

2018 Sovereign Debt Forum

Is There Life After Debt?:

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Risks For Frontier Economies

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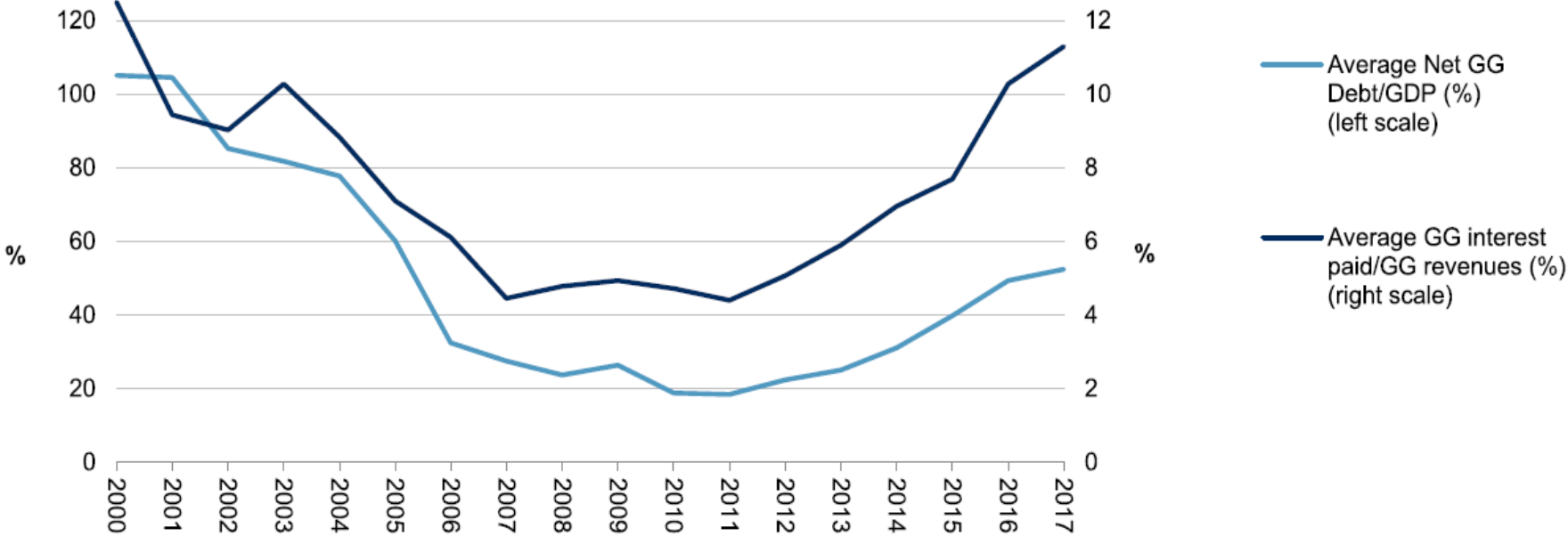
“BREAKOUT SESSION 3: Risks for the frontier economies”

The World Bank’s 9th Sovereign Debt Management Forum Is there Life after Debt?

Washington, D.C.

October 24, 2018

Debt Burdens of Rated HIPC-Recipient Sub-Saharan Africa (SSA) Sovereigns



Source: S&P Global Ratings.

