

Norway

Full Rating Report

Ratings

Foreign Currency

Long-Term IDR	AAA
Short-Term IDR	F1+

Local Currency

Long-Term IDR	AAA
Short-Term IDR	F1+

Country Ceiling	AAA
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Outlooks

Foreign-Currency Long-Term IDR	Stable
Local-Currency Long-Term IDR	Stable

Financial Data

Norway (USDbn)	2017
GDP	380.9
GDP per head (USD 000)	71.7
Population (m)	5.3
International reserves	62.6
Net external debt (% GDP)	-30.0
Central government total debt (% GDP)	16.1
CG foreign-currency debt	0.0
CG domestically issued debt (NOKbn)	515.6

Key Rating Drivers

'AAA' with Stable Outlook: Norway's 'AAA' ratings and Stable Outlooks reflect the sovereign's strong balance sheet, current account surpluses, large net external creditor position, high performance on human development and governance indicators, and high income per capita. A robust macroeconomic policy framework and strong buffers afford Norway considerable room to respond to low oil prices with an expansionary policy stance.

Recovering from Oil Shock: Economic growth is gaining momentum after two years of sluggish growth following the oil price shock. The mainland economy grew at 1.4% yoy in 1H17, supported by a strong upturn in petroleum investments and robust private consumption spurred by renewed growth in employment. Fitch forecasts mainland GDP growth to accelerate to 1.9% yoy in 2017 and to 2% yoy in 2018 and 2019 due to a broad recovery.

Krone Depreciation Fading: HICP Inflation moderated since 2H16 due to the fading effect of the krone depreciation and lower wage growth, falling to 1.6% in September 2017 from 3.8% at end-2016. The Norges Bank kept its policy rate unchanged at 0.5% in September and projects a gradual increase in 2019 as the economy recovers, and as capacity utilisation improves.

Expansionary Fiscal Stance Moderating: The current fiscal stance remains expansionary, with the fiscal stimulus estimated at 0.4% of mainland GDP in 2017 and the structural non-oil deficit projected at 7.7%, or 2.9% of the balance of the sovereign wealth fund. The general government surplus fell to 4% of GDP in 2016 (2015: 6.0%), and is forecast by Fitch to remain stable at 3.0% of GDP over the forecast horizon.

Public Finances Strong: A prudent fiscal stance remains a key rating strength. The fiscal rule states that structural non-oil fiscal deficits should equal the expected real return on the sovereign wealth fund (251% of 2017 GDP) over time. This return estimate was tightened by 1pp to 3% in 2017. The government also raised the target equity allocation of the fund from 62.5% to 70% to improve the return on the fund's investments.

House Price Growth Slowing: Robust house price inflation in recent years is slowing, supported by tighter lending standards and house supply coming on stream. House prices fell by 1.2% across Norway and by 5.2% in Oslo between March and September 2017 after rising rapidly for a prolonged period and accelerating in 2016 (7.0% yoy nationwide in 2016 and 21.7% yoy in Oslo in 4Q16).

Risk to Households Demand: High and overvalued house prices along with a large stock of household debt, estimated at 236% of disposable income at end-2016, and rapid credit growth are latent risks to the sovereign in our view. The IMF estimates that a 10% decrease in house prices could affect private consumption by 0.9% through a contraction in households' wealth and negative shock to domestic demand.

Rating Sensitivities

Severe Macroeconomic Shock: Risks to financial stability deriving from a severe macroeconomic shock, which would be amplified by excessive credit growth or household indebtedness, could result in a negative rating action.

Erosion of Balance-Sheet Strengths: A substantial erosion of Norway's sovereign and external balance-sheet strengths over the medium term would be negative for the rating.

Related Research

[Global Economic Outlook \(September 2017\)](#)

[Sovereign Data Comparator \(September 2017\)](#)

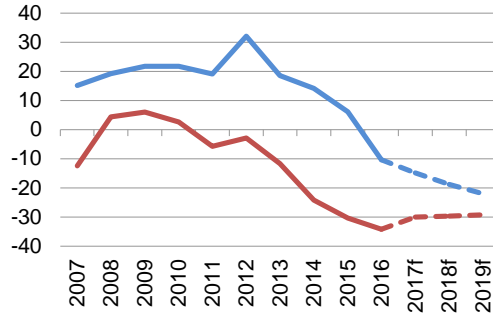
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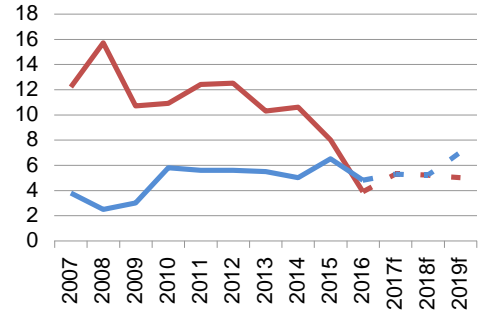
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Peer Comparison

