



Africa Weekly: Mozambique approves changes to LNG contracts

Top Political News

Ghana's main opposition leader, Nana Akufo-Addo, won the country's presidential election with an absolute majority over President John Mahama. Akufo-Addo served as attorney general and then as Foreign minister in the past and this was his third time running for president. According to the head of the **Democratic Republic of Congo's** electoral commission, the government may face difficulties to afford to hold presidential elections in 2018 due to rising costs of enrolling millions of voters. President Joseph Kabila was supposed to step down this month, but the government decided to postpone the vote from this November to April 2018, causing widespread protests and accusations that Kabila is planning to hold on to power. **South Africa's** Deputy President Cyril Ramaphosa, seen as one of the front-runners to succeed President Zuma at the ANC elections scheduled for December next year, urged party leaders not to display arrogance and not ignore the South African people at a speech to mark the third anniversary of the death of Nelson Mandela.

Top Economic News

South Africa recorded annualized real GDP growth of 0.2% in 3Q16 compared with an upwardly revised 3.5% in the previous quarter and below consensus estimates of 0.6%. The slowdown was due to a contraction in factory production and trade.

Central Banks/Currencies

Nigeria's central bank reportedly sold dollars to traders at a special auction to meet foreign-currency demand from fuel importers and avoid a shortage of gasoline in the country. The naira has lost nearly a third of its value against the dollar since the central bank allowed it to float in June.

Commodities

Mozambique's cabinet approved changes to the LNG contracts with Anadarko and Eni to allow the two companies to sell the government's share of gas from projects in the Rovuma Basin. The concessionaires commit themselves to a joint-sale of LNG in order to offer bigger volumes that would allow better prices at the market. Eni is expected to make a final investment decision on its LNG project by the end of this year, while Anadarko's investment decision is expected in 2017. The government of **São Tomé e Príncipe** announced that it will create specific legislation to regulate and reorganize the distribution and marketing of oil products in the country, adding that this legal framework may come into force over the next year. **Gold** is trading near a 10-month low as investors preferred to hold equities and other riskier assets in the aftermath of the Italian referendum. Gold fell nearly 8% in November, the largest monthly decline in more than three years.

Eurobonds

Nigeria plans to issue a Eurobond in January 2017 for the first time since 2013 in a deal worth US\$ 1 billion. **Tanzania** is planning a debut Eurobond sale during 2017 to raise US\$ 900 million of external non-concessionary loans that are also likely to include syndicated loans and funding from export credit agencies to finance infrastructure projects. The government is developing projects that include the US\$ 10 billion Bagamoyo port, a US\$ 7 billion railway and a US\$ 4 billion crude oil pipeline. **Zambia's** Finance minister announced that the country plans to refinance Eurobonds issued between 2012 and 2015 with the aim of getting longer dated bonds and lower costs to minimize debt service payments, which account for 19% of GDP. Zambia issued US\$ 750 million in 2012, US\$ 1 billion in 2014 and US\$ 1.25 billion last year mainly for infrastructure projects.