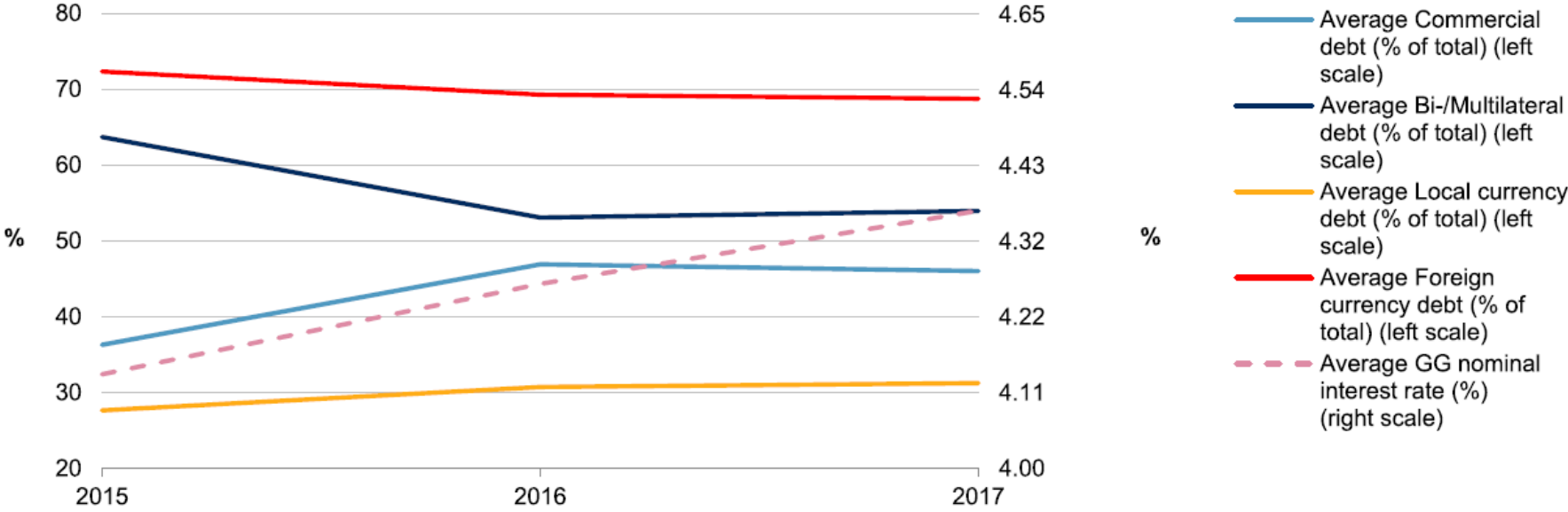
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Comparison of SSA Debt Burdens at HIPC Decision Point vs. 2017

Issuer	HIPC Decision Point			2017	
	Nearest year-end	Net GG debt / GDP (%)	GG interest paid / GG revenues (%)	Net GG debt / GDP (%)	GG interest paid / GG revenues (%)
Burkina Faso	2000	65.5	4.7	30.4	4.4
Cameroon	2000	79.5	19.4	24.5	5.7
Congo	2005	84.0	12.7	117¶	10.6
Congo, D.R.	2002†	131.4	10.4	13.0	2.5
Ethiopia	2001	81.9	7.8	30.7	3.5
Ghana	2001	88.6	32.9	65.4	36.2¶
Mozambique	1999	115.9	2.7	115.1¶	7.7¶
Rwanda	2000	89.1	3.3	38.7	5.4¶
Senegal	2000	68.0	6.9	56.1	8.3¶
Uganda	1999	61.9	6.1	30.9	17¶
Zambia	2000	184.9	12.1	55.2	22.8¶
Median		84.0	7.8	38.7	7.7
Mean		95.5	10.8	52.5	11.3
Standard Deviation		36.3	8.8	35.0	10.3

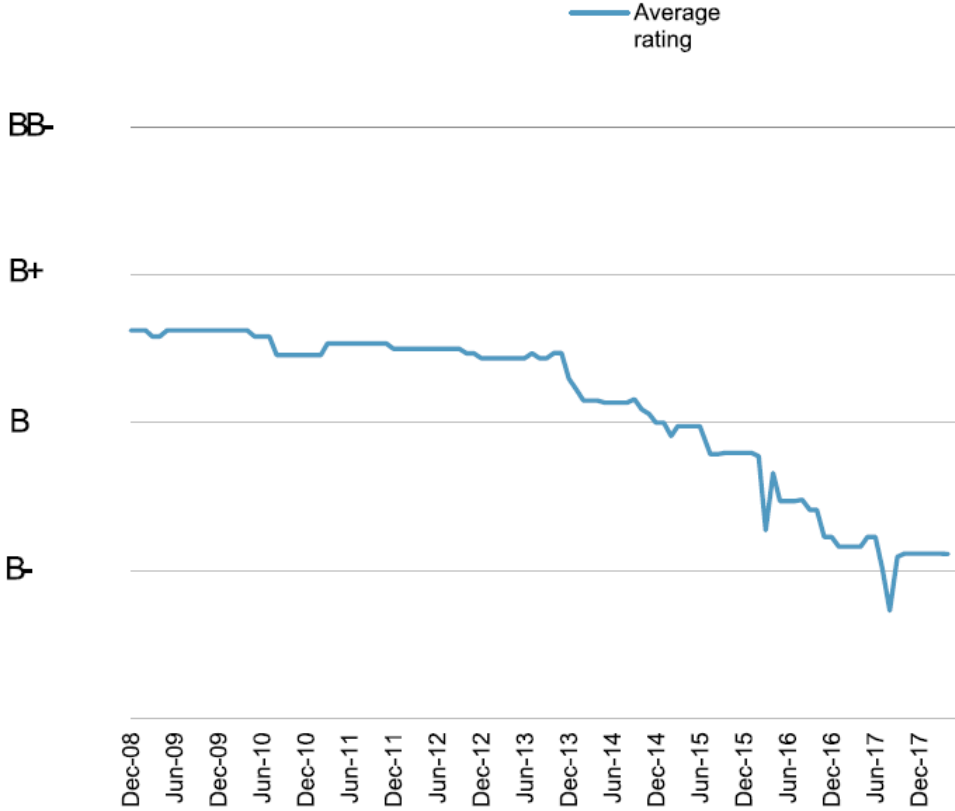
*Deterioration since December 2014 †Congo, D.R. decision point was in July 2003, but rounded down to earlier year-end (to better reflect higher pre-relief net GG debt/GDP) ¶Greater than or approximately equal to HIPC Decision Point (rounded to nearest year-end).