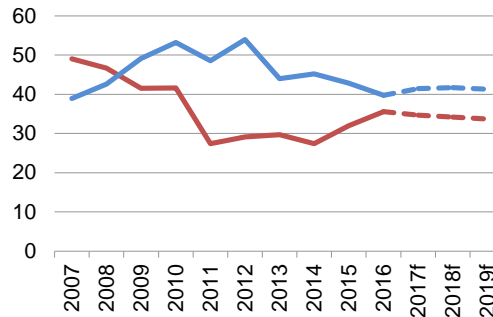
Net External Debt
% of GDP



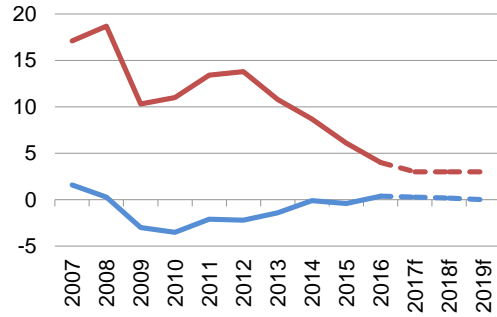
Current Account Balance
% of GDP



General Government Debt
% of GDP



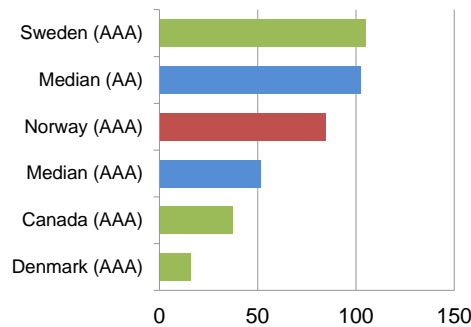
General Government Balance
% of GDP



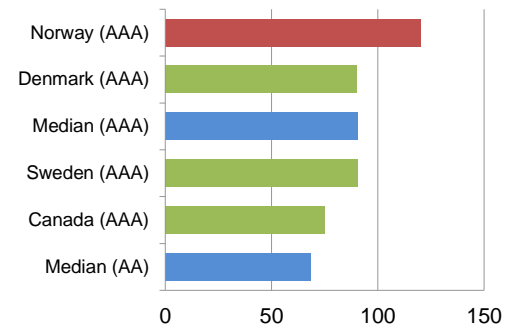
— Norway

— Medians

International Liquidity Ratio, 2018
%



GDP per Capita Income, 2017e
At market exchange rates, USA=100



Related Criteria

- [Sovereign Rating Criteria \(July 2017\)](#)
- [Country Ceilings Criteria \(July 2017\)](#)

Rating Factors

Summary: Strengths and Weaknesses

Rating factor	Macroeconomic	Public finances	External finances	Structural issues
Status	Neutral	Strength	Strength	Strength
Trend	Stable	Stable	Stable	Stable

Note: Relative to 'AAA' category
Source: Fitch

Strengths

- Large oil revenues are channelled into Norway's sovereign wealth fund and afford it a large degree of fiscal space. The fund had a value of 251% of 2017 GDP at end-June 2017.
- The fiscal framework budgets for a small annual average structural general government surplus in the medium term, with budgeted structural non-oil fiscal deficits financed from the sovereign wealth fund and estimated at 4% of the fund value annually over time (reducing to 3% in the 2017). This corresponds to the expected real return on the fund.
- Norway has the highest Human Development Index score of Fitch-rated sovereigns, and ranks in the 96th percentile on the World Bank governance indicators.
- Income per capita significantly exceeds the 'AAA' median, and the economy ranks in the 97th percentile on the Ease of Doing Business index.
- Petroleum production and exports support the external position, despite the current low level of oil prices. The current account has averaged a surplus of 9.1% over the last five years, and Fitch forecasts it to remain in surplus at an average of 5.2% over the forecast horizon.
- A strong macroeconomic policy framework, a record of economic stability and low unemployment further support the 'AAA' rating.

