

## Market Information

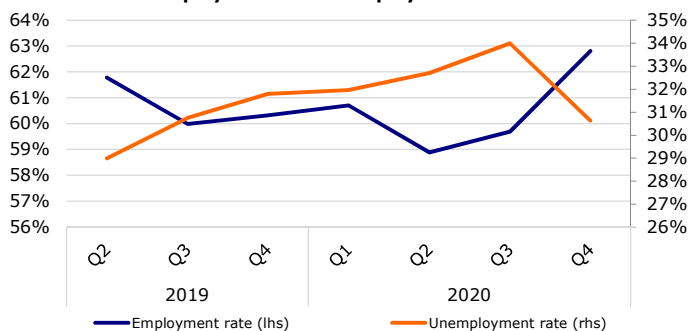
**The central bank adjusted various monetary policy instruments, during its Monetary Policy Committee last week, in order to consolidate monetary tightening while boosting the use of its liquidity-providing window.** The central bank decided to keep the BNA rate (reference rate) unchanged at 15.5% and the required reserve ratio in local and foreign currency at 22% and 17% respectively. The MPC decided the daily fee for excess liquidity at the central bank will range from 0.10% to 0.20%, according to the size of the excess, which should boost interbank loans; at the same time, the balance of the banks' reserve account with the BNA will be allocated to two separate accounts, one for mandatory reserves, the other for excess reserves, making it harder for banks to miss their mandatory reserves target, thus tightening liquidity conditions. In addition, the interest rate on the marginal lending facility (now at the BNA rate of 15.5%) was linked to the 91-day Treasury Bill rate plus 0.25%, a significant increase of 4.0 percentage points (pp) to 19.5%, at current market rates. Finally, the overnight rate on the permanent liquidity absorption facility will be linked to the applicable fee on excess reserves. The global impact of these measures still needs to be evaluated, pending the disclosure of regulatory details.

**According to Angolan statistics office (INE), the unemployment rate dropped to 30.6% in Q4 2020, 3.4 pp below the one recorded in the previous quarter and 1.2 pp lower than in the same quarter last year.** This is the first quarterly reduction since the beginning of this statistical series in Q2 2019. Youth unemployment decreased by 2.1pp to 55.3%.

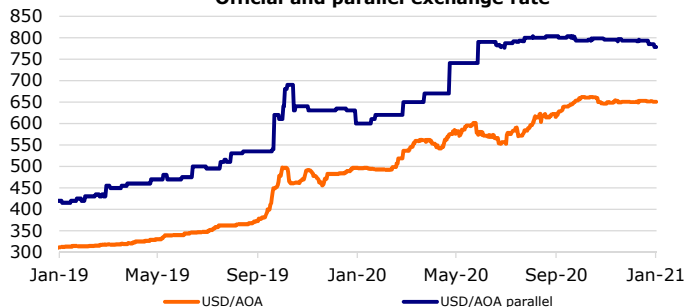
**Last week, the State held the first public debt auctions in 2021, with BTs placed at 91, 182 and 364 days, OTs in foreign and local currency placed with maturities of 1.5 to 4 years.** On the shorter tenders, around AOA 44.7 billion (MM) were allocated in BTs, 77% in the shortest term (91 days). In OTs in Kwanzas, AOA 10.3MM were issued, more than half at 4 year maturity, and there was also a placement of a residual amount in Dollars OTs for 2-year.

**The Port of Luanda's multipurpose terminal concession was signed for a period of 20 years with DP World, from Dubai, which made an initial payment of USD 150 million.** The port management company is also committed to investing USD 190 million in infrastructure development. On the other hand, the announcement of the winner of the tender for the construction of the Soyo oil refinery has been postponed to March 1st, with the authorities requiring the final tender participants to renew their financing guarantees. There are 8 proposals in the final phase of the tender.

### Employment and unemployment rate



### Official and parallel exchange rate



## Market Information

Indicator	2019*	2020**	2021**
GDP change (%)	-5.6	1.6	5.3
Average Inflation (%)	22.3	19.4	19.4
Current Account (% GDP)	0.9	8.3	9.2

\*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\*

	29/01/21	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	5.64%	-3.43	-4.61	-14.33
USD/AOA	650.7	-0.17%	0.12%	31.24%
AOA/USD	0.00154	0.17%	-0.12%	-23.80%
EUR/AOA	789.8	-0.49%	-0.86%	44.67%
EUR/USD	1.214	-0.29%	-0.65%	10.01%
USD/ZAR	15.16	0.09%	3.17%	2.68%

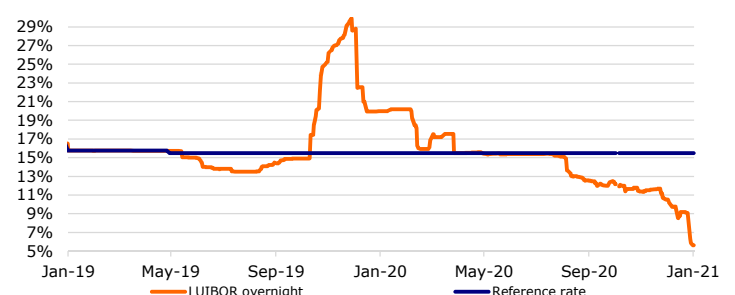
\*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanzas; the change of AOA/USD shows the appreciation/depreciation of the Kwanzas against the USD.

## Auctions of Treasury bonds and bills last week

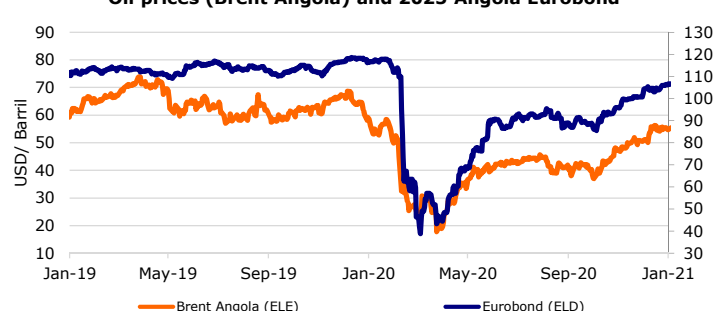
Maturity	Rate	Supply	Demand	Allocated
BT (3 months)	19.4%	20,000	19,045	19,045
BT (6 months)	20.5%	20,000	5,597	5,597
BT (12 months)	21.0%	20,000	2,209	2,209
OT (2 years)	23.7%	20,000	1,106	1,106
OT (3 years)	24.3%	20,000	3,200	3,200
OT (4 years)	24.8%	19,075	5,000	5,000

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

## Reference rate and interbank rate



## Oil prices (Brent Angola) and 2025 Angola Eurobond



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