

Andorra

Full Rating Report

Ratings

Foreign Currency

Long-Term IDR	BBB+
Short-Term IDR	F2
Country Ceiling	A+

Outlooks

Foreign-Currency Long-Term IDR	Stable
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Financial Data

Andorra

USDm	2018f
GDP	3,294.1
GDP per head (USD 000)	40.7
Population (m)	0.1
International reserves	-
Net external debt (% GDP)	-
Central government total	33.4
CG foreign-currency debt	1,063.5
CG domestically issued debt (EURm)	925.2

Rating Derivation

Component	Outcome
Sovereign Rating Model (SRM)	A-
Qualitative Overlay (QO)	-1
Macroeconomic	0
Structural features	-1
Public finances	0
External finances	0
Long-Term Foreign-Currency IDR (SRM + QO)	BBB+

Key Rating Drivers

Ratings Upgrade: Andorra's recent ratings upgrade from 'BBB'/Positive to 'BBB+'/Stable reflects falling public indebtedness, with the government debt/GDP ratio falling below 40% for the first time since 2011, and an increased pace in the country's economic recovery.

Government Surplus, Forecasts: Andorra recorded a small surplus of EUR9 million (0.3% of GDP) at the central government level in 2017. Surpluses among local governments and the social security fund supported a higher surplus in 2017 at the broader general government level of 3.3% of GDP, albeit lower than in 2016 (4.4%). Fitch Ratings expects a slightly higher deficit at the central government level compared with the government's 2018 budget. At the general government level, we expect a surplus of 1.0% of GDP in 2018, declining to 0.7% by 2020.

Debt, Liquid Assets: The government debt ratio reached 37.6% of GDP in 2017 (in line with the 'BBB' median). We expect the ratio to fall further, to 35.0% of GDP by 2020. The sovereign balance sheet is enhanced by a large stock of liquid assets, mainly in the social security sector. The general government net asset position was around 17% of GDP at end-2017.

Stronger Economic Recovery: Real GDP growth was 1.9% in 2017, with private-sector services (excluding finance) and construction the main drivers of growth. With the pick-up in economic activity, the labour market has seen improvements. Unemployment fell to an average of 2.4% in 2017, from 3.5% in 2016. This compares with a forecast 'BBB' median of 7.9%. We expect the stabilisation of activity in the financial sector and positive growth dynamics in other sectors to translate to overall real GDP growth of 2.2% this year, and 2.0% in 2019 and 2020.

Regulatory Alignment Continues: The Andorran authorities are continuing to align the regulatory environment, especially in the financial sector, with international and European standards, including the adoption of international standards of transparency and exchanges of information for tax purposes. Parliamentary procedures are under way to transpose several pieces of EU legislation and regulation into Andorran law, including the Capital Requirements Directive IV package, which implements the Basel III set of measures.

Rating Sensitivities

Banks, Data Quality, Fiscals: The main factors that could, individually or collectively, lead to positive rating action are: reduced risk of contingent liabilities from the banking sector materialising on the sovereign balance sheet; improvements in data quality and frequency, in particular for the external accounts; continued declines in the government debt/GDP ratio; and improvements in medium-term growth prospects.

Debt, Banks' Creditworthiness: The main factors that could, individually or collectively, lead to negative rating action are: rising government indebtedness, for example due to fiscal slippage or worsening economic prospects; and a deterioration in the creditworthiness of the large Andorran banks, increasing the risk of contingent liabilities crystallising on the sovereign's balance sheet.