Weaknesses

- Norway's high commodity dependence is a rating weakness in so far as the share of the economy that is reliant on oil production and investments is high. Low oil prices since 2014 have resulted in falling investments in the oil sector, and have spilled over to the rest of the economy, especially in the oil-dependent regions.
- Fitch's Macro-Prudential Indicator for Norway is '2', reflecting the medium-level risk emanating from an above-trend rise in real credit growth. The combination of rapid annual house price increases and rapid household credit growth have resulted in gross household indebtedness rising to 236% of disposable income in 2016. A sharp correction in house prices could lead to a retrenchment in consumer and investment spending, with some knock-on effects on corporate and bank profitability.

Local Currency Rating

Norway's general government debt is wholly denominated in Norwegian krone. Fitch believes there would be no material difference in default risks faced by local currency creditors or potential foreign creditors of the sovereign. Norway's Local-Currency and Foreign-Currency IDRs are therefore aligned.

Country Ceiling

Norway does not have any restrictions on capital flows and its financial sector is highly integrated with those of other advanced economies. Norway's 'AAA' Country Ceiling reflects Fitch's view that there is low risk of capital controls being imposed to prevent or materially impede the private sector's ability to convert local currency into foreign currency and make transfers to non-resident creditors.

Peer Group

Rating	Country
AAA	Norway
	Australia
	Canada
	Denmark
	Germany
	Luxembourg
	Netherlands
	Singapore
	Sweden
	Switzerland
	United States of America
AA+	Austria
	Finland
	Hong Kong

Rating History

Date	Long-Term Foreign Currency	Long-Term Local Currency
13 Mar 95	AAA	AAA

Strengths and Weaknesses: Comparative Analysis

2017	Norway AAA	AAA Median ^a	AA Median ^a	Canada AAA	Denmark AAA	Sweden AAA
Macroeconomic performance and policies						
Real GDP (5yr average % change)	1.7	2.1	2.1	2.1	1.6	2.9
Volatility of GDP (10yr rolling SD)	1.3	2.0	3.2	1.9	2.1	3.1
Consumer prices (5yr average)	2.4	1.0	1.5	1.4	0.4	0.9
Volatility of CPI (10yr rolling SD)	1.0	1.0	1.3	0.7	1.2	0.9
Unemployment rate (%)	4.3	4.9	4.2	6.7	5.6	6.4
Type of exchange rate regime	Free float	n.a.	n.a.	Free float	EMU	Free float
Dollarisation ratio (% of bank deposits)	28.4	15.0	14.4	48.7	4.6	8.5
REER volatility (10yr rolling SD)	5.9	4.3	3.9	6.5	2.7	4.3
Structural features						
GDP per capita (USD, mkt exchange rates)	71,695	53,718	41,375	44,493	53,478	53,649
GNI per capita (PPP, USD, latest)	62,510	51,040	49,990	43,420	51,040	50,000
GDP (USDbn)	380.9	n.a.	n.a.	1,631.2	306.6	532.2
Human development index (percentile, latest)	100.0	97.3	87.7	94.6	97.3	93.0
Governance indicator (percentile, latest) ^b	96.7	93.9	83.3	94.7	93.9	95.4
Broad money (% GDP)	65.6	116.9	116.5	148.1	70.1	67.9
Default record (year cured) ^c	-	n.a.	n.a.	-	-	-
Ease of doing business (percentile, latest)	97.4	92.6	90.5	88.9	99.0	95.8
Trade openness (avg. of CXR + CXP % GDP)	43.8	53.1	54.6	37.4	60.8	53.8
Gross domestic savings (% GDP)	30.5	30.0	28.8	20.5	27.3	30.0
Gross domestic investment (% GDP)	29.5	21.3	23.2	22.6	20.3	24.9
Private credit (% GDP)	153.7	148.1	99.4	215.3	170.7	128.8
Bank systemic risk indicators ^d	3 / 2	n.a.	n.a.	2 / 1	3 / 1	2 / 1
Bank system capital ratio (% assets)	22.1	18.6	17.0	14.8	19.9	26.8
Foreign bank ownership (% assets)	26.9	13.3	19.4	2.5	13.3	10.2
Public bank ownership (% assets)	8.0	7.9	24.0	0.0	0.4	2.0
External finances						
Current account balance + net FDI (% GDP)	-0.1	2.5	-0.2	-3.6	4.2	3.3
Current account balance (% GDP)	5.3	5.2	0.7	-2.8	7.5	3.7
Net external debt (% GDP)	-30.0	-14.8	-32.1	48.0	-14.8	31.9
Gross external debt (% CXR)	353.7	310.1	209.4	310.0	284.4	249.5
Gross sovereign external debt (% GXD)	12.0	11.9	22.6	18.7	7.3	13.2
Sovereign net foreign assets (% GDP)	224.6	8.2	40.6	-13.8	8.2	10.9
Ext. interest service ratio (% CXR)	6.6	6.9	3.9	7.3	3.6	3.1
Ext. debt service ratio (% CXR)	57.9	34.4	18.1	27.7	31.5	33.8
Foreign exchange reserves (months of CXP)	4.8	2.1	3.5	1.6	4.4	2.5
Liquidity ratio (latest) ^e	84.7	48.6	167.6	37.5	16.0	104.8
Share of currency in global reserves (%)	0	n.a.	n.a.	2	0	0
Commodity export dependence (% CXR, latest)	39.9	19.8	18.5	30.0	19.5	13.9
Sovereign net foreign currency debt (% GDP)	-16.4	-4.9	-9.5	-1.4	-20.5	-7.6
Public finances^f						
Budget balance (% GDP)	3.0	0.3	-0.9	-1.9	-1.4	0.5
Primary balance (% GDP)	0.4	0.9	0.2	1.2	-0.3	0.9
Gross debt (% revenue)	65.5	113.6	158.6	230.3	72.0	78.2
Gross debt (% GDP)	34.7	41.4	42.4	91.1	36.8	39.1
Net debt (% GDP)	25.5	32.3	35.9	85.7	31.6	31.7
Foreign currency debt (% total debt)	0.0	1.5	43.0	4.1	1.5	7.8
Interest payments (% revenue)	1.4	1.9	3.6	7.8	2.2	0.7
Revenues and grants (% GDP)	53.0	41.5	35.2	39.6	51.1	50.0
Volatility of revenues/GDP ratio	2.9	2.0	3.6	1.4	2.7	1.4
Central govt. debt maturities (% GDP)	10.5	8.8	5.4	26.5	7.6	9.4

