

The KPMG logo is located in the top left corner. It consists of the letters 'KPMG' in a bold, white, sans-serif font, set against a blue rectangular background with vertical lines. The background of the entire page is a close-up photograph of a man's face, overlaid with a white grid pattern that resembles a world map.

**KPMG**

KPMG AUDITORES E CONSULTORES, S.A.

# **Mukanda Económica**

Economic Newsletter – November 2008

AUDIT/TAX/ADVISORY

AUDIT ▪ TAX ▪ ADVISORY



## Recruitment and Selection

KPMG tries to be a customers close partner, able to identify and develop the talent and profitability of our Human Resources.

We have the knowledge about local conditions and business environment in Angola, we also have wide and significant presence at international level. This gives us the best conditions to supply global solutions and at the same time design solutions, which will answer to the different needs of the Organizations, fitted by the best management practices

Under the Advisory Human Resources, our services are provided under 5 different areas:

- Executive Search
- Recruitment and Selection
- Potential Evaluation
- Psychological Evaluation
- Large Selection Projects (*start-ups*) and *Outsourcing*

More information on page 29

1. **Macroeconomic Information**
2. **News**
3. **Relevant Statistic Trade**
4. **Legislation Published**
5. **Events**
6. **KPMG Services**
7. **Service Highlights**





## 1. Macroeconomic Information

### A) Consumer Prices Index - Luanda

2008				Inflation Variation in Spending Class	
	Month	Annual Accumulated	Last 12 Months		%
January	0,85%	0,85%	11,82%	<b>General Index</b>	<b>1,08</b>
February	0,86%	1,72%	11,82%	01. Food and non-alcoholic drinks	0,73
March	0,72%	2,46%	11,74%	02. Alcoholic Drinks and Tobacco	0,03
April	0,92%	3,40%	11,89%	03. Clothing and footwear	0,08
May	1,02%	4,46%	12,04%	04. Habitation, water, electric. and fuel	0,05
June	1,00%	5,50%	12,27%	05. Furniture, domestic equip. and maint.	0,06
July	1,16%	6,72%	12,50%	06. Health	0,02
August	1,03%	7,82%	12,78%	07. Transportation	0,01
September	0,86%	8,75%	12,91%	08. Communications	0,00
<b>October</b>	<b>1,08</b>	<b>9,93%</b>	<b>13,21%</b>	09. Leisure, recreation and culture	0,02
				10. Education	0,00
				11. Hotels, coffees and restaurants	0,96
				12. Assorted Goods and Services	1,02

<b>Inflation 2007</b>	<b>11,80%</b>
<b>Inflation 2006</b>	12,20%
<b>Inflation 2005</b>	18,53%
<b>Inflation 2004</b>	31,02%
<b>Inflation 2003</b>	76,57%

Source: INE

### B) Exchange Rates

	Beginning	End	Variation
EUR/USD	1,282	1,272	-0,78%
USD/ZAR	9,858	10,096	2,41%
USD/BRL	2,147	2,334	8,71%
USD/CNY	6,836	6,835	-0,01%
USD/KW	75,031	75,028	0,00%
EUR/KW	95,518	97,207	1,77%
ZAR/KW	7,507	7,608	1,35%

Source: Angolan Central Bank and Portuguese Central Bank



### C) Raw Materials

	Beginning	End	Variation
<b>Gold (usd p/ ounce)</b>	723,55	818,05	13,06%
<b>Oil (usd p/ barrel)</b>	63,91	54,43	-14,83%
<b>Natural Gas</b>	6,840	6,510	-4,82%

Source: Nymex and Bloomberg

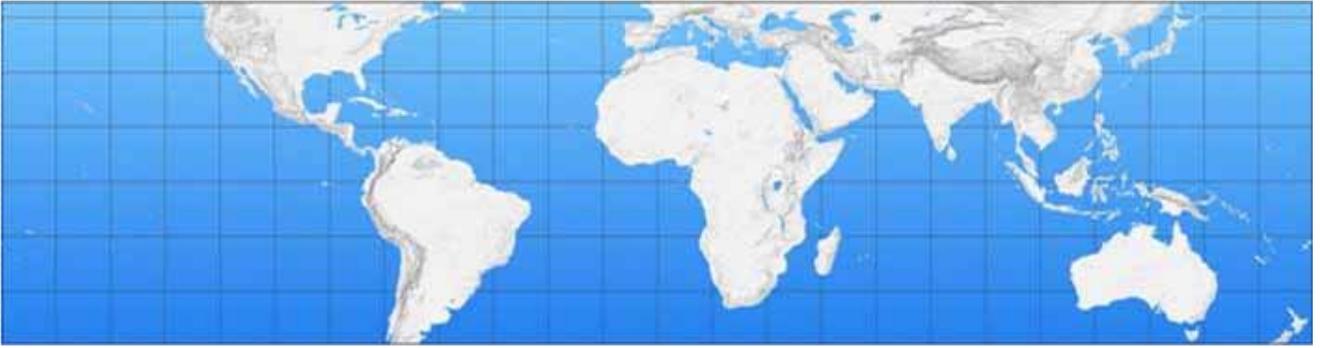
### D) Nominal Interest Rates

2007				
	Kwanzas		USD	
	Up to 180 days	More than 1 year	Up to 180 days	More than 1 year
<b>December</b>	13,94%	8,72%	8,66%	8,36%
2008				
<b>March</b>	13,25%	10,03%	7,22%	8,43%
<b>June</b>	11,95%	11,26%	9,00%	7,58%
<b>July</b>	10,75%	11,30%	6,87%	7,48%
<b>August</b>	13,36%	10,89%	10,67%	7,48%
<b>September</b>	14,56%	10,68%	10,89%	7,56%
<b>October</b>	12,18%	10,35%	9,25%	7,66%

Source: Angolan Central Bank

It is available on the internet the proposal for the Government Budget 2009. For more information, please visit the website:

<http://www.minfin.gv.ao/docs/dspPropostaOrcam.htm>



## 2. News

### A) Presidency of the Republic

#### PR creates working group for requalification implementation

The President of the Republic, José Eduardo dos Santos, on Wednesday created a working group aimed at joining efforts of the Government, the private sector and the civil society to implement the Project for the Requalification of Cazenga Municipality, in Luanda.

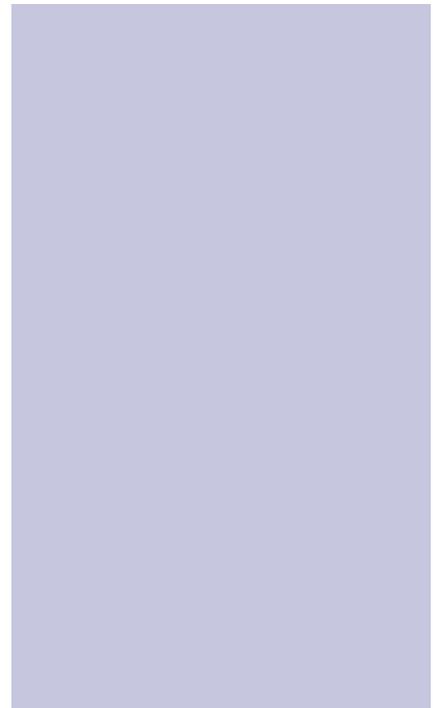
According to a press release from the Office of the President, distributed in Luanda, the group is coordinated by Aginaldo Jaime of the National Agency for Private Investment (ANIP), among other representatives from the Ministries of Urban Affairs and Housing, Public Works and Environment, as well as the Government of Luanda Province.

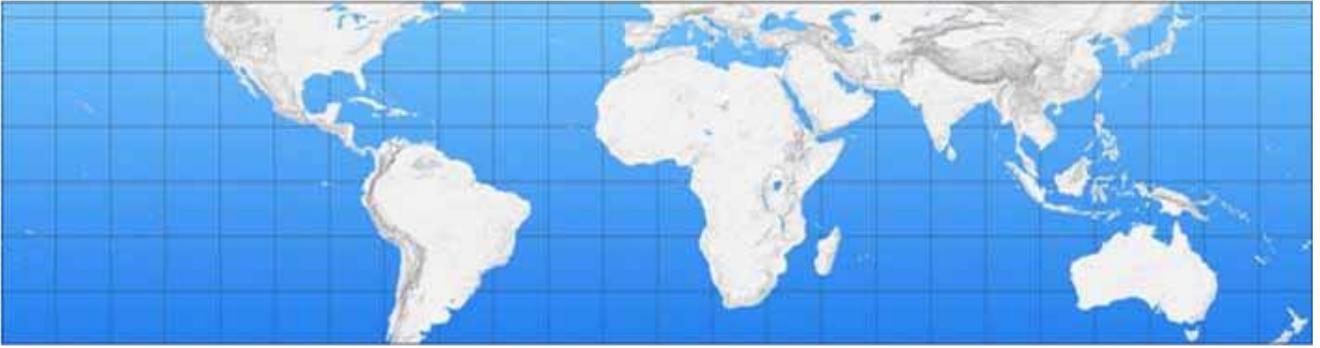
Other members, from the private sector include the consortium of GEOSAT7 Lda, COIMÓVEIS, Lda., companies that use advanced rapid building technology, DAR-EL-HANDASH, consultant and designer, as well as Banco de Negócios Internacional (BNI).

