



Africa Weekly: OPEC oil supply fell once again in February

Top Political News

Kenya's main opposition National Super Alliance will pick its presidential candidate for this year's elections through primaries. Local press reports also stated that a recent poll showed that former Prime Minister Raila Odinga would get the support from 41.6% of the voters who back the National Super Alliance to run against President Kenyatta, well above the two other potential candidates.

Top Economic News

Provisional data showed that **Cabo Verde's** economy expanded by 3.6% in 2016, more than doubling the rate of 1.5% in the previous year. Meanwhile, the country's Finance minister said that public debt increased from 127.8% of GDP in 2015 to 128.6% last year while the budget deficit fell from 4.6% of GDP to 3.5% in 2016. **Rwanda's** economy grew by 5.9% last year, less than the 6.9% growth recorded in 2015. The expansion was driven by growth in the agriculture, industry and services sectors, which all expanded between 4% and 7%. **Nigeria's** yearly inflation slowed to 17.78% in February, its lowest level in 15 months. It had risen to 18.72% in January, its 12th consecutive monthly rise and its highest level in more than 11 years.

Currencies

Angola's kwanza traded at a new low of 360 kwanzas to the dollar on the streets of Luanda last week. This represents a 5% weekly decline and compares with an exchange of 500 kwanzas to the dollar in the black market back in January. The official exchange rate currently stands at around 166 kwanzas.

Commodities

OPEC's March monthly report showed that, according to secondary sources, total crude production by the cartel fell by 139.5k barrels per day to 31.958 million bpd last month. Crude oil output increased the most in Nigeria while production in Saudi Arabia, Iraq, UAE and Angola saw that largest declines. This data based on secondary sources is used to see the level of compliance of the agreed targets set in the agreement signed at the end of 2016. It showed that Saudi Arabia cut its output by 68.1k bpd to 9.797 million bpd in February, more than its quote of 10.06 million). However, OPEC's largest producer reported that its production actually went up by 263.3k bpd to 10.01 million bpd, which sent crude prices down during the week. Also on OPEC, Kuwait said that it wanted the cartel to extend output cuts beyond its agreed June deadline, as it sees that more time is needed to balance the global oil market. This followed earlier comments by Iraq and Angola suggesting that they were willing to back cuts beyond the first half of this year.

Sovereign Ratings

S&P's could lower **South Africa's** rating if the country deviates from its current fiscal policy stance, namely if the local authorities decide to give more powers to the presidency in terms of fiscal policy and the allocation of budget resources and away from the national treasury. The ratings agency also sees slow economic growth and political uncertainty as potential risks to the country's credit rating. Moody's and Fitch were recently in **Angola** to hold meetings with the local authorities as part of their permanent assessment of the country. The two rating agencies reportedly held meetings to discuss topics such as the performance of the oil sector, the production profile, new discoveries, auctioning of blocks and reserve levels. Other issues on their agenda included the current state of the local commercial banks, monetary policy, the balance of payments, the foreign exchange regime in the oil sector, the level of international reserves, the financing and management of public debt, the tax reform process and the process of regularizing internal arrears.