^a Medians based on three-year centred averages

^b Composite of six World Bank Governance Indicators used in the Sovereign Rating Model; Government Effectiveness; Rule of Law; Control of Corruption; Voice and Accountability; Regulatory Quality; and Political Stability and Absence of Violence

^c No Default

^d Bank systemic indicator, which equates to a weighted average Viability Rating; and macro prudential indicator, with 1 'low' systemic risk through to 3 'high'

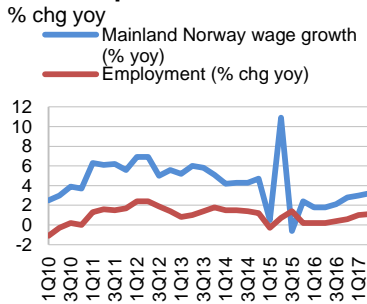
^e Ratio of liquid external assets, defined as the stock of official FX reserves including gold at the end of the previous calendar year plus banks' liquid external assets, to liquid external liabilities, defined as scheduled external debt service in the current year, plus the stock of short-term external debt and all non-resident holdings of marketable medium- and long-term local-currency debt at the end of the previous calendar year

^f General government unless stated

Note: Acronyms used: Consumer Price Inflation (CPI), Gross Domestic Product (GDP), Current External Receipts (CXR), Current External Payments (CXP), Gross National Income (GNI), Purchasing Power Parity (PPP), Standard Deviation (SD), Foreign Direct Investment (FDI)

