

Market Information

The external public debt stood at USD 47.9 billion (B) in Q2 2024, maintaining the downward trend that has been observed since 2014. According to our calculations based on external statistics released by the BNA, external public debt dropped 1.8% QoQ. Debt to Chinese entities fell by 4.5% compared to the previous quarter, from USD 16.6B to USD 15.8B; Chinese creditors continue to represent the largest geography of Angola's external debt. On the other hand, the debt to US creditors, although still low, has been increasing – having increased by 8.1% QoQ, from USD 4.0B to USD 4.3B. This move is in line with the growing strengthening of diplomatic relations between Angola and the United States. Also according to the BNA, the external public debt in Q2 stood at 50.0% of GDP.

The current account recorded a surplus of USD 1.5B, a year-on-year increase of more than USD 1.0B. Compared to Q1, there was a significant reduction in the current account balance of around USD 495.3 million, around 24%. Although the current account balance decreased compared to the previous quarter, the goods account saw the surplus rise by 3%, influenced by the increase in exports from the oil sector by 4% (+USD 325 million). On the import side, they increased by 2% from USD 1.91B in Q1 to USD 1.94B in Q2: purchases of consumer goods rose by 3%, influenced by the increase in fuel imports (+4.1%), while food imports reduced by 12.7% QoQ, which should explain part of the pressure on food prices in recent months.

Luibor Overnight ends the week at 19.8%, after BNA made liquidity available to banks. O/N, like all other maturities, showed a growth trend that signaled the need for liquidity in the market, reaching 32.6%, an all-time high. The BNA, to reverse the situation, intervened in the market by making available about AOA 179 B, at a rate of 20.7%, putting pressure on the O/N and allowing it to reduce about 12.7pp in less than 3 days.

According to data from EMIS, the set of operations between withdrawals, purchases, and other payments between private individuals, grew 31.8% in August compared to the same month last year. The data, which we take as an indicator of the progress of private consumption, should show a very slight real growth, after discounting the year-on-year inflation of August, at around 31%. Analyzing only cash withdrawals, the nominal increase was 24.3%, indicating a drop in real terms, something that has been a habit in recent times and reveals a persistent, albeit gradual, trend towards lower use of cash payments.

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*

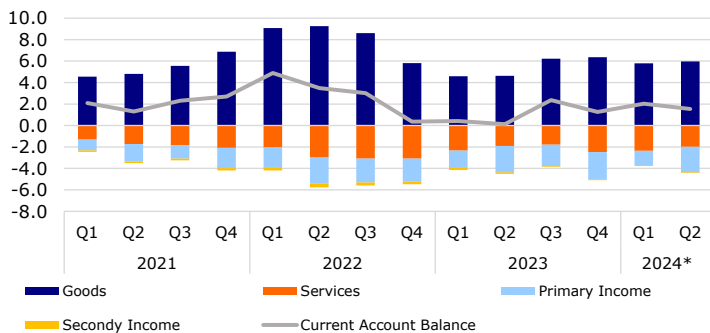
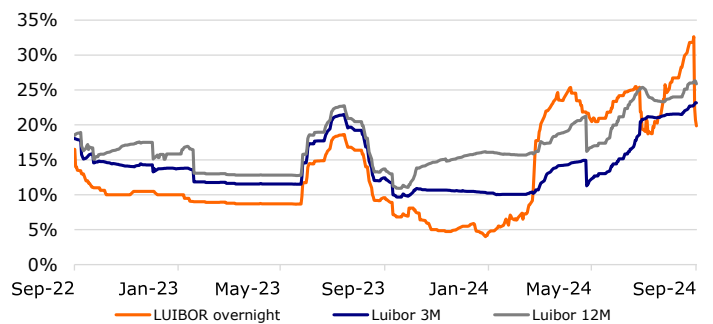
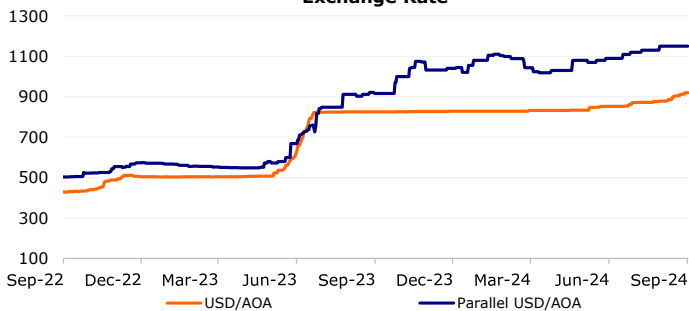
	06/09/2024	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	19.87%	-11.94%	15.33%	10.57%
USD/AOA	920.4	0.88%	11.05%	11.54%
AOA/USD	0.00109	-0.87%	-9.95%	-10.35%
EUR/AOA	1022.6	1.35%	11.64%	15.95%
EUR/USD	1.108	0.33%	0.41%	3.63%
USD/ZAR	17.85	0.18%	-2.79%	-6.92%

*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
OT AOA (2 years)	15.0%	55,000	16,915	9,930
BT AOA (364 days)	13.4%	55,000	23,261	23,261

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

Current Account

LUIBOR

Exchange Rate

Oil Prices (Brent) and Eurobond Yield 2032