Capital Markets

20 March 2017

Tiago Bossa Dionísio

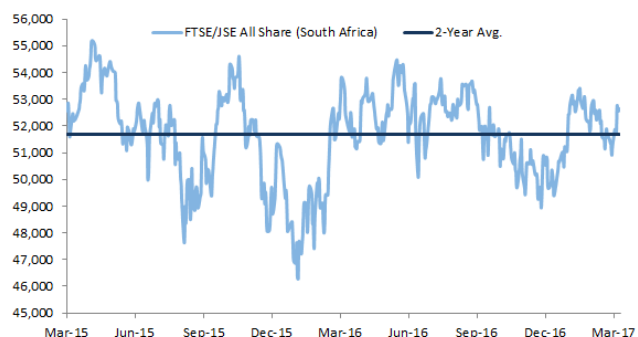
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Stock Markets Index (Country)	20/03/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Africa							
FTSE/JSE All Share (South Africa)	52,641.17	1.52%	0.16%	-2.20%	3.92%	48,935.90	54,704.22
EGX 30 (Egypt)	13,102.89	1.34%	5.29%	75.50%	6.14%	6,831.59	13,544.42
Gaborone Domestic Index (Botswana)	9,138.13	0.19%	1.38%	-10.33%	-2.79%	9,005.95	10,317.66
Nairobi SE All Share (Kenya)	126.61	1.65%	1.56%	-13.09%	-5.05%	119.62	147.56
All Share Index (Nigeria)	25,653.16	1.64%	1.60%	-0.16%	-4.55%	24,547.37	31,073.32
Ghana Stock Exchange (Ghana)	1,879.60	0.26%	3.86%	-2.35%	11.28%	1,507.84	1,924.78
Namibia Overall Index (Namibia)	1,128.04	2.20%	1.21%	12.43%	5.56%	924.79	1,143.91
Tanzania All Share Index (Tanzania)	2,260.73	1.55%	-0.51%	-5.96%	2.84%	1,978.68	2,829.99
Americas							
Dow Jones Industrial Avg. (USA)	20,914.62	0.06%	1.41%	18.82%	5.83%	17,063.08	21,169.11
S&P 500 (USA)	2,378.25	0.24%	1.15%	16.04%	6.23%	1,991.68	2,400.98
Nasdaq (USA)	5,901.00	0.67%	1.07%	23.05%	9.62%	4,574.25	5,912.61
Ibovespa (Brazil)	64,209.94	-0.72%	-6.31%	26.36%	6.61%	47,873.65	69,487.58
Europe							
Euro Stoxx 50 (Europe)	3,440.93	0.74%	3.88%	12.46%	4.57%	2,678.27	3,457.17
FTSE 100 (UK)	7,413.01	0.62%	1.55%	19.76%	3.78%	5,788.74	7,447.00
DAX (Germany)	12,068.04	0.65%	2.03%	21.28%	5.11%	9,214.10	12,156.44
PSI 20 (Portugal)	4,629.38	0.22%	-0.73%	-10.51%	-1.06%	4,175.28	5,222.69
IBEX 35 (Spain)	10,231.80	2.36%	7.40%	13.04%	9.41%	7,579.80	10,250.20
CAC (France)	5,016.61	0.34%	3.12%	12.42%	3.17%	3,955.98	5,037.85
SMI (Switzerland)	8,690.23	0.08%	2.06%	11.22%	5.72%	7,475.54	8,702.62
Asia							
Nikkei 225 (Japan)	19,521.59	-0.42%	1.41%	16.72%	2.13%	14,864.01	19,668.01
Topix (Japan)	1,565.85	-0.52%	1.22%	16.42%	3.11%	1,192.80	1,578.51
Hang Seng (Hong Kong)	7,267.51	3.12%	2.64%	19.62%	13.50%	5,715.15	7,267.51
Shanghai All Share (China)	3,403.97	0.43%	0.33%	10.07%	4.75%	2,910.50	3,456.92
CSI 300 (China)	3,449.61	-0.25%	-0.63%	8.75%	4.22%	3,027.44	3,583.72

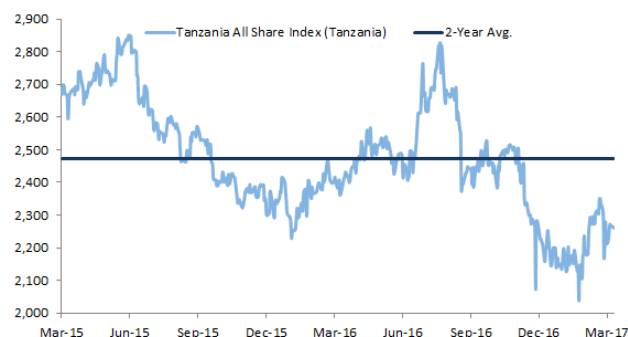
Sources: Bloomberg and Eaglestone Securities.

JOHANNESBURG STOCK EXCHANGE ALL SHARE INDEX



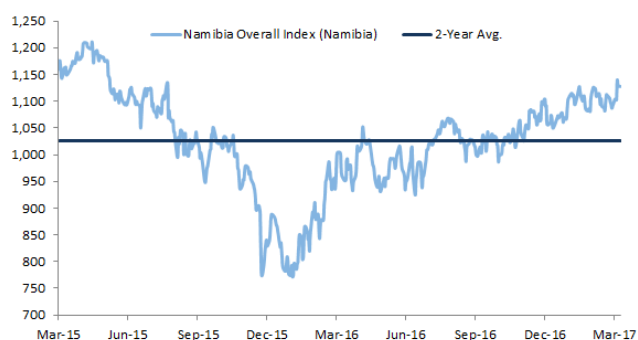
Sources: Bloomberg and Eaglestone Securities.

