

Sub-Saharan Africa: Time for a Boost

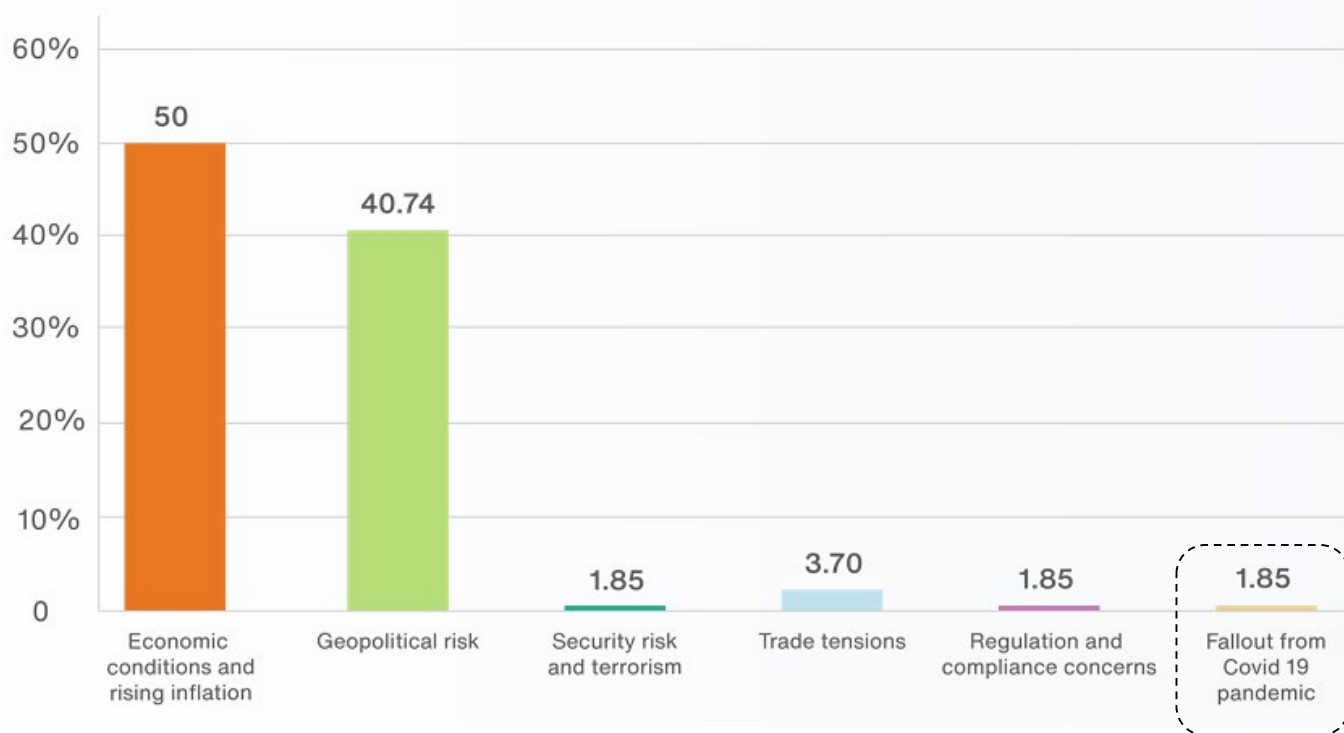
Simon Quijano-Evans, Chief Economist, Gemcorp

Growing economies.
Brighter futures.

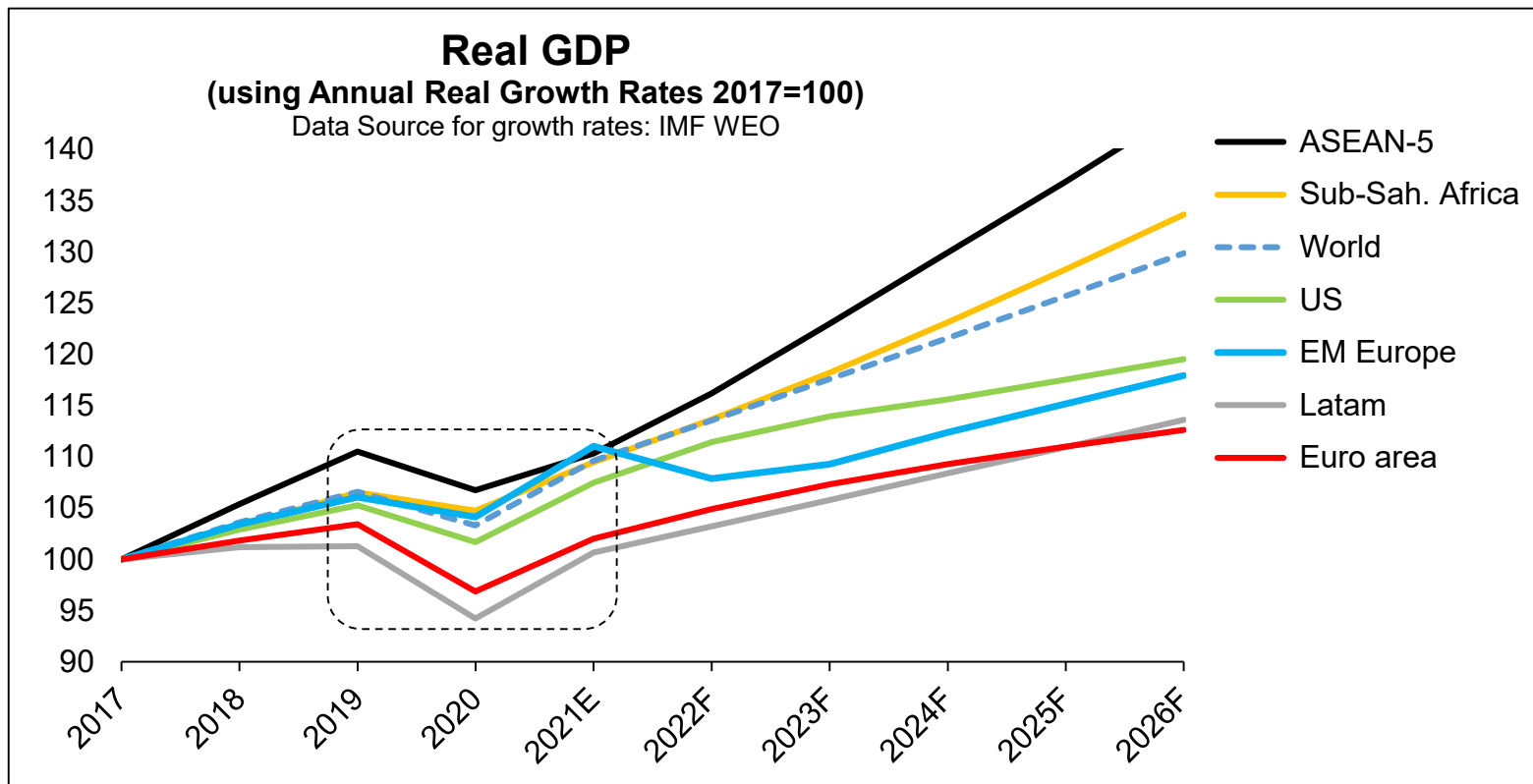


LMA Survey

What do you think will be the main challenge to growth in 2022 in developing market jurisdictions?

