

Angola Weekly | 06/12

Market Information

At the latest Monetary Policy Committee, held last Tuesday, the BNA decided to keep the various monetary policy instruments unchanged. According to the central bank's press release, despite the slight deceleration in monthly inflation between September and October, inflationary pressures persist in the economy, with a scenario of inflection in the trajectory of inflation being expected from 2022 onwards. Additionally, the BNA hinted that the restrictive course of monetary policy will be maintained in the short term. **Banco Económico will have until tomorrow, December 7, to present the restructuring plan to the BNA, according to statements by the BNA Governor at the MPC press conference.** The bank benefited from a 15-day moratorium on the initial deadline. **In the foreign exchange market, the Kwanza appreciated 3.5% against the Dollar and 3.3% against the Euro, having closed the week at USD/AOA 565 and EUR/AOA 638.9.** In the parallel market, the Kwanza is trading between USD/AOA 665-680 according to online sources - thus, the gap against the reference rate is close to 18-20%. **Net International Reserves ended November at USD 10.1 billion (Bn), with a monthly value above USD 10Bn for the first time since July 2020.**

The oil company TotalEnergies has begun exploration of the CLOV phase 2 project, in Block 17, according to a joint announcement with ANPG. According to the press release published on the French oil company's website, the project should reach a daily production of 0.04 million barrels per day (mbd) by mid 2022. This is 2nd project launched by TotalEnergies in Angola in 2021. following the start of production at the project Zinia Phase 2 in May (also in Block 17), where an increase of 0.04 mbd is likewise expected by mid-2022. Thus, we expect output in this block to rise in 2022 to an average of 0.37 mbd (0.35 mbd in 2021), with new investments more than offsetting the drop in more mature fields. **Along with the exploration of the Platina field in Block 18, the Caril Pop-up project in Block 32, and some expected smaller investments in Blocks 0 and 15/06, 2022 could be the 1st year of growth in production since 2015, albeit only a slight increase, close to 1%.**

IGAPE announced last week that Grupo Anseba has won the public tender to manage the Kero supermarket chain. According to the Institute's press release, 2 applications were selected for the negotiation phase of the process (Anseba and Alimenta Angola), with Anseba winning the tender. The Anseba Group has been operating in Angola for over 10 years, operating in retail and also manufacturing cleaning products, beverages and foodstuffs. **BCI's privatizing tender will occur this month, according to an IGAPE announcement.** According to the institute, the process is now in its auction phase on the stock exchange, to be conducted by Bodiva.

Macroeconomic Forecasts

Indicator	2020*	2021**	2022**
GDP change (%)	-5.4	1.3	3.8
Average Inflation (%)	22.3	26.0	21.6
Current Account (% GDP)	1.5	10.0	3.8

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

Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	CCC	-	04/09/20
Moody's	B3	Stable	13/09/21
Standard & Poor's	CCC+	Stable	26/03/20

Monetary and ForEx data*

	19/11/21	7 days (p.p./%)	Change	
			YTD (p.p./%)	12 months (p.p./%)
LIUBOR O/N	18.96%	0.00	8.71	7.16
USD/AOA	565.0	-3.42%	-13.07%	-12.88%
AOA/USD	0.00177	3.54%	15.03%	14.79%
EUR/AOA	638.9	-3.16%	-19.81%	-18.62%
EUR/USD	1.132	-0.02%	-7.38%	-6.83%
USD/ZAR	16.08	-1.26%	9.43%	5.97%

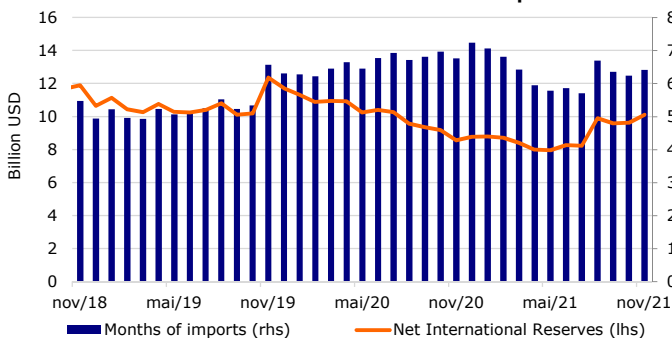
*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

Auctions of Treasury bonds and bills last week

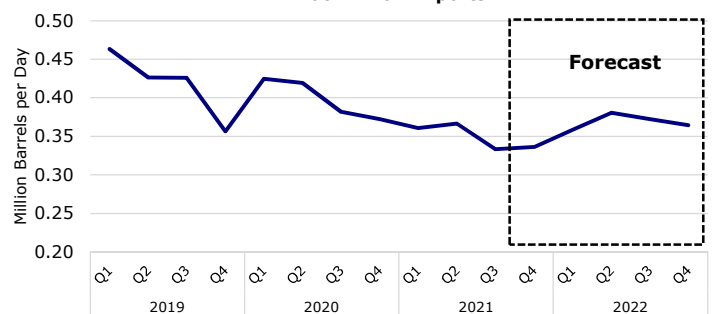
Maturity	Rate	Supply	Demand	Allocated
BT 6 months	15.0%	4,000	1,005	1,005
BT 12 months	17.4%	3,540	378	378
OT USD 2 years	3.7%	1.00	1.22	1.22
OT USD 3 years	4.5%	1.00	0.36	0.36
OT USD 5 years	5.9%	1.00	1.22	1.22

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

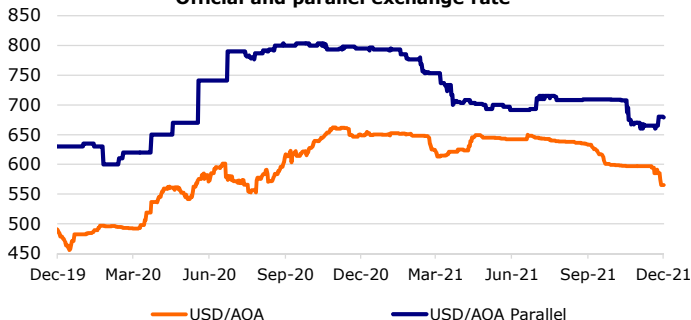
International Reserves and months of imports



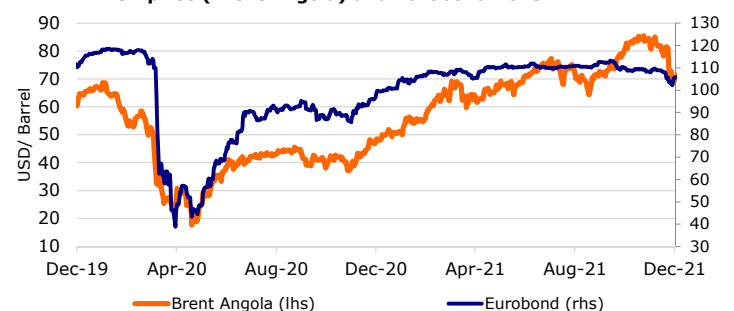
Block 17 Oil Exports



Official and parallel exchange rate



Oil price (Brent Angola) and Eurobond 2025



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