

Market Information

Interbank money market (IMM) interest rates have been rising noticeably in recent weeks. The overnight Luibor, which signals liquidity conditions in the economy, rose +212 basis points (bp) since the beginning of the month, ending the week at 26.7%, which represents the highs of December 2019. With a foreign exchange market, a little busier in recent weeks, we have noticed some demand for liquidity from some banks, which is putting pressure on Luibor. The remaining maturities are also rising, but at a slower pace. The 1M, 6M and 12M terms end the week close to 20% (+37bp), 21.6% (+8bp) and 24% (+34bp), respectively. The rise in interest rates in longer terms should affect the cost of credit to the economy, as IMM rates are indexed for various types of credit to the economy.

Concerns about the global economy, geopolitical uncertainties and disappointing financial reports from large companies are moving international financial markets. Investors have revised their expectations regarding how quickly the Federal Reserve will cut interest rates in 2024, as the US economy is showing signs of strength, which ensures that rates will be maintained for longer, putting pressure on markets. After crashing at the end of July, US bond yields increased throughout the week, which may have pressured equity markets, as is generally the case. The quarterly results of large companies such as Apple, Amazon and Tesla came in below expectations, increasing pessimism regarding the future performance of these large companies, which also ended up affecting the various stock exchanges in the USA, with emphasis on the S&P 500 and the NASDAQ, which for almost the entire week traded in the red, with both on Monday (5th) recording a daily drop of around 3% and reaching the lowest daily value since May 2nd of this year. The markets in Europe did not escape, with the EuroStock 50 and the FTSE 100 also recording drops, especially at the beginning of the week. Note that market movements at this time may be more volatile given the lower liquidity during the summer period in the Northern Hemisphere.

After several months trading just above USD 80, the price of a barrel of oil is beginning to lose momentum as instability remains high - with Iran's declaration that it will retaliate for the Israeli attack that killed the main political leader of Hamas -, generating fears of a possible open war. Brent, which serves as a reference for Angolan exports, ended the week close to USD 80, which accounts for a weekly gain of around USD 3, however, well below the average of the last 3 months, USD 84. WTI, had similar behavior, ending the week close to USD 78.

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*

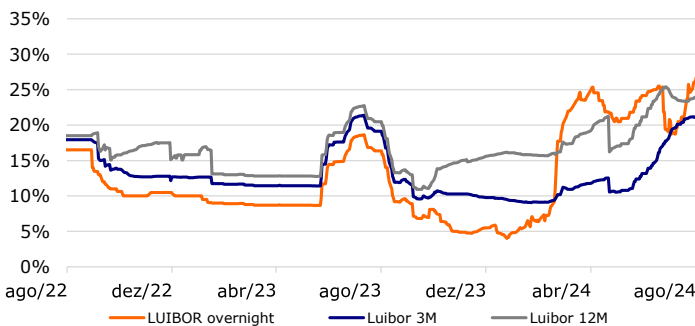
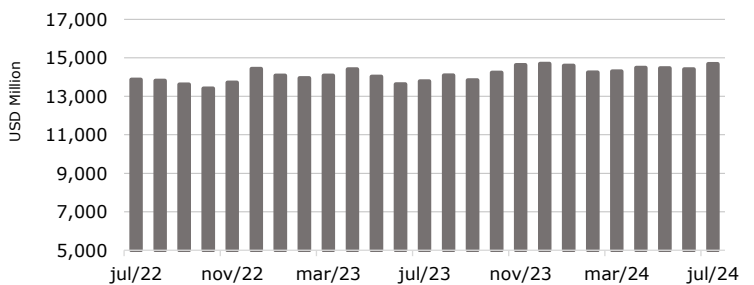
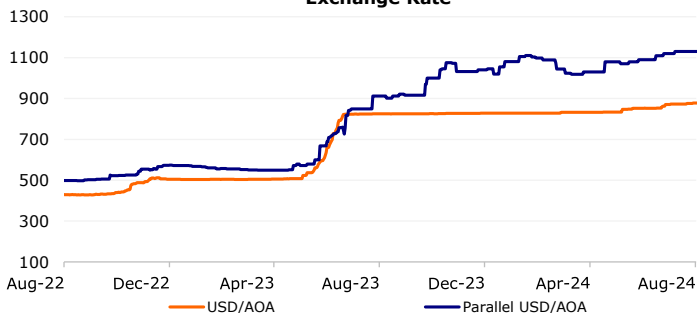
	09/08/2024	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	26.73%	2.12%	22.19%	10.93%
USD/AOA	878.1	0.23%	5.94%	6.44%
AOA/USD	0.00114	-0.23%	-5.61%	-6.05%
EUR/AOA	959.0	1.05%	4.70%	5.38%
EUR/USD	1.092	0.05%	-1.11%	-0.58%
USD/ZAR	18.34	0.39%	-0.14%	-2.73%

*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
BT 182 days	9.5%	10,000	7,100	7,100
BT 364 days	19.0%	16,238	16,238	16,238

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

LUIBOR

International Reserves

Exchange Rate

Oil Prices (Brent) and Eurobond Yield 2032