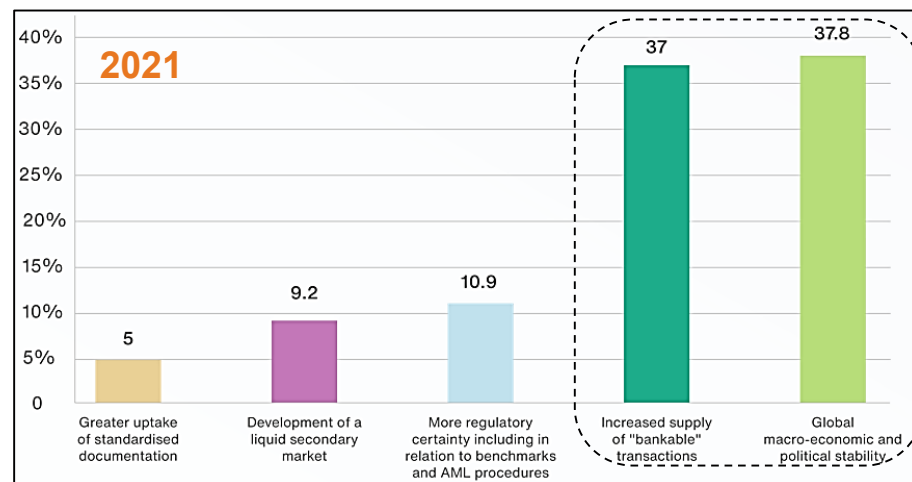
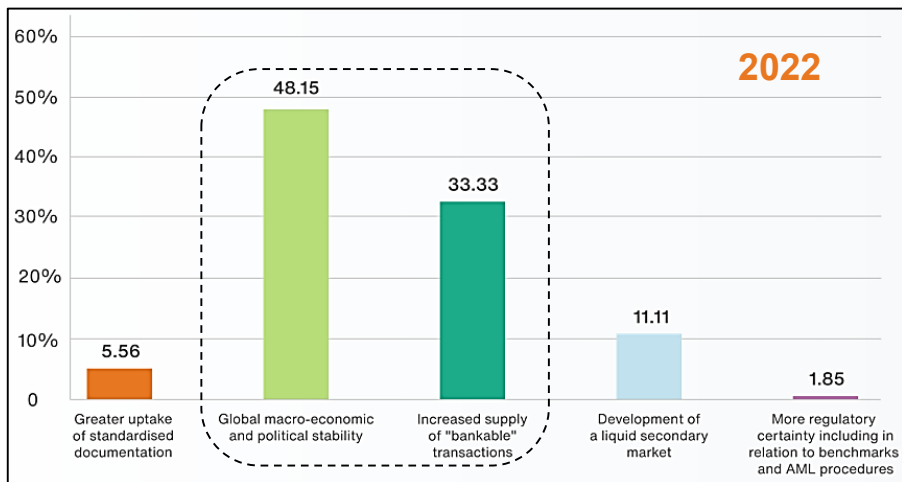


Leaving Covid Behind (hopefully)...

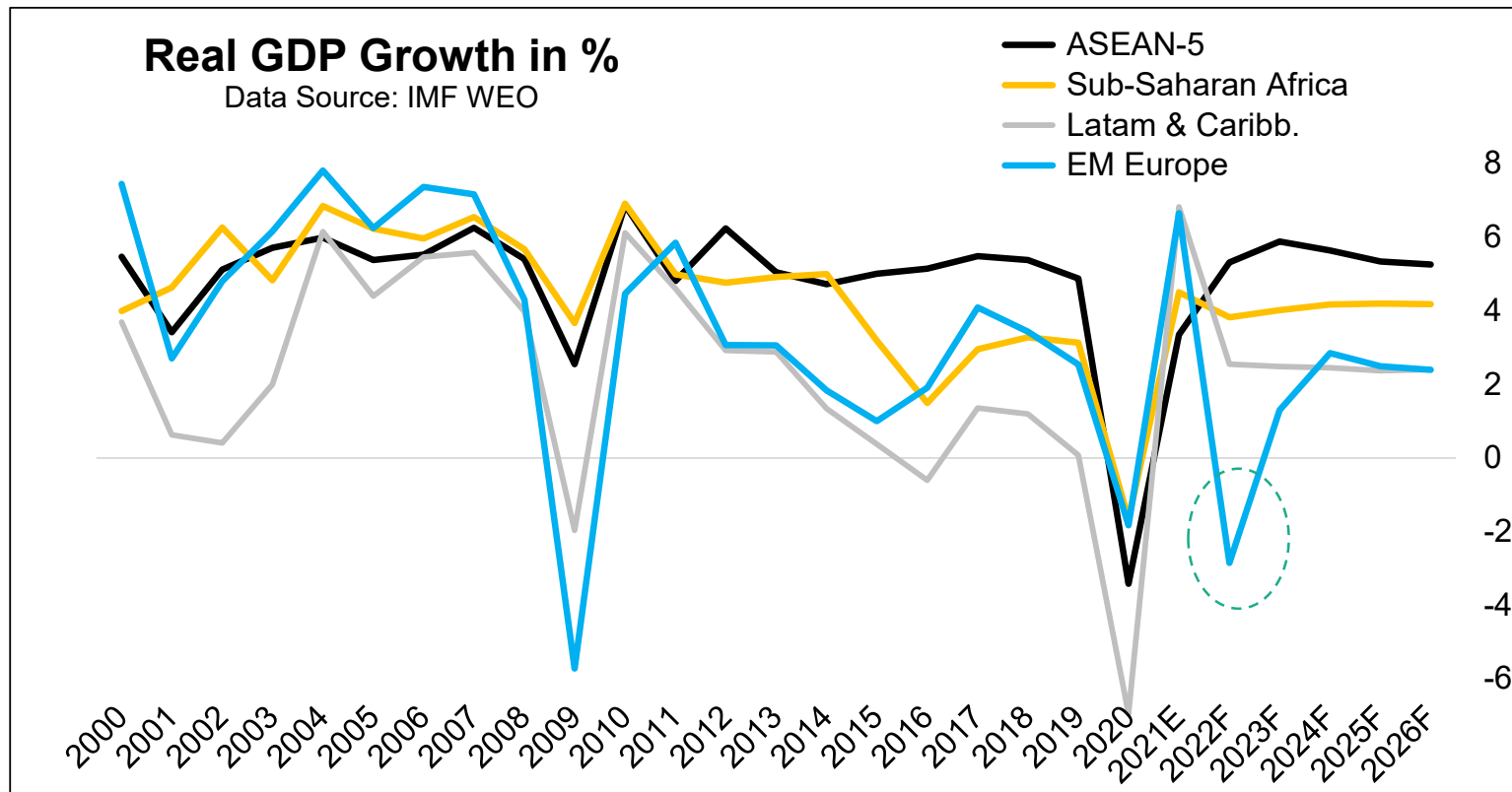


LMA Survey

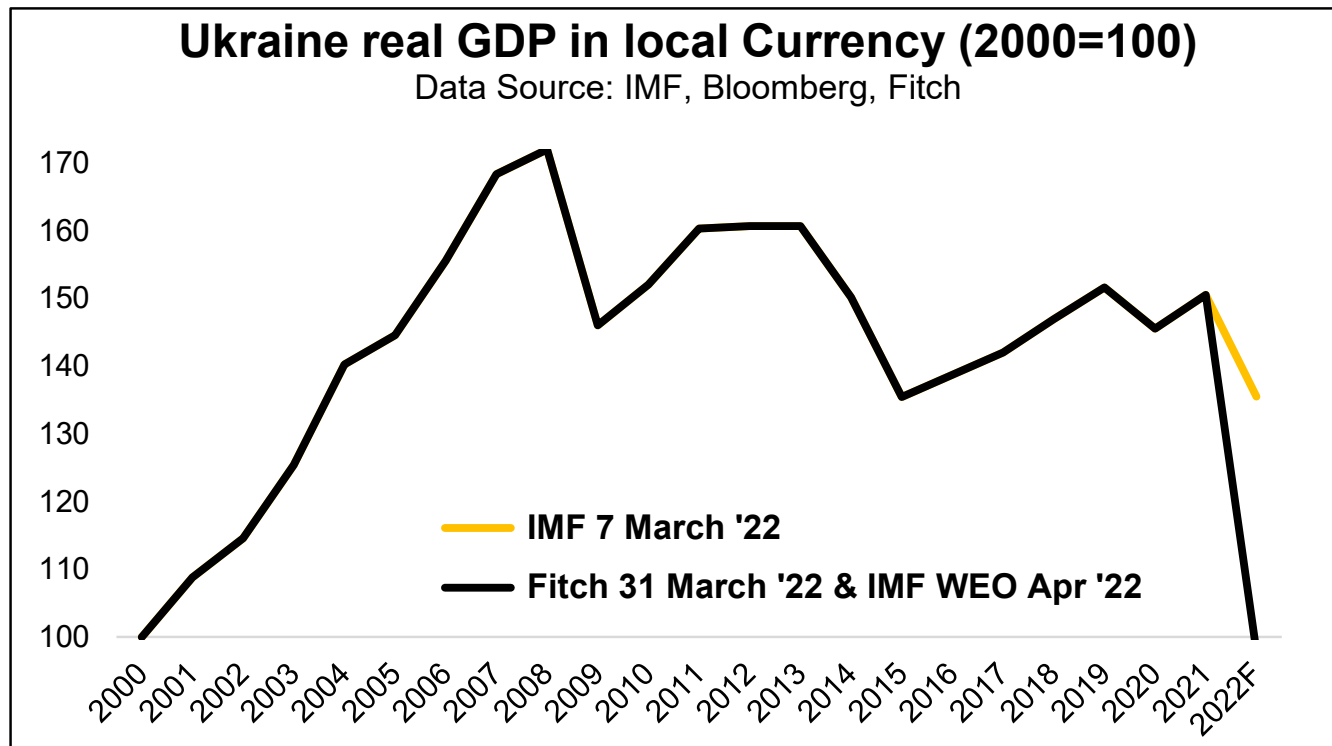
What do you think is the most important factor for growth in the syndicated loan market in developing markets (excluding impact of Covid-19?)



