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PANORAMA

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THE GERMAN ECONOMY: SAFE INSIDE, RISKIER OUTSIDE

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The German economy has changed its growth model during recent years. While internal demand (especially private consumption) – was sluggish and weak throughout most of the 2000s, it is currently the most important driver for growth. In contrast, net exports, which have been so important for German economic growth in the past, were relatively neutral in terms of growth performance in 2015. Moreover, net exports are likely to dampen GDP growth this year, due to weaker export

growth and strong ongoing growth in imports. Nevertheless, thanks to the country's robust internal demand, Coface forecasts GDP growth of 1.7 % for this year.

Higher exports risks for German companies are hampering the improvement of growth performance. As Germany has strong trading ties with the Emerging Market and Developing Economies group (EMs), it is highly exposed to the structural and cyclical weaknesses within these economies. These external impacts are currently negative, as growth in exports to

EMs has been cooling down and is now much weaker than demand from Advanced Economies.

From a sectorial perspective, some of Germany's key sectors are particularly vulnerable to risks stemming from EMs. Coface evaluates the most significant risks as being in the Automotive and Mechanical Engineering sectors and for Electrical Equipment. In addition, risks from EMs are also materialising in the cyclically-sensitive chemical industry.

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« Risks for the German economy are currently mainly stemming from external factors. The structural and cyclical problems in many Emerging Market and Developing Economies are particularly dampening export prospects for German companies. Nevertheless, this is partially absorbed by buoyant export growth to Advanced Economies, such as the USA and the UK, as well as by strong, ongoing internal demand, which is holding the German economy on a solid growth track. »

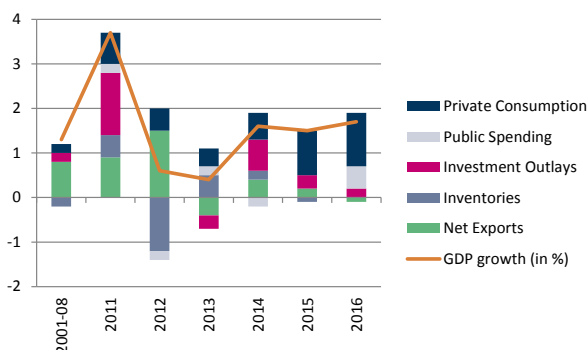
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THE GERMAN ECONOMY: A NEW GROWTH MODEL

Private consumption has become the main growth driver

In the 2000s, German GDP growth was mainly driven by net exports. External demand spurred on growth by a good average of 0.8 percentage points, per year, between 2001 and 2008. External demand thus delivered over 50 % of the country's average GDP growth of 1.3 % during the period, while the development of internal demand was much weaker.

Chart 1:
GDP growth (in percent) and its growth contributions (in percentage points)



Source: Destatis, Coface. Preliminary data for 2015, Coface forecasts for 2016.

Spending by private households in particular was often sluggish and did not contribute much to GDP growth – by, on average, just 0.2 percentage points between 2001 and 2008. This can mainly be explained by the much weaker performance by Germany's labour market at that time, com-

pared to now, and to the modest growth in real wages during this period. In addition, following the peak of the financial crisis in 2008/09, growth contributions from net exports were higher than those from private consumption.

This pattern has changed considerably over the course of the last three years, with private consumption now the main driver for economic growth (see Chart 1). Due to strong demand from private households, imports are also increasing at a high rate. According to Coface's forecasts, this trend should continue this year. Growth in exports, on the other hand, will be contained. Coface therefore expects net exports to have a slightly dampening impact on Germany's GDP growth. Nevertheless, the German economy will stay on track and Coface forecasts a higher growth rate of 1.7 % for 2016, compared to 1.4 % in 2015. According to the Bundesbank, GDP growth will therefore exceed its potential growth rate⁽¹⁾, which is calculated by the German central bank as being at a rate of around 1.3 %.

Where does the strength in consumption come from?

The resurgence in Germany's private consumption in Germany is caused by several factors, which together are combining to form a virtuous cycle. Firstly, Germany's labour market is booming. The level of employment, with more than 43 million employees, is the highest since Germany's reunification and the prospects are very good. According to the Federal Labour Office's forward-looking index, labour demand climbed to all-time-highs during the course of last year.

