

Market Information

Credit to the private sector in June stood at close to AOA 4.5 trillion, having in nominal terms registered a year-on-year increase of around 18.7%, which corresponds to AOA 711 billion (B). According to our calculations based on BNA data, discounting inflation, credit will have recorded a contraction of around 13%. In the public sector, credit in nominal terms rose 32.3% YoY, which amounts to a real increase of 1.3%, indicating a much greater capacity of the public sector to raise funds compared to the private sector. In relation to the sectors of activity, credit in real terms continues to grow significantly in transport, furniture and construction. In the sectors with the greatest weight in credit – Commerce, Individuals and Construction, the evolution continues in a negative direction, with June recording an accumulated drop of around 40.7% YoY.

Credit will also be affected by the recent movement in interest rates in the interbank money market. The overnight Luibor continues to be quite volatile, having risen 79 basis points (bp) and ending the week at 21.3%. However, the rates that serve as indexes for credit to the economy, that is, longer terms, are all rising, with emphasis on Luibor 3M and 6M which ended the week close to 20.8% (+72bp) and 21.2% (+17bp), respectively.

Oil exports in May stood at close to 1.05 million barrels per day (mbd), a drop of 8.3% compared to the same period last year. According to AGT data, oil was traded on average at USD 81.7 per barrel, representing +4.1 yoy, with export revenues increasing by 6.2% yoy, yielding around USD 2.7 B. In international markets, Brent is currently trading close to USD 80, having ended the week at USD 81.1, a slight decrease of USD 1.5 compared to the end of the previous week.

Sodiam raised USD 21.6 million from the sale of 2,974.24 carats of special stones. In a press release, Sodiam states that last week, at auction, 46 special stones from rough diamond productions from the Mining Companies of SOMILUANA, LULO, KAIXEPA, LUELE and CATOCA were auctioned.

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*

	26/07/2024	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	21.28%	0.79%	16.74%	4.46%
USD/AOA	872.6	0.00%	5.29%	5.83%
AOA/USD	0.00115	0.00%	-5.02%	-5.50%
EUR/AOA	947.2	-0.33%	3.40%	4.35%
EUR/USD	1.086	-0.24%	-1.66%	-1.12%
USD/ZAR	18.28	0.05%	-0.47%	2.43%

*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
BT AOA (364 days)	19.0%	10,000	7,572	7,572
BT AOA (364 days)	19.0%	10,000	5,919	5,919
BT AOA (364 days)	19.0%	40,000	26,123	26,123
OT AOA (2 Years)	19.0%	6,613	5,000	5,000

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