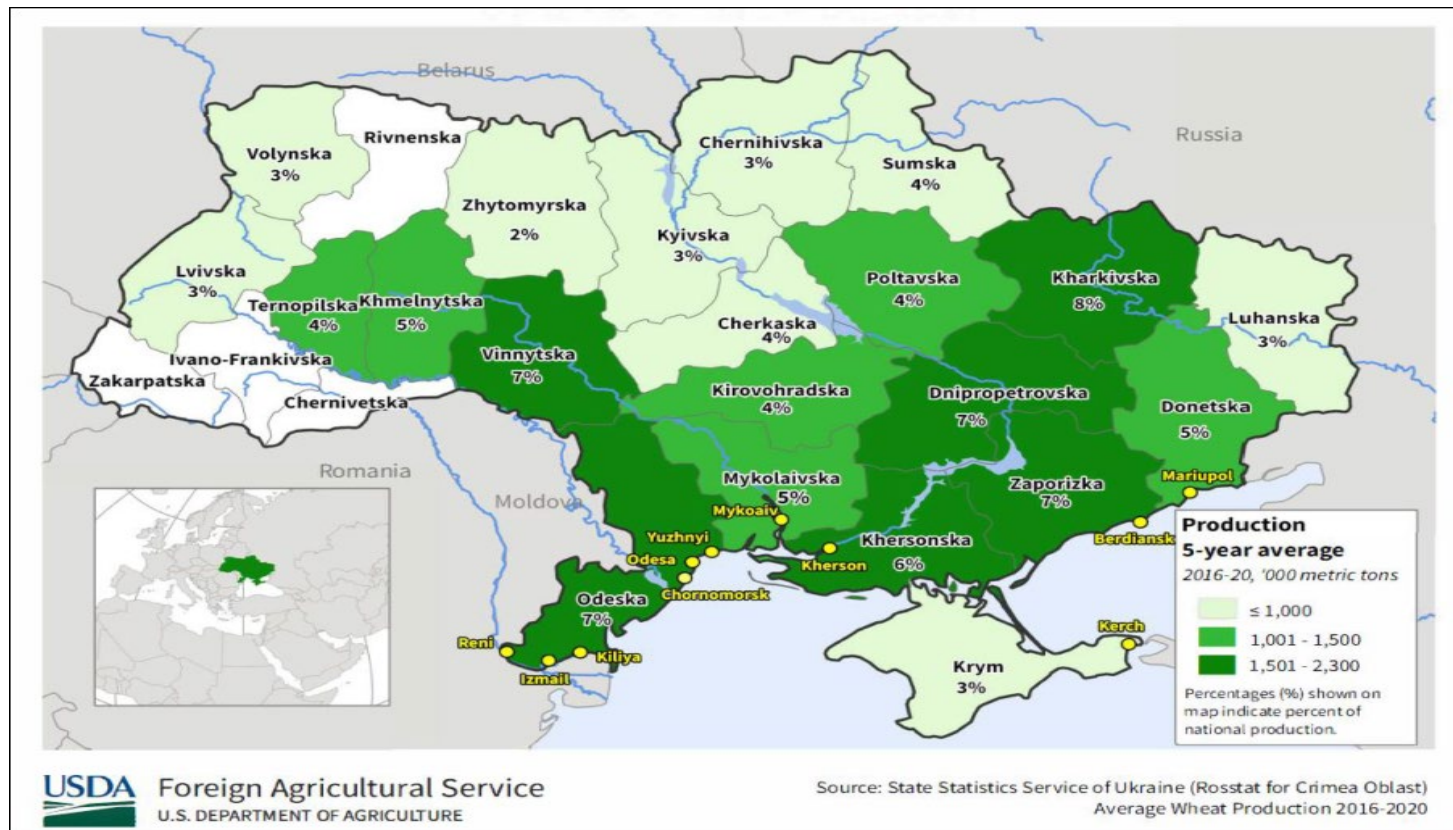
Sub-Sah. Africa growing, but Russia's invasion of Ukraine has changed a lot...



...with Ukrainian real GDP expected to drop at least to 2000 levels



...while hitting Ukrainian grains production & exports

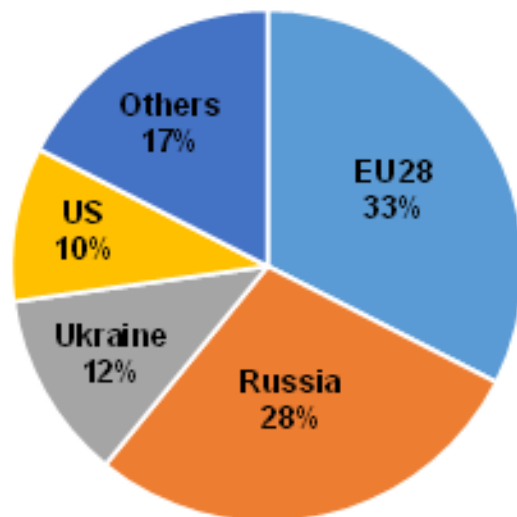


That is an existential issue for many countries in Africa...

Africa Wheat & Meslin imports (Avg of 2019 & 2020)

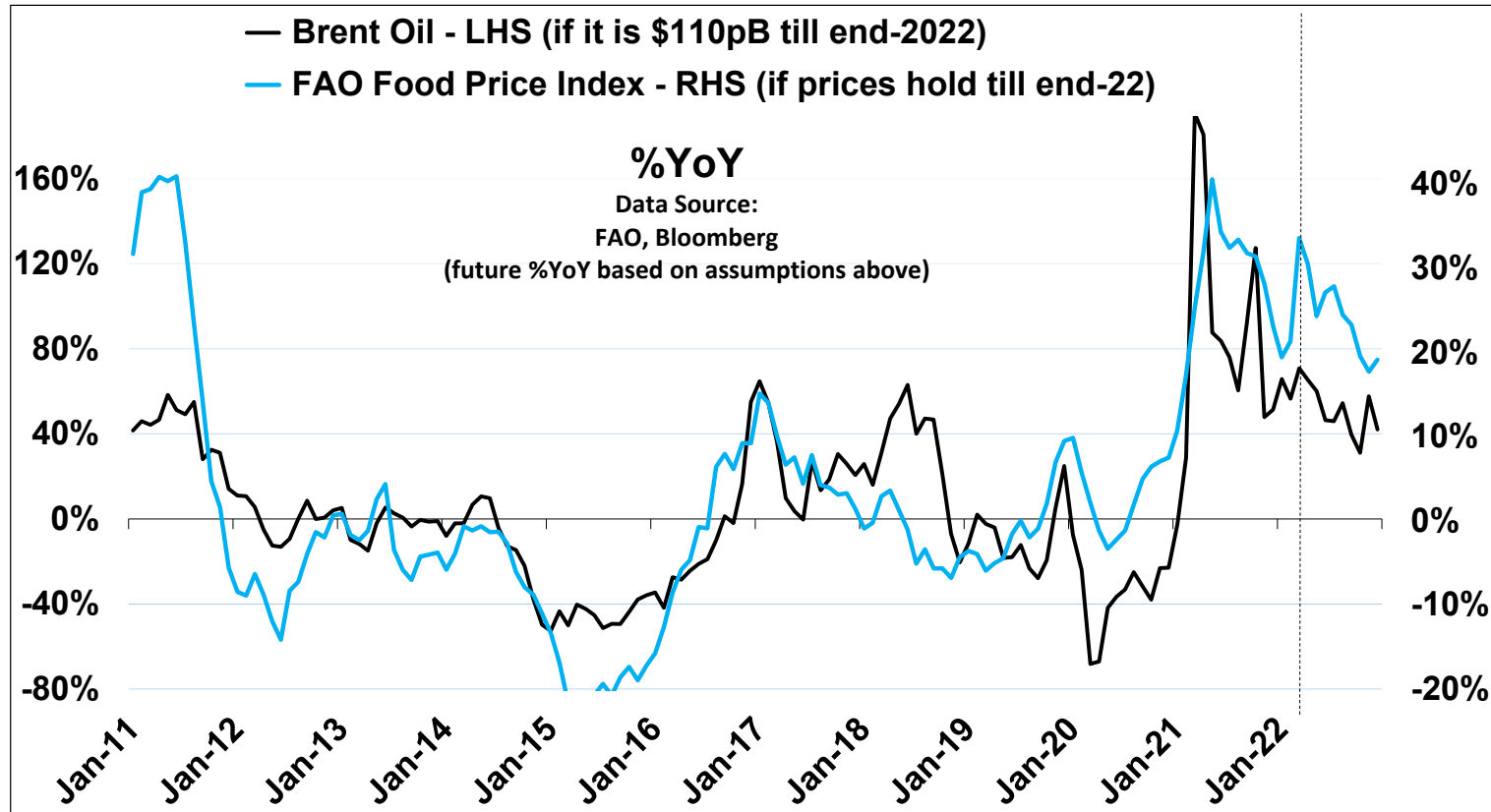
(unmilled & incl. spelt) % of total USD 12bn

