Banco de Fomento Angola
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Market Information

Year-on-year inflation in August stood at 8.8%, representing a reduction of 0.5 percentage points (pp) compared to July. The National Consumer Price Index (CPI) registered a monthly change rate of 0.6%, a deceleration of 0.2 pp compared to the previous month. Among the categories with the highest monthly changes were "Transport" (+1.9%) and "Alcoholic Beverages and Tobacco" (+1.0%) and "Miscellaneous Goods and Services" (+0.6%). However, we need to highlight that the categories that showed the largest increase compared to the same period of the previous year are "Education Services" (+19.3%), "Food and Non-Alcoholic Beverages" (+9.9%) and "Health" (+9.7%). Among the provinces, Cabinda (+11.5%), Malanje (11.3%) and Luanda Sul (+10.7%) were the ones with the highest year-on-year increase in the price level. In Luanda, year-on-year inflation stood at 9.0% - the lowest percentage since July 2015.

In Q22026, the stock of external debt stood at USD 56.3 billion (b), representing an increase of USD 3.5b compared to the previous period. In terms of structure, debt registered in London markets, composed mainly of Eurobonds and other instruments, grew again, now standing at USD 21.2b (+USD 4.2b compared to the previous quarter). As a result, the London markets, which are the main source of external financing, represent around 37.6% of the total. Debt to China, the second largest creditor, which represents 21.0% of the total, decelerated again, now standing at USD 11.8b (-5.4% QoQ). Debt with the United States of America, the third largest creditor, grew again, registering an increase of USD 766,7 million, to USD 5.8b.

According to BNA data, commercial banks bought around USD 1.2b in foreign exchange in August. This figure represents a reduction of 11.2% compared to the previous month, although it corresponds to a growth of 5.8% year-on-year. BNA data show an increasingly relevant participation of "other clients" in the supply of foreign exchange. Particularly in August, this segment provided an amount practically equivalent to that of oil operators. Specifically, oil operators and Other Clients provided around USD 368.6 million and USD 364.7 million, respectively, together representing 63.0% of the total made available in the period. The National Treasury contributed around USD 302.5 million, equivalent to 26.0% of the total supply, while the BNA maintained a very residual participation of approximately USD 19.0 million. In cumulative terms, foreign exchange purchases by commercial banks totalled USD 9.2b, representing an increase of around 16.0% YoY.

Macroeconomic Forecasts

Indicator	2025*	2026**	2027**
GDP change (%)	3.1	3.3	4.0
Average Inflation (%)	20.2	10.2	11.6
Current Account (% GDP)	5.3	4.5	3.8

*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*

	11/09/2026	Change 7 days (%)	YTD (%)	12 months (%)
LUIBOR O/N	12.27%	0.00%	-6.52%	-6.71%
USD/AOA	912.80	0.00%	0.06%	0.09%
AOA/USD	0.0011	0.00%	-0.06%	-0.09%
EUR/AOA	1080.7	1.69%	1.05%	1.38%
EUR/USD	1.161	0.25%	-1.12%	-0.88%
USD/ZAR	15.96	-1.30%	-3.64%	-9.28%

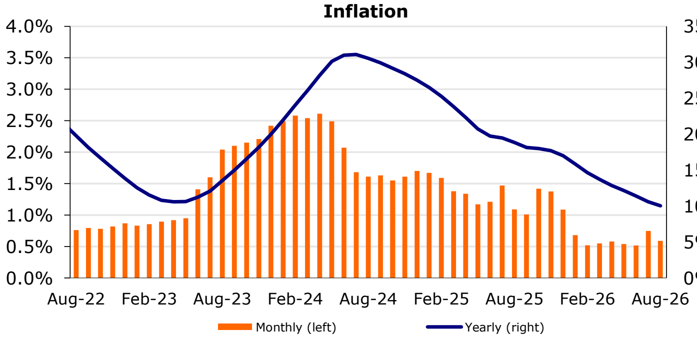
*Change of USD/AOA (or EUR/AOA) shows the appreciation of the USD (or EUR) against the Kwanza; the change of AOA/USD shows the appreciation/depreciation of the Kwanza against the USD.

Weekly domestic debt securities auctions

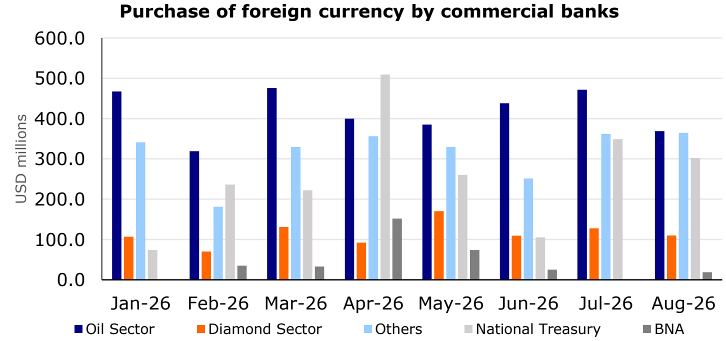
Term	Yield	Offer	Demand	Allocated
OT AOA (4 Years)	14.25%	5,000	3,200	3,200
OT AOA (4 Years)	14.25%	5,000	3,853	3,853
OT AOA (5 Years)	14.75%	5,000	4,800	4,800
OT AOA (7 Years)	15.25%	7,000	5,689	5,689
OT USD (3 Years)	4.00%	3.50	3.50	3.50

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

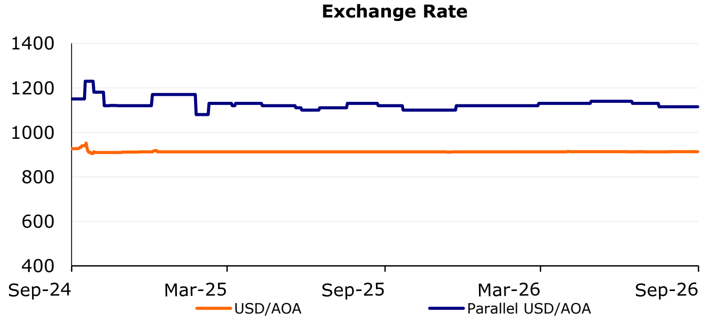
Inflation



Purchase of foreign currency by commercial banks



Exchange Rate



Oil Prices (Brent) and Eurobond Yield 2032