The document further states that the civil society is represented by Association of Intellectuals of Cazenga, emphasizing that in order for the group to fully fulfill its duties, it has to establish its internal organization and mode of operation, mobilize, within and outside the country, the necessary financial resources, regularly informing the Head of Government on their performance.

13th of November 2008

Angop





### PR creates Steering Committee for the Angola Sovereign Wealth Fund

The President of the Republic, José Eduardo dos Santos, created on Thursday, in Luanda, a Steering Committee for the Angola Sovereign Wealth Fund (SWF), taking into account that in view of the current global economic situation, the State needs mechanisms that guarantee the efficient management of its resources and shield the country against external vulnerabilities and turbulent economic cycles.

According to a press release from the Office of the President of the Republic, the duties of this Committee include to establish a strategy and conditions for the operation and development of the FSA, an instrument that will guarantee the maintenance and maximization of the financial reserves of the country and use them in areas of strategic interest to national development, thus leading to the internationalization of the Angolan economy.

Coordinated by the Economic Advisor to the President of the Republic, with membership of Ricardo Viegas d'Abreu and Francisco de Lemos José Maria, the committee is overseen by the Minister of Economy, Manuel Nunes Júnior, and supported by a technical group for legal affairs composed of the Secretary to the Council of Ministers and the Advisor to the President of the Republic on Legal Matters

The new committee shall work in close coordination with the Ministry of Finance and the National Bank of Angola, submit its support budget and expenditure for the ongoing work to the Ministry of Finance and complete its work in 20 days.

20th of November 2008

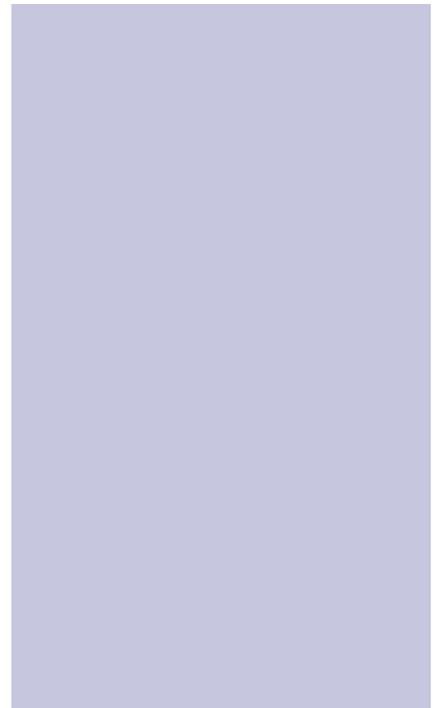
Angop

### President of the Republic issues dismissal and appointment decrees

The President of the Republic, José Eduardo dos Santos, yesterday, Monday, in the exercise of powers conferred on him by the Constitution, issued various decrees, according to the press release from the Office of the President.

The Head of State removed Américo Maria de Morais Garcia from the office of Chief of Staff of the President of the Republic, Mártires Correia Victor, from the office of Deputy Governor of Luanda Province, José Durbalino de Carvalho, from the office of Deputy Governor of Malanje and Miguel Maria Nzau Puna from the office of Ambassador Extraordinary and Plenipotentiary of the Republic of Angola to Canada.

On the other hand, the President appointed Federico Manuel dos Santos e Silva Cardoso as the Chief of Staff of the President of the Republic and Francisco Manuel Monteiro de Queiroz as advisor to the President for Parliamentary Affairs.



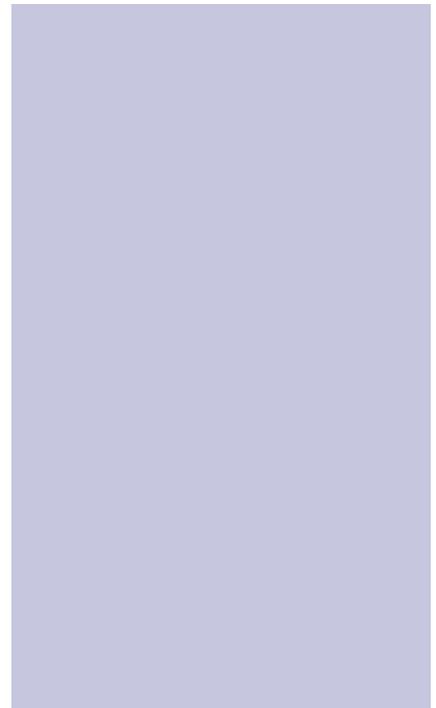


Jovelina Alfredo António Imperial and Francisco Domingos were appointed as Deputy Governors of Luanda Province for Social and Economic Affairs, respectively, while Conceição Luís Cristóvão, who was occupying the office in Malanje will be in charge of Organization and Technical Services.

The Head of State also appointed Aniceto Miguel da Costa Aragão, Manuel José Domingos, Arcanjo Custódio, Domingos Salvador Baxe, Beato Manuel Paulo, Pascoal António Joaquim, Miguel do Nascimento Moraes and Filomena Margarida do Nascimento Gonçalves as assistants to the Attorney General of the Republic.

24th of November 2008

Angop





## B) Government

### Minister of Transport appoints new Inavic Directors

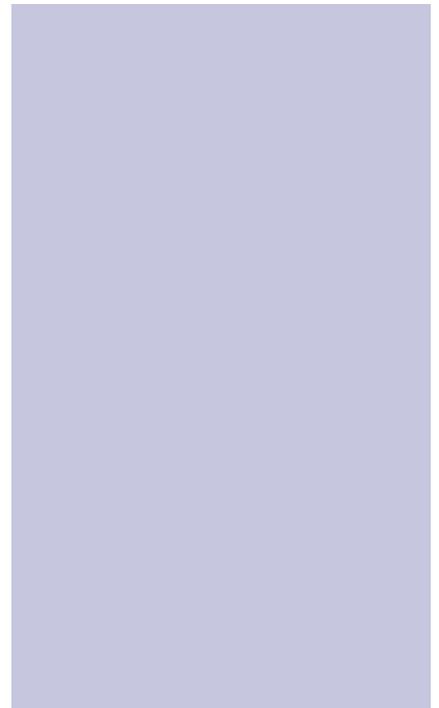
The Minister of Transport, Augusto Tomás, appointed, on Wednesday, a new Management Body for the National Institute of Civil Aviation (Inavic), to be headed by Gaspar Francisco dos Santos.

According to the press communiqué made available to Angop, Celso Rosas was appointed to the office of Deputy Director General.

In another executive order, the Minister of Transport relieved António de Jesus Pombal of the office of Director General of Inavic and Gaspar dos Santos and José Machado Jorge of the positions of Deputy Directors General, while Sebastião Domingos was relieved of the position of the position of Government representative at Ghassist.

12th of November 2008

Angop





## C) Resolutions of the Ministers Council

### Government dissolves the Board of TAAG

The government yesterday (Thursday) dissolved the Board of TAAG and directed the Ministries of Economy, Finance and Transport to appoint a management committee and a steering committee for the *Refoundation* program of the company.

The measures taken today by the Council of Ministers, at its extraordinary session, presided over by the President of the Republic, José Eduardo dos Santos, were born out of the current situation in which the national air career is.

According to a press communiqué from the Ministry of Transport, distributed to the press, “ the government decided not to further prolong the approach of development in continuity that had been followed by TAAG and instead introduce certain changes that will lead to the permanent reversal of the current situation of the company” .

In spite of efforts made and support given by Government, the Board of Directors, which mandate has now been terminated, “ was unable to lead the company to incontrovertibly overcome the operational and security obstacles that were adduced for the banning of TAAG from European airspace, which ought to have been one of their major achievements” , the communiqué read.

