



Africa Weekly: Oil prices recover ahead of OPEC meeting

Politics

South African opposition party lawyers requested that the country's Constitutional Court should order parliament to hold a secret vote on a motion of no confidence in President Zuma, arguing that an open ballot would breach the country's constitution.

Kenya's government announced that it will subsidize the price of several food items, including corn, and will waive duties on milk and sugar. This has become an election issue ahead of the August vote. The government is also preparing a supplementary budget in order to deal with the surging cost of living in the country.

Economy

The IMF raised **South Africa's** real GDP growth forecast to 1% from a previous estimate of 0.8% in April. This revision is due to the end of the worst drought in the country in more than a century, which should help lift agricultural production, as well as the impact of rising commodity prices on the country's mining sector. The IMF also revised upwards its 2017 growth forecast for **Rwanda** (6.2% from 6%) on a recovery in the construction sector and increased manufacturing activity. The Fund lowered its output growth estimate for 2018 to 6.6% (from an earlier projection of 7%) on lower public investment spending in the near term. **Mozambique's** inflation slowed to 21.3% last month from 21.6% in March (MoM inflation stood at 1.1%). Consumer prices in **Angola** were up 1.8% MoM in April, bringing annual inflation to 34.8% (vs. 36.52% in March). Also on inflation, prices in **Nigeria** decelerated for the third consecutive month in April, standing at 17.2% (from 17.3% in March). This compares with consensus estimates of 16.9%.

Central Banks

The Bank of **Zambia** cut its benchmark rate to 12.5% (from 14%), the lowest since 2015, as a favorable raining season is expected to reduce food prices in coming months. Inflation stood at 6.7% in April, posting the lowest level since 2013. **Ghana's** new central bank governor could cut interest rates to a near two-year low in his first monetary policy meeting this week, as inflation in the country continues to decline and the currency stabilized. Although inflation remains above the target of 6-10%, it stood at 13% in April, which is close to the lowest rate since 2013.

Commodities

Oil prices recovered this past week, as OPEC is widely expected to extend output cuts for another six to nine months when it meets in Vienna in a few days' time. Crude has been supported in recent days by the comments made by Saudi Arabia and Russia showing their approval of prolonging the supply cut agreement until March 2018. Other OPEC countries such as Kuwait, Iraq and Venezuela and non-members Oman and South Sudan have also shown their support for this proposal. The cartel may also decide to intensify production cuts, which, as agreed in November, aim to cut 1.2 million barrels/day of oil production (by OPEC) and 0.6 million barrels/day (by non-OPEC members).

Credit

Nigeria's Budget Office Director General said the country plans to raise US\$3.5bn in foreign loans, including from the World Bank and international debt markets, to help fund its 2017 budget deficit. Specifically, US\$2bn of foreign loans would come from concessionary loans, with the remaining US\$1.5bn coming from commercial markets including the Eurobond market. France's Crédit Agricole will lend **Angola** Eur500mn. This credit line is another source of funding for the Angolan authorities and will help to ensure the continuity of the public investment program included in the country's National Development Plan for 2013-17.