Germany's healthy labour market can be linked back to legislation which has improved flexibility and increased the

(1) Potential growth rate: GDP growth rate with a normal utilisation of production factors or trend growth rate.

possibilities for part-time and temporary employment. This has, in turn, led to important first steps into full-time-employment for the former unemployed. In addition, there has been an increasing need for skilled workers, due to the strong demand for German products from abroad, while labour unions and employer associations have worked cooperatively together.

The healthy labour market is supporting the bargaining power of unions and growth in wages is quite dynamic. According to estimates from the Council of Economic Experts, wages growth reached nearly 3 % last year and the momentum is expected to continue this year. As a consequence, prospects for real income have improved significantly. Other supports for real income have been the collapse of oil prices and low inflation. Furthermore, up to 3.7 million employees are now benefitting from the minimum wage which was implemented at the beginning of 2015. Finally, public transfers to over 1 million refugees will also support private consumption.

The prospects for the German economy remain positive, especially due to strong private consumption. Government consumption will also be more supportive than expected a few quarters ago. Higher outlays for projects regarding the accommodation and integration of refugees are also increasing aggregate demand. For 2015 alone, these additional expenditures are estimated to have amounted to at least 10 billion euros (around 0.3 % of GDP) and, according to Finance Minister Schäuble, these could be even higher in 2016.

Contrary to the increased dynamics of public and private consumption, growth in investments will remain contained. Companies are cautious regarding expectations for their businesses. They are aware of increased risks, despite the generally positive growth outlook for the German economy. However, in contrast to the past, this caution is mainly linked to external factors, while internal demand should continue to be significantly supportive for economic growth.

2 RISKS FOR GERMAN EXPORTS HAVE RISEN SIGNIFICANTLY

Emerging Market and Developing Economies were drivers for German exports over a long period...

From the mid-2000s, Germany's economy was greatly supported by dynamic global growth and German exports increased at high rates. Prior to this, in 2002 and 2003, exports only grew by a mere 2 % (see Chart 2) and there were general discussions about Germany being the sick man of Europe, suffering from diminishing competitiveness, poor performance in the labour market and anemic growth. Companies are cautious regarding expectations for their businesses. They are aware of increased risks, despite the generally positive growth outlook for the German economy. However, in contrast to the past, this caution is mainly linked to external factors, while internal demand should continue to be significantly supportive for economic growth.

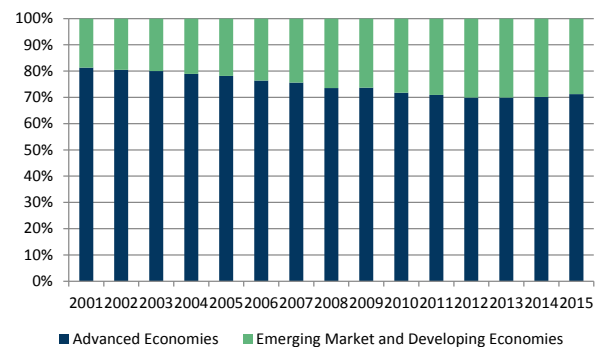
Chart 2:
Percentage growth rates



Source: Destatis, Coface.

Over the following years, however, this situation changed significantly and exports grew buoyantly after 2004. With structural and tax reforms, moderate wage growth and co-operation between labour unions and employer associations, the German economy regained competitiveness. Furthermore, Germany's most important export products fitted well with the fast growing demand from EMs. German exports to these countries consequently grew by double-digit rates between 2004 and 2008. These increases were much more pronounced than the growth in exports to Advanced Economies.

Chart 3:
Share in total German exports (in percent)



Source: Destatis, Coface.

After the collapse in world trade in the wake of the global financial crisis of 2008/2009, the afore-mentioned pattern of German exports continued. But with the deceleration in growth rates in the world economy, German export growth also began to cool down.

