

## Andorra

## Full Rating Report

## Ratings

## Foreign Currency

Long-Term IDR	BBB
Short-Term IDR	F3
Country Ceiling	A-

## Outlook

Foreign-Currency Long-Term IDR	Positive
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## Financial Data

## Andorra

(USDbn)	2016
GDP	2.9
GDP per head (USD 000)	36.5
Population (m)	0.1
International reserves	-
Net external debt (% GDP)	-
Central government total debt (% GDP)	36.0
CG foreign-currency debt	-
CG domestically issued debt (EURbn)	0.9

## Key Rating Drivers

**Wealth, Small Size, Banks:** Andorra's wealth, relatively strong public finances and political stability are balanced by the economy's small size (USD2.9 billion in 2016), the risks associated with a large banking sector and weak economic data quality.

**Government Surplus to Narrow:** Public finance outturns and projections are consistent with a further decline in government indebtedness. The general government balance strengthened to 4.2% of GDP in 2016 from 2.0% in 2015. Fitch Ratings expects a general government surplus of 3.0% of GDP this year. We then expect the general government surplus to narrow to 1.6% of GDP in 2018 and 2019.

**Public Debt Ratio Declining:** The level of general government indebtedness has decreased further. General government debt was 40.2% of GDP at end-2016, down from 40.6% a year earlier and slightly lower than the 'BBB' median (40.7%). Our public finance projections are consistent with the government debt ratio declining to 35.5% by 2019. Large liquid assets held by the social security fund and state-owned enterprises mean that Andorra has a net asset position in the general government sector (around 15% of GDP).

**Economy's Resilience, Growth:** The economy has shown resilience against the fallout of the resolution of Banca Privada d'Andorra (BPA) in 2015. Real GDP growth was 1.2% in 2016. Estimates for 1Q17 indicate that GDP was 1.9% higher on an annual basis, with strong growth in retail trade and tourism, and financial and business-services output rising on an annual basis for the first time since 1Q15. Expenditure indicators also point to increased activity. We expect GDP growth this year to be 1.6%, and to rise to 1.8% in 2018 and 2.0% in 2019.

**Regulatory Improvements:** The Andorran authorities are making efforts to bring the regulatory environment into line with European and international standards. Legislation has been introduced implementing EU directives on the prevention of money laundering and terrorist financing, the incorporation of the recommendations of the Financial Action Task Force on Money Laundering (FATF), as well as regulatory provisions for insurance and reinsurance companies. The coverage of the criminal law code has been expanded to cover tax offences.

**Risks from Banking Sector:** The average Viability Rating of Fitch-rated Andorran banks is 'bbb'. However, the large size of the banking sector represents a contingent liability for the sovereign, as banking-sector assets were around 5.6x nominal GDP at end-2016. The lack of a credible lender of last resort in the financial system increases banking-sector risks. In the event of systemic disruption in the banking sector, we would expect some banking-sector liabilities to materialise on the sovereign balance sheet.

## Rating Sensitivities

**Fiscals, Growth, Data Quality:** The main factors that could, individually or collectively, lead to an upgrade include: reduced risk of contingent liabilities from the banking sector materialising on the sovereign balance sheet; improvements in medium-term growth prospects; continued declines in the government debt/GDP ratio; and improvements in data availability and frequency.

**Banks, Growth Deterioration:** Developments that could, individually or collectively, lead to negative rating action include: a deterioration in creditworthiness of the large Andorran banks, increasing the risk of contingent liabilities crystallising on the sovereign's balance sheet; and a deterioration in economic growth prospects, leading to rising government indebtedness.