Capital Markets

22 May 2017

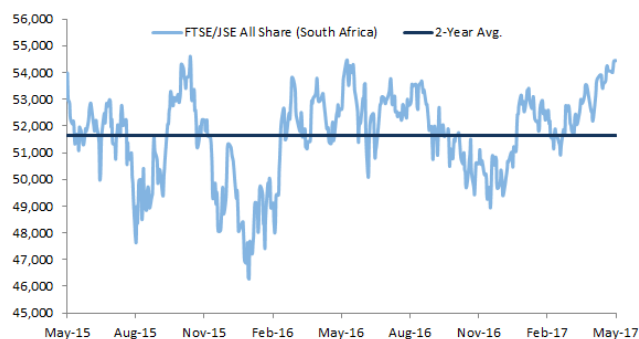
Tiago Bossa Dionísio

(+351) 211 214 431

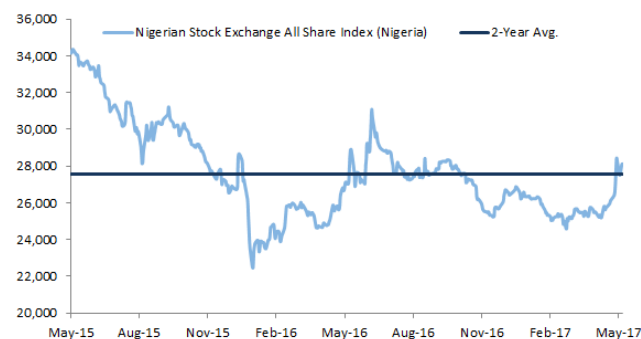
tiago.dionisio@eaglestone.eu

Stock Markets Index (Country)	22/05/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Africa							
FTSE/JSE All Share (South Africa)	54,459.00	0.75%	4.34%	3.46%	7.51%	48,935.90	54,704.22
EGX 30 (Egypt)	12,974.75	0.81%	0.53%	73.12%	5.10%	6,831.59	13,544.42
Gaborone Domestic Index (Botswana)	9,351.25	-0.27%	0.57%	-8.23%	-0.53%	9,005.95	10,201.30
Nairobi SE All Share (Kenya)	139.46	1.23%	4.46%	-4.96%	4.59%	119.62	147.50
All Share Index (Nigeria)	28,113.44	-0.28%	11.61%	3.63%	4.61%	24,547.37	31,073.32
Ghana Stock Exchange (Ghana)	1,915.99	0.86%	1.60%	7.82%	13.43%	1,507.84	1,916.32
Namibia Overall Index (Namibia)	1,059.87	-0.31%	1.21%	10.78%	-0.82%	924.79	1,143.91
Tanzania All Share Index (Tanzania)	2,288.88	-2.04%	-2.96%	-8.71%	4.12%	1,978.68	2,829.99
Americas							
Dow Jones Industrial Avg. (USA)	20,804.84	-0.44%	1.25%	18.88%	5.27%	17,063.08	21,169.11
S&P 500 (USA)	2,381.73	-0.38%	1.41%	16.05%	6.38%	1,991.68	2,405.77
Nasdaq (USA)	6,083.70	-0.61%	2.93%	27.55%	13.01%	4,574.25	6,170.16
Ibovespa (Brazil)	62,639.31	-8.18%	-1.76%	25.98%	4.00%	48,066.67	69,487.58
Europe							
Euro Stoxx 50 (Europe)	3,577.21	-1.78%	3.98%	20.76%	8.71%	2,678.27	3,666.80
FTSE 100 (UK)	7,498.56	0.59%	5.40%	21.80%	4.98%	5,788.74	7,533.70
DAX (Germany)	12,620.15	-1.46%	4.74%	27.27%	9.92%	9,214.10	12,841.66
PSI 20 (Portugal)	5,175.36	-1.30%	6.13%	6.25%	10.60%	4,175.28	5,291.59
IBEX 35 (Spain)	10,779.60	-1.63%	3.88%	22.90%	15.26%	7,579.80	11,184.40
CAC (France)	5,321.06	-1.78%	5.18%	22.21%	9.43%	3,955.98	5,442.10
SMI (Switzerland)	9,031.87	-0.84%	5.59%	12.94%	9.88%	7,475.54	9,136.95
Asia							
Nikkei 225 (Japan)	19,678.28	-0.96%	5.68%	17.58%	2.95%	14,864.01	19,998.49
Topix (Japan)	1,567.65	-0.78%	5.31%	16.69%	3.23%	1,192.80	1,590.70
Hang Seng (Hong Kong)	7,347.58	0.72%	3.90%	27.31%	14.75%	5,734.13	7,361.83
Shanghai All Share (China)	3,220.90	-0.47%	-3.07%	8.91%	-0.88%	2,910.60	3,456.92
CSI 300 (China)	3,411.24	0.35%	-1.60%	10.82%	3.06%	3,027.44	3,583.72