Debt Structure of Rated HIPC-Recipient SSA Sovereigns



Source: National sources, IMF, S&P Global Ratings.
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Rating History of HIPC-Recipient SSA Sovereigns



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Sovereign Ratings: Latin America and the Caribbean

Chile **A+/AA-**

Curacao **A-/A-**

Aruba **BBB+/BBB+**

Mexico **BBB+/A-**

Peru **BBB+/A-**

Trinidad & Tobago **BBB+/BBB+**

Turks and Caicos **BBB+/BBB+**

Panama **BBB/BBB**

Uruguay **BBB/BBB**

Colombia **BBB-/BBB**

Montserrat **BBB-/BBB-**

Bahamas **BB+/BB+**

Bolivia **BB-/BB-**

Paraguay **BB/BB**

Brazil **BB-/BB-**

Costa Rica **BB-/BB-**

Dominican Republic **BB-/BB-**

Guatemala **BB-/BB**

Honduras **BB-/BB-**

Argentina **B+/B+ [CWN]**

Jamaica **B/B**

Nicaragua **B/B**

Suriname **B/B**

Belize **B-/B-**

Ecuador **B-/B-**

El Salvador **CCC+/CCC+**

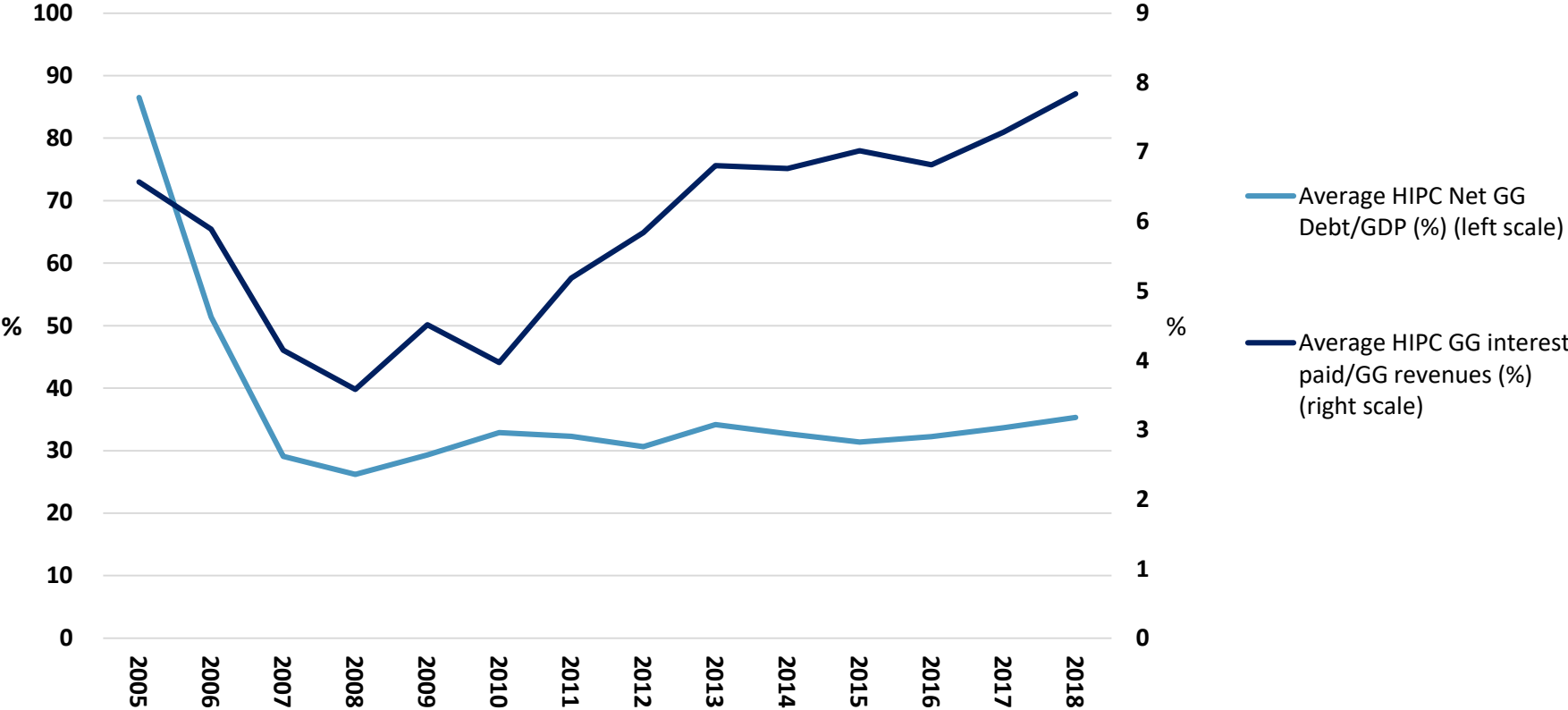
Venezuela **SD/CCC-**

Barbados **SD/SD**

Outlook/CreditWatch: Stable, Positive, Negative

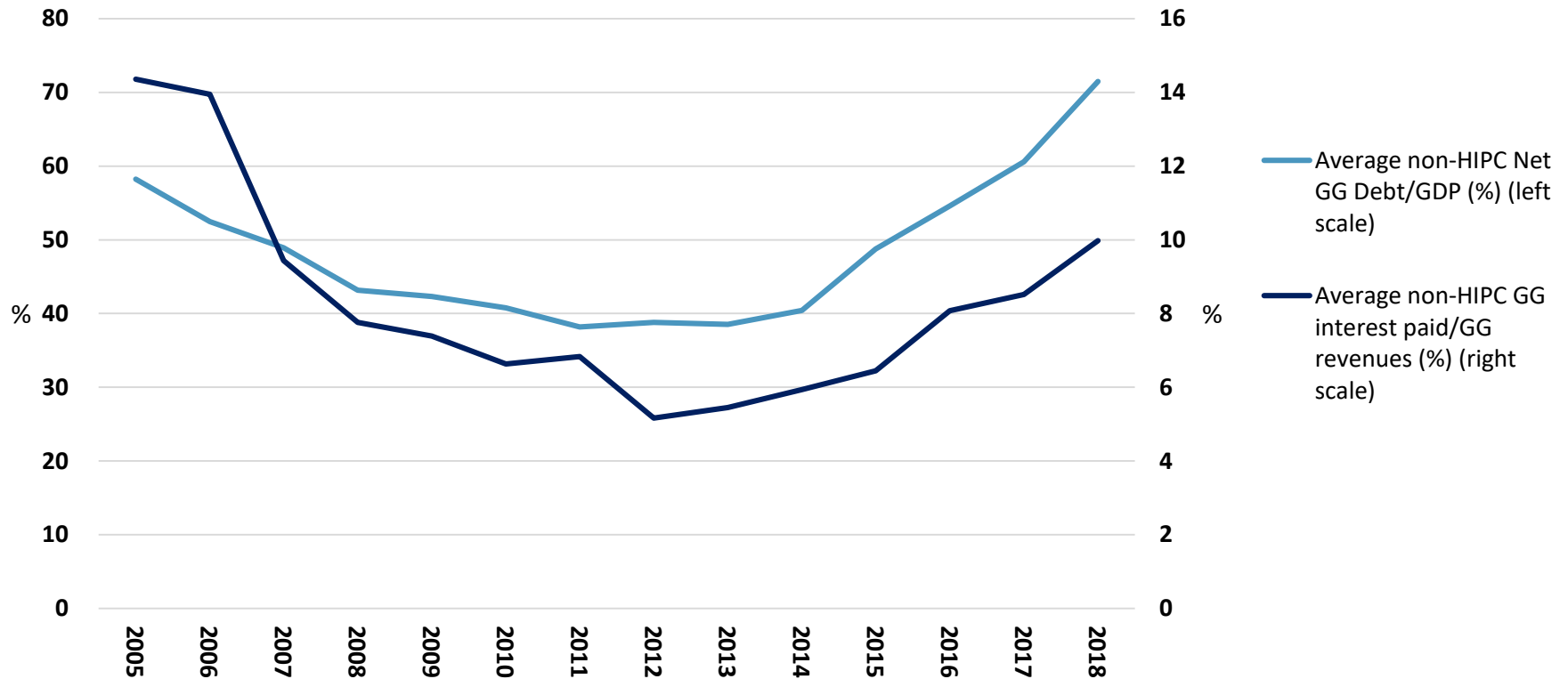
Source: Ratings as of October 23, 2018 as published on S&P Global's Global Credit Portal.