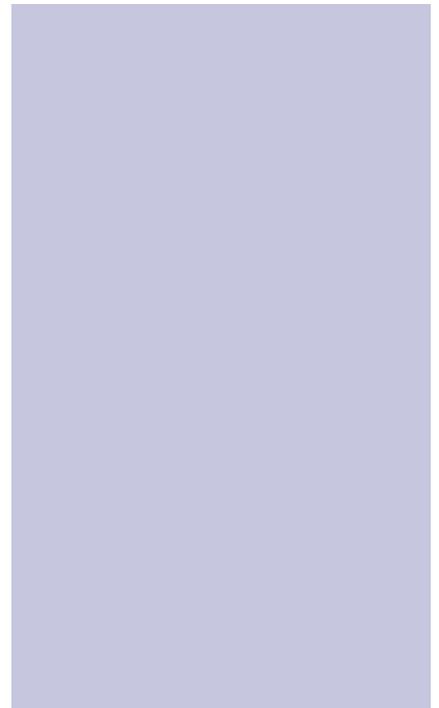
12th of November 2008

Angop

### Management Committee created for Taag

The affairs of the National Airline, Taag-EP, shall, from today, be conducted by a management committee appointed through the joint executive order of the Ministries of Economy, Finance and Transport, within the framework of the *refounding* of the company.

According to the executive order, made available to Angop, the committee shall have a one-year mandate, which could be shortened or extended, depending on the program for the *refoundation* of Taag-EP, coordinated by António Luís Pimentel de Araújo. Other members of the committee are Joaquim Teixeira (Deputy Coordinator), Adriano António de Carvalho, Efigénia Martins, Luís Eduardo dos Santos, Rui Teles Carreira and Domingos Sebastião.





Positions will be distributed to members of the committee in such a way as to ensure balance between the complexity of the airline and the immediate challenges that it faces.

In another joint executive order, from the same ministries, a Committee for the Taag *Refoundation* Program was established, to be coordinated by Adriano António de Carvalho and assisted by Rui Teles Carreira.

The committee to be overseen by the Minister of Transport, Augusto Tomás, has the major objectives of designing a strategy and an organizational structure for the new national airline.

The committee shall propose to the Minister of Transport the adoption of a dual model, separating the supervisory body (general council and supervision) and the executive body (Board of Directors), the hiring of national or foreign manager to the Board of Directors and to the second lines. It may also propose the contracting of consultancy companies and the selection of an international strategic partner for Taag and the review of the framework of state-owned aviation companies (Taag, Sonair and SAL).

12 th of November 2008

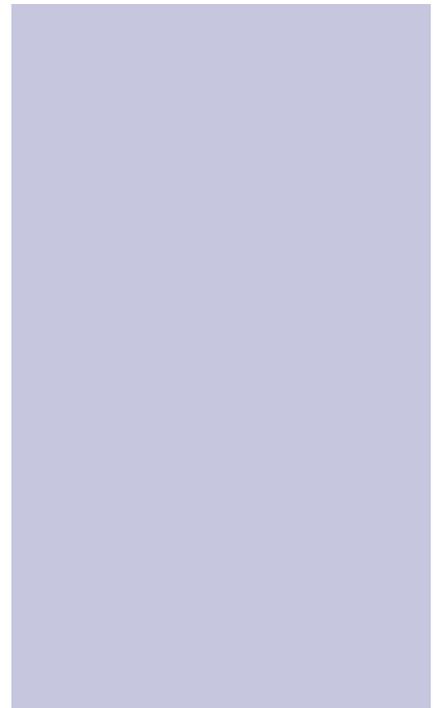
Angop

### Government approves new composition of Sonangol Board of Directors

The Government approved today (Wednesday) a new composition for the Board of Directors of Sonangol-E.P., which comprises Manuel Vicente, as Chairman/CEO, and Mateus Morais de Brito, Anabela Soares de Brito da Fonseca, Fernando Joaquim Roberto, Francisco de Lemos José Maria, José Guime and André Lelo, as Administrators.

During a meeting of the Council of Ministers, the Angolan executive terminated the tenure of the Board of Directors of the National Agency for Private Investment (ANIP) and appointed a transition management committee coordinated by Aguinaldo Jaime, with Manuel Rebelo Vieira Olim Neto and Dedaldino Oliveira Fuato Balombo as members.

The management committee is charged with running the daily affairs and proposing measures for the restructuring of ANIP, according to the press communiqué issued at the end of the meeting. The Government took note of the composition of the Board of Directors of Sociedade de Desenvolvimento do Pólo Agro-Industrial de Capanda (SODEPAC, S.A) and Sociedade de Desenvolvimento dos Perímetros Irrigados (SOPIR, S.A), respectively.





According to the proposals submitted, the composition of the Boards are, for SODEPAC, S.A., Carlos Fernandes, Manuel Godinho Domingos, and João André, and for SOPIR S.A., Rafael Albino, Dina Maria Rodrigues Francisco Rosário Neto and José Manuel Francisco.

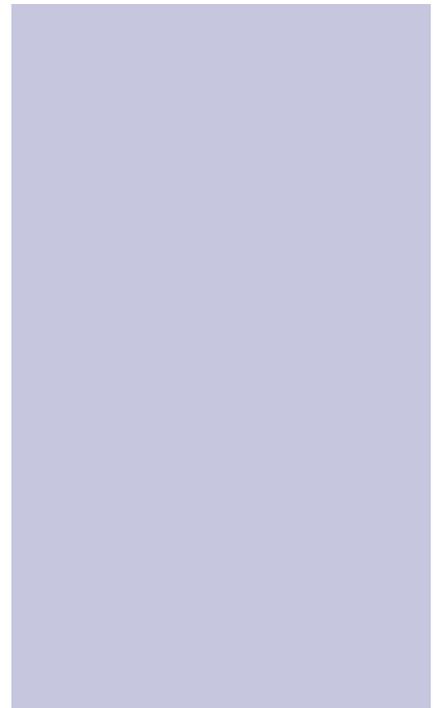
The collegial organ of the Government approved accession to the UNESCO International Convention Against Doping in Sport, which enables governments to take action toward eradicating doping in sport and facilitates the enforcement of the World Anti-Doping Code.

It also approved the period for the updating of the voters' register for 2009, as well as the general schedule for the commemoration of important national events in 2009 and authorized the launching of the promotion campaign for the Diamond Summit to be held in Luanda from 3 – 6 November 2009.

The Executive also approved the draft contract entered into between the Ministry of Fisheries and the LR Group for the supply of equipment for the implementation of the monitoring, control and surveillance of the exclusive economic zone of Angola.

26th of November 2008

Angop





## D) Energy and Natural Resources

### Sonangol and KBR sign agreement for installation of Lobito Refinery

Sonangol (Sociedade Nacional de Combustíveis) and Kellogg Brown & Root (KBR) signed an agreement today (Wednesday), in Luanda, granting the American company the right to design the plan for the Lobito refinery - Projecto Sonaref.

The agreement also grants KBR the right to issue licenses to the companies that will construct the Lobito refinery at a cost estimate of at 6.4 billion Dollars.

Addressing the press at the end of the meeting, the Director of Projecto Sonaref, Nelson Santana, explained that KBR is only a company hired by the concessionaire, Sonangol, to come up with the design of the refinery and that the agreement does not constitute a cost partnership for the construction of the refinery.

The Sonaref construction may be concluded within four years and the project is expected to refine 200 barrels of highly acidic oil crude oil per day, which will be processed into derivatives to be sold mainly in the domestic market and the excess exported to the international market, mainly targeted at Africa.

The refinery, which will be constructed 8 kilometers off Lobito town, will bring benefits to the local population and will comply with the environmental standards of the World Bank.

5th of November 2008

Angop

### Angola cuts daily oil production quota

The Ministry of Petroleum announced on Wednesday that Angola cut its oil production quota, estimated at 1.9 million barrels of crude, by 99 thousand bpd, effective 1 November, in compliance with OPEC recommendations.

According to a note from the Ministry of Petroleum, the amount cut is the production reduction quota of Angola, as agreed by OPEC on 24 October, during the extraordinary conference of the cartel, held in Vienna, the capital of Austria.

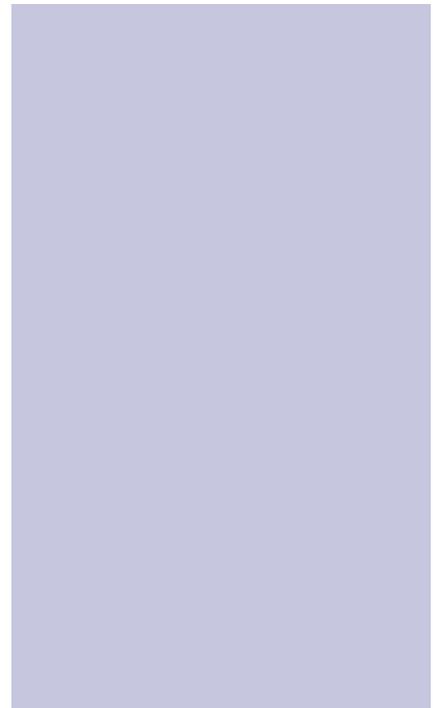
5th of November 2008

Jornal de Angola

### Odebrecht to invest in petroleum exploration in Angola

The oil and gas unit of the construction company, Odebrecht, plans to invest 100 million Dollars in 2009 on the conduct of well drilling tests in an exploration block in Angola, the Vice-President of Odebrecht Oil and Gas, Limited, Miguel Gradin, revealed.