Capital Markets

12 December 2016

Tiago Bossa Dionísio

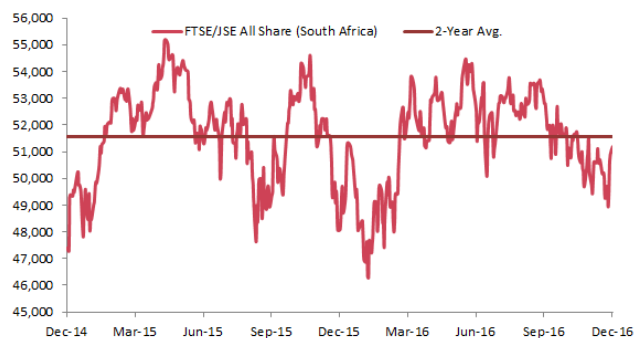
(+351) 211 214 431

tiago.dionisio@eaglestone.eu

Stock Markets Index (Country)	12/12/2016	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Africa							
FTSE/JSE All Share (South Africa)	51,136.77	2.86%	1.67%	6.39%	0.87%	45,975.78	54,704.22
EGX 30 (Egypt)	11,357.28	-2.36%	11.07%	71.32%	62.11%	5,526.02	11,687.99
Gaborone Domestic Index (Botswana)	9,473.08	-0.93%	-2.98%	-9.84%	-10.65%	9,473.08	10,654.72
Nairobi SE All Share (Kenya)	132.25	-3.06%	-5.54%	-8.62%	-9.23%	129.65	147.56
All Share Index (Nigeria)	25,817.69	0.30%	-1.35%	-5.32%	-9.86%	22,330.96	31,073.32
Ghana Stock Exchange (Ghana)	1,571.73	0.80%	-6.41%	-19.57%	-21.21%	1,507.84	2,014.93
Namibia Overall Index (Namibia)	1,099.65	2.12%	5.56%	42.07%	27.06%	766.67	1,102.86
Tanzania All Share Index (Tanzania)	2,277.37	-0.49%	-9.10%	-4.23%	-2.42%	1,978.68	5,004.67
Americas							
Dow Jones Industrial Avg. (USA)	19,756.85	3.06%	4.82%	14.43%	13.38%	15,450.56	19,757.74
S&P 500 (USA)	2,259.53	3.08%	4.39%	12.28%	10.55%	1,810.10	2,259.80
Nasdaq (USA)	5,444.50	3.59%	3.96%	10.36%	8.73%	4,209.76	5,450.16
Ibovespa (Brazil)	60,500.62	0.31%	2.23%	33.67%	39.56%	37,046.07	65,291.06
Europe							
Euro Stoxx 50 (Europe)	3,196.10	4.70%	5.48%	-0.22%	-2.19%	2,672.73	3,345.20
FTSE 100 (UK)	6,943.96	2.92%	3.17%	16.65%	11.24%	5,499.51	7,129.83
DAX (Germany)	11,162.89	4.47%	4.64%	7.96%	3.91%	8,699.29	11,231.69
PSI 20 (Portugal)	4,660.53	5.66%	6.48%	-8.37%	-12.28%	4,175.28	5,349.85
IBEX 35 (Spain)	9,158.00	5.69%	6.01%	-4.91%	-4.05%	7,579.80	10,000.40
CAC (France)	4,768.04	4.23%	6.21%	4.80%	2.82%	3,892.46	4,780.95
SMI (Switzerland)	8,076.57	2.94%	2.49%	-5.00%	-8.41%	7,425.05	8,908.50
Asia							
Nikkei 225 (Japan)	19,155.03	4.82%	10.25%	-0.39%	0.64%	14,864.01	19,869.08
Topix (Japan)	1,531.43	4.39%	11.11%	-1.17%	-1.03%	1,192.80	1,596.36
Hang Seng (Hong Kong)	6,501.58	-0.75%	0.63%	2.79%	0.23%	5,261.43	7,065.02
Shanghai All Share (China)	3,301.41	-1.62%	-1.34%	-8.18%	-10.88%	2,760.92	3,856.74
CSI 300 (China)	3,409.18	-1.74%	-0.24%	-5.51%	-8.63%	2,821.22	3,926.69

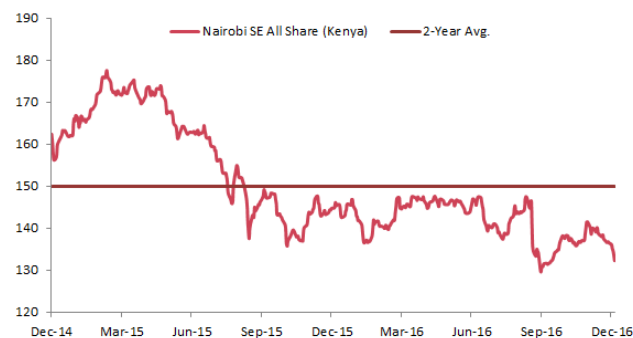
Sources: Bloomberg and Eaglestone Securities.

JOHANNESBURG STOCK EXCHANGE ALL SHARE INDEX



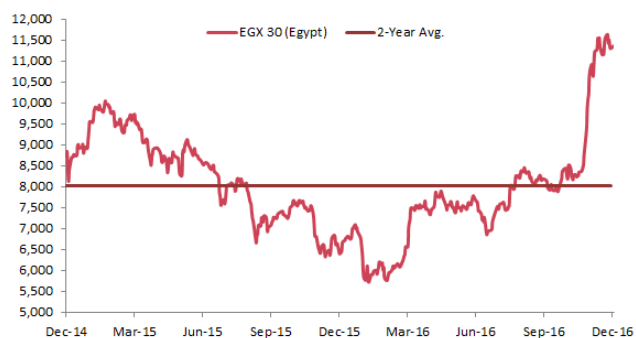
Sources: Bloomberg and Eaglestone Securities.