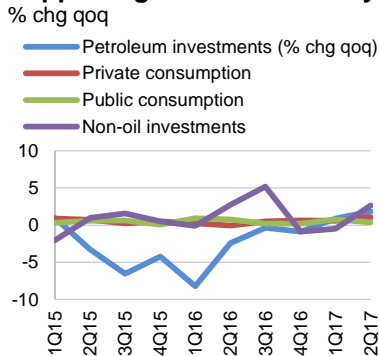
Source: Fitch

Recent Wages and Employment Recovery Support Private Consumption



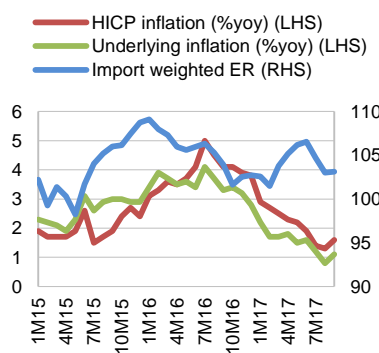
Source: Norway Statbank

Petroleum Investments Supporting Growth Recovery



Source: Norway Statbank

Krone Depreciation Fading from Inflation



Source: Statistics Norway

Key Credit Developments

Growth and Labour Market Recover

Real mainland GDP (excluding oil production) growth accelerated sharply in 1H17, growing by 0.7% qoq in 1Q and 2Q after a sluggish annual real GDP growth of 1.4% and 1.0% in 2015 and 2016, respectively. The recovery in growth was driven mainly by the non-oil sectors – private consumption and building investments – but was also supported by the stemming of quarterly falls in petroleum investments since 1Q17.

Fitch expects these growth drivers to persist, forecasting mainland GDP growth to pick up to 1.9% yoy in 2017 and to 2% yoy in 2018 and 2019 from an annual average of 1.2% since the oil price shock in 2014. We forecast private consumption to remain robust, supported by continued accommodative monetary policy and higher wage growth. Fiscal policy also remains expansionary, with a number of public infrastructure projects contributing to growth, but we expect it to taper to a neutral stance in the forecast horizon. Fitch also expects petroleum investments to gradually increase through to 2020 after oil companies took measures to cut costs, lowering their breakeven prices.

The growth recovery was evident in the labour market, with registered employment projected by the Norges Bank to grow by 0.9% yoy in 2017 (2016: 0.2%) and the registered unemployment rate falling to 2.6% in August 2017 and approaching its 10-year historical average. The Labour Force Survey unemployment rate remained higher at 4.3% in June 2017, but has ceased to diverge from the registered unemployment rate trend, falling from its peak of 5.0% in July 2016. Norges Bank expects annual wage growth to rise to 2.4% yoy in 2017 after sluggish growth of 1.7% yoy in 2016. These labour market developments support our forecast for strong private consumption growth in the forecast horizon.

Inflation Moderating as Depreciation Pass-Through Fades

HICP Inflation peaked at 5.0% yoy in July 2016 in the aftermath of the oil price shock due to the pass-through of the krone’s depreciation, but has moderated since 2H16 as this effect faded and due to lower wage growth during this period. Inflation continued to fall gradually in 1H17 to 1.6% yoy in September 2017 (December 2016: 3.8% yoy). The Norges Bank has kept the key policy rate unchanged at 0.5% since March 2016, but expects a gradual rise in the rate to 1.5% by end-2020 as the economy recovers and capacity utilisation improves. Fitch forecasts inflation to rise gradually to average 2.1% in 2017 and remain fairly steady at 2% in the forecast horizon, supported by stronger wage growth.

Krone Depreciation Boosts Non-oil Exports

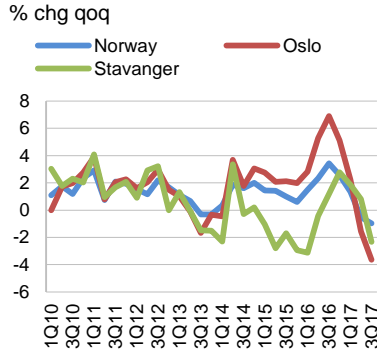
The krone depreciation since the 2014 oil price slump (23.6% in the three years to September 2017) improved competitiveness for Norway’s non-oil export sector and Fitch forecasts the current account surplus to recover slightly to 5.3% of GDP in 2017 (2016: 3.9%). However, total export growth continued to be sluggish due to the high share of Norway’s exports reliant on the still muted global oil market.

Fiscal Policy Expansionary but Set to Moderate

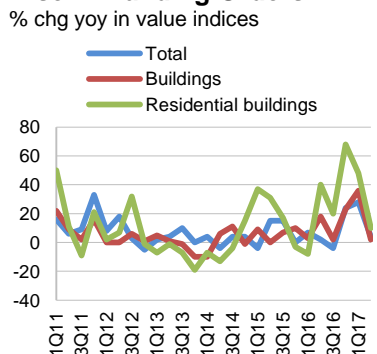
The fiscal stance remains expansionary, with the fiscal stimulus estimated at 0.4% of mainland GDP in 2017 and the structural non-oil deficit projected at 7.7%, or 2.9% of the balance of the sovereign wealth fund. The general government surplus fell to 4% of GDP in 2016 (2015: 6.0%), and Fitch forecasts it to remain stable at 3.0% of GDP over the forecast horizon.

