15 December 2017

INSIDE AFRICA

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Angola: Economic Overviews

POLITICAL STABILITY: Persistent public anger arising from political stasis will be only partly defused by the transfer of power from José Eduardo dos Santos--who stood down at the August 2017 election, after 38 years in power--to his named successor, the defence minister, João Manuel Gonçalves Lourenço. The electorate did not vote directly on the succession--under the constitution, the person heading the list of the party with the largest number of seats automatically becomes president--and there has been scepticism locally that Mr dos Santos's decision to stand down will mean a genuine withdrawal from power. However, Mr Lourenço is increasingly determined to signal his own authority--replacing management at the diamond group, Endiama, the central bank and state-owned media groups, for example. Most significantly, Isabel dos Santos, the daughter of the former president, was removed as head of the state-owned energy company, Sonangol, in November.

This is likely to significantly weaken Mr dos Santos's grip on the extensive patronage network that he has built up over his near four decades in power. It will also serve to increase public expectations of change. However, Mr dos Santos remains president of the ruling Movimento Popular de Libertação de Angola (MPLA)--with Mr Lourenço as vice-president--and thus the kingmaker. He is therefore likely to be able to exert significant influence over national policymaking at least in the short term. At worst, twin centres of power could develop within the ruling party, placing a strain on political and security force loyalties.

ELECTION WATCH: The ruling MPLA secured just over 61% of the vote in the August election, while the União Nacional para a Independência Total de Angola (UNITA), Angola's largest opposition party, took just under 27% and the Convergência Ampla de Salvação de Angola-Coligação Eleitoral (CASA-CE) some 9.5%.

Having mounted an unsuccessful challenge to the results at the Constitutional Court, and threatened to boycott the legislature, opposition groups have decided to take their seats in parliament. This is a sensible strategy: a boycott would only serve to further disconnect opposition groups from policymaking and national institutions, and further strengthen the MPLA's grip on power. A presence in parliament could also allow opposition groups to build their national profile, and the prospect of new leadership at UNITA--Isaías Samakuva, who has led the party since 2003, is stepping down--offers the possibility of fresh engagement with the electorate. The likelihood of a substantial opposition breakthrough should not be overstated, however. Mr Samakuva may remain in post until UNITA's next party congress (scheduled for 2019), and the MPLA will have 150 seats in the legislature--25 fewer than previously, but still a two-thirds majority--and will continue to control all aspects of power. It will also continue to use the benefits of incumbency to restrict opportunities for opposition groups. Thus, although a further reduction in its majority is possible at the next election, due in 2022, it is likely to retain power.

INTERNATIONAL RELATIONS: Mr Lourenço will seek to maintain what Angola perceives as its position as a leading regional power, and Angola's accession to the chair of the politics, defence and security organ of the Southern African Development Community (SADC) will help him to boost his currently rather limited regional profile. However, consolidation of relations with key strategic partners, and diversification of access to international finance, will continue to take a higher priority than regional issues. Angola will continue to prioritise relations with lusophone states, including Brazil and the former colonial power, Portugal, although relations with both will be put under strain by corruption allegations. Relations with global powers such as the US and China will also receive high priority (as reflected in the signing of a defence agreement with the US in mid-2017). The opening of a branch of the Bank of China in mid-2017 should make Angola a more attractive destination for small and medium-sized Chinese firms. However, there is a downside risk that the managed slowdown in Chinese growth will translate into fewer trade and investment deals.

POLICY TRENDS: A fundamental rebalancing of the economy away from oil dependence is needed, but it is not clear that the authorities are wholly committed to full-scale reform: although the finance minister, Archer Mangueira, confirmed in October that a new Fund programme was being "looked at", it has not yet been decided whether this would include a financing element. Any new collaboration would be likely to focus on improving Angola's macroeconomic situation, including fiscal consolidation, monetary and exchange-rate adjustment and investment promotion. In the longer term, the authorities will be encouraged to improve the efficiency and transparency of public spending and to create a business-friendly environment--notably by reducing operating costs in the non-oil sector--that will enable the private sector to lead economic growth. However, it remains unclear whether the authorities are willing to adopt the tough reforms--and transparency--that would be necessary for genuine engagement with the Fund. Indeed, in the short to medium term the government is likely to pursue some populist measures--along the lines of moves, announced in mid-2017, to increase public-sector salaries by as much as 15% and the minimum wage by 10%.

ECONOMIC GROWTH: As the country adjusts to lower oil prices, slightly more solid expansion in government and private consumption should see overall real GDP growth average 2.4% in 2018-20, although an expected business-cycle economic slowdown in the US in 2020 will act as a partial constraint, as it is likely to dent global confidence and demand. Growth is then expected to accelerate slightly, to an average of 2.9% in 2021-22, as international oil prices increase by some 5% annually.

Nonetheless, investment outside hydrocarbons will continue to be constrained by a lack of reform. Levels of bureaucracy remain high, and business sentiment will continue to be undermined by concerns about weak human capital, poor regulation, high levels of corruption and the crowding-out of private investment by the public sector. Overall, the forecast average growth rate of 2.6% in 2018-22 is only just over one-quarter of the rate in the decade up to 2014, and real GDP per head is expected to contract by an annual average of 0.6% over the period. Growth rates could be more rapid should the new president adopt reform measures to spur private-sector development as suggested by the IMF. However, although Mr Lourenço has made a positive start in terms of signalling his willingness to reform, there is a clear risk that the authorities will prioritise populist measures should growth rates remain substandard, threatening to intensify disenchantment with the ruling elite.

INFLATION: After a sharp spike to an average of almost 30% in 2017, inflation should trend downwards in 2018-22. The government has announced measures to combat inflation, such as price limits for basic goods and centralised flour sales, and is reportedly planning a new customs tariff regime that will cut import duties on a number of food and other items, although it is unclear when this regime will be implemented. However, the kwanza's continued weakness against the US dollar will push up the cost of imported goods, and the high government spending that took place in the run-up to the August 2017 election and a partial recovery of global commodity prices in 2019 and 2021-22 will also generate inflationary pressure. We expect annual average inflation to ease from an estimated 29.9% in 2017 to 9.3% in 2022 as a moderate recovery in oil prices (the 2022 average price of Brent is expected to be some 33% higher than the 2016 average) leads to improved dollar availability and reduces pressure on the local currency slightly.

EXCHANGE RATES: The formal rate of the kwanza has stabilised at around Kz166:US$1, owing in part to the central bank carrying out a series of controlled auctions in recent months. Nonetheless, amid continued shortages of US currency, the gap with the black-market rate remains substantial, with the latter running at around Kz375:US$1--more than double the official rate, but substantially down from around Kz495:US$1 at end-2016. The central bank's ability to support the kwanza through market intervention will depend on the level of foreign-exchange reserves. According to the latest official data, international reserves stood at around US$19.7bn (around eight months of import cover) in September 2017--well down on the level of US$28bn at the end of 2014. Reserves are likely to continue to decline in the first two years of the forecast period as the central bank seeks to defend the currency, but will remain well above minimum recommended prudential levels, reflecting the build-up of reserves during the previous oil boom period.

EXTERNAL SECTOR: We have revised our current-account projections following the release of provisional 2016-17 data, but Angola is expected to run current-account deficits during 2018-22. After their sharp dip in 2014-16, total export earnings--dominated by oil--will increase, reflecting slightly more stable prices, although these will remain well below their 2012-13 peak. Imports will also bounce back, reflecting a slight rise in government-led capital investment in the moderately more supportive oil-price environment, although the ongoing devaluation of the kwanza is likely to continue to limit consumer demand. The trade surplus as a percentage of GDP will average 7.9% over the forecast period--less than one-fifth of the average in 2010-14. (Economist Intelligence Unit)

Mozambique: Country Outlook

POLITICAL STABILITY: Mozambique's political stability will remain fragile as the government struggles to respond to the country's significant economic and political challenges. Fierce rivalries within the long-standing ruling party, the Frente de Libertação de Moçambique (Frelimo), will continue to stir political volatility, although The Economist Intelligence Unit expects efforts by the president, Filipe Nyusi, to assert his authority over a hardline faction of the party to edge forwards. Mr Nyusi retained his position as party president at Frelimo's five-yearly congress in September and, having installed allies in key positions in the party, the government and the security services, the president's control over the fractious elite is likely to strengthen gradually. However, Mr Nyusi lacks the political capital that would enable him to fully sideline dissidents. As a result, parallel power structures within Frelimo and the government will continue to pose a threat to policy coherence.

ELECTION WATCH: The next municipal elections are scheduled for October 2018, and the next presidential, legislative and provincial elections for 2019. The municipal polls will be fiercely contested, as the opposition's relative success at a local level is central to its demands for greater regional autonomy. An armed opposition party, the Resistência Nacional Moçambicana (Renamo), demonstrated its ability to transform itself from a rebel movement into an electable party ahead of the 2014 legislative election and, after boycotting previous municipal elections, it stands to make gains at a city level in 2018. In the national elections of 2019, Frelimo's influence over state institutions and the media will give it an insurmountable advantage, with the opposition's limited resources undermining its ability to roll out a nationwide campaign. Nevertheless, we expect Frelimo's share of the vote in both the presidential and the parliamentary elections to decline, amid heightened popular frustrations over the government's economic mismanagement. A particularly poor electoral performance for Frelimo in 2018 or 2019 could stir opposition to Mr Nyusi from within the party, but, given his instalment of allies in key political posts, we think that an internal coup is highly unlikely.

INTERNATIONAL RELATIONS: Following the revelation in April 2016 of government-guaranteed debt that had been contracted secretly and illegally by state-owned firms in 2013-14, relations with donors will remain tense. Given the government's reluctance to commit to full transparency over the public finances, we do not expect direct budgetary support to recover to its pre-2016 levels during the medium term. Provided their funding can bypass the Treasury, though, donors will continue to fund some development projects. Meanwhile, the government will expedite its efforts to strengthen ties with Asian countries--particularly China (a major creditor to Mozambique) and coal- and gas-importing countries (notably India, Japan and Thailand, which have firms that are heavily invested in Mozambique). However, these efforts will be hampered by the glut in global energy markets, and the poor operating environment in Mozambique.