NAIROBI STOCK EXCHANGE INDEX



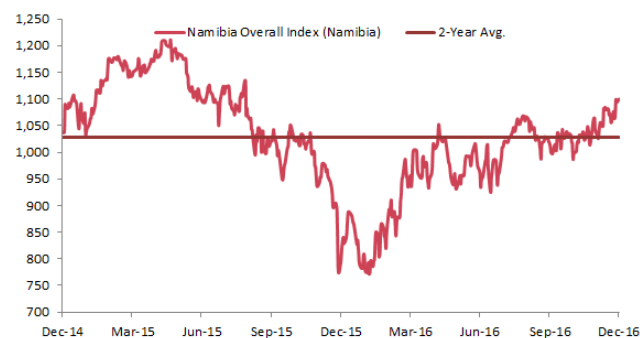
Sources: Bloomberg and Eaglestone Securities.

EGYPT EGX 30 INDEX



Sources: Bloomberg and Eaglestone Securities.

NAMIBIA STOCK EXCHANGE INDEX

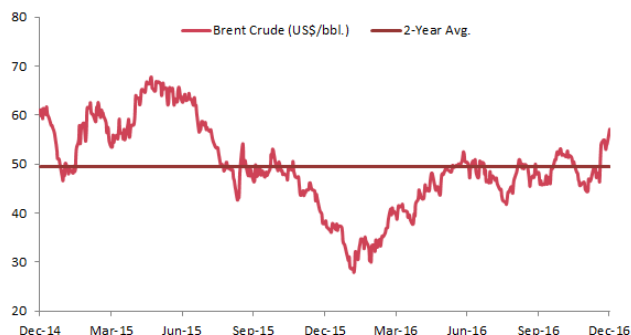


Sources: Bloomberg and Eaglestone Securities.

Commodities	12/12/2016	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Energy							
WTI Crude (US\$/bbl.)	54.23	4.71%	24.93%	52.25%	46.41%	26.05	54.51
Brent Crude (US\$/bbl.)	57.16	4.04%	27.73%	50.70%	53.33%	27.10	57.89
Natural Gas (US\$/MMBtu)	3.55	-2.98%	35.36%	78.14%	51.69%	1.61	3.78
Gasoline (US\$/gal.)	157.84	1.34%	20.92%	23.17%	24.57%	89.75	166.64
Coal (US\$/ton)	81.20	-6.13%	-6.40%	67.25%	69.70%	42.65	88.25
Precious Metals							
Gold (US\$/oz.)	1,153.00	-1.79%	-5.82%	7.07%	8.75%	1,050.50	1,377.50
Silver (US\$/oz.)	16.85	0.15%	-3.06%	21.58%	22.07%	13.64	21.09
Platinum (US\$/oz.)	915.65	-2.33%	-1.90%	7.93%	2.70%	810.75	1,194.64
Other Metals							
Copper (US\$/lb.)	264.00	-1.82%	5.22%	25.24%	23.65%	193.55	274.00
Aluminum (US\$/MT)	1,750.00	2.07%	-0.17%	17.45%	16.12%	1,449.00	1,794.50
Zinc (US\$/MT)	2,711.00	1.61%	8.88%	76.84%	68.49%	1,444.50	2,985.00
Tin (US\$/MT)	20,925.00	-0.48%	-1.65%	43.81%	43.77%	13,085.00	22,000.00
Iron Ore (US\$/ton)	81.66	4.97%	15.05%	108.96%	87.42%	39.06	82.25
Agriculture							
Cocoa (US\$/MT)	2,163.00	-9.42%	-12.57%	-35.80%	-32.64%	2,213.00	3,375.00
Coffee (US\$/lb.)	135.55	-4.00%	-20.31%	9.45%	6.99%	111.05	176.00
Sugar (US\$/lb.)	19.47	2.80%	-10.28%	33.54%	27.76%	12.45	23.90
Cotton (US\$/lb.)	71.07	-1.71%	3.84%	11.55%	12.31%	55.66	77.80
Corn (US\$)	351.00	0.43%	3.16%	-5.90%	-2.16%	301.00	439.25
Wheat (US\$)	400.25	3.29%	-1.60%	-16.27%	-14.84%	359.50	524.00
Soy (US\$)	1,038.25	-0.50%	6.11%	19.24%	19.17%	849.00	1,208.50