Related Research

- [Global Economic Outlook \(June 2018\)](#)
- [Andorra \(March 2018\)](#)
- [Western Europe Sovereign Credit Overview - 3Q18 \(August 2018\)](#)

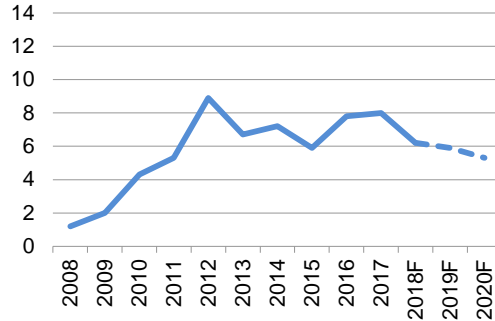
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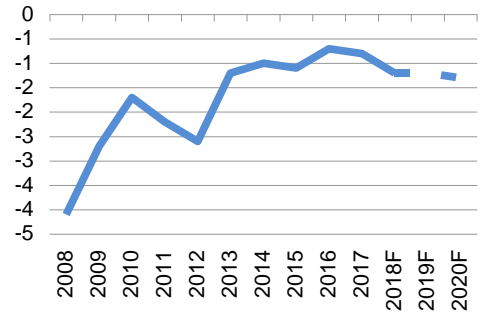
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Peer Comparison

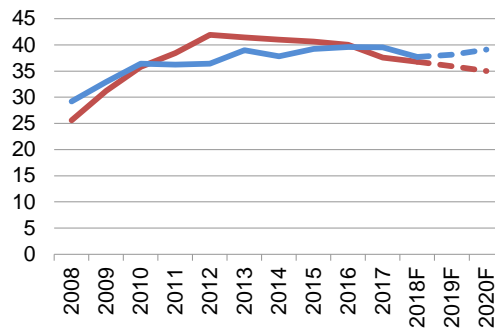
Net External Debt
% of GDP



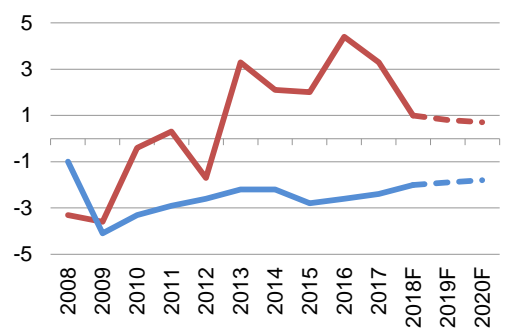
Current Account Balance
% of GDP



General Government Debt
% of GDP



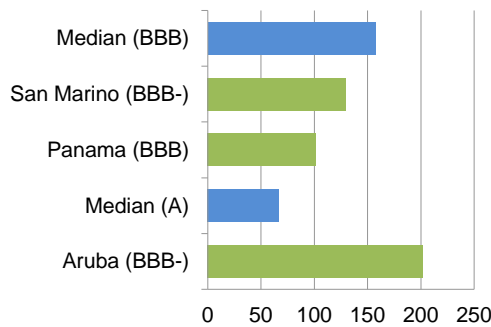
General Government Balance
% of GDP



— Andorra

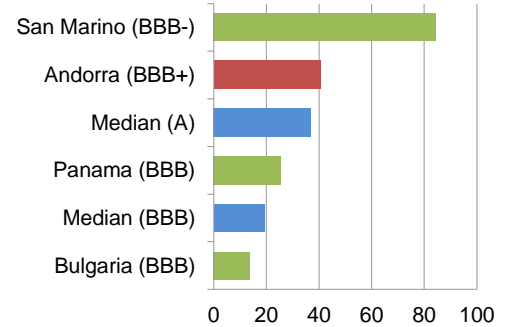
— Median(BBB)

International Liquidity Ratio, 2018F
%



GDP per capita Income, 2018F

At market exchange rates, USA=100



Note: Medians based on data for sovereigns in the respective rating category at the end of each year. Latest ratings are used for the current year and forecast period.

Related Criteria

- [Sovereign Rating Criteria \(July 2018\)](#)
- [Country Ceilings Criteria \(July 2018\)](#)

Rating Factors

Summary: Strengths and Weaknesses

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

Note: Relative to 'BBB' category
Source: Fitch

Strengths

Andorra is a wealthy economy, with high income per capita forecast this year to be around 3.6x the 'BBB' median (USD40,500 compared with USD11,200). Governance and human development indicators are much higher than the 'BBB' medians and are 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 the former, the general government sector had a net asset position of around 17% of GDP at end-2017.

