

## Angola Weekly | 21/11

### Market Information

**The unemployment rate decreased by 4.1 percentage points (pp) in Q3 2022, when compared to the same period last year, to 30.0%.** This is the largest year-on-year drop in the rate since the beginning of the statistical series, in 2019. According to data published by INE, the rate fell by 0.2pp compared to the 2nd quarter of the year, when it stood at 30.2% - usually, the seasonality of the labor market leads to increases in the unemployment rate between the 2nd and 3rd quarters. In fact, this is the lowest unemployment rate in the last 3 years, since Q2 2019 (29.0%). On the employment side, the employment rate rose by 2.1pp over the same quarter, to 62.6% and decreased by 0.1pp over the previous quarter. The youth unemployment rate (15-24 years old), at generally higher levels, fixed at 54.2%, having fallen by 5.0pp compared to the same period of the previous year and 2.5 pp compared to the second quarter of 2022. About the youngest population, in addition to a year-on-year decrease in the unemployed population (-10.2% yoy) and an increase in the employed population (+9.9% yoy), there was also the highest increase in the series in the inactive population (+ 51.5%) of the statistical series - around 1.2 million young people (15-24 years old) are not looking for a job, most of whom will be students.

**The price of oil had a very negative performance last week, with Brent trading around USD 87 on Friday, significantly below the USD 96 level it was trading at the end of the previous week.** The main factor for the decline of the commodity is related to the increase in new cases of Covid-19 in China; the expectation that had formed was that the policy of the Chinese authorities would ease sometime in 2023, but the latest developments are making investors forecast that the plan may not go ahead, which would point to a much more repressed demand for oil on the part of the Chinese economy. On the other side, concerns remain with the scenario of continued rise in interest rates in the major economies; additionally, there is still some uncertainty regarding the price ceiling applied to purchases of Russian oil, which should be defined shortly.

**Sodiam raised USD 28.7 million last week by selling 43 special diamond stones, totaling 1,820 carats. In the previous auction, held in June 2021, revenue had been USD 19.5 million.** In the auction with the highest revenue, in June 2021, USD 56.6 million had been raised. The auction held this month included stones from the Lulo, Catoca and Luele mines, including a special pink stone weighing 170.2 carats, extracted in July in Lulo, known as "Rosa do Lulo".

**In the foreign exchange market, the week was marked by a depreciation of the Kwanza against the Dollar (3.40%) and against the Euro (7.45%).** The domestic currency closed the week trading at 511.143 USD/AOA and 530.541 EUR/AOA.

### Macroeconomic Forecasts

Indicator	2021*	2022**	2023**
GDP change (%)	0,7	4,6	2,4
Average Inflation (%)	25,8	21,2	12,2
Current Account (% GDP)	10,5	9,0	3,3

\*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	Positive	20/10/2022
Standard & Poor's	B-	Stable	04/02/2022

### Monetary and ForEx data\*

	18/11/2022	7 days (p.p./%)	Change	
			YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	10,50%	0,50	-8,18	-8,50
USD/AOA	511,1	3,52%	-7,90%	-14,37%
AOA/USD	0,00196	-3,40%	8,58%	16,78%
EUR/AOA	530,5	8,05%	-15,66%	-21,63%
EUR/USD	1,033	-0,21%	-9,19%	-9,20%
USD/ZAR	17,3	0,09%	8,27%	10,29%

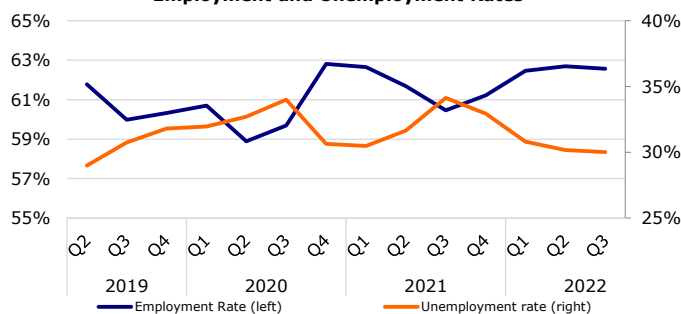
\*Change of USD/AOA (or EUR/AOA) shows the appreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

### Auctions of Treasury bonds and bills last week

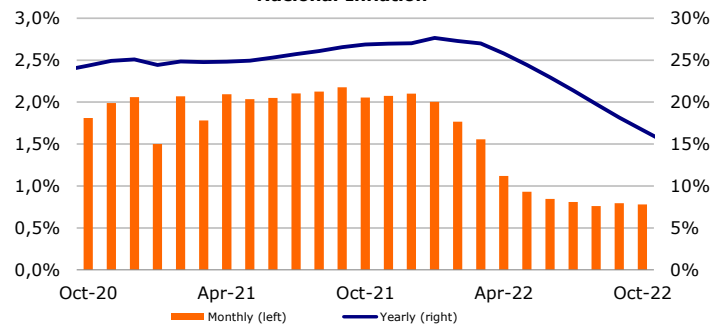
Maturity	Rate	Supply	Demand	Allocated
BT (182 days)	11,5%	5 000	38 563	13 037
BT (90 days)	9,7%	5 000	36 357	6 716
OT AOA (10 years)	21,0%	442	442	442
OT AOA (6 years)	19,0%	10 000	4 039	2 300
OT USD (3 years)	3,7%	27	25	25
OT USD (7 years)	5,7%	1,00	1,50	1,50

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

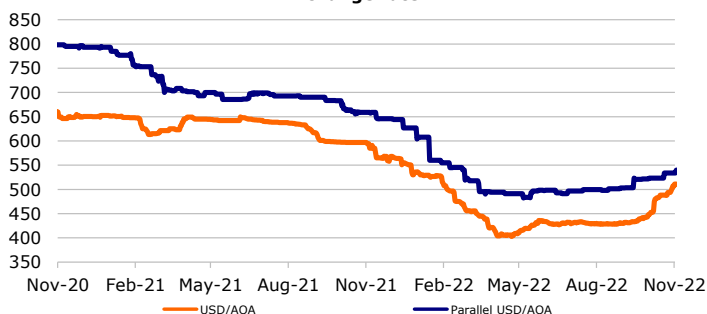
Employment and Unemployment Rates



Nacional Inflation



Exchange rate



Oil price (Brent) and Eurobond 2025