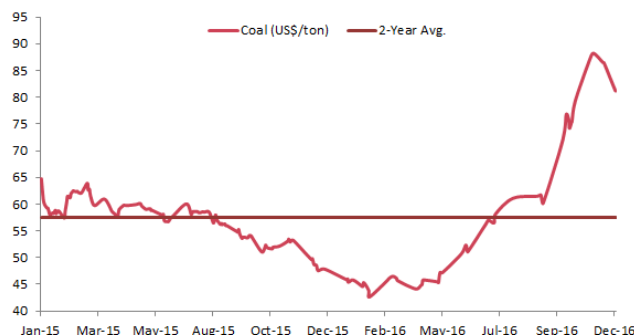
Sources: Bloomberg and Eaglestone Securities.

BRENT CRUDE (US\$/BARREL)



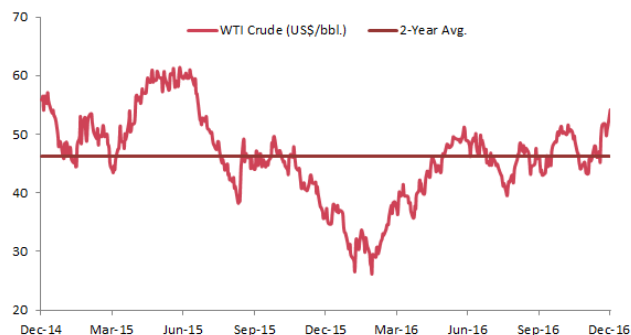
Sources: Bloomberg and Eaglestone Securities.

COAL (US\$/TON)



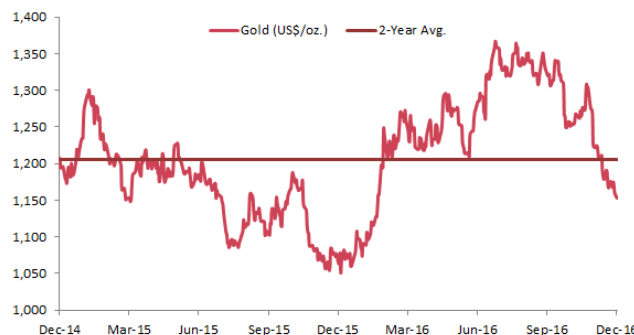
Sources: Bloomberg and Eaglestone Securities.

WTI CRUDE (US\$/BARREL)



Sources: Bloomberg and Eaglestone Securities.

GOLD (US\$/OZ.)

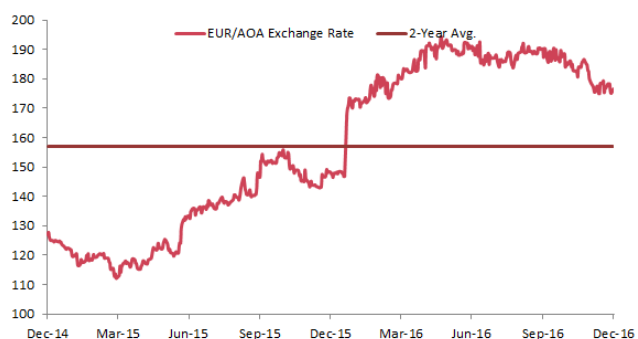


Sources: Bloomberg and Eaglestone Securities.