Debt Burdens of Rated HIPC-Recipient Latin American Sovereigns *



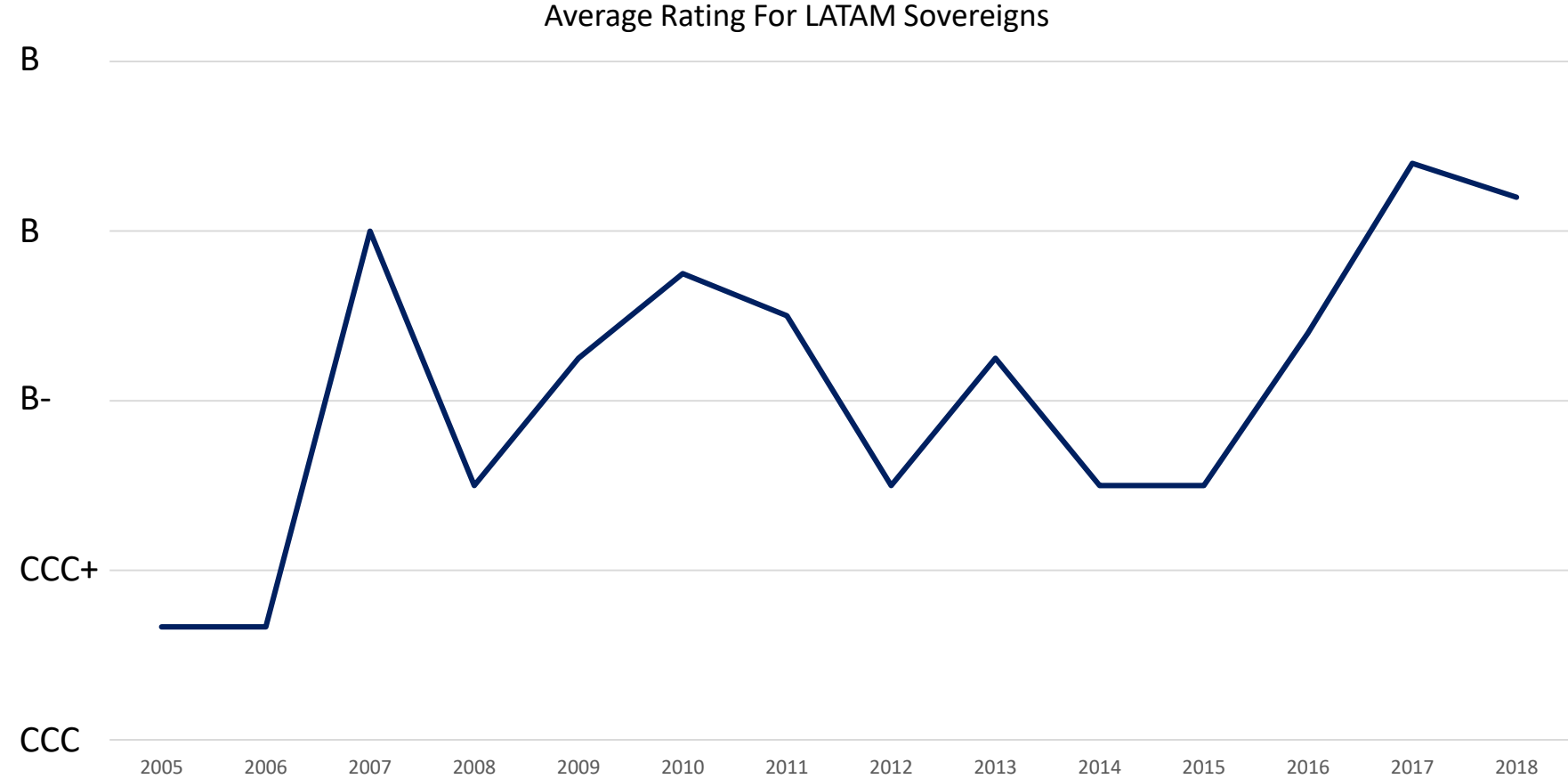
*Honduras, Nicaragua

Debt Burdens of Three Non-HIPC- Latin American 'B'- rated Sovereigns*