Data Source: UNCTAD

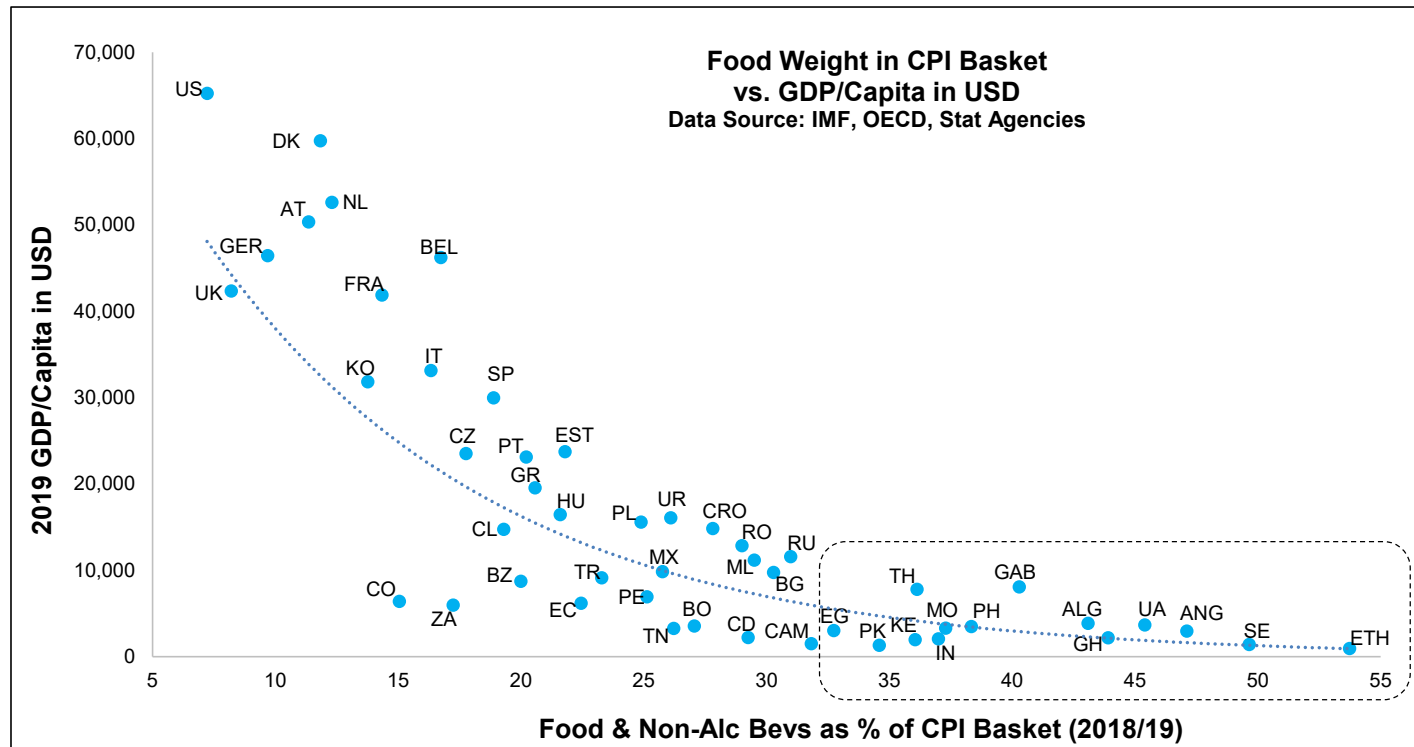


USDA Estimates for Wheat in mn Tonnes	June '22 Stocks	Avg Imports in '20/'21 & '21/'22
Middle East	14.4	31.5
North Africa	13.1	28.2
Sub-Saharan Africa	3.7	26.3

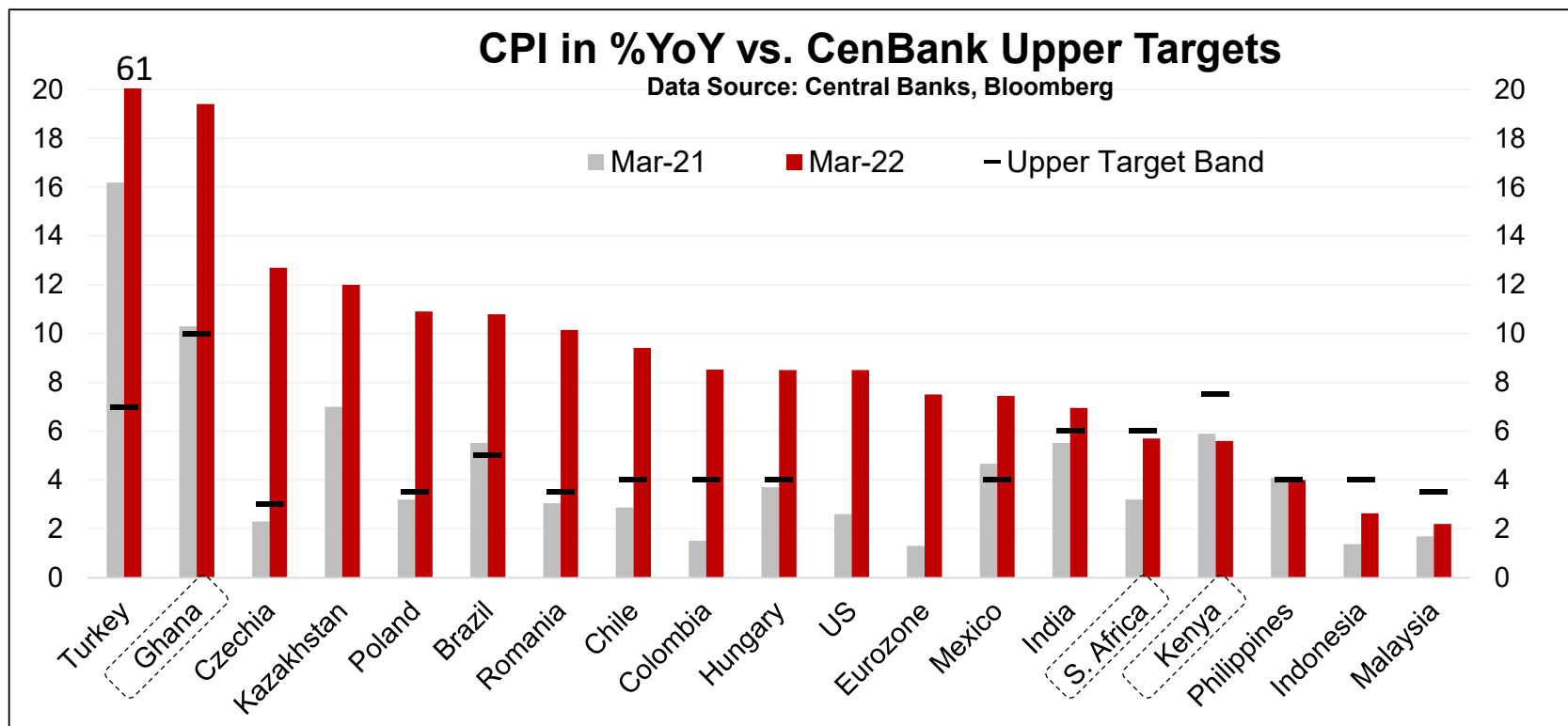
...which brings us to the question of Inflation...



