

## Market Information

**The IMF improved its growth forecast for the Angolan economy in 2022 to 3.0%, +0.1 percentage points (pp) from the 2.9% previously forecast.** The Fund is now more optimistic about the recovery of the Angolan economy, as a result of the rise in oil prices in international markets, forecasting a Brent price of USD 106.8 (+USD 29.0 compared to the previous forecast). The financial institution now expects faster economic growth for this year (3.0%) and for 2023 (3.3%), and a downward trend in inflation, of 23.9% and 13.2% in 2022 and 2023 respectively. As for the weight of debt in GDP, the IMF predicts that it may reach levels below 60% in 2022, reaching 54.6% in 2023, maintaining this downward trend in the coming years. A current account surplus of around 11.3% of GDP is expected in 2022 against the previous forecast of 9.5%. **Our own outlook is even more optimistic when it comes to the economy: we expect growth between 5.2-5.7% this year, however a slight slowdown in growth between 3.6-4.1% next year;** the reason for a more positive scenario is due to a stronger growth outlook for the non-oil economy, which we expect to grow by 6,8-7,3%. Regarding the current account, BFA's expectation is slightly more pessimistic compared to the IMF: we anticipate a positive balance of between 5.6% and 6.1%, as we expect a faster growth in imports.

**Last week, Fitch Solutions revised up its forecast for the growth of Angola's economy in 2022 from 2.7% to 3.8%.** The forecast expects an increase in the price of a barrel of oil to USD 100 in 2022, against USD 71 in 2021, which could lead to an acceleration of oil production growth to 3.5%. Likewise, an improvement in public accounts is expected through a stronger Kwanza, and a reduction in inflation from 25.7% in 2021 to 20% in 2022.

**Last Wednesday, De Beers and Endiama signed two new contracts for diamond prospecting in Angola.** This agreement signals the return of mining investments by the multinational after almost a decade. The contracts signed by the two companies have a duration of 35 years, with a 90% stake by De Beers and 10% by Endiama in each of the concessions, with the possibility of the public company's participation growing to 20% in the future.

**Last Friday, BNA bought USD 631.5 million on the Bloomberg FXGO platform at a rate of USD/AOA 400.0.** According to the central bank, the operation was carried out in order to reduce foreign exchange volatility in view of the excess supply of foreign currency not absorbed by the financial system. Since the beginning of 2022, the Kwanza has appreciated 37.3% against the Dollar and 44.0% against the Euro.

## Macroeconomic Forecasts

Indicator	2021*	2022**	2023**
GDP change (%)	0.7	5.5	4.0
Average Inflation (%)	25.8	18.7	8.5
Current Account (% GDP)	12.4	6.6	1.5

\*GDP and inflation - INE; Current account - BNA  
\*\*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\*

	22/04/22	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LIUBOR O/N	16.00%	-1.12	-2.68	10.62
USD/AOA	404.2	-4.09%	-27.18%	-37.75%
AOA/USD	0.00247	4.26%	37.32%	60.64%
EUR/AOA	436.7	-3.88%	-30.57%	-44.12%
EUR/USD	1.079	-0.19%	-5.10%	-10.20%
USD/ZAR	15.61	6.72%	-2.06%	9.08%

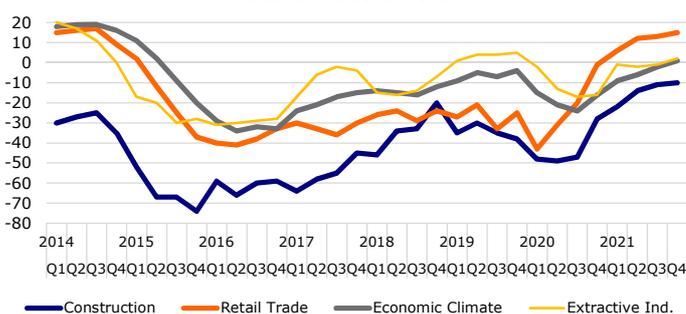
\*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

## Auctions of Treasury bonds and bills last week

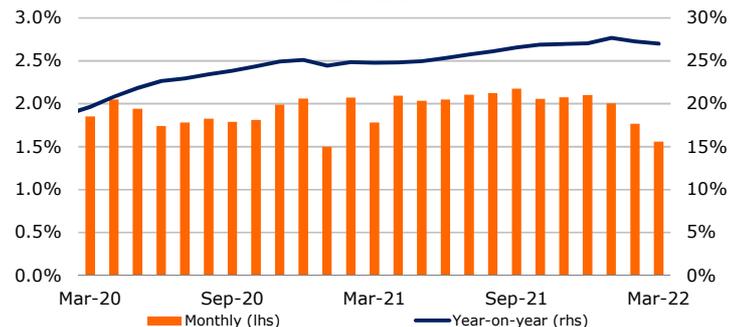
Maturity	Rate	Supply	Demand	Allocated
BT (91 days)	11.66%	20,000	34,597	22,272
OT AOA (2 years)	16.50%	29,776	29,776	29,776
OT AOA (6 years)	19.49%	5,000	9,500	9,500
OT AOA (10 years)	21.00%	5,000	5,500	5,500
OT USD (3 years)	3.70%	2.00	2.29	2.29
OT USD (4 years)	4.20%	2.00	2.00	2.00

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

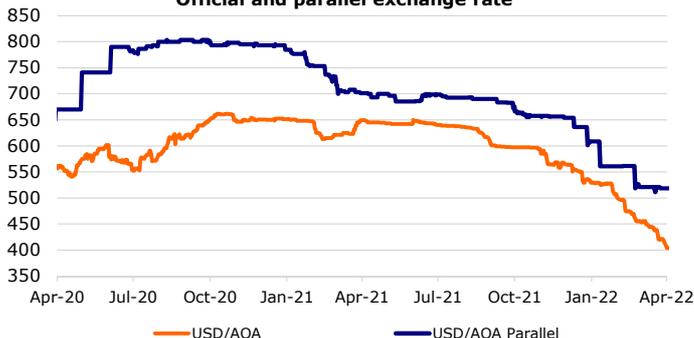
## Economic Sentiment



## Inflation



## Official and parallel exchange rate



## Oil price (Brent Angola) and Eurobond 2025