## Related Research

[Andorra \(March 2017\)](#)  
[Western Europe Sovereign Credit Overview \(April 2017\)](#)

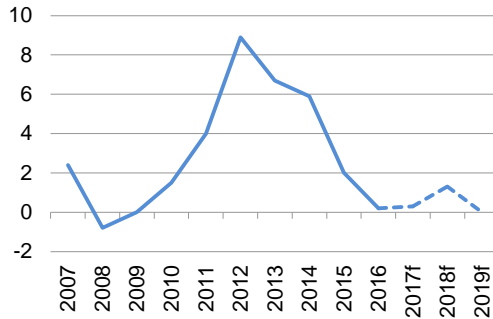
## Analysts

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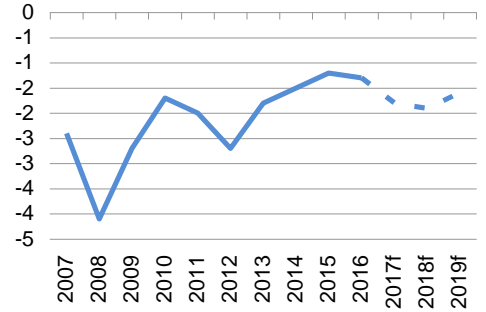
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Peer Comparison

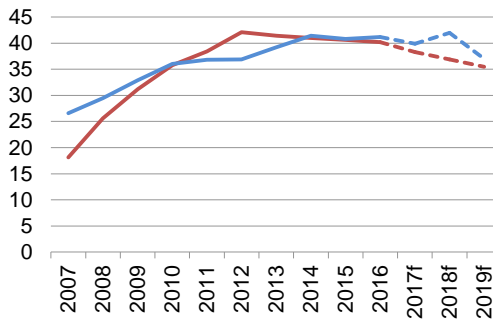
**Net External Debt**  
% of GDP



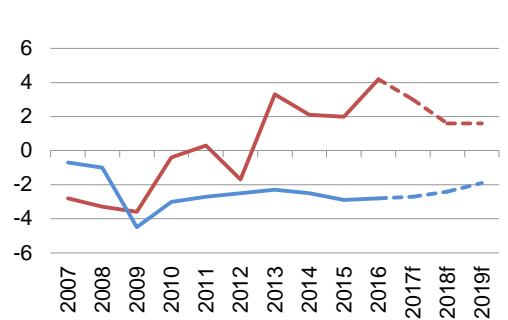
**Current Account Balance**  
% of GDP



**General Government Debt**  
% of GDP



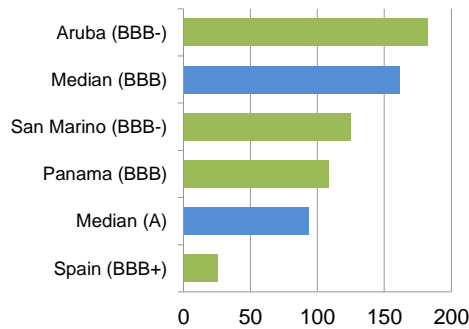
**General Government Balance**  
% of GDP



— Andorra

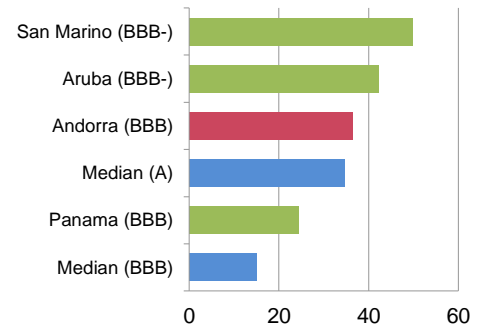
— Medians

**International Liquidity Ratio, 2017**  
%



**GDP per capita Income, 2016e**

At market exchange rates, USA=100



Related Criteria

[Sovereign Rating Criteria \(July 2017\)](#)

[Country Ceilings Criteria \(July 2017\)](#)

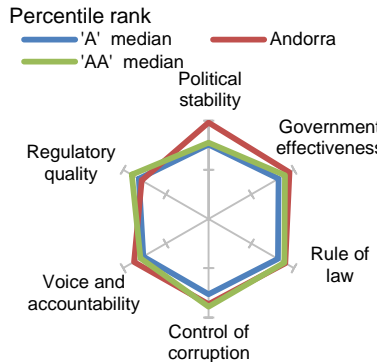
Peer Group

Rating	Country
BBB+	Mexico
	Peru
	Spain
	Thailand
BBB	Andorra
	Colombia
	Italy
	Kazakhstan
	Oman
	Panama
BBB-	Aruba
	Bulgaria
	Hungary
	India
	Indonesia
	Morocco
	Namibia
	Philippines
	Romania
	Russia
	San Marino
	Uruguay

