



Africa Weekly: OPEC agreement becomes effective

Top Political News

South Africa's President Jacob Zuma said that the ANC needs to end infighting and focus on regaining public support. Divisions among the ruling ANC party have risen in recent months and the debate over who will succeed Zuma as party leader has intensified ahead of the party conference to be held in December. On this subject, the ANC's influential Women's League announced that it would support Zuma's ex-wife and African Union Chairwoman Nkosazana Dlamini-Zuma as a candidate for ANC leader. **Democratic Republic of Congo's** opposition leader Moise Katumbi said he intends to run in elections if they take place this year. A political agreement designed to end the rule of President Joseph Kabila, who was supposed to step down after his last term in office ended on December 19, was recently reached by the government and opposition parties. The accord establishes that presidential, legislative and provincial elections are to take place by the end of 2017. However, Kabila has not signed the deal yet. The leader of **Mozambique's** Renamo opposition party said that the current ceasefire would be extended by two months to allow talks with President Filipe Nyusi's Frelimo government about a peace process for the country.

Top Economic News

Kenya's real GDP growth decelerated to 5.7% YoY in 3Q from a multi-quarter high of 6.2% in 2Q. The slowdown was mainly due to weaker activity in agriculture (the largest sector) and industry, although services were relatively more resilient. **Rwanda's** real GDP slowed to 5.2% YoY in 3Q after 5.4% in 2Q and 7.6% in 1Q. Activity in the industrial sector advanced 7%, services 6% and agriculture 1%. The services sector accounted for 48% of total GDP, agriculture 33% and industry 13%. **Cameroon's** Finance Minister expects the economy to expand 6% this year despite new taxes being imposed on several goods and services to compensate for a decline in government revenue from the oil sector.

Currencies

The US\$ has weakened in the last few days, posting its biggest drop since Donald Trump's election last November, following the release of the minutes of the last Fed meeting showed uncertainty over how Trump's policies would impact the pace of interest rate hikes.

Commodities

OPEC's daily oil output declined by 310,000 barrels in December after unplanned disruptions in Nigeria brought the cartel's total production to 34.14 million barrels a day. Nigeria's daily output declined by 200,000 barrels to 1.45 million, ending three months of supply increases, after maintenance works at the Erha field as well as a strike of port workers. Daily production in Saudi Arabia and Venezuela also fell by 50,000 barrels and 40,000 barrels, respectively, last month. Meanwhile, OPEC's agreement to reduce its output to 32.5 million barrels a day, the first of its kind in eight years, began on January 1st and is expected to last for six months. The first news about the implementation of the deal suggests that Saudi Arabia, Kuwait and Oman have already cut their production in the first days of the year. **Gold** reached a four-week high in the last few days as a result of dollar weakness and safe-haven demand from investors ahead of Donald Trump's inauguration later this month. Gold is currently trading at near US\$ 1,180, recovering from its biggest quarterly decline since 2013.