POLICY TRENDS: The government's near-term priority is to preserve macroeconomic stability, amid an unsustainable external debt burden, a sharp drop in capital inflows and subdued economic growth. The IMF suspended Mozambique's stand-by credit facility in April 2016, when previously undisclosed loans pushed the country into debt distress, and Mozambique's access to international credit is severely curtailed as a result. The IMF has made future funding contingent on full disclosure of the beneficiaries of the secret debt, but, due to fear of political reprisals, the government has made only limited efforts to heed the Fund's demands. With both sides adopting hardened positions and a compromise seeming unlikely, we do not expect a resumption of IMF financing during 2018-22. This will exclude the government from most other sources of concessional funding as well, since it will continue to be deemed debt distressed and in violation of the IMF's terms of agreement.

ECONOMIC GROWTH: After economic growth slumped to a 15-year low in 2017, amid anaemic domestic demand, we expect real GDP growth to remain subdued in 2018, at 3.2%. This reflects tight liquidity conditions, which will continue to weigh heavily on domestic demand, while policy uncertainty will prolong the slump in investment across sectors. Expansion of the agriculture sector is forecast to accelerate slightly, as farmers recover from the weather-related downturn of 2016-17, but the dearth of investment will prevent significant growth. Meanwhile, the growth trend in the mining sector is set to moderate, after a near-doubling of coal production spurred rapid expansion in 2017. Rising output of graphite and precious stones should, however, ensure that this sector continues to support economic growth. Beyond 2018 we expect a more robust economic recovery to gather pace, with annual real GDP growth forecast to average 5% in 2019-22. Fiscal consolidation will continue to limit growth in the services and construction sectors, which have historically relied on government contracts, but some private investment in these sectors is nonetheless expected as market confidence recovers.

The gas industry is set to be a major driver of this recovery, with ExxonMobil (US) and Anadarko (US) planning to develop large onshore liquefied natural gas (LNG) export facilities and Eni (Italy) constructing a smaller offshore equivalent.

INFLATION: After inflation moderated gradually over the course of 2017 from the record-high levels registered in 2016, we expect the disinflationary trend to continue in 2018, with inflation falling to a yearly average of 7.9%. This reflects weak domestic demand and decent domestic food supplies, although we have revised up our forecast (from 6.9%) to reflect the prospect of higher oil prices as OPEC's production cuts are extended throughout 2018. With reduced global price pressures more than offset by the impact of faster currency depreciation in Mozambique in 2019, we expect inflation to remain elevated, at 8.2%, before it edges down and stabilises in 2020-22 at an average of 6.5% as increases to some state-regulated prices are offset by lower imported inflation. Weather-related disruptions to food supply or higher than forecast government spending pose upside risks to this outlook.

EXCHANGE RATES: After clawing back some of its losses in 2017 following the rapid depreciation of 2016, the metical will continue to find support in the near term from an upturn in export earnings. It will, however, be weighed down in 2018-19 by the general strength of the US dollar as the monetary tightening cycle in the US reaches its peak. The gradual relaxation of monetary policy in Mozambique, coupled with weak capital inflows and a sizeable current-account deficit, will also weigh on the metical throughout the forecast period, although a weaker dollar and a gradual recovery in investment inflows will cause the pace of depreciation to slow from 2020. Overall, we expect the currency to slide from an average of MT68.3:US$1 in 2018 to MT82.3:US$1 in 2022.

EXTERNAL SECTOR: We expect the current-account deficit to continue its sharp contraction, from a recent peak of 39.4% of GDP in 2015 to 15.8% of GDP in 2018, driven by rising coal exports and despite subdued import demand. Thereafter, rising imports as activity in the gas sector picks up will cause the deficit to widen to 21.3% of GDP in 2022. These deficits will be financed by external borrowing and foreign direct investment (FDI). Faster progress than we currently expect on the major gas development could see the shortfall on the current account rise more substantially, with the wider deficit matched by a concomitant rise in FDI. (Economist Intelligence Unit)

IMF, WORLD BANK & AFRICAN DEVELOPMENT BANK

EUR 500 million 0.250% 7-year Social Bond Transaction - Due 21 November 2024

Final terms of the transaction

Issuer	African Development Bank
Ratings	Aaa / AAA / AAA (Moody's / S&P / Fitch)
Principal Amount	EUR 500,000,000
Pricing Date	14 November 2017
Settlement Date	21 November 2017
Maturity Date	21 November 2024
Re-Offer Price/Yield	99.282% / 0.354% annual
Coupon	0.25% annually, Act/Act (ICMA), following unadjusted
Spread vs. MS	-14 bps
Spread vs. DBR 1% Aug 2024	+41.4bps
Denominations	EUR 1,000 or any integral multiple
Documentation	Issuer's Global Debt Issuance Facility
Listing	Luxembourg Stock Exchange (Regulated Market)
ISIN	XS1720947081
Joint Bookrunners	Credit Agricole CIB, Goldman Sachs International, HSBC

Context of the transaction

On Tuesday 14th November 2017, the African Development Bank rated Aaa / AAA / AAA by Moody's / S&P / Fitch (all stable) successfully priced a EUR 500 million 7-year inaugural Social Bond transaction, following a European roadshow to present its newly established Social Bond framework. The issue, three times oversubscribed within three hours from formal book opening, was priced at MS-14bps, 2 bps inside of initial guidance. This equated at the time of pricing to a spread of 41.4bps over the DBR 1.00% Aug 2024.

By issuing Social Bonds to finance socio-economic development in its Regional Member Countries, AfDB is advancing its mission and strategy – to spur sustainable economic development and social progress in Africa – and is capitalizing on its strong track-record of executing social investments in the continent. The projects selected to be financed through its Social Bond issues are expected to lead to significant poverty reduction, job creation, as well as inclusive growth across age, gender and geography. The projects are selected for their strong social outcomes and are aligned with the Bank's Ten-Year Strategy and its operational priorities, the High 5s, which include "Improving the quality of life for the people of Africa".

Launch and execution process

- The transaction was announced on Monday 13th November 2017 at noon London time, with Initial Pricing Thoughts for the EUR 7-year Social Bond being released in the mid-swaps (MS) minus "low teens" area. Strong interest from real money accounts and Central Banks started flowing into the books from the outset, with indications of interest exceeding EUR 300 million (excluding JLM interest) by London close.

- Books officially opened at 8am London time on Tuesday 14th November 2017 for a EUR 500 million 7-year benchmark transaction, with price guidance of MS-12bps area. Momentum continued into the London morning with the book growing above EUR 900 million (excluding JLM interest) by 9am London time, at which point guidance was revised tighter to MS-13bps area.
- Books officially closed at 10.30am London time, in excess of EUR 1.55 billion (excluding JLM interest), and soon after the transaction was launched with a EUR 500 million size with price being set one basis point tighter at MS-14bps.
- The inaugural EUR 500million 7-year Social Bond issue from the African Development Bank was priced just before 4pm London time, with a spread of MS-14bps, 2 bps tighter than initial guidance. This equated to a spread over the DBR 1.00% Aug 2024 of 41.4bps at the time of pricing, with no new issue premium concession.
- There was very strong support for the transaction, in particular from those investors who integrate social and environmental considerations in their investment strategy. This is reflective of the relevance of the Bank's social mandate and the solidity of its new Social Bond framework. The final book saw 69 different accounts, of which 19 were new to the issuer.
- By investor type, Central Banks and Official Institutions took the lead with 50.9%, followed by Bank Treasuries with 22.2%, Asset Managers with 15.8%, Pension funds and Insurers took 10.8%, with the remaining 0.3% going to others. By geography, Asia took 19.1%, followed by Germany with 15.3%, Benelux with 15.2%, Nordics with 14.8%, France with 12.0% and the United Kingdom with 8.3%. The remaining 15.3% went to the rest of EMEA.

"This is a fantastic outcome, three-time oversubscription in 150 minutes. We are delighted by the responses from socially responsible investors and the enthusiastic response to the African Development Bank Social Bond mandate and framework. Improving the quality of life for the people of Africa is one of our High 5 priorities. And we know that the High 5s, intrinsically linked to the African Union's Agenda 2063, will help Africa achieve close to 90% of the United Nation's Sustainable Development Goals (SDGs)."

Hassatou N'Sele, Treasurer, African Development Bank

"*Crédit Agricole CIB is very proud to have accompanied the African Development Bank for this inaugural Social Bond. African Development Bank's Social Bond Framework is aligned with the 5 priority pillars "the High 5s" defined by the bank in the context of its 10-year strategy to reach inclusive growth, gradually transition to green growth and contribute to the continent's efforts in achieving the United Nation's Sustainable Development Goals. African Development Bank now belongs to the few issuers which have both a Green Bond and a Social Bond program. This is excellent news for the development of these markets.*"

Tanguy Claquin, Head of Sustainable Banking, Crédit Agricole CIB.

"*A spectacular début in the social market for the African Development Bank. A transaction that can be considered a success by any parameter. First and foremost by the impressive SRI investor participation but also by the robust order book size and quality of the investors who participated. A tremendous outcome and one that sets the issuer well on their way for future issuance in social format.*"

Lars Humble, Head of SSA Syndicate, Goldman Sachs.

"*It's great to see the African development Bank expanding their presence in the sustainability market from Green Bond issuance into Social bonds with this inaugural deal. The overwhelming investor response demonstrates the mobilisation of capital towards social investments, a trend that we have seen accelerating throughout the year. Within this rapidly developing market the opportunity to contribute to development in Africa has been a key factor underlying the over-subscription of the deal and the impressive final pricing.*"

PJ Bye, MD, Head of SSA Syndicate, HSBC.

"Mirova welcomes African Development Bank's Social Bond. This transaction has been very well prepared, with an extensive roadshow and an open dialogue with investors, and very nicely executed. We invite other issuers to develop similar Social Bond frameworks. This market can contribute to channeling more funds to a more sustainable economy and Mirova will support it".