* Argentina, Belize, Ecuador

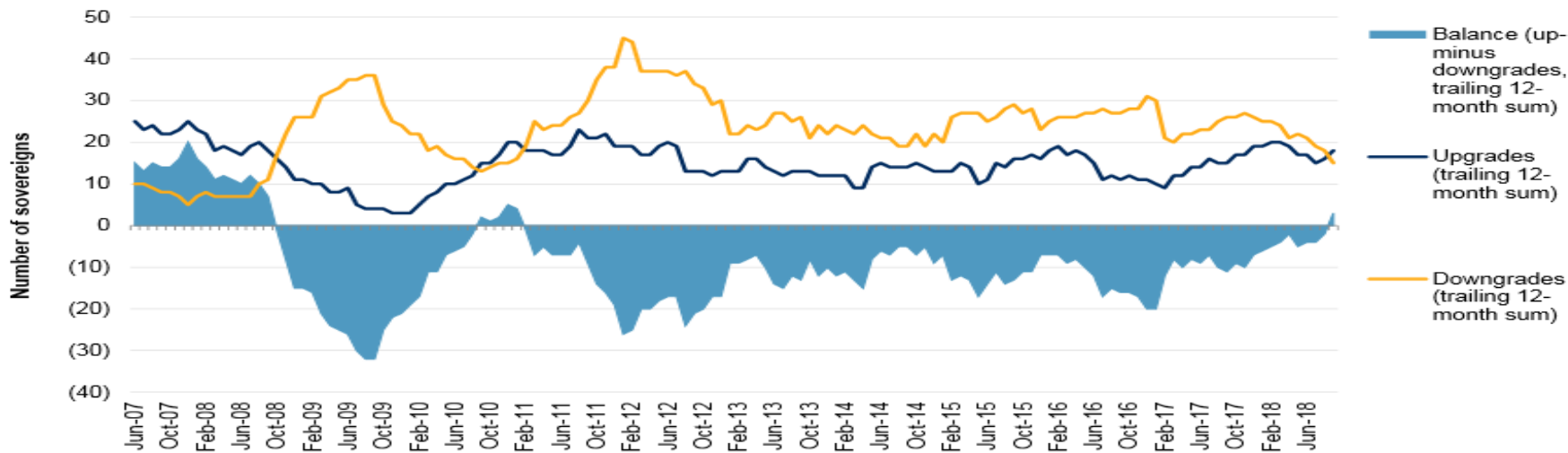
Average Rating For HIPC and these B-rated LATAM Sovereigns*



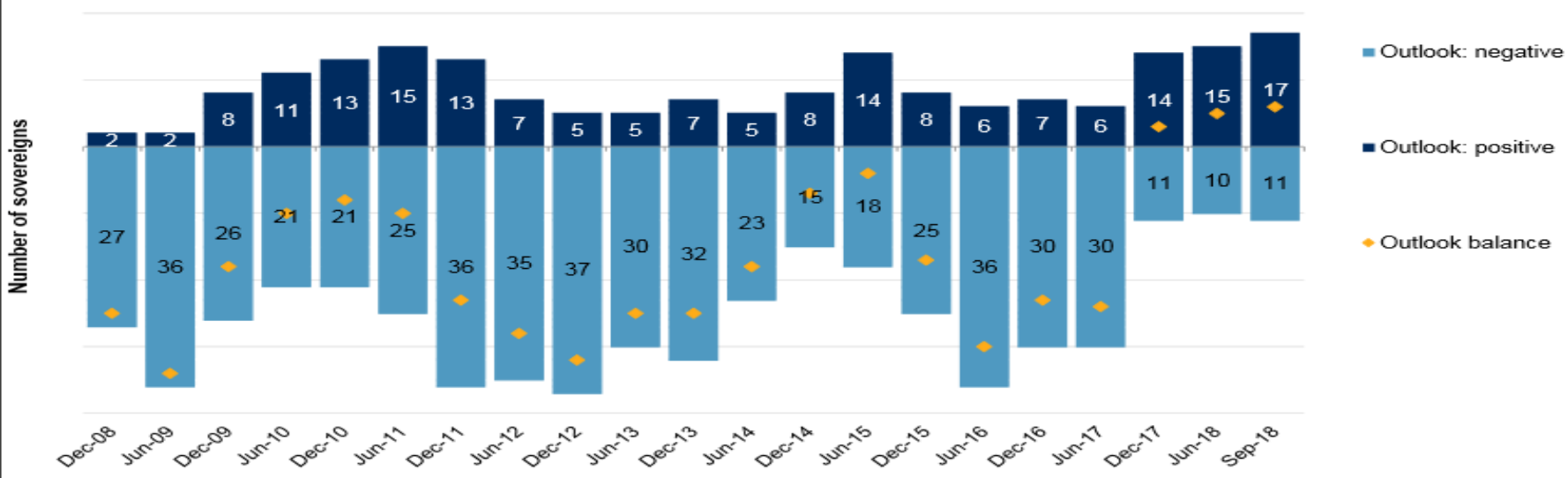
*Argentina, Belize, Ecuador, Honduras, Nicaragua