In an interview with the American Dow Jones, Gradin revealed that Odebrecht Oil & Gas will drill four wells in Block 16 "offshore" Angola, where it has 15 percent participation and which is surrounded by blocks that have recent discoveries and wells that are under production.





Maersk Oil is the operator of the block with 50 percent participation, while Angolan oil company, Sonangol, has 20 percent participation, while the remaining 15 percent belongs to Chevron Energy.

Gradin also said that Odebrecht is still interested in procuring additional exploration and production concessions in that African country.

6th of November 2008

MacauHub

#### Edel to install 25 thousand meters this year

Twenty five thousand new watt-hour meters in the capital city by the end of 2008, under the program of Distribuição de Electricidade de Luanda (Edel) aimed at installing the meters in homes of clients.

According to a document from Edel, made available to Angop today (Thursday), the project has already facilitated the installation, between 2005 and 2006, of 116.322 meters.

Apart from installing conventional meters, Edel is carrying out another project of installing pre-paid meters, which during the first phase, will benefit Terra Nova and Nelito Soares boroughs.

Proposed two years ago, the project has led to the installation of 2.800 pre-paid meters, aimed at reducing client debts and facilitating the management of consumption according to income.

13th of November 2008

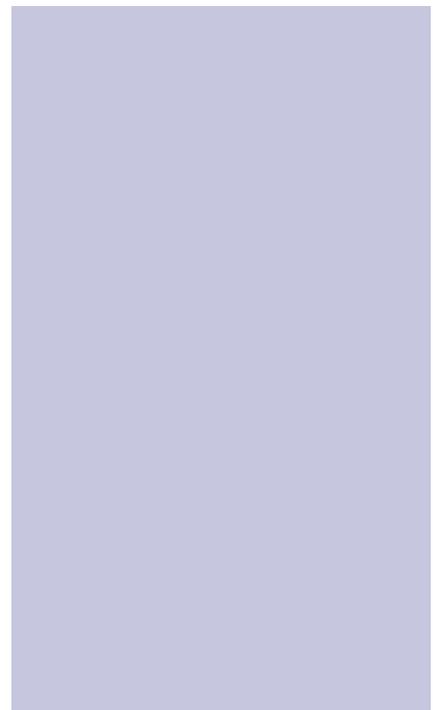
Angop

#### Implementation of "Angola LNG" Project enters into new phase of operation

The implementation of the "Angola LNG" project designed to reactivate the production of Liquefied Natural Gas, in Soyo Municipality (Zaire Province) will today enter into a new operational phase, with the symbolic delivery to Angola LNG, of the site where the plant will be located.

During the meeting, which will have members of the Provincial government, Ministry of Petroleum and representatives of major shareholders of the Project (BP, Chevron, Exxon, Sonangol and Total) in attendance, the officers in charge of the project will officially receive the completion certification of the conclusion of the dredging works of 100 hectares over the Zaire river from the Dutch company, Boscalis, as part of the space allocated to the factory.

This program ushers the project into the final phase of project construction.





The “Angola LNG” project is located to the West of Soyo, between the Zaire river and the Kwanza Basin, and will occupy an estimated area of 240 hectares.

14th of November

Angop

By 2011 Angola will be one of the largest oil producers in the world, writes African Business

Angola may become one of the largest oil producers in the world by 2011, writes African Business magazine in its November edition.

African Business writes that in the next four years, Angola’s oil production will produce an additional 1.165 million bpd to the current 2 million bpd.

The magazine ran that in September 2009 there would be a substantial production increase when the Tombwa Landana oil field, in Cabinda, would commence oil production and that in 2010 this would reach 100.00 bpd.

According to African Business, between 2009 and 2011, the Tombwa Landana, Negage, Pazflor, Block 31, Block 18, Kizomba D, Clov and Block 32 fields will have a production of approximately 1.165 million bpd.

Chevron, working in the Tombwa Landana and Negage fields, will begin to produce about 200.000 bpd in 2009, Total 200.000 bpd in the Pazflor field in 2010 and in 20--?? BP, Exxon and Total will produce a total of 630.000 bpd.

21st of November 2008

MacauHub

Huambo plans to construct three mini hydro power plants in 18 months

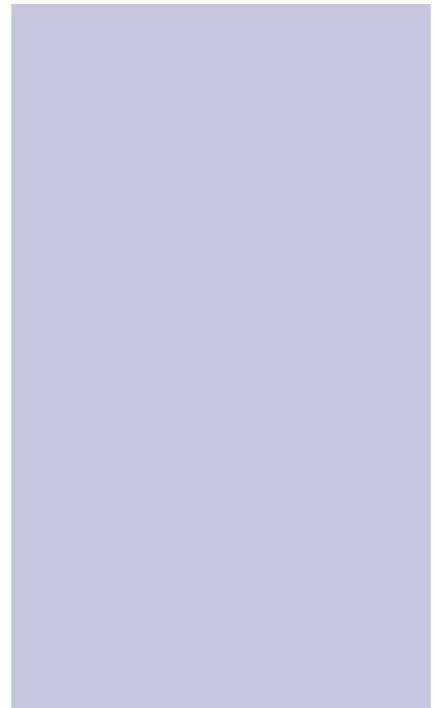
The Director of the Office of Studies and Planning of the Government of Huambo Province, Henrique Mendes Teixeira, announced yesterday (Tuesday) that the Province is preparing to construct three mini hydro power plants in 18 months to solve the problems of power generation and distribution to the region.

According to Henrique Mendes Teixeira, who spoke to the press at the end of an audience granted by the Governor of Huambo Province to the Managing Director of the German Engineering Group, Gauff Engineering, Helmut Gauff, the mini hydro power plants will be constructed in Bailundo, Catchiungo and Longonjo, Lépi commune.

Henrique Mendes Teixeira said that in 18 months the German company will conduct studies, make designs and build the plants.

25th of November 2008

Angop





## E) Infra-Structures, Government and Health

### Trains arrive roll into Huambo in December

The Caminho-de-Ferro de Benguela (Benguela Railway) is being rehabilitated and modernized; from the base, in Lobito, to Chinguar Municipality, in Bié.

The program for the modernization of the Caminho-de-Ferro de Benguela (CFB) plans for the construction of new stations, bureaus, and modern services with information and entertainment content for the passengers will be installed. The trains will have first class and economy class carriages.

The linkage between Lobito and Huambo town is expected to be concluded in December. Work is being done at a fast pace, in order for deadlines to be met, as per established between the National Reconstruction Office (GRN) and the Chinese contractor, the construction company CR-20. According to the Director General of Caminho-de-Ferro de Benguela (CFB), Daniel Kipaxe, the GRN and the Chinese construction company have already guaranteed that the work will be concluded within the agreed timeframe.

7th of November 2008

Jornal de Angola

### 2009 Program comprises special zone for Luanda and Bengo

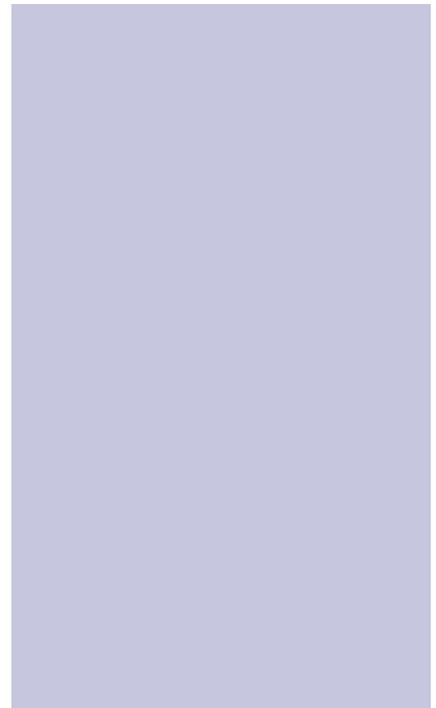
The Program of the Government for the year 2009 presented today (Friday), in Luanda, at the National Assembly, establishes, among other things, the implementation of integrated urban and infrastructural expansion plans for Luanda and Bengo.

This was announced by the Prime Minister, António Paulo Kassoma, on the occasion of the presentation of the Program of the Government and the National Budget (OGE) for 2009 to the Members of Parliament.

According to the Prime Minister, as part of the promotion of the harmonious development of the country, this program also provides for the institutionalization of the Luanda/Bengo special economic zone.