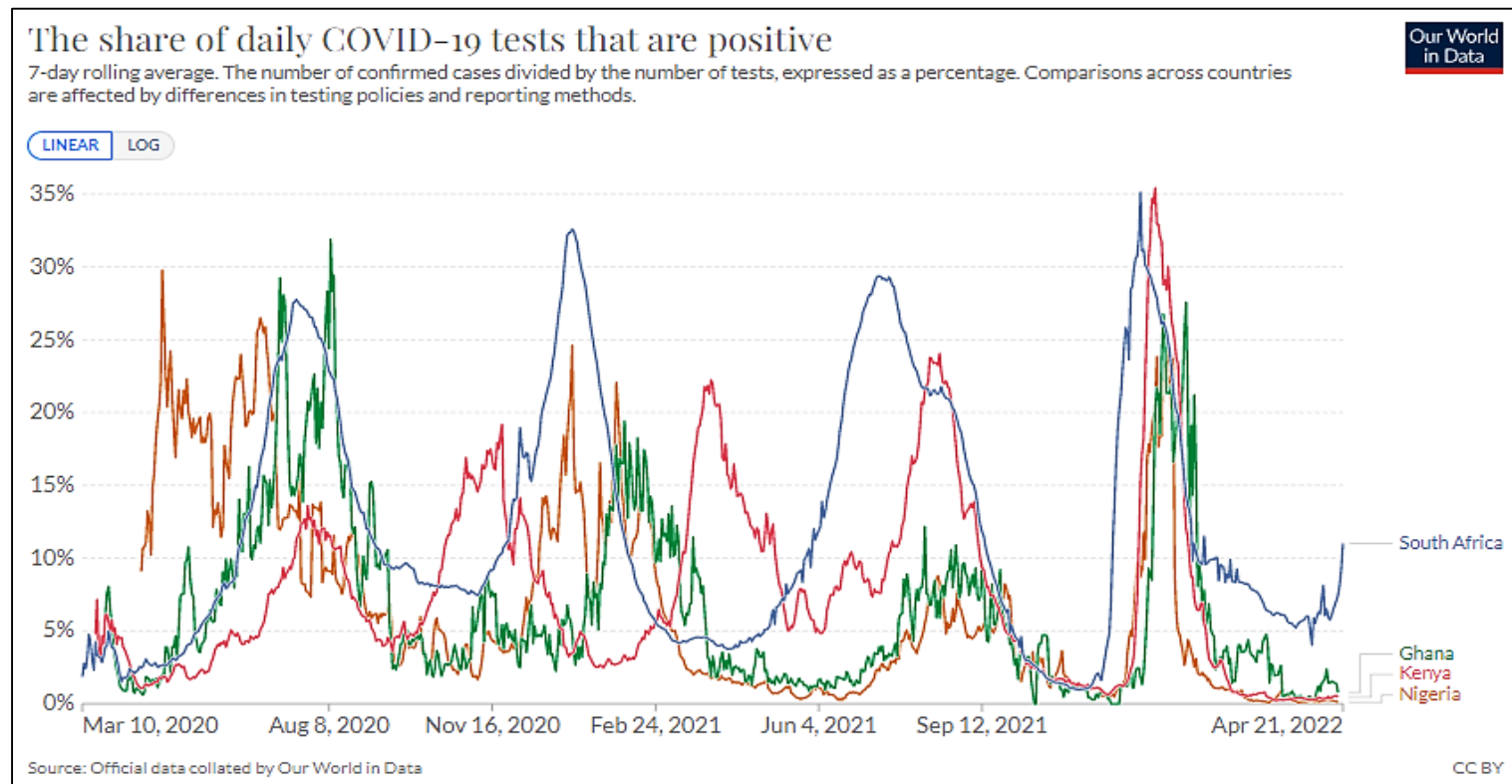
...a perpetual issue for Sub-Saharan Africa...



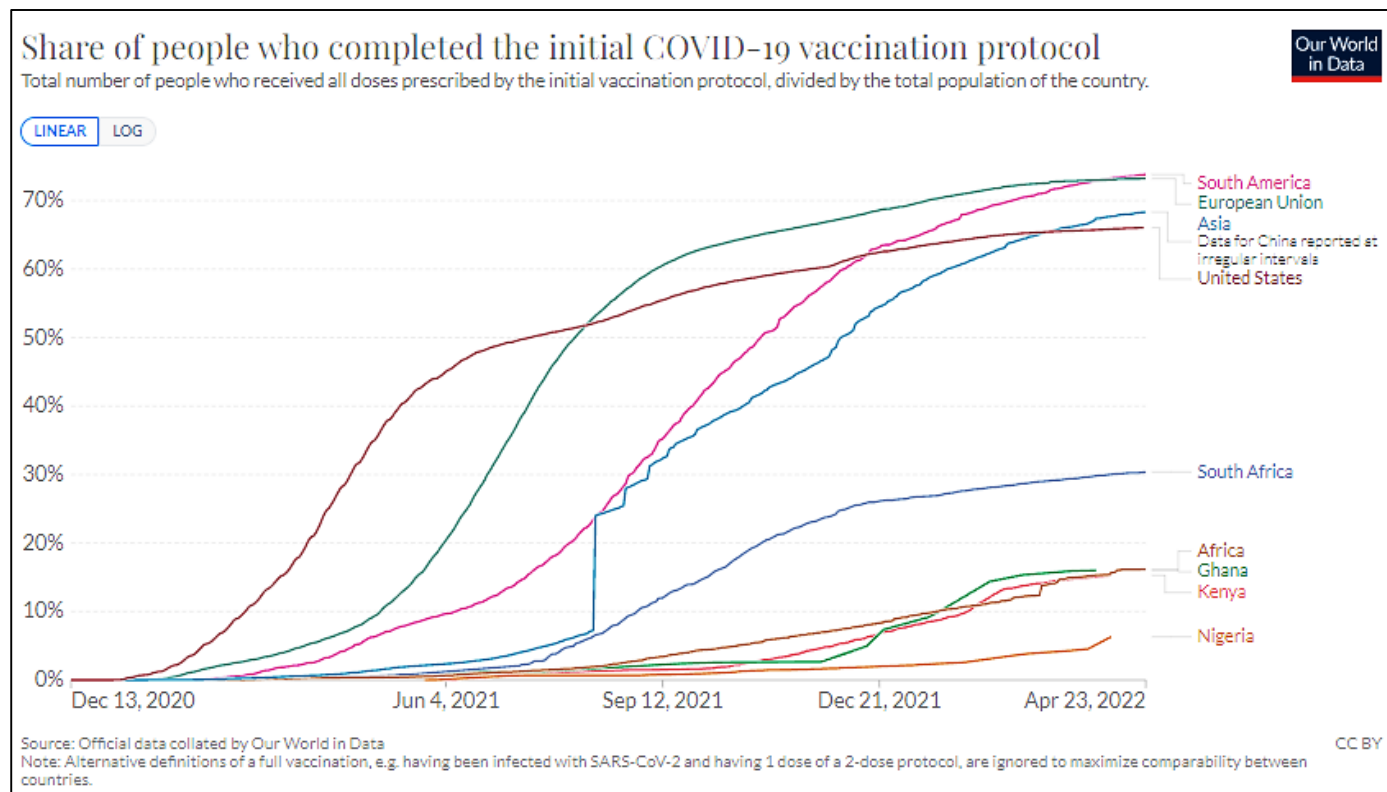
...but also much of the world, with EM facing hawkish DM central banks



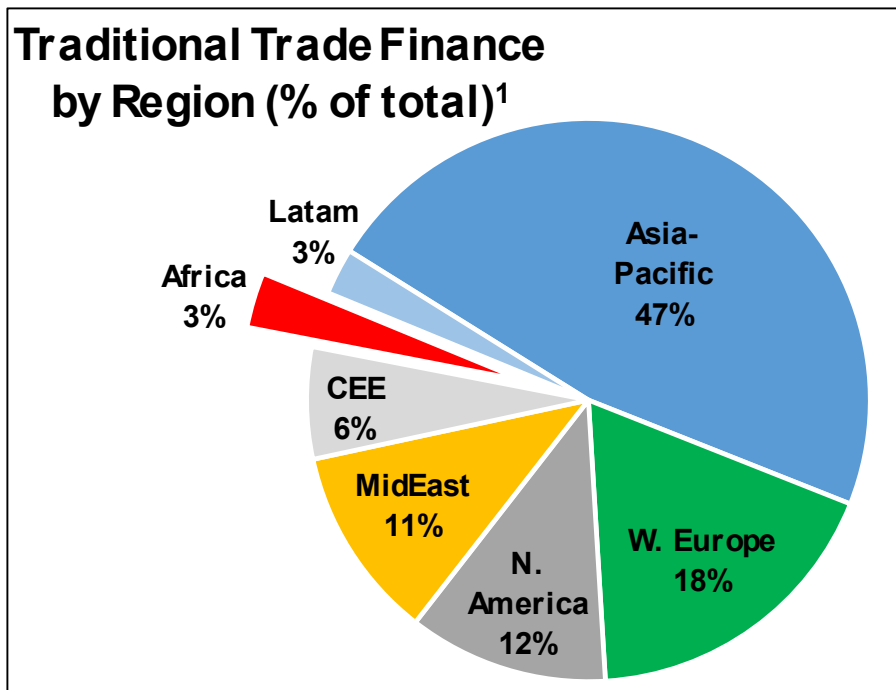
Sub-Saharan Africa has dealt very well with Covid...