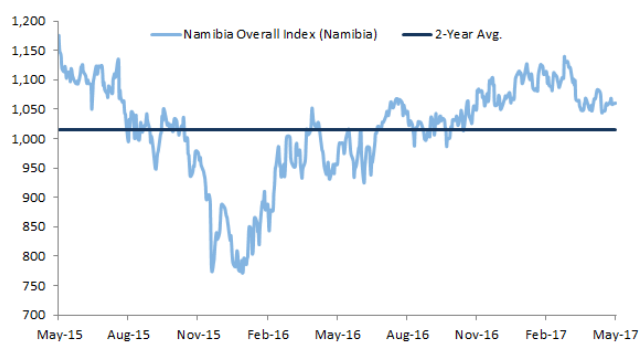
Sources: Bloomberg and Eaglestone Securities.

JOHANNESBURG STOCK EXCHANGE ALL SHARE INDEX

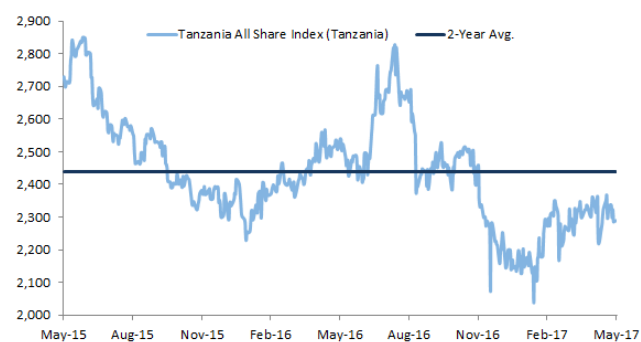
Sources: Bloomberg and Eaglestone Securities.

NIGERIA STOCK EXCHANGE INDEX

Sources: Bloomberg and Eaglestone Securities.

NAMIBIA OVERALL INDEX

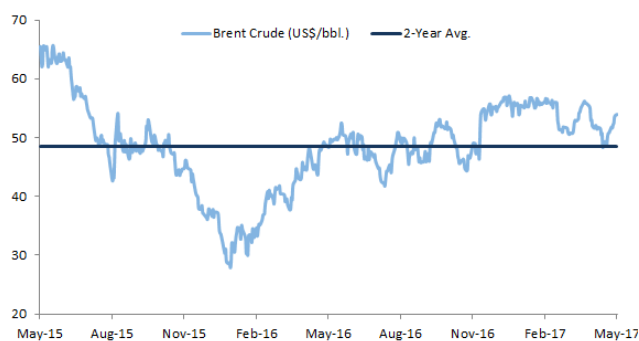
Sources: Bloomberg and Eaglestone Securities.

TANZANIA ALL SHARE INDEX

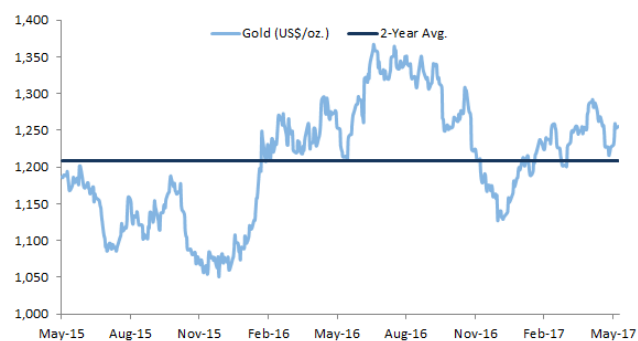
Sources: Bloomberg and Eaglestone Securities.

