THE MORNING BRIEF

Attijari Global Research

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FINANCIAL MARKET HEADLINES

| MOROCCO | BOA | Results of the capital increase by optional conversion of 2019 dividends

According to BOA press release, the subscription rate to the capital increase by optional conversion of 2019 dividends settles at 79.34%, i.e. 5,786,188 shares issued. To this end, the number of shares was raised from 199,820,460 to 205,606,648.

| MOROCCO | RDS | Draft resolutions submitted to the General Meeting of Bondholders

The holders of RDS bonds, issued on 10/05/2017, are convened to an Ordinary General Meeting of Bondholders on November 2nd 2020 in order to deliberate on:

- The reprofiling of the outstanding bond loan whose initial amount is MAD 250 Mn;
- In case this resolution related to the reprofiling is not approved, extension until December 7th 2020 of the payment deadline for the next remaining capital.

ECONOMIC HEADLINES

| MOROCCO | BANK LOANS | An increase of 5% at the end of August 2020

At the end of August 2020, the net outstanding bank loans increased by 4.9% year-on-year to reach MAD 936.0 Bn. Mortgage loans (MAD 278.3 Bn), treasury loans (MAD 206.7 Bn) and equipment loans (MAD 184.2 Bn) show respective increases of 1.7%, 12.0% and 3.0%. Meanwhile, consumer loans dropped by 2.1% to MAD 54.9 Bn. Finally, non-profitable loans amounted to MAD 77.4 Bn, i.e. an increase of 12.8%.

| MOROCCO | FOREIGN TRADE | Travel receipts down 55% at the end of August 2020

At the end of August 2020, exports of goods and services amounted to MAD 218.9 Bn, down 22.1%. For their part, imports fell by 18.3% to MAD 284.5 Bn. To this end, the trade deficit stands at MAD -65.6 Bn against MAD -67.3 Bn a year earlier, while the overall coverage rate fell by 3.8 points to 76.9%.

Travel receipts and workers remittances fell respectively by 55.3% and 2.3% to MAD 23.6 Bn and MAD 43.4 Bn. Finally, receipts from FDI fell by 29.3% to MAD 16.2 Bn.

| GUINEA-BISSAU | INFLATION | Prices up 1.6% y-o-y in August 2020

According to the National Institute of Statistics of Guinea-Bissau, the Harmonized Consumer Prices Index increased by 0.2% in August 2020, compared to the previous month. On a year-over-year basis, the country's inflation rate stands at 1.6% below the community convergence threshold of 3.0% set by WAEMU.