The unemployment rate has fallen to an average of 2.4% in 2017, much lower than the 'BBB' median.

Inflation is lower and less volatile than for 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 5.3x GDP at end-2017. 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 financial sector lacks a lender of last resort.

The economy is reliant on a few industries – financial sector, commerce and tourism – with limited scope for diversification and development due to geographical constraints.

Statistical data is available with long lags and often at low frequency (although there have been improvements, in the frequency of GDP estimates and labour market statistics for example). Balance of payments and external accounts data are largely absent, and 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 entirely denominated in euros.

Country Ceiling

The Country Ceiling for Andorra is 'A+', a three-notch uplift on the Long-Term IDR. This reflects the low likelihood of a formal or informal moratorium on private-sector external debt payments due to Andorra's use of the euro, good governance, trade relations with neighbours Spain and France, and alignment of interests with the EU.

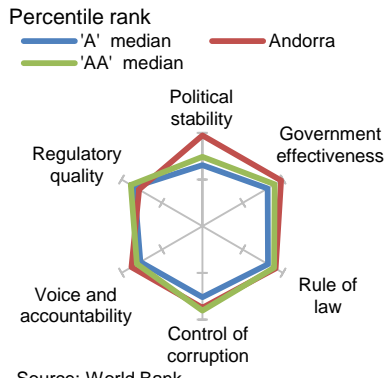
Peer Group

Rating	Country
A-	Latvia
	Lithuania
	Malaysia
	Poland
	Slovenia
	Spain
BBB+	Andorra
	Mexico
	Peru
	Thailand
BBB	Bulgaria
	Colombia
	Indonesia
	Italy
	Kazakhstan
	Panama
	Philippines
	Portugal
BBB-	San Marino
	Aruba