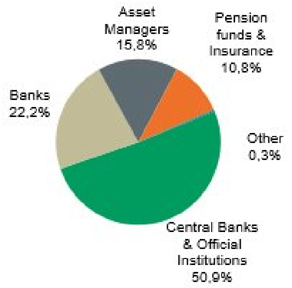
Marc Briand, Head of Fixed Income, Mirova.

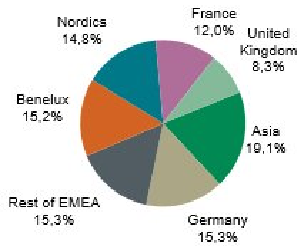
"We welcome African Development Bank issuance of a social bond as it offers possibilities of allocating capital into good use and at the same time generating good return. Social bonds address a wider spectrum of social issues, sourcing investment projects for solutions or to mitigate social effects."

Lars Lindblom, Fixed Income Portfolio Manager, AP2

Distribution stats

Investor Type		**Geography**	
Central Banks & Official Institutions	50.9%	Asia	19.1%
Banks	22.2%	Germany	15.3%
Asset Managers	15.8%	Benelux	15.2%
Pension funds & Insurance	10.8%	Nordics	14.8%
Other	0.3%	France	12.0%
		Rest of EMEA	15.3%
		United Kingdom	8.3%





Africa Infrastructure Fund secures US$ 100 million loan from African Development Bank

In the bid to reduce the huge infrastructure financing gap in Sub-Sahara Africa, the African Development Bank has approved US $100 million to The Emerging Africa Infrastructure Fund (EAIF), a Public Private Partnership (PPP) company, to reduce gap.

Through a US $325-365m million debt raise, EAIF intends to develop the fund's strategy of growing its loan portfolio over the next 3-5 years and to become a sustainable and concrete alternative to development finance institutions and commercial banks. Since its inception, the Fund has played a key role in the infrastructure landscape in Africa, investing in structuring and long-term infrastructure projects, to the tune of over US$1.2 billion in about 70 transactions.

Working closely with the African Development Bank since its inception, EAIF plans to reinforce investments in 49 eligible countries and fragile states with a clear focus on crucial sectors for the development of the continent including power, telecommunication, transportation, and manufacturing, among other sectors. The expected outcomes of EAIF business model will be a clear demonstration of how to achieve green and sustainable growth in Africa; it will include the creation of 3,500 permanent jobs, improved or new access to infrastructure services for millions of people in Africa and investments in environmental, social and gender projects.

The Bank's investment in EAIF is a reflection of its strategic thrust to achieve four of its five operational priorities notably, Light Up and Power Africa, Feed Africa, Integrate Africa and Improve the quality of life for people in Africa. In addition, EAIF lending strategy is in line with the Bank's Private Sector Development Strategy for developing infrastructure, supporting regional economic integration, and providing a platform for private sector development. Finally, the Fund's focus on the infrastructure sector is well aligned with both the Bank's and Regional Member Countries' (RMCs) priorities.

Improving transportation in Namibia: African Development Bank approves ZAR 2,000 million for rail and road works

To help speed up travel and transportation in Namibia, the Board of the African Development Bank has approved a loan of ZAR 2,000 million (US$ 153 million) to the Government of Namibia to upgrade a 210km stretch of railway in the west of the country. The support will also finance the upgrade of a section of the road from the capital, Windhoek, to its international airport.

The two interventions are part of the priority projects identified in the government's Harambee Prosperity Plan, an action plan launched in April 2016, to support priority interventions identified in the Government's national development plan.

The upgrading of the railway track between Walvis Bay and Kranzberg will speed up both freight and passenger traffic. The current railway line, of Cape Gauge standard, was last upgraded in the 1960s and, in its current condition with speed restrictions is an infrastructure bottleneck, resulting in increased transport costs. The upgrading is particularly important because it will involve a direct linkage to Walvis Bay Port, and therefore will speed the passage of goods to and from the port into Namibia and beyond into other Southern African Development Community countries. The AfDB is also providing support in the expansion of the container terminal at Walvis Bay Port.

After improvement, freight trains will be able to travel at up to 80km/hr and passengers will enjoy speeds of up to 100km/hr. The rail upgrading work will be implemented over three years.

As to the road to the airport, which will be implemented over a period of 42 months, this will be a new dual carriageway with two lanes in each direction, and will incorporate an option for a third lane in the future. The existing road will be retained as an alternative to service local traffic.

The Government of the Republic of Namibia is a co-financing partner in the project. The Government recognizes that the combination of having direct access to the South Atlantic and a good transport network can improve its competitiveness and desire to become an international logistics hub. It shares borders with Angola, South Africa, Botswana and Zambia, and the latter two countries are landlocked.

While presenting the project to the Board, the Bank's Deputy Director-General, Southern Africa Regional Development and Business Delivery Office, Josephine Ngure said: "The project is strongly aligned with the Government's priorities, and complements the other three projects approved by the Bank for Namibia this year. It is in line with two of the AfDB's High 5 strategic priorities: 'Integrate Africa' and 'Improve the quality of life for the people of Africa' through the creation of construction jobs during the works and other employment after completion."Amadou Oumarou, director of the Bank's Infrastructure, Cities and Urban Development Department, further noted the opportunities for the involvement of the private sector in the project. "This road and rail project will have a welcome effect on Namibia's ability to integrate with the other members of the Southern African Development Community, improving access to both sea and air ports."

Regional integration: 66 million euros from the African Development Bank to connect Cameroon and Chad by bridge

The free movement of goods and people between Cameroon and Chad is taking shape, more and more. Monday, December 11, 2017, green light was given to the African Development Bank, to finance up to 66 million euros the construction of a bridge which, spanning the Logone River, will link the cities of Yagoua (Cameroon) and from Bongor (Chad).

620 meters long, the construction, which will take four years to complete, should simplify the lives of some 2,200 people who cross the river every day. It should avoid cases of drowning between the two shores, estimated today at 70 per year.
In addition to the construction of the bridge, the project, which is also supported by the European Union, provides for the asphalting of a 14 km road between the Cameroonian town of Yagoua and the Logone River, the construction of a section of equivalent distance from the Chadian side to the city of Bongor, as well as the rehabilitation of several socio-economic infrastructures.
Special attention is paid to income-generating activities and job creation for young people and women, the construction of local markets, health centers, classrooms and the development of agricultural production areas. "In addition to its direct benefits for users and residents of surrounding villages, the bridge is expected to unleash economic potential in the agriculture, timber and mineral sectors in northern Cameroon and southwestern Chad. Argued Ousmane Doré, Director General of the African Development Bank for Central Africa. Today, people living along two banks of the Logone are forced to borrow makeshift boats that are too small and too few to meet demand.
Traders, for their part, are forced to take very long bypass routes that end up increasing the cost of goods and penalize consumers in both countries. "Most of the trade between Cameroon and Chad, which uses the Cameroonian port of Douala for its import / export, is done by land. The new bridge will streamline traffic and boost trade between the two countries, insisted Ousmane Doré. It will especially allow to have secure paths while the region is under the threat of the extremist group Boko Haram.
This financing, which combines loans of about 46 million euros granted to Cameroon and donations of nearly 20 million euros made in Chad, fits perfectly into the spirit and the letter of two of the five strategic priorities. of the African Development Bank High 5 - "Integrating Africa" and "Improving the quality of life of the people in Africa"

INVESTMENTS

Government of Cabo Verde presents five-year development programme in parliament

The proposal of the Strategic Plan for Sustainable Development 2017/2021 (PEDS), which the Cape Verdean government delivered to the president of the National Assembly, the country’s parliament, intends to create conditions for private initiative to lead the process of development, the finance minister said, quoted by the local press.
The PEDS, which is in line with the United Nations’ 2030 Sustainable Development Goals (SDGs) and outlining the government’s agenda for this term of office, also aims to make it possible to achieve economic growth of 7% at the end of this term, with Minister Olavo Correia saying that for this to happen “everyone should contribute.” “This is possible with the private sector. The State will not be the principal agent. The State leads. We need to have a business environment, and a climate that is conducive to attracting private investments, both domestic and foreign, to realise this vision,” said the minister, calling for a “collective and shared vision” to develop the country.
The Strategic Plan for Sustainable Development brings together a variety of the country’s sector programmes and macroeconomic, structural and social policies for the next five years, the main aim of which is to promote the sustainable development of Cabo Verde (Cape Verde). Targets outlined in the Government Programme include 7% economic growth, a reduction in unemployment from 15% to 9%, per capita GDP growth in purchasing power parities from US$6,744 to US$8,864 by 2021, an increase in the Human Development Index (HDI), the reduction of the Gini Coefficient to reduce inequalities and to reduce poverty in the country from a rate of 35% to 28.2%. (Macauhub)

Heineken breaks ground on $100m brewery in Mozambique

Heineken, the world’s second-largest brewer, started building a $100m plant in Mozambique as it seeks to compete with its larger competitor, Anheuser-Busch InBev, in the southeast African country. The brewery, to be located in Maputo province, will have a capacity of 800,000 hectolitres and will start production in the first half of 2019, Heineken said. The world's two beer-making giants are expanding in Africa to take advantage of rising household incomes and faster sales-growth rates than in more mature markets. Heineken has units in Nigeria, where it brews the country's Star lager, and the Democratic Republic of Congo. In April, the Amsterdam-based company opened a new brewery in Ivory Coast at a cost of about €150m. AB InBev, which last year bought SABMiller to become the world's largest beer maker, brews the 2M, Laurentina and Manica brands in Mozambique. The country's economy is set to grow 4.7% this year, according to the International Monetary Fund. Mozambique, which defaulted on its dollar debt this year, has a population of 29.5-million. (Club of Mozambique)

New brewery may create thousands of jobs

The construction of a brewery by the Dutch company Heineken in Marracuene district, about 40 kilometres north of Maputo, will create 200 jobs directly and about 13,000 indirectly, during the construction and operational phases, claimed the Minister of Industry and Trade, Max Tonela.

Speaking at the ceremony at which he laid the first stone for the new brewery, Tonela said construction would take about 18 months, and in the second half of 2019 the first beer from this factory will hit the Mozambican market. Construction of the brewery is costed at 100 million US dollars. Tonela claimed that the Heineken factory would substitute imports, thus helping save foreign exchange and improve the trade balance. This claim is extraordinary, since beer is one product in which Mozambique is already effectively self-sufficient.