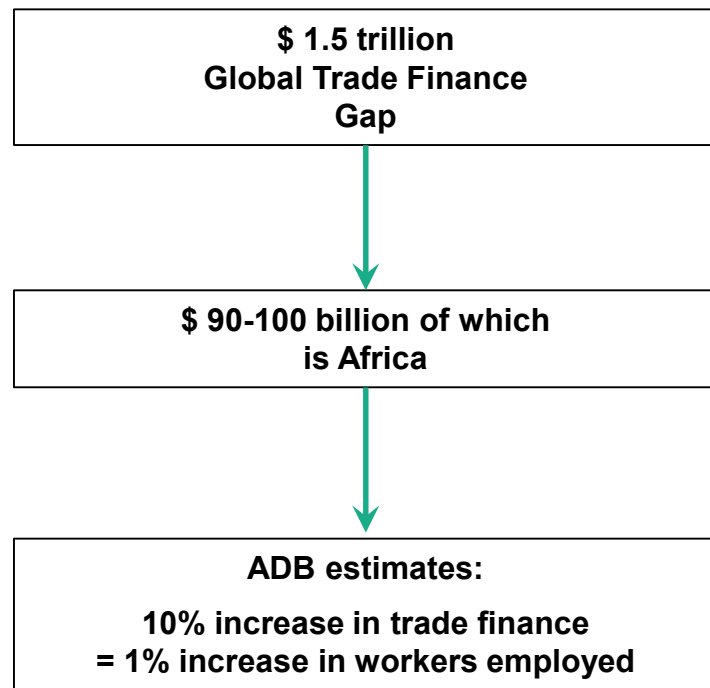
...but at 16%, Africa's access to vaccines is still too low (hitting take-up)



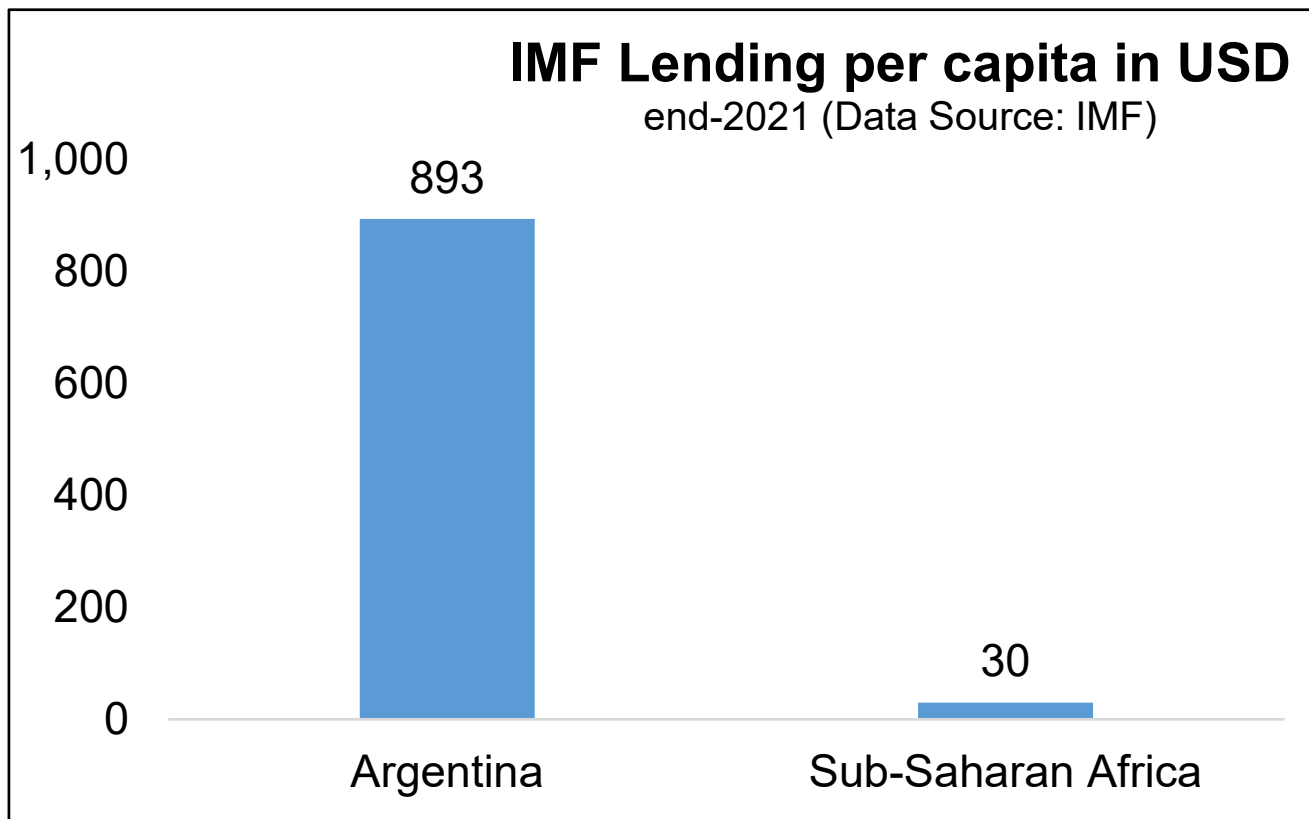
Estimates show Africa's Trade Finance Gap at around USD 90-100bn



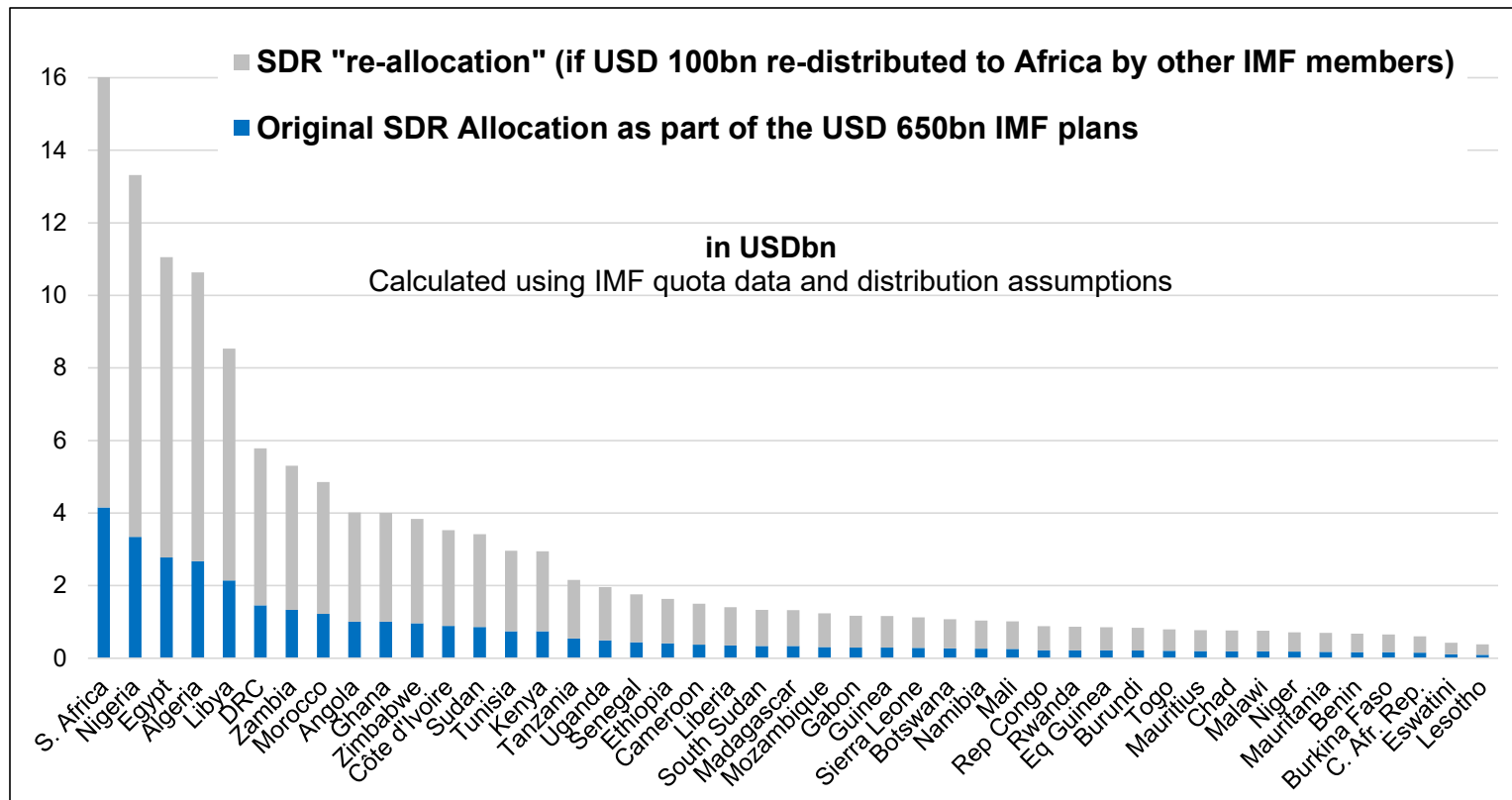
Data Source: Asian Development Bank, African Development Bank, Afreximbank



