following relatively contained readings during the first half of 2026, which ranged between 0.51% and 0.68%. Although some acceleration had already been observed between February and April, the increase recorded in July was more pronounced. Nevertheless, this movement should also be assessed in light of the seasonal pattern of prices. Historically, July is one of the months with the strongest seasonal pressures on the CPI, with an average monthly inflation rate of around 1.75%, compared with an average of 1.58% in June. Based on this seasonal pattern, monthly inflation is expected to moderate in August before accelerating somewhat in September. Across expenditure categories, the acceleration was particularly influenced by Education Services, which recorded a monthly increase of 10.44%, as well as Alcoholic Beverages and Tobacco (0.76%) and Health (0.76%). Food and Non-Alcoholic Beverages, which plays a particularly important role in overall price dynamics, recorded a more moderate monthly increase of 0.65%. In July, monthly core inflation stood at around 0.66%, slightly above the 0.65% recorded in June but below headline inflation of 0.75%. The relatively modest acceleration in core inflation, compared with the headline index, suggests that July's increase was mainly driven by specific components and, at this stage, does not point to a broad-based intensification of underlying inflationary pressures. Moreover, both headline and core inflation remain at historically low levels compared with the peaks recorded in recent years. Against this backdrop, July's data remain broadly consistent with the disinflation path we anticipate.

The Government authorised financing of EUR 665 million and USD 162.2 million for the construction of the 260-km Luena-Saurimo section of the Benguela Railway, aimed at strengthening connectivity, reducing logistics costs and supporting economic activity.

Macroeconomic Forecasts

Indicator	2025*	2026**	2027**
GDP change (%)	3.1	3.3	4.0
Average Inflation (%)	20.2	10.2	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*

	07/08/2026	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	12.24%	0.00%	-6.55%	-6.75%
USD/AOA	912.63	0.00%	0.04%	0.07%
AOA/USD	0.0011	0.00%	-0.04%	-0.07%
EUR/AOA	1048.1	0.96%	-2.01%	-1.95%
EUR/USD	1.153	1.38%	-1.86%	0.98%
USD/ZAR	16.53	-1.83%	-0.19%	-9.27%

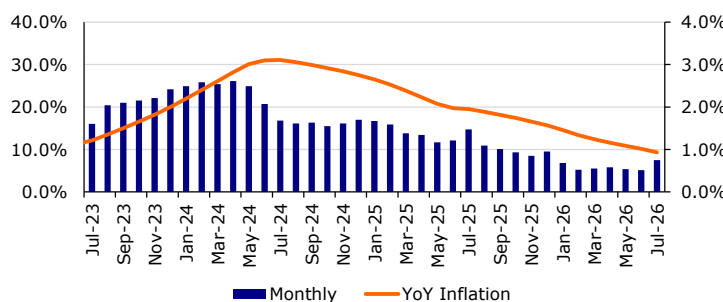
*Change of USD/AOA (or EUR/AOA) shows the appreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

Weekly domestic debt securities auctions

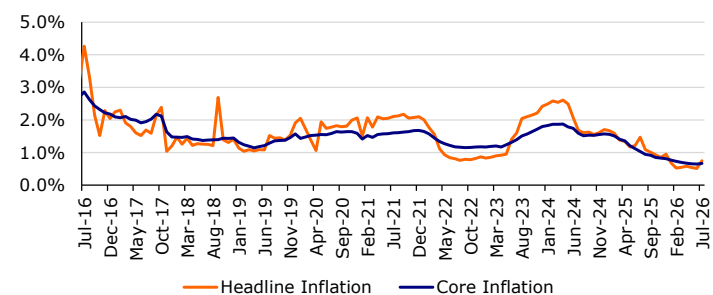
Term	Yield	Offer	Demand	Allocated
OT AOA (4 years)	16.75%	15,000	9,417	9,417
OT AOA (4 years)	16.75%	7,000	5,277	5,277
OT AOA (5 years)	17.25%	10,000	3,333	3,333
OT AOA (7 years)	17.75%	20,000	15,986.97	15,986.97

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

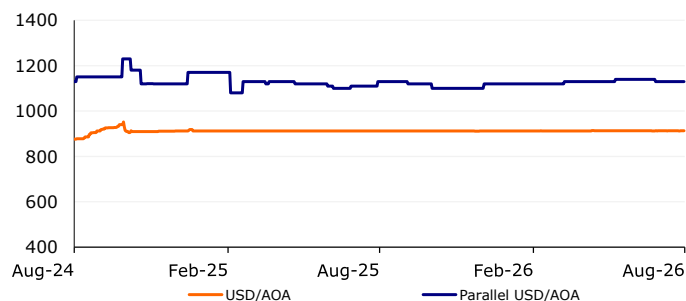
Inflation



Core Inflation



Exchange Rate



Oil Prices (Brent) and Eurobond Yield 2032

