

The Angolan Banking Sector

Structure, ownership, earnings and risk — a briefing for investors and business decision-makers.

21

banks operating at the end of 2025, down from 22

9,33%

inflation in July 2026, the first single-digit reading since 2015

<9%

private credit as a share of GDP, against 25%+ across the region

1 Executive summary

What an investor needs to know in one page.

The sector is stable, profitable and structurally cautious. Capital adequacy sits above 23% against an 8% minimum. Sector profit rose 82% in 2024 and grew again in 2025. Return on equity runs in the mid-twenties. None of this reflects an economy being financed — it reflects banks earning well from government paper and foreign exchange.

Banks lend more to the state than to the economy. Holdings of treasury securities reached around Kz 9,1 trillion, roughly a third of total bank assets, against approximately Kz 7,4 trillion of credit to the entire private economy. Private credit is under 9% of GDP. This is the defining feature of the sector and the principal constraint on Angola's diversification agenda.

Macroeconomic conditions have improved sharply, with a caveat. Inflation fell from a peak above 31% in July 2024 to 9,33% in July 2026. The kwanza has held near 912 to the dollar since December 2024. Both outcomes rest partly on administrative supports — fuel subsidies and an actively managed exchange rate — which carry fiscal cost and are subject to policy change.

Ownership is changing hands at speed. The state is divesting through PROPRIV; Russian and Portuguese shareholders have exited; and one domestic agro-industrial group, Grupo Carrinho, has accumulated controlling stakes in two banks and agreed to buy a third of the country's second-largest. Concentration in private hands is now a live supervisory question.

Consolidation is coming by regulation. Minimum share capital rises to Kz 25 billion by June 2028, a 67% increase. The central bank has stated openly that institutions unable to comply should consider merger or sale. Expect fewer than 21 banks.

Payments have modernised faster than credit. The Multicaixa network processed 3,4 billion transactions worth Kz 46 trillion in 2025. A single mobile application handles over 60% of retail operations. The kwanza entered regional cross-border settlement in July 2026.

The binding external constraint is compliance, not capital. Angola has been on the FATF grey list since October 2024. Direct US dollar clearing was cut in 2015 and only restored to two banks in late 2025. Correspondent access, not solvency, determines what Angolan banks can do internationally.

The sovereign is rated deep in speculative grade. Moody's B3, S&P B-, Fitch B-, all stable. Government debt is near 50% of GDP and roughly 79% of it is foreign-currency denominated, so the debt burden moves with the exchange rate. Bank exposure to government paper means sovereign risk and bank risk are not separable.

Listed bank valuations look inexpensive, with caveats. Dividend yields near 8% and implied earnings multiples in the high single digits. But free float is thin, a large share of earnings comes from policy-sensitive sources, and returns are in kwanza.

Asset quality has begun deteriorating again. Non-performing loans fell to 15,78% at the end of 2025, then rose to 16,2% in the first quarter of 2026 — while the economy grew, inflation fell and policy eased. That combination warrants attention.

Key indicators

Banks operating	21
End 2025, BNA	
Sector capital adequacy ratio	23,16%
End 2025, BNA	
Sector net profit	Kz 951bn
2025, BNA basis; 19-bank sample gives >Kz 1tn	
Non-performing loans	16,2%
Q1 2026, BNA basis	
Annual inflation	9,33%
July 2026, INE	
BNA policy rate	15,75%
Set 14 July 2026	
Exchange rate	~912 Kz/USD
September 2026	
Parallel market premium	~30%
Indicative, 2026	
Gross international reserves	USD 14,9bn
June 2026, BNA	
Treasury securities held by banks	~Kz 9,1tn
2025	
Credit to the economy	~Kz 7,4tn
Mid-2026	
Financial inclusion / bancarisation	51,7% / 32%
Q1 2026	

Sources: Banco Nacional de Angola, INE, EMIS, published bank accounts. Figures are drawn from the most recent publications available at the date of this briefing and are revised by their issuers. Where the BNA and private analysts publish on differing bases, the basis is stated.

2 Sovereign context and credit ratings

Bank risk in Angola is largely sovereign risk. This is where it stands.

Roughly a third of Angolan bank assets are government securities, and 79% of government debt is denominated in foreign currency. The banking sector therefore cannot be assessed independently of the sovereign, and the sovereign is rated deep in speculative grade by all three major agencies.

Ratings

Moody's

B3 · stable

Outlook moved to stable from positive, November 2024

S&P Global

B- / B · stable

Affirmed, outlook stable

Fitch Ratings

B- · stable

Affirmed May 2026, long-term foreign currency IDR

All three ratings sit four to five notches below investment grade. Moody's country ceilings are B1 local currency and B3 foreign currency.

The agencies converge on the same assessment. Angola's credit profile is constrained by extreme commodity dependence, weak governance indicators, high foreign-currency debt and diminished debt affordability. It is supported by improved international reserves, current account surpluses and a demonstrated reform record.