Capital Markets

09 January 2017

Tiago Bossa Dionísio

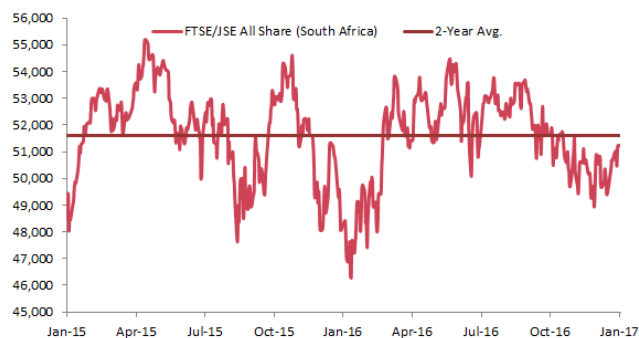
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Stock Markets Index (Country)	09/01/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Africa							
FTSE/JSE All Share (South Africa)	51,197.36	1.07%	0.58%	6.43%	1.07%	45,975.78	54,704.22
EGX 30 (Egypt)	12,803.10	3.71%	11.31%	84.94%	3.71%	5,526.02	12,946.75
Gaborone Domestic Index (Botswana)	9,389.34	0.05%	-0.88%	-11.86%	-0.12%	9,356.57	10,649.05
Nairobi SE All Share (Kenya)	129.76	-2.68%	-1.88%	-10.66%	-2.68%	129.65	147.56
All Share Index (Nigeria)	26,251.39	-1.98%	1.68%	-2.87%	-2.32%	22,330.96	31,073.32
Ghana Stock Exchange (Ghana)	1,699.42	2.24%	8.12%	-14.99%	0.61%	1,507.84	2,014.93
Namibia Overall Index (Namibia)	1,069.14	0.05%	-2.23%	35.79%	0.05%	766.67	1,123.05
Tanzania All Share Index (Tanzania)	2,130.52	-3.09%	-6.45%	-11.78%	-3.09%	1,978.68	5,004.67
Americas							
Dow Jones Industrial Avg. (USA)	19,963.80	0.73%	1.05%	22.13%	1.02%	15,450.56	19,999.63
S&P 500 (USA)	2,276.98	1.23%	0.77%	18.47%	1.70%	1,810.10	2,282.10
Nasdaq (USA)	5,521.06	1.64%	1.41%	18.90%	2.56%	4,209.76	5,536.52
Ibovespa (Brazil)	61,665.37	2.39%	1.93%	51.84%	2.39%	37,046.07	65,291.06
Europe							
Euro Stoxx 50 (Europe)	3,307.03	-0.05%	3.42%	9.02%	0.50%	2,672.73	3,334.44
FTSE 100 (UK)	7,217.81	1.05%	3.79%	22.08%	1.05%	5,499.51	7,239.26
DAX (Germany)	11,550.97	-0.41%	3.10%	17.28%	0.61%	8,699.29	11,637.37
PSI 20 (Portugal)	4,684.33	-1.05%	1.00%	-8.61%	0.11%	4,175.28	5,238.36
IBEX 35 (Spain)	9,485.60	0.71%	3.45%	6.47%	1.43%	7,579.80	9,552.10
CAC (France)	4,883.84	0.03%	2.51%	12.69%	0.44%	3,892.46	4,929.60
SMI (Switzerland)	8,411.14	2.33%	3.85%	1.86%	2.33%	7,425.05	8,487.61
Asia							
Nikkei 225 (Japan)	19,454.33	0.27%	2.41%	9.92%	1.78%	14,864.01	19,615.40
Topix (Japan)	1,553.32	1.07%	1.83%	7.32%	2.29%	1,192.80	1,558.75
Hang Seng (Hong Kong)	6,532.74	2.03%	-1.18%	9.52%	2.03%	5,261.43	7,065.02
Shanghai All Share (China)	3,320.53	2.18%	-1.91%	-0.43%	2.18%	2,760.92	3,456.92
CSI 300 (China)	3,363.90	1.63%	-3.72%	0.07%	1.63%	2,821.22	3,583.72

Sources: Bloomberg and Eaglestone Securities.

JOHANNESBURG STOCK EXCHANGE ALL SHARE INDEX



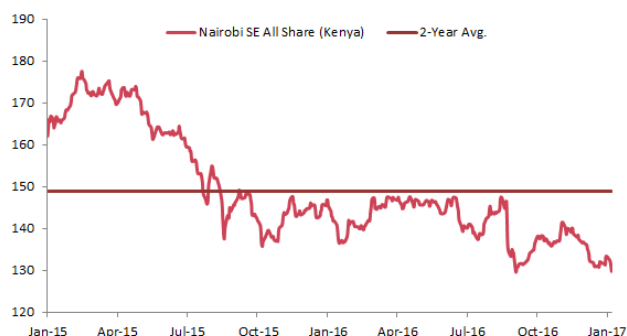
Sources: Bloomberg and Eaglestone Securities.

EGYPT STOCK EXCHANGE (EGX 30)



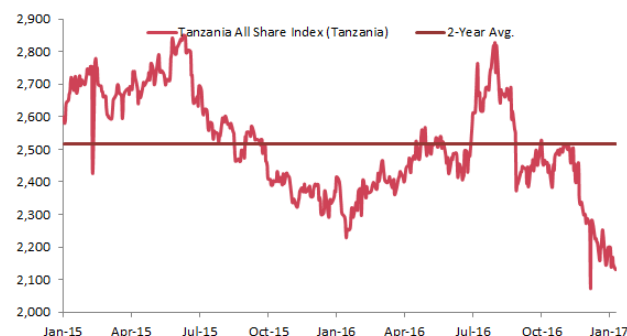
Sources: Bloomberg and Eaglestone Securities.