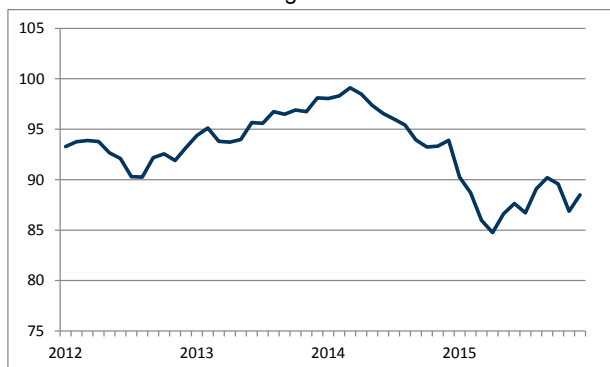
The long-term trend in German exports, with its above-average growth in exports to EMs, led to a strong shift in the composition of total German exports. Whereas in 2001, 80 % of German exports were shipped to other Advanced Economies, this share decreased by around 10 percentage points between 2001 and 2013 (see Chart 3).

...but the pattern has changed since 2014

Two years ago, in 2014, there was a significant change in the long-term export trends of German industries. For the first time since 2001 – the starting point for the Federal Statistics Office’s official time-series with regional trends – export growth to EMs was slightly weaker than export growth to Advanced Economies (see Chart 2). On this aspect, we are not taking into account the low point of the World Economy in 2008/09, with the exceptional collapse in world trade and exports. As a consequence, the EMs’ share in total German exports decreased slightly (see Chart 3). In addition, after the weak 2013 for German export industries, the recovery in total export growth was modest as from 2014.

At first glance, one could have expected a much better export performance, especially with the monetary policy of the European Central Bank. Contrary to other large central banks, the ECB actually loosened its monetary policy stance further and further. One important goal was probably to weaken the euro’s exchange rates vis-à-vis the eurozone’s most important trading partners. As can be seen from Chart 4, the real effective exchange rate depreciated markedly as from the beginning of 2014. Euro-area products therefore gained (technically speaking) in competitiveness in the global markets.

Chart 4:
Euro’s real effective exchange rate index



Source: European Central Bank, Coface. A lower value indicates a real depreciation, a higher value a real appreciation.

The positive exchange rate effects for German exports were diminished by other negative impacts, mainly stemming from EMs. These included political conflicts (especially around Russia and the Middle East), structural weaknesses in several countries (especially in Brazil) and the significant fall in international commodity prices due to weak global demand.

According to the International Monetary Fund, growth in EMs has been following a weakening trend since 2010. While the aggregated GDP growth of this country group was 7.5 % in 2010, it has continuously slowed to reach just 4.6 % in 2014. Moreover, according to the latest IMF data, it weakened even further, to 4.0 %, in 2015. GDP growth in Advanced Economies, on the other hand, gradually recovered from 1.1 %, to 1.8 % in 2014.

2015: The year of the Chinese Sheep moves into reverse

The changes in the macro-economic environment, which began in 2014, continued last year. The perceived risks around the development in EMs further increased over the course of 2015 - and not only because of the tightening intentions of the US Federal Reserve. Furthermore, expectations on China’s macroeconomic performance worsened markedly. Due to China’s significant weight in the World Economy and its close ties with other EMs, growth prospects for those economies deteriorated further. As a consequence of the weaknesses in global economic developments, German export growth lost some momentum in the second half of 2015. While export growth was 7.7 % year-to-date in the first half of 2015, the rate was lower by more than one percentage point (6.4 % for the whole year 2015), as you can see in Chart. This can be linked to the weak growth in exports to EMs.

Chart 5:
Export growth to China (in percent) and China’s share of German exports (in percent)

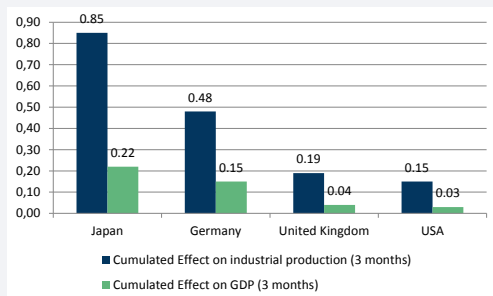


Source: Destatis, Coface.