Fiscal and external position

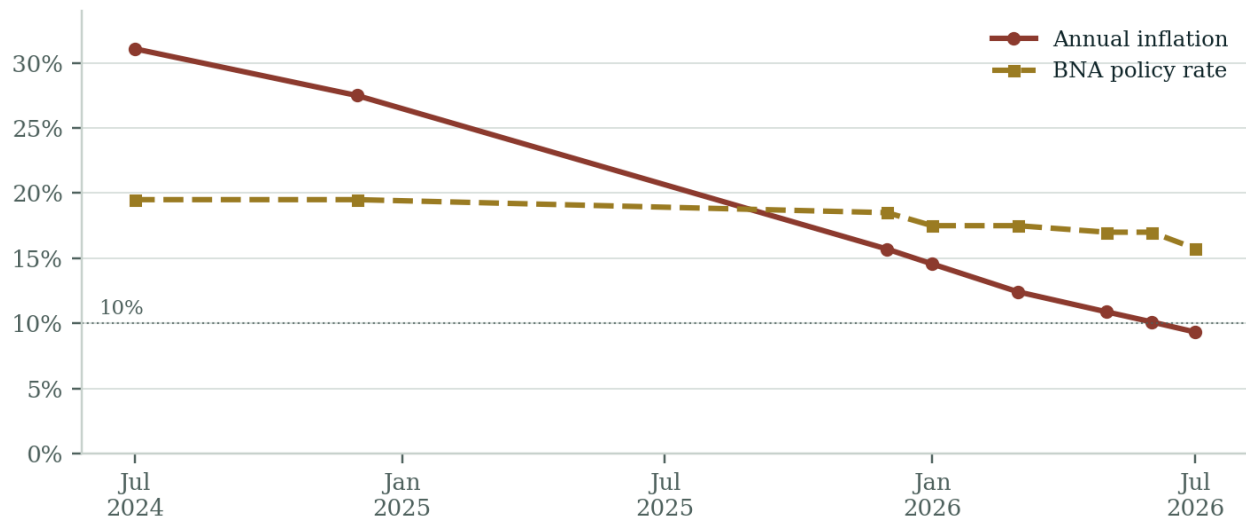
Government debt stood at 54,3% of GDP at the end of 2024 and is projected to decline to roughly 50% in 2025 and 48% in 2026. The critical qualifier is composition: approximately **79% is foreign-currency denominated**, which means the debt ratio is highly sensitive to exchange rate movement. A kwanza depreciation increases the debt burden mechanically, independent of any change in borrowing.

Fitch estimated the general government deficit at around 4,5% of GDP in 2025, with a small primary deficit of 0,4%, as oil revenue shortfalls outweighed savings from partial fuel subsidy reform. The current account surplus narrowed to roughly 0,4% of GDP in 2025 from 5,5% in 2024, and is projected to widen again in 2026 on higher oil production from new fields.

External amortisations of 3% to 4% of GDP are expected through 2027, with a larger peak anticipated in 2028. Angola returned to international capital markets in October 2025 with two Eurobonds raising USD 1,75 billion — its first issuance since 2022 — at coupons near 10% and shorter maturities than previous issues. That pricing is the market's own assessment of Angolan sovereign risk.

Growth and oil

Fitch forecasts growth of 3,6% in 2026, supported by a rebound in oil and gas production as new fields come on stream, alongside continued non-oil expansion. Oil output is expected to remain broadly stable through 2030 at roughly 1,02 to 1,07 million barrels per day, on Brent assumptions near USD 65. Medium-term growth therefore depends on the pace of diversification rather than on the oil sector.



Annual inflation and the BNA policy rate, selected observations, July 2024 to July 2026. Inflation fell below the policy rate during 2025, leaving real rates positive and wide. Sources: INE, Banco Nacional de Angola.

A BENCHMARK WORTH NOTING

Fitch places Angola's international reserves at approximately 6,2 months of current external payments, against a 'B' rating median of 4,3 months — a genuine relative strength. On inflation the comparison runs the other way: even at single digits, Angola remains well above the 'B' median of around 4%.

3 Currency, inflation and foreign exchange

Improving conditions, resting on supports worth understanding.

Disinflation

Angolan inflation peaked at 31,09% in July 2024 and has decelerated every month since August of that year. It closed 2025 at 15,70% and reached 9,33% in July 2026 — the first single-digit reading since May 2015. The central bank has revised its year-end projection down to around 8,6%, from 11,5% in May.

The Monetary Policy Committee has responded by easing. The policy rate was cut 100 basis points in January 2026, 50 in May, and 125 in July, reaching 15,75%. The liquidity provision facility stands at 16,75% and the absorption facility at 14,75%. The committee meets approximately every two months.

THE CAVEAT THAT MATTERS

Two of the pillars supporting disinflation are administrative rather than structural. Angola imports roughly three-quarters of the fuel it consumes and subsidises the domestic price, insulating transport and production costs from international movements. In the first half of 2026 the country spent more on fuel imports than it gained from increased crude export revenue. The exchange rate, meanwhile, is actively managed rather than market-determined.

Neither observation diminishes the achievement, but the single-digit inflation figure should be treated as conditional on policy choices that carry fiscal cost and have been repeatedly flagged for reform. Subsidy reform is the largest identifiable threat to the inflation trajectory.

The kwanza

The currency has been remarkably stable since December 2024, trading between roughly 912,58 and 916 to the dollar through 2026 — a movement of under one tenth of one percent year to date. This follows a 39,23% depreciation in 2023 and a 9,12% decline in 2024.

Stability in the formal market coexists with a persistent parallel market premium of roughly 30% to 33%, driven by foreign currency demand the formal system does not meet, particularly from informal importers outside the banking system.

Gross international reserves stood at approximately USD 14,9 billion in June 2026, covering around 6,2 months of imports of goods and services — comfortable against the conventional three-month adequacy threshold, but lower than in 2024. Reserves are what make the managed rate sustainable, so the direction is worth tracking.

Foreign currency access in practice

Angola no longer operates central bank currency auctions. Since May 2020, foreign exchange has traded on the Bloomberg FXGO platform, with commercial banks on one side

and oil, gas and diamond exporters supplying dollars on the other. The BNA participates to smooth volatility rather than to allocate.