7th of November 2008

Angop





### Luanda-Beijing Direct Flights from next weekend

The Angolan Airlines, Taag, will commence regular Luanda-Beijing flights from next weekend, in an attempt to capture the increasing traffic between the two capital cities, an Angolan Diplomatic source said in Beijing on Monday.

It will be a direct flight of about 13 hours, twice a week and will initially work on charter basis. There are thousands of Chinese nationals working in Luanda, particularly in civil construction and “ the Angolan Embassy in Beijing has already issued 40.000 visas this year”, the same source revealed to the Portuguese news agency, Lusa.

11th of November 2008

MacauHub

### Angolan population attains 45 million by 2050

By the year 2050, the population of Angola would have increased beyond the current 17.5 million inhabitants to 44.6 million, according to United Nations Population Fund (UNFP) estimates in a study to be presented this week in Lisbon. The population of Guinea Bissau and East Timor will double.

The report further points in 2008 to the existence of mainly urban populations in Angola (57 percent), Cape Verde (60 percent), Portugal (59 percent) and Brazil (86 percent).

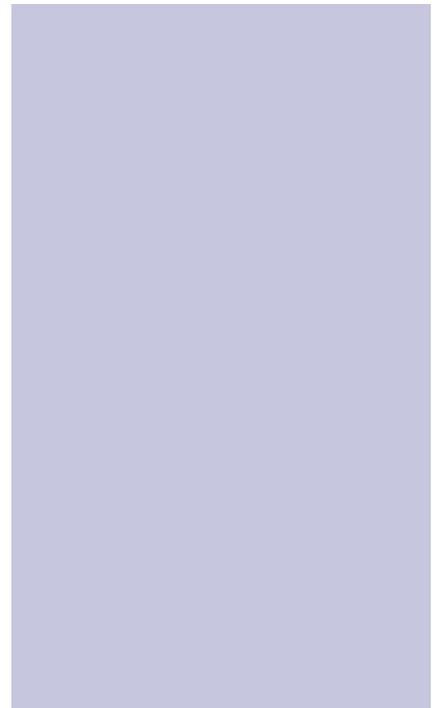
14th of November 2008

Jornal de Angola

### Presentation of sanitation master plan for Luanda

The sanitation master plan for Luanda, aimed to find alternatives to the channeling of waste and rain water to the sea without harming the environment, was presented today, Friday, at the Provincial government office. During a ceremony held at the main hall of the Government of Luanda Province (GPL), which had in attendance the Governor of Luanda, Francisca Espirito Santo and the Minister of Environment, Fátima Jardim, the need to stop considering Mussulo Island and the Luanda waterfront as receivers of waste water was raised.

The possibility of installing technological water treatment systems at a level that enables such water to be recycled in areas such as agriculture, cleaning and irrigation of gardens, thus avoiding the use of water from the Luanda Water Board (EPAL) water for such activities, was also discussed.





The Director of Public Affairs of the company Coba – Consultores de Engenharia e Ambiente, Carlos Lopes Gonçalves, who presented the master plan for Luanda sanitation, said that with the construction of new buildings, new networks will be created and as such there is need to channel the drainage of these buildings.

Carlos Gonçalves is of the opinion that for Luanda, among other priorities, there will be need to redo the current drainage network in the center of the city and cater for the needs of unstructured areas, where the needy people live.

According to the Engineer, places where waste water could be re-ejected should be deep and take the current flow into consideration, for which reason possible areas for channeling were identified, apart from the already existing one in Chicala, "emissores" in Cacuaco, in Samba and probably in the Kwanza area.

14th of November 2008

Angop

#### 57% of Angolan population lives in urban areas

Fifty seven percent of the Angolan population, equivalent to more than eight million people, lives in urban areas, according to a study conducted by the United Nations Population Fund.

This figure was given in Luanda on Friday by the Minister of Planning, Ana Dias Lourenço, during the closing ceremony of the XII Technical and Scientific Session of the Eduardo dos Santos Foundation.

According to Ana Dias Lourenço, this indicator could mean the development and modernization of the country, to some, while to others it poses a great challenge in terms of planning and organization of urban spaces.

24th of November 2008

Angola Digital

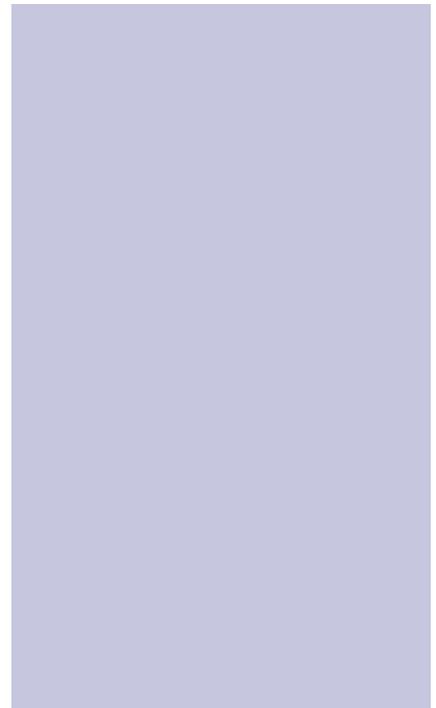
#### Zambia constructs link to Benguela Railway

Zambia is constructing a railway line that will link directly with Benguela railway, *Televisão Pública de Angola* (TPA) informed, citing the Angolan Ambassador to Zambia, Pedro Neto.

The television station further states that the project embarked on by Zambia aims to facilitate the transportation of major products between the two countries and other parts of the region.

26 de Novembro de 2008

MacauHub





## G) Industrial Markets

### Brewery will raise annual production

The Cuca brewery in Catumbela, Benguela Province, plans to raise its production in 2009 from 560 thousand hectoliters to 600 per year, the Deputy Director Marketing, Joaquim Federico de Almeida informed today (Tuesday).

The Deputy Director Marketing of the Catumbela brewery underscored that the factory currently produces, in hectoliters, an equivalent daily average of 60 thousand crates.

Joaquim Federico de Almeida said that the brewery will maintain a production of 60 thousand crates/day until the end of this year in order to avoid shortage in supply of the product to the local market, particularly during the oncoming yuletide.

For the Manager, peace and the rehabilitation of roads, which provide greater access to major beer consumption markets such as Huambo, Kuanza Sul and Bié Provinces, are factors that are favourable to the transportation of the product.

25 de Novembro de 2008

Angop

### Biggest Printing House in the Country costs more than USD 25 million

The total amount invested so far by the Angolan entrepreneurial group, Média Nova, in the establishment of a printing house that was inaugurated today (Thursday) in Talatona, Luanda Sul, is 25 million Dollars.

The establishment, called Damer, was inaugurated by the Minister of Industry, Joaquim David. It has the capacity to print 75 thousand newspapers or similar 48-page products, per hour, and is currently running at 48 percent of its capacity.

By March 2009, when the project is completed, the investment would have attained USD35 million and will yield 30 million Dollars per year, according to the Board of Directors of Média Nova, Alvaro Torre.

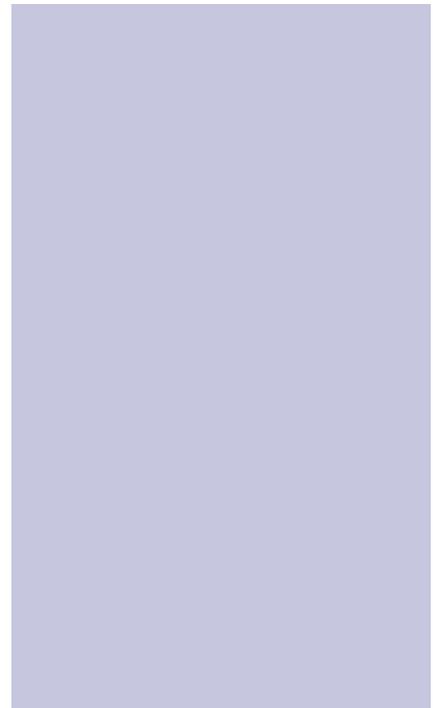
The Manager informed the press, after the inauguration of the industry, that in March 2009, a mint will be built in the Damer premises to print bank cheques, credit cards and recharge cards for national telephone operators.

Damer, build it two and a half years, will print, among others, newspapers, books, magazines, business cards, printed adverts and similar products.

The printing house has a surface area of 400 meters square and employs 73 workers, including nationals and expatriates at different levels of professional specialization in the fields of industry, commerce and administration/finance.

13th of November 2008

Angop





## H) Consumer Markets

### PRESILD - President of the Republic approves new model of governance

This Friday, the President of the Republic, José Eduardo dos Santos, in the exercise of the powers vested on him by the Constitution, issued an executive order that terminated the mandate of the Executive Secretariat of PRESILD and approved, in its place, the New Model of Governance for PRESILD.

