



Africa Weekly: Oil has biggest weekly drop since January

Top Political News

South Africa's parliament will debate a motion of no confidence against President Zuma on November 10 after the release of a report by the anti-graft watchdog over allegations of possible criminal activity by government officials. Pressure for Zuma to resign intensifies, which could open the door for his deputy, Cyril Ramaphosa, to replace him. Ramaphosa and Zuma's ex-wife are regarded as the top contenders to become ANC leader next year and possibly president in 2019.

Top Economic News

The IMF stated that it could agree on a new aid program to **Mozambique** early next year if the government commits to renegotiate loans with creditors and allows an independent debt audit. It added that this could happen in the first quarter, but more realistically it may not happen before June. The Fund believes that there are no more undisclosed loans at the moment. It also said that fiscal and monetary policies need to adjust to the new economic reality in the country and that the central bank's recent decision to hike interest rates by 6% to 23.25% was very courageous. Meanwhile, **Mozambique's** Finance minister said the government lowered its real GDP growth forecast for this year to 3.7% from a previous estimate of 4.5%.

Commodities

OPEC had technical talks aimed at finalizing the details of the recently announced agreement in Algiers to lower output to a range between 32.5mn and 33mn barrels a day. The meeting ended without an agreement on quotas for individual members. The uncertainty about the success of the upcoming formal OPEC meeting in Vienna later this month led oil prices to post the biggest weekly decline since January. Brent closed the week trading at near \$45.5 and WTI stood below \$44, representing losses of nearly 8% from the previous week. **Mozambique's** Energy minister said Eni should make a final investment decision on its first offshore deep-water LNG project in the country by the end of this year, adding that Anadarko is expected to make its own investment decision on a separate LNG project in 2017. Also in **Mozambique**, the country is expected to hold its sixth round of oil and gas licensing late in 2017 or in 2018, but further details about the rounds have yet to be disclosed. **South Africa's** parliament passed amendments to the mineral resources law. Still, doubts remain on whether this law will provide the regulatory certainty needed to jumpstart a declining mining sector. The bill will now be referred to parliament's upper house and then to President Zuma, but it could still be challenged by the constitutional court.

Credit Markets

Nigeria's senate rejected President Buhari's plan to borrow \$30bn in international markets to finance infrastructure projects and budget support until 2018. This plan included the sale of Eurobonds worth \$4.5bn and planned budget support of \$3.5bn. **Nigeria** is hoping to secure loans from the World Bank, China and other institutions to fund the 2016 budget deficit. However, the country has only been able to secure a \$1bn loan from the African Development Bank, with \$600mn recently disbursed and the remaining likely to be signed off early next year. Nigeria is also planning to sell \$1bn in Eurobonds by the end of 2016. **Mozambique's** government is proposing to extend the bond maturities of some debt to 2023-24 rather than imposing outright losses on creditors as it aims to restructure foreign debt. The timeframe proposed is when the government expects to see a large boost in revenues from the gas sector. Meanwhile, S&P's lowered its long-term foreign currency rating on **Mozambique** to "CC" from "CCC" as the rating agency sees the debt restructuring to be tantamount to default. The outlook remains negative.

