Banco de Fomento Angola
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Market Information

The Monetary Policy Committee (MPC) of the Central Bank of Angola (BNA) met on 14 and 15 September 2026 and decided to reduce its key policy interest rates by 100 basis points (bps). The BNA Rate was cut from 15.75% to 14.75%, while the rates on the Marginal Lending Facility and the Deposit Facility were reduced from 16.75% to 15.75% and from 14.75% to 13.75%, respectively. In addition, the MPC lowered the reserve requirement ratio in domestic currency from 17.5% to 16.5%. According to our estimates, this measure will release approximately AOA 132.4 billion into the banking system, potentially strengthening banks' capacity to extend credit. The decision reinforces the ongoing easing of monetary conditions amid continued disinflation and improving prospects for economic activity.

In the money market, August data suggest a modest decline in the system's excess liquidity, although monetary conditions remained comfortable. The volume placed in the Deposit Facility fell from AOA 6.30 trillion (t) in July to AOA 5.08t in August, while liquidity absorption through Open Market Operations (OMOs) declined from AOA 3.99t to AOA 2.71t. Meanwhile, the volume traded in the Interbank Money Market increased slightly from AOA 1.03t to AOA 1.07t. The reduction in liquidity absorbed by the BNA points to some normalization of excess liquidity. However, the still-elevated levels of funds deposited in liquidity absorption facilities indicate that the banking system continues to operate with ample liquidity, with no immediate signs of funding constraints.

In July, total credit to the economy stood at AOA 9.70t, representing nominal year-on-year (YoY) growth of 14.1%. This performance was driven by both the public and private sectors. Credit to the public sector increased by 21.8% YoY to AOA 1.40t, while credit to the private sector grew by 12.9% YoY to AOA 8.30t. By currency, foreign currency-denominated credit recorded the strongest growth, rising by 28.3% YoY, compared with a 9.9% YoY increase in local currency-denominated credit. From a sectoral perspective, the strongest growth rates were recorded in other services (+57.1% YoY), extractive industries (+35.6% YoY), and manufacturing (+24.3% YoY), highlighting robust financing activity in these segments of the economy. By contrast, the trade, households, and construction sectors, which together account for 46.9% of the total credit portfolio, showed more moderate growth. Credit to trade increased by 12.8% YoY, lending to households rose by 9.6% YoY, while credit to construction expanded by a more modest 4.0% YoY.

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*

	18/09/2026	Change 7 days (%)	Change YTD (%)	Change 12 months (%)
LUIBOR O/N	12.27%	0.00%	-6.52%	-6.71%
USD/AOA	913.00	0.02%	0.08%	0.11%
AOA/USD	0.0011	-0.02%	-0.08%	-0.11%
EUR/AOA	1058.3	-0.22%	-1.05%	-1.05%
EUR/USD	1.154	-0.69%	-1.72%	-1.85%
USD/ZAR	16.25	1.53%	-1.88%	-6.39%

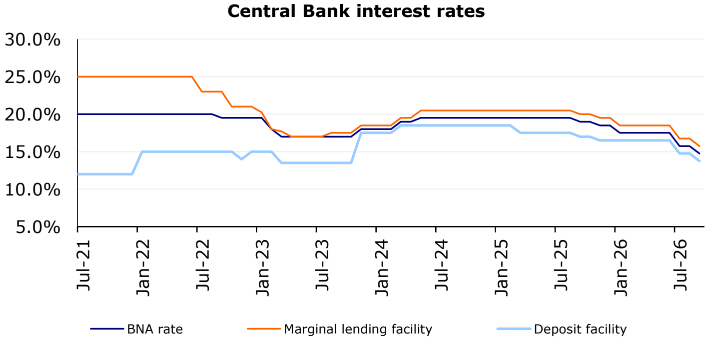
*Change of USD/AOA (or EUR/AOA) shows the appreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

Weekly domestic debt securities auctions

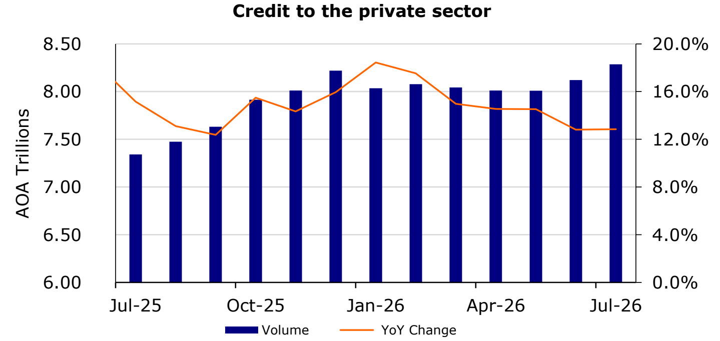
Term	Yield	Offer	Demand	Allocated
BT 364 Days	13.75%	8,000	6,173	6,173
BT 364 Days	13.75%	50,000	41,026	41,026
OT AOA (4 Years)	14.25%	6,000	4,100	4,800
OT AOA (5 Years)	14.75%	3,000	2,396	5,689
OT AOA (7 Years)	15.25%	15,000	9,509	9,509

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

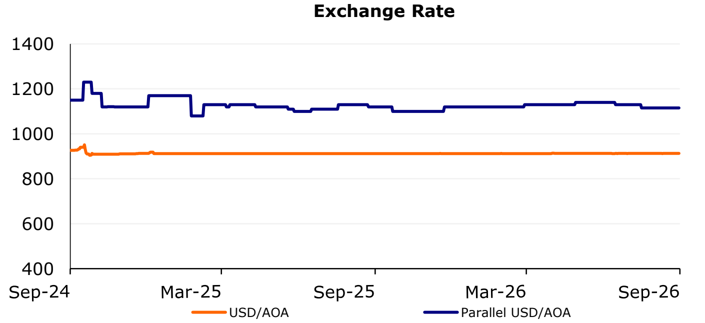
Central Bank interest rates



Credit to the private sector



Exchange Rate



Oil Prices (Brent) and Eurobond Yield 2032