

Market Information

Oil prices have been trading significantly above the Bloomberg consensus formulated at the beginning of the year, which pointed to levels around USD 66 per barrel. The recent escalation of the conflict between Iran and the United States (marked by episodes of mutual bombardments and an intense war of narratives) has been the main factor shaping the expectations of economic agents and, consequently, the volatility of oil prices. Currently, Brent crude oil (the benchmark for Angolan exports) is trading at around USD 107 per barrel, having reached approximately USD 118 at the end of March. Given the prevailing geopolitical environment, further increases in the short term cannot be ruled out, with prices potentially approaching USD 120 per barrel again, depending on the evolution of the conflict and, above all, the narrative dynamics. In response to this scenario, the Bloomberg consensus (i.e., the average of forecasts from multiple institutions compiled by Bloomberg) has been revised upwards, now pointing to an average Brent price of around USD 85 per barrel by the end of the year. This revision reflects a substantial increase in geopolitical risk, which continues to be priced in by market participants. Additionally, a recent atypical development stands out: WTI crude oil is currently trading above Brent crude oil, something that had not occurred for approximately 15 years. At present, Brent is trading around USD 107 per barrel, while WTI is close to USD 109 per barrel.

In February, credit to the private sector denominated in Kwanzas (local currency) stood at approximately AOA 6.4 trillion, recording a nominal year-on-year (YoY) increase of about 20.1%. Based on our calculations using data from the Central Bank of Angola (BNA), and adjusting for inflation, real credit growth was more modest, at 6.8% YoY. On the public sector side, credit in local currency grew by 18.1% year-on-year in nominal terms, reaching AOA 656.2 billion (b), which corresponds to a real increase of only 4.7%. Across sectors of activity, credit to Transport (+57.0%), Extractive Industry (+32.7%), and Public Administration (+19.0% YoY) recorded the strongest real growth over the past 12 months. In contrast, credit has been declining in Other Services (-28.6%), Real Estate Activities (-19.5% YoY), and Hospitality (-14.9% YoY). Credit to the trade sector and to households (together accounting for approximately 36.9% of total credit) has also contracted, with declines of about 2.7% and 1.1%, respectively.

International reserves closed March at USD 15.4b, representing a decline of approximately USD 515 million relative to February. According to our calculations, based on data from the BNA, reserves currently cover around seven months of imports of goods and services.

Macroeconomic Forecasts

Indicator	2024*	2025**	2026**
GDP change (%)	4.9	3.1	3.3
Average Inflation (%)	28.2	20.2	12.6
Current Account (% GDP)	12.0	5.3	4.5

*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*

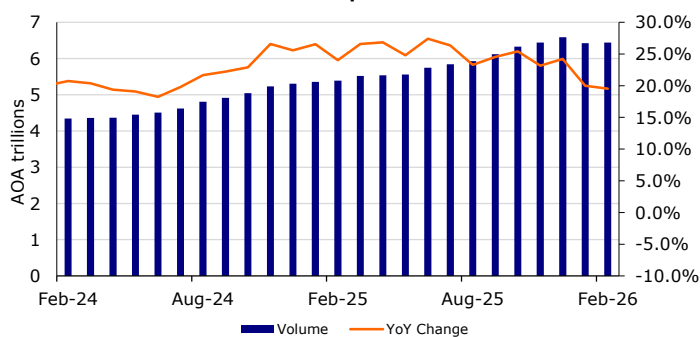
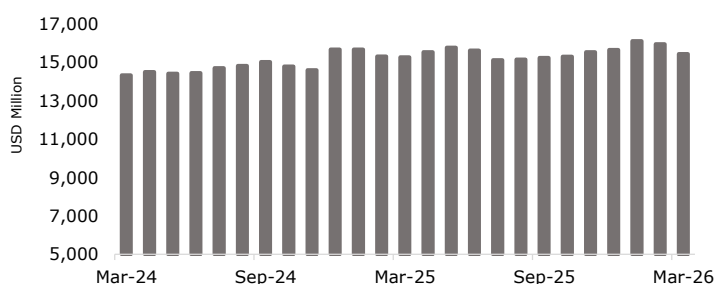
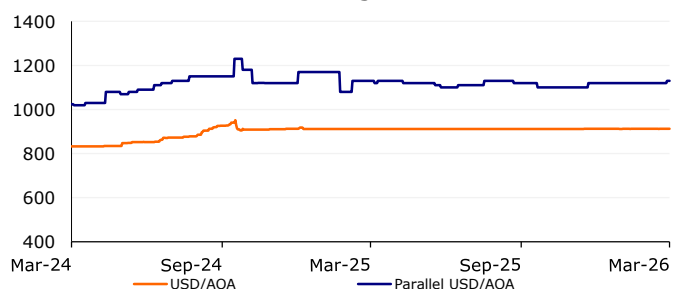
	03/04/2026	7 days (%)	Change	
			YTD (%)	12 months (%)
LUIBOR O/N	18.21%	-1.79%	-0.58%	-2.35%
USD/AOA	912.13	0.00%	-0.02%	0.01%
AOA/USD	0.00110	0.00%	0.02%	0.01%
EUR/AOA	1054.0	-1.46%	-1.45%	6.49%
EUR/USD	1.157	1.36%	-1.48%	6.97%
USD/ZAR	17.04	0.63%	2.88%	-6.53%

*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%	10,000	6,000	6,000
OT AOA (3 years)	16.75%	10,000	3,000	3,000
OT AOA (3 years)	16.75%	5,000	4,934	4,934
OT USD (4 years)	4.50%	10	10	10
OT AOA (5 years)	17.25%	10,000	9,000	9,000
OT AOA (5 years)	17.25%	10,000	3,000	3,000

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

Credit to the private sector

International Reserves

Exchange Rate

Oil Prices (Brent) and Eurobond Yield 2032