Commodities	22/05/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Energy							
WTI Crude (US\$/bbl.)	50.77	3.93%	2.32%	6.32%	-5.49%	39.19	55.24
Brent Crude (US\$/bbl.)	53.96	4.13%	3.85%	10.76%	-5.03%	41.51	58.37
Natural Gas (US\$/MMBtu)	3.29	-1.85%	6.00%	59.41%	-11.73%	1.91	3.99
Gasoline (US\$/gal.)	166.34	4.26%	1.15%	1.70%	-0.10%	126.68	177.10
Coking Coal (US\$/ton)	155.91	-15.04%	-46.73%	82.27%	-32.45%	82.56	308.80
Precious Metals							
Gold (US\$/oz.)	1,255.40	2.07%	-2.49%	0.20%	9.00%	1,123.90	1,377.50
Silver (US\$/oz.)	16.78	1.29%	-6.05%	1.55%	4.92%	15.70	21.09
Platinum (US\$/oz.)	938.82	1.01%	-2.34%	-7.19%	3.96%	889.73	1,194.64
Other Metals							
Copper (US\$/lb.)	256.35	1.20%	1.02%	24.53%	2.31%	201.30	282.30
Aluminum (US\$/MT)	1,943.50	2.78%	2.13%	25.79%	14.80%	1,532.00	1,981.00
Zinc (US\$/MT)	2,616.00	2.43%	2.67%	40.65%	1.55%	1,809.00	2,985.00
Tin (US\$/MT)	20,400.00	2.80%	3.03%	23.56%	-3.43%	15,425.00	22,000.00
Iron Ore (US\$/ton)	62.69	2.13%	-2.96%	17.24%	-20.51%	48.18	94.86
Agriculture							
Cocoa (US\$/MT)	2,028.00	-0.83%	7.07%	-29.90%	-4.61%	1,805.00	3,237.00
Coffee (US\$/lb.)	132.10	-0.38%	-4.28%	6.58%	-3.61%	120.80	176.00
Sugar (US\$/lb.)	16.37	4.87%	-0.24%	-4.10%	-16.09%	15.12	23.90
Cotton (US\$/lb.)	78.88	-7.55%	-0.14%	27.91%	11.65%	61.10	87.18
Corn (US\$)	374.25	1.77%	4.83%	-5.13%	6.32%	301.00	439.25
Wheat (US\$)	438.50	3.60%	8.27%	-6.25%	7.48%	359.50	524.00
Soy (US\$)	957.00	-0.85%	0.63%	-10.91%	-3.96%	929.75	1,208.50

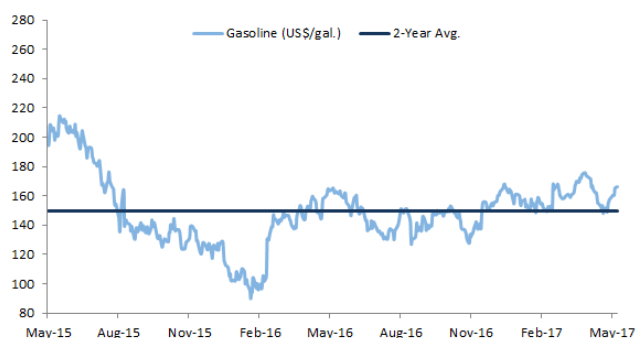
Sources: Bloomberg and Eaglestone Securities.

BRENT CRUDE (US\$/BARREL)

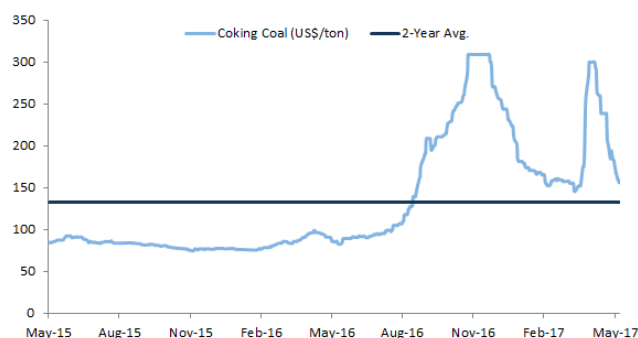
Sources: Bloomberg and Eaglestone Securities.

GOLD (US\$/OZ)

Sources: Bloomberg and Eaglestone Securities.