TANZANIA STOCK EXCHANGE INDEX



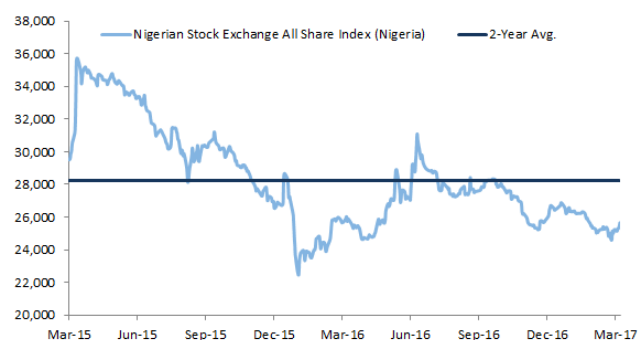
Sources: Bloomberg and Eaglestone Securities.

NAMIBIA OVERALL INDEX



Sources: Bloomberg and Eaglestone Securities.

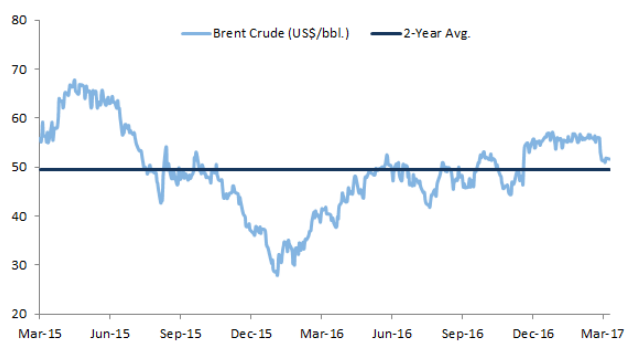
NIGERIA STOCK EXCHANGE INDEX



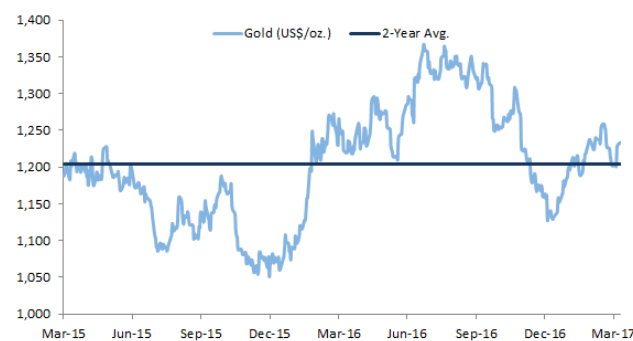
Sources: Bloomberg and Eaglestone Securities.

Commodities	20/03/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Energy							
WTI Crude (US\$/bbl.)	48.49	0.19%	-9.19%	22.95%	-9.74%	35.24	55.24
Brent Crude (US\$/bbl.)	51.63	0.55%	-8.10%	25.32%	-9.13%	37.27	58.37
Natural Gas (US\$/MMBtu)	2.92	-4.14%	2.93%	52.96%	-21.67%	1.77	3.99
Gasoline (US\$/gal.)	159.71	1.04%	5.31%	11.90%	-4.08%	126.68	172.57
Coking Coal (US\$/ton)	155.22	-1.22%	2.08%	82.87%	-32.74%	82.56	308.80
Precious Metals							
Gold (US\$/oz.)	1,233.30	2.51%	-0.35%	-1.67%	7.09%	1,123.90	1,377.50
Silver (US\$/oz.)	17.42	2.83%	-3.41%	10.18%	8.92%	14.78	21.09
Platinum (US\$/oz.)	965.45	2.73%	-3.98%	-1.73%	6.90%	889.73	1,194.64
Other Metals							
Copper (US\$/lb.)	267.95	3.60%	-1.02%	17.06%	6.94%	201.30	282.30
Aluminum (US\$/MT)	1,914.00	1.81%	1.81%	25.18%	13.05%	1,475.00	1,957.00
Zinc (US\$/MT)	2,882.00	6.54%	2.58%	56.97%	11.88%	1,742.50	2,985.00
Tin (US\$/MT)	20,290.00	4.86%	2.86%	19.35%	-3.95%	15,425.00	22,000.00
Iron Ore (US\$/ton)	92.34	6.48%	2.18%	64.63%	17.08%	48.18	94.86
Agriculture							
Cocoa (US\$/MT)	2,013.00	2.34%	-1.03%	-35.40%	-5.32%	1,881.00	3,237.00
Coffee (US\$/lb.)	140.80	0.82%	-4.74%	6.67%	2.74%	118.70	176.00
Sugar (US\$/lb.)	18.30	0.66%	-9.85%	14.59%	-6.20%	14.00	23.90
Cotton (US\$/lb.)	78.60	2.25%	6.97%	37.51%	11.25%	57.01	78.89
Corn (US\$)	370.00	4.37%	0.48%	0.82%	5.11%	301.00	439.25
Wheat (US\$)	441.00	6.97%	0.00%	-4.75%	8.09%	359.50	524.00
Soy (US\$)	1,005.25	0.90%	-2.64%	12.01%	0.88%	892.25	1,208.50