This New Model is composed of the Coordination Group for the Implementation of the Program for the Restructuring of the Logistic System and Essential Product Distribution to the Population and by the PRESILD Monitoring, Control and Supervision Committee.

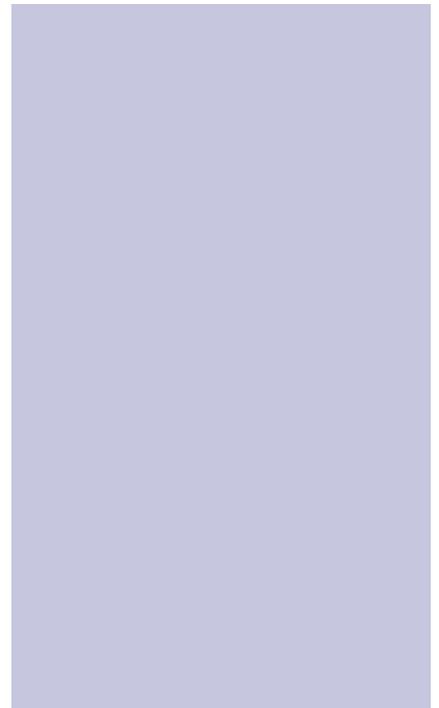
The abovementioned Coordination Group is coordinated by the Minister of Finance and comprises the head of the Chief of Military Staff of the Presidency, Economic Advisors to the President of the Republic and the Prime Minister and the Deputy Minister of Finance.

Other members include representatives from the Ministries of Economy, Commerce, Interior, National Defense, Territorial Administration, Agriculture, Fisheries, Industry, as well as the Angolan Armed Forces Headquarters and the National Police Headquarters.

Furthermore, the PRESILD Implementation Monitoring, Control and Supervision Committee is coordinated by the Deputy Minister of Finance, with delegated powers of the Coordinator of the Coordination Group. It must be multidisciplinary in nature, based on the objectives of PRESILD and staffed with technical personnel of recognized competence..

7th of November 2008

Angop





## I) Real Estate

### World Bank may monitor urban growth indicators

The Minister of Urban Affairs and Housing, Diekumpuna Sita José, on Wednesday in Nangjing (China), during a meeting with a Director of the Economic and Urban Development Department of the World Bank, explored the possibility of this international financial institution monitoring Angolan urban indicators and cities.

The parties concluded that a technical committee headed by the Director of the Global Cities Department of the Center of Studies of the Toronto University, Mrs. Patricia McCartney, would visit Angola during the second half of December to facilitate negotiations between the Angolan government and the World Bank, thus commencing the conduct of a workshop on urban management and housing, in partnership with UN-Habitat.

4th of November 2008

Angop

### President creates group for Government Housing Program

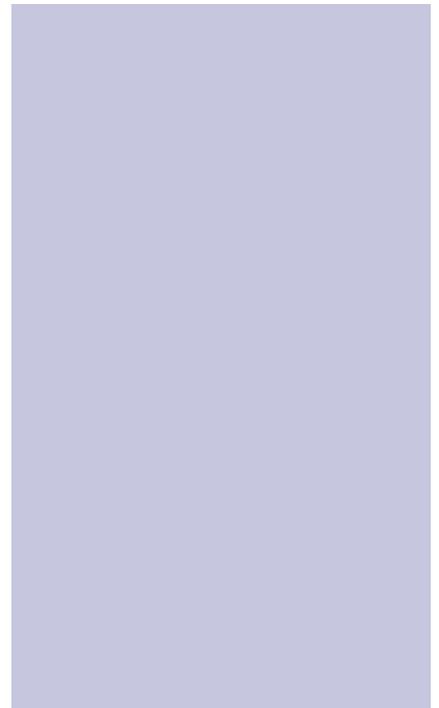
The President of the Republic, Engineer José Eduardo dos Santos, created a Working Group on Tuesday charged with the preparation of the Executive Housing Program of the Government, in order to meet one of the most pressing needs of the country.

The duties of the group include the preparation of the program, contract and guidelines for the reorganization and development of cities and towns, identification of resources and instruments to obtain funding, as well as incentives for the growth of the housing sector.

Coordinated by the Minister of Urban Affairs and Housing, assisted by the Director of the National Reconstruction Office, other members of the group include representatives of the Ministries of Planning, Finance, Public Works, Territorial Administration and Environment.

4th of November 2008

Angop





### Eximbank will support the Government in the construction of one million houses

The American Import-Export Bank “Exim Bank” will provide support to the Angolan Government in the construction of one million houses, the region Director for Africa, John Ritcher, said today, Tuesday, in Luanda.

The Director made these remarks in a statement to Angop at the end of his meeting with the Angolan Minister of Urban Affairs and Housing, Sita José, where he discussed issues related to ways and partnership that his institution and the Government of Angola are exploring to improve the social well-being of the citizens.

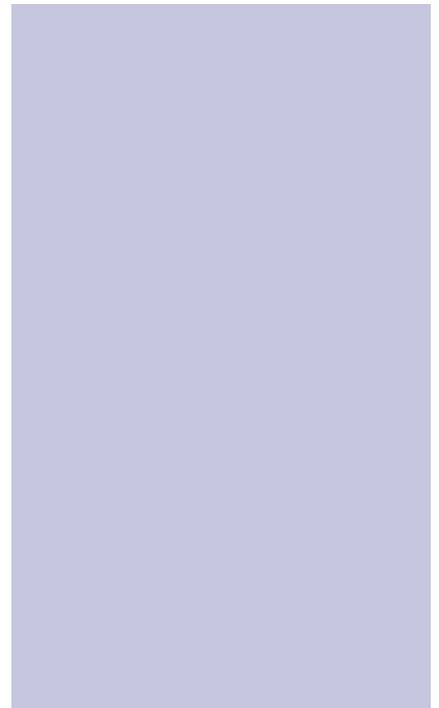
According to John Ritcher, the project for the construction of homes will meet the needs of various families, which fulfills the commitment made by the Government to its citizens. Thus, Exim Bank is also cooperating to ensure that this plan becomes a reality.

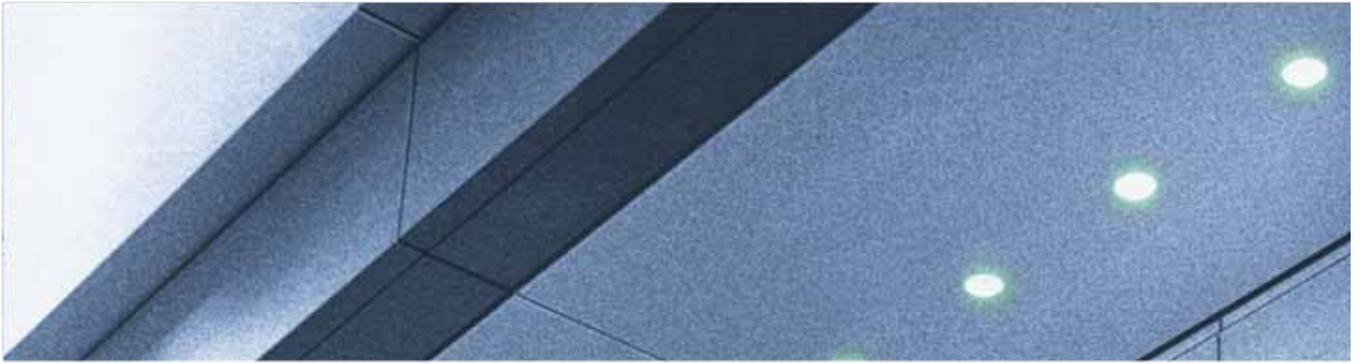
He informed that the houses will be constructed by American companies with use of Angolan workers.

“Exim Bank will provide all the logistic support to the American companies, which will begin to arrive at the beginning of 2009 to be involved in the project. This was one of the points of discussion with the Minister”, he said.

18th November 2008

Angop





## J) Financial Services

### World Bank available to loan 1 billion dollars to Luanda

The World Bank (WB) is available to loan 1 billion Dollars to Angola for development programs if Luanda applies for a loan, the World Bank representative said in Luanda on Tuesday.

Alberto Chueca considers Angola as a "strong" partner of the WB, stressing that the World Bank has had 18 years of "active" presence in the country, through the funding of various projects in the areas of health, education, infrastructure, water and electricity.

According to Chueca, "Angola is currently better positioned to benefit from WB financing", translated into loans for social programs, "essentially targeted at improving the living conditions of its population".

"Angola has financial guarantees, given that it has settled its external debt, particularly with the Paris Club", Chueca emphasized, in statements made to the Portuguese news agency, Lusa.

