# Angola Weekly |03/06

Market Information

A week and a half ago, TotalEnergies, together with Petronas and Sonangol, announced the Final Investment Decision of the Kaminho project for the development of the Cameia and Golfinho fields, in Block 20/11. This is the first major deepwater development project in the Kwanza basin; production is expected to start in 2028 and crude oil extraction is expected to peak at 0.07 million barrels of oil (MBD). For context, the Blocks with the highest export volume in Angola are Block 17, 32 and 15, with respectively, 0.34, 0.15 and 0.14mbd exported on average in 2023, according to data made available by the General Tax Administration. The breakeven of the project, according to the statement from the French company, is below USD 30 per barrel. The project consists of converting a Very Large Crude Carrier into a floating production, storage and offloading unit that will be connected to a subsea production network. A memorandum of understanding between the parties for knowledge sharing in Research and Technology was also announced.

The Organization of the Petroleum Exporting Countries and allies (OPEC+) has provisionally decided to extend the current cuts in oil production until the month of September to hold down oil prices. The voluntary cuts include a reduction in production of 1 million barrels per day (mbd) from top producer Saudi Arabia, first implemented in July last year. The restrictions are aimed at avoiding a global surplus against a backdrop of increased production by non-OPEC+, particularly the United States, as well as demand concerns amid high interest rates and inflation. The organization states that the cuts will be reinstated gradually, monthly, until the end of 2024 and that the phase-out may be halted or reversed depending on market developments. The next meeting will be held on 1 December.

Net International Reserves closed the month of May valued at USD 14.6 Billion, 21 million less than in the previous month. According to our calculations, these reserves cover about 7 months of imports of goods and services.
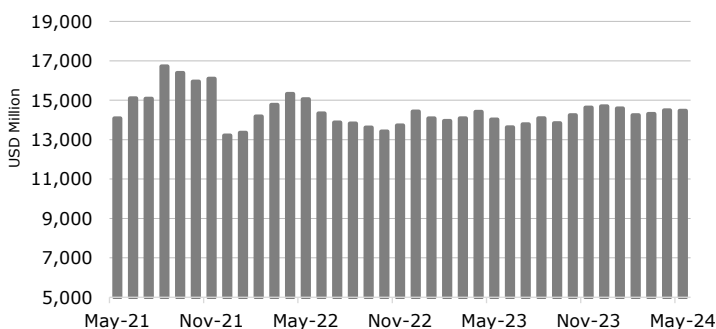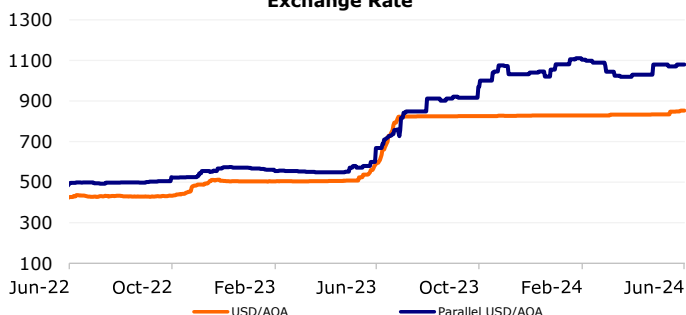
Macroeconomic Forecasts

Indicator	2023*	2024**	2025**
GDP change (%)	0.9	2.1	3.2
Average Inflation (%)	13.6	21.7	15.7
Current Account (% GDP)	4.5	7.9	8.1

*INE; BFA **Forecast

Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	B-	Stable	26/06/2023
Moody's	B3	Positive	20/10/2022
Standard & Poor's	B-	Stable	04/02/2022

Monetary and Forex data*

	31/05/2024	Change 7 days (%)	Change YTD (%)	Change 12 months (%)
LUIBOR O/N	23.38%	1.56%	18.84%	11.71%
USD/AOA	852.2	0.46%	2.83%	44.56%
AOA/USD	0.00117	-0.45%	-2.75%	-30.83%
EUR/AOA	924.9	0.56%	0.97%	46.35%
EUR/USD	1.085	0.01%	-1.73%	0.80%
USD/ZAR	18.79	2.04%	2.35%	-4.25%

*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.

Weekly domestic debt securities auctions

Term	Yield	Offer	Demand	Allocated
OT AOA (3 years)	14.0%	5,000	5,000	5,000
OT AOA (5 years)	16.0%	5,000	5,870	2,870
OT USD (5 years)	5.0%	0.287	0.287	0.287

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

International Reserves

Inflation

Exchange Rate
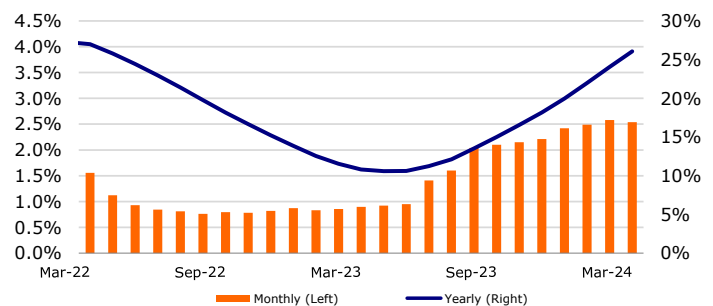
Oil Price (Brent) and Eurobond Yield 2025