GASOLINE (US\$/GAL)

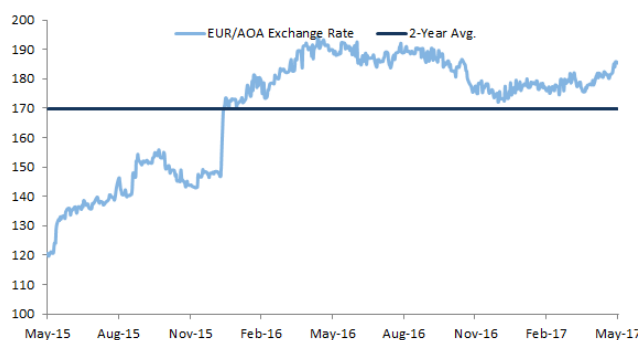
Sources: Bloomberg and Eaglestone Securities.

COKING COAL (US\$/TON)

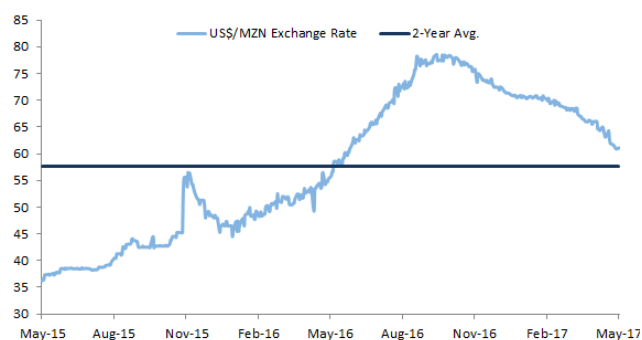
Sources: Bloomberg and Eaglestone Securities.

Currencies	22/05/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Kwanza (Angola)							
Dollar (USA)	165.87	0.78%	0.26%	2.01%	1.45%	163.78	169.65
Euro	185.37	-1.77%	-2.51%	2.42%	-5.95%	171.73	193.36
Sterling (UK)	215.27	-0.61%	-1.16%	13.85%	-4.95%	198.78	253.90
Rand (South Africa)	12.57	0.07%	1.63%	-14.42%	-3.70%	10.66	13.58
Real (Brazil)	51.00	4.63%	4.24%	-7.17%	-0.09%	46.13	54.88
Metical (Mozambique)							
Dollar (USA)	61.11	0.83%	8.00%	-8.86%	16.82%	49.25	79.38
Euro	68.27	-0.95%	4.09%	-8.47%	9.98%	54.98	89.22
Sterling (UK)	79.28	0.23%	5.50%	1.74%	11.17%	71.74	104.52
Rand (South Africa)	4.63	0.90%	9.52%	-23.52%	12.61%	0.48	5.82
Rand (South Africa)							
Dollar (USA)	13.19	-0.08%	-1.36%	19.15%	4.13%	12.31	15.87
Euro	14.74	-1.85%	-4.08%	19.65%	-1.98%	13.38	17.75
Sterling (UK)	17.12	-0.69%	-2.74%	33.01%	-1.03%	15.45	23.21
Real (Brazil)	4.06	4.54%	2.53%	8.50%	3.75%	3.92	4.69
Naira (Nigeria)							
Dollar (USA)	314.49	1.75%	-2.73%	-36.71%	0.27%	197.00	350.25
Euro	352.01	-1.86%	-1.98%	-36.55%	-5.79%	220.58	390.34
Euro							
Dollar (USA)	1.12	1.80%	2.81%	-0.42%	6.24%	1.03	1.14
Sterling (UK)	0.86	-1.17%	-1.37%	-10.05%	-0.88%	0.76	0.94
Franc (Switzerland)	1.09	0.33%	-0.73%	1.82%	-1.66%	1.06	1.11
Yen (Japan)	124.27	0.49%	-4.01%	-1.37%	-1.05%	109.57	125.82