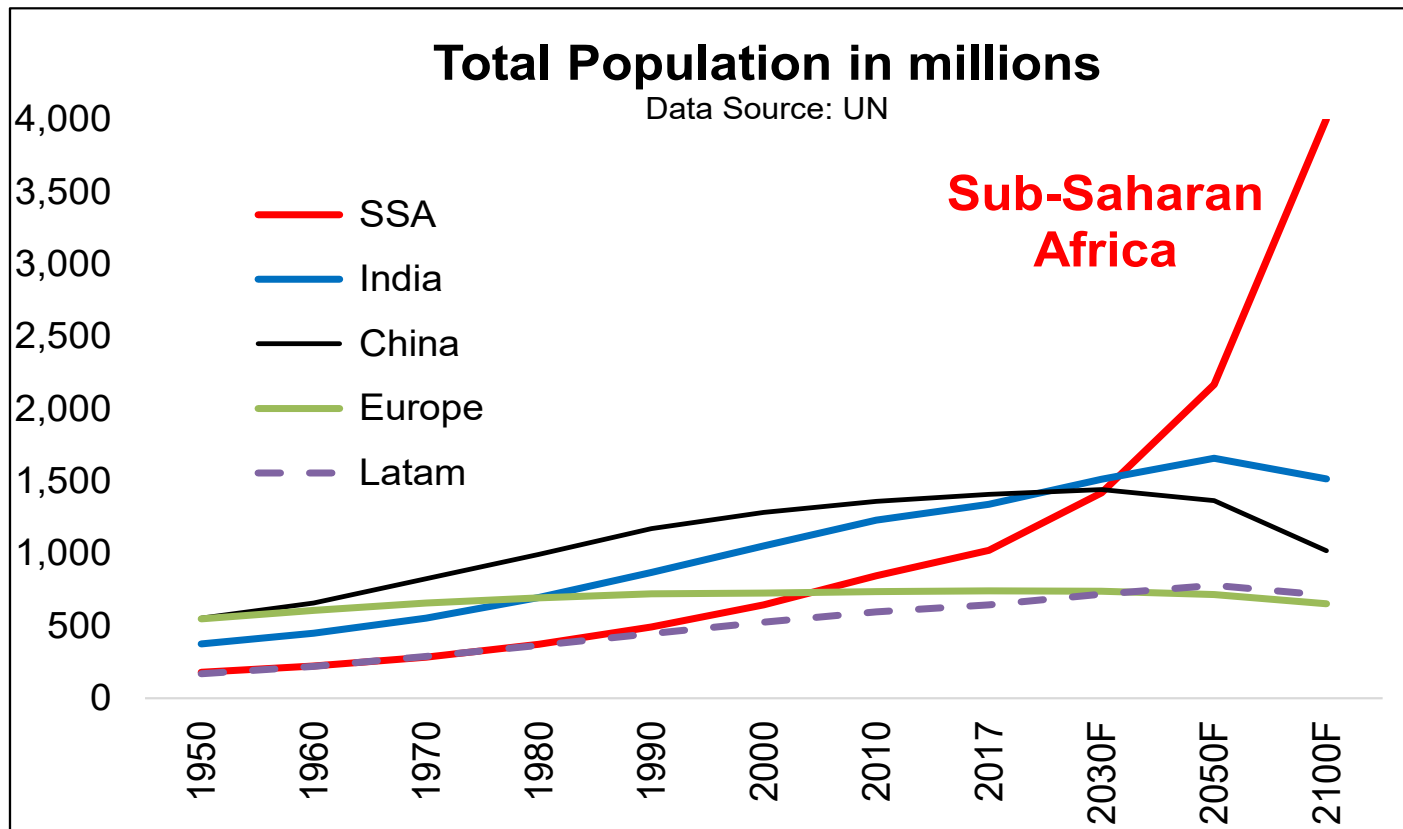
Argentina vs. Sub-Saharan Africa – the difference in IMF lending



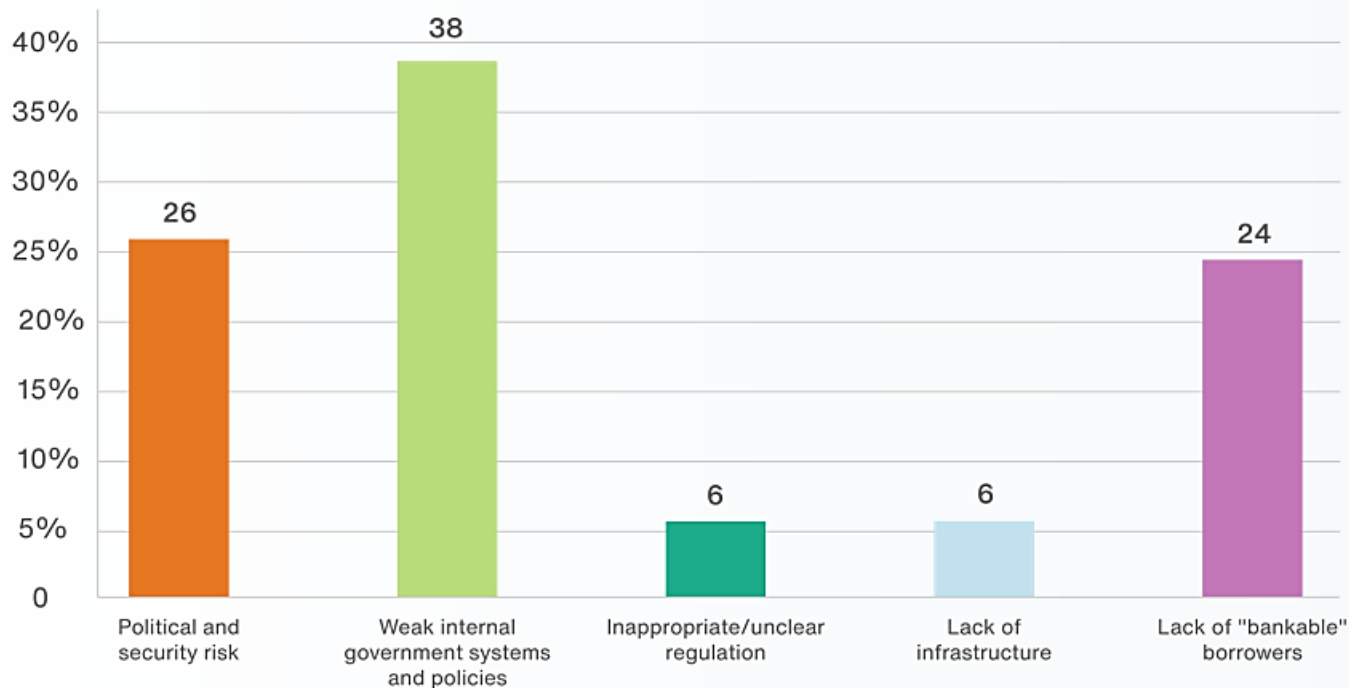
Why not re-allocate some of the \$290bn in SDRs received by US+JP+CN+GE+FR+UK?



Sub-Saharan Africa's Population to reach the size of China by 2030?



What is the greatest internal challenge to growth in Africa?

