

Market Information

In January, oil exports grew 2.15% yoy, averaging 1.21 million barrels per day (mbd), following almost 5 quarters of year-on-year decline. The average export price rose 52% yoy, at an average of USD 75.21 per barrel. As a result of this rise, exports generated USD 2.82 billion (bn) in sales in the first month of the year, corresponding to an increase of 54.8% yoy. At the same time, oil tax revenue rose 137% yoy to AOA 703.6bn; when measured in Dollars, this is a total of USD 1.31bn, the highest amount since June 2019. **Data independently collected by OPEC points to lower production at 1.16mbd, down 0.52% from January 2021.** Due to the conflict between Russia and Ukraine, Brent is trading above USD 100 since last week, with expected constraints in the flow of Russian oil production, due to possible sanctions; today, the commodity is trading close to USD 110. **Last Friday, the Italian oil company Eni announced the start of production from the development of the Ndungu project EP, in Block 15/06.** According to a company statement, the production of this project should reach 0.02mbd; Block 15/06 exported an average of 0.10mbd in 2021, having reached 0.11mbd in the last quarter of 2021; our expectation for this year points to a maintenance of levels close to 0.11mbd, likely supported by this new project.

In 2021, banks purchased foreign exchange totaling USD 7.9bn from the oil, diamond, Treasury and BNA sectors. According to the report on the evolution of the foreign exchange market published by the BNA, the oil sector was the main source of acquisition, with around 42% of foreign exchange purchased (USD 3.3bn), followed by the National Treasury (39%), the diamond sector (10%) and finally the BNA (9%). The increasingly residual volume of purchases from the central bank signals less intervention by the institution, as a result of a stabilization of the foreign exchange market. It should be noted that purchases from other customers are not included, which we estimate to be higher than the foreign exchange from the diamond sector.

The public funds restructuring program (PRFP) came into force last Tuesday. According to the legislation, in order to optimize its management, the Executive defined a schedule to reorganize the current 16 existing funds into just 5: Infrastructure Development Fund; Credit Support Fund, Social Development Support Fund, Productive Sector Development Fund and the Venture Capital Fund.

Last Friday, a public tender was opened for the sale of 6 industrial units in the Luanda-Bengo Special Economic Zone (ZEE). According to the IGAPE press release, the tender will be held by means of an electronic auction.

Macroeconomic Forecasts

Indicator	2021*	2022*	2023*
GDP change (%)	1.3	3.9	2.6
Average Inflation (%)	25.8	21.0	14.8
Current Account (% GDP)	10.4	3.8	1.9

*BFA forecasts

Sovereign Rating

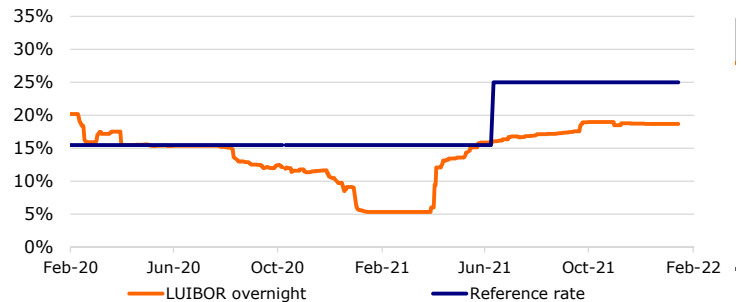
Rating Agency	Rating	Outlook	Last change
Fitch	B-	-	21/01/22
Moody's	B3	Stable	13/09/21
Standard & Poor's	B-	Stable	04/02/22

Monetary and ForEx data*

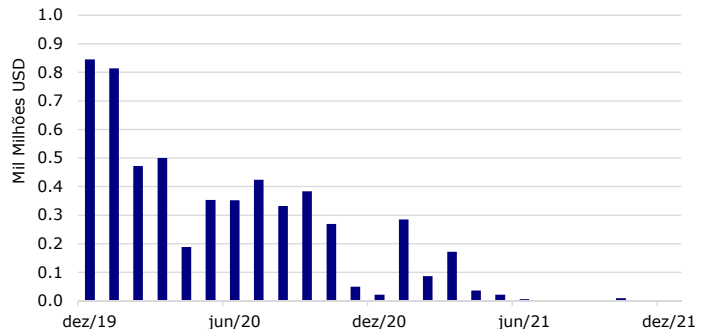
	25/02/22	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	18.96%	0.00	0.00	13.32
USD/AOA	491.1	-1.92%	-11.52%	-21.42%
AOA/USD	0.00204	1.95%	13.02%	27.26%
EUR/AOA	550.5	-3.10%	-12.49%	-27.26%
EUR/USD	1.127	-0.48%	-0.90%	-6.68%
USD/ZAR	15.16	0.14%	-4.90%	0.24%

*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.

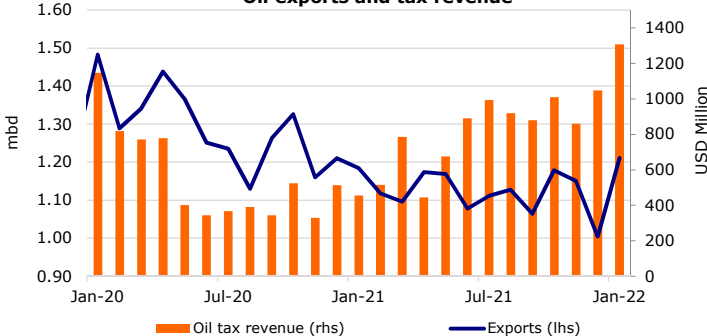
Reference rate and interbank rate



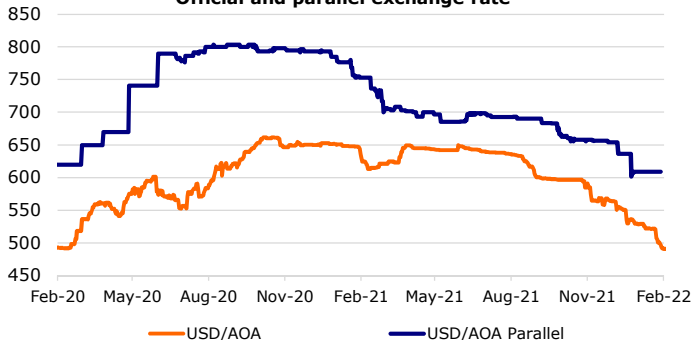
ForEX allocation to banks



Oil exports and tax revenue



Official and parallel exchange rate



Oil price (Brent Angola) and Eurobond 2025