Currencies	12/12/2016	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Kwanza (Angola)							
Dollar (USA)	167.16	0.70%	0.32%	-19.06%	-19.11%	134.73	169.43
Euro	176.52	1.05%	0.95%	-16.02%	-16.83%	146.17	196.44
Sterling (UK)	209.79	0.58%	-1.18%	-2.68%	-5.01%	198.23	253.90
Rand (South Africa)	12.02	0.44%	-4.27%	-25.76%	-27.31%	8.64	12.82
Real (Brazil)	49.35	-1.88%	-2.07%	-29.54%	-30.81%	33.50	54.44
Metical (Mozambique)							
Dollar (USA)	73.50	-0.01%	3.76%	-30.24%	-34.69%	43.71	79.38
Euro	77.56	1.98%	5.58%	-27.32%	-32.80%	47.67	89.22
Sterling (UK)	91.56	2.18%	4.03%	-15.21%	-22.75%	62.67	104.52
Rand (South Africa)	5.30	1.03%	-0.21%	-35.96%	-41.47%	0.48	5.82
Rand (South Africa)							
Dollar (USA)	13.87	-1.01%	4.08%	8.96%	11.56%	13.17	17.92
Euro	14.68	0.63%	5.54%	13.11%	14.56%	14.47	19.59
Sterling (UK)	17.45	0.15%	3.30%	31.10%	30.69%	16.30	26.02
Real (Brazil)	4.10	-2.30%	2.31%	-5.11%	-4.80%	3.72	4.69
Naira (Nigeria)							
Dollar (USA)	316.38	-0.40%	-0.36%	-37.59%	-37.01%	196.50	350.25
Euro	333.79	1.90%	1.97%	-34.98%	-35.18%	190.24	390.34
Euro							
Dollar (USA)	1.06	-1.64%	-1.39%	-3.68%	-2.52%	1.05	1.16
Sterling (UK)	0.84	0.47%	2.16%	-13.72%	-12.41%	0.72	0.94
Franc (Switzerland)	1.08	0.75%	-0.34%	0.74%	1.21%	1.06	1.12
Yen (Japan)	122.57	-0.02%	-5.03%	8.54%	6.58%	109.57	133.78

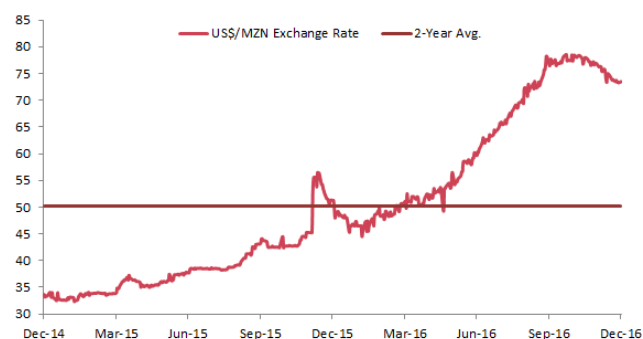
Sources: Bloomberg and Eaglestone Securities.

EUR/AOA EXCHANGE RATE



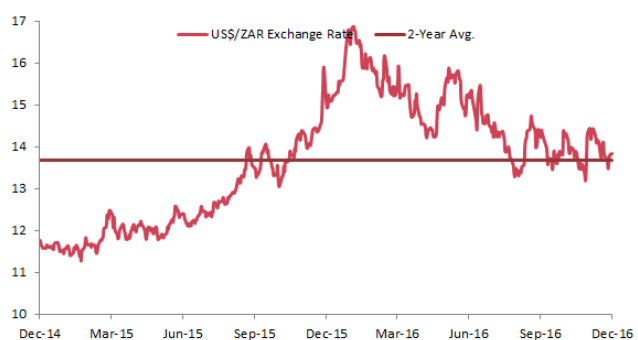
Sources: Bloomberg and Eaglestone Securities.

US\$/MZN EXCHANGE RATE



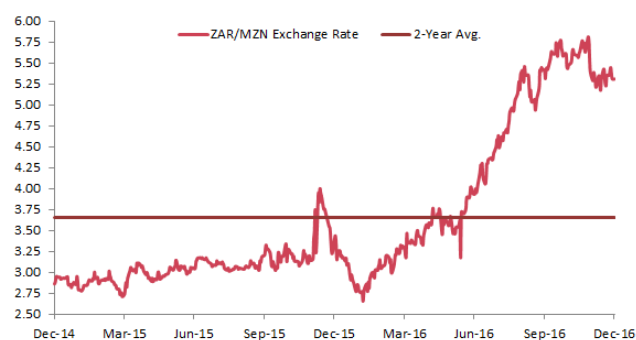
Sources: Bloomberg and Eaglestone Securities.

US\$/ZAR EXCHANGE RATE



Sources: Bloomberg and Eaglestone Securities.

