

# Country Insight Update

2019 January



## Welcome to the latest issue of D&B's Country Insight Update

Global growth is coming under pressure as we enter 2019. Our real GDP forecast for 2019 is 2.9%, the same as our estimate for 2018. At present we are forecasting growth in the advanced countries to slow from an estimated 2.3% in 2018 to 2.1% in 2019. This will impact on commodity prices and demand for other exports from the emerging economies as global trade flows slow. The emerging economies are still facing pressure from the normalisation of monetary policy by the world's leading central banks. This policy will see interest rates rise over the next two years, although probably less swiftly than anticipated two months ago. As a result, we expect there is scope for our emerging economies real GDP growth forecast of 4.4% to be revised downwards.

Meanwhile, in the advanced economies we remain concerned about the Brexit agreement between the UK and the EU could yet break down because Prime Minister Theresa May is unable to gain support from Britain's parliament.

If no deal is agreed this would leave firms on both sides facing immediate supply chain barriers in conducting cross-border business between the UK and the EU, with the threat of corporate failures; this at a time when the WTO is already forecasting a slowdown in global trade volumes in 2019.

# **D&B Country Insight Snapshots**

Designed with the help of our customers these reports build on the key areas assessed by 'D&B's Country Insight Model' and deliver a perfect balance between mitigating risk exposure and providing insight into new opportunities.

Argentina

Political tension is set to rise due to the upcoming elections.



India

Lower oil prices help the rupee but will not accelerate the economy.



Ireland

The economy slows as the external environment deteriorates.



# **World Snapshot**

Recent News & Events

## AFRICA

**Nigeria:** Presidential and legislative elections could create instability.

**South Africa:** The country has built up a comfortable buffer of FX reserves.

## MIDDLE EAST

**Egypt:** Doubts surface over the final phase of IMF reforms.

**Israel:** Prime Minister Netanyahu calls an early general election.

## WESTERN EUROPE

**Ireland:** The economy slows as the external environment deteriorates.

**Italy:** The government agrees to reduce the budget deficit target for 2019.

## EASTERN EUROPE

**Albania:** The political environment outlook deteriorates rapidly due to the outbreak of demonstrations.

**Belarus:** The IMF acknowledges the economy's strong recovery.

## ASIAN PACIFIC

**Hong Kong (S.A.R.):** Trade slows sharply, including a decline in exports.

**India:** Lower oil prices help the rupee but will not accelerate the economy.

## AMERICAS

**Argentina:** Political tension is set to rise due to the upcoming elections.

**Chile:** Policies on both migration and the indigenous Mapuche people raise concerns.

# **D&B Country Insight Services**

D&B's Country Insight Snapshots above are written by a team of highly skilled analysts in D&B's Country Insight Services team using exclusive data from its global network of reporting offices as well as primary and secondary data from national and international sources.

These snapshot reports provide a succinct assessment of the risk of doing business in a country, given its economic, political and commercial situation.

D&B Country Insight Services provides analysis on over 130 countries worldwide and its products are available for purchase online by D&B subscribers.

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