Rating History

Date	Long-Term Foreign Currency	Long-Term Local Currency
11 Sep 15	BBB	

Governance Indicators



Rating Factors

Summary: Strengths and Weaknesses

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

Note: Relative to 'BBB' category  
Source: Fitch

Strengths

Andorra is a wealthy economy, with high income per capita (almost USD36,500 at end-2016, 3.8x the 'BBB' median). Governance and human-development indicators are much higher than the 'BBB' median and more akin to those of 'A' and 'AA' rated sovereigns.

Social security funds and the two main state-owned enterprises have large reserves of liquid assets. Including these, the general government sector has a net asset position of around 15% of GDP.

The unemployment rate was around 4% at end-2016, lower than the 'BBB' median.

Inflation is lower and less volatile than among rating peers. Full euroisation of the economy allows Andorra to import ECB monetary policy.

Weaknesses

The banking sector is large with consolidated assets of around 5.6x GDP at end-2016. A severe shock affecting the larger banks would have an effect on Andorra's economy; public finances would also be affected if the state had to intervene to avert a systemic crisis.

The banking sector lacks a lender of last resort.

The economy is reliant on two industries – tourism and financial services – with limited scope for diversification and development due to geographical constraints.

Statistical data are available with long lags and often at low frequency (although there have been some improvements in the frequency of GDP estimates). Balance of payments and external balance-sheet data are incomplete. Fitch uses conservative assumptions and estimates where necessary for its analysis and in the Sovereign Rating Model.

Local-Currency Rating

Fitch has not assigned a Local-Currency Long-Term IDR to Andorra. The monetary agreement with the EU allows Andorra to use the euro as its official currency. Andorra's government debt is also entirely denominated in euros.

Country Ceiling

The Country Ceiling for Andorra is 'A-', a three-notch uplift on the Foreign-Currency Long-Term IDR. This reflects the low likelihood of a formal or informal moratorium on private-sector external debt payments due to Andorra's good governance, rule of law, and alignment of interests with the EU.

