

Market Information

The unemployment rate among Angolans over 15 years old rose again in the 2nd quarter of this year, to 31.6%, following 2 quarters of decline. At the same time, the employment rate also decreased, for the 2nd consecutive quarter, to 61.7% - the maximum of this statistical series (since Q2 2019) had been reached in the last quarter of 2020, with 62.6%. The youth unemployment rate (15-24 years) is significantly higher, standing at 57.7%; on the other hand, the unemployment rate of the population aged 18 and over is slightly lower, at 27.9%. The silver lining in the evolution of the labor market is the decrease in the inactive population, which now represents 9.8% of Angolans aged 15 and over (11.7% in Q2 2020). The unemployment rate grew more in rural areas (from 14.5% in Q1 2021 to 16.2% in Q2 2021) compared to urban areas (from 42.1% to 42.6%).

Monthly inflation was 2.10% in July, the highest value since September 2018, and the highest rise to occur in a month of July since the year 2016. Year-on-year inflation thus rose to 25.72%, the highest since October 2017. The prices of food and non-alcoholic beverages continue to record increases above that seen in other goods, having increased by 2.61% in monthly terms, and contributing with 71% of monthly inflation. A more aggravated price rise continues to occur in Luanda province: monthly inflation was 2.28%, taking the year-on-year rise in prices to 29.29%, the highest value since June 2017. The measures taken by the central bank to tighten liquidity are likely not having the desired effect yet; however, the BNA will probably wait a few more months before taking any decision to tighten policy even more. Note that, so far, despite the huge rise in the BNA Rate, the LUIBOR Overnight is still below 17%, having risen by less than 100 basis points compared to the rate before the last Monetary Policy Committee.

ENI announced that it had started production in the Cuica field, discovered just 4 months ago in Block 15/06. According to statements made by the Italian company at the time of the discovery, production could reach 0.01 million barrels a day (mbd). Currently, Block 15/06 has produced close to 0.11 mbd, on average, representing a little less than 10% of the total Angolan production.

The Port of Luanda launched an international tender for a 10 years concession to operate 4 passenger terminals: Kapossoca, Mussulo, Museu da Escravidura and Macôco. Applications must be submitted by the 22nd of September.

Market Information

Indicator	2020*	2021**	2022**
GDP change (%)	-5.4	2.9	7.3
Average Inflation (%)	22.3	22.5	22.5
Current Account (% GDP)	1.5	9.1	6.0

*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*

	13/08/21	7 days (p.p./%)	Change	
			YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	16.85%	0.13	6.60	1.45
USD/AOA	637.9	-0.05%	-1.85%	11.79%
AOA/USD	0.00157	0.05%	1.88%	-10.54%
EUR/AOA	749.7	-0.51%	-5.91%	10.98%
EUR/USD	1.180	0.30%	-3.43%	-0.14%
USD/ZAR	14.73	0.71%	0.27%	-15.40%

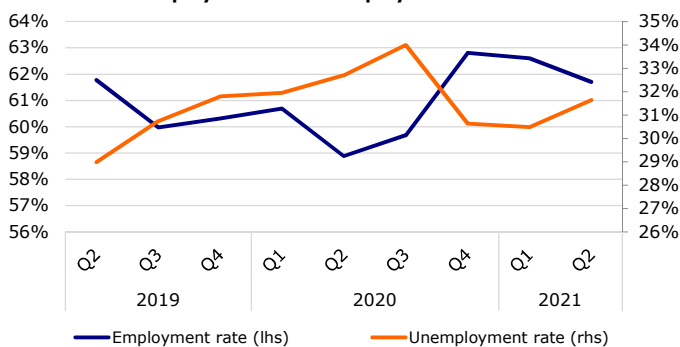
*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanzas; the change of AOA/USD shows the appreciation/depreciation of the Kwanzas against the USD.

Auctions of Treasury bonds and bills last week

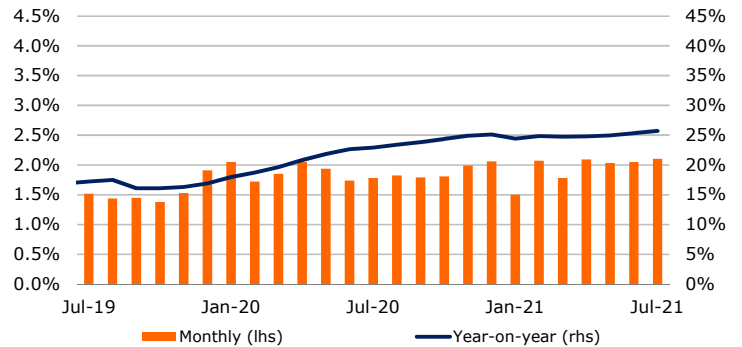
Maturity	Rate	Supply	Demand	Allocated
BT (12 months)	17.5%	4,717	26,923	26,923
OT 1.5 years	23.8%	5,000	36,242	36,242
OT 2 years	24.5%	3,000	6,810	6,810
OT 5 years	25.0%	5,000	235	235
OT USD 2 years	3.7%	1.0	0.1	0.1
OT USD 3 years	4.5%	1.0	1.4	1.4

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

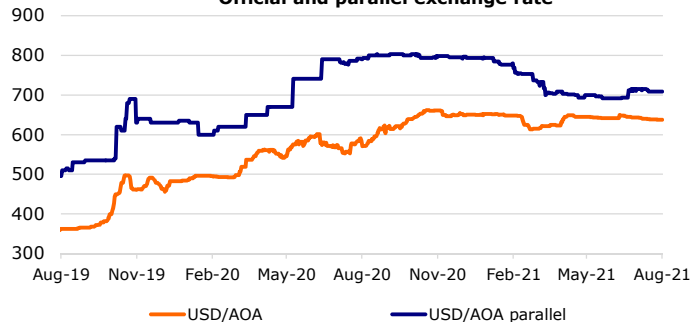
Employment and unemployment rate



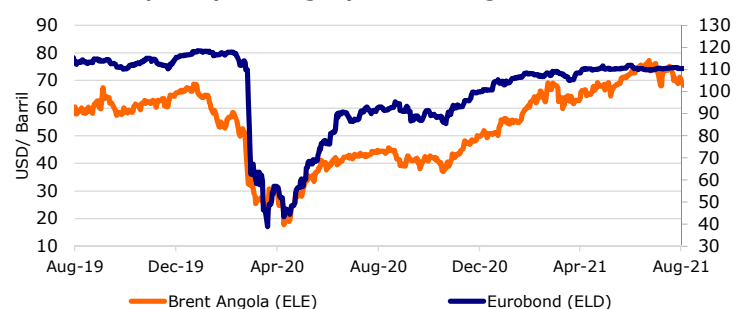
Inflation



Official and parallel exchange rate



Oil prices (Brent Angola) and 2025 Angola Eurobond



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