

## VISUAL SUMMARY

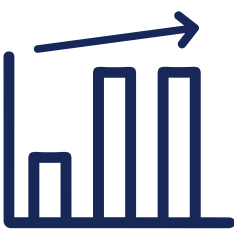
### Economic Outlook and Inflation Forecasts - September 2024



The world economic outlook for 2024 and 2025 continues to lean towards continued economic growth at 2023 levels and slowing inflation.



Domestic inflation continues to slow, with the single-digit inflation forecast over the medium term remaining in place.



The forecast for a gradual economic activity recovery remains unchanged, despite the prevalence of uncertainties as to the impact of climate shocks in agricultural production and various infrastructure.



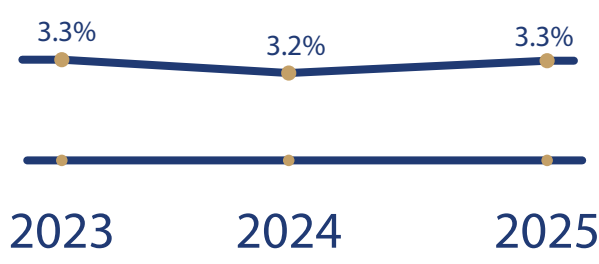
The Banco de Moçambique Monetary Policy Committee (MPC) decided to reduce the MIMO policy rate from 14.25% to 13.50%, underpinned by the consolidation of single-digit inflation forecasts over the medium term.

## Infographics

### Economic Outlook and Inflation Forecasts - September 2024



#### Advanced and emerging market economies continue to grow.



Economic activity continued to pick up in the world's main economies and the outlook points to steady economic growth over the medium term, which could drive a rise in domestic exports.



The annual inflation slowdown trend in Mozambique's key trading partners continues, highlighting the inflation slowdown in South Africa, which can drive a positive change in inflation in Mozambique, considering the products imported from the former.

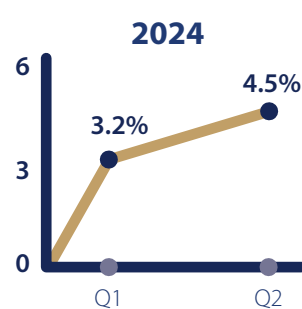


The prices of the main products exported and imported by Mozambique, which drive the supply of foreign exchange and domestic inflation, have reduced.

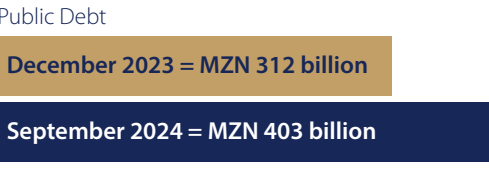


#### Good performance of domestic economy

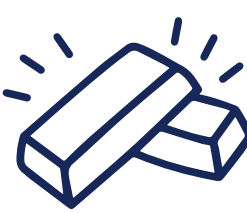
The majority of economic activity sectors recovered in the second quarter of 2024.



In the medium term, steady moderate economic growth is anticipated, underpinned by the performance of the primary and tertiary sectors, despite the impact of weather events on agricultural production and various infrastructure.



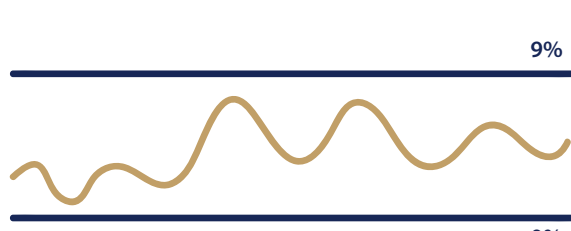
Domestic public debt, potentially impacting the economy's money supply, has increased.



Gross international reserves stand at USD 3,747 million, which is sufficient to ensure over 5 months of imports of goods and services, excluding megaprojects.



#### Single-digit inflation forecasts remain in place, supporting the stability of the purchasing power of the population



The prevailing exchange rate stability and the impact of the measures being taken by the MPC support the maintenance of single-digit inflation forecasts over the medium term.

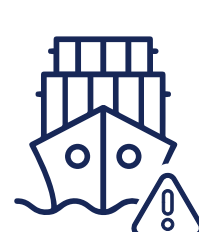


#### The assessment of the risks and uncertainties associated with inflation projections remains favorable

Factors likely to support inflation stability include:



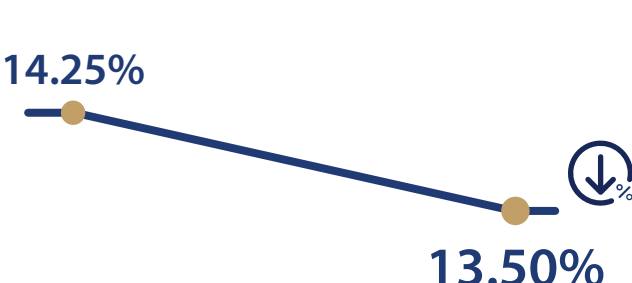
Metical stability.



The favorable behavior of global market commodity prices.



#### MIMO policy rate, which drives the cost of credit, reduced to 13.50%.



This decision is underpinned by the continued consolidation of single-digit inflation prospects over the medium term, in a context where the assessment of the risks and uncertainties associated with projections remains favorable.