Strengths and Weaknesses: Comparative Analysis

2016	Andorra BBB	BBB median <sup>a</sup>	A median <sup>a</sup>	Panama BBB	Aruba BBB-	San Marino BBB-
<b>Macroeconomic performance and policies</b>						
Real GDP (5yr average % change)	0.6	3.2	3.0	6.5	0.5	-2.0
Volatility of GDP (10yr rolling SD)	3.5	2.7	3.0	3.2	4.3	5.4
Consumer prices (5yr average)	0.1	2.7	1.5	2.6	-0.4	1.3
Volatility of CPI (10yr rolling SD)	1.5	1.9	1.8	2.6	3.6	1.2
Unemployment rate (%)	4.0	6.6	6.2	4.4	7.0	8.6
Type of exchange rate regime	Euroised	n.a.	n.a.	Dollarised	Peg (EUR)	Euroised
Dollarisation ratio (% of bank deposits)	100.0	30.6	11.9	100.0	17.3	100.0
REER volatility (10yr rolling SD)	-	4.5	5.1	3.7	2.6	2.1
<b>Structural features</b>						
GDP per capita (USD, mkt exchange rates)	36,534	9,509	18,037	13,830	24,169	49,812
GNI per capita (PPP, USD, latest)	-	18,290	27,200	19,630	-	-
GDP (USDbn)	2.9	n.a.	n.a.	55.2	2.7	1.6
Human development index (percentile, latest)	82.3	66.8	80.7	67.9	-	-
Governance indicator (percentile, latest) <sup>b</sup>	89.1	58.0	77.4	59.2	88.0	66.6
Broad money (% GDP)	421.8	69.3	80.1	69.1	87.2	233.6
Default record (year cured)	-	n.a.	n.a.	1996	-	-
Ease of doing business (percentile, latest)	-	72.2	86.2	63.3	-	58.6
Trade openness (avg. of CXR + CXP % GDP)	88.7	45.0	69.9	56.8	90.8	155.6
Gross domestic savings (% GDP)	-	23.5	27.4	40.9	16.2	57.3
Gross domestic investment (% GDP)	-	22.2	22.7	43.2	24.5	5.9
Private credit (% GDP)	305.1	59.4	73.1	84.1	64.0	219.3
Bank systemic risk indicators <sup>c</sup>	bbb/2*	n.a.	n.a.	bbb/2	-/1	-/1
Bank system capital ratio (% assets)	25.1	15.8	18.1	14.8	27.9	13.6
Foreign bank ownership (% assets)	-	29.0	61.0	48.4	100.0	0.0
Public bank ownership (% assets)	-	15.0	16.0	13.1	0.0	13.8
<b>External finances</b>						
Current account balance + net FDI (% GDP)	-	0.6	1.5	3.6	6.0	17.0
Current account balance (% GDP)	-	-1.5	2.3	-5.6	5.3	17.0
Net external debt (% GDP)	-	2.4	-10.6	27.7	0.4	-7.8
Gross external debt (% CXR)	198.5	132.3	119.8	297.1	76.4	94.3
Gross sovereign external debt (% GXD)	1.5	32.6	26.3	17.2	64.9	1.2
Sovereign net foreign assets (% GDP)	-2.7	2.9	7.7	-17.9	-11.7	23.3
Ext. interest service ratio (% CXR)	-	4.6	2.6	6.3	5.0	0.1
Ext. debt service ratio (% CXR)	-	14.6	13.1	17.4	9.2	3.9
Foreign exchange reserves (months of CXP)	-	6.3	4.3	1.9	4.7	2.0
Liquidity ratio (latest) <sup>d</sup>	-	155.3	71.8	108.4	182.5	125.3
Share of currency in global reserves (%)	0	n.a.	n.a.	0	0	0
Commodity export dependence (% CXR, latest)	1.4	17.7	14.1	16.8	12.0	10.2
Sovereign net foreign currency debt (% GDP)	-	-7.0	-5.4	17.2	-0.8	-4.2
<b>Public finances<sup>e</sup></b>						
Budget balance (% GDP)	4.2	-2.8	-1.8	-2.8	-3.8	-3.1
Primary balance (% GDP)	4.9	-0.8	0.1	-1.0	1.4	-2.8
Gross debt (% revenue)	105.5	162.1	142.5	189.6	271.2	57.1
Gross debt (% GDP)	40.2	40.7	48.2	38.3	69.3	22.0
Net debt (% GDP)	39.9	32.7	45.0	17.2	67.1	20.2
Foreign currency debt (% total debt)	100.0	38.6	17.6	100.0	48.9	95.3
Interest payments (% revenue)	1.8	7.2	4.3	9.0	18.0	0.6
Revenues and grants (% GDP)	38.1	29.5	34.8	20.2	25.5	38.5
Volatility of revenues/GDP ratio	13.8	6.4	5.0	6.9	8.8	10.3
Central govt. debt maturities (% GDP)	40.9	4.4	4.7	3.0	6.1	2.9

<sup>a</sup> Medians based on three-year centred averages

<sup>b</sup> 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

<sup>c</sup> Bank systemic indicator, which equates to a weighted average Viability Rating; and macro prudential indicator, with 1 'low' systemic risk through to 3 'high'

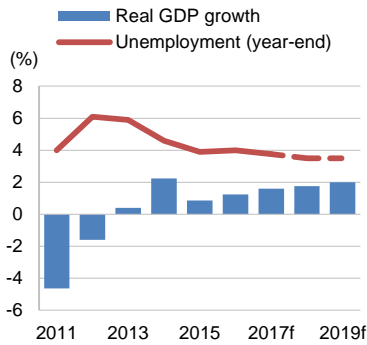
<sup>d</sup> Ratio of liquid external assets, defined as the stock of official FX reserves including gold at the end of the previous calendar year plus banks' liquid external assets, to liquid external liabilities, defined as scheduled external debt service in the current year, plus the stock of short-term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