Capital Markets

07 November 2016

Tiago Bossa Dionísio

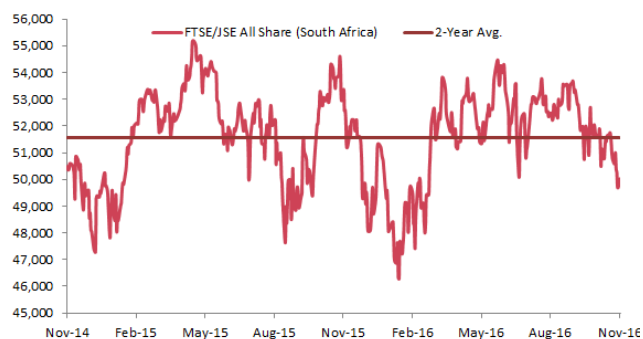
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Stock Markets Index (Country)	07/11/2016	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Africa							
FTSE/JSE All Share (South Africa)	50,018.44	-1.13%	-3.18%	-5.56%	-1.33%	45,975.78	54,704.22
EGX 30 (Egypt)	9,786.08	16.70%	16.94%	29.76%	39.68%	5,526.02	9,859.89
Gaborone Domestic Index (Botswana)	9,747.71	0.21%	-0.43%	-7.87%	-8.06%	9,504.24	10,654.72
All Share Index (Nigeria)	26,981.60	-0.88%	-3.07%	-7.52%	-5.80%	22,330.96	31,073.32
Ghana Stock Exchange (Ghana)	1,706.19	-0.26%	-3.50%	-14.01%	-14.47%	1,705.52	2,014.93
Namibia Overall Index (Namibia)	1,018.28	-1.83%	-1.59%	2.17%	17.65%	766.67	1,072.14
Tanzania All Share Index (Tanzania)	2,507.07	0.65%	1.62%	3.86%	7.43%	2,172.97	5,004.67
Americas							
Dow Jones Industrial Avg. (USA)	17,888.28	-1.50%	-1.93%	-0.12%	2.66%	15,450.56	18,668.44
S&P 500 (USA)	2,085.18	-1.94%	-3.18%	-0.67%	2.02%	1,810.10	2,193.81
Nasdaq (USA)	5,046.37	-2.77%	-4.65%	-1.96%	0.78%	4,209.76	5,342.88
Ibovespa (Brazil)	61,598.39	-4.13%	0.80%	31.29%	42.10%	37,046.07	65,291.06
Europe							
Euro Stoxx 50 (Europe)	2,999.49	-1.83%	-0.04%	-13.51%	-8.20%	2,672.73	3,524.04
FTSE 100 (UK)	6,792.27	-2.33%	-3.58%	6.90%	8.81%	5,499.51	7,129.83
DAX (Germany)	10,415.98	-2.34%	-0.71%	-5.21%	-3.04%	8,699.29	11,430.87
PSI 20 (Portugal)	4,522.37	-2.79%	0.61%	-17.71%	-14.88%	4,175.28	5,484.19
IBEX 35 (Spain)	8,925.80	-2.38%	3.50%	-14.61%	-6.48%	7,579.80	10,476.90
CAC (France)	4,445.57	-1.41%	-0.10%	-10.81%	-4.13%	3,892.46	4,983.77
SMI (Switzerland)	7,727.74	-1.28%	-4.88%	-13.85%	-12.36%	7,425.05	9,080.56
Asia							
Nikkei 225 (Japan)	17,177.21	-1.54%	1.88%	-10.84%	-9.75%	14,864.01	20,012.40
Topix (Japan)	1,362.80	-2.13%	0.90%	-12.84%	-11.92%	1,192.80	1,609.76
Hang Seng (Hong Kong)	6,596.29	0.18%	-4.15%	-4.84%	1.69%	5,261.43	7,065.02
Shanghai All Share (China)	3,280.66	1.06%	4.31%	-12.75%	-11.44%	2,760.92	3,856.74
CSI 300 (China)	3,356.59	0.61%	3.18%	-11.51%	-10.04%	2,821.22	3,926.69

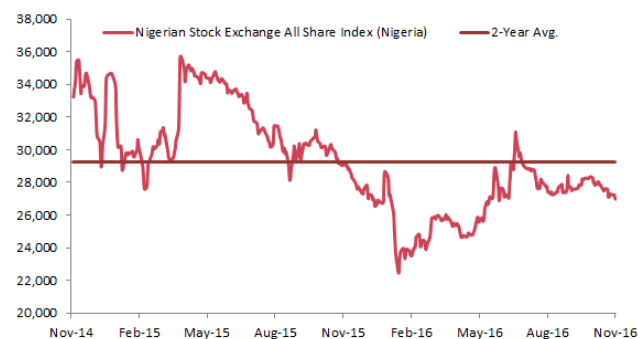
Sources: Bloomberg and Eaglestone Securities.