There was also a significant change in the long-term trend for German exports to China, decreasing for the first time since 1997, according to Destatis' export data (see Chart 5). Between 2001 and 2014, deliveries to China grew by, on average, over 16 % year-on-year. Even in 2009, at the peak of the world financial crisis, German exports to China grew by almost 10 %. Due to the bad 'Year of the Chinese Sheep', in 2015, China's share of German exports shrunk following a long upwards trend. However, at 6 %, it is still four times higher than in 2001 (1.5 %). Germany's economy is therefore much more exposed to external risks from China than most other eurozone economies.

Germany and Japan: Potential victims of China's slowdown

In a regression analysis, Coface estimated the potential impacts of China's weakness on different economies. Japan's and Germany's industrial production and GDPs are showing particularly sensitive reactions to the evolutions in China's industrial production. For each 1 % decrease in China's industrial production, Japan's industrial production is affected by -0.85 % over the course of three months, while Germany's industrial production is affected by -0.48 %. The cumulated effect on GDP after three months is estimated at -0.15 % for Germany and at -0.22 % for Japan. This model does not include other factors which could have an influence on GDP and industrial production.

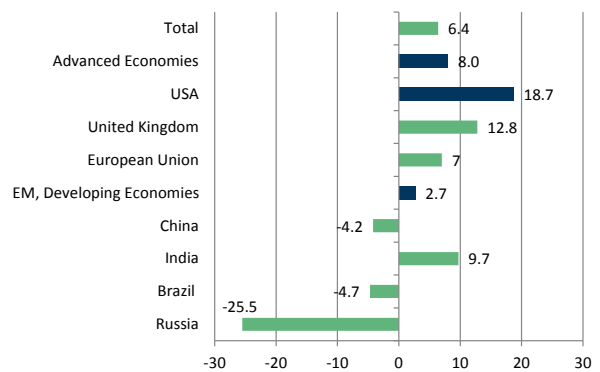


Source: Coface.

The German economy has an important stabilisation buffer, thanks to the robust and dynamic development of its internal demand. The impact of a possible "hard landing" in China should therefore be relatively contained. According to a Bundesbank simulation, a slump in China's activity by 2 to 4 % of GDP, would reduce German GDP by about 0.3 percentage points per year. This scenario would characterise a hard landing and is not compatible with our forecasts. Instead, Coface expects, rather, a gradual landing, with a further weakening in Chinese GDP growth of 6.9 % in 2015, to around 6.2 % this year.

The German economy also has an external stabilisation buffer. The disappointing development of German exports to China and other EMs was actually counterbalanced by strong export growth to "traditional" Advanced Economies in 2015 (see Chart 6). Demand from the USA and the United Kingdom in particular for German products has grown markedly over the course of recent months. Certainly, this is an important consequence of the significantly weaker euro against the US-dollar and the British pound, but it is also a consequence of the robust and dynamic growth of these economies. Over the course of last year, the USA replaced France as the number 1 destination for German exports. Before, France was the number 1 destination since 1961.

Chart 6: Export growth (in percent) in 2015



Source: Destatis, Coface.

German companies are cautious about their prospects in Emerging Market and Developing Economies

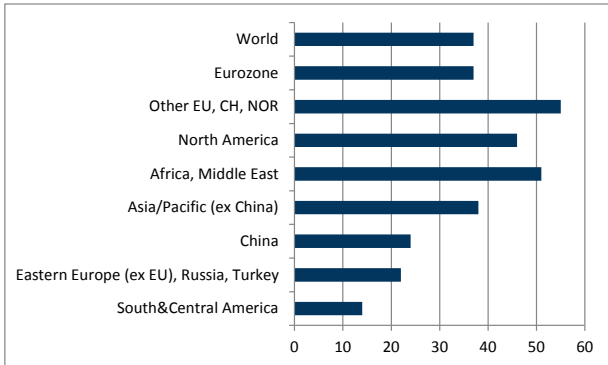
In 2016, the prospects for Germany's exports will probably show the same tendencies as in 2015. Growth in exports to Advanced Economies should be solid and robust, whereas export risks are much higher for products with EM destinations. The global risk mixture of political and military conflicts, terrorist attacks and structural challenges in many EMs, as well as China's weakening GDP growth, are still weighing on the external demand for German products. This downwards pressure on external demand could become even more pronounced.