Large taxpaying importers, international airlines and insurance companies may trade directly on the platform for transactions above USD 50.000, under Instrutivos n.º 23/2021 and n.º 01/2022. Other entities transact through a commercial bank.

In 2025 total foreign currency supply to the primary market reached approximately USD 12 billion, of which roughly USD 9,69 billion came from corporate and resource-sector sales to banks, USD 1,82 billion from the National Treasury and USD 489 million from targeted BNA spot sales.

PRACTICAL IMPLICATION FOR FOREIGN INVESTORS

The official rate describes what a transaction settles at, not necessarily what it costs to obtain currency in size or how quickly. Outward transfers are subject to documentation requirements, layered fees and 14% VAT on service charges, and execution timing varies with seasonal demand. Any model that assumes frictionless repatriation at the official rate understates both cost and timing risk.

Financial dollarisation has fallen from a peak near 55,78% in 2020 to somewhere between 37% and 42%, supported by local currency credit growth of 22,55% in 2025 and by the kwanza's integration into regional settlement.

4 Market structure

Twenty-one institutions, two of which hold over a third of the market.

Sector assets stood at approximately USD 26,3 billion in the first half of 2025. The distribution is steeply uneven, and by asset size only BAI and BFA remain classified as large institutions, Banco BIC having dropped out of that category.

Institution	Asset share	Assets (H1 2025)
BAI — Banco Angolano de Investimentos	20,51%	USD 5,39bn
BFA — Banco de Fomento Angola	16,94%	USD 4,46bn
Banco BIC	9,74%	USD 2,56bn
Banco Millennium Atlântico	8,62%	USD 2,27bn
Standard Bank Angola	8,33%	USD 2,19bn
BPC — Banco de Poupança e Crédito	6,74%	USD 1,77bn
Banco Keve	5,30%	USD 1,40bn
Remaining fourteen institutions	23,81%	—

BAI's lead in deposits is wider still, at close to 30% of all customer deposits in the system. In local currency and more recently, BAI reached roughly Kz 5,33 trillion in assets in the second quarter of 2026, BFA Kz 4,51 trillion, and Millennium Atlântico Kz 2,60 trillion after the fastest growth among the majors.

Systemic designation

Two related but distinct classifications apply, and they are frequently conflated in secondary reporting.

The BNA designates **eleven** institutions as Domestic Systemically Important Banks: BAI, BFA, BPC, Banco BIC, Standard Bank Angola, Banco Keve, BCI, Millennium Atlântico, BNI, Banco Sol and Banco Económico. The list was reconfirmed in November 2025.

Separately, from January 2026 only **six** carry an additional systemic capital surcharge: BAI and BFA at 2,0%, and Millennium Atlântico, Banco BIC, Standard Bank Angola and BPC at 1,5%. The other five designated institutions were released from the requirement.

CONSOLIDATION BY REGULATION — THE JUNE 2028 DEADLINE

Aviso n.º 06/2025, published 18 December 2025, raises minimum paid-up share capital to **Kz 25 billion** for commercial banks and **Kz 50 billion** for development banks — a 67% increase on the previous Kz 15 billion threshold. Compliance is required by **June 2028**.

The BNA stated explicitly that institutions unable to meet the threshold should consider merger or disposal of their business to another authorised bank. With fourteen institutions currently sharing under a quarter of sector assets, the arithmetic points clearly toward consolidation.

The policy is contested. Angola's competition authority, the ARC, has argued publicly that capital requirements should be calibrated to each institution's risk profile rather than applied as a flat minimum, on the grounds that a uniform floor penalises small but well-run banks. For an acquirer, this is the most visible source of transaction flow in the sector over the next two years.

Capital markets access

BODIVA, the Angolan exchange, functions overwhelmingly as a government bond market: more than 99,9% of trading volume is public debt, with the repurchase agreement segment the largest single component at around Kz 2,38 trillion in the first half of 2026.

The equity segment is small but developing. Market capitalisation reached approximately Kz 4,09 trillion, around USD 4,5 billion, across five listed entities: BAI, BFA, Banco Caixa Geral Angola, ENSA and BODIVA itself. BFA's September 2025 initial public offering raised about Kz 220,9 billion and was the largest operation in the market's history, drawing both retail subscription nationwide and first-time institutional participation.

Valuation of the listed banks

Three banks are listed: BAI, BFA and Banco Caixa Geral Angola, alongside the insurer ENSA and the exchange operator BODIVA. BAI was the first Angolan company admitted to trading, in 2022, through the sale of a 10% state stake representing 1.945.000 of its 19,45 million shares. BFA followed in September 2025, priced in a range of Kz 41.500 to Kz 49.500 per share and raising about Kz 220,9 billion.

Dividends from the 2025 financial year totalled **Kz 313,3 billion across the five listed companies**, equivalent to roughly USD 344 million and 56% above the Kz 200,9 billion distributed the previous year. BAI and BFA accounted for Kz 286,2 billion of that, a 67% increase, reflecting the sector's record earnings.

Indicator, 2025 financial year	BAI	BFA
Net profit	Kz 295,7bn	Kz 230,6bn
Total dividend	Kz 147,8bn	Kz 138,4bn
Dividend per share	Kz 7.601,1	n/d
Payout ratio	50%	~60%

Dividend yield	~8%	~8%
Market capitalisation	~Kz 1,83tn	n/d
Implied price/earnings	~6x	~7-8x

Dividend and profit figures are as published. Market capitalisation is as reported by a market data provider and moves with price. Price/earnings multiples are derived by the author from those inputs and are indicative only. Price-to-book multiples are not presented because book value per share is not consistently published. Reference date: dividend cycle of April 2026.