JOHANNESBURG STOCK EXCHANGE ALL SHARE INDEX



Sources: Bloomberg and Eaglestone Securities.

NIGERIA ALL SHARE INDEX



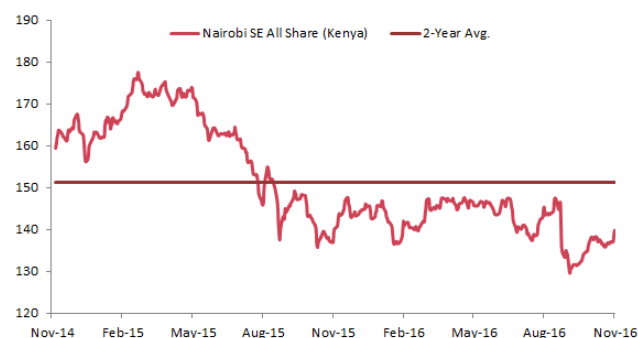
Sources: Bloomberg and Eaglestone Securities.

EGYPT EGX 30 INDEX



Sources: Bloomberg and Eaglestone Securities.

NAIROBI ALL SHARE INDEX

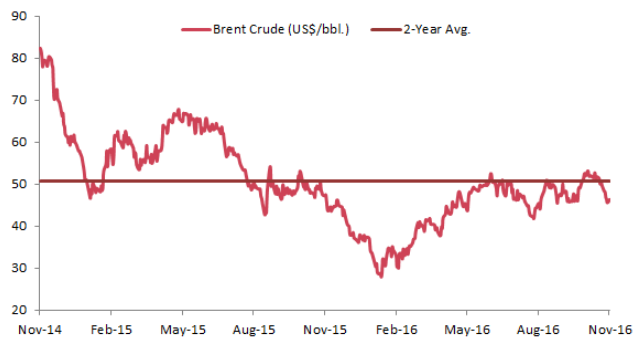


Sources: Bloomberg and Eaglestone Securities.

Commodities	07/11/2016	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Energy							
WTI Crude (US\$/bbl.)	44.94	-4.10%	-9.78%	1.47%	21.33%	26.05	51.93
Brent Crude (US\$/bbl.)	46.34	-4.06%	-10.76%	-2.28%	24.30%	27.10	53.73
Natural Gas (US\$/MMBtu)	2.85	-5.82%	-10.74%	20.20%	21.95%	1.61	3.37
Gasoline (US\$/gal.)	138.46	-4.48%	-6.56%	1.10%	9.27%	89.75	166.64
Coal (US\$/ton)	79.25	5.53%	31.64%	52.55%	65.62%	42.65	86.75
Precious Metals							
Gold (US\$/oz.)	1,285.60	0.98%	2.94%	18.19%	21.26%	1,046.20	1,377.50
Silver (US\$/oz.)	18.18	2.13%	4.57%	23.72%	31.67%	13.64	21.09
Platinum (US\$/oz.)	991.39	0.97%	2.42%	8.60%	11.20%	810.75	1,194.64
Other Metals							
Copper (US\$/lb.)	229.85	4.24%	6.24%	2.52%	7.66%	193.55	231.45
Aluminum (US\$/MT)	1,722.00	0.17%	3.18%	14.49%	14.27%	1,432.50	1,740.25
Zinc (US\$/MT)	2,447.00	2.11%	2.82%	45.48%	52.08%	1,444.50	2,494.00
Tin (US\$/MT)	21,300.00	3.15%	7.17%	43.19%	46.34%	13,085.00	21,535.00
Iron Ore (US\$/ton)	65.00	1.63%	16.36%	32.17%	49.19%	38.30	70.46
Agriculture							
Cocoa (US\$/MT)	2,581.00	-6.35%	-8.31%	-20.22%	-19.62%	2,577.00	3,422.00
Coffee (US\$/lb.)	171.35	3.53%	16.21%	42.20%	35.24%	111.05	172.00
Sugar (US\$/lb.)	21.77	0.93%	-7.05%	50.55%	42.85%	12.45	23.90
Cotton (US\$/lb.)	68.60	-0.38%	2.10%	11.26%	8.41%	55.66	77.80
Corn (US\$)	348.75	-1.69%	2.65%	-6.50%	-2.79%	301.00	439.25
Wheat (US\$)	414.00	-0.54%	4.88%	-20.88%	-11.91%	359.50	524.00
Soy (US\$)	992.00	-1.02%	3.68%	13.86%	13.86%	844.25	1,208.50