ZAR/MZN EXCHANGE RATE

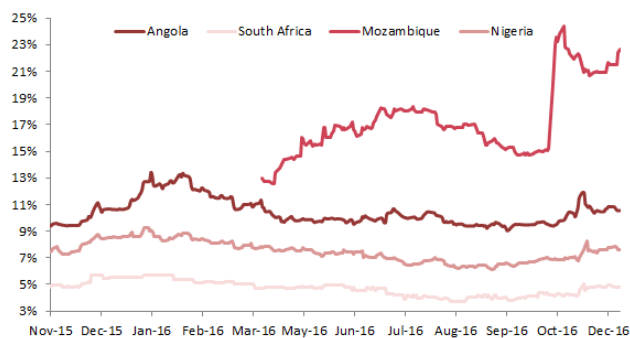


Sources: Bloomberg and Eaglestone Securities.

African Eurobonds	12/12/2016	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Angola (12/11/2025; 9.5%)	94.370 10.484%	2.022% -0.333%	6.432% -0.975%	1.162% -0.122%	1.637% -0.199%	78.546 9.037%	102.821 13.414%
Dem. Republic of Congo (30/06/2029; 4.0%)	65.177 11.039%	0.104% -0.001%	0.540% -0.019%	-18.548% 3.991%	-17.071% 3.591%	63.918 8.148%	80.030 11.241%
Ethiopia (11/12/2024; 6.625%)	89.742 8.414%	2.573% -0.402%	-1.207% 0.222%	3.274% -0.334%	1.586% -0.099%	81.873 6.543%	100.526 9.679%
Gabon (16/06/2025; 6.95%)	89.860 8.659%	2.454% -0.373%	7.910% -1.073%	11.925% -1.340%	12.639% -1.418%	69.539 7.496%	96.907 12.381%
Ghana (07/08/2023; 7.875%)	94.596 8.968%	2.395% -0.445%	4.864% -0.843%	18.915% -2.286%	19.244% -2.328%	65.580 8.362%	97.780 15.667%
Ivory Coast (03/03/2028; 6.375%)	97.862 6.647%	1.936% -0.204%	0.286% -0.028%	9.169% -0.906%	7.286% -0.745%	84.858 5.551%	107.735 8.386%
Kenya (24/06/2024; 6.875%)	95.347 7.700%	1.119% -0.113%	2.514% -0.400%	9.766% -1.202%	8.247% -1.044%	83.891 6.711%	101.276 9.700%
Mozambique (18/01/2023; 10.5%)	60.758 22.652%	-4.309% 1.256%	-0.641% 0.311%	n.a. 17.555%	n.a. 17.555%	56.414 12.562%	91.006 24.421%
Namibia (29/10/2025; 5.25%)	99.054 5.385%	0.775% -0.108%	-1.860% 0.280%	6.797% -0.741%	5.997% -0.668%	88.305 4.183%	108.164 6.885%
Nigeria (12/07/2023; 6.375%)	94.306 7.485%	1.890% -0.290%	2.062% -0.357%	6.882% -0.903%	6.705% -0.891%	84.477 6.122%	101.497 9.257%
Rwanda (02/05/2023; 6.625%)	98.303 6.957%	0.524% -0.100%	0.784% -0.146%	3.244% -0.485%	2.366% -0.356%	91.981 6.052%	103.140 8.059%
Senegal (30/07/2024; 6.25%)	99.367 6.354%	0.793% -0.156%	0.603% -0.097%	13.794% -1.512%	10.803% -1.263%	84.554 5.382%	105.862 8.868%
Seychelles (01/01/2026; 7.0%)	100.924 7.702%	n.a. 0.003%	n.a. -0.134%	8.670% -0.964%	9.288% -1.036%	91.250 7.684%	101.003 8.930%
South Africa (16/09/2025; 5.875%)	107.500 4.814%	-0.046% 0.005%	-1.826% 0.273%	n.a. -0.776%	4.623% -0.604%	98.300 3.686%	117.370 5.738%
Zambia (30/07/2027; 8.97%)	95.758 9.613%	2.006% -0.289%	4.754% -0.649%	22.090% -2.243%	20.613% -2.138%	65.245 8.666%	102.362 15.463%

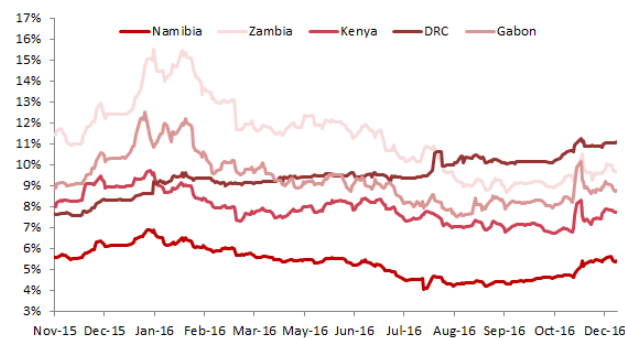
Sources: Bloomberg and Eaglestone Securities.