NAIROBI ALL SHARE INDEX



Sources: Bloomberg and Eaglestone Securities.

TANZANIA ALL SHARE INDEX

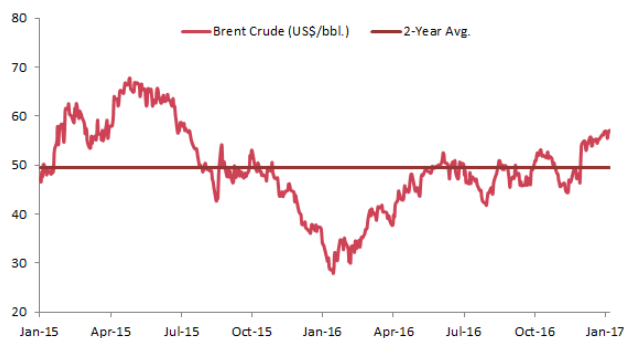


Sources: Bloomberg and Eaglestone Securities.

Commodities	09/01/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Energy							
WTI Crude (US\$/bbl.)	53.64	-0.15%	4.16%	61.76%	-0.15%	26.05	55.24
Brent Crude (US\$/bbl.)	56.72	-0.18%	4.40%	69.06%	-0.18%	27.10	58.37
Natural Gas (US\$/MMBtu)	3.23	-13.24%	-13.75%	30.70%	-13.24%	1.61	3.99
Gasoline (US\$/gal.)	162.38	-2.48%	7.73%	43.99%	-2.48%	89.75	170.95
Coking Coal (US\$/ton)	206.68	-10.45%	-31.12%	169.25%	-10.45%	75.25	308.80
Precious Metals							
Gold (US\$/oz.)	1,178.00	2.28%	1.60%	7.30%	2.28%	1,071.10	1,377.50
Silver (US\$/oz.)	16.55	3.48%	-2.08%	18.87%	3.48%	13.73	21.09
Platinum (US\$/oz.)	974.42	7.90%	6.40%	15.38%	7.90%	810.75	1,194.64
Other Metals							
Copper (US\$/lb.)	254.75	1.68%	-3.58%	25.99%	1.68%	193.55	274.00
Aluminum (US\$/MT)	1,713.00	2.03%	0.23%	16.14%	1.18%	1,449.00	1,794.50
Zinc (US\$/MT)	2,619.00	3.85%	-6.46%	69.40%	1.67%	1,444.50	2,985.00
Tin (US\$/MT)	21,005.00	-0.21%	-0.57%	52.21%	-0.57%	13,085.00	22,000.00
Iron Ore (US\$/ton)	76.25	-3.32%	-4.36%	77.70%	-3.32%	39.51	83.58
Agriculture							
Cocoa (US\$/MT)	2,261.00	4.43%	-3.66%	-24.15%	6.35%	2,119.00	3,237.00
Coffee (US\$/lb.)	142.85	5.46%	3.55%	19.09%	4.23%	111.05	176.00
Sugar (US\$/lb.)	20.61	5.64%	7.12%	42.53%	5.64%	12.45	23.90
Cotton (US\$/lb.)	73.71	4.33%	4.11%	20.05%	4.33%	55.66	77.80
Corn (US\$)	358.75	1.92%	1.77%	0.49%	1.92%	301.00	439.25
Wheat (US\$)	425.50	4.29%	6.31%	-11.08%	4.29%	359.50	524.00
Soy (US\$)	986.00	-1.05%	-4.96%	12.11%	-1.05%	849.00	1,208.50

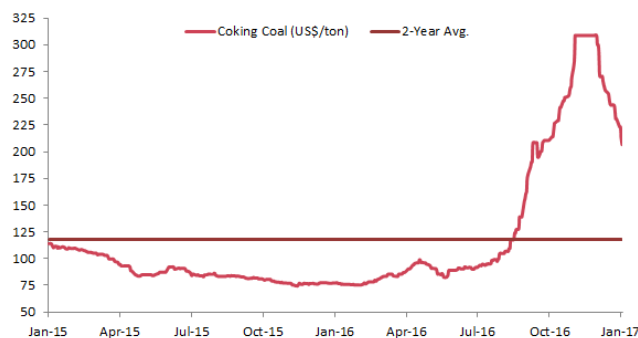
Sources: Bloomberg and Eaglestone Securities.