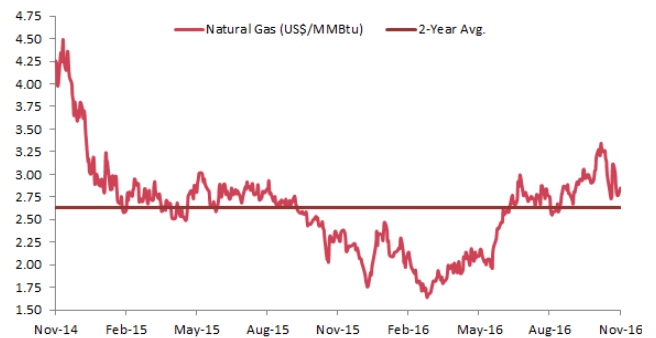
Sources: Bloomberg and Eaglestone Securities.

BRENT CRUDE (US\$/BARREL)



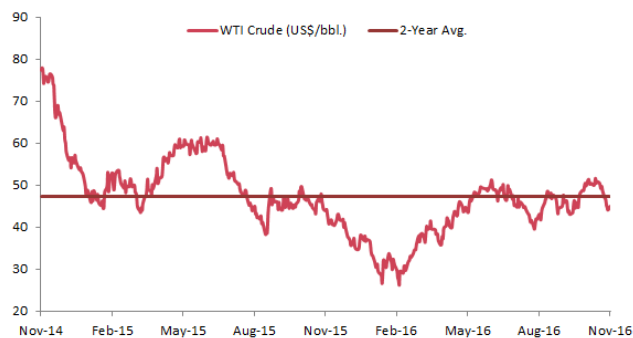
Sources: Bloomberg and Eaglestone Securities.

NATURAL GAS (US\$/MMBTU)



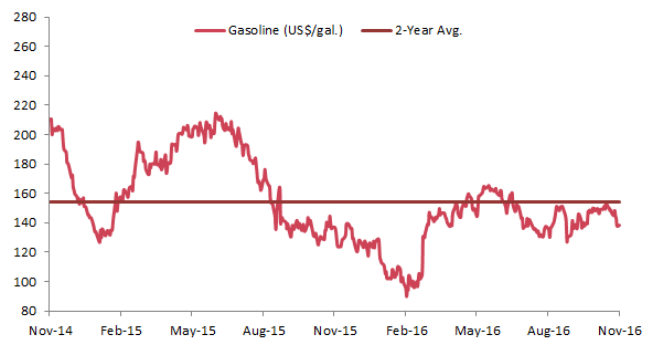
Sources: Bloomberg and Eaglestone Securities.

WTI CRUDE (US\$/BARREL)



Sources: Bloomberg and Eaglestone Securities.

GASOLINE (US\$/GAL.)

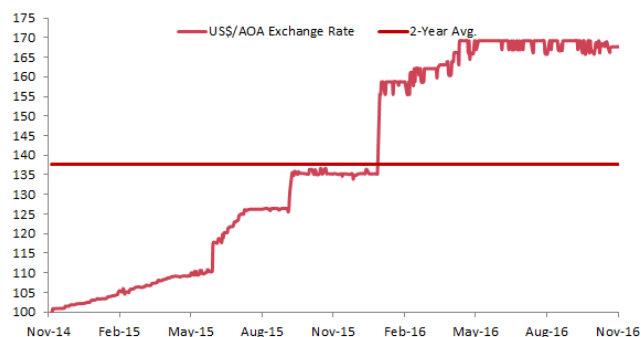


Sources: Bloomberg and Eaglestone Securities.