WHAT THE VALUATION DOES AND DOES NOT TELL YOU

Single-digit earnings multiples and dividend yields near 8% look inexpensive against most emerging market banking sectors. Three qualifications apply before drawing conclusions.

Liquidity is thin. Free float is small, trading is infrequent, and quoted prices can move sharply on modest volume. Entry at scale and, more importantly, exit at scale are not demonstrated.

Earnings quality is the open question. A substantial share of profit derives from sovereign securities and foreign exchange intermediation. Both are policy-sensitive. A narrower parallel premium or a lower sovereign yield curve would compress earnings without any change in banking performance.

Returns are in kwanza. An 8% kwanza yield is not an 8% dollar yield. Any assessment must take a view on the currency, on repatriation friction, and on the tax treatment set out in section 9.

5 Ownership in transition

The state is selling, Europe is leaving, and one domestic group is buying.

State divestment

The National Privatisation Programme, PROPRIV, launched in 2019 and updated by Presidential Decree n.º 36/26 in February 2026, covers 78 priority state assets including Standard Bank Angola, Unitel, TAAG, ENSA and Angola Telecom. Sales are routed through BODIVA rather than negotiated privately, which improves price discovery and develops the exchange simultaneously.

BCI was the first major banking divestment. Sold in December 2021 to Grupo Carrinho Empreendimentos for Kz 16,5 billion — approximately USD 29 million — through the first exchange auction of an Angolan state company. The sale attracted criticism that the price sat below what the state might have realised and that no market valuation had been established beforehand; the government's position was that the bank required shareholder support it was not receiving.

BPC remains state-owned. It returned to profitability in 2023 after seven consecutive loss-making years, posting roughly Kz 115,9 billion that year and Kz 120,1 billion in 2024, with assets above Kz 1,7 trillion. Its recovery is inseparable from Recredit, the state asset management vehicle that absorbed non-performing portfolios in exchange for government bonds, and which recovered Kz 28,19 billion in the first half of 2026 alone.

Foreign exit

VTB África, Russian-owned, wound up its Angolan operations in 2025 after eighteen years through an orderly voluntary dissolution, reducing the sector from 22 institutions to 21.

BPI, the Portuguese bank owned by CaixaBank, agreed on 3 September 2026 to sell its remaining 33,35% stake in BFA to Congolian Financial SA, a Grupo Carrinho vehicle. The structure is €345 million on completion, €43,5 million deferred to May 2027, and a variable payment in May 2027 equal to half of BFA's 2026 dividend attributable to the shares. The two fixed tranches total €388,5 million, implying a valuation near €1,165 billion for BFA as a whole. BPI carried the holding at €379 million at end-June 2026.

The European Central Bank had pressed BPI to reduce Angolan exposure since 2017, intensifying after CaixaBank acquired full ownership of BPI. An earlier sale process in July 2023, with Carrinho among the bidders, was suspended over kwanza depreciation. BPI had already sold 14,75% at the September 2025 IPO for €103 million.

The transaction remains subject to BNA non-objection, a CMC determination that no mandatory takeover offer is triggered, and Unitel declining to exercise pre-emption rights as largest shareholder with approximately 36,9%.

CONCENTRATION — THE SUPERVISORY QUESTION

Grupo Carrinho, founded in 1993, is Angola's largest agro-industrial conglomerate, with interests in rice, wheat, maize, oil refining and consumer goods. It holds approximately 74% of BCI and around 70% of Banco Keve. Completion of the BFA transaction would add 33,35% of the country's second-largest bank, alongside insurance and brokerage interests.

The group has visibly managed this exposure: Congolian Financial acquired about 7,61% of BFA around the 2025 listing, then transferred the holding to the AXIOS fund, retaining economic exposure while leaving the shareholder register. Angolan reporting has attributed the restructuring to avoiding a concentration scenario.

For an investor, this is a double-edged development. Domestic ownership may prove more committed than departing European shareholders. It also concentrates significant banking influence in a single family group operating in sectors those banks lend to — a related-party and conglomerate governance question the BNA's macroprudential framework exists to address, and one whose handling will be informative.

6 Earnings and the credit gap

Why profitable banks finance so little, and what would change it.

Where earnings come from

Sector net profit expanded 82% in 2024 to approximately Kz 905,6 billion, with commercial bank profits rising a further 63% in the first half of 2025 alone to Kz 539,3 billion.

