

Angola Weekly | 07/07

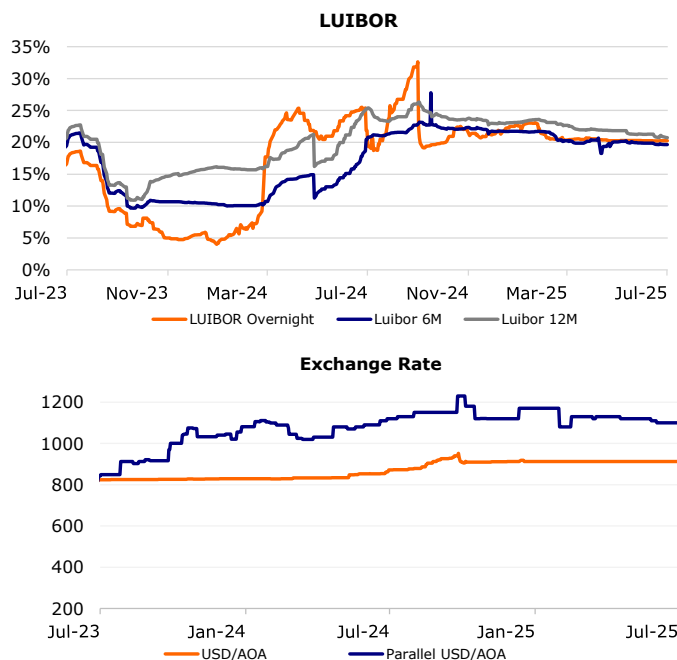
Market Information

The price of diesel increased by 33.3%, reaching AOA 400 per liter last Friday, as part of the government's strategy for the gradual removal of fuel subsidies. The prices of gasoline, illuminating oil, and liquefied petroleum gas remained unchanged, according to a statement from the Petroleum Derivatives Regulatory Institute. As a consequence of this increase, the National Land Transport Agency announced an adjustment in public transport fares, with collective taxi services now costing AOA 300 per trip and urban bus services set at AOA 200 per trip. Since the beginning of the subsidy removal process, diesel has accumulated an increase of 196.3% (from AOA 135 to AOA 400 per liter), while gasoline has seen an 87.5% rise (from AOA 160 to AOA 300 per liter).

Authorization was granted for the signing of an export credit agreement between Angola and Deutsche Bank, totaling EUR 251.04 million, intended for the construction of a maximum-security facility.

Sodiam raised USD 15.5 million from the sale of 865.19 carats of diamonds. According to the company's statement, 17 special stones produced by the Lulo, Kaixepa, Luele, and Chitotolo mines were auctioned, with the following results: Lulo with USD 8.4 million, Kaixepa with USD 928 thousand, and Luele with USD 6.2 million. The Chitotolo mine declined, for the third time, the offers received for two stones, opting not to proceed with the sale.

International oil prices dropped over the past week, driven by easing tensions in the Middle East. Brent crude oil, the benchmark for Angolan exports, ended the week at USD 68.3 per barrel, a decrease of USD 0.5 compared to the previous week. Meanwhile, WTI, the benchmark for the North American market, closed the week at USD 66.5 (down USD 1.5). In the short term, prices are expected to face additional downward pressure, spurred by OPEC+'s recent announcement of an increase in oil production by 548 thousand barrels per day (tbd) in August. This increase marks an acceleration compared to previous monthly hikes: 138tbd in April and 411tbd in May, June, and July. **OPEC+ justified the recent decision based on a stable global economic outlook and healthy market fundamentals.**



Macroeconomic Forecasts

Indicator	2024*	2025**	2026**
GDP change (%)	4.4	3.9	2.9
Average Inflation (%)	28.2	20.2	13.9
Current Account (% GDP)	9.3	9.1	8.5

*Inflation - INE/ GBP and Current Account - BFA Forecast; BFA **Forecast

Sovereign Rating

Rating Agency	Rating	Outlook	Last change
Fitch	B-	Stable	26/06/2023
Moody's	B3	Stable	29/11/2024
Standard & Poor's	B-	Stable	04/02/2022

Monetary and Forex data*

	04/07/2025	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	20.26%	0.02%	-2.43%	0.87%
USD/AOA	911.96	0.00%	0.00%	5.67%
AOA/USD	0.00110	0.00%	0.00%	-5.37%
EUR/AOA	1084.5	0.50%	14.22%	16.36%
EUR/USD	1.178	0.51%	13.75%	8.93%
USD/ZAR	17.58	-1.36%	-6.72%	-3.73%

*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)	16.75%	5,000	5,013	5,013
OT AOA (3 years)	16.75%	3,000	1,933	1,933
OT AOA (3 years)	16.75%	5,000	2,898	2,898
OT USD (3 years)	4.00%	16	16	16

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