Rating History

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

Governance Indicators



Strengths and Weaknesses: Comparative Analysis^a

2018f	Andorra BBB+	BBB median	A median	Aruba BBB-	Panama BBB	San Marino BBB-
Macroeconomic performance and policies						
Real GDP (5yr average % change)	1.9	3.7	4.0	0.3	5.2	1.0
Volatility of GDP (10yr rolling SD)	3.0	2.9	2.5	4.3	2.8	5.1
Consumer prices (5yr average)	0.7	4.2	2.6	0.1	1.1	0.8
Volatility of CPI (10yr rolling SD)	1.2	2.4	1.9	2.0	2.0	0.9
Unemployment rate (%)	2.2	7.9	6.5	7.3	6.3	7.4
Type of exchange rate regime	No separate legal tender	n.a.	n.a.	Conventional peg	No separate legal tender	No separate legal tender
Dollarisation ratio (% of bank deposits)	100.0	16.9	11.0	0.0	100.0	100.0
REER volatility (10yr rolling SD)	-	5.2	5.2	1.5	3.4	1.9
Structural features						
GDP per capita (USD, mkt. exchange rates)	40,662	11,172	22,917	24,317	15,936	52,562
GNI per capita (PPP, USD, latest)	-	20,090	31,810	-	20,990	-
GDP (USDbn)	3	n.a.	n.a.	3	66.2	1.8
Human development index (percentile, latest)	83.4	67.3	80.7	-	67.9	-
Governance indicator (percentile, latest) ^b	89.9	58.5	75.2	88.1	59.2	67.5
Broad money (% GDP)	363.5	59.2	86.2	87.7	65.0	235.6
Default record (year cured) ^c	-	n.a.	n.a.	-	1996	-
Ease of doing business (percentile, latest)	-	71.3	83.0	-	63.3	51.4
Trade openness (avg. of CXR + CXP % GDP)	83.5	46.2	62.3	91.4	51.7	152.4
Gross domestic savings (% GDP)	-	22.5	27.5	17.3	38.9	58.8
Gross domestic investment (% GDP)	-	23.9	23.8	21.3	41.8	6.6
Private credit (% GDP)	327.8	57.1	75.3	68.7	80.4	208.3
Bank systemic risk indicators ^d	bbb/2	n.a.	n.a.	-/1	bbb/2	-/1
Bank system capital ratio (% assets)	21.7	14.9	14.6	31.8	15.0	-
Foreign bank ownership (% assets)	-	35.7	50.5	-	45.3	-
Public bank ownership (% assets)	-	13.4	15.6	-	13.4	-
External finances						
Current account balance + net FDI (% GDP)	-	0.4	2.7	1.6	1.6	15.0
Current account balance (% GDP)	-	-1.9	1.1	-1.2	-4.8	15.0
Net external debt (% GDP)	-	6.2	-8.3	4.2	23.9	-10.2
Gross external debt (% CXR)	147.8	115.6	103.3	80.6	281.8	85.6
Gross sovereign external debt (% GXD)	1.6	31.7	17.4	62.0	19.0	1.2
Sovereign net foreign assets (% GDP)	-2.5	2.7	11.8	-12.4	-19.4	23.9
Ext. interest service ratio (% CXR)	-	4.3	2.4	4.6	6.8	0.1
Ext. debt service ratio (% CXR)	-	15.3	12.6	11.3	18.6	3.8
Foreign exchange reserves (months of CXP)	-	4.9	4.4	4.3	1.4	2.1
Liquidity ratio (latest) ^e	-	143.7	118.0	202.0	101.4	129.6
Share of currency in global reserves (%)	-	n.a.	n.a.	-	0	0
Commodity export dependence (% CXR, latest)	0.3	20.7	11.1	-	1.3	10.2
Sovereign net foreign currency debt (% GDP)	-	-5.1	-10.6	1.6	20.5	4.6
Public finances^f						
Budget balance (% GDP)	1.0	-2.4	-2.3	-3.0	-2.0	-7.4
Primary balance (% GDP)	1.4	-0.3	-0.3	1.7	-0.1	-7.0
Gross debt (% revenue)	102.6	129.9	135.7	288.3	191.7	82.8
Gross debt (% GDP)	36.8	36.1	41.0	74.6	37.7	31.2
Net debt (% GDP)	36.4	30.2	35.9	72.2	20.5	29.5
Foreign currency debt (% total debt)	100.0	35.5	13.8	46.2	100.0	96.8
Interest payments (% revenue)	1.3	7.0	4.8	18.1	9.4	1.1
Revenues and grants (% GDP)	35.8	32.1	34.8	25.9	19.6	37.7
Volatility of revenues/GDP ratio	11.1	6.6	5.9	7.3	6.1	8.9
Central govt. debt maturities (% GDP)	20.8	5.5	5.1	6.3	2.2	1.7

^a Medians are based on actual data since 2000 (excl. forecasts) for all sovereign-year observations where the sovereign was in the respective rating category at year-end. Three-year centred averages are used for the more dynamic variables (e.g. current account and fiscal balance)

^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 Modern rescheduling history

^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'

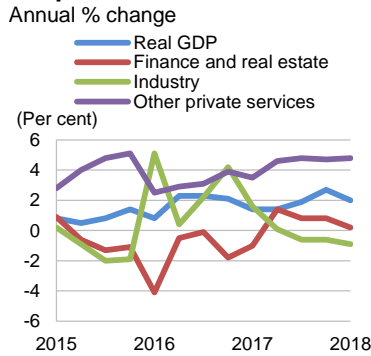
^e Ratio of liquid external assets, defined as the stock of official FX reserves including gold at the end of the previous calendar year plus banks' liquid external assets, to liquid external liabilities, defined as scheduled external debt service in the current year, plus the stock of short-term external 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

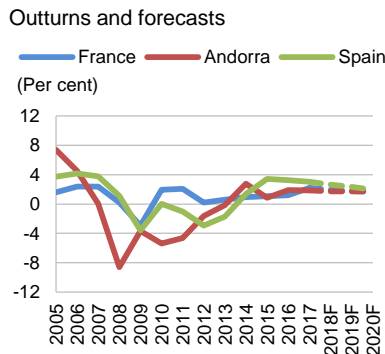
Note: Acronyms used: Consumer Price Inflation (CPI), Gross Domestic Product (GDP), current External Receipts (CXR), Current External Payments (CXP), Gross National Income (GNI), Purchasing Power Parity (PPP), Standard Deviation (SD), Foreign Direct Investment (FDI)