The Mozambican market for beer is currently dominated by a Mozambican company, Cervejas de Mocambique (CDM – Beers of Mozambique), which operates three breweries, in Maputo, Beira and Nampula. CDM does not only brew traditional malt beers, but is also making beer from Mozambican raw materials – cassava and maize – in the Nampula brewery. Not much beer is imported, legally or illegally. The contraband in alcoholic drinks consists overwhelmingly of wines and spirits. Heineken is thus not taking any market share away from smugglers. Instead, it is muscling in on CDM's market, threatening to replace the distinctive Mozambican beers (such as 2M, Laurentina and Impala) with Dutch lagers such as Amstel.

For the first three years of operation, Heineken will also benefit from generous tax breaks. Currently, breweries pay the Specific Consumption Tax levied on luxuries and superfluous goods at the rate of 40 per cent. But under an amendment to the tax legislation approved last month by the country's parliament, the Assembly of the Republic, the ICE rate charged for new breweries will be 20 per cent in the first year, 25 per cent in the second year and 30 per cent in the third.

Despite these tax breaks, Tonela claimed "the implantation of this project in Mozambique will also contribute to broadening the tax base and to the consolidation of initiatives to promote the value chain". He added that the new brewery also fits into the government's industrialisation strategy with a view to the structural transformation of the economy and its insertion into the world market. Tonela also believes that Heineken, like CDM, will use local raw materials such as maize and cassava in its brewing, thus guaranteeing added value to Mozambican products.

The Heineken managing director for East and West Africa, Boudewijn Haarsma, told AIM that initially the brewery will produce 800,000 hectolitres of beer a year, and that its installed capacity will be 3.5 million hectolitres. He claimed that the brewery will stimulate the national market and increase competition. Mozambican consumers "will have the opportunity to make new choices", he said. He said that by 2020 Heineken, in its African operations, hopes to raise the amount of local raw materials in its product from the current level of 50 per cent to 60 per cent. Haarsma believed this would improve the quality of the beer and lower its price. (Club of Mozambique)

Heineken lays foundation stone for brewery in Marracuene, Mozambique

Dutch brewing group Heineken is to lay the foundation stone for a factory in Mozambique, the brand has announced. The industrial unit is budgeted at 100 million dollars and could create 200 jobs, according to figures advanced in August by the Mozambican authorities.

The Heineken group is the owner of Central de Cervejas de Portugal, and the investment is planned for Bobole, Marracuene, near the Mozambican capital, Maputo. This is not the Netherlands' only major investment in the country. The international beer brand and the Tax Authority have negotiated a fiscal package, yet to be announced but which will include the training of Mozambican workers, to assist the project's start-up. The new factory was also the subject of conversations between the delegation from Mozambican president Filipe Nyusi, and the Dutch authorities during a visit to the Netherlands in May. During the visit to the Netherlands, the Mozambican delegation also visited the headquarters of oil company Shell, the winner of the tender for the liquefaction of natural gas from the Rovuma basin in northern Mozambique, with production expected to start in 2023. (Club of Mozambique)

Contidis group expands hypermarket chain in Angola

Angolan group Contidis, controlled by business owner Isabel dos Santos, plans to open the third hypermarket of the "Candando" network, which in the final phase of construction in Viana, near the capital, Santos said on Instagram. This new "Candando" hypermarket will cover an area of 8,500 square metres of the "Power Center Viana" shopping centre, which has a covered area of 13,200 square metres, that is being built by portuguese group DST – Domingos da Silva. The "Candando" network is headed up by Portugal's Miguel Osório, a former Sonae CEO and project director, after the end of the Angolan businesswoman's partnership with that Portuguese retail group. The first "Candando" hypermarket, whose name is derived from the word in the Kimbundu language meaning "embrace", opened in Luanda in May 2016 following an investment of US$40 million and promising to focus on domestic production. The second store opened in April of this year, in Talatona, near Luanda, close to the first one. When the first hypermarket opened, Osório announced the opening of ten "Candando" stores over the next five years, with a total investment of US$400 million. (Macauhub)

Group from Ghana invests in tomato growing in Cabo Verde

The Ghana-based Trasacco group has secured a plot of land in the north of Sal Island, Cabo Verde (Cape Verde), to install a tomato production unit, and the chief executive of the FOISal company, Ronald Quist and the Minister of Economy and Employment, José Gonçalves signed a contract for the project in Praia, according to Cape Verdean news agency Inforpress. "We expect an investment of approximately 140 million euros, employing 3,600 workers, providing housing for most of them, to export approximately 150,000 tons of tomato per year, worth approximately 300 million euros," said Quist. Quist said that since May a test was underway on a hectare of land with three production cycles to study the technical requirements to obtain high yield tomato plants and to monitor and control insects, fungi and pests.The area will be further extended to 6 hectares to obtain organic product certification and start exporting, Quist said without giving targets for exports to begin.

In a second phase, he added, there will be "rapid development of more than 100 hectares," and, in the third phase, the project will be expanded to a planted area of up to 1,100 hectares, with the unit expanding by 200 hectares per year. (Macauhub)

BANKING

Banks

Recredit aims to resolve most of Angola's bad loans this year

Recredit, the company created to manage the debt of the Angolan banking system, intends to resolve around three quarters of bank loans that have matured more than 90 days ago, said the chairman of the Board of Directors, Venâncio Leitão, in statements to Angolan newspaper Valor Económico.

Figures disclosed by the company show Angola has bad loans of approximately 300 billion kwanzas (US$1.517 billion), three quarters of which or 225 billion kwanzas (US$1.138 billion) is expected to be resolved by 31 December. The total value of non-performing loans in the Angolan banking system under the management of Recredit initially valued at 500 billion kwanzas (approximately US$2.528 billion), 200 billion kwanzas of which have already beeen resolved.

Leitão said that Recredit's job is to help the banking system to bring an end to harmful assets at banks, to allow financial institutions to fulfil their true purpose, once their balance sheets have been cleaned up Set up in May 2017 by the government, with a market capitalisation equivalent to US$2 billion, Recredit established its initial priority of renegotiation of debt with banks and individuals with which it has agreements to purchase non-performing loans. "So far we have already solved processes in the order of 200 billion kwanzas, originating at Banco de Poupança e Crédito and other banks," said the head of Recredit, which uses the criterion of "rigorous evaluation of the actual value of the processes," in settling the debts. In addition to the companies through Recredit individuals can also renegotiate loans that they are unable to pay back and so far some 12 procedures for private customers are under consideration. (Macauhub)

Mozambique's Banco Moza increases capital to US$230 million

The capital of Mozambique's Moza Banco has been increased by 3.5 billion meticais (US$59 million) to 13.841 billion meticais (US$230 million), after unanimous approval by the shareholders gathered at an Extraordinary General Meeting, the bank said in a statement. "This capital increase is intended to ensure the implementation of the 2017-2021 Strategic Plan and will allow Mozal to strengthen its strategic positioning and business," the statement said. After the capital increase, Kuhanha, the pension fund of the Bank of Mozambique, holds 84.6% of the bank's capital, Moçambique Capitais has 7.845%, Portuguese holding company Novo Banco África has 7.538% and shareholder António Matos has a single share.

The Bank of Mozambique announced the sale of Moza to Kuhanha at the end of May, after in September of last year it took over the bank, whose "financial and prudential situation" had deteriorated in an unsustainable way. (Macauhub)

Société Génerale Mozambique launches UnionPay cards

UnionPay International payment cards can now be used in Mozambique under an agreement between the Chinese group and Banco Société Génerale Moçambique, and the launch ceremony of this new service took place in Maputo.

The bank's managing director, Laurent Thong Vanh, told the Xinhua news agency that Banco Société Génerale Moçambique intends for this service to make it easier for Chinese citizens to live in Mozambique, given that UnionPay cards are the most used in China. "We launched the payment card in Chinese currency today and with this launch we complete the map of the presence of UnionPay International in the countries where the SG Group is represented. We only needed Mozambique to have the service in all 17 countries where we have a presence in Africa," said the managing director.

Thong Vanh added that introducing the cards is intended "to facilitate not only the entry of foreign currency into Mozambique, but also to increase the attractiveness of the Mozambican market for Chinese tourists and investors, as well as to promote business between China and Mozambique."

The ambassador of the People's Republic of China in Mozambique, Su Jian, mentioned the importance of continuous innovation of financial services in economies in general and in Mozambique in particular. "We have noted that more and more international financial institutions are showing interest in serving Chinese companies in Mozambique, and today's event is further proof of that."

UnionPay International, based in Shanghai, is one of the largest payment card companies in the world with 5 billion cards in circulation and is operational in 160 countries.

French group Société Générale entered the Mozambican market in October 2015 with the purchase of a 65% stake in Mauritius Commercial Bank Moçambique, which changed its name to Société Générale Moçambique. (Macauhub)

Markets

Stock Market implementation depending on firms

The Angolan Securities Exchange (BODIVA) is organised in such manner that it is ready to receive the implementation of the Stock Market, however this move is exclusively dependent on business firms, revealed the director of the Capital Market Commission (CMC), Ottoniel Santos. According to the source, the said infrastructure is also prepared to enable the introduction of the trade of debt securities. Speaking to ANGOP, on the sidelines of the press conference organised by the Capital Market Commission (CMC), Ottoniel Santos explained that corporative debt is one of the services that BODIVA can provide. “The effective launching (of the Stock Market) is not something that depends from the administrative point of view on BODIVA and the CMC, but on the need for strategies from the business firms that can get financing in that manner”, explained the source. He also spoke about the “Mentor CMC” programme, which is a financial education move being implemented by the Capital Market Commission (CMC), and which trains higher education students on the knowledge of finances issues, so that they can eventually join the labour market in this area. The programme has the participation of the Catholic University of Angola (UCAN) and the public Agostinho Neto University (UAN). (Angop)

Angola to Sell 11.178 Billion Kwanzas of 364-Day Bills

Angola plans to sell 11.178 billion kwanzas ($67 million) of bills due Dec. 3, 2018 in an auction.