BRENT CRUDE (US\$/BARREL)



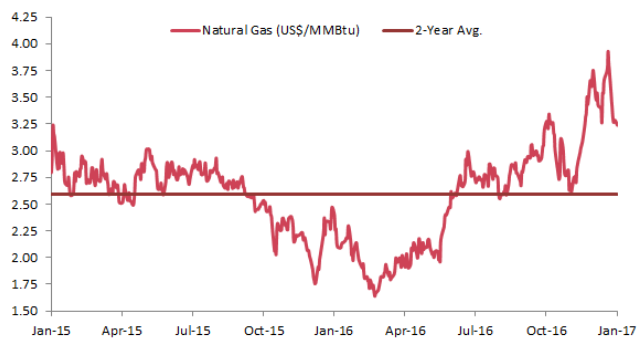
Sources: Bloomberg and Eaglestone Securities.

COKING COAL (US\$/TON)



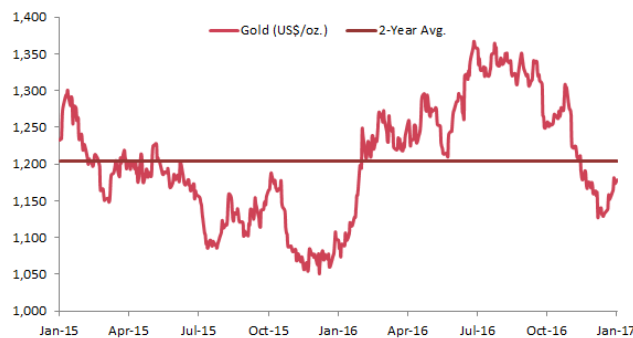
Sources: Bloomberg and Eaglestone Securities.

NATURAL GAS (US\$/MM Btu)



Sources: Bloomberg and Eaglestone Securities.

GOLD (US\$/OZ.)

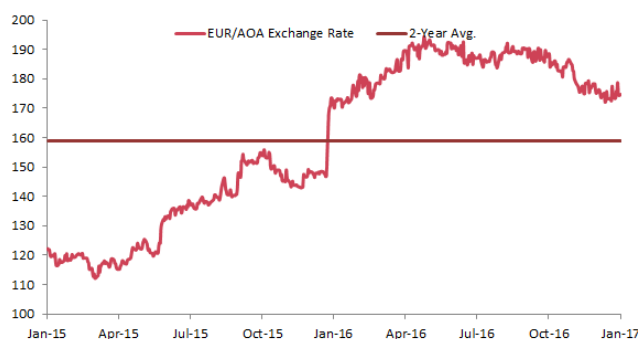


Sources: Bloomberg and Eaglestone Securities.

Currencies	09/01/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Kwanza (Angola)							
Dollar (USA)	168.56	0.13%	-0.14%	-7.74%	-0.17%	155.18	169.65
Euro	174.69	-0.77%	0.23%	-2.64%	-0.20%	167.76	196.44
Sterling (UK)	201.90	0.79%	3.27%	12.81%	1.35%	200.78	253.90
Rand (South Africa)	12.05	-0.04%	-0.28%	-22.54%	0.48%	8.85	12.82
Real (Brazil)	51.42	-1.21%	-4.61%	-24.86%	-0.91%	37.39	54.44
Metical (Mozambique)							
Dollar (USA)	70.50	1.25%	3.93%	-34.07%	1.25%	43.71	79.38
Euro	74.76	-0.16%	3.53%	-32.48%	0.44%	47.67	89.22
Sterling (UK)	86.61	1.18%	7.08%	-21.95%	1.77%	62.67	104.52
Rand (South Africa)	5.13	1.18%	3.61%	-45.96%	1.74%	0.48	5.82
Rand (South Africa)							
Dollar (USA)	13.75	-0.13%	0.31%	22.02%	-0.10%	13.17	17.92
Euro	14.50	-0.96%	0.49%	25.72%	-0.31%	14.19	19.59
Sterling (UK)	16.75	0.68%	3.56%	45.70%	1.15%	16.30	26.02
Real (Brazil)	4.27	-1.18%	-4.37%	-2.99%	-1.39%	3.77	4.69
Naira (Nigeria)							
Dollar (USA)	309.75	1.80%	2.10%	-35.74%	1.80%	196.50	350.25
Euro	321.72	0.50%	3.27%	-32.81%	3.08%	213.30	390.34
Euro							
Dollar (USA)	1.05	0.81%	-0.20%	-2.94%	0.22%	1.03	1.16
Sterling (UK)	0.87	-1.59%	-3.08%	-13.72%	-1.38%	0.74	0.94
Franc (Switzerland)	1.07	-0.17%	0.15%	1.41%	-0.03%	1.06	1.12
Yen (Japan)	123.44	-0.44%	-1.36%	3.59%	-0.38%	109.57	132.32