Source: Fitch

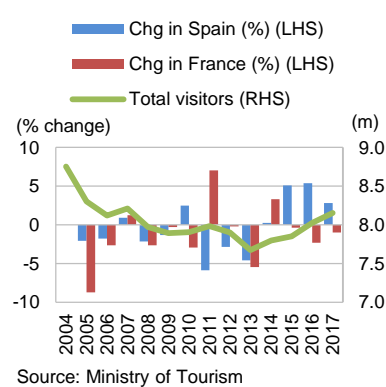
Output Growth



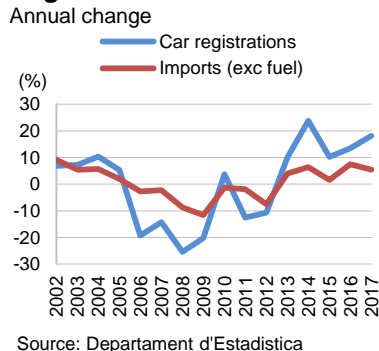
Real GDP Growth



Visitor Numbers



Imports and Car Registrations



Key Credit Developments

Second Consecutive Central Government Surplus; Debt Ratio Below 40%

Andorra recorded a small surplus of EUR9 million (0.3% of GDP) at the central government level in 2017. The surplus was lower than that recorded in 2016 (0.9% of GDP), with the deterioration brought about by lower direct tax receipts with broadly unchanged expenditure. Surpluses at the local government level and in the social security funds sector mean that the general government surplus in 2017 was more substantial, 3.3% of GDP, albeit lower than in 2016 (4.4%).

For 2018, the Andorran government is expecting a small deficit at the central government level of around 1% of GDP. Expenditure dynamics are expected to be slightly stronger this year, with higher inflation in 2017 bringing about a higher wage bill through indexation. Also, the local government sector is transitioning to a new funding system, which should put a ceiling on transfers from local government – but 2018 will be a transition year with relatively high transfers. The government's plans should be broadly consistent with the fiscal rule introduced in 2014 to limit central government deficits to 1% of GDP, and the government debt/GDP ratio to 40%.

We expect a slightly higher deficit at the central government level compared to the 2018 budget. Surpluses in the other sectors of government mean that we expect the general government deficit surplus to be 1.0% of GDP this year, before edging down to 0.7% by 2020, on the assumption of lower surpluses in the social security sector.

The government debt ratio fell to 37.6% in 2017, from 40.0% in 2016. Our public finance projections are consistent with the government debt ratio falling to 35.0% of GDP by 2020. Debt dynamics are driven by the central and local government sectors, as the social security surpluses are not used to pay down debt.

Growth to Surpass 2% as Recovery Firms Up

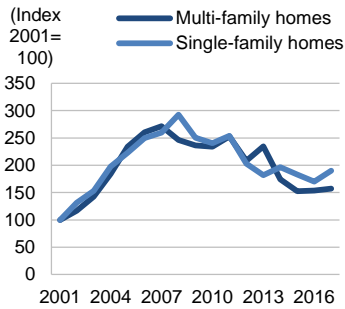
The Andorran economy expanded by 1.9% in 2017 in real terms, with the service sector outside business services and financial intermediation being the main drivers of growth (with output averaging 4.4% in 2017). Output in business and financial services stopped declining in 2017, following two years of adverse performance. Industrial output was flat, while construction output increased at a brisk pace (+3.5% in 2017). In 1Q18, GDP growth was 2%.

Visitor numbers including tourists have been rising steadily. Over the whole of 2017, total visitors were 8.15 million (of which 52% from Spain and 40% from France), up by 1.6% on 2016. Over the first six months of this year, visitor numbers were 1.8% higher than in the same period in 2017 (around 40% of visitors stay overnight). Car registrations over the course of 1H18 were up by 10.3% on an annual basis, a slowdown from the estimate for the whole of 2017 (18.1%).