Issuer	**Republic of Angola**
Maturity	Dec. 3, 2018
Auction Date	Dec. 4, 2017
Type	T-Bill
Amount Offered	11.178 billion kwanzas
Settlement	Dec. 4, 2017
Manager	National Bank of Angola
Security ID	BBG00JDYCLQ1

Angola to Sell 8.019 Billion Kwanzas of 182-Day Bills

Angola plans to sell 8.019 billion kwanzas ($48 million) of bills due June 4, 2018 in an auction.

Issuer	**Republic of Angola**
Maturity	June 4, 2018
Auction Date	Dec. 4, 2017
Type	T-Bill
Amount Offered	8.019 billion kwanzas
Settlement	Dec. 4, 2017
Manager	National Bank of Angola
Security ID	BBG00JDYCLJ9

Angola to Sell 5.103 Billion Kwanzas of 91-Day Bills

Angola plans to sell 5.103 billion kwanzas ($31 million) of bills due March 5, 2018 in an auction.

Issuer	**Republic of Angola**
Maturity	March 5, 2018
Auction Date	Dec. 4, 2017
Type	T-Bill
Amount Offered	5.103 billion kwanzas

Issuer	**Republic of Angola**
Settlement	Dec. 4, 2017
Manager	National Bank of Angola
Security ID	BBG00JDYCLK7

South Africa to Sell 2.5% 2050 Linkers On Dec. 8
South Africa plans to sell inflation-linked bonds due Dec. 31, 2050 in an auction on Dec. 8. The sale is a reopening of previously issued securities with 43.85 billion rand outstanding.

Issuer	**Republic of South Africa**
Coupon Rate	2.5%
Maturity	Dec. 31, 2050
Auction Date	Dec. 8, 2017
Rating	BB+
Type	Inflation-linked Bond
Settlement	Dec. 13, 2017
Manager	South African Reserve Bank
Security ID	BBG0033KXSW2

South Africa to Sell 1.875% 2033 Linkers On Dec. 8
South Africa plans to sell inflation-linked bonds due Feb. 28, 2033 in an auction on Dec. 8. The sale is a reopening of previously issued securities with 19.165 billion rand outstanding. Currently the securities are being quoted at a price to yield of 2.938 %.

Issuer	**Republic of South Africa**
Coupon Rate	1.875%
Maturity	Feb. 28, 2033
Auction Date	Dec. 8, 2017
Rating	BB+
Type	Inflation-linked Bond
Settlement	Dec. 13, 2017
Manager	South African Reserve Bank
Security ID	BBG0086HCJZ5

South Africa to Sell 1.875% 2029 Linkers On Dec. 8
South Africa plans to sell inflation-linked bonds due March 31, 2029 in an auction on Dec. 8. The sale is a reopening of previously issued securities with 11.74 billion rand outstanding. Currently the securities are being quoted at a price to yield of 2.931 %.

Issuer	**Republic of South Africa**
Coupon Rate	1.875%
Maturity	March 31, 2029
Auction Date	Dec. 8, 2017
Rating	BB+
Type	Inflation-linked Bond
Settlement	Dec. 13, 2017
Manager	South African Reserve Bank

Issuer	**Republic of South Africa**
Security ID	BBG00DBN17R2

Cameroon to Sell 7 Billion Francs of 182-Day Bills On Dec. 6
Cameroon plans to sell 7 billion francs ($12 million) of bills due June 8, 2018 in an auction on Dec. 6.

Issuer	**Republic of Cameroon**
Maturity	June 8, 2018
Auction Date	Dec. 6, 2017
Type	T-Bill
Amount Offered	7 billion francs
Settlement	Dec. 8, 2017
Manager	Bank of Central African States
Security ID	BBG00JDXZ7S7

ENERGY

Angolan bioenergy company plans to produce 100,000 tons of sugar in 2018
Angolan biofuel company Biocom in 2018 plans to produce around 100,000 tons of sugar, 20 thousand cubic metres of ethanol and generate 146,000 megawatts of electricity by processing of 900,000 tons of sugar cane, said Deputy Director-General Luís Bagorro Júnior, quoted by the Angolan press.
This year, after the June-December harvest, the company processed 567,000tons of sugarcane that produced 58,100 tons of sugar (against 51,500 tons in 2016), 12,000 cubic meters of ethanol and 62,600 megawatts of electricity. With revenues in excess of US$200 million, Biocom currently has a planting area of 22,000 hectares, which could reach 42,500 hectares in the 2022 campaign, a year in which the company expects to be operating at full capacity. Installed in the municipality of Cacuso, 75 kilometres from the city of Malanje, Biocom is one of the largest Angolan agro-industrial projects, led by Brazilian group Odebrecht, which owns 40% of the company. The remaining 60% is shared between the Angolan private company Cochan, with 40% and Angola's state-owned oil company Sonangol, with 20%.
Biocom is the only such project in Angola and, in addition to sugar, produces ethanol and generates electricity that it places in the public grid. In the first campaign of 2015/2016, it produced 24,770 tons of sugar, 10,243 cubic metres of ethanol and 42,000 megawatts of power. (Macauhub)

Siemens, Rotan Sign Agreement for Power Plant Project in Ghana
Siemens and Rotan Power have signed an agreement for a power plant project in Ghana with a total investment value of more than $500m, Siemens says in emailed statement.

- The combined cycle power plant will have a capacity of 660MW at the Aboadze Power Enclave located in the western region
- It will be built in two phases, with commercial operations date of the first phase scheduled for 2023 with the second phase scheduled for 2025
- The German Export Credit Agency and Euler Hermes will provide financing for the project, "which would be the largest plant in Ghana" (By Renee Bonorchis, Bloomberg)

Mozambique Replaces Energy Minister in Cabinet Reshuffle

- Energy minister's appointment seen benefitting the sector
- Country plans to become world's fourth-biggest gas exporter

Mozambican President Filipe Nyusi replaced his energy minister and three other cabinet members in the biggest government reorganization since 2015, as the country prepares to exploit its huge natural-gas reserves. Nyusi appointed Max Tonela as energy minister to replace Leticia Klemens, the presidency said in an emailed statement Wednesday. Tonela previously served as industry and trade minister. Jose Pacheco, who held the agriculture portfolio, will take over the foreign ministry from Oldemiro Baloi, it said, without giving a reason for the changes.

The announcement comes as the government awaits a $20 billion investment decision from Anadarko Petroleum Corp. for a gas project. Recent natural-gas discoveries could catapult Mozambique to being the world's fourth-biggest gas exporter. "The country is on the verge of major investment decisions," Jose Jaime Macuane, an associate professor of political science at Eduardo Mondlane University in Maputo, the capital, said by phone. "The country will enter an important phase and the president may want to give more impetus to governance."

Tonela previously ran the 2,075-megawatt Cahora Bassa hydropower dam, the largest in sub-Saharan Africa, and his experience will benefit the country in his new role, Macuane said. "He's a technocrat," he said. "The mineral and energy sector is very important at this moment in the country's life and with Max Tonela the sector has much more to gain." (By Borges Nhamire, Bloomberg)

INFRASTRUCTURE

Nacala International Airport still looking for partners – govt

The government is still looking for partners interested in developing Nacala International Airport, Transport and Communications Minister Carlos Mesquita says, and the infrastructure was recently visited by an Emirates team.

Minister Mesquita said that the airport needed commercialising and added that the government was studying two possible partnerships, which he did not specify, according to Jornal Notícias. "The conditions that the airport offers and Nacala's potential for development will attract the interest of international companies," Mesquita said. The minister also said that the government was still analysing the impact of reducing the number of international airports in the country from six to three, being Maputo, Beira and Nacala, and losing Nampula, Pemba and Vilanculos airports, even though the latter are situated in tourist areas.

Built by the Brazilian group Odebrecht with financing from the state-owned Brazilian National Economic and Social Development Bank (BNDES) at a cost of US$125 million, Nacala International Airport has the capacity to receive 500,000 passengers per year, although numbers are currently around 20,000. International flights never arrived and those arriving there are two regular domestic Mozambique Airlines flights from Maputo and two private planes from the Vale Mozambique mine, all using aircraft supplier by Brazilian company Embraer. (Club of Mozambique)

Cement factory in Kwanza Sul, Angola, to return to production in January

The Cement Factory of Kwanza Sul (FCKS), at a standstill since mid-2017 due to a lack of fuel, plans to resume production in January, company officials told the Minister of Construction, Manuel Tavares de Almeida, who recently visited the plant. The company's board of directors said on 1 November it had suspended production due to its inability to obtain the fuel needed to produce clinker. At the time it laid off around 9000 direct workers and 700 indirect workers.

The cement factory of Bom Jesus, belonging to the China International Fund (CIF), was also in the same situation, but has since resumed production. The downtime of these two plants the only ones that produce clinker, led to stoppages at Secil Lobito and Cimenfort, located in Benguela province, as they buy their clinker from FCKS.

The issues were resolved when the Angolan government decided that the Lobito refinery would deliver fuel directly to FCKS and the CIF group unit, which until then were forced to buy the fuel from their competitor Nova Cimangola, also a cement producer. With the factories of CIF, Nova Cimangola, FCKS (Kwanza Sul), Secil and Cimenforte (Benguela) operating at full capacity, Angola will return to production of 8.6 million tons per year, becoming self-sufficient in cement once again, as consumption stands at around 6 million tons. (Macauhub)

Mozambican port and rail company CFM posts positive operating result of US$57 million in 2017

Mozambique's state-owned Ports and Railways (CFM) is expected to post a positive operating result of 3.5 billion meticals (US$57 million) this year, an increase of 11% over the profit achieved in 2016, the company's chairman announced at a meeting in Maputo. Miguel Matabel, who was speaking at the opening of the Company's Budget Estimation and Approval Meeting for the 2018 tax year, said that the company's financial and global results are expected to grow at the same level. Cited by Mozambican daily newspaper Notícias, the chairman of the state company noted the warnings issued by both the Bank of Mozambique and the Ministry of Economy and Finance regarding the difficulties that the country may face in 2018. "CFM is not an isolated island in the country so it is necessary to ensure strict budgetary discipline so that we can execute the plan that is outlined for next year," said Matabel. The CFM Budget Appraisal and Approval Meeting is held annually, bringing together the company's senior managers. (Macauhub)

Luanda Port moves 8 million tonnes of goods

At least 8 million tonnes of cargo is the volume that the Luanda Port expects to manage until the end of this year, said the company's CEO Alberto Bengue. Although he also estimated a production in the order of 8 million tonnes of goods, the manager told ANGOP that it is expected a quantity similar to the year 2016, which was 7.1 million tonnes.