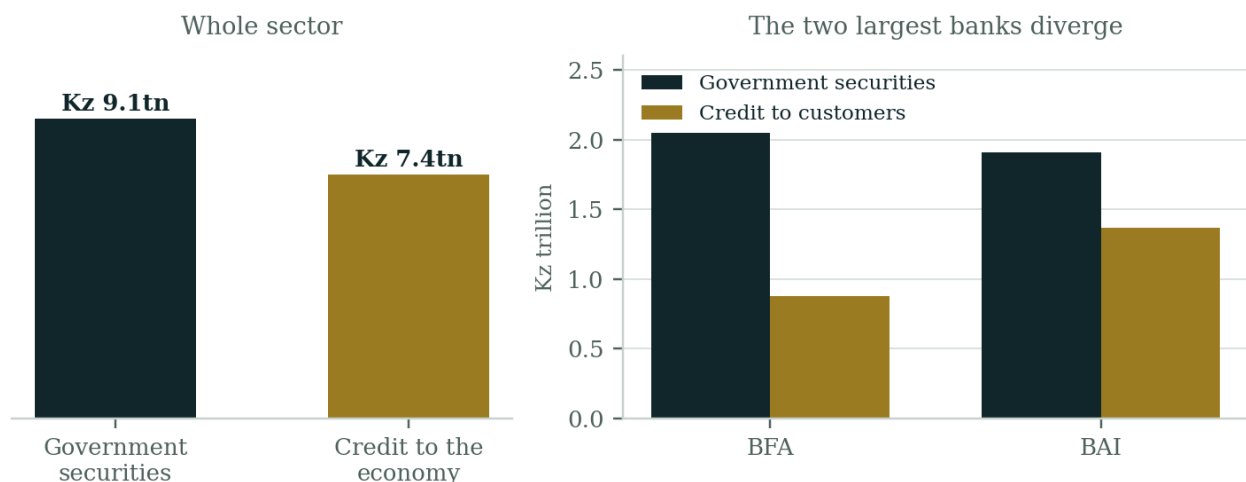
Published totals for the full year 2025 diverge. The BNA's annual report gives roughly Kz 951 billion; analysis covering the 19 banks that published accounts arrives above Kz 1 trillion, which is the source of the widely quoted milestone. The difference is sample and basis, not direction.

Three drivers account for most of the growth: interest income from treasury securities, up around 25% in 2024; foreign exchange and trade finance, up roughly 65% in 2024 and reaching about Kz 429,3 billion in 2025; and fee income, up around 41% as transaction volume migrated to digital channels. Five institutions — BFA, BAI, Standard Bank Angola, BPC and Banco Keve — account for 75% to 78% of all sector profit.

The sovereign concentration

Bank holdings of government treasury debt reached approximately Kz 9,1 trillion in 2025, up 22% year on year, representing 32% to 35% of total bank assets. Credit to the economy stood at roughly Kz 6,8 trillion in 2025, rising to around Kz 7,4 trillion by mid-2026. The credit transformation ratio — loans as a share of deposits — sits between roughly 31% and 45%.

The behaviour is rational. Government paper carries a zero risk weighting, is liquid, and has paid high yields in a high-rate environment. Private lending means credit risk in a market where roughly one loan in six is non-performing, with weak collateral enforcement. Supply reinforces it: the government issued around Kz 1,7 trillion in the primary market in the first half of 2025, up 26%.



Government securities against credit to the economy, whole sector and the two largest banks. Sector figures 2025 and mid-2026; bank-level figures Q2 2026. Sources: Banco Nacional de Angola, published bank accounts.

Individual positioning differs, and the divergence between the two largest banks is instructive. BFA holds around Kz 2,05 trillion in government securities against roughly Kz 875 billion in customer credit — more than twice as much lent to the state as to the economy. BAI has moved in the opposite direction, growing its credit book 45% year on year to about Kz 1,37 trillion while its sovereign holdings contracted.

Mandated lending

Aviso n.º 10/2024 requires banks to allocate at least 2,5% of total net assets to priority productive sectors — agriculture, manufacturing, livestock, fisheries, healthcare, pharmaceuticals and associated logistics — with total credit cost capped at 7,5% annually for long-term investment and 10% for working capital. Banks may deduct up to 80% of eligible disbursements from mandatory reserves, making compliance substantially cheaper than the headline caps suggest. Operations under the Aviso represent around 81,7% of all real-economy credit.

Aviso n.º 09/2024 establishes a parallel subsidised regime for housing, construction and tourism infrastructure, capped at 7% annually with the same reserve offset.

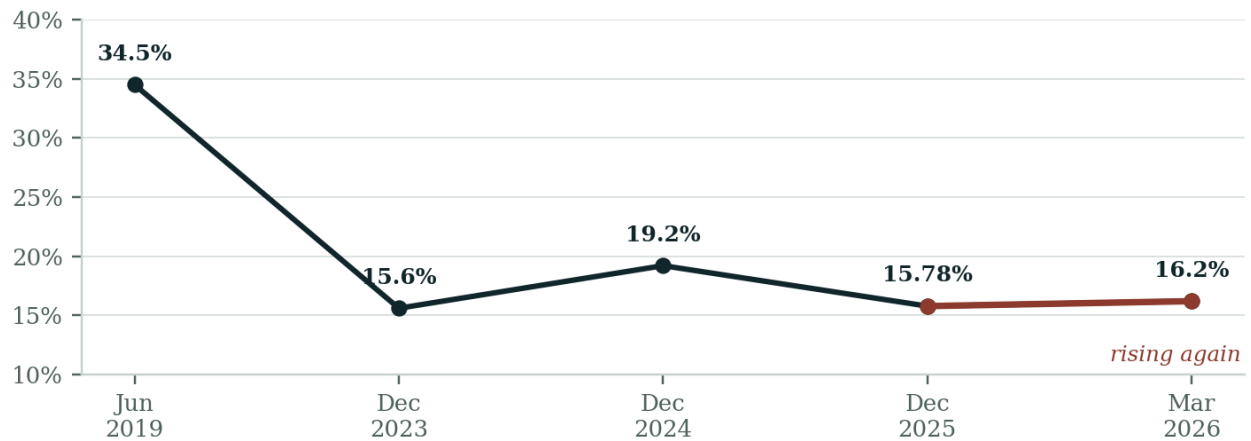
The assessment should be measured. A 2,5% quota against net assets directs credit that would not otherwise flow, but it is modest against a sector holding a third of assets in government paper, and it does not alter the underlying risk-return calculation. The durable fix would combine a less absorptive sovereign issuance path with credit infrastructure — collateral registries, enforcement, credit information — neither of which is within the central bank's sole control.

