

## Market Information

**ENI and BP announced last week that they signed a non-binding memorandum of understanding to discuss the possibility of combining their upstream activities in Angola.** According to the joint press release from the oil operators, this joint venture would bring "significant opportunities to jointly boost future developments and operations in Angola". The business plan for the new company will be agreed between BP and ENI and the new company will be self-financed, benefitting from staff and skills of both parent companies. The operators have informed the Angolan Government of their intent and any final decision will be subject to governmental, regulatory and relevant partner approvals. **Sonangol will open a process to sell some of its holdings in Angolan oil blocks on June 11th.** According to Angop, the data on the blocks and tender procedures will be presented on the opening day. **In international markets, the week was marked by a 5% drop in the price of Brent, with the commodity closing the week trading at USD 65.** This decrease is related to the increase in cases of Covid-19 in Asia, and some fears of a likely increase of inflation in the United States that could lead the Federal Reserve to increase interest rates. The price remains somewhat volatile, and is already trading above USD 67 today.

**Angola currently produces about 40% of the food it consumes, according to statements by the Secretary of State for the Economy, Mário Caetano João.** According to the intervention of the government official at an Agriculture-related conference of the magazine Economia & Mercados, the needs of imported food products have been contracting since 2017. According to preliminary data from the BNA, food imports in the 12 months up to March 2021 amounted to USD 2.0 billion (Bn), the lowest level since at least 2012, the start of the statistical series; for comparison, in 2014 the country imported USD 4.0Bn in food products. **Angola and the Netherlands recently signed a memorandum of understanding for the implementation of an agro-logistics center in the province of Benguela.** The construction and implementation involves an investment of EUR 60 million and the center will be managed by a business consortium, as part of the Lobito development corridor.

**Nonperforming Loans in the Angolan banking sector grew by 2.32pp in March, standing at just over 20%.** This rise has interrupted a downward trend since May last year, although it remains well below the highs recorded in 2020.

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Indicator	2020*	2021**	2022**
GDP change (%)	-5.4	3.4	6.5
Average Inflation (%)	22.3	19.8	19.8
Current Account (% GDP)	1.5	11.3	6.9

\*Inflation, GDP - INE; Current Account - BNA;  
\*\*BFA forecasts

## 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\*

	21/05/21	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	13.47%	0.22	3.22	-2.09
USD/AOA	643.5	-0.16%	-0.99%	11.83%
AOA/USD	0.00155	0.16%	1.00%	-10.58%
EUR/AOA	786.0	0.60%	-1.34%	24.69%
EUR/USD	1.218	0.34%	-0.28%	11.25%
USD/ZAR	13.96	-1.19%	-4.99%	-20.64%

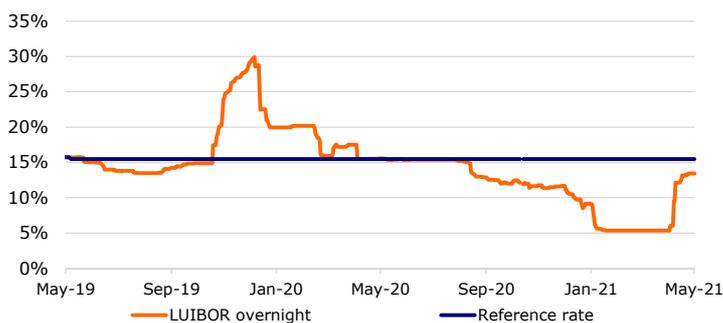
\*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanzas; the change of AOA/USD shows the appreciation/depreciation of the Kwanzas against the USD.

## Auctions of Treasury bonds and bills last week

Maturity	Rate	Supply	Demand	Allocated
BT (12 months)	16.7%	46,197	6,266	6,266
OT 1.5 years	23.8%	14,900	2,702	2,702
OT 2 years	24.7%	13,745	12	12
OT 3 years	24.7%	6,987	4,825	4,825
OT 4 years	24.8%	14,986	2,870	2,870
OT 5 years	25.0%	2,790	7,354	7,354

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

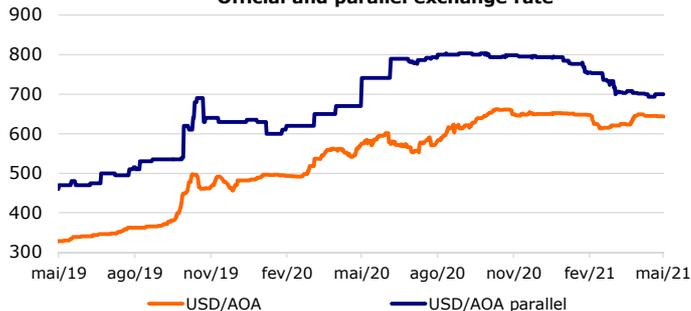
Reference rate and interbank rate



NPL as a % of total loans



Official and parallel exchange rate



Oil prices (Brent Angola) and 2025 Angola Eurobond



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