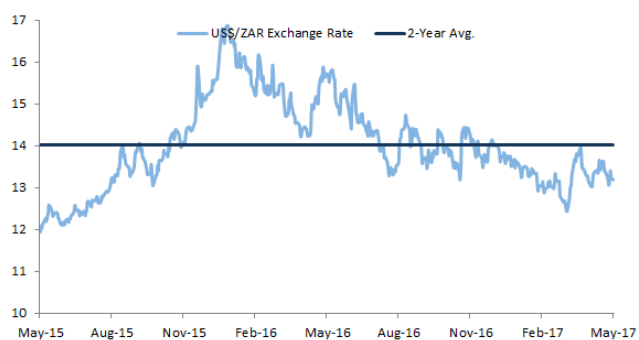
Sources: Bloomberg and Eaglestone Securities.

EUR/AOA EXCHANGE RATE

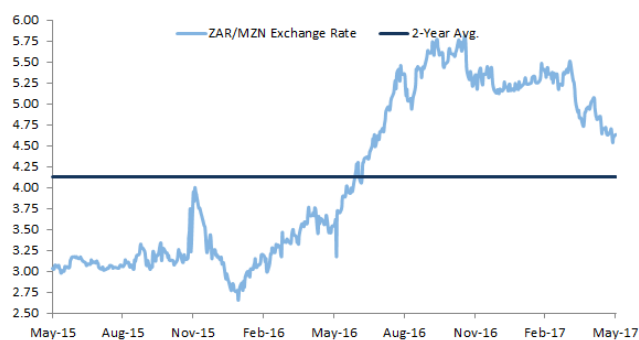
Sources: Bloomberg and Eaglestone Securities.

US\$/MZN EXCHANGE RATE

Sources: Bloomberg and Eaglestone Securities.

US\$/ZAR EXCHANGE RATE

Sources: Bloomberg and Eaglestone Securities.

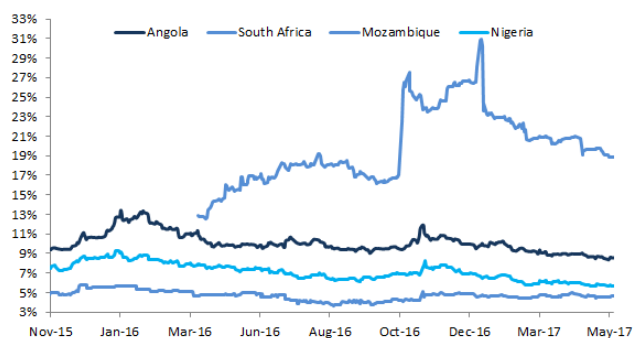
ZAR/MZN EXCHANGE RATE

Sources: Bloomberg and Eaglestone Securities.

