

## Angola Weekly | 10/10

### Market Information

**Last week, OPEC+ decided to cut oil production by two million barrels a day, starting next November.** The decision was taken at the 33rd meeting of the Organization of Petroleum Exporting Countries and allies, at a time when the Organization seeks to stabilize global markets, considering the persistent losses that the price of black gold has been suffering since the beginning of the month of August of the current year. Three main reasons were behind this decision: the sharp drop in the price of oil due to fears of a possible recession in the main economies of the world, the increase in interest rates aimed at containing inflation and the uncertainties about the conflict between Russia and to Ukraine. However, this decision will weigh heavily on essentially oil-importing economies, especially those already facing a wave of rising prices. **The price of Brent ended the week at around USD 95.0 per barrel, representing a recovery of more USD 10.4 compared to the end of the previous week.** Expectations about the OPEC+ decision interrupted a cycle of price drops that had lasted for two months, having even reached USD 83.1 per barrel in mid-September, the lowest value since the first fortnight of the current year.

**International Reserves closed the month of September at USD 13.6 billion (Bn), representing a growth of 3.1% (+USD 405 million) compared to the value at the end of 2021.** According to preliminary data from the BNA, this is the lowest point since February of the current year, however, according to our calculations, the value of international reserves in September represents approximately 6.4 months of imports of goods and services.

**The Government of Angola has signed two financing agreements with the World Bank - (USD 360 million) and the French Development Agency - AFD (EUR 150M).** According to the statement from the Ministry of Finance, these agreements will be earmarked for the Statistical Capacity Building Project of the National Statistics Institute (USD 60M), with the remainder being USD 450M, of which USD 300M will be financed by the World Bank and USD 150M by AFD, will be implemented in the Ministry of Energy and Water's climate resilience and water security program.

**Portuguese bank Montepio has agreed to sell its stake in Finibanco Angola to Access Bank, the largest Nigerian banking institution in terms of assets and customers.** According to Jornal Económico, the sale value will be based on "the proportion attributable to the Banco Montepio group in the capital of Finibanco Angola", a position that will be majority in any case, but whose specific definition is pending litigation between the shareholder Montepio and Finibanco. For now, Access Bank is only awaiting authorization from the BNA to enter the Angolan market.

### Macroeconomic Forecasts

Indicator	2021*	2022**	2023**
GDP change (%)	0.7	5.6	4.9
Average Inflation (%)	25.8	21.2	12.2
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\*

	08/10/2022	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	10.63%	-0.37	-8.05	-6.91
USD/AOA	439.2	1.33%	-20.87%	-26.61%
AOA/USD	0.00228	-1.31%	26.37%	36.26%
EUR/AOA	428.4	1.18%	-31.89%	-38.08%
EUR/USD	0.974	-0.59%	-14.30%	-15.65%
USD/ZAR	18.1	0.06%	13.55%	20.98%

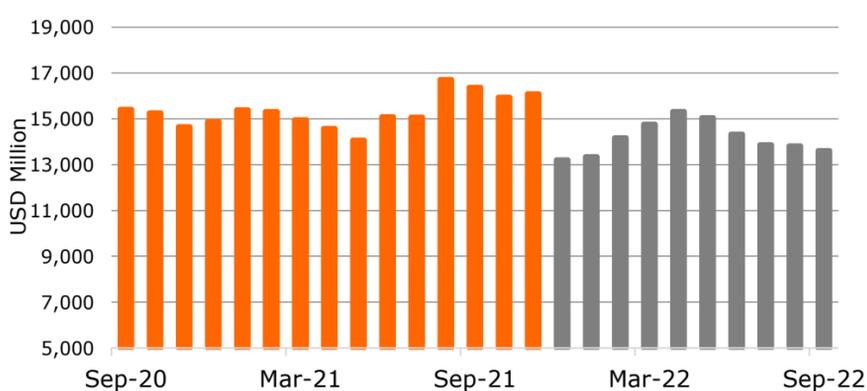
\*Change of USD/AOA (or EUR/AOA) shows the appreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

### Auctions of Treasury bonds and bills last week

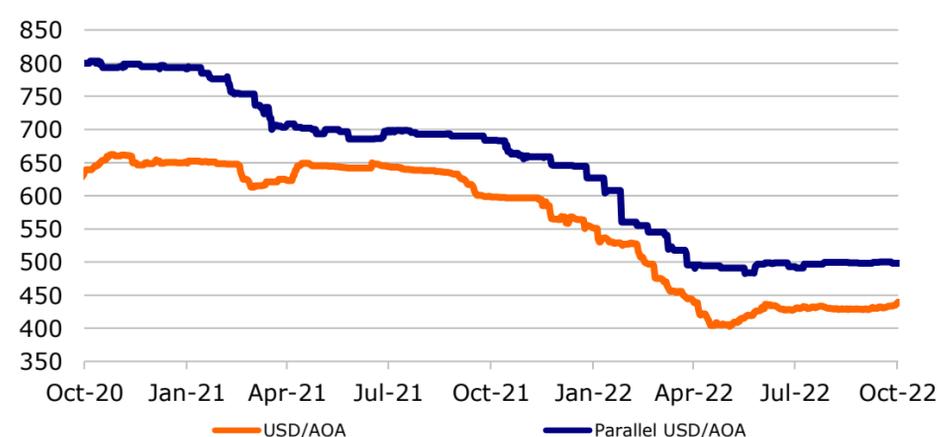
Maturity	Rate	Supply	Demand	Allocated
BT (12 months)	13.2%	5,000	13,276	8,766
OT AOA (6 years)	19.5%	8,000	19,538	19,538
OT AOA (10 years)	21.0%	1,200	1,031	1,031
OT USD (3 years)	3.7%	1.00	0.21	0.21
OT USD (7 years)	5.7%	1.00	0.25	0.25

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

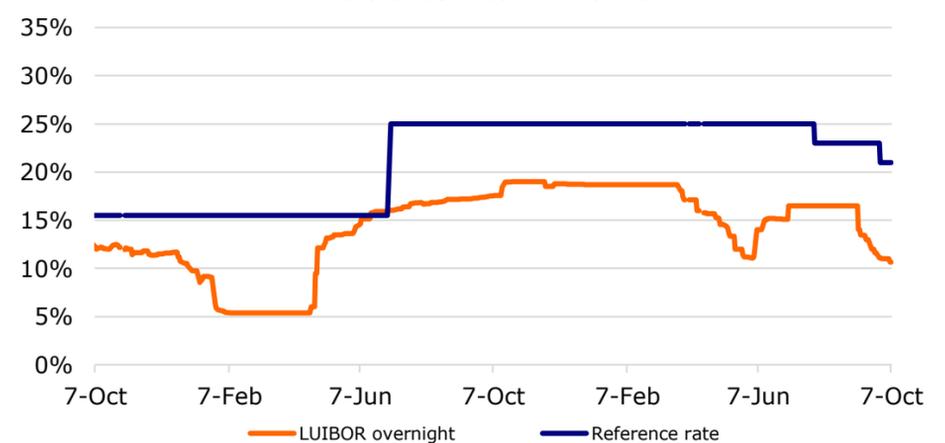
Internacional Reserves



Exchange rate



Reference rate and LUIBOR



Oil price (Brent) and Eurobond 2025

