

## Angola Weekly | 24/07

### Market Information

**Oil exports stood at close to 1.14 million barrels per day (mbd) in June, 4.2% less than in the same period last year.** As a whole, in Q2 2023, an average of around 1.03 mbd were exported, illustrating a drop of around 10.5% compared to the same quarter of the previous year. This movement in exports was mainly due to the contraction in oil production, amounting to a drop of around 5.0% yoy in Q2 2023, according to OPEC data. Export revenues also registered declines, having fallen by around 38.4% yoy in Q2. The price of a barrel of Brent oil, a benchmark for Angolan exports, closed the week at USD 81.0 (+USD 1.2 at the end of the previous week). The increase in oil prices is a reflection of the fall in oil exports from Russia and the faltering production in the United States causing uncertainties on the supply side. Taking into account that until the first half of July there had been no signs of recovery in Russian oil exports, it is expected that supply will tighten again, influencing prices upwards.

**Last week, Azule Energy announced the signing of an agreement with Afentra for the sale of the participating interest in Blocks 3/05 and 3/05A in shallow waters, located in the Congo Basin.** This is a transaction valued at USD 48.5 Million, including a deferred contingent payment in an amount of up to USD 36.0 Million. This transaction is expected to take place by the end of this year, considering that it is still subject to legal issues and approvals from the Angolan authorities.

**The Kwana could be used to purchase goods and services in the countries that make up the Development Community of Southern African Countries (SADC).** In a statement published by the National Bank of Angola (BNA), with the aim of clarifying the functioning of the Real Time Payment System in the SADC region, the BNA said that the countries that are part of SADC will have a "Real Time Payment System, of regional scope, operated by the Central Bank of South Africa". The process could result in a reduction in costs associated with processing international trade within SADC.

**The Ministry of Finance reinforced the capitalization of the Credit Guarantee Fund (FGC) in the amount of AOA 50 billion (Bn).** This is a recapitalization through the special issuance of public debt securities, which will allow the institution to reinforce its intervention, allowing companies and individual entrepreneurs to benefit from financing from commercial banks. The FGC is implementing and operationalizing the Acceleration Plan for the Promotion of Credit Guarantee, which was created with the aim of sustainably and balancedly serving the participation of micro, small and medium-sized companies. Priority segments include agriculture, livestock, fishing and the manufacturing industry, and projects worth up to AOA 10 million will be automatically approved by the FGC's public guarantee.

### 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-	Stable	6/26/2023
Moody's	B3	Positive	10/20/2022
Standard & Poor's	B-	Stable	2/4/2022

### Monetary and Forex data\*

	7/21/2023	7 days (p.p./%)	Change	
			YTD (p.p./%)	12 months (p.p./%)
LUIBOR O/N	18.02%	-0.51%	8.02%	1.52%
USD/AOA	824.6	0.11%	63.71%	91.35%
AOA/USD	0.00121	-0.11%	-38.92%	-47.74%
EUR/AOA	916.5	-0.90%	70.52%	108.45%
EUR/USD	1.112	-0.93%	3.91%	8.74%
USD/ZAR	18.0	-0.82%	5.42%	5.30%

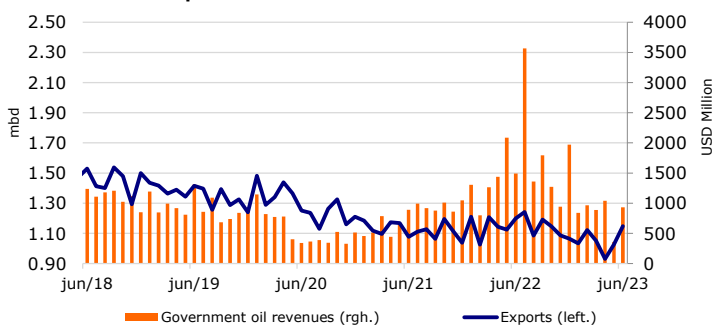
\*Change of USD/AOA (or EUR/AOA) shows the appreciation of the USD (or EUR) against the Kwana; the change of AOA/USD shows the appreciation/depreciation of the Kwana against the USD.

### Weekly domestic debt securities auctions

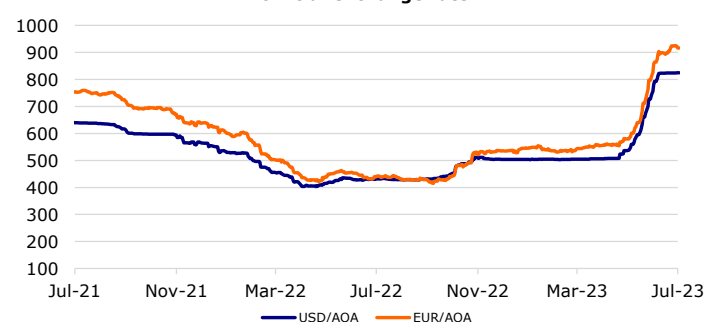
Term	Yield	Offer	Demand	Allocated
BT (364 days)	12.2%	5,000	5,203	2,985
OT AOA (7 years)	16.3%	5,000	2,000	2,000
OT AOA (4 years)	15.0%	5,000	2,988	2,988

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

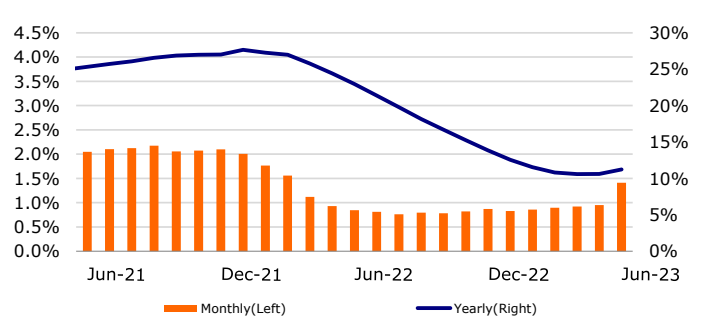
Oil exports and Tax revenues



Official exchange rate



Inflation



Oil Price (Brent) and Eurobond 2025

