

Market Information

According to the Ministry of Finance, Angola exported 8.8 million carats in diamonds last year, an increase of 4.3% compared to 2018. On the other hand, the average export price was USD 142.4 (+4.5% compared to 2018). As a result, revenue in USD increased by 8.9%, standing at USD 1.25Bn. Moreover, the Angolan Government collected approximately USD 92.4 million in tax receipts, a year-on-year increase of 15.3%. **In the first quarter of 2020, 2.1 million carats were exported, an increase of 2.9% yoy.** However, the average export price in Q1 2020 fell by 10.2% yoy to USD 137. Regarding tax revenue, the Government collected around USD 21.4 million in the first 3 months of the year, a decrease of 9.5% yoy, largely as a result of the mentioned price drop.

At the Monetary Policy Committee held last Thursday, the Angolan central bank kept the various monetary policy instruments unchanged: the BNA rate will remain at 15.5% and mandatory reserves rates, in Local and Foreign Currency are to stay at 22% and 15%, respectively. The central bank also decided to activate the Standing Overnight Liquidity Provision Facility, up to AOA 100Bn, renewable on a quarterly basis, in a non-cumulative manner, throughout the financial year 2020; also, it decided to make large companies in the productive sector eligible for the Public Securities purchases programme in an amount of up to AOA 100 Bn. **According to data published by the BNA, retail banks acquired around USD 222.6 million from the Oil and Gas sector in April** - a total of 76 transactions carried out at an average rate of USD/AOA 582.6. In the foreign exchange market, the Kwanza appreciated by 1.99% against the Dollar and 2.36% against the Euro, trading at USD/AOA 541.5 and EUR/AOA 587.2. **In the parallel market, the Dollar is trading at AOA 670, according to Kinguila Hoje; this corresponds to a gap just below 24%.**

The President João Lourenço decreed the extension of the State of Emergency for another 15 days. The main change is in the mandatory use of masks and in the extension of the opening hours of informal markets.

Last week, the President authorized the privatization process of the second largest public bank, Banco de Comércio e Indústria, via sale of blocks of shares through the Angolan stock exchange, BODIVA. The process is to take place in 2020, according to the Privatizations Programme.

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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*

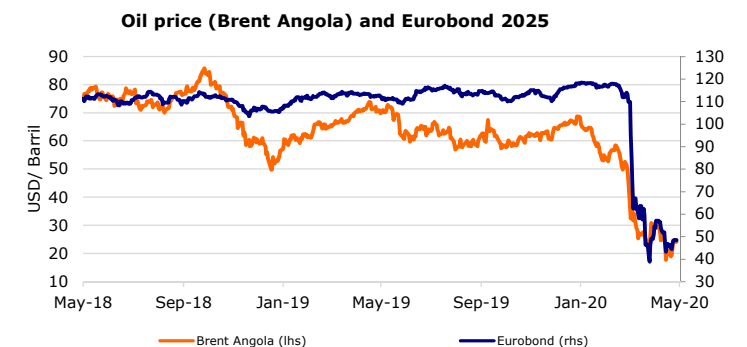
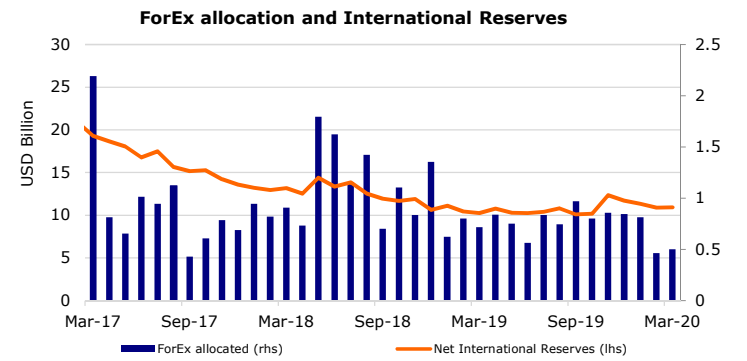
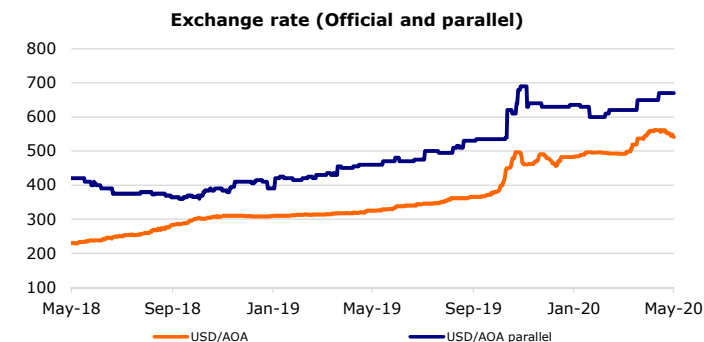
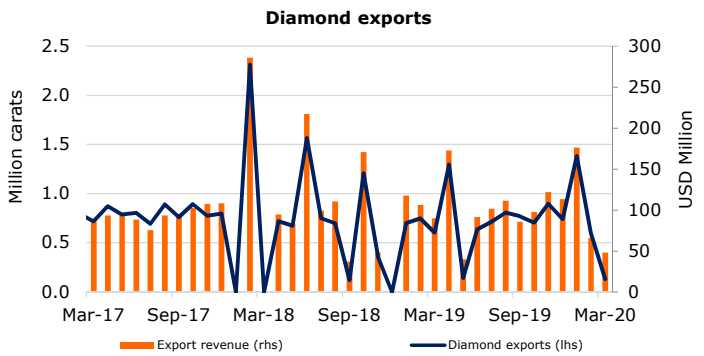
	08/05/20	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	15.52%	0.02	-13.30	-0.21
USD/AOA	541.5	-1.95%	12.29%	66.55%
AOA/USD	0.00185	1.99%	-10.95%	-39.96%
EUR/AOA	587.2	-2.30%	8.57%	61.30%
EUR/USD	1.084	-1.29%	-3.34%	-3.35%
USD/ZAR	18.35	-2.46%	31.05%	27.89%

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

Auctions of Treasury bonds and bills last week

Maturity	Rate	Supply	Demand	Allocated
BT (3 months)	16.00%	16,000	21,000	21,000
BT (6 months)	16.00%	10,000	3,000	3,000
BT (12 months)	17.50%	10,000	12,500	12,500
OT (2 years)	22.50%	10,000	2,986	2,986
OT (3 years)	23.50%	15,301	5,799	5,799
OT (4 years)	24.50%	41,019	41,019	41,019

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



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