<sup>e</sup> 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)

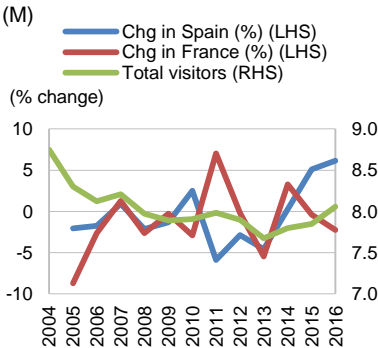
Source: Fitch

**Growth and Unemployment**



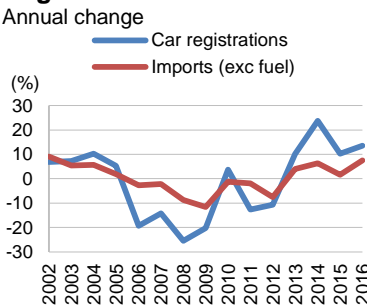
Source: Departament d'Estadística, Fitch

**Tourist Visitors**



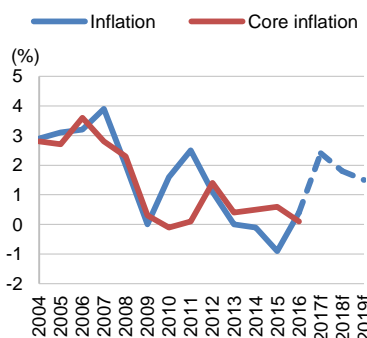
Source: Ministry of Tourism

**Imports and Car Registrations**



Source: Departament d'Estadística

**Consumer Price Inflation**



Source: Departament d'Estadística, Fitch

**Key Credit Developments**

**Higher Growth and Inflation to Persist**

The Andorran economy grew by 1.2% in real terms and 1.9% in nominal terms in 2016, according to the latest estimates. This represents a pick-up from 2015 (+0.8% in real terms) when downturns in industry and financial and business-services output had hindered growth. Last year, growth was driven by retail trade and tourism (+4.2%, in a sector accounting for 36% of overall value-added).

Estimates for 1Q17 indicate that real GDP growth was 1.9% on an annual basis (up from 1.2% in 4Q16 and 1.0% in 3Q16), with a strong performance in retail trade and tourism, and with financial and business-services output rising on an annual basis for the first time since 1Q15.

Expenditure indicators also point to increased economic activity. Over the seven months to July this year, car registrations rose by 10.6% on an annual basis. Over the same period, annual imports growth in nominal terms averaged 7.9% (exports are also rising strongly compared with last year). Tourist numbers were up in 2016, by 2.6% to 8.1 million, with a strong increase in visitors from Spain (+6.1%). Growth in tourists has proceeded at a similar pace in 2017. Employee numbers increased by almost 2% in 2016, and in April 2017 were 3.6% higher than in the same month a year earlier.

We expect GDP growth this year to be 1.6%, and to rise to 1.8% in 2018 and 2.0% in 2019, provided that the financial sector does not drag down growth as in recent quarters. Unemployment will fall further, reaching 3.5% in 2018-2019. Inflation has picked up sharply in recent months, driven mainly by energy prices. The rate of inflation reached 3.0% in March and April before edging back to 2.6% in June. Core inflation has been much more subdued (+1.0% in June). We expect inflation to slow to average 2.4% this year before falling to 1.5% by 2019.

**Debt Ratio to Fall Further**

Final estimates for 2016 confirmed the sharp improvement in public finances. At central government level, higher-than-expected tax revenues led to a surplus of EUR22.6 million (0.9% of GDP). Surpluses in the local government and social security sectors implied that at general government level there was a substantial surplus of 4.2% of GDP.

The Andorran government's budgetary projections point to a central government deficit of EUR25.6 million for 2017. We expect both higher expenditure and revenues than the government, and forecast a central government deficit of EUR15 million. With surpluses projected for the other sub-sectors of government, we expect a positive general government balance of 3.0% of GDP this year, to be followed by smaller surpluses of 1.6% in both 2018 and 2019.