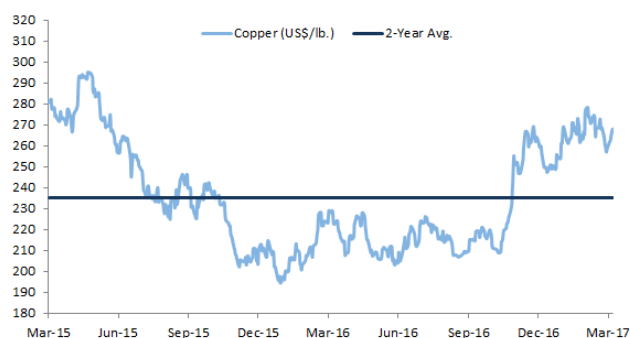
Sources: Bloomberg and Eaglestone Securities.

BRENT CRUDE (US\$/BARREL)

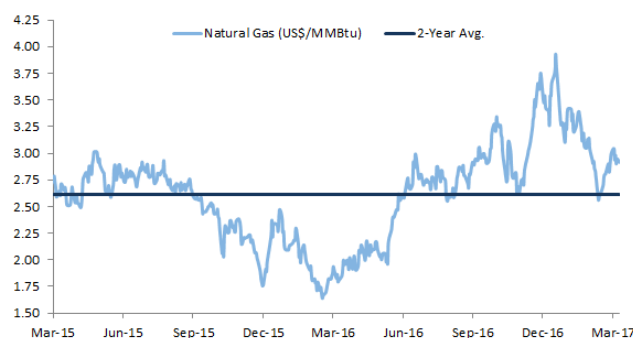
Sources: Bloomberg and Eaglestone Securities.

GOLD (US\$/OZ.)

Sources: Bloomberg and Eaglestone Securities.

COPPER (US\$/LB.)

Sources: Bloomberg and Eaglestone Securities.

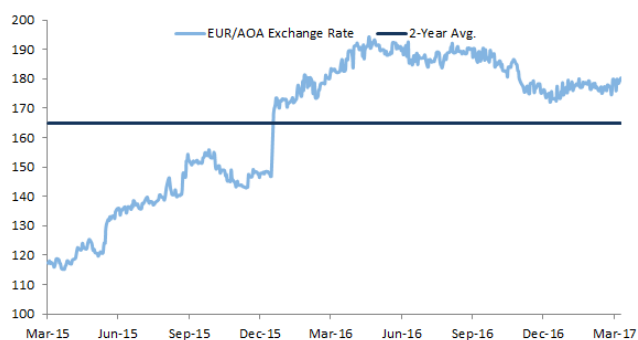
NATURAL GAS (US\$/MMBTU)

Sources: Bloomberg and Eaglestone Securities.

Currencies	20/03/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Kwanza (Angola)							
Dollar (USA)	166.24	1.39%	0.53%	-3.91%	1.23%	158.66	169.65
Euro	180.30	-0.98%	-2.42%	1.69%	-3.31%	171.73	196.44
Sterling (UK)	207.93	-1.53%	-0.65%	12.71%	-1.59%	198.78	253.90
Rand (South Africa)	13.20	-3.37%	-3.75%	-18.80%	-8.24%	10.30	13.23
Real (Brazil)	54.20	-1.94%	-0.93%	-16.86%	-5.99%	41.67	54.88
Metical (Mozambique)							
Dollar (USA)	68.18	0.80%	2.88%	-24.97%	4.70%	45.96	79.38
Euro	73.35	-0.19%	1.50%	-21.60%	2.37%	54.98	89.22
Sterling (UK)	84.61	-0.76%	3.32%	-13.13%	4.18%	70.99	104.52
Rand (South Africa)	5.37	-2.61%	0.11%	-37.41%	-2.87%	0.48	5.82
Rand (South Africa)							
Dollar (USA)	12.70	3.46%	2.74%	19.86%	8.21%	12.64	15.98
Euro	13.66	2.44%	1.33%	25.22%	5.77%	13.54	17.94
Sterling (UK)	15.76	1.86%	3.15%	38.76%	7.51%	15.58	23.34
Real (Brazil)	4.11	1.44%	2.93%	2.38%	2.46%	3.92	4.69
Naira (Nigeria)							
Dollar (USA)	310.10	1.86%	1.50%	-35.81%	1.69%	197.00	350.25
Euro	331.36	1.50%	0.82%	-32.48%	0.08%	218.25	390.34
Euro							
Dollar (USA)	1.08	1.00%	1.37%	-4.29%	2.30%	1.03	1.16
Sterling (UK)	0.87	0.57%	-1.76%	-9.76%	-1.55%	0.76	0.94
Franc (Switzerland)	1.07	-0.10%	-0.90%	1.50%	-0.19%	1.06	1.11
Yen (Japan)	121.32	0.88%	-1.06%	3.73%	1.36%	109.57	128.22