A prudent fiscal stance remains a key rating strength. The fiscal rule indicates that the structural non-oil fiscal deficits should equal the expected real return on the sovereign wealth fund over time. In 2017, the government lowered the return estimate by 1pp to 3%, limiting the scope for fiscal expansion, and also raised the target equity allocation of the fund from 62.5% to 70% to allow for greater diversification of the fund’s asset allocation. With the re-election of the Conservative-Progress coalition to government during the September 2017 parliamentary elections, Fitch expects broad continuity in Norway’s fiscal and macroeconomic policies.

Overheated House Prices Undergoing Correction

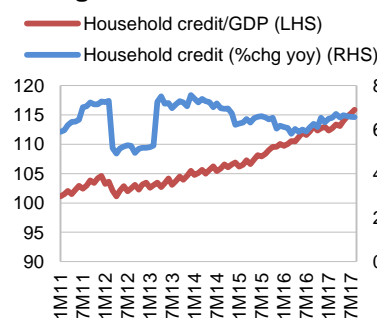


Rise in Building Orders



Source: Norway Statbank

Households Borrowing Rising Fast



Source: Norway Statbank

Start of Correction to Overheated Housing Market

The robust pick-up in residential housing construction caused house prices to fall by 1.2% across Norway and by 5.2% in Oslo between March and September 2017. Rapid growth of house prices averaging 6.8% yoy over 2014-2016 across Norway and 13.0% yoy in Oslo mean that house prices are still high despite the recent contraction. Average transaction prices were also closing at a discount to the average initial asking price for the first time since 2014.

The requirement for housing developers to pre-sell at least 60% of their portfolio results in shorter lead times between loosening housing policy or a pick-up in housing starts, and a softening of house prices.

New regulation introduced at the start of 2017 to tighten lending criteria for new mortgages is also contributing to the cooling of the housing market. Overall household credit grew by 6.5% yoy in September 2017, up from 6.1% yoy a year ago, significantly faster than the pace of wage and income growth in Norway.

Fitch expects house prices to continue to fall gradually in the coming years, especially in Oslo, where construction is at an all-time high while demand is reducing from falling immigration. In the longer term, mortgage rate rises and stricter underwriting requirements could dampen price rises. In contrast, continued recovery of the Norwegian economy, oil prices and the labour market would support the housing market, preventing a persistent fall in house prices.

Consumer credit is rising faster than mortgage credit, but is still at low levels of about 3% of total loans. Fitch expects consumer credit growth to slow with some stricter regulation on marketing standards and the introduction of debt-to-income requirements coming into force.

House Price Correction Will Affect Household Consumption with Spillovers

In 2016 the Norwegian bank regulator stress-tested mortgage borrowers on a scenario of a 30% fall in house prices and 40% fall in securities value, and found that in such a severe shock scenario 26% of total mortgages by value would face a negative equity position. While Norwegian banks would be likely to manage and absorb such levels of loan losses, such a shock or alternatively a scenario of rapidly rising interest rates would severely impair households' balance sheets, with a knock-on impact on private consumption, retail profitability and mainland GDP growth.

The authorities have sought to tighten macroprudential measures to cool the housing market. The counter-cyclical buffer will rise by 50bp to 2.0% from end-2017, a loan-to-income limit of 5x gross income has been introduced in January 2017, the threshold for the 2.5% amortisation requirement has been lowered from a LTV of 70% to 60%, and a LTV cap of 60% for secondary dwellings in Oslo has been set. The criteria for construction permits were also eased and have led to increased housing supply.