General government debt was 40.2% of GDP at end-2016, down from 40.6% at end-2015. Our public-finance projections are consistent with the government debt ratio falling further over the next three years, to 38.3% this year, and 35.5% by 2019. Debt dynamics are driven by central and local government finances, as the social security surpluses are not used to pay down debt.

**Further Measures Aligning to EU Regulations**

In June, the Andorran authorities introduced a law that implements EU directives on the prevention of money laundering and terrorist financing, and the incorporation of the recommendations of FATF, as well as a law introducing regulatory and supervisory provisions for insurance and reinsurance companies. The authorities have also extended the coverage of the criminal law code to cover tax offences.



Fitch uses stylised projections for a sovereign's gross general government debt/GDP ratio to illustrate the sustainability of its debt burden and its sensitivity to economic growth, the cost of borrowing, fiscal policy and the exchange rate.

### Public Debt Dynamics

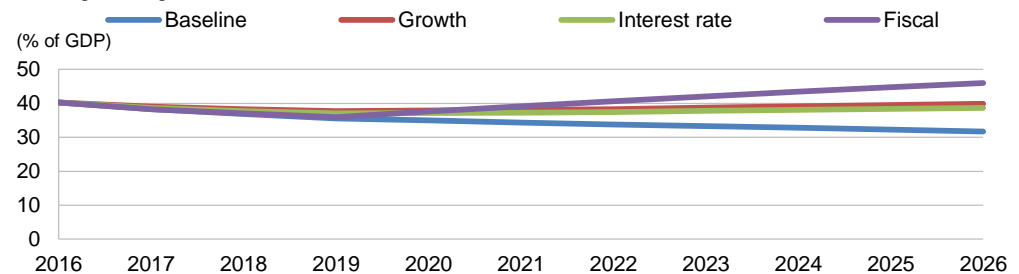
According to Fitch's baseline projections, gross general government debt should decline to just below 32% by 2026. An interest-rate shock would see the debt ratio remaining broadly stable over the next 10 years. Looser fiscal policy, with the primary balance at 0.8% of GDP, would see the debt ratio rise to 46% by 2026.

#### Debt Dynamics: Fitch's Baseline Assumptions

	2016	2017	2018	2019	2020	2021	2026
Gross general government debt (% GDP)	40.2	38.3	36.9	35.5	35.0	34.3	31.7
Primary balance (% of GDP)	4.9	3.6	2.2	2.2	2.2	2.2	2.0
Real GDP growth (%)	1.2	1.6	1.8	2.0	1.8	1.8	1.5
Avg. nominal effective interest rate (%)	1.7	1.7	1.7	1.7	1.7	1.7	2.0
EUR/USD (annual avg.)	0.90	0.93	0.93	0.93	0.93	0.93	0.93
GDP deflator (%)	0.7	2.4	1.8	1.5	2.0	2.0	2.0

#### Sensitivity Analysis

Gross general government debt



Source: Fitch Debt Dynamics Model

#### Debt Sensitivity Analysis: Fitch's Scenario Assumptions

Growth	GDP growth 1.8% lower than baseline (half standard deviation lower)
Interest rate	Marginal interest rate 250bp higher
Fiscal	Primary balance at average of 0.8% of GDP

