



## Africa

Algeria	Plans to expand hydrocarbon production encounter delays, undermining the country's medium-term economic growth potential.
Angola	Commodity prices and foreign investment are favourable, but business credit-worthiness remains poor.
Botswana	Rising inflation damages prospects for private consumption and economic growth.
Cameroon	D&B downgrades Cameroon's country risk rating as discontent at rising prices and President Biya's quest for re-election sparks political violence.
Cote d'Ivoire	D&B upgrades Cote d'Ivoire's country risk rating amid efforts to reduce external debt and the announcement of an election date.
Congo, D.R.	Security problems persist but the government's reappraisal of mining contracts reduces uncertainty in the sector.
Ethiopia	Flawed local elections ensure the continued dominance of the ruling party.
Gabon	French investments in oil and manganese production bode well for future economic performance.
Ghana	The authorities raise interest rates in response to rising inflation, while widening deficits threaten short-term economic stability.
Kenya	Political risk continues amid disagreement over the make-up of a power-sharing cabinet.
Libya	The expansionary budget will help to boost economic growth in the short term.
Malawi	The risks facing the external sector remain high, but medium-term prospects are more favourable.
Mauritius	The central bank cuts interests rates despite rising global risk.
Morocco	The impasse with Algeria over the Western Sahara issue continues despite Morocco's unprecedented call to open the shared land border.
Mozambique	As a net exporter of electricity, the country is set to benefit from the recent regional power crisis.
Namibia	The short-term economic outlook remains unfavourable amid continuing power shortages.
Nigeria	Inflation risks remain on the upside despite slowing food price growth.
Senegal	The restructuring deal for the ailing state-owned phosphate producer is positive for economic prospects and sovereign risk.
Sierra Leone	The newly-established transitional administration makes progress in tackling corruption.
South Africa	The monetary authorities increase interest rates for the sixth consecutive month amid increasing inflationary pressures.
Sudan	The economy's lack of Western links should insulate it from a global economic slowdown.
Tanzania	D&B downgrades Tanzania's country risk rating as political uncertainty increases.
Tunisia	The president announces politically motivated plans to change eligibility criteria for the 2009 presidential election.
Uganda	Economic prospects improve following the political rapprochement in neighbouring Kenya, but inflation remains a risk.
Zambia	The government's new mining tax policy favours the equitable distribution of mineral wealth over investor-friendly measures.
Zimbabwe	Further delays in the announcement of the presidential election result raise fears of vote-rigging and renewed violence.

## America

Argentina	Conflict between the government and farmers highlights the country's weak business environment.
Bolivia	The unfolding political crisis may disrupt output in the country's vital gas industry.
Brazil	The economy appears well set to weather the current uncertain global conditions.
Canada	A fall in inflation gives the central bank greater latitude for interest rate cuts.
Chile	Energy shortages prompt price increases and could damage future economic performance.
Colombia	The rumoured release of an important hostage could bring about a sharp improvement in the country's civil conflict.
Costa Rica	Inflationary pressures and weaker US demand are set to hamper economic growth.
Cuba	The election of the country's first new president in half a century is unlikely to bring radical changes in the short term.
Dominican Republic	President Fernandez is likely to be re-elected in the upcoming poll, although he may be forced into a second-round run-off.
Ecuador	Prospects for growth remain poor as President Correa's position weakens.
El Salvador	The economy's strong growth should continue despite a US economic slowdown.
Guatemala	President Colom's term begins amid a worsening economic outlook and fragile political support.
Honduras	The country will struggle to meet the fiscal discipline targets in its pending agreement with the IMF.
Jamaica	The expansionary budget is set to exacerbate the government's fiscal problems and boost inflation.
Mexico	Internal struggles in the main opposition party threaten the government's attempts to pass planned oil sector reforms.
Nicaragua	The adversarial political environment continues to hamper the progress of key legislation.
Panama	The economy should remain resilient in the face of a deteriorating external environment.
Paraguay	The election of left-leaning Fernando Lugo as president ends decades of one-party dominance but increases political uncertainty.
Peru	The significant upgrade to the country's sovereign debt rating will aid overall economic growth.
Trinidad & Tobago	The central bank raises interest rates, signalling an increased threat to the inflation environment.
Uruguay	The government needs to curb mounting inflation without harming the business environment.
Venezuela	Importers' payments performance may deteriorate with the expected devaluation of the bolivar.

## Asia/Pacific

Afghanistan	Aid transfers and opium-related receipts continue to fuel rapid economic growth.
Australia	Business conditions have slumped to their worst level in five years.
Bangladesh	Poor crop harvests and high food prices put strain on the external accounts.
Cambodia	Weaker demand in key export markets threatens prospects for the crucial garment manufacturing sector.
China	The currency's appreciation remains policy-makers' best hope for curbing inflation.
Fiji	Declining economic growth and rising inflation dash hopes for a recovery from the recession.
Hong Kong	The economy is vulnerable to new inflationary pressures and an economic slowdown in the US.
Indonesia	The natural resource sector remains attractive to foreign investors.
Japan	The country remains exposed to the effects of sharp rises in commodity prices.
Malaysia	Exports to the US slip rapidly against a backdrop of political change.
Myanmar	The junta prepares for difficulties as inflationary pressures mount.
Nepal	Pre-election unrest triggers food and fuel shortages in the capital.
New Zealand	Business confidence is set to wane amid persistent economic risks.
Pakistan	The balance of political power shifts and could herald the end of President Musharraf's time in office.
Papua New Guinea	The Australian prime minister's visit signals a beneficial warming of bilateral relations.
Philippines	Rice shortages could pose an increased threat to price stability and the position of the government.
Singapore	Official exchange rate policy shifts further towards an anti-inflationary focus.
South Korea	The president's pro-business party wins a parliamentary majority and promises economic reform.
Sri Lanka	The assassination of a government minister underscores the high risk of terrorism.
Taiwan	The opposition candidate's presidential election victory promises to revolutionise relations with China.
Thailand	Consumer optimism rises amid increasing political stability.
Vietnam	The government reassesses its economic objectives in the face of continued inflationary pressures.