With the pick-up in economic activity, the labour market also saw improvements. Unemployment fell to an average of 2.4% in 2017, from 3.5% in 2016. At the same time, the employment rate fell slightly in 2017 (from 80.5% in 2016 to 78.7%), as the inactivity rate increased.

We expect the stabilisation of activity in the financial sector and positive growth dynamics in other sectors to translate to overall real GDP growth of 2.2% this year, and 2.0% in 2019 and 2020. Inflation averaged 1.1% in 1H18, and picked up to 2.1% in July. We expect the full-year inflation rate to be 1.5%. We then expect inflation to edge up only slightly to 1.7% by 2020.

Real Estate Prices



Source: Department d'Estadística

Banks' Regulatory Alignment Continues

The Andorran authorities are continuing to align the regulatory environment, especially in the financial sector, with international and European standards, including the adoption of international standards of transparency and exchanges of information for tax purposes. Parliamentary procedures are under way to transpose several pieces of EU legislation and regulation into Andorran law, including the Capital Requirements Directive IV package, which implements the Basel III set of measures.

The average Viability Rating of Andorran banks is 'bbb'. The large size of the banking sector represents a contingent liability for the sovereign, as banking sector assets were 5.3x nominal GDP at end-2017. The lack of a lender-of-last-resort in the financial sector restricts policy options in the event of an adverse shock and increases banking sector risks. In the event of systemic disruption in the banking sector, we would expect some liabilities to materialise on the sovereign balance sheet. At the same time, banks' capitalisation is adequate – the Andorran banking sector as a whole had a capital ratio of 21.7% at end-2017. Non-performing exposures are significant but on a downward trajectory, and their coverage with loan provisions has significantly improved.

Real estate prices have shown signs of stabilisation. The average price for a multi-family home increased slightly in both 2016 and 2017, by 1.0% and 2.3% respectively. These pick-ups in prices are however modest compared to the sharp fall (by more than three-quarters) seen between 2007 and 2015. Prices for single-family homes have shown more volatility in recent years, rising by almost 12% in 2017, following declines in both 2015 and 2016.

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

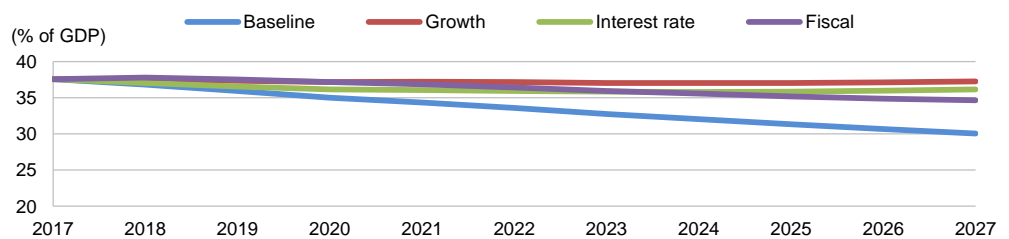
According to Fitch's baseline projections, gross general government debt should decline to 30.0% of GDP by 2027. A low-growth scenario in which the level of real output is broadly stable over the next 10 years would lead to an almost unchanged debt ratio after 10 years.

Debt Dynamics: Fitch's Baseline Assumptions

	2017	2018	2019	2020	2021	2022	2027
Gross general government debt (% GDP)	37.6	36.8	35.9	35.0	34.4	33.6	30.0
Primary balance (% of GDP)	3.3	0.9	0.7	0.7	0.5	0.5	0.2
Real GDP growth (%)	1.9	2.2	2.0	2.0	1.8	1.5	1.5
Avg. nominal effective interest rate (%)	1.4	1.4	1.3	1.2	1.3	1.5	2.5
EUR/USD (annual avg.)	0.89	0.84	0.87	0.87	0.87	0.87	0.87
GDP deflator (%)	0.9	1.5	1.6	1.7	1.6	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 1.9% lower (half standard deviation lower)
Interest rate	Marginal interest rate 250bp higher
Fiscal	Primary balance at 0.5% of GDP from 2018