African Eurobonds	22/05/2017	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Angola (12/11/2025; 9.5%)	105.615 8.553%	-0.890% 0.154%	2.124% -0.350%	8.694% -1.214%	8.594% -1.215%	85.813 8.362%	106.813 11.916%
Dem. Republic of Congo (30/06/2029; 4.0%)	79.378 8.772%	0.702% -0.078%	5.734% -0.617%	10.356% -0.686%	22.270% -1.839%	63.918 8.754%	79.524 11.248%
Ethiopia (11/12/2024; 6.625%)	100.701 6.505%	-0.573% 0.099%	3.328% -0.511%	10.164% -1.237%	8.759% -1.147%	87.005 6.336%	101.708 8.836%
Gabon (16/06/2025; 6.95%)	100.985 6.788%	0.450% -0.073%	3.264% -0.487%	17.997% -1.855%	7.303% -0.968%	81.096 6.766%	101.138 10.115%
Ghana (07/08/2023; 7.875%)	100.290 7.811%	0.101% -0.021%	0.866% -0.173%	21.380% -2.496%	1.440% -0.277%	81.913 7.652%	101.277 11.564%
Ivory Coast (03/03/2028; 6.375%)	100.758 6.276%	0.537% -0.069%	0.884% -0.112%	6.575% -0.700%	2.643% -0.316%	94.100 5.551%	107.735 7.099%
Kenya (24/06/2024; 6.875%)	102.528 6.424%	-0.246% 0.044%	2.228% -0.373%	10.691% -1.352%	7.717% -1.089%	90.762 6.309%	103.189 8.397%
Mozambique (18/01/2023; 10.5%)	75.242 18.885%	n.a. -0.558%	n.a. -0.558%	n.a. 1.578%	-5.800% 2.158%	70.000 16.936%	79.875 20.347%
Namibia (29/10/2025; 5.25%)	101.699 5.000%	-0.509% 0.076%	1.276% -0.182%	4.085% -0.508%	4.093% -0.522%	97.369 4.183%	108.164 5.629%
Nigeria (12/07/2023; 6.375%)	103.423 5.704%	0.041% -0.010%	1.031% -0.201%	9.408% -1.291%	6.488% -1.009%	89.933 5.673%	103.648 8.233%
Rwanda (02/05/2023; 6.625%)	102.933 6.029%	0.015% -0.005%	1.285% -0.255%	5.349% -0.871%	3.180% -0.579%	93.364 5.981%	103.181 7.857%
Senegal (30/07/2024; 6.25%)	105.562 5.307%	0.625% -0.107%	3.322% -0.515%	13.152% -1.477%	5.359% -0.776%	91.875 5.237%	106.098 7.600%
Seychelles (01/01/2026; 7.0%)	104.654 7.173%	n.a. -0.179%	1.584% -0.235%	6.738% -0.798%	3.921% -0.524%	97.429 7.173%	104.655 8.101%
South Africa (16/09/2025; 5.875%)	108.700 4.602%	-0.207% 0.029%	-0.046% -0.003%	n.a. -0.334%	1.589% -0.259%	105.750 3.686%	117.370 5.058%
Zambia (30/07/2027; 8.97%)	107.026 7.948%	-0.644% 0.096%	3.033% -0.424%	32.062% -2.728%	8.029% -1.011%	80.773 7.806%	108.282 12.117%

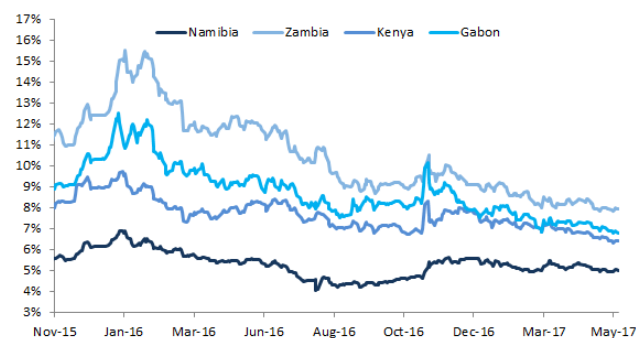
Sources: Bloomberg and Eaglestone Securities.

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

22/05/2017	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	SD	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	Ba3	B+	NR	NR	B	NR
Seychelles	NR	NR	BB-	NR	NR	B
South Africa	Baa2	BB+	BB+	P-2	B	B
Tunisia	Ba3	NR	B+	NR	NR	B
Uganda	B2	B	B+	NR	B	B

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

AAA' and 'AA' (high credit quality) and 'A' and 'BBB' (medium credit quality) are considered investment grade. Credit ratings below these designations ('BB', 'B', 'CCC', etc.) are considered low credit quality, and are commonly referred to as "junk bonds".

Disclaimer

This document has been prepared by Eaglestone Advisory Limited which is authorised and regulated by the Financial Conduct Authority of the United Kingdom and its affiliates ("Eaglestone"), and is provided for information purposes only.

