

RatingsDirect®

Country Risk Assessment Update: October 2017

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Country Risk Assessment Update: October 2017

This article presents updates to S&P Global Ratings' country risk assessments. We currently review 133 assessments using the criteria in "Country Risk Assessment Methodology And Assumptions," published Nov. 19, 2013, on RatingsDirect (see table 1 in the Appendix).

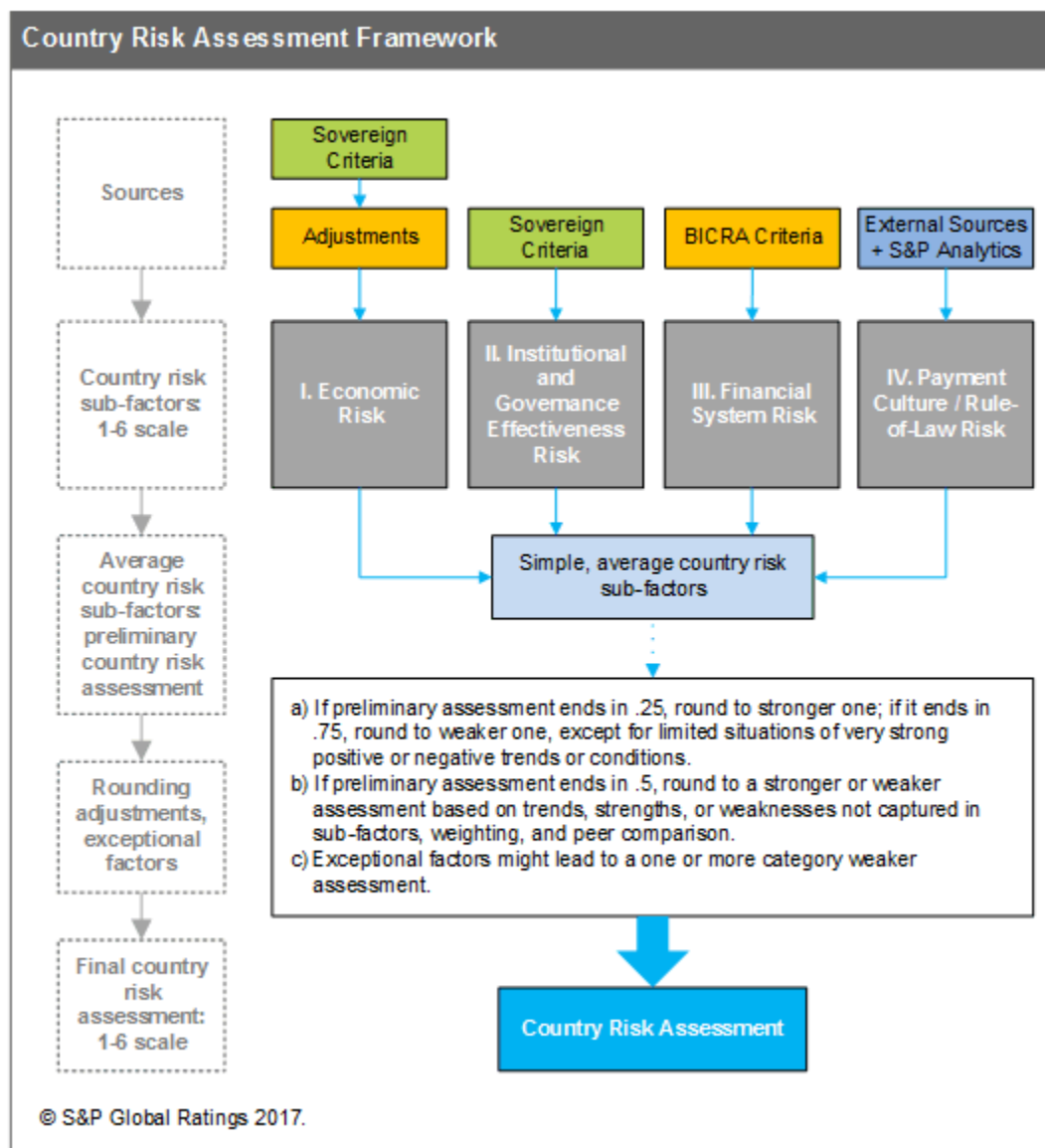
Latest Country Risk Actions

Since we last published this report, on July 31, 2017, we have:

- Assigned Moldova a country risk assessment of '5' (high risk).

About Country Risk Assessments

We define "country risk" as the broad range of economic, institutional, financial market, and legal risks that arise from doing business with or in a specific country and can affect a nonsovereign entity's credit quality. The credit risk for every rated entity and transaction is influenced to varying degrees by these types of country-specific risks. The factors we evaluate are economic risk, institutional and governance effectiveness risk, financial system risk, and payment culture/rule of law risk (see chart).



Our country risk assessments rank country risk on a scale of '1' (very low risk) to '6' (very high risk). For corporate and infrastructure entities, the country risk assessment combines with our industry risk and competitive position assessments to produce the business risk assessment (see "Corporate Methodology," published Nov. 19, 2013). Country risk is also considered in project finance transactions (see "Project Finance Construction Methodology," published Nov. 15, 2013).