## Eastern Europe

Albania	D&B upgrades Albania's country risk rating amid NATO accession and the positive review of an IMF programme.
Azerbaijan	The chances of a secure and lasting peace in the disputed territory of Nagorno-Karabakh remain slim.
Belarus	Positive official economic growth figures mask mounting problems.
Bosnia & Herzegovina	The Bosniak-Croat federation harmonises tax rates with the Serb entity, simplifying the operating environment.
Bulgaria	The interior minister resigns over the government's failure to tackle corruption and crime.
Croatia	The initiation of talks on joining NATO will help to deepen the country's Western orientation.
Czech Republic	The state budget surplus rises significantly as new fiscal reforms are implemented.
Estonia	A sharper-than-expected slowdown in economic activity reduces prospects for future growth.
Georgia	Political tension looks likely to ease ahead of May's parliamentary election.
Hungary	The rejection of key austerity measures in a binding referendum creates concerns for potential investors.
Kazakhstan	D&B downgrades Kazakhstan's country risk rating amid fears over the banking sector and state intervention.
Kyrgyz Republic	Harsh winter weather, escalating inflation and production problems at the main gold mine underline the country's difficult economic environment.
Latvia	Economic activity threatens to slow sharply after years of double-digit growth.
Lithuania	Economic growth is set to slow after two years of strong expansion.
Macedonia	The government calls an early election in a bid to appeal to nationalist sentiment after its NATO application was blocked by Greece.
Poland	Government effectiveness in reforming the economy is called into question by the resignation of a key cabinet member.
Romania	The central bank tightens monetary policy as the long-term process of disinflation comes to an end.
Russian Federation	High energy prices continue to fuel the economy as President Putin's successor takes over.
Serbia	The central bank uses new monetary policy instruments to bear down on inflation.
Slovak Republic	The government formally applies to adopt the euro from 2009.
Slovenia	The EU presidency and a looming parliamentary election dominate the political environment.
Tajikistan	Business dealings are badly affected by winter weather and severe energy rationing.
Turkmenistan	Despite government distortion of official statistics, economic growth still appears strong.
Ukraine	NATO's failure to offer a firm prospect of membership could act to reduce political risk.
Uzbekistan	Improving ties with the US and reforms in the banking sector boost the risk outlook.

## Middle East

Bahrain	The king asserts his authority by siding with reformists in a government disagreement.
Egypt	Political risk increases as rapidly rising prices prompt social unrest.
Iran	US sanctions curtail trade and investment, undermining potential economic growth.
Iraq	A failed government crackdown on militia forces highlights the difficulties in the country's political environment.
Israel	The EU condemns plans to build new homes in a West Bank settlement.
Jordan	The country continues to face short-term budgetary and current account pressures.
Kuwait	Developments in the political sphere weaken the risk environment.
Lebanon	The political impasse remains unresolved, perpetuating the weak political risk outlook.
Oman	Weak anti-inflationary policy undermines potential economic growth.
Qatar	US interest rate cuts increase pressure on the central bank to revalue the currency.
Saudi Arabia	A British probe into a major arms deal could weaken the kingdom's external relations and damage the political risk outlook.
Syria	The gradual reformist programme continues against a backdrop of continued high external political risk.
UAE	Inflation and exchange rate concerns continue to undermine the economic outlook.
Yemen	A spate of bomb attacks continues to overshadow the risk outlook.

## Western Europe

Austria	Political tensions ease as the governing coalition agrees compromises on economic reforms.
Belgium	The risk environment deteriorates due to a looming price spiral.
Cyprus	Economic and political developments boost the optimistic outlook.
Denmark	Consumer confidence remains low amid growing economic uncertainties.
Finland	Slowing external demand and higher domestic inflation damage the short-term economic outlook.
France	President Sarkozy signals a new closeness in relations during a state visit to the UK.
Germany	A postal strike looms, but payments performance remains robust.
Greece	The government revises its forecasts on economic growth and inflation amid increasing popular discontent over reforms.
Iceland	D&B downgrades Iceland's country risk rating in response to persistent economic imbalances and rising levels of external debt.
Ireland	Prime Minister Ahern's resignation fuels uncertainty about the country's political and economic future.
Italy	Economic reform prospects remain doubtful despite the comfortable parliamentary majority won by Silvio Berlusconi's right-leaning coalition in the general election.
Luxembourg	The banking sector remains resilient in the face of the global credit crisis.
Malta	In a positive development for country risk, the ruling party retains its grip on power in the parliamentary election.
Netherlands	The release of a controversial film contributes to inter-ethnic tensions.
Norway	The central bank leaves interest rates unchanged amid domestic and international pressures.
Portugal	After years of fiscal consolidation the government reduces the rate of sales tax.
Spain	The victorious Socialist Party will govern without coalition partners, complicating policy making.
Sweden	The outlook remains positive as the economy proves resilient to the credit crisis.
Switzerland	Consultations with the IMF focus on countering financial sector risk.
Turkey	Tensions rise as the secular political establishment takes legal steps to close down the ruling party.
United Kingdom	A survey suggests that housing market prospects are at their worst level since 1978.