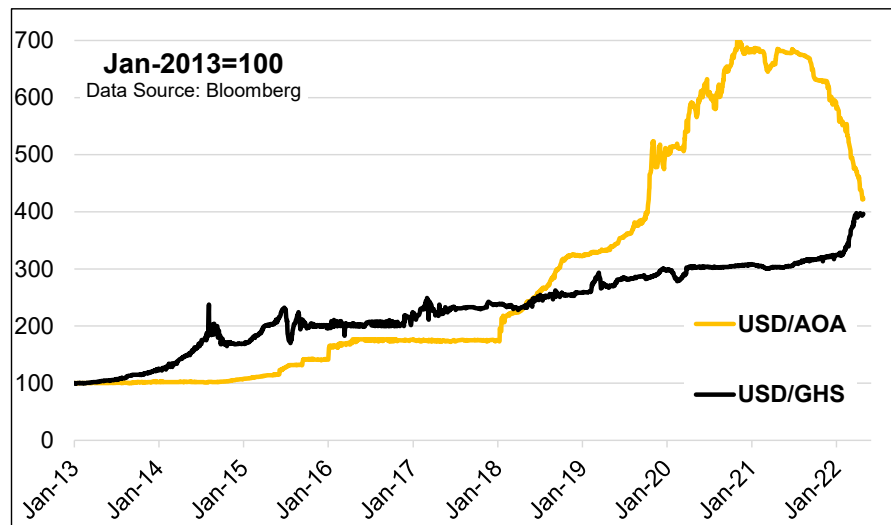
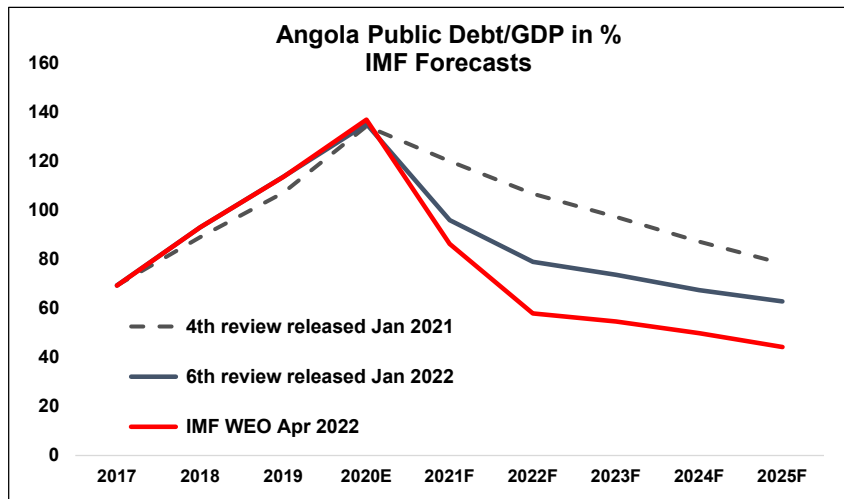


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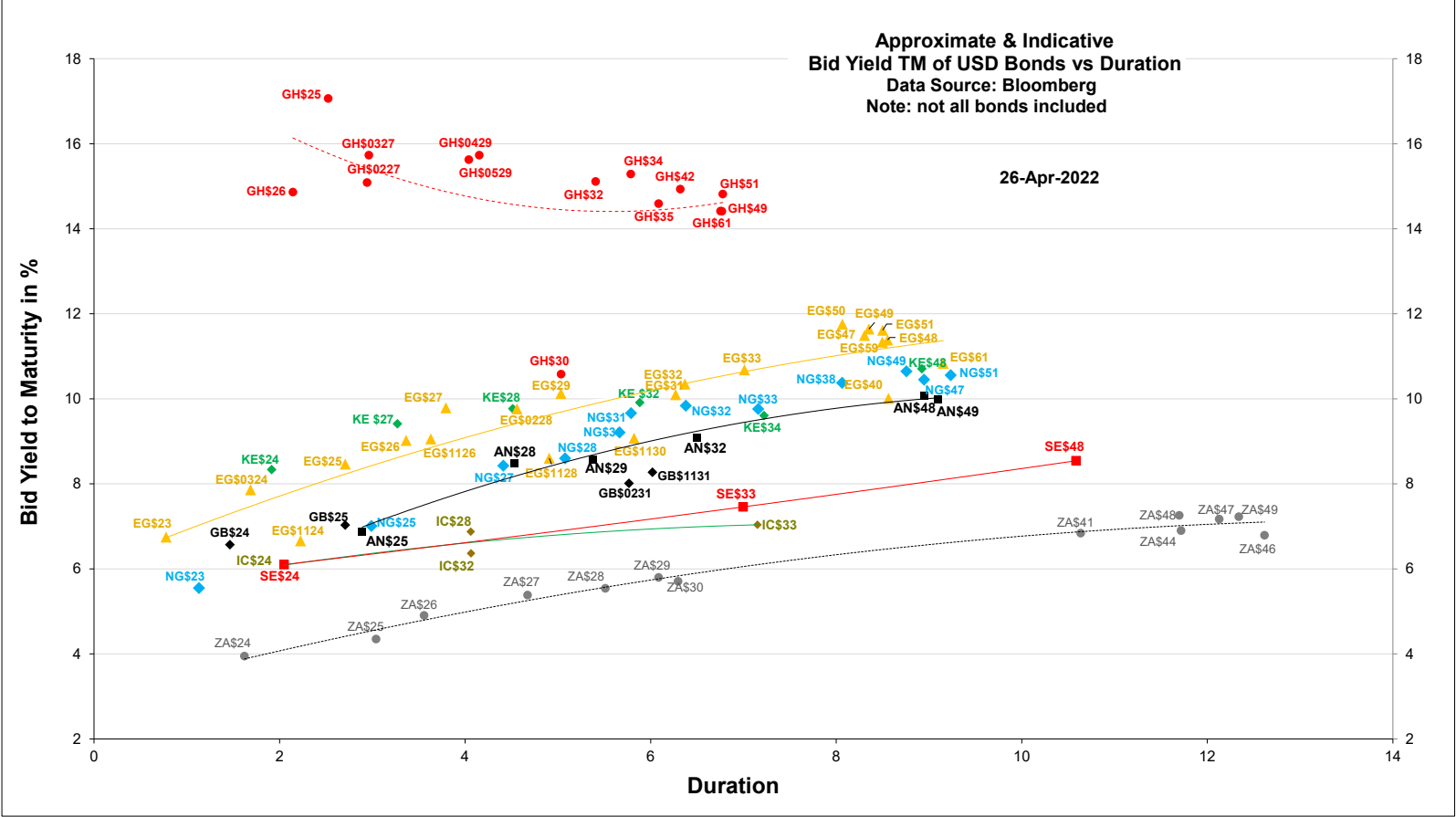
Which of the following countries in Sub-Saharan Africa offer the most opportunities for syndicated lending in 2022?



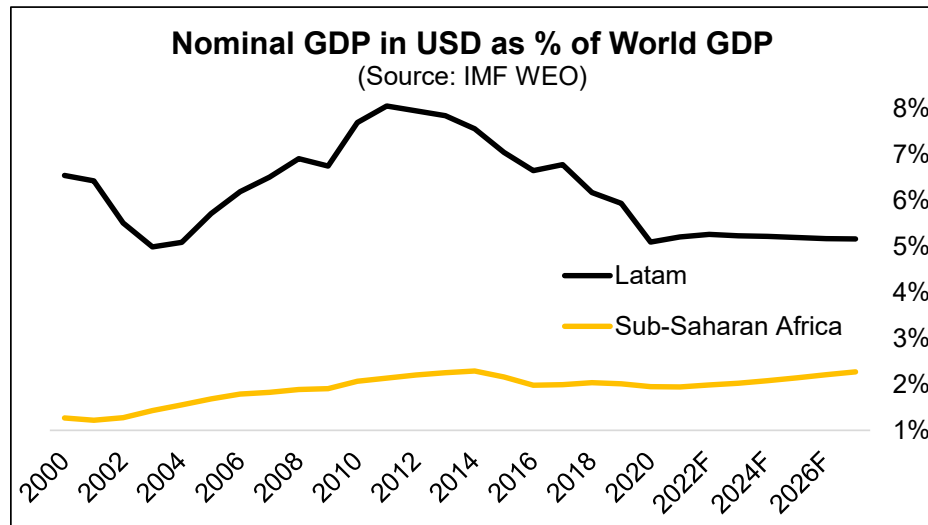
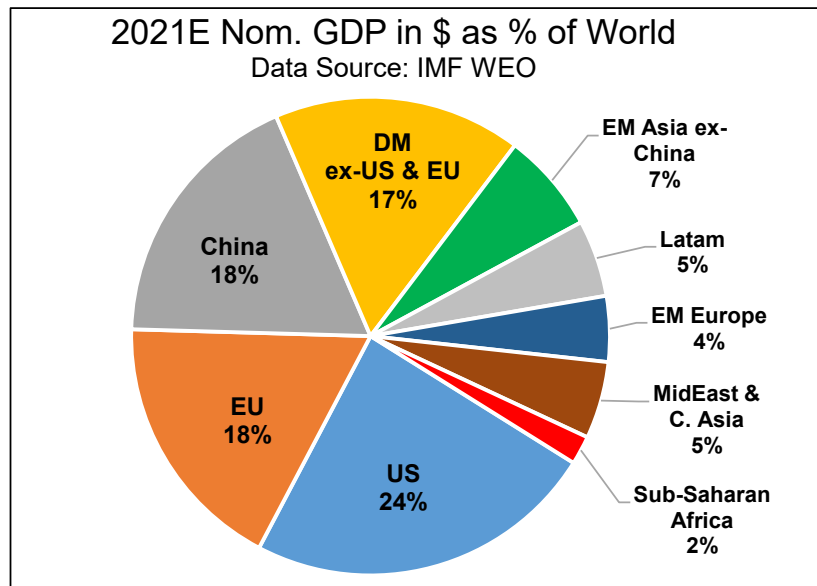
The Story of Angola – Reform & oil-driven recovery



As also reflected in USD Yield Curves



Sub-Saharan Africa: Time for a Boost!



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