

Market Information

Oil exports recovered slightly to 1.11 million barrels per day (mbd) in July, from the historic low of 1.08 mbd recorded in the previous month. In comparison with the same period of the previous year, this entailed a drop of 10.1%; this is a sharp decline, but still the softest drop this year - in the first 7 months of the year, exports were down 16.1% yoy. Our expectation is that in the 3rd and 4th quarter exports will post decreases closer to 5%. On the other hand, the average export price last month reached USD 70, for the first time since May 2019; thus, export revenues reached USD 2.35Bn, a maximum since February 2020. Between January and July, crude oil export revenues totaled USD 14.71Bn, an increase of 20.5% yoy, which in turn has been reflected in a greater availability of foreign exchange compared to last year (compared to the same period in 2019, this is a decrease of 21.8%). In terms of tax revenues, the State already collected USD 4.76Bn between January and July, an increase of 2.9% yoy.

In the diamond sector, 5.58 million carats were produced in the first 7 months of the year, an increase of 53.7% compared to 2020. Sales revenue reached USD 0.88Bn (+74.5% yoy), with tax revenue also rising by around 88.8% yoy when measured in Dollars, according to preliminary data: it totaled around USD 66 million until July. The average sale price stood at USD 156.9 until July, 13.5% above the same period of the previous year.

Last week, the World Bank disbursed USD 700 million to Angola, corresponding to this year's tranche of budget support, agreed in March, and operating similarly to the IMF program. The institution likewise requires a few policy goals to be met, in terms of improving the business environment and reforming social spending. We expect another tranche of budget support in 2022, for a similar amount. **The issuance of new Special Drawing Rights to member countries of the IMF should take place today, which should raise International Reserves by around USD 1000 million in the case of Angola.** The Fund's capital increase translates into an increase in the institution's firepower, as it increases the capacity of countries to be able to request funding from the institution.

The President of the Republic approved two new supplementary budget credits totaling AOA 108Bn, thus totaling AOA 510Bn this year. The initial expense limit was AOA 8,948Bn.

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Indicator	2020*	2021**	2022**
GDP change (%)	-5.4	2.1	4.8
Average Inflation (%)	22.3	22.5	22.5
Current Account (% GDP)	1.5	9.3	5.8

*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*

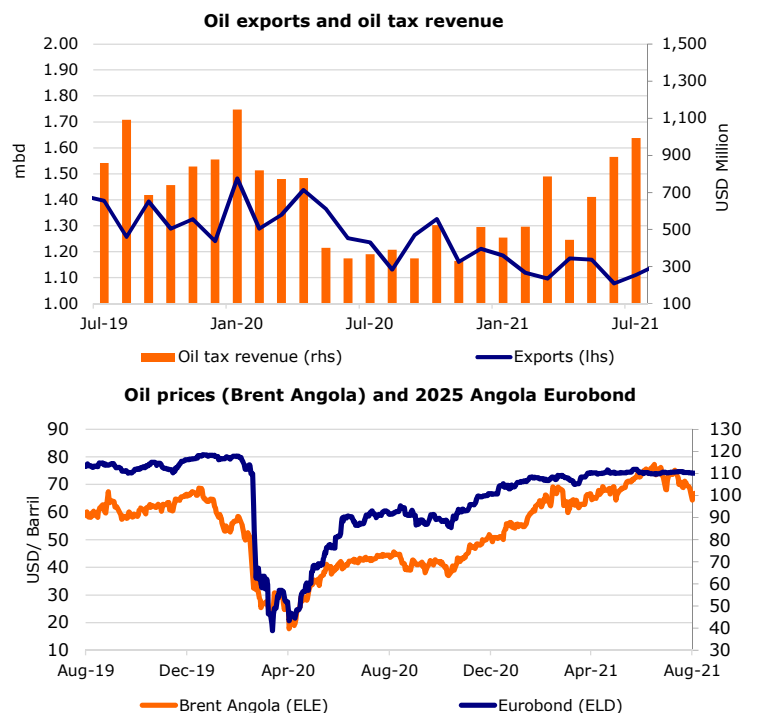
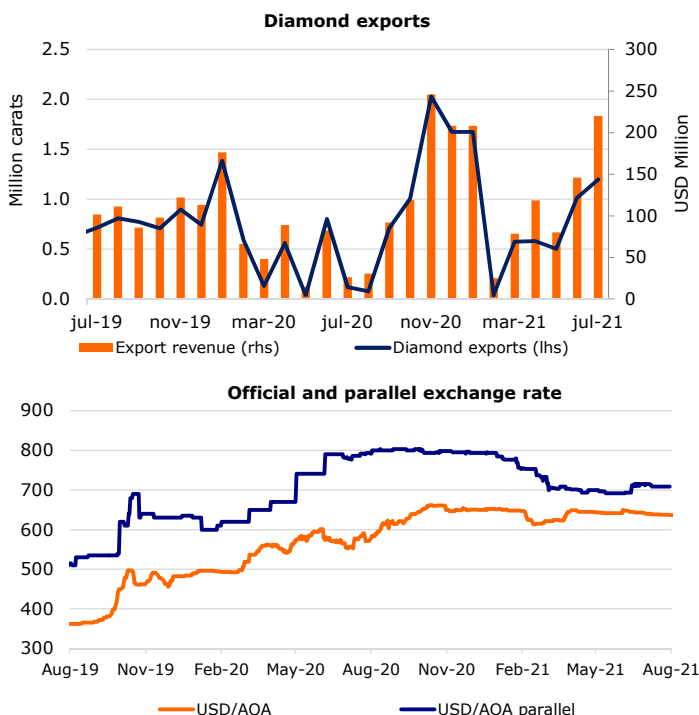
	20/08/21	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	16.91%	0.06	6.66	1.70
USD/AOA	636.5	-0.22%	-2.06%	9.81%
AOA/USD	0.00157	0.22%	2.11%	-8.93%
EUR/AOA	743.1	-0.88%	-6.74%	8.32%
EUR/USD	1.170	-0.84%	-4.24%	-1.37%
USD/ZAR	15.30	3.80%	4.09%	-11.44%

*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%	5,000	12,328	7,176
OT 1.5 years	23.8%	4,989	1,000	1,000
OT USD 2 years	3.7%	1.00	0.03	0.03
OT USD 3 years	4.5%	1.00	0.35	0.35
OT USD 5 years	5.9%	1.00	0.02	0.02

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



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