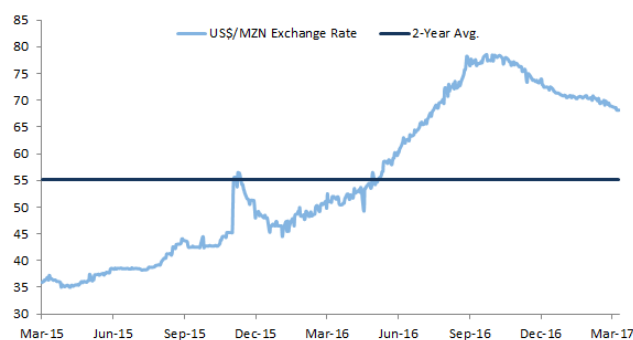
Sources: Bloomberg and Eaglestone Securities.

EUR/AOA EXCHANGE RATE



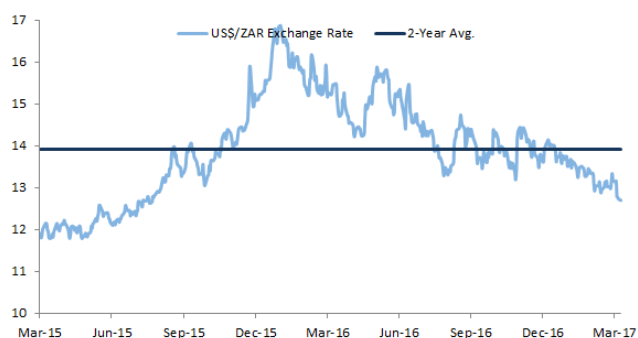
Sources: Bloomberg and Eaglestone Securities.

US\$/MZN EXCHANGE RATE



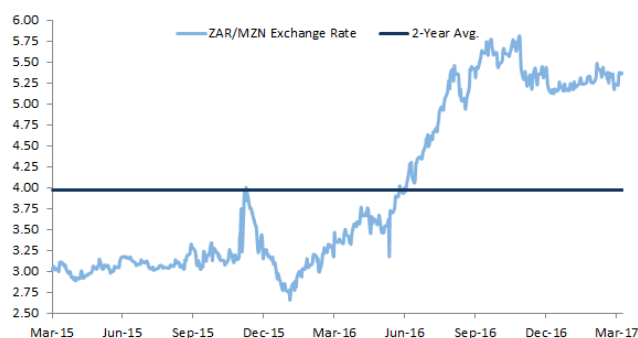
Sources: Bloomberg and Eaglestone Securities.

US\$/ZAR EXCHANGE RATE



Sources: Bloomberg and Eaglestone Securities.

ZAR/MZN EXCHANGE RATE

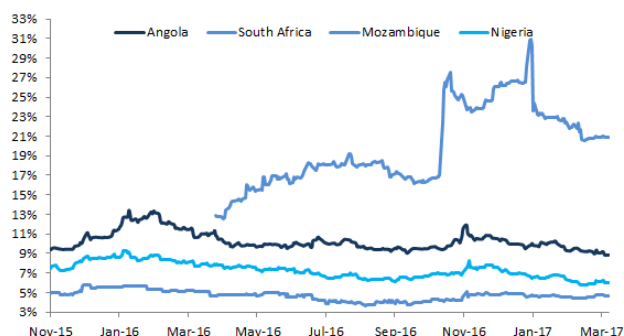


Sources: Bloomberg and Eaglestone Securities.