Currencies	07/11/2016	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Kwanza (Angola)							
Dollar (USA)	167.70	-0.08%	-1.12%	-19.37%	-19.37%	133.90	169.43
Euro	184.25	-0.18%	1.77%	-21.05%	-20.31%	141.65	196.44
Sterling (UK)	206.68	-0.80%	0.73%	-1.06%	-3.58%	198.23	253.90
Rand (South Africa)	12.36	0.56%	-2.23%	-23.47%	-29.32%	8.43	12.82
Real (Brazil)	51.56	1.85%	0.78%	-30.93%	-33.78%	33.50	54.44
Metical (Mozambique)							
Dollar (USA)	76.01	2.18%	1.97%	-41.48%	-36.85%	44.32	79.38
Euro	84.00	2.79%	3.34%	-41.68%	-37.95%	47.16	89.22
Sterling (UK)	94.22	1.99%	2.28%	-27.08%	-24.93%	62.67	104.52
Rand (South Africa)	5.64	2.28%	-0.72%	-44.82%	-44.97%	0.48	5.80
Rand (South Africa)							
Dollar (USA)	13.49	-0.09%	2.86%	6.03%	14.69%	13.20	17.92
Euro	14.90	-0.75%	4.28%	3.16%	12.86%	14.76	19.59
Sterling (UK)	16.72	-1.36%	3.13%	29.27%	36.39%	16.39	26.02
Real (Brazil)	4.17	1.27%	3.24%	-9.75%	-6.33%	3.68	4.69
Naira (Nigeria)							
Dollar (USA)	315.25	-1.39%	-2.94%	-36.87%	-36.78%	196.48	350.25
Euro	347.57	-3.56%	-1.39%	-38.44%	-37.75%	162.80	390.34
Euro							
Dollar (USA)	1.11	0.64%	-1.34%	2.78%	1.74%	1.05	1.16
Sterling (UK)	0.89	0.61%	0.97%	-20.21%	-17.32%	0.70	0.94
Franc (Switzerland)	1.08	0.43%	1.19%	-0.22%	0.63%	1.06	1.12
Yen (Japan)	115.62	-0.45%	-0.20%	14.54%	12.99%	109.57	134.60

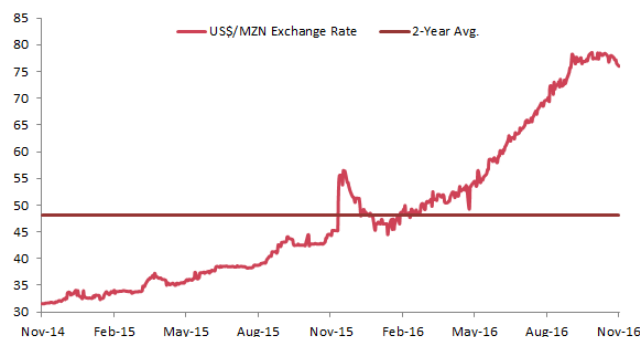
Sources: Bloomberg and Eaglestone Securities.

US\$/AOA EXCHANGE RATE



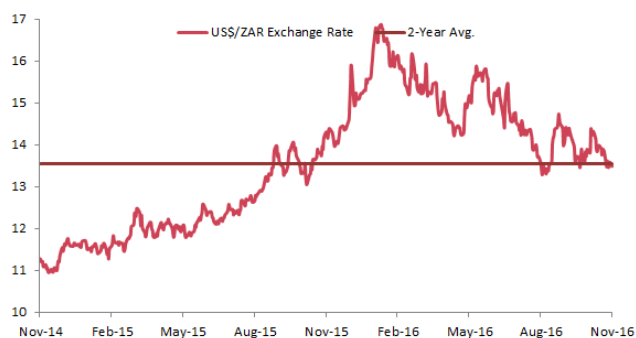
Sources: Bloomberg and Eaglestone Securities.