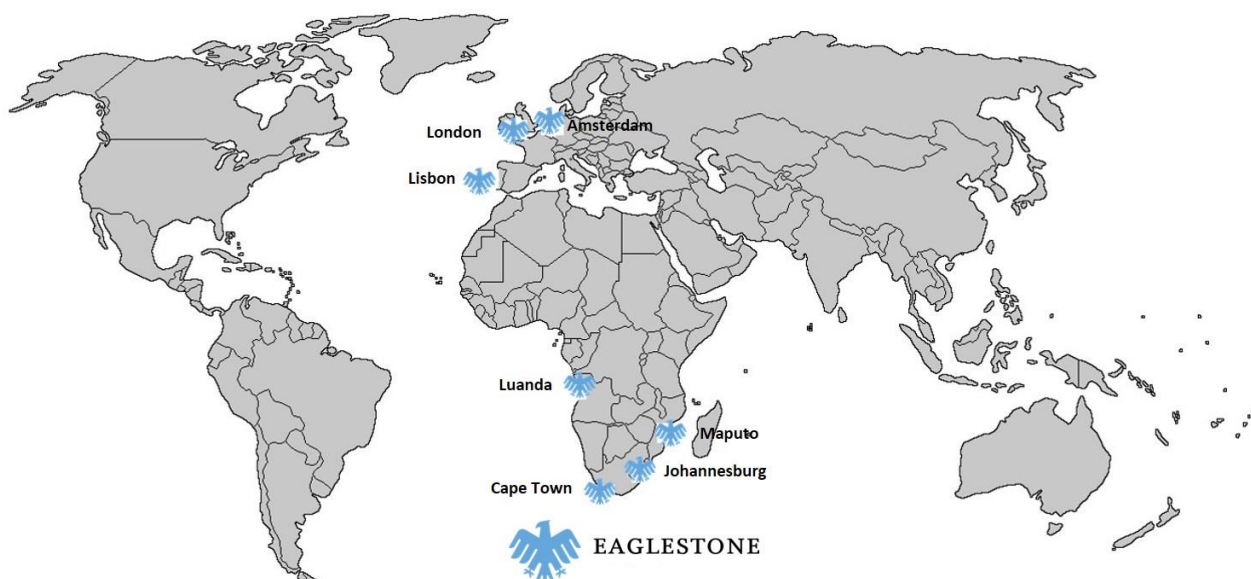
The information and opinions in this document are published for the assistance of the recipients, are for information purposes only, and have been compiled by Eaglestone in good faith using sources of public information considered reliable. Although all reasonable care has been taken to ensure that the information contained herein is not untrue or misleading we make no representation regarding its accuracy or completeness, it should not be relied upon as authoritative or definitive, and should not be taken into account in the exercise of judgments by any recipient. Accordingly, with the exception of information about Eaglestone, Eaglestone makes no representation as to the accuracy or completeness of such information.

This document does not have regard to specific investment objectives, financial situation and the particular needs of any specific recipient. Recipients should seek financial advice regarding the appropriateness of investment strategies discussed or recommended in this document and should understand that the statements regarding future prospects may not be realised. Unless otherwise stated, all views (including estimates, forecasts, assumptions or perspectives) herein contained are solely expression Eaglestone's research department.

This document must not be considered as an offer to sell or a solicitation to buy any investment instrument and distribution of this document does not oblige Eaglestone to enter into any transaction. Nothing in this document constitutes investment, legal, tax or accounting advice. The opinions expressed herein reflect Eaglestone's point of view as of the date of its publication and may be subject to change without prior notice

This document is intended for is made to and directed at (i) existing clients of Eaglestone and/or (ii) persons who would be classified as a professional client or eligible counterparty under the FCA Handbook of Rules and Guidance if taken on as clients by Eaglestone and/or (iii) persons who would come within Article 19 (investment professionals) or Article 49 (high net worth companies, trusts and associations) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2001 and/or (iv) persons to whom this communication could otherwise be lawfully made in the United Kingdom or by respective home jurisdictions regulators for non UK countries. None of the investments or investment services mentioned or described herein are available to "private customers" as defined by the rules of the Financial Conduct Authority ("FCA"). It should not be disclosed to retail clients (or equivalent) and should not be distributed to others or replicated without the consent of Eaglestone. Eaglestone name and the eagle logo are registered trademarks.

Additional information is available upon request.



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, 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.

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