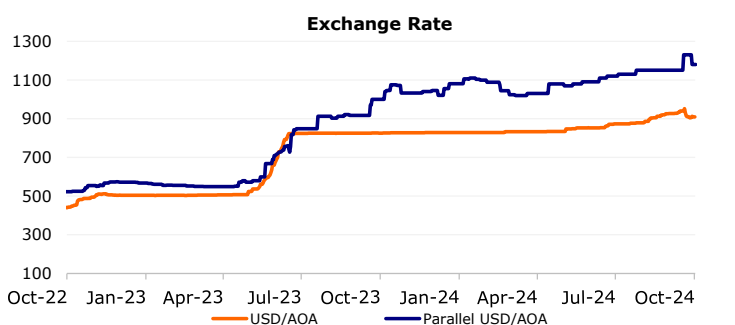
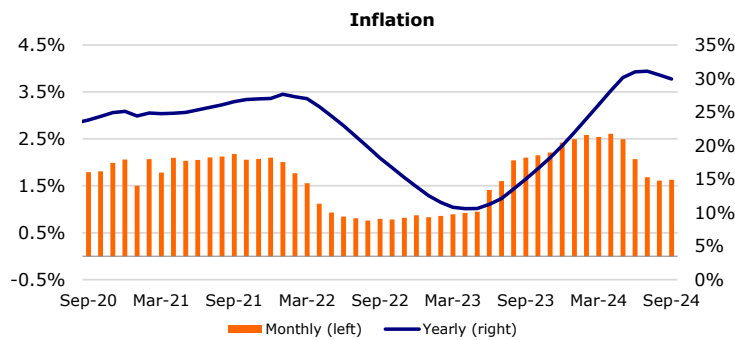


**Market Information**

**Year-on-year inflation in September was 29.9%, reinforcing the deceleration trend that has been observed since July.** Despite the year-on-year deceleration, monthly inflation in September remained at 1.6%, thus interrupting the sequence of declines that had been going on since April: the entry into force of the new national minimum wage, as well as the seasonality of the school period and the festivities of the national holiday may be the basis for the variation in prices throughout the month. The classes that changed the most were "Education" with 4.1%, "Leisure, recreation and culture" and "Hotels, cafes and restaurants" with 2.2% for both categories. On the other hand, the classes that changed the least were "Communications", "Transportation" and "Furniture, household equipment and maintenance" with 0.3%, 0.4% and 1.3%, respectively. On the side of "Food and Non-Alcoholic Beverages" – the category that contributes most to the general index – prices increased by 1.6% (+0.1pp compared to the previous month). The province of Bengo was the one that recorded the highest monthly increase in prices, 2.92% while in the Capital the increase was 1.56%, with the year-on-year inflation standing at 38.7% - the gap between the national year-on-year inflation and that of Luanda remains quite relevant, this being 10.6 pp. Approximately 3 months to the end of the year, the BNA's inflation target, 24.3%, becomes more difficult to achieve, especially considering that the coming months have inflationary pressure due to the seasonality of the festive season; Our outlook is slightly less optimistic, as we expect inflation to end the year at 27.4%.

**Since the beginning of the month, the Kwanza has appreciated 5% against the Dollar and 6% against the Euro, offsetting part of this year's losses.** The national currency recorded a better period since the beginning of the month because of the availability of USD 250 million by the regulatory body, making the quotation settle at USD/AOA 909 and EUR/AOA 992, in the last week. In our view, this assessment is punctual and does not symbolize the beginning of a more optimistic period for the Kwanza. The gap between the official exchange rate and the parallel exchange rate remains sharp, 30%, which shows that there is still pressure for the currency to depreciate.

**Rates on the Interbank Money Market are currently showing mixed movements.** Overnight (O/N) has been gradually accelerating, signaling that the market is recovering from the effects of the availability of national currency carried out by the BNA – this rate ended the week at 20.9%; +102bps compared to the end of the previous week. The maturities of 6, 9 and 12 months, however, reduced 6, 47 and 41 bps, ending the week at 22.1%, 23.1% and 23.6%, respectively.


**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\***

	11/10/2024	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	20.93%	1.02%	16.39%	13.41%
USD/AOA	909.1	-0.10%	9.69%	10.12%
AOA/USD	0.00110	0.10%	-8.83%	-9.19%
EUR/AOA	992.8	-1.12%	8.39%	13.80%
EUR/USD	1.094	-0.34%	-0.92%	3.88%
USD/ZAR	17.42	-0.38%	-5.12%	-8.39%

\*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 (2 years)	15.0%	55,000	29,700	29,700
OT AOA (2 years)	15.0%	15,000	12,300	12,300
OT AOA (2 years)	15.0%	15,000	2,000	2,000

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