Regarding the current influence of the world financial crisis on the Angolan economy, Alberto Chueca said that it will doubtless have an impact, but that the country is "better protected" than other African countries.

"Angola has international reserves estimated at between 18-19 Billion Dollars and this gives it greater security to manage the financial crisis", he explained.

18th of November 2008

MacauHub

### Banco Africano de Investimento inaugurates branch office in Cape Verde

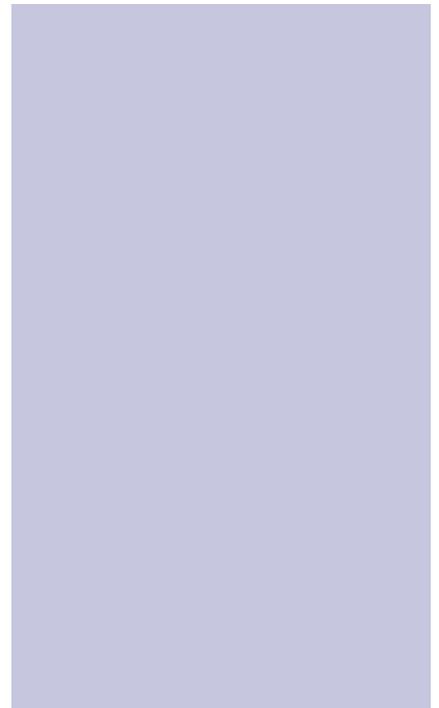
Banco Africano de Investimento (BAI) yesterday, Friday, inaugurated a branch office in Sal, Cape Verde, as part of its internationalization strategy, by which it now operations in Portugal through BAI Europe.

A press communiqué made available to Angop by the bank states that BAI Cape Verde is a Cape Verdean and Angolan joint capital venture that will serve the corporate sector and individuals.

With an equity capital of one billion Cape Verdean escudos, BAI Cape Verde has its corporate headquarters in Praia, the capital of the archipelago and plans to open branches in Mindelo and Ilha do Sal before the end of the year.

21st of November

Angop





### Exim Bank of South Korea grants funding to Angola

The Deputy Minister of External Relations, George Chicoty, informed that Angola will soon have a poultry meat processing complex, an investment of 49 million Dollars to be established in Malange Province.

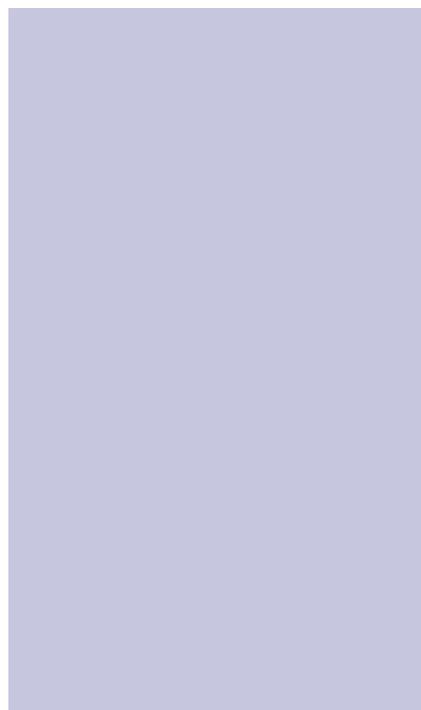
According to Jornal de Angola, the construction of the agriculture and livestock complex is one more funding received from the South Korean government within the framework of an agreement signed in Luanda between the two countries.

Under the terms of the agreement, where George Chicoty represented Angola and Ambassador Hans Jae-Young South Korea, Angola receives a loan of 49 million Dollars from the Export-Import Bank of that Asian country, an amount that may be fully utilized for the poultry processing complex.

George Chicoty and Hans Jae-Young signed another agreement aimed at materializing projects of the Economic Development Cooperation Fund 2008/2009, at the sum of 130 million Dollars.

26th of November 2008

MacauHub



### 3. Relevant Statistical Data

#### Trade Data

Trade Data Portugal Angola					
TOTAL	2006	2007	Sep. 07	Sep. 08	ΔSep. 08/Sep. 07
Exports	1.209.832	1.680.181	1.194.295	1.565.727	31,1%
Imports	52.749	360.378	261.329	340.773	30,4%

Unit: Thousands of Euros

Source: INE

Trade Data Brasil Angola					
TOTAL	2006	2007	Oct. 07	Oct. 08	ΔOct. 08/Oct. 07
Exports	836.076	1.218.236	944.906	1.468.431	55,4%
Imports	459.499	946.354	946.332	2.144.773	126,6%

Unit: Thousands of USD

Source: Ministry of Development Industry and Foreign Commerce of Brazil

Trade Data South Africa Angola					
TOTAL	2006	2007	Sep. 07	Sep. 08	ΔSep. 08/Sep. 07
Exports	4.677.391	5.424.980	3.829.470	5.313.223	38,7%
Imports	2.485.758	11.582.486	7.054.816	19.439.668	175,6%

Unit: Thousands of Rands

Source: Ministry of Finance of South Africa

Trade Data China Angola					
TOTAL	2006	2007	April 07	April 08	ΔApril 08/April 07
Exports	894.186	1.231.311	312.365	742.538	137,7%

Unit: Thousands of Dollars

Source: Factiva

## 4.Relevant Legislation Published

**Executive Decree number 248/08** – Creates the Integrated Committee of Technological Training (“CINFOTEC”) and it approves its organic articles of association-it revokes all the legislation that contradicts this law.

**Decree number 116/08 of October 14th** – About recruitment, integration, training and development of people in the oil industry – it revokes all the legislation that contradicts the present decree, namely Decree number 20/82 of April 17th; The Executive Decrees 124/82 and 125/82, both of 31st December and article 26 of Decree number 52/92 of September 16th.

**Executive Decree 306/08 of October 28th** – Creates Provincial Professional Training Centers and it approves the organic articles of association which regulates the centers – it revokes all the legislation that contradicts this law.

**Executive Decree number 307/08 of October 28th** – Creates the professional Training Center for Civil Construction (CENFOC) and it approves its articles of association – It revokes all the legislation that contradicts this law.

**Dispatch number 463/08 of October 29th** – It proceeds with the review of areas related with the coordination and management for the Minister and the Vice Minister – It revokes Dispatch number 190/07, of February 19th.

**Executive Decree number 308/08 of October 29th** – Creates the Municipal Professional Centre and it approves its organic articles of association – it revokes all the legislation that contradicts this law.

**Dispatch number 29/08 of November 6th** – Removes the Executive Secretarial of PRESILD – It revokes all the legislation that contradicts this law, namely the Presidential Dispatch number 17/05, of October 31st and Dispatch number 196/06 of March 15th.



## 5. Fairs and other events to be held in Angola and abroad

### KPMG and Grupo Mombaka signed a business partnership for S. Tomé e Príncipe

KPMG and Grupo Mombaka signed a business development partnership for S. Tomé e Príncipe. The partnership was presented on 31 October in S. Tomé in the presence of representatives of the Government of S. Tomé, the banking sector and businessmen, a total of 100 guests. The event was covered by the major media houses, namely RTP Africa and the local press.

As a result of this partnership and the visit of the President of KPMG Angola, Dr. Paul de Sousa, business opportunities were identified for KPMG and the opportunity for it to support the local Government in the development of the country through the provision of quality professional services capable of attracting greater foreign investment and support.

Thus, the first step toward strengthening the local presence of KPMG in the Gulf of Guinea, was taken.

Manuel Espada

For additional information, please contact:

Manuel Espada

[msousa@kpmg.com](mailto:msousa@kpmg.com)

## Financial Risk Management

### 2nd Meeting of Basel II National and International Players

28 e 29 of January 2009, Lisbon

The Institute for International Research Portugal presents you the 2nd Meeting of Basel II National and International Players.

Enhance your internal processes and promote a Global Risk Management culture. Know how to develop and optimize Risk Management, Bank Supervision and Capital Allocation under the current market conditions. We bring to you the Bank of Portugal and the Spanish Association of Banks that will share with you the actions taken to face the current challenges for financial groups and financial authorities and, on the other hand, will help you to understand the strategies that are being adopted by the Portuguese and European banks to fully comply with Basel II requirements.

For additional information, please contact:

Ana Seabra

[aseabra@kpmg.com](mailto:aseabra@kpmg.com)

## IARCS

### 3rd Internal Audit for Financial Institutions: The Future of Internal Audit

18-20 February 2009 , Amsterdam

Internal audit is now on an extensive journey to meet new challenges. Rapid, often unexpected changes in the business environment push internal audit to brave transformation of its practices. The improvement of overall business performance is presently in demand. Therefore internal audit primarily needs to understand its role within the organization.