Our use of the country risk assessments in other sectors will be governed by the rating criteria for those sectors and for other asset classes. The country risk assessment criteria are similar to those we use to assess country risk in the insurance sector (see the section headed "Insurance Industry and Country Risk Assessment" in "Insurers: Rating Methodology," published May 7, 2013). However, they do not affect our methodology for considering country risk for banks, found in "Banking Industry Country Risk Assessment Methodology And Assumptions," published Nov. 9, 2011.

Appendix: Latest Country Risk Scores

Table 1

Country Risk Assessments By Group And Country As Of Oct. 31, 2017					
--Ranging from Group '1' (lowest risk) to Group '6' (highest risk)--					
Very low risk (1)	Low risk (2)	Intermediate risk (3)	Moderately high risk (4)	High risk (5)	Very high risk (6)
Australia	Austria	Abu Dhabi	Bahamas	Albania	Angola
Canada	Belgium	Cayman Islands	Botswana	Algeria	Belarus
Denmark	Finland	Chile	Brazil	Argentina	Belize
Germany	France	Czech Republic	Bulgaria	Azerbaijan	Burkina Faso
Hong Kong	Ireland	Estonia	China	Bahrain	Cambodia
Luxembourg	Japan	Iceland	Colombia	Bangladesh	Congo (Republic of)
Netherlands	New Zealand	Israel	Costa Rica	Barbados	Congo (Democratic Republic of)
Norway	South Korea	Macau	Croatia	Bhutan	Egypt
Singapore	United Kingdom	Malaysia	Curacao	Bolivia	El Salvador
Sweden		Malta	Cyprus	Bosnia and Herzegovina	Eritrea
Switzerland		Portugal	Dubai	Dominican Republic	Gabon
United States		Qatar	Hungary	Ecuador	Greece
		Slovakia	India	Ethiopia	Iraq
		Slovenia	Italy	Georgia	Laos
		Spain	Kuwait	Ghana	Mozambique
		Taiwan	Latvia	Grenada	Nigeria
		United Arab Emirates*	Lithuania	Guatemala	Pakistan
			Mauritius	Honduras	Papua New Guinea
			Mexico	Indonesia	Ukraine
			Morocco	Jamaica	Venezuela
			Oman	Jordan	Zimbabwe
			Panama	Kazakhstan	
			Peru	Kenya	
			Poland	Lebanon	
			Ras Al Khaimah	Macedonia	
			Romania	Moldova	
			Saudi Arabia	Mongolia	
			Serbia	Nicaragua	
			Sharjah	Paraguay	
			South Africa	Philippines	
			Thailand	Russia	
			Trinidad & Tobago	Senegal	
			Turks and Caicos	Sri Lanka	
			Uruguay	Suriname	

Table 1**Country Risk Assessments By Group And Country As Of Oct. 31, 2017 (cont.)**

--Ranging from Group '1' (lowest risk) to Group '6' (highest risk)--

Very low risk (1)	Low risk (2)	Intermediate risk (3)	Moderately high risk (4)	High risk (5)	Very high risk (6)
				Tanzania	
				Tunisia	
				Turkey	
				Uganda	
				Vietnam	
				Zambia	

*Used only for Insurance Industry and Country Risk Assessments.

Table 2**Regional Risk Assessments As Of Oct. 31, 2017***

Region	Weighted-average country risk
Europe, the Middle East, and Africa	
Western Europe	2
Southern Europe	4
Western and Southern Europe	2
East Europe	5
Central Europe	4
Eastern Europe and Central Asia	5
Africa	5
Middle East	4
The Americas	
North America	1
Latin America	4
Central America	4
The Caribbean	5
Asia-Pacific	
Asia-Pacific	4
Central Asia	4
East Asia	3
Australia New Zealand	1

*See Section C of the "Corporate Methodology" criteria article for further details on how regional scores are derived.

Related Criteria And Research

For a fuller understanding of our country risk assessment criteria and other relevant publications, please see the following articles published on RatingsDirect.

Related criteria

- Sovereign Rating Methodology, Dec. 23, 2014
- Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- Corporate Methodology, Nov. 19, 2013
- Ratings Above The Sovereign--Corporate And Government Ratings: Methodology And Assumptions, Nov. 19, 2013
- Project Finance Construction Methodology, Nov. 15, 2013
- Insurers: Rating Methodology, May 7, 2013
- Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011

Related research

- Country Risk Assessments Update: July 2017, July 31, 2017
- Country Risk Assessments Update: May 2017, May 23, 2017
- Country Risk Assessments Update: March 2017, March 24, 2017
- Country Risk Assessments Update: November 2016, Nov. 10, 2016
- Country Risk Assessments Update: August 2016, Aug. 26, 2016
- Country Risk Assessments Update Following The Recent Downgrade Of Turkey: July 2016, July 22, 2016
- Country Risk Assessments Update: July 2016, July 1, 2016
- Country Risk Assessments Update: April 2016, April 14, 2016
- Country Risk Assessments Update: December 2015, Dec. 21, 2015
- Country Risk Assessments Update: October 2015, Oct. 8, 2015
- Country Risk Assessments Update: July 2015, July 8, 2015
- Country Risk Assessments Update: May 2015, May 29, 2015
- Country Risk Assessments Update: February 2015, Feb. 27, 2015
- Country Risk Assessments Update: November 2014, Nov. 26, 2014
- Country Risk Assessments Update: August 2014, Aug. 29, 2014
- Country Risk Assessments Update: May 2014, May 14, 2014
- Country Risk Assessments Update: February 2014, Feb. 11, 2014

Only a rating committee may determine a rating action and this report does not constitute a rating action.

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