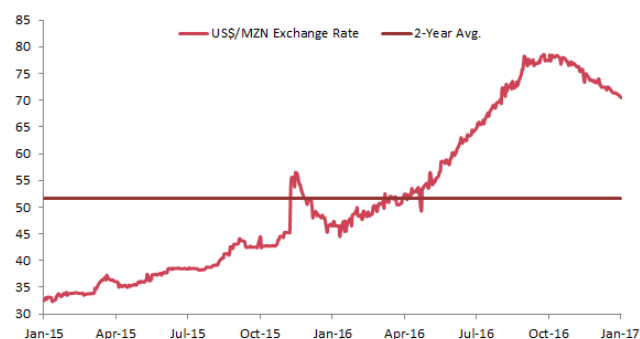
Sources: Bloomberg and Eaglestone Securities.

EUR/AOA EXCHANGE RATE



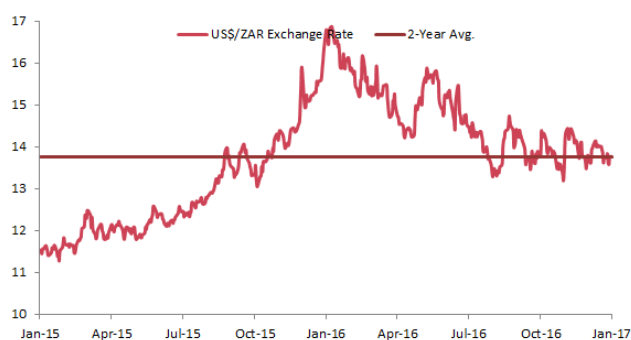
Sources: Bloomberg and Eaglestone Securities.

US\$/MZN EXCHANGE RATE



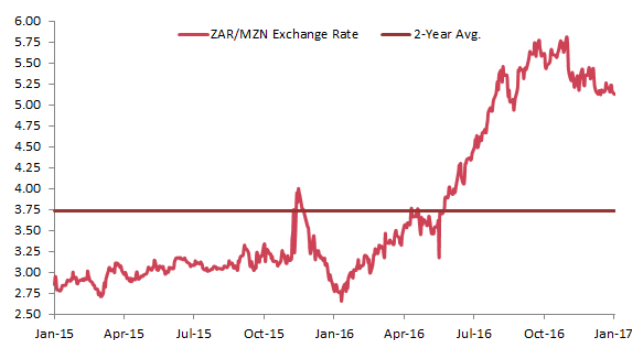
Sources: Bloomberg and Eaglestone Securities.

US\$/ZAR EXCHANGE RATE



Sources: Bloomberg and Eaglestone Securities.

ZAR/MZN EXCHANGE RATE

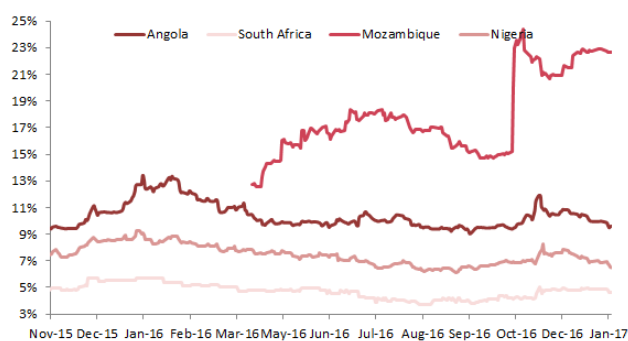


Sources: Bloomberg and Eaglestone Securities.