Forecast Summary

	2013	2014	2015	2016	2017f	2018f	2019f
Macroeconomic indicators and policy							
Real GDP growth (%)	2.3	2.3	1.4	0.9	1.9	2.1	2.0
Unemployment (%)	3.5	3.5	4.4	4.7	4.3	4.0	3.8
Consumer prices (annual average % change)	2.0	1.9	2.0	3.9	2.1	2.0	2.0
Short-term interest rate (bank policy annual avg.) (%)	1.5	1.3	0.8	0.5	0.5	0.5	0.6
General government balance (% of GDP)	10.8	8.7	6.1	4.0	3.0	3.0	3.0
General government debt (% of GDP)	29.7	27.4	32.0	35.6	34.7	34.2	33.7
NOK per USD (annual average)	5.88	6.30	8.06	8.40	8.40	8.40	8.40
Real effective exchange rate (2000 = 100)	146.0	140.7	123.4	119.0	119.0	119.0	119.0
Real private sector credit growth (%)	4.1	5.6	8.8	5.6	3.5	4.9	5.0
External finance							
Current account balance (% of GDP)	10.3	10.6	8.0	3.9	5.3	5.2	5.0
Current account balance plus net FDI (% of GDP)	9.1	6.1	4.3	-1.6	-0.1	-0.1	-0.2
Net external debt (% of GDP)	-11.6	-24.1	-30.3	-34.1	-30.0	-29.6	-29.2
Net external debt (% of CXR)	-24.2	-49.0	-61.0	-73.1	-64.7	-63.7	-62.7
Official international reserves including gold (USDbn)	58.3	64.8	57.5	60.4	62.6	63.8	68.9
Official international reserves (months of CXP cover)	3.5	4.0	4.3	4.6	4.8	4.8	5.1
External interest service (% of CXR)	6.4	6.5	6.7	7.3	6.6	0.0	0.0
Gross external financing requirement (% int. reserves)	76.9	71.9	98.2	133.0	117.0	119.7	123.8
Real GDP growth (%)							
US	1.7	2.6	2.9	1.5	2.1	2.5	2.2
China	7.8	7.3	6.9	6.7	6.7	6.3	6.1
Eurozone	-0.3	1.2	2.0	1.8	2.0	1.8	1.4
World	2.6	2.8	2.7	2.5	2.9	3.1	3.0
Oil (USD/barrel)	108.8	98.9	53.0	45.1	52.5	52.5	55.0

Source: Fitch

Fiscal Accounts Summary

(% of GDP)	2014	2015	2016	2017f	2018f	2019f
General government						
Revenue	53.8	54.1	54.0	53.0	53.0	53.2
Expenditure	45.1	48.0	50.0	50.0	50.0	50.2
O/w interest payments	0.8	0.8	0.7	0.7	0.7	0.7
Primary balance	6.4	3.3	1.4	0.4	0.4	0.4
Overall balance	8.7	6.1	4.0	3.0	3.0	3.0
General government debt	27.4	32.0	35.6	34.7	34.2	33.7
% of general government revenue	50.9	59.1	66.0	65.5	64.5	63.4
Central government deposits	6.1	6.3	9.2	9.2	9.1	9.0
Net general government debt	20.2	25.1	26.2	25.5	25.1	24.8
Central government						
Revenue	46.0	45.5	45.4	44.6	44.6	44.8
O/w grants	0.4	0.2	-	-	-	-
Expenditure and net lending	36.5	39.0	40.6	40.7	40.7	40.8
O/w current expenditure and transfers	33.8	36.2	37.7	37.6	37.5	37.6
- Interest	0.4	0.4	0.4	0.4	0.4	0.4
O/w capital expenditure	2.7	2.8	3.0	3.0	3.1	3.2
Current balance	12.2	9.3	7.8	7.0	7.1	7.2
Primary balance	9.9	6.9	5.2	4.4	4.4	4.4
Overall balance	9.5	6.5	4.8	3.9	3.9	4.0
Central government debt	15.4	15.5	16.5	16.1	15.9	15.7
% of central government revenues	33.5	34.0	36.4	36.1	35.6	35.0
Central government debt (NOKbn)	485.5	482.8	515.6	515.6	515.6	515.6
By residency of holder						
Domestic	252.4	251.1	268.1	268.1	268.1	268.1
Foreign	233.0	231.8	247.5	247.5	247.5	247.5
By currency denomination						
Local currency	485.5	482.8	515.6	515.6	514.6	513.6
Foreign currency	0.0	0.0	0.0	0.0	1.0	2.0
In USD equivalent (eop exchange rate)	0.0	0.0	0.0	0.0	0.1	0.2
Average maturity (years)	3.9	4.4	4.2	4.2	4.2	5.2
Memo						
Nominal GDP (NOKbn)	3,146.7	3,118.1	3,117.0	3,199.4	3,246.8	3,290.5

