

## Angola Weekly | 24/04

### Market Information

**In the 1st quarter of 2023, oil exports were around 1.07 million barrels per day, a drop of 6.6% compared to the same period of 2022, partly due to the stoppage of production at the Dália field, in Block 17, in March.** The average export price was USD 79.4, a decrease of 7.7% compared to Q1 2022. Thus, export revenues decreased by 13.8% to a total of USD 7.6 billion. In fiscal revenue, the decrease stood at 20.1%, for a total of USD 2.7Bn. Looking at these data, together with the information collected by OPEC, we expect a drop in oil GDP in Q1 of around 6-8%. In the 2nd and 3rd quarters, we expect oil GDP declines of the same magnitude, with a milder decline expected to be recorded in the last quarter of the year, with the start of new production in Block 15/06, with the impact of the Agogo Full Field Development Plan. The price of Brent has dropped over the past week, and is now trading just above USD 81, below USD 85 where it was hovering at the end of the previous week.

**Diamond exports rose 47.4% in Q1 2023, when compared to the same period in 2022 - in total, 2.7 million carats were exported.** The price of exports fell by 40.7%, to an average of USD 167 per carat, which resulted in a decrease in export earnings of 12.6% yoy, to USD 453 million. Tax revenue totaled USD 33.9 million, down 10.9% yoy. The data thus point to a significant increase in GDP in the diamond sector in Q1, after the tenuous increase of 0.8% yoy in the last quarter of 2022.

**Angola will obtain a EUR 103 million loan from Crédit Agricole Corporate and Investment Bank.** It is intended for the construction of the energy transport system between Lomaum and Huambo, guaranteeing energy for the largest consumption centers in Benguela and Huambo.

**Data on private sector transactions from EMIS point to a continuation of the year-on-year growth in private consumption in Q1 2023.** The set of transactions considered rose 1.0% yoy in real terms, the 3rd consecutive quarter of increase; however, growth is slower than the 3.3% yoy increase recorded in Q4 2022. On the other hand, private sector deposits in national currency also rose for the 3rd consecutive quarter, in real terms. Likewise, the 0.5% yoy increase was lower than the 3.8% yoy increase in Q4 2022, which also indicates moderation in consumption growth. On the other hand, despite a real year-on-year drop in credit to the private sector in local currency, excluding the effects of the credit write-offs that took place in December 2022, this would grow in real terms, for the first time since Q1 2020. No previous quarter saw coincident real year-on-year growth of these 3 variables, at least since 2016; for the previous period, we do not have all the data to verify this trend.

### Macroeconomic Forecasts

Indicator	2022*	2023**	2024**
GDP change (%)	3.0	1.2	5.9
Average Inflation (%)	21.7	11.2	0.0
Current Account (% GDP)	12.5	3.7	4.3

\*Inflation - INE; GDP & 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\*

	21/04/2023	7 days (p.p./%)	Change YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	8.70%	0.00%	-1.30%	-7.00%
USD/AOA	506.2	0.06%	0.50%	24.17%
AOA/USD	0.00198	-0.06%	-0.50%	-19.46%
EUR/AOA	556.0	-0.32%	3.46%	25.50%
EUR/USD	1.099	-0.05%	2.62%	1.40%
USD/ZAR	18.1	0.12%	6.28%	17.73%

\*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.

### Weekly domestic debt securities auctions

Term	Yield	Offer	Demand	Allocated
OT AOA (10 years)	17.0%	6,000	10,500	10,500
OT AOA (6 years)	16.3%	6,000	500	500
OT AOA (4 years)	15.0%	6,000	300	300
OT USD (8 years)	4.5%	1	3	3
OT USD (5 years)	5.1%	10	9	9
OT USD (3 years)	4.5%	4	3	3

BT are treasury Bills, OT are Treasury Bonds; Note: amounts (except for yield) are in million Kwanzas. OT USD (Dollar Treasury Bonds) are shown in million Dollars