### Forecast Summary

	2013	2014	2015	2016	2017f	2018f	2019f
<b>Macroeconomic indicators and policy</b>							
Real GDP growth (%)	0.4	2.2	0.8	1.2	1.6	1.8	2.0
Unemployment (%)	5.9	4.6	3.9	4.0	3.8	3.5	3.5
Consumer prices (annual average % change)	0.0	-0.1	-0.9	0.4	2.4	1.8	1.5
Short-term interest rate (bank policy annual avg.) (%)	0.5	0.1	0.1	0.0	0.0	0.0	0.4
General government balance (% of GDP)	3.3	2.1	2.0	4.2	3.0	1.6	1.6
General government debt (% of GDP)	41.4	41.0	40.6	40.2	38.3	36.9	35.5
EUR per USD (annual average)	0.75	0.75	0.90	0.90	0.93	0.93	0.93
Real effective exchange rate (2000 = 100)	-	-	-	-	-	-	-
Real private sector credit growth (%)	-0.4	10.2	0.6	-20.7	-0.4	0.7	1.5
<b>External finance</b>							
Current account balance (% of GDP)	-	-	-	-	-	-	-
Current account balance plus net FDI (% of GDP)	-	-	-	-	-	-	-
Net external debt (% of GDP)	-	-	-	-	-	-	-
Net external debt (% of CXR)	-	-	-	-	-	-	-
Official international reserves including gold (USDbn)	-	-	-	-	-	-	-
Official international reserves (months of CXP cover)	-	-	-	-	-	-	-
External interest service (% of CXR)	-	-	-	-	-	-	-
Gross external financing requirement (% int. reserves)	-	-	-	-	-	-	-
<b>Real GDP growth (%)</b>							
US	1.7	2.4	2.6	1.6	2.2	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	55.0	60.0

Source: Fitch

**Fiscal Accounts Summary**

(% of GDP)	2014	2015	2016	2017f	2018f	2019f
<b>General government</b>						
<b>Revenue</b>	<b>32.2</b>	<b>33.9</b>	<b>38.1</b>	<b>40.2</b>	<b>39.6</b>	<b>39.8</b>
<b>Expenditure</b>	<b>30.1</b>	<b>31.9</b>	<b>33.9</b>	<b>37.3</b>	<b>38.0</b>	<b>38.2</b>
O/w interest payments	0.9	0.8	0.7	0.6	0.6	0.6
Primary balance	3.1	2.7	4.9	3.6	2.2	2.2
<b>Overall balance</b>	<b>2.1</b>	<b>2.0</b>	<b>4.2</b>	<b>3.0</b>	<b>1.6</b>	<b>1.6</b>
<b>General government debt</b>	<b>41.0</b>	<b>40.6</b>	<b>40.2</b>	<b>38.3</b>	<b>36.9</b>	<b>35.5</b>
% of general government revenue	127.2	119.8	105.5	95.3	93.0	89.4
Central government deposits	0.2	0.2	0.4	0.4	0.3	0.3
Net general government debt	40.8	40.4	39.9	38.0	36.5	35.2
<b>Central government</b>						
<b>Revenue</b>	<b>15.5</b>	<b>15.5</b>	<b>17.0</b>	<b>16.2</b>	-	-
O/w grants	-	-	-	-	-	-
<b>Expenditure and net lending</b>	<b>14.9</b>	<b>15.9</b>	<b>16.1</b>	<b>16.8</b>	-	-
O/w current expenditure and transfers	11.1	11.8	14.2	14.5	-	-
- Interest	0.8	0.7	0.6	0.6	-	-
O/w capital expenditure	3.8	4.1	1.9	2.2	-	-
Current balance	3.6	3.5	2.8	1.7	-	-
Primary balance	1.4	0.2	1.5	0.0	-	-
<b>Overall balance</b>	<b>0.6</b>	<b>-0.5</b>	<b>0.9</b>	<b>-0.6</b>	-	-
Central government debt	35.5	35.7	36.0	34.3	-	-
% of central government revenues	228.8	230.8	212.0	212.0	-	-
<b>Central government debt (EURbn)</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	-	-
By residency of holder						
Domestic	0.8	0.8	0.8	0.8	-	-
Foreign	0.1	0.1	0.1	0.1	-	-
By currency denomination						
Local currency	0.0	0.0	0.0	0.0	-	-
Foreign currency	0.9	0.9	0.9	0.9	-	-
In USD equivalent (eop exchange rate)	1.1	1.0	1.0	1.0	-	-
Average maturity (years)	3.7	2.8	2.9	4.1	-	-
<b>Memo</b>						
Nominal GDP (EURbn)	2.5	2.5	2.6	2.7	2.8	2.9

