

Market Information

BPC, the largest state-owned Angolan bank, posted AOA 189.6Bn in losses in the first half of this year: 34% less than in the same period in 2019. In Dollars, the losses amounted to USD 0.36Bn, less than half of the USD 0.90Bn lost in the first six months of 2019; BFA and BAI were the best-performing banks in the period, with six-month profits of USD 0.14Bn and 0.10Bn, respectively. One should note that BPC's net capital is now back to positive figures (USD 0.75Bn), following a capital raise in June 2020, which brought the public assets management agency (IGAPE) as a new shareholder (with 37.4%).

The Angolan Government confirmed it intends to partially privatize Sonangol and Endiama by 2022, while also expecting to postpone TAAG's privatization to the same year, instead of the previously scheduled timing (2021). According to statements made by the Minister of Finance Vera Daves, the sell-by date will depend on how fast will it be to organize the companies and the compliance & due diligence to attract quality investors. **BMA, an Angolan bank, and local law firm CKA & Associados were selected to be the financial intermediary and legal advisor in the first privatization phase of ENSA, the largest insurance company in Angola - the sale process was meant to have started in 2019.**

In international markets, Brent prices have risen to the highest level since March having closed the week just above USD 48. The rise has been driven by an improved outlook on economic recovery, following various reports of possible vaccines and their initial distribution in the coming quarter; at the same time, the official beginning of a political transition in the US also fueled the markets. In the specific case of oil, an unexpected drop in US stock levels of the commodity also played a role. The impact on Angolan Eurobonds was significant, with secondary market interest rates going below 10% for 2029 bonds, a low since the start of March, when markets tumbled due to the pandemic.

In the forex market, the Kwanza appreciated 0.5% against the Dollar last week. In the informal market, the Dollar traded around USD/AOA 795, with a 23% gap against the reference rate (below 20% against the average bank sell rate).

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Indicator	2019*	2020**	2021**
GDP change (%)	-0.9	-4.6	1.2
Average Inflation (%)	17.2	22.1	19.4
Current Account (% GDP)	5.8	-6.1	-3.8

*GDP, Inflation - INE; Current Account - BNA with BFA calc.

** Average of forecasts from Bloomberg

Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	CCC	-	04/09/20
Moody's	Caa1	Stable	08/09/20
Standard & Poor's	CCC+	Stable	26/03/20

Monetary and ForEx data*

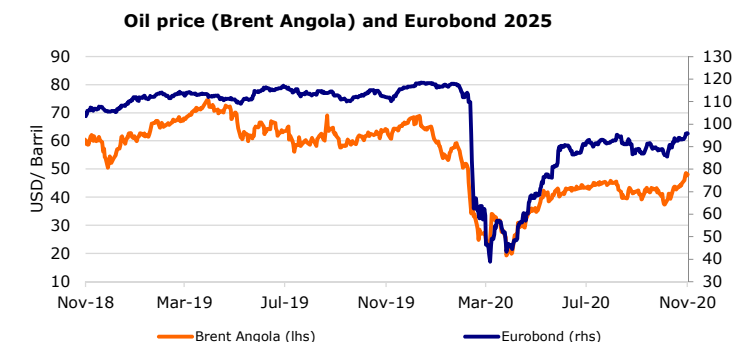
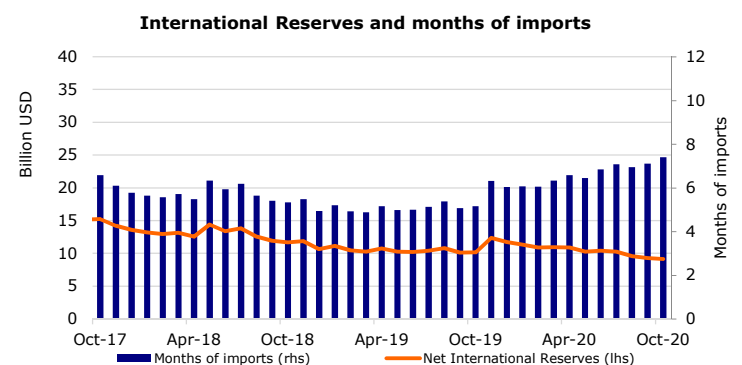
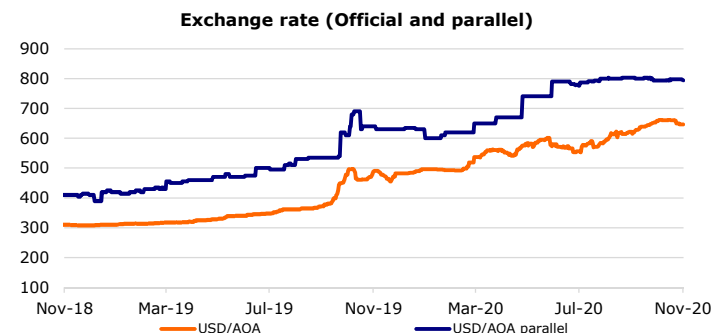
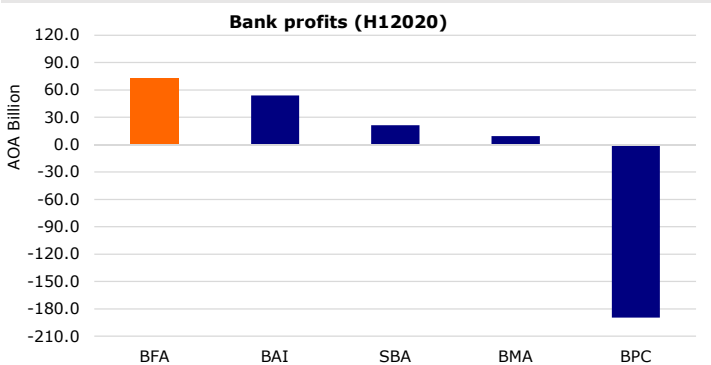
	27/11/20	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LIUBOR O/N	11.80%	0.16	-17.02	-13.18
USD/AOA	646.4	-2.01%	34.04%	36.04%
AOA/USD	0.00155	2.06%	-25.40%	-26.49%
EUR/AOA	768.6	-1.89%	42.12%	46.87%
EUR/USD	1.189	0.25%	6.06%	7.97%
USD/ZAR	15.20	-1.25%	8.60%	2.90%

*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)	18.4%	20,000	41,822	40,780
BT (6 months)	18.8%	14,535	5,779	5,779
BT (12 months)	20.0%	15,202	4,801	4,801
OT (1,5 years)	23.5%	15,000	4,412	4,412
OT (2 years)	23.8%	23,751	18,859	18,859
OT-USD (2 years)	24.8%	7,068	1,410	1,410

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