



## COUNTRY RISK ASSESSMENTS UPDATE

### PORTUGAL

After Portugal's exit from the bailout plan, the country sees an improvement in its fiscal position and a rebalancing of its external accounts. Growth should reach 1.5 % in 2015 and 2016. On the business side: higher margins, decline in bankruptcies and satisfactory payment experiences.

### CZECH REPUBLIC

The growth of the Czech economy should increase and reach a comfortable level this year and in 2016 (respectively 2.5% and 2.8%).

### CHINA

The level of the private sector debt has been increasing: 207 % of GDP in early 2014 compared to 130% of GDP in 2008 and non-performing loans are on the rise. Solvency of the most fragile players needs to be watched, especially within industries experiencing overcapacities (cement or steel sectors) and real estate market (real estate investment is slowing and property prices are declining).

**CANADA**  
**A1** ↘

### CANADA

The oil price drop hampers Canada's growth: -0.1 % in 1Q 2015. Despite the depreciation of the Canadian dollar, the current account deficit worsened. The extractive industries are in difficulty, and investment will be delayed. The real estate sector appears overvalued.

### ALGERIA

Public deficit reached 7% of GDP in 2014 and should continue to deteriorate in 2015, due to a combined fall in oil receipts and the level of public spending.

### SOUTH AFRICA

The growth slowdown should continue, partly due to shortages in electricity production. The unemployment level, high inflation and public debt are a matter of concern.

**PORTUGAL**  
**A4**

**ALGERIA**  
**A4** ↘

**GABON**  
**B** ↘

**TANZANIA**  
**B** ↘

**BAHRAIN**  
**A4** ↘

**MADAGASCAR**  
**C** ↘

**SOUTH AFRICA**  
**A4** ↘

**CZECH REPUBLIC**  
**A3**

**CHINA**  
**A4**

**VIETNAM**  
**B**

### VIETNAM

Improvement in the economic performance (6% growth in GDP in 2014) and an acceleration in private consumption, thanks to low inflation. The external risk has reduced the current account surplus and the exchange reserves progress.

#### CORPORATE DEFAULT PROBABILITY

- A1** Very low risk
- A2** Low risk
- A3** Quite acceptable risk
- A4** Acceptable risk
- B** Significant risk
- C** High risk
- D** Very high risk
- ↗ Country under positive watch list
- ↘ Country under negative watch list
- Upgrade or positive watch
- Downgrade or negative watch



## SUB-SAHARAN ECONOMIES:

is the risk of bad economic weather high?

### KEY FIGURES

**AVERAGE ANNUAL GROWTH**  
**5%** since 2008

**HIGH DEPENDENCE ON RAW MATERIALS, essentially OIL**



**COMMODITIES\***  
**80%** of exports



**FUEL**  
**53%** of exports



**OIL**  
**11%** of GDP in 2013

### 13 COUNTRIES SLIGHTLY AFFECTED BY THE CURRENT DROP IN OIL PRICES

#### BOTH

net exporters of renewable raw materials

AND

net importers of non-renewable raw materials

⇒ The drop in the price of their exported products is therefore less than that of their imported products



### BIG WINNERS: Kenya, Ethiopia and Uganda

- A long-term growth: 7% average GDP growth in 2014
- Without being penalised in the short term by the fall in raw materials prices

#### THANKS TO:

#### KENYA

Three advantages in the services field



share of transport and communications services has increased since 2005 and is **> 10% of GDP**



share of financial services has increased since 2005 and is **> 5% of GDP**



share of exports of services has increased since 2000 and is **> 40% of GDP**

#### ETHIOPIA

#### UGANDA

Diversification of the economy through the manufacturing sector



number of exported products **> 100**  
**x3** between 2000 and 2013

\* Fuels (essentially oil), minerals, metals, precious stones and food items / agricultural raw materials