

Market Information

In January through April this year, crude exports stabilized compared to the same period last year (-0.2%), averaging 1.39 million barrels per day (mbd). According to data from the Ministry of Finance (MinFin), around 1.44 mbd (+ 3.5% yoy) were exported in April; however, the average export price dropped to USD 29.6 (-55% yoy), a fall in tandem with the effect of the Covid-19 pandemic on this commodity. With the price decline, revenues decreased by 53.5% yoy to USD 1.32 billion (Bn) - tax revenues saw a milder reduction (-15.2%), standing at USD 0.78Bn in April. **According to Reuters, the Covid-19 pandemic led to a complete halt to oil drilling rig activities in Angola.** The main operators in the country decided to interrupt or abandon their drilling platforms, with the French oil company Total announcing that it would suspend all drilling activity, focusing on current production. With the cancellation and/or postponement of new investments planned for this year, BFA expects the annual average production to be just above 1.30 mbd (dropping more than 5%), which compares with an initial expectation of around the 1.39 mbd. **Last week, in international markets, Brent saw its highest levels since March, having closed just below USD 35, a level where it also trades today;** the start of gradual deconfinement in many countries, together with some good prospects for vaccine development, have led to a cautiously optimistic environment in the markets.

According to MinFin, Angola exported 2.46 million carats in diamonds between January and April this year, a year-on-year decrease of 26.5%. In April, approximately 346 thousand carats (-73.2% yoy) were exported, at an average price of USD 131.5, amounting to USD 45.5 million in revenue. The drop in exports as of March is likely related to difficulties in maintaining the operation in the current situation.

The Angolan SOE managing entity (IGAPE) will hold a public virtual session for the presentation of four hotel units within the scope of the Privatization Programme. Infotur hotels in Benguela, Namibe, Cabinda and Huíla will be presented and are to be sold in the near future.

In the foreign exchange market, the Kwanza depreciated 2.2% against the Dollar and closed the week at USD/AOA 575.4. In the parallel market, there was a significant depreciation to AOA 741, according to Kinguila Hoje, corresponding to a gap of 28.77% against the reference rate (highest since January).

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Indicator	2019*	2020**	2021**
GDP change (%)	-0.9	-2.3	0.9
Average Inflation (%)	17.2	27.5	20.0
Current Account (% GDP)	5.8	-6.95	-5.2

*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*

	22/05/20	7 days (p.p./%)	Change	
			YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	15.58%	0.04	-13.24	-0.15
USD/AOA	575.4	2.25%	19.33%	74.97%
AOA/USD	0.00174	-2.20%	-16.20%	-42.85%
EUR/AOA	623.4	2.47%	15.27%	70.20%
EUR/USD	1.090	0.69%	-2.84%	-2.56%
USD/ZAR	17.73	-4.64%	26.62%	22.39%

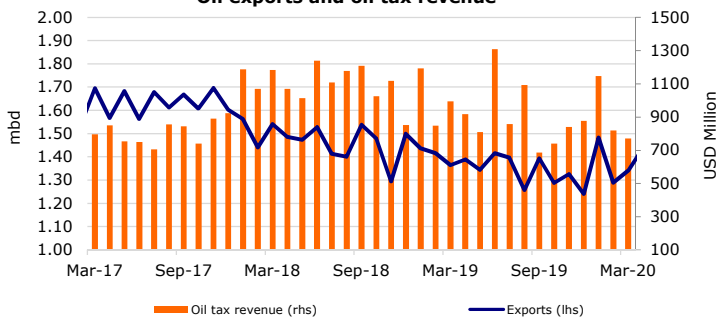
*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

Auctions of Treasury bonds and bills last week

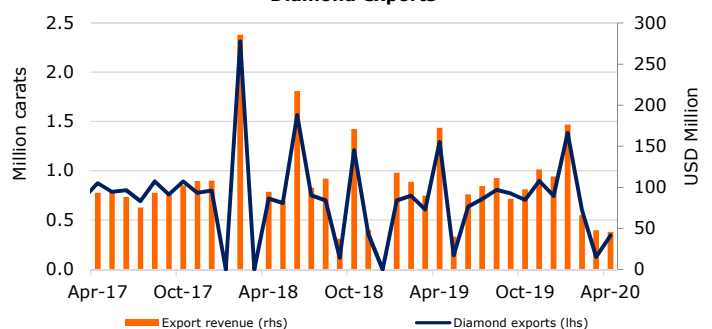
Maturity	Rate	Supply	Demand	Allocated
BT (3 months)	16.00%	14,402	2,500	2,500
BT (6 months)	16.50%	12,529	1,055	1,055
BT (12 months)	18.50%	16,700	1,836	1,836
OT (2 years)	22.50%	4,454	4,454	4,454
OT (3 years)	23.50%	22,891	15,677	15,677
OT (4 years)	24.50%	10,534	365	365

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

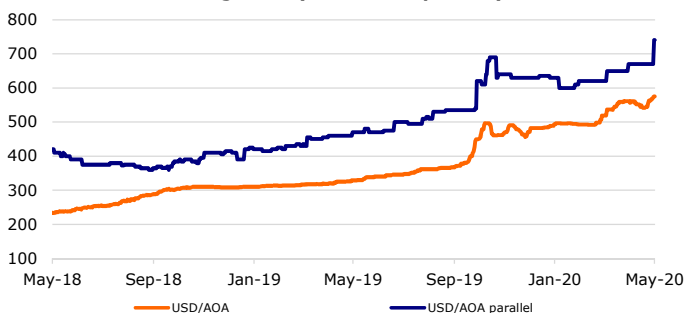
Oil exports and oil tax revenue



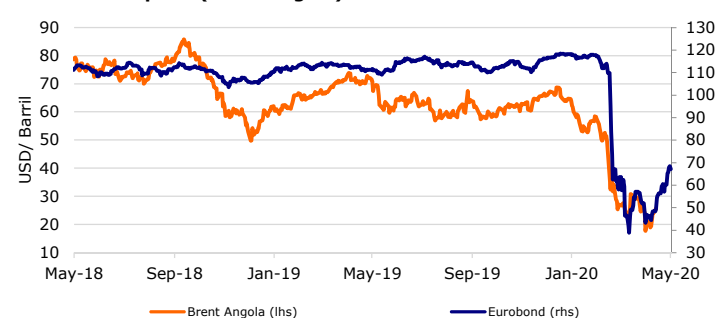
Diamond exports



Exchange rate (Official and parallel)



Oil price (Brent Angola) and Eurobond 2025



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