

Angola Weekly | 22/08

Market Information

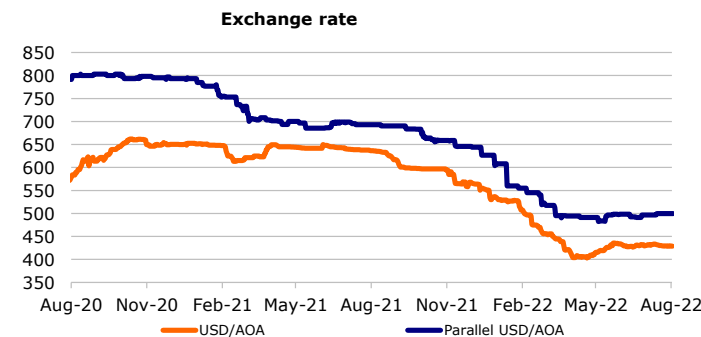
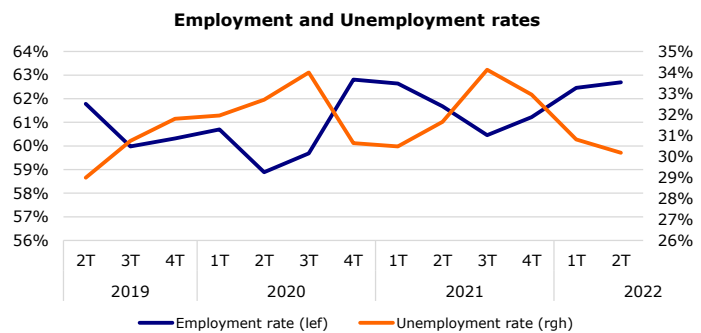
The unemployment rate improved slightly in the second quarter of 2022, down 0.6 percentage points (pp) from Q12022 (30.2%, vs. 30.8%). According to the data published by the INE, when compared to the same period, the fall in the unemployment rate was 1.5pp. On the employment side, there was an increase in the employment rate from 0.2pp to 62.7% in Q2 2022 compared to Q1 2022; compared to the same quarter, the rate increased by 1.0pp. The youth unemployment rate (15-24 years), at normally higher levels, stood at 56.7%, representing a reduction of 1.0pp compared to Q2 2021, the second quarter of consecutive decline this year. The unemployment rate of the population aged 18 years or older is slightly lower, at 26.2% (-1.7pp yoy). On the other hand, the inactive population aged 15 years or more has been increasing year-on-year, having grown by 9.2%yoy, the largest increase recorded in the statistical series. One of the challenges of the national labor market continues to be the weight of informal employment, which represented about 79.3% in the universe of people employed in Q2 2022, with a higher incidence in the rural area (95.0%) than in the urban area (65.4%).

BNA bought USD 100 Million for the second time for the purpose of accumulating international reserves from participants of the Bloomberg FXGO Platform. According to the information provided by the Central Bank, this purchase was made last week at the average exchange rate of USD/AOA 419.5, following the announcement made on the first purchase. **In the foreign exchange market, the week was marked by an appreciation of 0.1% of Kwanzas against the Dollar and 2.4% against the Euro, having closed the week at USD/AOA 428.8 and EUR/AOA 430.9.** Since the beginning of 2022, Kwanza has appreciated about 29.4% versus to the Dollar and 46.0% against the Euro.

BNA suspended Finibanco Angola from the foreign exchange market for 45 days for several regulatory defaults. According to the Central Bank's note made public last Tuesday, the precautionary measure of suspension of participation in the foreign exchange market aims to ensure the rights of depositors, the protection of investors, and protect the Angolan financial system.

The World Bank has a new Representative and Director for Angola. Last week, the World Bank announced the appointment of Albert Zeufack of Cameroon to the post of Director of Angola, which joins the newly appointed representative position resident in Angola, Costa Rican Lawyer Juan Carlos Alvarez.

Angola is counting down for the general elections. August 24 (Wednesday) will be the fifth general election, after the first in 1992. Angolans choose the members of the National Assembly and the President and Vice-President of the Republic from 8 candidacies.



Macroeconomic Forecasts

Indicator	2021*	2022**	2023**
GDP change (%)	0.7	5.6	4.9
Average Inflation (%)	25.8	21.4	7.0
Current Account (% GDP)	10.7	3.1	1.9

*GDP and inflation - INE; Current account - BFA forecast
**Forecasts

Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	B-	Positive	15/07/2022
Moody's	B3	Stable	13/09/2021
Standard & Poor's	B-	Stable	04/02/2022

Monetary and ForEx data*

	19/08/2022	7 days (p.p./%)	Change	
			YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	16.50%	0.00	-2.18	-0.41
USD/AOA	428.8	-0.11%	-22.73%	-32.63%
AOA/USD	0.00233	0.11%	29.42%	48.43%
EUR/AOA	430.9	-2.30%	-31.50%	-42.13%
EUR/USD	1.004	-2.16%	-11.72%	-14.03%
USD/ZAR	17.0	5.16%	6.69%	11.77%

*Change of USD/AOA (or EUR/AOA) shows the appreciation 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)	12.0%	5,000	2,186	2,186
OT AOA (4 years)	17.2%	7,701	12,709	12,709
OT AOA (6 years)	19.5%	18,123	23,256	23,256
OT AOA (8 years)	20.0%	12,302	16,827	16,827
OT USD (3 years)	3.7%	1.00	1.20	1.20
OT USD (7 years)	5.7%	1.00	1.40	1.40

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