Source: Ministry of Finance and Fitch estimates and forecasts

External Debt and Assets

(USDbn)	2012	2013	2014	2015	2016	2017 ^f
Gross external debt	720.6	728.1	673.6	605.6	605.8	625.8
% of GDP	141.2	139.1	134.9	156.6	163.3	164.3
% of CXR	283.8	289.8	274.3	315.6	350.3	353.7
By maturity						
Medium- and long-term	469.7	473.9	472.5	453.8	454.0	474.0
Short -term	250.9	254.2	201.1	151.9	151.9	151.9
% of total debt	34.8	34.9	29.9	25.1	25.1	24.3
By debtor						
Sovereign	100.0	115.6	51.0	59.6	62.6	75.1
Monetary authorities	5.0	5.3	4.1	4.0	4.0	11.5
General government	95.0	110.3	46.9	55.7	58.6	63.6
O/w central government	53.2	47.7	31.4	26.3	28.7	29.5
Banks	261.4	257.6	256.3	218.5	226.3	238.3
Other sectors	359.2	354.9	366.4	327.5	317.0	312.5
Gross external assets (non-equity)	735.6	789.0	793.9	722.7	732.3	740.3
International reserves, incl. gold	51.9	58.3	64.8	57.5	60.4	62.6
Other sovereign assets	278.4	330.3	329.2	328.8	328.8	328.8
Deposit money banks' foreign assets	130.4	156.9	185.7	187.8	168.4	163.4
Other sector foreign assets	340.1	340.2	343.7	287.7	316.7	329.7
Net external debt	-15.0	-60.8	-120.3	-117.1	-126.4	-114.4
% of GDP	-2.9	-11.6	-24.1	-30.3	-34.1	-30.0
Net sovereign external debt	-230.3	-272.9	-343.1	-326.6	-323.6	-311.1
Net bank external debt	196.1	197.5	200.1	169.8	197.0	214.0
Net other external debt	19.2	14.6	22.6	39.8	0.2	-17.3
Net international investment position	494.6	641.4	708.2	698.0	715.0	-
% of GDP	96.9	122.5	141.8	180.5	192.7	-
Sovereign net foreign assets	651.9	792.0	878.4	851.8	867.9	855.4
% of GDP	127.8	151.3	175.9	220.3	233.9	224.6
Debt service (principal & interest)	98.0	109.9	110.8	107.4	103.4	102.4
Debt service (% of CXR)	38.6	43.7	45.1	56.0	59.8	57.9
Interest (% of CXR)	6.4	6.4	6.5	6.7	7.3	6.6
Liquidity ratio (%)	52.0	48.4	56.5	77.2	90.4	84.7
Net sovereign FX debt (% of GDP)	-10.2	-11.1	-13.0	-14.9	-16.3	-16.4
Memo						
Nominal GDP	510.2	523.5	499.3	386.7	371.1	380.9
Inter-company loans	135.6	137.1	117.7	117.7	117.7	117.7

Source: Central Bank, IMF, World Bank and Fitch estimates and forecasts

Balance of Payments						
(USDbn)	2014	2015	2016	2017f	2018f	2019f
Current account balance	52.9	30.9	14.4	20.1	19.9	19.8
% of GDP	10.6	8.0	3.9	5.3	5.2	5.0
% of CXR	21.5	16.1	8.3	11.3	11.1	10.8
Trade balance	49.7	24.5	11.7	12.0	11.5	11.6
Exports, fob	143.5	103.0	88.9	90.1	91.1	93.7
Imports, fob	93.8	78.6	77.1	78.0	79.6	82.2
Services, net	-4.8	-2.7	-8.5	-8.1	-7.5	-7.5
Services, credit	50.1	42.8	37.8	39.1	40.7	40.7
Services, debit	54.9	45.5	46.3	47.3	48.2	48.2
Income, net	15.8	16.0	17.8	22.1	22.1	22.1
Income, credit	46.7	41.9	42.0	43.6	43.7	43.8
Income, debit	30.9	25.8	24.2	21.4	21.5	21.7
O/w: Interest payments	16.1	12.9	12.6	11.6	0.0	0.0
Current transfers, net	-7.8	-6.9	-6.7	-6.0	-6.2	-6.4
Capital and financial accounts						
Non-debt-creating inflows (net)	-52.5	-76.9	3.6	-14.3	-15.0	-13.0
O/w equity FDI	-28.0	-41.6	7.7	7.7	5.0	6.0
O/w portfolio equity	-24.5	-35.3	-4.1	-22.0	-20.0	-19.0
O/w other flows	-11.2	-9.3	-8.6	-8.6	-8.6	-8.6
Change in reserves	6.0	-6.0	3.5	2.1	1.3	5.1
Gross external financing requirement	41.9	63.6	76.4	70.7	74.9	79.0
Stock of international reserves, incl. gold	64.8	57.5	60.4	62.6	63.8	68.9

Source: IMF and Fitch estimates and forecasts

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