# COUNTRY RISK ASSESSMENT MAP • 2nd QUARTER 2016

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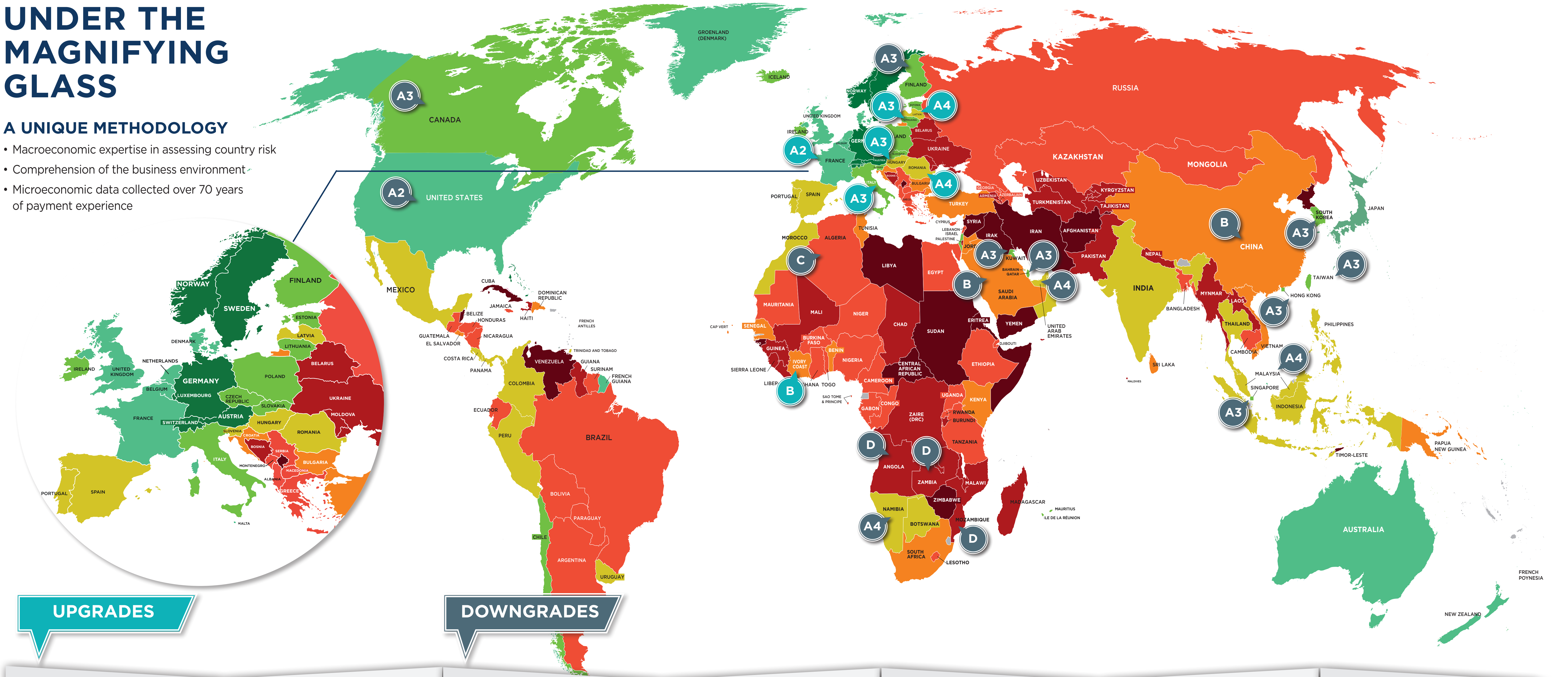
FOR SAFER TRADE

| RISK OF BUSINESSES DEFAULTING | A1 | A2 | A3 | A4 | B | C | D | E |
|---|---|---|---|---|---|---|---|---|
| | VERY LOW | LOW | QUITE ACCEPTABLE | ACCEPTABLE | SIGNIFICANT | HIGH | VERY HIGH | EXTREME |

## 160 COUNTRIES UNDER THE MAGNIFYING GLASS

### A UNIQUE METHODOLOGY

- Macroeconomic expertise in assessing country risk
- Comprehension of the business environment
- Microeconomic data collected over 70 years of payment experience




## UPGRADES

## DOWNGRADES

### FRANCE — A2

- Decrease in business insolvencies: -3.2% expected in 2016
- Higher corporate margins in 2016, supported by the growth in activity and government business support initiatives (CICE)
- First quarter showed the highest level of non-financial private investment since 2012

### ITALY — A3

- Activity is expected to strengthen in 2016 and 2017, mainly driven by private consumption
- Investments are expected to strengthen
- Insolvencies decreasing since 2015

### ALGERIA — C

- High dependence on the oil and gas sector
- Growth is expected to slow in 2016, due to fiscal consolidation
- FDI inflows remain weak, at 1% of GDP

### CHINA — B

- The effectiveness of stimulus measures is being hindered by overcapacity and excessive corporate indebtedness
- **South Korea, Hong Kong, Singapore, Taiwan** A3 **and Malaysia** A4 have been hit by a shock wave. Exports, tourism and investments have been particularly affected

### MOZAMBIQUE — D

- High probability of default on sovereign debt
- Investors lack confidence in the solidity of the government and its ability to manage its debt issues
- The IMF and World Bank have temporarily suspended financial aid, due to an undisclosed debt of USD 1.4bn

### SAUDI ARABIA — B

- Negative effects of the decline in oil prices
- Fiscal deficit is increasing. Public deposits have slackened, weakening the banking system

### UNITED STATES — A2

- The post-crisis turning point has been reached, resulting in a rise in business insolvencies for the first time since 2010
- Business profitability is eroding
- Investment is slowing