US\$/MZN EXCHANGE RATE



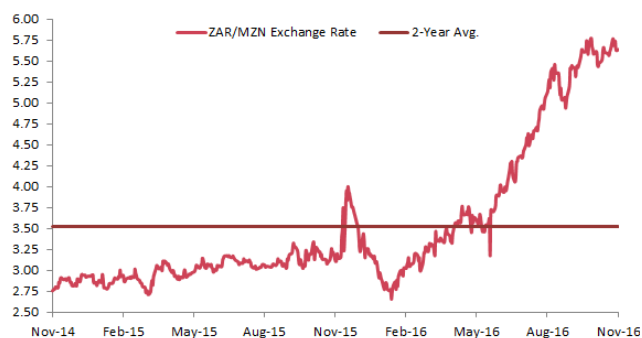
Sources: Bloomberg and Eaglestone Securities.

US\$/ZAR EXCHANGE RATE



Sources: Bloomberg and Eaglestone Securities.

ZAR/MZN EXCHANGE RATE

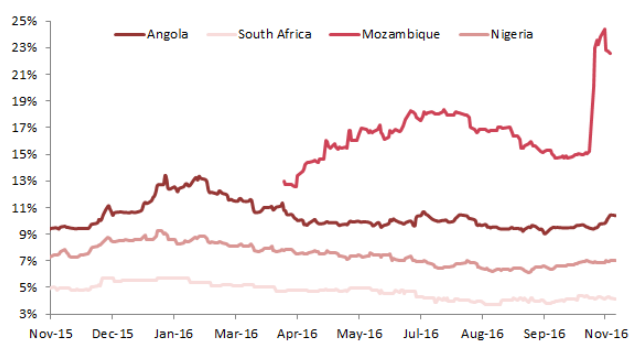


Sources: Bloomberg and Eaglestone Securities.

African Eurobonds	07/11/2016	Change				52 Week Range	
		1 Week	1 Month	1 Year	Year to Date	Low	High
Angola (12/11/2025; 9.5%)	94.829	-3.365%	-5.265%	-5.882%	2.131%	78.546	102.821
	10.398%	0.616%	1.005%	1.126%	-0.281%	9.037%	13.414%
Dem. Republic of Congo (30/06/2029; 4.0%)	66.858	-2.813%	-3.718%	-20.170%	-14.932%	65.690	83.750
	10.654%	0.385%	0.545%	4.340%	2.973%	7.712%	10.654%
Ethiopia (11/12/2024; 6.625%)	94.115	-0.792%	-5.283%	0.523%	6.536%	81.873	100.526
	7.611%	0.134%	1.002%	0.003%	-0.807%	6.543%	9.679%
Gabon (16/06/2025; 6.95%)	90.933	-2.058%	-1.589%	2.798%	13.984%	69.539	96.907
	8.452%	0.348%	0.273%	-0.287%	-1.553%	7.496%	12.381%
Ghana (07/08/2023; 7.875%)	95.673	-0.348%	1.483%	11.195%	20.601%	65.580	97.780
	8.733%	0.071%	-0.271%	-1.506%	-2.436%	8.362%	15.667%
Ivory Coast (31/12/2032; 5.75%)	96.652	-1.838%	-2.772%	6.723%	8.351%	83.387	101.672
	6.256%	0.291%	0.451%	-0.776%	-0.954%	5.525%	8.385%
Kenya (24/06/2024; 6.875%)	99.730	-0.251%	1.241%	5.780%	13.223%	83.891	100.903
	6.919%	0.043%	-0.202%	-0.778%	-1.545%	6.711%	9.700%
Mozambique (18/01/2023; 10.5%)	60.512	4.783%	-26.634%	n.a.	n.a.	69.252	91.006
	22.593%	-1.139%	11.775%	17.404%	17.404%	12.562%	24.421%
Namibia (29/10/2025; 5.25%)	104.093	-0.145%	-1.630%	5.544%	11.389%	88.305	108.164
	4.686%	0.019%	0.236%	-0.642%	-1.114%	4.183%	6.885%
Nigeria (12/07/2023; 6.375%)	96.608	-0.271%	-1.503%	1.879%	9.310%	84.477	101.497
	7.018%	0.053%	0.299%	-0.238%	-1.222%	6.122%	9.257%
Rwanda (02/05/2023; 6.625%)	100.176	-0.446%	-1.097%	1.960%	4.316%	91.981	103.140
	6.591%	0.086%	0.217%	-0.321%	-0.667%	6.052%	8.059%
Senegal (30/07/2024; 6.25%)	102.479	-0.899%	-1.073%	8.827%	14.273%	84.554	105.862
	5.845%	0.151%	0.178%	-1.073%	-1.538%	5.382%	8.868%
Seychelles (01/01/2026; 7.0%)	100.990	-0.236%	-0.637%	6.324%	8.990%	92.105	102.877
	7.679%	0.039%	0.108%	-0.707%	-1.015%	7.401%	8.937%
South Africa (16/09/2025; 5.875%)	112.620	0.000%	-0.556%	n.a.	9.606%	98.300	117.370
	4.155%	-0.003%	0.069%	-0.533%	-1.018%	3.686%	5.738%
Zambia (30/07/2027; 8.97%)	96.616	-1.822%	-2.200%	12.019%	21.693%	65.245	102.362
	9.476%	0.281%	0.342%	-1.381%	-2.213%	8.666%	15.463%

