

Market Information

National year-on-year inflation stood at 18.9% in August, a decrease of 0.61 percentage points (pp) from the 19.5% recorded in the previous month, while monthly inflation also slowed by 0.38pp to 1.1%, interrupting two consecutive months of acceleration driven by increases in Communication and Fuel prices. Among the expenditure categories, the largest variations were observed in Education (+4.9%) - reflecting the seasonal increase associated with the start of the school year and higher prices for school materials, with further increases expected in September -, Housing, Water, Electricity and Fuels (+2.3%), and Transport (+1.9%). In Luanda, year-on-year inflation continued to decelerate more sharply, settling at 16.37% after a monthly increase of only 0.85%. Core inflation (which excludes the most volatile components of the CPI and captures the underlying trend in price growth), which had marginally risen to 1.3% in July, declined to 1.2% in August, indicating that the increase in transport prices temporarily spilled over into other categories, particularly food and non-alcoholic beverages. However, no significant second-round effects were observed, as August registered a further reduction of 0.03pp. Despite some short-term pressures, the long-term trend remains one of deceleration. Therefore, we expect the Central Bank of Angola (BNA) to keep its benchmark interest rates unchanged at least until January, adopting the necessary caution in light of the current inflationary environment. At the current pace, year-on-year inflation could close the year at around 17%, close to the target set by the BNA.

Angola's external public debt stock stood at USD 49.6 billion (b) in the second quarter of 2025, reflecting an increase of USD 0.9b compared to the previous quarter and marking the second consecutive rise, following the downward trajectory that began in the first quarter of 2023. In terms of structure, gradual shifts are observed. Debt owed to Chinese entities, although still accounting for 29.0% of the total, continues on a declining path, well below the peak of 54.0% recorded in 2017. By contrast, debt to the London markets - composed mainly of Eurobonds and other instruments - increased again, rising by USD 0.4b to USD 15.4b, thereby consolidating its position as the main source of external financing, with a 31.0% share of the total. As a result, the United Kingdom has assumed the status of Angola's largest individual creditor, while the United States and international organizations jointly occupy the third position, with 10.0% each. According to our estimates based on data from the BNA, external public debt currently amounts to around 39.4% of GDP - a level considered more sustainable than in the recent past, though still requiring prudence in debt management.

Macroeconomic Forecasts

Indicator	2024*	2025**	2026**
GDP change (%)	4.4	1.9	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*

	12/09/2025	7 days (%)	Change YTD (%)	12 months (%)
LUIBOR O/N	18.98%	0.00%	-3.71%	-0.19%
USD/AOA	911.96	0.00%	0.00%	-1.51%
AOA/USD	0.00110	0.00%	0.00%	1.53%
EUR/AOA	1069.5	0.33%	12.64%	4.79%
EUR/USD	1.173	0.15%	13.33%	5.96%
USD/ZAR	17.39	-1.13%	-7.71%	-2.30%

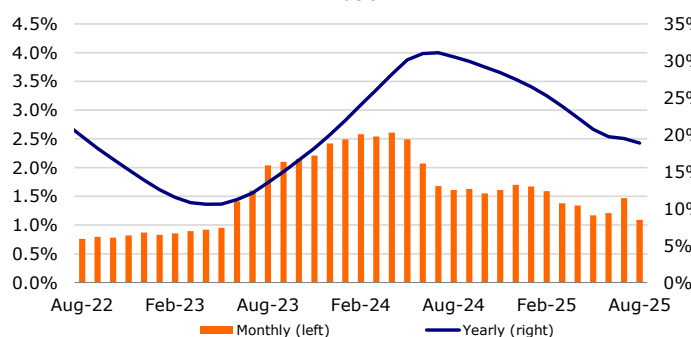
*Change of USD/AOA (or EUR/AOA) shows the appreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

Weekly domestic debt securities auctions

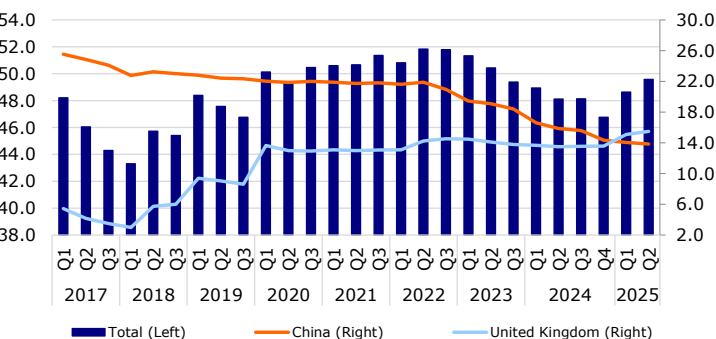
Term	Yield	Offer	Demand	Allocated
OT AOA (4 years)	16.75%	10,000	5,054	5,054
OT AOA (6 years)	17.25%	10,000	3,000	3,000
OT AOA (6 years)	17.25%	10,000	2,468	2,468

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

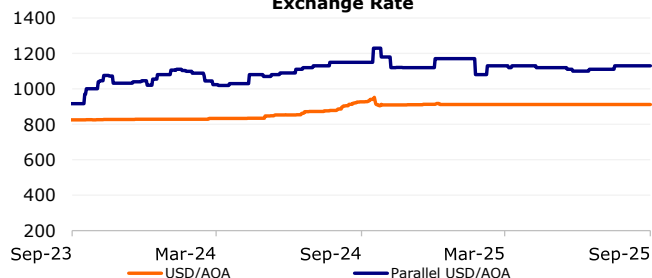
Inflation



External Public Debt (USD Billions)



Exchange Rate



Oil Prices (Brent) and Eurobond Yield 2032