Global Sovereign Ratings Trends

Sovereign Foreign Currency Rating Upgrades And Downgrades

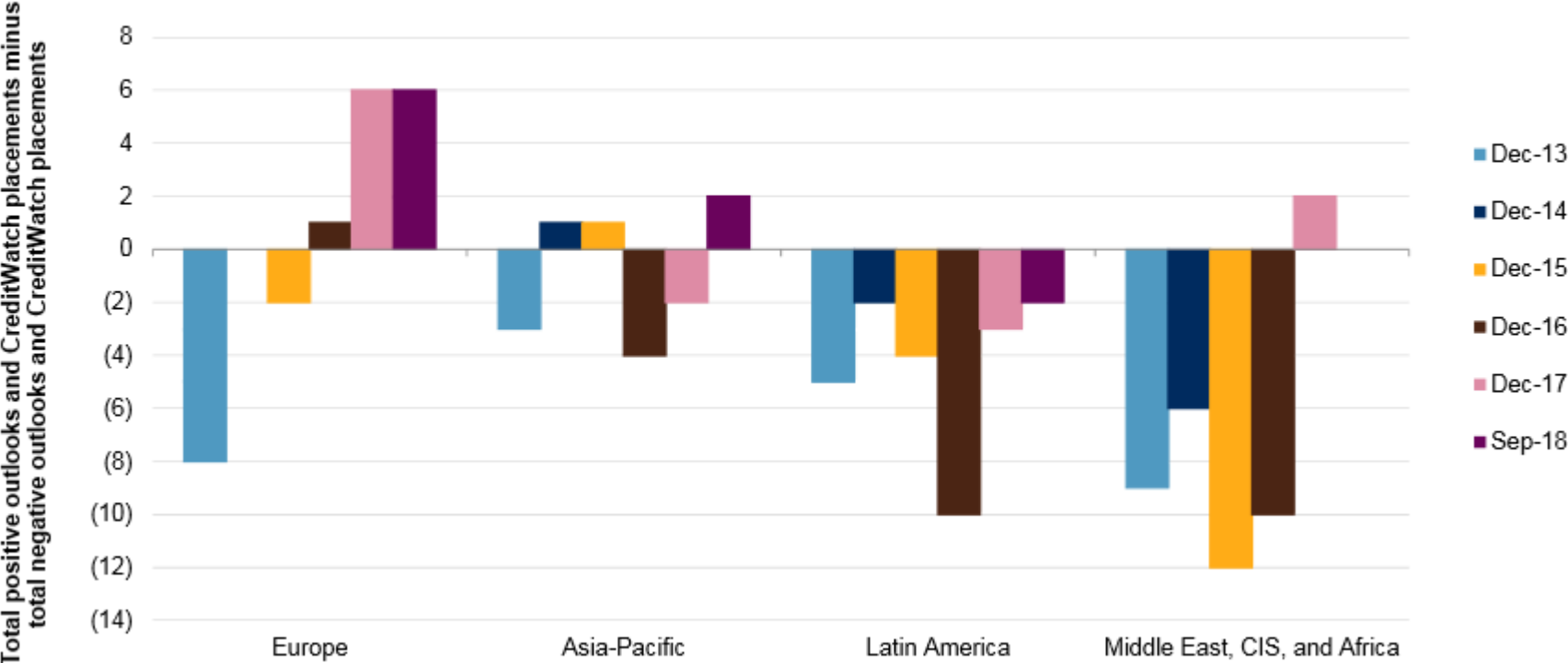


Global Sovereign Ratings Outlook Balance



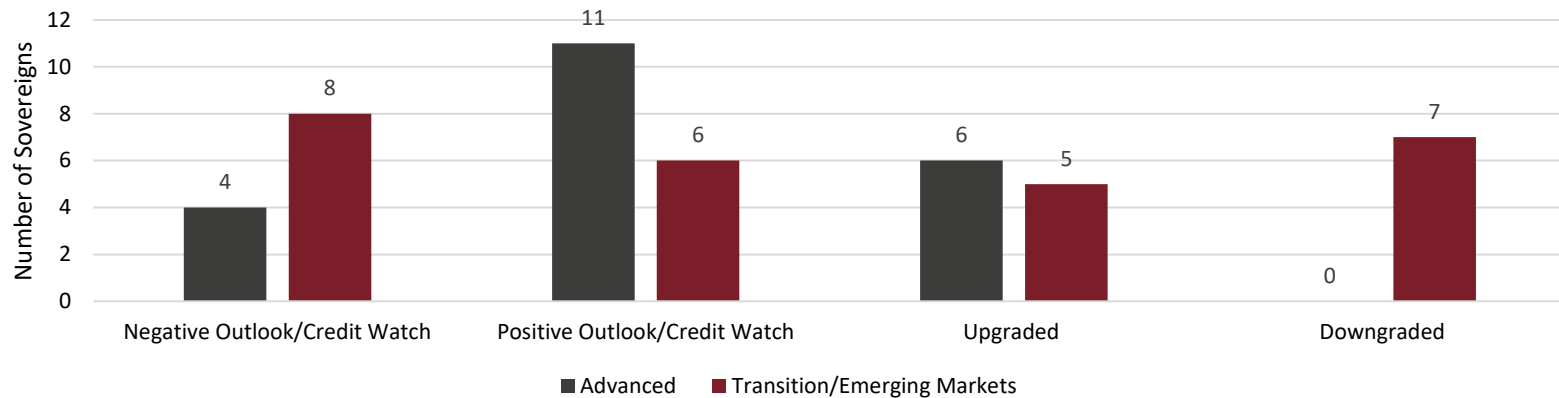
Outlook Balance Across Regions

Sovereign Outlook Balance Across Regions

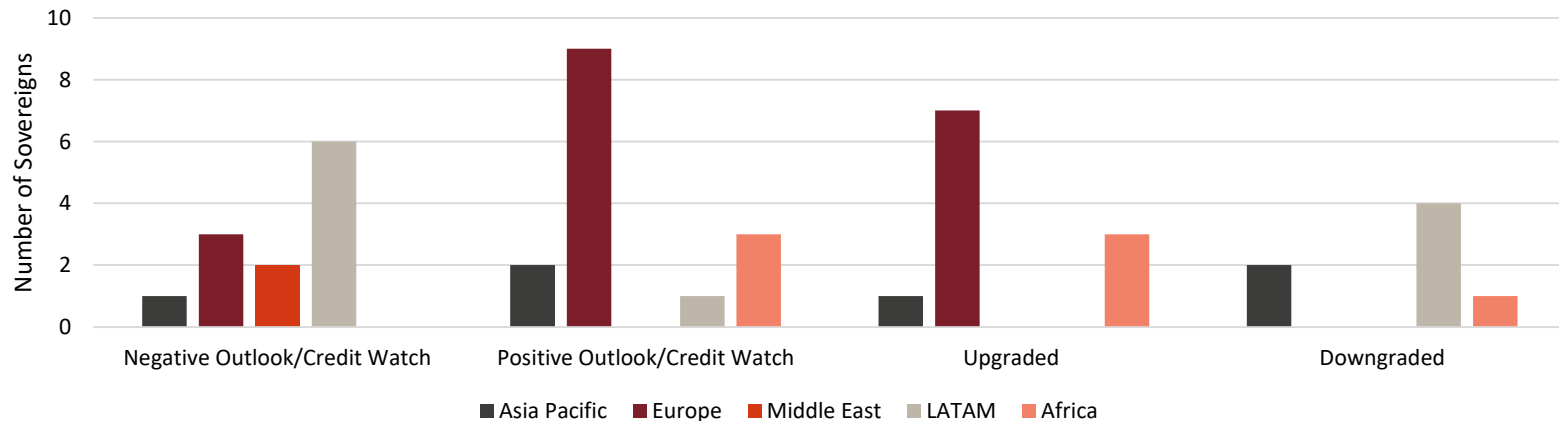


2018 Outlooks and Upgrades/Downgrades

Advanced vs. Emerging Market Rating Actions (Jan. - Sept. 2018)*



Rating Actions by Region (Jan. - Sept. 2018)



* Country classification is based on UN groupings of “developed,” “developing,” and “transition” economies

Thank you!

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Ratings

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