African Eurobonds	20/03/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Angola (12/11/2025; 9.5%)	103.835 8.852%	1.333% -0.220%	4.105% -0.638%	11.432% -1.490%	6.764% -0.992%	85.813 8.830%	103.969 11.916%
Dem. Republic of Congo (30/06/2029; 4.0%)	73.896 9.588%	-0.937% 0.130%	10.687% -1.109%	0.539% 0.423%	13.826% -1.305%	63.918 9.036%	75.375 11.248%
Ethiopia (11/12/2024; 6.625%)	95.481 7.401%	0.593% -0.097%	1.127% -0.178%	2.218% -0.262%	3.121% -0.465%	87.005 6.543%	100.526 8.836%
Gabon (16/06/2025; 6.95%)	98.524 7.188%	0.024% -0.004%	2.964% -0.441%	17.450% -1.817%	4.688% -0.663%	81.096 6.808%	100.875 10.115%
Ghana (07/08/2023; 7.875%)	98.207 8.239%	1.769% -0.341%	2.434% -0.457%	21.494% -2.505%	-0.667% 0.144%	76.438 7.652%	101.277 12.887%
Ivory Coast (03/03/2028; 6.375%)	98.049 6.628%	-0.205% 0.027%	0.146% -0.018%	4.515% -0.487%	-0.117% 0.019%	93.190 5.551%	107.735 7.228%
Kenya (24/06/2024; 6.875%)	98.805 7.086%	0.468% -0.082%	1.012% -0.172%	1.504% -0.215%	3.805% -0.595%	90.762 6.711%	101.276 8.397%
Mozambique (18/01/2023; 10.5%)	67.702 20.894%	0.482% -0.026%	5.289% -0.903%	n.a. 13.220%	12.062% -4.554%	53.636 12.625%	91.006 30.906%
Namibia (29/10/2025; 5.25%)	99.567 5.313%	0.004% 0.000%	-1.783% 0.275%	2.562% -0.315%	1.911% -0.257%	95.997 4.183%	108.164 5.776%
Nigeria (12/07/2023; 6.375%)	102.123 5.964%	0.720% -0.137%	0.827% -0.159%	9.886% -1.316%	5.149% -0.832%	89.933 5.740%	103.593 8.233%
Rwanda (02/05/2023; 6.625%)	100.751 6.472%	-0.001% 0.000%	-0.452% 0.090%	3.223% -0.536%	0.992% -0.191%	93.364 6.052%	103.140 7.857%
Senegal (30/07/2024; 6.25%)	100.500 6.163%	-0.063% 0.010%	0.311% -0.054%	6.792% -0.887%	0.306% -0.053%	91.875 5.382%	105.862 7.600%
Seychelles (01/01/2026; 7.0%)	101.750 7.604%	n.a. -0.144%	n.a. -0.049%	8.172% -0.929%	1.038% -0.132%	94.667 7.550%	102.070 8.566%
South Africa (16/09/2025; 5.875%)	108.500 4.650%	0.463% -0.070%	-1.251% 0.184%	n.a. -0.385%	1.402% -0.216%	105.750 3.686%	117.370 5.070%
Zambia (30/07/2027; 8.97%)	106.054 8.093%	1.336% -0.192%	4.551% -0.612%	27.463% -2.482%	7.047% -0.901%	79.351 7.988%	106.833 12.383%

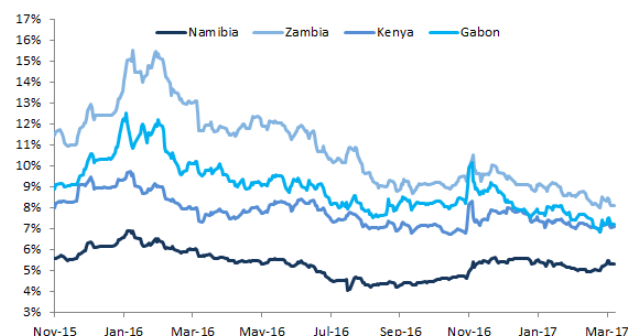
Sources: Bloomberg and Eaglestone Securities.

EUROBOND YIELDS (ANG, SA, MOZ & NIG)



Sources: Bloomberg and Eaglestone Securities.

EUROBOND YIELDS (NAM, ZAM, KEN & GAB)



Sources: Bloomberg and Eaglestone Securities.

AFRICA SOVEREIGN RATINGS

20/03/2017	FOREIGN CURRENCY LONG TERM			FOREIGN CURRENCY SHORT TERM		
	MOODYS	S&P	FTCH	MOODYS	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	SD	RD	NR	D	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	B+	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, Johannesburg, Lisbon, London, 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.

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