Forecast Summary

	2014	2015	2016	2017	2018f	2019f	2020f
Macroeconomic indicators and policy							
Real GDP growth (%)	2.8	0.8	1.9	1.9	2.2	2.0	2.0
Unemployment (%)	5.8	4.1	3.5	2.4	2.2	2.0	2.0
Consumer prices (annual average % change)	-0.1	-0.9	0.4	2.6	1.5	1.6	1.7
Short-term interest rate (bank policy annual avg.) (%)	0.1	0.1	0.0	0.0	0.0	0.2	0.2
General government balance (% of GDP)	2.1	2.0	4.4	3.3	1.0	0.8	0.7
General government debt (% of GDP)	41.0	40.6	40.0	37.6	36.8	35.9	35.0
EUR per USD (annual average)	0.75	0.90	0.90	0.89	0.84	0.87	0.87
Real effective exchange rate (2000 = 100)	-	-	-	-	-	-	-
Real private sector credit growth (%)	10.2	0.6	-6.3	-7.7	1.5	1.4	1.3
External finance							
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 (USDmn)	-	-	-	-	-	-	-
Official international reserves (months of CXP cover)	-	-	-	-	-	-	-
External interest service (% of CXR)	-	-	-	-	-	-	-
Gross external financing requirement (% int. reserves)	-	-	-	-	-	-	-
Real GDP growth (%)							
US	2.6	2.9	1.5	2.3	2.8	2.5	2.1
China	7.3	6.9	6.7	6.9	6.6	6.3	6.1
Eurozone	1.3	2.1	1.8	2.4	2.3	1.8	1.5
World	2.8	2.8	2.5	3.3	3.3	3.2	3.0
Oil (USD/barrel)	98.9	52.4	45.1	54.9	70.0	65.0	57.5

Source: Fitch

Fiscal Accounts Summary

(% of GDP)	2015	2016	2017	2018f	2019f	2020f
General government						
Revenue	33.9	37.9	37.0	35.8	35.6	35.6
Expenditure	31.9	33.6	33.7	34.8	34.8	34.9
O/w interest payments	0.8	0.7	0.6	0.5	0.4	0.4
Primary balance	2.7	5.0	3.9	1.4	1.2	1.1
Overall balance	2.0	4.4	3.3	1.0	0.8	0.7
General government debt	40.6	40.0	37.6	36.8	35.9	35.0
% of general government revenue	119.8	105.5	101.6	102.6	100.9	98.3
Central government deposits	0.2	0.4	0.4	0.3	0.3	0.3
Net general government debt	40.4	39.6	37.2	36.4	35.6	34.7
Central government						
Revenue	15.5	16.9	15.8	-	-	-
O/w grants	-	-	-	-	-	-
Expenditure and net lending	15.9	16.0	15.5	-	-	-
O/w current expenditure and transfers	11.8	14.1	13.8	-	-	-
- Interest	0.7	0.6	0.5	-	-	-
O/w capital expenditure	4.1	1.9	1.7	-	-	-
Current balance	3.6	2.8	2.1	-	-	-
Primary balance	0.2	1.5	0.9	-	-	-
Overall balance	-0.5	0.9	0.3	-	-	-
Central government debt	35.7	35.8	34.1	-	-	-
% of central government revenues	230.9	212.2	215.4	-	-	-
Central government debt (EURm)	904.8	931.1	911.8	-	-	-
By residency of holder						
Domestic	841.5	865.9	848.0	-	-	-
Foreign	63.3	65.2	63.8	-	-	-
By currency denomination						
Local currency	0.0	0.0	0.0	-	-	-
Foreign currency	904.8	931.1	911.8	-	-	-
In USD equivalent (eop exchange rate)	982.9	982.1	1,094.9	-	-	-
Average maturity (years)	2.8	2.9	3.8	3.6	-	-
Memo:						
Nominal GDP (EURm)	2,535.1	2,601.1	2,673.7	2,773.5	2,874.2	2,981.6