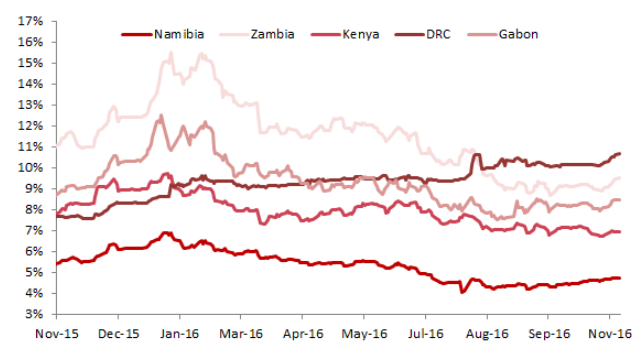
Sources: Bloomberg and Eaglestone Securities.

EUROBOND YIELDS (ANG, SA, MOZ & NIG)



Sources: Bloomberg and Eaglestone Securities.

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



Sources: Bloomberg and Eaglestone Securities.

AFRICA SOVEREIGN RATINGS

07/11/2016	FOREIGN CURRENCY LONG TERM			FOREIGN CURRENCY SHORT TERM		
	MOODYS	S&P	FTCH	MOODYS	S&P	FTCH
Angola	B1	B	B	NR	B	B
Botswana	A2	A-	NR	NR	A-2	NR
Burkina Faso	NR	B-	NR	NR	B	NR
Cameroon	B2	B	B	NR	B	NR
Cape Verde	NR	B	B	NR	B	B
Egypt	B3	B-	B	NR	B	B
Ethiopia	B1	B	B	NR	B	B
Gabon	B1	NR	B+	NR	NR	B
Ghana	B3	B-	B	NR	B	B
Ivory Coast	Ba3	NR	B+	NP	NR	B
Kenya	B1	B+	B+	NR	B	B
Lesotho	NR	NR	B+	NR	NR	B
Mali	NR	NR	WD	NR	NR	NR
Mauritius	Baa1	NR	NR	NR	NR	NR
Morocco	Ba1	BBB-	BBB-	NR	A-3	F3
Mozambique	Caa3	CC	CC	NR	C	C
Namibia	Baa3	NR	BBB-	NR	NR	F3
Nigeria	B1	B+	B+	NR	B	B
Republic of Congo	B3	B-	CCC	NR	B	C
Republic of Zambia	B3	B	B	NR	B	B
Rwanda	B2	B	B+	NR	B	B
Senegal	B1	B+	NR	NR	B	NR
Seychelles	NR	NR	BB-	NR	NR	B
South Africa	Baa2	BBB-	BBB-	P-2	A-3	F3
Tunisia	Ba3	NR	BB-	NR	NR	B
Uganda	B1	B	B+	NR	B	B

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

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

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

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

Disclosures

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

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

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

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

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