The official said that there is still a lot of cargo coming into the country and once they have all the records on port production compiled they will make a more substantial assessment of the company's activity in 2017. For the 2016 production, Luanda Port data indicate that a total of more than 1.7 million tonnes of non-containerized cargo and over 5.4 million containerized goods were registered. Compared to 2015 (8.9 million tonnes), the port's production in 2016 declined by 19 %. Currently, the Port of Luanda employs about 408 workers. (Angop)

CFB starts transporting 3,000 passengers per week

About 3,000 passengers will be transported weekly by train on the Benguela Railway (CFB), with the introduction as from last Thursday of additional train services moving on the Huambo-Cuito-Luena-Luau route. The new train service arrives in Luau on Thursdays and returns to Huambo on Saturdays, giving passengers more options, who used to travel with trains on Monday and Tuesday, carrying about 2,000 people. This fact was released to ANGOP in Luena City, by CFB's representative in the eastern Moxico Province, Fernando António Prata, stressing that this move happens with a view to responding to the increase in the demand being recorded in recent days. The official said that the CFB board will introduce, in the coming days, another train to complete a fleet of four trains to meet the demand of the public. In the current year, the trains of Benguela Railway carried about 500, 143 passengers and about 35,106 tonnes of diverse products. (Angop)

MINING

Government of Mozambique sells stake in mining project on the stock exchange

The government of Mozambique plans to sell the 10% stake it owns in the Chiuta iron ore mining project, in Tete province, on the Mozambican stock exchange (Bolsa de Valores de Mozambique – BVM), announced in Maputo the Minister of Mineral Resources and Energy.

Minister Letícia Klemens said at the end of the ceremony to sign the mining contract with Capitol Resources, the Mozambican subsidiary of Australian group Baobab Resources, that the government

intends to dispose of the stake but gave no further details, according to daily newspaper Noticias. The chief executive of Baobab Resources, Ben Jamens, said that by setting up this vertically integrated mining and steel project, Mozambique could become a regional exporter of steel.
This project will require an investment of approximately US$20 million and is expected to create 100 direct jobs, 90% of which will be taken up by Mozambicans.
Representatives of three Chinese groups – Magang (Group) Holding Company Limited (Masteel), Shanxi Zhangze Electric Power Co., Ltd and Sinosteel Corporation, expressed an interest in participating in this project during an audience granted by the minister of Industry and Trade, Max Tonela. (Macauhub)

Adequate exploration of minerals for capitalisation defended
The minister of Mineral Resources and Oil, Diamantino Pedro de Azevedo, in the northern Cabinda Province defended that the hydrocarbons being explored in this region must be properly used for the improvement of the living standards of the local population, in particular, and the whole country in general. The government official, who arrived in this northernmost province for a short work visit, made those pronouncements at a forum on Cabinda's Mineral Resources, held in the conferences hall of the Provincial Government building.
Diamantino Pedro de Azevedo stressed that the mineral resources that are being explored in Cabinda, such as platinum gold, manganese, plaster and asphalt, besides others, must receive a special attention from the sector, including for research purposes.
On his turn, the governor of Cabinda Province, Eugénio Laborinho, explained that the artisanal exploration of gold has been taking place in the province's northern zone rivers. He then stressed that clandestine gold exploration must be discouraged and replace that activity with semi-industrial and industrial exploration, with a view guaranteeing employment, mainly for young people, and the collection of revenues for the State coffers. The minister's delegation is due back in the country's capital. (Angop)

OIL & GAS

Air Products wins nitrogen contract for FLNG project in Mozambique
Air Products (NYSE: APD) today announced an agreement with TP JGC Coral France for the supply of its Medium and High Purity Nitrogen Package for a floating liquefied natural gas (FLNG) facility to be located in the Indian Ocean, offshore Mozambique, Africa. This represents the company's second supply contract with TP JGC Coral France for this project. Earlier this year, Air Products announced an agreement to supply its proprietary cryogenic coil wound heat exchanger technology and liquefaction process license for the facility.
The FLNG facility being built by TP JGC Coral France, an incorporated joint venture formed by TechnipFMC and JGC Corporation, along with Samsung Heavy Industries, will utilize Air Products' advanced PRISM® Membrane Separators to produce both medium- and high-purity nitrogen. The combined nitrogen production will exceed 100,000 Nm3/day.
The FLNG plant will be moored and operate on the surface above 6,500 feet of water in the Indian Ocean, in a natural gas field known as Area 4 of the Coral Field. "Air Products is very pleased to again be selected as a key supplier to the Coral FLNG project," said Charles Page, director of Air Products PRISM Membranes. "Our Nitrogen Package, which has been designed in accordance with the consortium's exacting requirements, leverages Air Products' unparalleled experience for supplying similar equipment for demanding offshore applications." "This project affirms Air Products' capabilities and world class position for supplying high performance membrane nitrogen generation systems for the marine and offshore market," added Hallgeir Angel, technical sales manager, Air Products AS Engineered Nitrogen Systems. "It builds on years of experience gained on similar complex projects and integrates well in Air Products' market-leading Nitrogen Package portfolio."

In support of the LNG industry, Air Products provides process technology and key equipment for natural gas liquefaction processes. Upstream, Air Products provides both nitrogen and natural gas dehydration membrane systems for offshore platforms. Downstream, Air Products provides membrane nitrogen generators for LNG carriers, and land-based membrane and cryogenic nitrogen systems for LNG import terminals and base-load LNG plants. (Club of Mozambique)

ExxonMobil Group completes purchase of stake in natural gas block in Mozambique

ExxonMobil Development Africa B.V. has completed the purchase of an indirect 25% stake in the Area 4 block located in the Rovuma basin in northern Mozambique from Italian group ENI, US group ExxonMobil and ENI said in separate statements.

Under the terms of the purchase agreement signed by the two companies, the US group will take over the construction and operation of all facilities related to natural gas liquefaction, while the Italian group will continue to lead the floating platform Coral Sul project as well as upstream operations.

The US group now owns a 35.7% stake in ENI East Africa (whose name will be changed to Mozambique Rovuma Venture) which holds a 70% stake in the Area 4 block, whose remaining shareholders are the ENI group, with 35.7% and China National Petroleum Corporation (CNPC) with the remaining 28.6%. These three groups have Mozambican state-owned Empresa Nacional de Hidrocarbonetos (ENH), Portuguese group Galp Energia and South Korea's Kogas as partners, all with 10% each. The statement released by the ENI group recalls that ExxonMobil group agreed to pay US$2.8 billion for the stake. Area 4 contains natural gas deposits estimated at 85 trillion cubic feet (2.4 billion cubic metres), which would supply consumers all over the world for more than 40 years. (Macauhub)

Angolan oil production falls in November

Angola's oil output fell further in November, by 108,700 barrels per day according to secondary sources, to a total of 1.581 million barrels per day, according to a monthly report on the oil market of the Organization of the Petroleum Exporting Countries (OPEC) for December.

In the same period, Nigeria's production increased by 95,800 barrels per day to 1.790 million barrels per day, ensuring that Nigeria remains at the top of the list of the largest oil producers in Africa and progressively moving away from Angola. Based on direct communication, Angolan production in November rose by 6,000barrels per day to 1.607 million barrels per day, but Nigeria's production increase by 151,100 barrels per day to 1.751 million barrels per day. Angola was Africa's biggest oil producer from mid-2016 until May this year.

In October Angola was the third largest oil supplier to China, after Russia and Saudi Arabia, with Saudi sales increasing by 4.0% on a monthly basis and Russian and Angolan oil sales dropping 29% and 26%, respectively, also in monthly terms. China imported 7.3 million barrels per day in October, a drop of 19% or 1.7 million barrels per day, the biggest monthly drop since October 2016. (Macauhub)

Angolan government receives "almost 20" proposals for construction of refineries

Angola's Media Minister said the government had received almost "20 proposals for the construction of refineries and investments in the petrochemical industry," in a period of two months, according to Angolan newspaper Novo Jornal.

Minister João Melo, after posting the "excellent news" of the new investments by Frenchgroup Total in the country, added there are promising signs for the petrochemical industry in Angola, as "almost 20 proposals"had been made by "senior foreign representatives interested in making other investments."

At the end of November, the new chairman of the Board of Directors of state oil company Sonangol, Carlos Saturnino announced in Pretoria that by next March the company intends to select an international partner to build a new refinery and reduce imports of refined products.

"In the first quarter of 2018 [the company will] select and make the decision, about the construction of a large refinery," he said, quoted by the Angolan press.
Sonangol continues to operate the Luanda refinery, which was inaugurated in May 1958 and has a nominal installed capacity of 65,000 barrels per day and produces just 20% of the fuels consumed by Angola. (Macauhub)

Angola's Sonangol, Total SA Agree to Start Fuel-Retail Venture
Total SA, state-run Sonangol agree to develop retail network for fuel distribution, Total CEO Patrick Pouyanne tells reporters in Angola's capital, Luanda.