This 3rd Annual Conference will provide you with outstanding insight into the future and leading trends of the internal audit industry. You will learn how to tackle a variety of crises and improve internal audit efficiency. You will find out the most promising ways in how you can take your function forward and add value to your business, based on real life stories and discussions.

For additional information, please contact:

Ana Seabra

[aseabra@kpmg.com](mailto:aseabra@kpmg.com)

## Information, Communication and Entertainment

### Banking & Payment Technologies East Africa, 2009

Nairobi, 17-19 February 2009

Technology represents a great opportunity for the banking sector in relation to mass, improvement of service delivery and costs reduction however, in order to implement what the suppliers of technology products and services have to offer, we can not forget the focal point of all banking processes, and are often relegated to the background, the Customer.

The 2009 Banking Technology will maintain its focus on experience in relation to the implementation of technology products and services, challenging suppliers and banks to assess their systems in light of the needs and preferences of customers. The Banking Technology 2009 will also keep a close very significant with clients in the banking sector, inviting them to visit the exhibition and to experiment new services made available through a wide range of new technologies Banking & Payment offered by banks.

The banks will be invited to demonstrate their services by establishing mini-branches in the area of exposure, using them as platforms not only to publicize their services, but also to get feedback and data from consumers of banking products and services.

The Shopping Banking (Banking Mall) from exposure is a laboratory for live demonstration of world-class banking services, through enhanced technologies of the last of Banking & Payment.

For additional information, please contact:

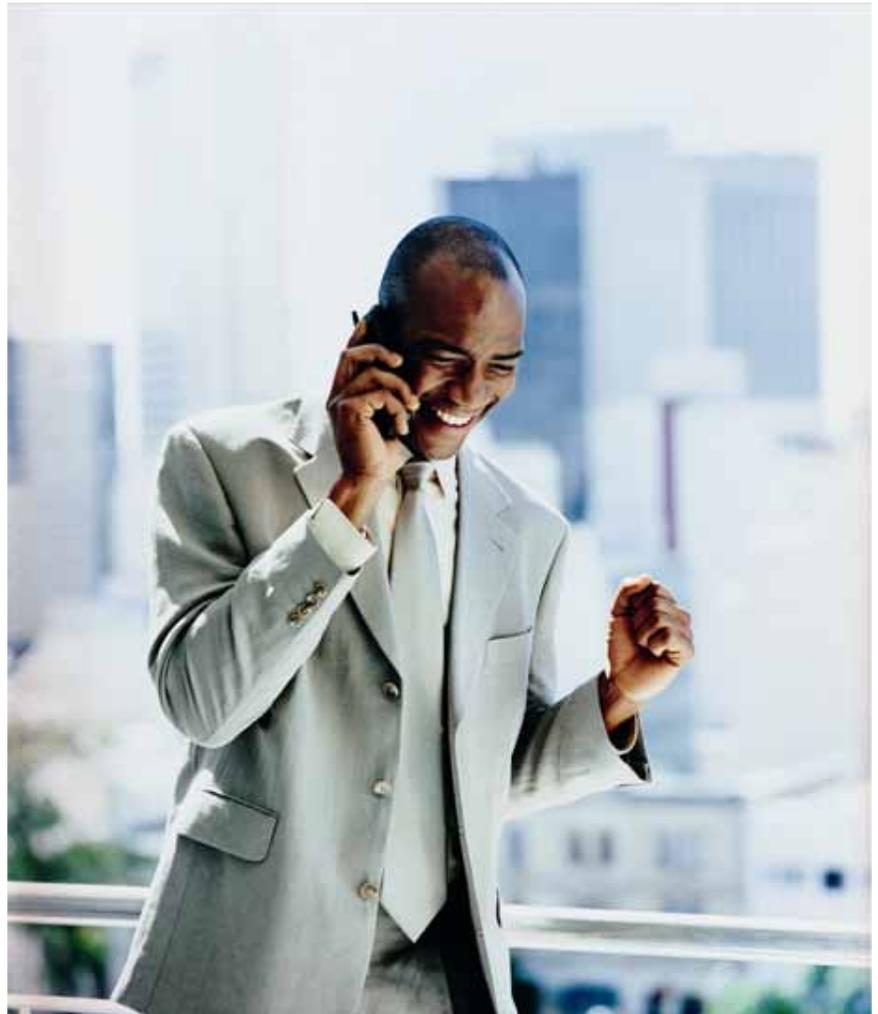
Ricardo Dias

[rmdias@kpmg.com](mailto:rmdias@kpmg.com)

## 6.KPMG Services

KPMG's practice is structured in the areas of services of Audit, Tax and Advisory. But more important than our organization is our ability to configure a comprehensive approach, with the best experts, to address the organizations with whom we work.

At KPMG we have the skills, people and motivation to help in responding to their current and future challenges..





## 7. Service Highlights

### Recruitment and Selection

#### Executive Search

Our competence meets a variety of clients from the public to the private sector, including ONG's. The search for best professionals or with functions of high technical complexity can be focused either in the local or international market.

With our staright enquiry, the accumulated knowledge of the Angolan reality and international dimension that we detain, we are able to find candidates appropriated for all the positions, from top executives, passing by functions that demand elevated technical skills. Each service is seen has a specific project of elevated value for the client and potential candidates. The professional secrecy and the discretion are basic and determinative conditions of our work.

#### Recruitment and Selection

Supported by the most different and modern sources of excellence recruitment, our selection methods include, the deep analysis of our client needs, his culture and the growth strategy of his organization in order to find the most appropriate profile to each case.

After identifying the best recruitment sources for the available places, we select we select the professionals who are better adapted to each organizational reality, through the application of batteries of psychometric tests adjusted for each situation, as well as, biographical, technical motivation and behavioral interviews, resorting to the most recent models of competences evaluation. Whenever relevant, we can apply specific knowledge tests regarding the area of work for the mentioned function.

With these methods, we have been able to satisfy most of our Recruitment and Selection projects, in spite of the conditions of the current market job in Angola.



### Psychological evaluation

When our clients detain all the necessary conditions to execute the complete recruitment and selection process, we can only act on the psychological evaluation of the candidates.

In these cases, in accordance with the objectives that the client intends to reach, we prepare and execute the set of psychometric tests and/or others that satisfy the psychological dimensions that are intended to value.

This work is secured by advisers prepared for this type of intervention.

### Large Projects of Selection (*start-ups*) and *Outsourcing*

The economical growth of the Angolan market and our clients solicitations have driven us to develop this service, that allows us to use differentiated strategies and adjusted to each position, that allows the identification of several professionals in simultaneous.

Particularly adjusted for companies that intend to begin its activity in Angola, or with a quick growth strategy, the knowledge that KPMG detains of the Angolan market allows us to draw a large selection project, well-adjusted for each case.

Another service that we provide to our clients, being or not in the beginning of the activity, it is the service of Outsourcing of the function of Recruitment and Selection of its organization.

Therefore, after a well defined necessities plan (short, middle and long terms) regarding the number and profile of the collaborators to recruit, we define and develop the whole process of recruitment and subsequent selection. In the end of this process, the organization will only decide whom is going to admit and contract.

### Confidentiality and Independence

.All KPMG professionals are required by a written undertaking to duties of confidentiality and independence. This means that all our work should be carried out to the highest standards of confidentiality and independence, unrelated to any pressure and / or external non-technical influences.

For additional information, please contact:

Daniel Ferrão

[dferrao@kpmg.com](mailto:dferrao@kpmg.com)

Bruno Banco

[bbranco@kpmg.com](mailto:bbranco@kpmg.com)

Irina Silva

[icsilva@kpmg.com](mailto:icsilva@kpmg.com)

## CONTACTS:

**Fernando Anjos**

[fanjos@kpmg.com](mailto:fanjos@kpmg.com)

Tel.: (244) 222310825

Mobile: (244) 917651245

Fax: (244) 222 310 540

Edifício Presidente

Largo 4 de Fevereiro, nº 3, 1º

Andar

Caixa Postal 2021

Luanda – Angola

The information contained in section 2 (news) was extracted from some sources (ANGOP, Jornal de Angola, MacauHub). The opinions it contains are not KPMG's responsibility. This document is a translation of the original document and special precautions were taken for an accurate translation. We are not responsible for any errors that may in some way tamper with the content of the information. We recommend that, for more details, the following Web sites and the original document, are consulted: [www.angop.ao](http://www.angop.ao); [www.jornaldeangola.com](http://www.jornaldeangola.com); [www.macauhub.com.mo](http://www.macauhub.com.mo).

© 2008 KPMG Auditores e Consultores, S.A. the Angolan firm member of KPMG International, a Swiss cooperative. All rights reserved. Produced in Angola. This document is distributed free of charge by interested parties. Forbidden resale.

The KPMG and the KPMG logo are trademarks from KPMG International.