Source: Govern d'Andorra and Fitch estimates and forecasts

External Debt and Assets

(USDbn)	2011	2012	2013	2014	2015	2016
<b>Gross external debt</b>	<b>6.3</b>	<b>6.9</b>	<b>7.5</b>	<b>7.8</b>	<b>6.1</b>	<b>5.0</b>
% of GDP	182.2	219.7	229.1	231.8	217.4	176.2
% of CXR	206.9	259.1	300.9	314.3	270.7	198.5
<b>By maturity</b>						
Medium- and long-term	-	-	-	-	-	-
Short-term	-	-	-	-	-	-
% of total debt	-	-	-	-	-	-
<b>By debtor</b>						
<b>Sovereign</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
Monetary authorities	-	-	-	-	-	-
General government	0.1	0.1	0.1	0.1	0.1	0.1
O/w central government	0.1	0.1	0.1	0.1	0.1	0.1
<b>Banks</b>	<b>6.2</b>	<b>6.8</b>	<b>7.4</b>	<b>7.7</b>	<b>6.0</b>	<b>5.0</b>
<b>Other sectors</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Gross external assets (non-equity)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
International reserves, incl. gold	-	-	-	-	-	-
Other sovereign assets	-	-	-	-	-	-
Deposit money banks' foreign assets	-	-	-	-	-	-
Other sector foreign assets	-	-	-	-	-	-
<b>Net external debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
% of GDP	-	-	-	-	-	-
Net sovereign external debt	-	-	-	-	-	-
Net bank external debt	-	-	-	-	-	-
Net other external debt	-	-	-	-	-	-
<b>Net international investment position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
% of GDP	-	-	-	-	-	-
<b>Sovereign net foreign assets</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>
% of GDP	-2.5	-3.0	-3.0	-2.6	-2.8	-2.7
<b>Debt service (principal &amp; interest)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Debt service (% of CXR)	-	-	-	-	-	-
Interest (% of CXR)	-	-	-	-	-	-
Liquidity ratio (%)	-	-	-	-	-	-
Net sovereign FX debt (% of GDP)	-	-	-	-	-	-
<b>Memo</b>						
Nominal GDP	3.4	3.2	3.3	3.3	2.8	2.9
Inter-company loans	-	-	-	-	-	-

Source: Fitch estimates and forecasts



**Balance of Payments**

(USDbn)	2014	2015	2016	2017f	2018f	2019f
<b>Current account balance</b>	-	-	-	-	-	-
% of GDP	-	-	-	-	-	-
% of CXR	-	-	-	-	-	-
<b>Trade balance</b>	<b>-1.5</b>	<b>-1.2</b>	<b>-1.3</b>	<b>-1.4</b>	<b>-1.5</b>	<b>-1.5</b>
Exports, fob	0.1	0.1	0.1	0.1	0.1	0.1
Imports, fob	1.6	1.3	1.4	1.5	1.6	1.6
<b>Services, net</b>	<b>1.8</b>	<b>1.7</b>	<b>1.9</b>	<b>2.1</b>	<b>2.2</b>	<b>2.4</b>
Services, credit	2.4	2.2	2.4	2.7	2.8	3.0
Services, debit	0.6	0.5	0.5	0.5	0.6	0.6
<b>Income, net</b>	-	-	-	-	-	-
Income, credit	-	-	-	-	-	-
Income, debit	-	-	-	-	-	-
O/w: Interest payments	-	-	-	-	-	-
<b>Current transfers, net</b>	-	-	-	-	-	-
<b>Capital and financial accounts</b>						
Non-debt-creating inflows (net)	-	-	-	-	-	-
O/w equity FDI	-	-	-	-	-	-
O/w portfolio equity	-	-	-	-	-	-
O/w other flows	-	-	-	-	-	-
Change in reserves	-	-	-	-	-	-
<b>Gross external financing requirement</b>	-	-	-	-	-	-
<b>Stock of international reserves, incl. gold</b>	-	-	-	-	-	-

Source: Department d'Estadística and Fitch estimates and forecasts

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