

Market Information

According to BNA data, the current account showed a surplus of USD 5.1 billion (Bn) in 2019, down from USD 7.4 Bn recorded in the previous year. The fall was particularly serious in the trade balance of goods, with the surplus declining by USD 4.3Bn, standing at USD 20.6Bn; the decrease was mainly due to a reduction of USD 6.0Bn (-15.3% yoy) in crude oil exports. On the other hand, imports of goods decreased by USD 1.7Bn (-10.6% yoy): in particular, imports of consumption goods fell sharply (-13.3% yoy). The drop in service imports was even larger, at USD 1.9Bn (-19.0% yoy), with the services balance posting the lowest deficit ever (USD -8.1Bn). **The surplus is higher than we expected, a result of upward revisions of previous quarterly balances, and the absence of capital imports above normal in the last quarter of the year.** On the capital and financial account side, there was a deficit of USD 4.2Bn, thus resulting in a total surplus of USD 0.9Bn in the balance of payments balance, which was reflected in an increase in reserves in 2019. In 2020, the fall in the price of oil will take the current account back to a significant deficit, dragging the balance of payments with it and causing another fall in reserves. **According to the Angolan central bank, Net International Reserves amounted to USD 10.9Bn in March, practically unchanged from February.** According to our calculations, the amount corresponds to approximately 6.3 months of imports.

According to preliminary data from the Ministry of Finance, in 2019, the Angolan State again posted a budget surplus, around AOA 0.6 trillion, about 1.8% of GDP. This is the 2nd consecutive year of a positive balance in the accounts, although lower than the 2.2% of GDP recorded in 2018. The primary balance (which excludes interest expenses) likely stood around AOA 2.1 trillion (6.5% of GDP), also the 2nd year of surplus, and likewise slightly lower than the 7.7% of GDP achieved in 2018. **In 2020, the fall in oil prices will again put the accounts in the red: the Budget predicted a surplus of around 1.2% of GDP, but the impact of the crisis could cause a budget deficit between 4-5% of GDP.**

In the international markets, there was a historic drop in the price of WTI, which reached USD -37. The drop occurred in the context of a shortage of storage space, causing WTI delivery contract holders in May to pay to get rid of them. **On the Brent side, the commodity closed the week just above 21 USD; a reduction of almost USD 7 compared to the previous week.**

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Indicator	2019*	2020**	2021**
GDP change (%)	-0.9	0.3	1.2
Average Inflation (%)	17.2	24.1	18.0
Current Account (% GDP)	5.8	-1.3	-1.5

*GDP, Inflation - INE; Current Account - BNA with BFA calc.
** Average of forecasts from Bloomberg

Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	B-	Stable	09/03/20
Moody's	B3	Stable	27/04/18
Standard & Poor's	B-	Negative	11/02/20

Monetary and ForEx data*

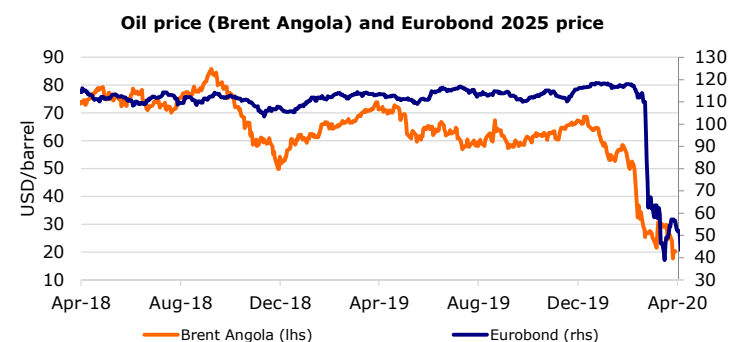
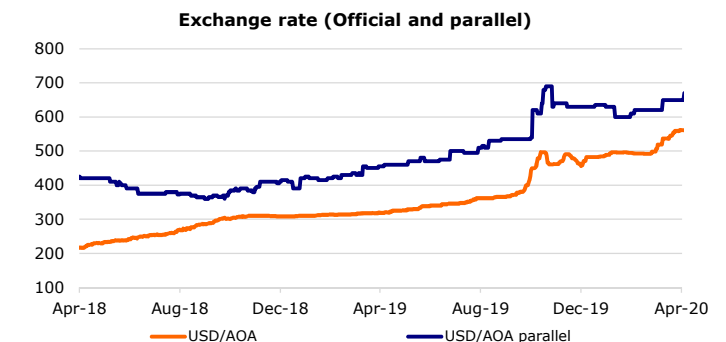
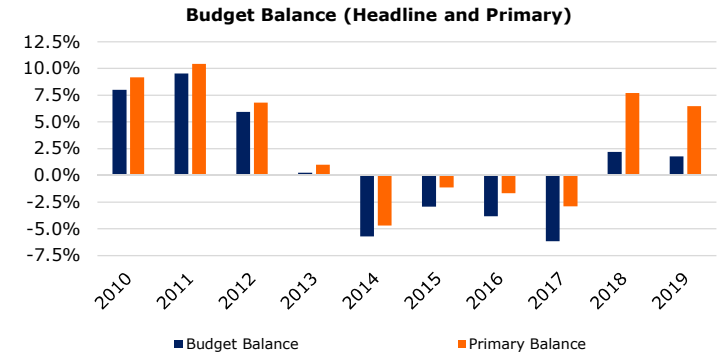
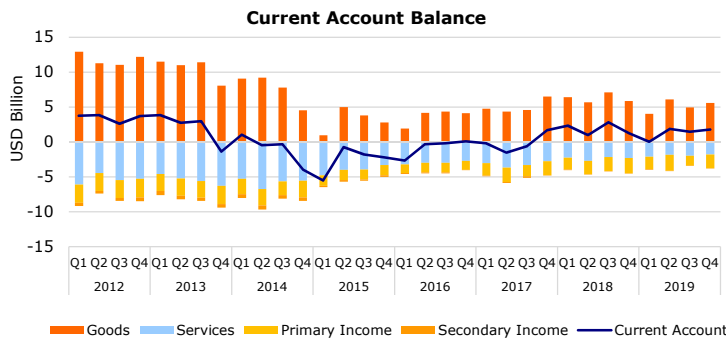
	24/04/20	7 days (p.p./%)	Change	
			YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	15.50%	-2.04	-13.32	-0.23
USD/AOA	560.8	-0.17%	16.29%	75.77%
AOA/USD	0.00178	0.17%	-14.01%	-43.11%
EUR/AOA	607.4	-0.99%	12.31%	69.23%
EUR/USD	1.086	-1.11%	-3.17%	-3.54%
USD/ZAR	18.98	3.56%	35.54%	34.03%

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

Auctions of Treasury bonds and bills last week

Maturity	Rate	Supply	Demand	Allocated
OT (2 years)	22.50%	2,500	1,556	1,556

BT are treasury bills, OT are treasury bonds; Note: amounts (except for the rate) are in million Kwanzas. USD OT in million Dollars * Bond linked to the exchange rate ** Bond linked to treasury bills



Sources: Bloomberg, BNA, INE, Finance Ministry, OPEC