Asset quality

The long trend is favourable. Non-performing loans peaked at 34,5% of gross credit in June 2019 and stood at 15,6% by December 2023.

They then rose to 19,2% by December 2024, driven by the central bank's own tightening: two rate increases in 2024 combined with a suspension of central bank lending pushed banks into the interbank market, where overnight Luibor moved from 4,00% to a record 32,6% in September 2024 before closing the year at 22,7%. Repayment costs rose and borrowers defaulted.

Through 2025 the ratio fell back to 15,78% on the BNA's measure, achieved through write-offs, IFRS 9 provisioning, Recredit transfers and a growing loan base. Independent analysis of the 19 reporting banks gives 14,3%.



Non-performing loans as a share of gross credit, BNA basis, selected observations. The 2024 increase followed monetary tightening; the 2026 increase has no equivalent explanation. Source: Banco Nacional de Angola.

THE 2026 REVERSAL

In the first quarter of 2026 the ratio rose 0,4 percentage points to **16,2%**. Gross credit stood at Kz 9,5 trillion in March, of which just over Kz 1,5 trillion was non-performing — an increase of Kz 87 billion since December.

The context is what makes this notable. Deterioration is occurring while the economy grows, inflation falls sharply and monetary policy eases. That is not the expected pattern, and it suggests the 2025 improvement owed more to balance sheet management than to improving borrower health. A second and third consecutive quarterly increase would confirm it. Provision coverage across major banks remains strong.

7 Payments, fintech and inclusion

The part of the system that has modernised fastest.

Infrastructure

EMIS, the interbank clearing house, operates the national Multicaixa switch. The BNA holds approximately 45% of EMIS, with commercial banks holding the remainder and BFA the largest private shareholder at roughly 19% to 20%. Angola therefore has a single national retail switch, delivering complete interoperability and, equally, no alternative if it fails.

In 2025 the network processed **3,4 billion transactions worth Kz 46 trillion**, growth of 47,9% in volume and 31,2% in value, with a single-day record of around 15,8 million transactions on 24 December. More than 110.000 point-of-sale terminals are in operation.

Multicaixa Express, the mobile channel launched in 2019, now accounts for 62% to 64% of all network operations, processing 2,1 billion transactions worth Kz 19,7 trillion in 2025. Cheque use has collapsed by over 96%.

Two structural developments completed in 2026. The domestic payment system migrated to the ISO 20022 messaging standard, a prerequisite for international correspondent integration. And on 27 July 2026 the kwanza became the second currency accepted for settlement in the SADC regional real-time gross settlement system, after the South African rand — allowing regional trade to settle in kwanza without conversion. Five Angolan banks were admitted initially: BAI, Banco BIC, BNI, Banco de Crédito do Sul and Banco Yetu.

Instant payments and wallets

KWiK, the BNA's instant payment arrangement, connects 22 participating institutions including both commercial banks and non-bank electronic money issuers. It is account-to-account rather than card-based, which is what allows money to move between a bank account and a mobile wallet in either direction.

Sixteen companies are licensed to issue electronic money. The largest are telecom-backed — Unitel Money, launched 2021 and operating over 50.000 agents nationwide including via USSD on basic handsets, and Africell's Afrimoney. PayPay Africa is the significant independent, and in late 2025 became the single largest processor of KWiK volume nationally at around 33,6% of transfers, ahead of every commercial bank.

Inclusion and its constraints

Financial inclusion reached 51,7% in early 2026 against a 65% target for 2027. Bancarisation — actual bank account ownership — is 32%, around 5,7 million adults, targeted to reach only 36%. The strategy is explicitly to reach the excluded through wallets and agents rather than through bank accounts.

The binding constraint is documentation: more than half of Angolan adults hold no identity card. The regulatory response is a tiered electronic money account structure in which Type I accounts may be opened with no identification at all, subject to limits, with identity verifiable after 180 days through a signed witness declaration.

Agent networks are expanding rapidly while branches contract. Banking agents grew from 665 in 2023 to 4.922 in 2024 and 7.043 in 2025; payment agents from 2.388 to 11.830 over the same period. The branch network rose just 2% between 2023 and 2024, to 1.454, and has since declined. Banks are substituting agents for branches, not supplementing them.

8 How a foreign investor actually enters

The legal route in, and the route back out.

The private investment regime

Foreign investment in Angola is governed by the Private Investment Law and administered by **AIPEX**, the investment and export promotion agency. The current regime is materially more favourable than its predecessor and the difference matters.

Under the previous law, repatriation of profits required a minimum investment of USD 1.000.000 per investor and was graduated by development zone and project size, with waiting periods of up to three years after implementation. Those constraints were removed. The current regime provides for repatriation of dividends, liquidation proceeds, indemnities and royalties, subject only to the project being implemented and that implementation being evidenced, with **no minimum investment threshold and no time gradation**.

AIPEX confirms that external investors have the right to repatriate profits and dividends following full execution of the project, verified by the BNA.

THE STEP MOST OFTEN MISSED

The right to repatriate is conditional on the investment having been properly registered and the capital inflow correctly evidenced through the exchange control system. Capital that enters informally, or that is not registered at the time of entry, can be extremely difficult to repatriate later regardless of the statutory right. Registration is not an administrative formality; it is the mechanism through which the right becomes exercisable.

Note also that resident expatriates are required to repatriate profits, dividends and disposal proceeds from foreign investments into an Angolan bank account within 60 days of payment.