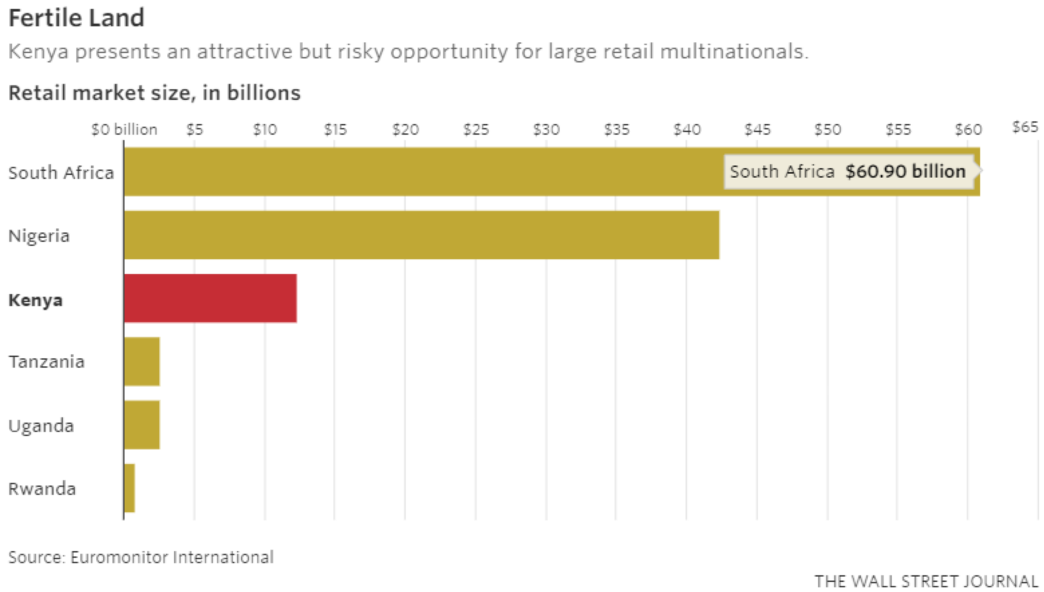
- Total, Sonangol to have 50% stake each in retail joint venture
- Total to provide technical contribution to Sonangol-operated oil block 3 for recovery of production
- Total to partner with Sonangol to develop oil block 48
- Conditions are in place for Total to develop Zinha Phase-2 marginal field off block 17
- NOTE: Total is Angola's biggest oil producer, pumping more than 600,000 bld (By Candido Mendes and Jacqueline Mackenzie, Bloomberg)

Petronas unit agrees share swap with Shell's Africa operator
Petroliam Nasional Bhd's South African unit, Engen, and Vivo Energy Holding BV agreed to a deal worth as much as 3.5 billion rand ($256 million) to combine some of their African fuel-retail assets, according to people familiar with the matter.
The deal represents about 20 % of Engen's equity value, said the people, who asked not to be identified. The talks have been concluded, they said. Vivo Energy, which operates more than 1,800 gas stations across 15 African countries under the Royal Dutch Shell Plc brand, will exchange some of its shares for stock in Engen Holdings (Pty) Ltd., the companies said in an emailed statement.
The transaction may involve a "cash element," they said, without disclosing the value or terms of the deal. Combining their operations will give Vivo Energy access to 300 Engen-branded outlets in countries including the Democratic Republic of Congo, Zimbabwe, Zambia, Gabon, Rwanda, Mozambique, Tanzania, Reunion, Malawi and Kenya, where it already has its own operations.
Engen will retain sole control of its operations in South Africa, Botswana, Lesotho, Swaziland, Namibia, Ghana, Mauritius as well as an oil refinery in South Africa that has the capacity to process 120,000 barrels of oil a day.
Vivo Energy is jointly owned by Geneva-based Vitol SA and Africa-focused private-equity firm Helios Investment Partners.
Petronas, Malaysia's national oil company, bought Engen in 1998 in a deal that valued the company at about $700 million before selling a stake to Phembani. If the deal with Vivo goes ahead, Phembani would also take a stake in the Dutch company, said the people. Vivo could then begin trading its shares on the London Stock Exchange in 2018. (Club of Mozambique)

RETAIL

Supermarket Chain's Collapse Shows Perils of Africa's Hottest Retail Market
Nakumatt's demise creates big opening, but also illustrates operating challenges Kenya presents
The near-empty shelves and deserted aisles at a sprawling outlet of Kenya's homegrown supermarket giant, Nakumatt Holdings Ltd., here are reminders of the risks—and opportunities—presented by East Africa's biggest retail market.
The family-run retailer was once emblematic of the "Africa Rising" narrative of a rapidly growing urban consumer class and local champions outmaneuvering larger, foreign competitors. At its height in 2014, Nakumatt took over the Tanzanian stores of South Africa-based Shoprite Holdings Ltd. SHP -0.68%, the continent's largest retailer.

Then in late October, Nakumatt filed for bankruptcy after a series of ill-fated decisions including the introduction of a private label line, an overreliance on unsecured, short-term debt that dried up after the collapse of three Kenyan banks, and other events including floods and a terrorist attack.
The chain's demise illustrates the challenges faced by multinational retailers trying to build a presence here. Companies from French retail giant Carrefour SA to Wal-Mart Stores Inc.'s Massmart Holdings Ltd. MSM +0.54% , have grappled with how to gain and maintain a foothold in one of Africa's most mature consumer markets while navigating the operating and financing pitfalls.
Those challenges deepened in recent months: The International Monetary Fund cut its growth forecast to 5% from nearly 6% amid the prolonged political turmoil following the annulment of Kenya's August presidential elections and October's court-ordered repeat vote.
Still, with a largely English-speaking population of 48 million, Kenya remains an attractive target for retailers, according to analysts and retailers. They say Nakumatt's downfall created an opening for multinationals looking to gain entrance—or increase their presence—in Kenya's retail market, which market-research firm Euromonitor International values at around $12.35 billion.
Carrefour is in the process of taking over two of Nakumatt's outlets, its third and fourth Kenyan stores in under two years. The French chain's local franchisee, Dubai-based holding company Majid Al Futtaim Holding LLC, said it continues to seek opportunities to open additional stores in Kenya.



Massmart opened one outlet of its general merchandise and food retailer Game in 2015, and said it doesn't currently have a second Kenyan store planned. One stumbling block has been a lack of visitors to the mall where Massmart's store is situated. "With the proliferation of new malls and multiple international retailers entering Nairobi, consumers are now spoilt for choice," said Richard Fuller, Game Africa director. "Our biggest challenge with only having one store in the city for now, was to create mass awareness of the Game brand and generate a vast pull factor to get Kenyans to travel from far to our store."
Malls have opened at a blistering pace across Nairobi over the past three years, but many of them have struggled to fill space. "The local retailers couldn't handle the cost of opening multiple branches in those centers within a fairly short period of time," said Nicholas Corbishley, head of Africa investments at Old Mutual Property, a South African real-estate developer, which is a 50% shareholder in Nairobi's Two Rivers Mall.
That shouldn't pose such a challenge for deeper-pocketed multinational retailers, which have access to cheaper financing than a purely home-grown company and can pay more for the prime locations.
Shoprite, which operates some 2,700 stores across Africa, has no presence in Kenya—yet. Analysts say they expect the South African retailer to take over some of Nakumatt's current stores. Shoprite

said it has no confirmed plans for Kenya, but told The Wall Street Journal it "is ready to enter the market if suitable premises become available."
Analysts say more-specialized stores, such as grocery-focused Carrefour, could be more attractive to Kenya's growing and increasingly sophisticated middle class, than Nakumatt's catchall stores where lawn mowers and wedding dresses could be purchased in one place.
Multinationals still will have to deal with the business interruptions faced by Nakumatt, from the recent election-related violence to terrorist attacks to getting goods out of Kenya's notoriously slow Mombasa port. Kenyan consumers also can be fiercely loyal to local favorites, a preference that has tripped up foreign consumer companies in the past.
About two decades ago, South African Breweries Ltd.—now part of Anheuser-Busch InBev—entered the Kenyan beer market, sparking what the local media dubbed "the beer wars." East African Breweries Ltd., which produces Kenya's No. 1 and No. 2 beers by market share and was acquired by Diageo in 2000, cut costs and spent more on marketing, appealing to Kenyan's strong sense of nationalism with the slogan for its most popular beer, Tusker: ''My country, my beer.'' SAB eventually pulled out of the Kenyan market. "You have to take a relatively long-term view," said Chris Newson, director of private markets at Investec Asset Management in London. Despite the challenges, "[Local companies] are tough competitors. You have to find a way to be local." (By Alexandra Wexler and Matina Stevis-Gridneff, Wall Street Journal)

AGRIBUSINESS

Portucel and Mozambican civil society launch advisory council for forestry project monitoring

Portucel and Mozambican civil society organisations are today launching the Portucel Advisory Council (CCP) in Maputo, a platform that will monitor a forestry project by the Portuguese company which will produce paper and energy in central Mozambique.
A press release said that the Mozambican government and five civil society organisations will join the advisory council. "The CCP expects to see recommendations arising from the participation of local communities in the project, the company's social provision for community development, the promotion of better cultural habits, the protection of human rights and local communities and environmental best practices," the statement reads.
Another goal is the development of recommendations for the management of tripartite sustainable development partnerships between communities, government, private sector and the legislature. "The CPP wants to see a model of monitoring and advice developed and promoted which is replicable across other sectors, projects and similar activities," the press release notes.
The CPP follows the creation of Portucel Mozambique in 2009, to which the government granted land use rights covering 356,000 hectares in the province of Zambézia, central Mozambique, for afforestation of two thirds of the land for the production of pulp and energy. "Various civil society organisations suggested the creation of a platform to monitor and advise the company and the Government on the impact of the company's operations in the social, cultural, environmental and human rights spheres on the communities in the areas covered by the project," the note reads. The statement says that the proposal was accepted by the government and supported by Portucel, culminating in the creation of the CCP, which will be launched today. (Club of Mozambique)

Sappi to buy Cham Paper's speciality paper business

South Africa's Sappi has agreed to buy a speciality paper unit from Switzerland-based Cham Paper Group for 146.5 million Swiss francs ($149 million), the company said.
Sappi expects the deal to be concluded in the first three months of 2018, and said the business, which produces coated speciality papers, includes two mills in Italy and a digital imaging business in Switzerland ($1 = 0.9846 Swiss francs) (B5y TJ Strydom, Reuters)

US$52 million agro-industrial park to be built in Moamba

The province of Maputo will have a new agro-industrial park, with construction starting in the first half of next year. The new park will be built on a nine hundred hectare site in the Mauvane area, Moamba district, and is costed at about US$52 million in its first phase. The first phase comprises the construction of three chicken batteries with a total capacity of 960,000 chickens, a feed factory, two slaughterhouses, and a system for the conservation of agricultural products, water and electricity supply, and the opening of streets. Tomás Almeida, one of the project's proponents, said that Moamba's agro-industrial park will comprise different production units focussing mainly on chicken, milk products and eggs, and would aim to reduce imports. Also in Maputo, the foundation stone of a brewery in the district of Marracuene was laid, kicking off a Dutch Heineken Group project worth US$100 million dollars and expected to generate at least two hundred permanent and perhaps 13,000 indirect jobs. (Club of Mozambique)

US businessman proposes to recover Mozambican Tuna Company

US entrepreneur Erik Prince, chairman of the Hong Kong-based Frontier Services Group, announced in Maputo the establishment of a partnership with the Mozambican government to recover the tuna company Ematum, according to the Mozambican press. "We are here to finalise the details of the partnership with the Mozambican government to increase the fishing capacity of the country, and our first focus is Ematum, and we will contribute with training and changes in the logistics structure of the company so that Mozambique is connected to the international fish market," said Prince, quoted by Mozambican daily newspaper O País.

