

Angola Weekly | 08/05

Market Information

Last Tuesday, an agreement was signed between the Angola's oil & gas agency (ANPG), TotalEnergies and Sonangol, with the aim of boosting exploration in the Kwanza basin, in blocks 20 and 21.

According to the ANPG president Paulino Jerónimo, the start of production is expected between the end of 2026 and the beginning of 2027 and the maximum production could reach between 70 and 100 thousand barrels a day, almost 10% of the current production. Also according to the leader of the agency, the final investment decision is expected later this year. The project is estimated at around USD 5.0 Trillion (Tn) and is located 150km southwest of Luanda.

The Annual Debt Program (PAE) for 2023 was approved, which plans to raise AOA 6.6Tn , equivalent to USD 13.0Tn this year.

According to the document, released by the Debt Management Unit (UGD), AOA 3.1Tn will be raised in the domestic market and AOA 3.5Tn correspond to funding abroad, of which USD 0.5Tn refer to securitized debt; it should be noted that the Minister of Finance Vera Daves, hinted at an issue of green bonds, in the near future, mentioning a value of "less than a billion dollars", so it could be an issue of this type. The projected debt service for this year is AOA 9.1Tn (USD 17.8 Tn): AOA 4.0Tn is due in domestic debt and AOA 5.1Tn in external debt, with the most demanding month having already been March , with AOA 1.8Tn paid. According to UGD's forecast, debt should fall from 63% of GDP at the end of 2022 to 56% at the end of this year.

3 financing agreements between Angola and the European Union (EU) were signed, valued at around EUR 120.1 million, under the Multiannual Indicative Program (PIP) 2021-2027.

The first agreement is valued at around 40 million Euros, referring to the revitalization of agricultural teaching and professional training in Angola. The second convention focuses on supporting public finance management, is valued at 62.6 million Euros and will be co-financed by the French Development Agency - the program aims to provide support for the expansion and reinforcement of the sustainability of the Reconversion Program of the Informal Economy (PREI), launched in 2020. The third agreement refers to support measures and is valued at 17.5 million euros. This program aims to contribute to the successful preparation, implementation, evaluation and visibility of cooperation between the EU and Angola.

Macroeconomic Forecasts

Indicator	2022*	2023**	2024**
GDP change (%)	3.0	1.2	5.9
Average Inflation (%)	21.7	10.7	14.1
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	7/15/2022
Moody's	B3	Positive	10/20/2022
Standard & Poor's	B-	Stable	2/4/2022

Monetary and ForEx data*

	5/5/2023	7 days (p.p./%)	Change	
			YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	8.70%	0.00%	-1.30%	-6.96%
USD/AOA	507.5	0.01%	0.75%	25.10%
AOA/USD	0.00197	-0.01%	-0.74%	-20.06%
EUR/AOA	557.7	-0.14%	3.78%	30.28%
EUR/USD	1.102	0.00%	2.93%	4.52%
USD/ZAR	18.4	0.64%	8.04%	15.12%

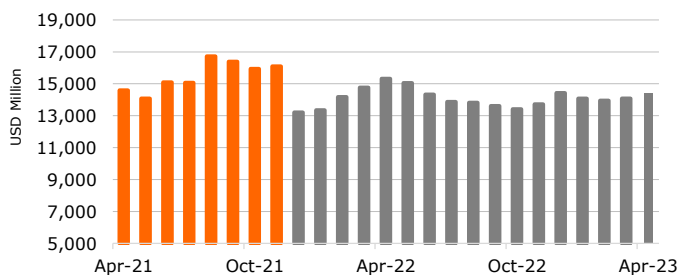
*Change of USD/AOA (or EUR/AOA) shows the appreciation/depreciation of the USD (or EUR) against the Kwanzas; the change of AOA/USD shows the appreciation/depreciation of the Kwanzas against the USD.

Weekly domestic debt securities auctions

Term	Yield	Offer	Demand	Allocated
OT AOA (10 years)	17.0%	10,000	3,750	3,750
OT AOA (7 years)	16.3%	25,220	5,220	5,220
OT AOA (6 years)	16.3%	9,885	9,885	9,885
OT AOA (5 years)	16.0%	20,000	1,500	1,500

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

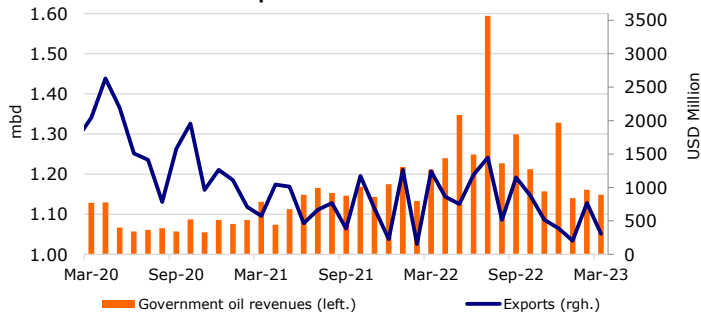
International Reserves



Oil Price (Brent) and Eurobond 2025



Oil exports and Tax revenues



Exchange Rate