Acquiring a holding in a bank

Banking is a regulated activity and shareholdings in banks are supervised. Acquisition of a qualifying holding requires authorisation from the Banco Nacional de Angola, which assesses the suitability of the proposed shareholder, the source and adequacy of funds, the effect on the institution's governance, and the capacity to provide further capital if required. The BNA also authorises mergers, demergers and changes to the corporate object of financial institutions.

Two live transactions illustrate the process. The BPI sale of 33,35% of BFA is conditional on BNA non-objection, on a determination by the CMC that no mandatory takeover offer is triggered, and on the largest shareholder declining to exercise pre-emption rights. The BCI privatisation in 2021 proceeded through an exchange auction under the state divestment programme rather than a negotiated sale.

Practical consequence: an acquisition timetable in Angolan banking is regulatory, not commercial. The BFA transaction has been in contemplation since at least 2023 and remains unclosed.

Routes available

- **Listed equity on BODIVA.** Buy through a licensed broker with exchange access. Confirm settlement arrangements and eligibility before trading. Liquidity is limited.
- **State divestment.** PROPRIV offerings are routed through BODIVA. The Standard Bank Angola stake is the next significant banking asset in the pipeline.
- **Private acquisition.** Subject to BNA qualifying-holdings authorisation. The June 2028 capital requirement is likely to generate willing sellers among smaller institutions.
- **Debt instruments.** Treasury bonds and bills dominate BODIVA turnover, including foreign-currency denominated treasury bonds. This is the deepest and most liquid segment of the market by a wide margin.

9 Tax treatment

What reaches the investor after the Angolan state has taken its share.

Angolan tax on investment returns operates principally through two taxes: corporate income tax on the company's profits, and *Imposto sobre a Aplicação de Capitais* (IAC) on distributions and financial income. IAC is the one that determines net return to a foreign shareholder.

Corporate income tax (IRC), general rate	25%
Rates applicable to financial institutions should be confirmed separately	
IAC, standard rate	15%
IAC on interest and capital gains on securities	10%
IAC on profits repatriated by a permanent establishment	10%
Value added tax, general rate	14%

THE LISTED-EQUITY INCENTIVE

Dividends from shareholdings traded on a regulated market benefit from a **50% reduction in the applicable IAC rate for five years**. For an investor choosing between a listed and an unlisted holding, this is a material difference in net yield and is an explicit policy instrument to build the domestic capital market.

Combined with the roughly 8% gross dividend yields on the listed banks, the incentive is the strongest single argument for accessing the sector through BODIVA rather than privately.

Structuring point. Investors operating through a branch or other permanent establishment rather than an Angolan-incorporated subsidiary should note that the repatriation of profits attributable to that establishment is taxed in substantially the same way as a dividend, at 10%. This is a cash-flow cost to budget for rather than a structure to assume away.

Loan financing. Angolan tax law presumes a minimum annual interest rate of 6% on loan contracts and credit lines unless a different rate is evidenced by a written and stamped contract — relevant to any shareholder loan structure.

Tax rates and reliefs change, treaty positions vary by investor jurisdiction, and the treatment of financial institutions may differ from the general regime. This summary is orientation only and must not be relied on as tax advice. Obtain a current opinion from an Angolan tax adviser before structuring any transaction.

10 Depositor protection and resolution

What happens if a bank fails.

Angola operates a deposit guarantee scheme, the **Fundo de Garantia de Depósitos** (FGD), established by Presidential Decree n.º 195/18 of 22 August 2018. It is a public law entity with administrative, financial and asset autonomy, based in Luanda and operating alongside the BNA. Participation is compulsory for every deposit-taking bank under BNA prudential supervision, funded by regular contributions calculated on deposits.

Coverage limit per depositor, per institution	Kz 12.500.000
Approximate equivalent at current rates	~USD 13.700
Payout deadline once unavailability is confirmed	3 months
Maximum extensions, one month each	2

The guarantee is triggered when the BNA confirms and communicates that a participating bank is unable to repay deposits, whether for reasons connected to its financial condition or because its authorisation has been revoked. The limit applies to the aggregate of each depositor's balances at the institution, not per account.

Exclusions relevant to investors. The guarantee does not cover deposits held by members of the bank's management or supervisory bodies, by shareholders holding directly or indirectly 10% or more of share capital, or by its accountants and auditors. An investor taking a qualifying stake in an Angolan bank is, by that act, outside the deposit guarantee at that institution.

Assessment. A limit of roughly USD 13.700 provides meaningful protection for retail depositors and effectively none for corporate treasury balances. Any company holding operating cash in Angola should regard bank selection as a credit decision rather than a service decision, and should note that resolution experience in Angola has more often taken the form of state recapitalisation and asset transfers to Recredit than of depositor payout.

11 Risk register

The material exposures, assessed.

Foreign currency access and repatriation

High

The exchange rate is managed and reserves finite. A persistent parallel premium near 30% indicates formal supply does not meet demand. Outward transfers require documentation, carry layered fees plus 14% VAT, and execution timing varies with seasonal pressure. Models assuming frictionless repatriation at the official rate understate cost and timing risk.

FATF grey-listing and correspondent banking

High

Angola has been listed since October 2024 and remained so at the June 2026 plenary, targeting exit by 2027. Three of the five outstanding action items concern investigations, prosecutions and sanctions enforcement — matters outside the central bank's control. Direct US dollar clearing, cut in 2015, was restored only to Standard Bank Angola (J.P. Morgan) and BFA (Deutsche Bank) in late 2025. Counterparty selection materially affects international settlement capability.