EUROBOND YIELDS (ANG, SA, MOZ & NIG)



Sources: Bloomberg and Eaglestone Securities.

EUROBOND YIELDS (NAM, ZAM, KEN, DRC & GAB)



Sources: Bloomberg and Eaglestone Securities.

AFRICA SOVEREIGN RATINGS

12/12/2016	FOREIGN CURRENCY LONG TERM			FOREIGN CURRENCY SHORT TERM		
	MOODY'S	S&P	FTCH	MOODY'S	S&P	FTCH
Angola	B1	B	B	NR	B	B
Botswana	A2	A-	NR	NR	A-2	NR
Burkina Faso	NR	B-	NR	NR	B	NR
Cameroon	B2	B	B	NR	B	NR
Cape Verde	NR	B	B	NR	B	B
Egypt	B3	B-	B	NR	B	B
Ethiopia	B1	B	B	NR	B	B
Gabon	B1	NR	B+	NR	NR	B
Ghana	B3	B-	B	NR	B	B
Ivory Coast	Ba3	NR	B+	NP	NR	B
Kenya	B1	B+	B+	NR	B	B
Lesotho	NR	NR	B+	NR	NR	B
Mali	NR	NR	WD	NR	NR	NR
Mauritius	Baa1	NR	NR	NR	NR	NR
Morocco	Ba1	BBB-	BBB-	NR	A-3	F3
Mozambique	Caa3	CC	RD	NR	C	C
Namibia	Baa3	NR	BBB-	NR	NR	F3
Nigeria	B1	B+	B+	NR	B	B
Republic of Congo	B3	B-	CCC	NR	B	C
Republic of Zambia	B3	B	B	NR	B	B
Rwanda	B2	B	B+	NR	B	B
Senegal	B1	B+	NR	NR	B	NR
Seychelles	NR	NR	BB-	NR	NR	B
South Africa	Baa2	BBB-	BBB-	P-2	A-3	F3
Tunisia	Ba3	NR	BB-	NR	NR	B
Uganda	B2	B	B+	NR	B	B

Sources: Bloomberg, Eaglestone Advisory (Rating: **Up**, **Down**, No Change, **Initial**)

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AMSTERDAM - Herengracht 450-454 1017 CA - T: +31 20 240 31 60

CAPE TOWN - 22 Kildare Road Newlands 7700 - T: +27 21 674 0304

JOHANNESBURG - Unit 4, Upper Ground, Katherine & West 114 West Street, Sandton – T: +27 11 326 6644

LISBON - Av. da Liberdade, 105, 3rd Floor - T: +351 21 121 44 00

LONDON - 48 Dover Street - T: +44 20 7038 6200

LUANDA - Rua Marechal Brós Tito n° 35/37 - 13th Floor A - Kinaxixi, Ingombotas - T: +244 222 441 362

MAPUTO – Avenida Vladimir Lenine – Edifício Millennium Park, Torre A, n° 174, 4º andar S - T: +258 21 342 811

Disclosures

Eaglestone was founded in December 2011 with the aim to be a committed partner for the development of businesses located primarily in Sub-Saharan Africa and to support the development of renewable energy projects on a global basis.

The company has three business activities - financial advisory services, asset management and brokerage - and currently has offices in Amsterdam, Cape Town London, Lisbon, Luanda and Maputo

Eaglestone is committed to operating and behaving according to the highest standards of corporate governance. Its subsidiary in the United Kingdom is authorized and regulated by the Financial Conduct Authority.

Eaglestone operates with a clear vision and mission to act on behalf of and in the best interests of all its stakeholders, whether they are investors, employees or users of its services.

EAGLESTONE SECURITIES

Business Intelligence

Caroline Fernandes Ferreira

(+351) 211 214 430

caroline.ferreira@eaglestone.eu

Research

Tiago Bossa Dionísio

(+351) 211 214 431

tiago.dionisio@eaglestone.eu