Source: Department d'Estadística and Fitch estimates and forecasts

External Debt and Assets

(USDm)	2013	2014	2015	2016	2017	2018f
Gross external debt	7,516.8	7,765.1	6,113.6	5,037.1	5,044.7	5,042.3
% of GDP	229.0	231.3	217.3	175.0	167.0	153.1
% of CXR	300.8	313.7	270.5	198.6	166.4	147.8
By maturity						
Medium- and long-term	-	-	-	-	-	-
Short-term	-	-	-	-	-	-
% of total debt	-	-	-	-	-	-
By debtor						
Sovereign	98.8	87.7	78.3	76.8	84.4	82.0
Monetary authorities	-	-	-	-	-	-
General government	98.8	87.7	78.3	76.8	84.4	82.0
O/w central government	83.9	76.0	68.8	68.7	76.6	74.4
Banks	7,418.1	7,677.5	6,035.3	4,960.3	4,960.3	4,960.3
Other sectors	0.0	0.0	0.0	0.0	0.0	0.0
Gross external assets (non-equity)	-	-	-	-	-	-
International reserves, incl. gold	-	-	-	-	-	-
Other sovereign assets nes	-	-	-	-	-	-
Deposit money banks' foreign assets	-	-	-	-	-	-
Other sector foreign assets	-	-	-	-	-	-
Net external debt	-	-	-	-	-	-
% of GDP	-	-	-	-	-	-
Net sovereign external debt	-	-	-	-	-	-
Net bank external debt	-	-	-	-	-	-
Net other external debt	-	-	-	-	-	-
Net international investment position	-	-	-	-	-	-
% of GDP	-	-	-	-	-	-
Sovereign net foreign assets	-98.8	-87.7	-78.3	-76.8	-84.4	-82.0
% of GDP	-3.0	-2.6	-2.8	-2.7	-2.8	-2.5
Debt service (principal & interest)	-	-	-	-	-	-
Debt service (% of CXR)	-	-	-	-	-	-
Interest (% of CXR)	-	-	-	-	-	-
Liquidity ratio (%)	-	-	-	-	-	-
Net sovereign FX debt (% of GDP)	-	-	-	-	-	-
Memo						
Nominal GDP	3,282.3	3,356.6	2,813.9	2,878.0	3,021.0	3,294.1
Inter-company loans	-	-	-	-	-	-

Source: IMF, World Bank and Fitch estimates and forecasts

Balance of Payments

(USDm)	2015	2016	2017	2018f	2019f	2020f
Current account balance	-	-	-	-	-	-
% of GDP	-	-	-	-	-	-
% of CXR	-	-	-	-	-	-
Trade balance	-1,207.6	-1,256.2	-1,357.3	-1,394.0	-1,461.0	-1,531.2
Exports, fob	89.5	100.4	120.0	135.0	144.5	154.6
Imports, fob	1,297.1	1,356.6	1,477.3	1,529.0	1,605.5	1,685.8
Services, net	1,694.8	1,938.8	2,369.6	2,714.5	2,915.8	3,131.7
Services, credit	2,170.6	2,436.5	2,911.5	3,275.4	3,504.7	3,750.1
Services, debit	475.8	497.7	541.9	560.9	588.9	618.4
Income, net	-	-	-	-	-	-
Income, credit	-	-	-	-	-	-
Income, debit	-	-	-	-	-	-
O/w: Interest payments	-	-	-	-	-	-
Current transfers, net	-	-	-	-	-	-
Capital and financial accounts						
Non-debt-creating inflows (net)	-	-	-	-	-	-
O/w equity FDI	-	-	-	-	-	-
O/w portfolio equity	-	-	-	-	-	-
O/w other flows	-	-	-	-	-	-
Change in reserves	-	-	-	-	-	-
Gross external financing requirement	-	-	-	-	-	-
Stock of international reserves, incl. gold	-	-	-	-	-	-

Source: Department d'Estadística and Fitch estimates and forecasts

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