Asset quality

Medium-high

Non-performing loans at 16,2% remain high by international standards and have resumed rising despite favourable macroeconomic conditions. The 2024 spike demonstrated that monetary tightening transmits rapidly into defaults, a relevant consideration if the easing cycle reverses.

Sovereign-bank nexus

Medium-high

With roughly a third of bank assets in government securities, bank solvency is closely tied to sovereign creditworthiness. Any deterioration in public finances transmits directly to the banking system, and the concentration limits the sector's capacity to absorb a sovereign stress event.

Ownership concentration and related-party exposure

Medium

One conglomerate holding controlling stakes in multiple banks, operating in sectors those banks lend to, raises related-party lending and governance questions. Supervisory response is untested at this scale.

Operational concentration in payments

Medium

A single national switch and one dominant application carrying over 60% of retail operations, dependent on telecom infrastructure EMIS does not control. A congestion event in December 2024 disrupted mobile banking nationwide. There is no fallback at national scale.

Cyber

Medium

The BNA reports 250 to 350 attempted attacks daily against central bank and interbank infrastructure, and was itself hit by ransomware in January 2024 that interrupted the real-time settlement system for roughly 24 hours. Aviso n.º 03/2026 has elevated cybersecurity to a formal control function with board-level accountability.

Regulatory and mandated lending

Moderate

Credit allocation quotas at capped rates, and a capital minimum rising 67% by June 2028, represent active regulatory intervention in commercial decisions. Both are manageable for large institutions and material for small ones.

Fiscal and subsidy reform

Moderate

Fuel subsidies underpin the inflation trajectory at significant fiscal cost. Reform is repeatedly discussed and would transmit quickly into prices, rates and, through them, asset quality.

Methodology. Gradings express the author's judgement of each exposure's materiality to a foreign investor in the Angolan banking sector, combining likelihood of crystallisation with severity of effect on returns. They are not model outputs, carry no statistical basis, and are not comparable to a rating agency scale. They are offered as a structured starting point for the reader's own assessment, not as a substitute for it.

12 What to watch

Near-term triggers and the calendar.

Decision points

- **Completion of the BPI-Carrinho transaction.** Unitel's pre-emption right and the CMC's takeover determination are both live. The outcome sets the ownership structure of the second-largest bank and tests supervisory appetite on conglomerate concentration.
- **The June 2028 capital deadline.** The clearest source of transaction flow in the sector. Watch for early merger announcements among the fourteen smaller institutions, and for whether the ARC's objection produces any tiering of the requirement.
- **Standard Bank Angola's state stake.** The next major PROPRIV banking offering through BODIVA, and a test of whether the demand seen at ENSA and BFA is durable.
- **FATF plenaries.** Statements are published in February, June and October. Exit requires demonstrated prosecutions rather than further legislation.
- **Correspondent banking.** Two banks restored direct dollar clearing in 2025. Whether BAI, BIC and Millennium Atlântico follow determines if the constraint lifts sector-wide or stays concentrated.
- **Non-performing loans.** A second and third consecutive quarterly increase would confirm that the 2025 improvement was balance sheet management rather than recovery.
- **Whether credit shifts.** BAI growing its loan book 45% while holding sovereign exposure flat is one data point. A second large bank following would be a trend.

Reporting calendar

Monetary Policy Committee	approx. every 2 months
Consumer price index (INE)	monthly
FATF plenary statements	Feb / Jun / Oct
BNA annual report	annual
Bank annual accounts	Q1-Q2 following year

A note on data quality

Angolan banking statistics are published on differing bases by the BNA, INE, EMIS and private analysts, and they frequently disagree. The 2025 sector profit figure, the non-performing loan ratio, financial inclusion targets and the bancarisation base all have more than one defensible published value. This briefing states the basis wherever sources diverge rather than selecting a single figure silently. Readers building models should confirm each input against its primary source and reference date.

13 Further reading

The nine detailed sector pages this briefing draws on.

Each page carries fuller detail, additional figures and the source attributions summarised here.

Overview and regulation

angolaexpert.com/en/angolan-banking-sector-overview-and-regulation/

Kwanza, inflation and foreign exchange

angolaexpert.com/en/angolan-banking-sector-currency-monetary-policy/

Banks in Angola: full list, market share and profiles

angolaexpert.com/en/angolan-banking-sector-banks-in-angola/

Bank privatisation: state exits and Carrinho's rise

angolaexpert.com/en/angolan-banking-sector-state-banks-privatisation/

Bank profits, sovereign debt and credit to business

angolaexpert.com/en/angolan-banking-sector-profits-credit-capital-markets/

Modernising Angola's payments infrastructure

angolaexpert.com/en/angolan-banking-sector-payment-systems/

Financial inclusion in Angola

angolaexpert.com/en/angolan-banking-sector-fintech-financial-inclusion/

The FATF grey list, de-risking and cyber risk

angolaexpert.com/en/angolan-banking-sector-compliance-fatf-cybersecurity/

Practical banking: opening an account in Angola

angolaexpert.com/en/banking-in-angola-open-account/

Primary sources. Banco Nacional de Angola (annual report, monetary policy committee statements, monthly payment system reports, Avisos and Instrutivos); Instituto Nacional de Estatística; EMIS and the Multicaixa network; Financial Action Task Force plenary statements; BODIVA; published annual accounts of Angolan commercial banks; Deloitte *Banca em Análise*; Angolan financial press including *Expansão*, *Economia & Mercado* and *Novo Jornal*.

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