

Contrariwise, exports are expected to continue growing at a rate close to 4%, remaining the only positive component of aggregate demand and the main driving force of the economy.

Inflation will continue at high levels (3.2%) and the unemployment rate should rise to about 13.5%.

As well indicated by the Bank of Portugal, intensified efforts in 2012 to correct macroeconomic imbalances cannot be disassociated from the application of long prescribed structural reforms, a key condition for building an economic paradigm that promotes sustainable growth in the middle and long terms. This is the challenge facing the Portuguese economy.

SITUATION IN SPAIN

Figures recently published by the OECD suggest a slight drop in GDP in the last quarter of 2011 (making for a 0.7% annual growth rate) due to slowing international trade and the euro-zone debt crisis's impact on confidence and internal financing conditions.

The public deficit stood at 8% of GDP, two percentage points above the set target.

Despite the downturn, the government has kept for 2012 the public deficit goal of 4.4% of GDP,

adopting additional restrictive measures for taxes on individual income and assets, as well as holding back new civil service admissions.

Amid a very unfavourable internal and external macroeconomic situation, modest growth of the economy is estimated (0.2%) due to budget consolidation measures on internal demand and lower 3.5% export growth (9.5% in 2011), reflecting the cooling economies of the main trading partners (France, Germany, Italy and Portugal).

The unemployment rate should continue rising to about 23% (21.1% in 2011).

SITUATION IN ANGOLA

In 2009 the Angolan state signed with the International Monetary Fund (IMF) a 27-month Stand-By Agreement (SBA) envisaging financing of about USD 1,4 billion, of which USD 1,2 billion have already been disbursed, along with an ambitious programme of economic reforms.

Following the latest assessment of the SBA carried out in Luanda, the IMF held that the Angolan economy continued to recover from the 2009 budget and balance of payments crisis. GDP was estimated to have risen by