

Country Risk Rating Alert - November 2020

D&B's Country Risk Ratings provide a comparative, cross-border assessment of the risk of doing business in a country and encapsulates the risk that country-wide factors pose to the predictability of export payments and investment returns over a time horizon of two years.

Full analysis, commentary and coverage is available from our Country Insight Snapshots and Country Insight Reports on the key 132 economies worldwide.

What You Need To Know:

Which Countries have been Upgraded (risk level has improved): 

Italy	We have upgraded our country risk rating from DB4d to DB4c due to the positive impact on the political outlook as a result of both the regional elections and the referendum vote.
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Which Countries have been Downgraded (risk level has deteriorated): 

Azerbaijan	The overall country risk rating has been downgraded to DB6a as the outbreak of armed conflict with Armenia poses a serious threat to the political environment.
Singapore	Payments performance risks rise as the outlook for externally-oriented sectors darkens, prompting us to downgrade the country's risk rating by one quartile.

Outlook Trend Upgrades 

	Was	Now	
Bangladesh	Deteriorating	Stable	Increased garments exports - which make up 88% of total exports - plus improved transportation and surging remittances prompt a rating outlook upgrade from 'deteriorating' to 'stable'.
Ecuador	Deteriorating	Stable	The credit environment and liquidity in the public sector should both benefit from a debt-restructuring deal with government creditors; we have upgraded the overall rating outlook.
Pakistan	Deteriorating	Stable	The overall outlook is upgraded to 'stable' amid an improving economic recovery, while the political environment outlook is also 'stable' despite co-ordinated opposition to the government.
Panama	Deteriorating	Stable	Business continuity improves, with the government prioritising measures to implement multiple infrastructure projects, both public and private, and with the resumption of productive activities.
Philippines	Deteriorating	Stable	The rating outlook has been upgraded to 'stable' amid a big improvement in the labour market that will give market environment conditions an immediate boost.
Sweden	Stable	Improving	Better prospects for the country's export-oriented manufacturers puts Sweden's risk rating on review for an upgrade as we shift the overall outlook to 'improving'.

Outlook Trend Downgrades 

	Was	Now	
Albania	Improving	Stable	The overall outlook deteriorates as the government winds down support for businesses and households; many small businesses have closed since government assistance ended in July.
Australia	Stable	Deteriorating	Further disruption to the commercial environment is expected amid an extension of quarantine measures in Victoria; as a result, we have downgraded the overall outlook to 'deteriorating'.
Bosnia & Herzegovina	Improving	Deteriorating	A deterioration in the political environment prompts a downgrade to the overall outlook as the Bosnian Serbs call for a land swap between Republika Srpska and Kosovo.
Croatia	Improving	Stable	The short-term economic outlook weakens as a second wave of coronavirus rules out any chance of a V-shaped recovery in H2; we have downgraded the overall rating outlook.
Ukraine	Stable	Deteriorating	Better business regulations and a surge in online working augur well for the IT industry, but we have downgraded the overall outlook as Covid-19 cases/hospitalisations rise.

D&B Country Insight Services

csc@dnb.com.sg