African Eurobonds	09/01/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Angola (12/11/2025; 9.5%)	99.245 9.625%	2.044% -0.333%	5.580% -0.846%	11.540% -1.490%	2.044% -0.333%	78.546 9.037%	102.821 13.414%
Dem. Republic of Congo (30/06/2029; 4.0%)	64.689 11.184%	n.a. 0.082%	-0.321% 0.088%	-16.766% 3.591%	-0.357% 0.082%	63.918 8.637%	77.375 11.241%
Ethiopia (11/12/2024; 6.625%)	93.874 7.670%	1.239% -0.198%	4.808% -0.704%	8.975% -1.066%	1.386% -0.221%	81.873 6.543%	100.526 9.679%
Gabon (16/06/2025; 6.95%)	95.844 7.626%	1.840% -0.281%	7.238% -0.977%	24.231% -2.283%	1.840% -0.281%	69.539 7.489%	96.907 12.381%
Ghana (07/08/2023; 7.875%)	100.466 7.781%	1.475% -0.278%	6.303% -1.043%	34.772% -3.232%	1.618% -0.304%	65.580 7.700%	100.881 15.667%
Ivory Coast (03/03/2028; 6.375%)	99.797 6.399%	n.a. -0.203%	1.877% -0.226%	11.364% -1.085%	1.664% -0.203%	84.858 5.551%	107.735 8.386%
Kenya (24/06/2024; 6.875%)	97.299 7.351%	2.223% -0.365%	2.151% -0.349%	13.108% -1.539%	2.223% -0.365%	83.891 6.711%	101.276 9.700%
Mozambique (18/01/2023; 10.5%)	61.098 22.641%	1.131% -0.261%	-0.242% 0.208%	n.a. 17.528%	1.131% -0.261%	56.414 12.562%	91.006 24.421%
Namibia (29/10/2025; 5.25%)	99.140 5.373%	1.474% -0.202%	0.058% -0.008%	8.701% -0.915%	1.474% -0.202%	88.305 4.183%	108.164 6.885%
Nigeria (12/07/2023; 6.375%)	99.555 6.460%	2.505% -0.439%	5.648% -0.896%	13.541% -1.630%	2.505% -0.439%	84.477 6.122%	101.497 9.257%
Rwanda (02/05/2023; 6.625%)	100.074 6.608%	0.314% -0.061%	1.845% -0.339%	5.854% -0.870%	0.314% -0.061%	91.981 6.052%	103.140 8.059%
Senegal (30/07/2024; 6.25%)	100.538 6.159%	0.344% -0.057%	1.329% -0.213%	14.819% -1.594%	0.344% -0.057%	84.554 5.382%	105.862 8.868%
Seychelles (01/01/2026; 7.0%)	99.686 7.904%	0.427% -0.064%	-0.148% 0.034%	6.959% -0.777%	0.427% -0.064%	92.863 7.401%	102.877 8.784%
South Africa (16/09/2025; 5.875%)	108.875 4.621%	1.752% -0.242%	1.044% -0.154%	n.a. -0.776%	1.752% -0.242%	98.300 3.686%	117.370 5.703%
Zambia (30/07/2027; 8.97%)	100.997 8.822%	1.597% -0.229%	5.571% -0.738%	34.842% -2.960%	1.943% -0.276%	65.245 8.666%	102.362 15.463%

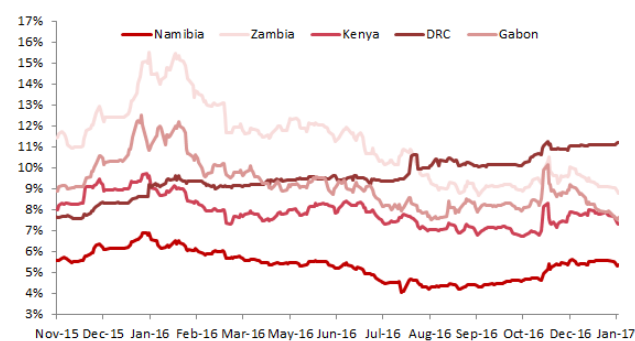
Sources: Bloomberg and Eaglestone Securities.

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

09/01/2017	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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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

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