The businessman, who was the founder of Blackwater Security, a security services company operating in Iraq, said that his company will also focus on improving the protection of Mozambican marine resources against illegal fishing activities. "We know there is a lot of illegal fishing and we hope to help improve Mozambique's ability to protect its fish. We have agreements with that in mind. We will also look at other investment areas in Mozambique," he added. Ematum was established in 2013 to explore tuna in the country's territorial waters. Ematum borrowed US$850 million through a State-backed loan, with part of the money being spent on the acquisition of a French fishing vessel shipyard and maritime surveillance as well as the purchase of military equipment. (Macauhub)

Odebrecht Angola Sugar-to-Fuel Plant Sees 174,000 MwH in 2018

Companhia de Bioenergia de Angola, or Biocom, a unit of Odebrecht, plans producing 100,000 tons of sugar in 2018 and 20,000 cubic meters of ethanol, MD Carlos Mathias says by phone.

- Biocom produced 58,102 tons of sugar, 12,000 cubic meters of ethanol and generated 62,617 mwh of power from June through November
- Sugar output fell short of planned 63,000 tons in that period due to drought and parts breakdown
- In 2016 it produced 51.515 tons of sugar, 14,263 cubic meters of ethanol, and "well above" 57,000 mwh of power (By Candido Mendes, Bloomberg)

Girassol Farm bets on production increase

At least 10.000 hectares of land have been cropped with varied products this year at Loge Grande locality- based fazenda Girassol, Nzeto municipality, northern Zaire province. The cropping is currently being secured by 300 young Angolans, who in this agricultural project of private initiative have been producing vegetables and aromatic herbs.

The farm, which started operating in January 2016, was firstly employing 150 national workers, in the meantime this number doubled thanks to the increase of the cultivation area that is now of 87 hectares of land.

Speaking to Angop, the farm's managing partner, João Amaral, said the company intends to reach 1000 hectares of cultivation area until 2022, focusing on exportation, but without putting aside the domestic market. For this purpose, he added, the company adopted the best existing techniques used worldwide for vegetable and aromatic herbs production that ensure better quality of products to be exported to the European market. He also said that the first volume of products, whose destination was Portugal, has already been sent off as a primary experience. (Angop)

Danish group announces construction of fertiliser plant in Angola

A fertiliser plant with capacity to produce 2 million tons per year will be built in the municipality of Soyo, in Angola’s Zaire province, said in Luanda, the chairman of Danish group Haldor Topsoe. Bjerne Clausen said after an audience with the Angolan President, João Lourenço, that the project has an estimated cost of US$2 billion and that it will take around three years to build. Once it goes into operation it will create 4,000 direct jobs and 40,000 indirect jobs. Angolan news agency Angop reported that technicians from the Danish group have already visited the site where the plant will be built.

The Haldor Topsoe group, which was founded in 1940, has 2,700 employees worldwide, 2,100 of which in Denmark, and it specialises in the production of fertilisers, the chemical and petrochemical industries, and in the energy sector (refineries and power plants). The group, which has its headquarters in Lyngby, on the outskirts of Copenhagen, has factories in Denmark and Houston, Texas and offices in Bahrain, Canada, China, India, Malasia, Russia, Argentina, Japan and the United States. (Macauhub)

Brazilian company wants to cooperate in farming sector

The Brazilian Agricultural Research Corporation (Embrapa) is available to assist Angola in strengthening the institutional and research capacity of the Angolan research centres. The intention was expressed during the visit to Brazil of the Angolan delegation headed by the minister of Agriculture and Forestry, Marcos Nhunga. A press release from the Angolan Embassy indicates that the Angolan delegation met with the president of Embrapa, Mauricio Lopes. On that occasion, Mauricio Lopes was also available to contribute to the update of the agro-ecological mapping of Angola, as the "charter" for the development of agriculture in the different regions of the country. The delegation of the Angolan minister, accompanied by the Angolan ambassador to Brazil, Nelson Cosme, began his mission in São Paulo and ended in Brasília with a meeting with agribusiness entrepreneurs. The delegation included the governor of the province of Moxico, Gonçalves Muandumba, the deputy governor of Lunda Norte Province, Deolinda Vilarinho, Angolan consultants and businesspeople. (Angop)

Over AKZ 7 billion financial agreement for agriculture approved

More than seven billion kwanzas is the amount approved for the agreement between the Ministry of Finance and the International Business Bank (BNI), to acquire means and equipment for the agricultural 2017/2018 agricultural campaign, ANGOP has learnt. According to the Presidential Order, published in the Statel Gazette on December 7, the funding aims to boost the economic and social development of the country through the re-launch of agriculture. The diploma, signed by the President of the Republic, João Lourenço, is already in force, and it authorizes the Minister of Finance to conclude this financing agreement. The agricultural 2017/2018 agricultural campaign was opened in October this year by President João Lourenço, in the municipality of Cachiungo, central Huambo Province. According to projections of the Ministry of Agriculture and Forestry, it is expected from the agricultural campaign to produce 2.5 million tonnes of cereals throughout the country.

Strategy to restore one million hectares of forests

At least one million hectares of degraded forests in the country will be restored by 2025 with trees of various species, according to the National Strategy for Biodiversity and its action plan for 2018/2025, validated in Luanda, at a technical level. The document was authenticated at the end of the workshop on Validation of Strategies for Biodiversity, whose act was honored by the Minister of Environment, Paula Francisco. This dossier, which will serve in a transversal way, also provides for the restoration of another thousand hectares of wetlands and degraded aquatic ecosystems. According to the Minister of the Environment, this national strategy fulfills a stage of the commitment assumed by Angola at the international level, in the ambit of the implementation of the goals of AICHI, 2010/2022. Within the framework of the Convention on Biological Diversity, which also joins the Nagoya Protocol, Paula Francisco announced shortly that an "exercise" would be carried out in a direct way, based on the traditional and verbal use of biodiversity. In this way, she called for greater proactivity of environmental associations, through the Maiombe Network, in order to participate and follow up on the implementation of this strategy to be addressed to local authorities and communities. (Angop)

UPCOMING EVENTS

Africa Impact Investing Leaders Forum 2017 17-19 December 2017 London, UK *www.aiilf.com*

Workshop on Sustainable Rural Biofuel Strategy in Africa 2018 - Workshop to be held at 21st Session of the African Forestry and Wildlife Commission, in early 2018 (TBC) - In cooperation with the World Agroforestry Center (ICRAF) and Japan International Research Center for Agricultural Sciences (JIRCAS)

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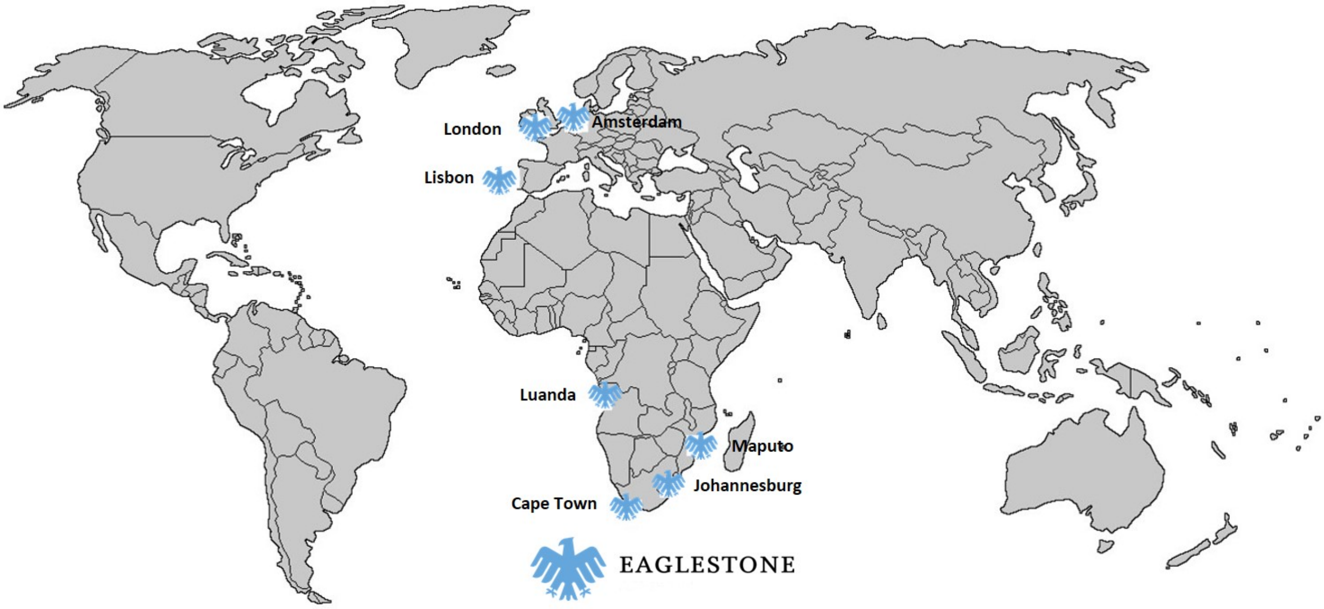

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Disclosures

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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

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