According to the latest survey from Germany's Chamber of Foreign Trade (AHK), German export companies see the biggest risks, by far, in the development of global aggregate demand and in the political environment. Over half of the surveyed companies quoted these two risk factors. Overall, according to the illustrated results of the survey, German exporters expect growing international business for their companies. However, compared to the previous survey, they are markedly less optimistic about their prospects for exports in the future. This indication supports Coface's view that export growth will slow further in 2016.

From a regional perspective (see Chart 7), German export companies still remain the most optimistic on future business with Advanced Economies. They foresee the weakest

perspectives for this year in South & Central America, Eastern Europe (ex EU), Russia, Turkey and China.

Chart 7:
Expectations for future business in different regions (balances)



Source: AHK World Business Outlook 2015/16, Coface.

Balances, calculated by number of respondents expecting improvements, minus the number of respondents expecting deteriorations.

The dwindling optimism of German exporters is not expected to recover soon, as structural and political challenges for the global economy will not disappear for some time. The reallocation of China’s growth model will therefore probably not be completed this year. Furthermore, structural problems in large economies, such as Brazil, remain a longer-lasting challenge and will continue to drag on growth. As for EMs in the Gulf region, growth prospects remain contained, as long as commodity prices have no room for recovery. For the German economy, the slowdown in its previously most dynamic export markets (and even ongoing recessions in countries such as Brazil and Russia) will prevent higher growth.

3 EXPORT DEVELOPMENTS IN KEY SECTORS

Six sectors dominate German exports

Coface’s Sector Risk Assessment		
Sectors	Germany	Western Europe
Agrofood	Medium risk	Medium risk
Automotive	Medium risk	High risk
Chemicals	Medium risk	Medium risk
Construction	Medium risk	High risk
Energy	High risk	High risk
Engineering	Medium risk	Medium risk
ICT	Medium risk	Medium risk
Metals	High risk	Very high risk
Paper-Wood	High risk	High risk
Pharmaceuticals	Medium risk	High risk
Retail	Medium risk	Medium risk
Services	Medium risk	Medium risk
Textile-clothing	Medium risk	Medium risk
Transportation	Medium risk	Medium risk

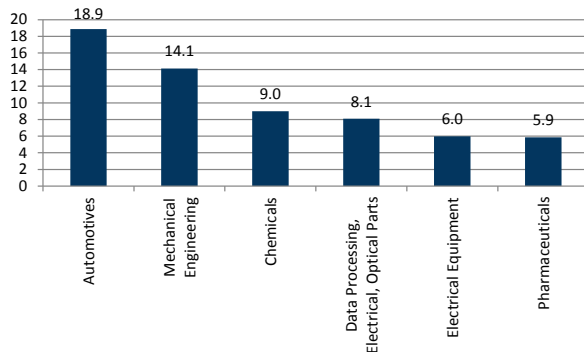
■ Low risk
 ■ Medium risk
 ■ High risk
 ■ Very high risk

Coface assessment methodology for sector risk

Coface assessments are based on financial data published by listed German companies. Our statistical credit risk indicator simultaneously summarises changes in four financial indicators: turnover, profitability, net indebtedness and cash flow, completed by the claims recorded through our network.

According to the most recent trade data from last year, German exports are quite concentrated with regard to trade volumes. More than 60 % of exports stem from just six sectors. The leading export sector is the Automotive sector, with a share of almost 19 % of German exports. This is followed by Mechanical Engineering, with a good 14 %.

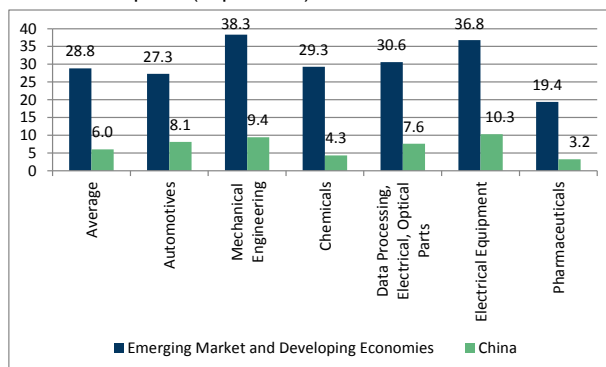
Chart 8:
Shares in total German exports (in percent)



Source: Destatis, Coface.

In general, these two sectors are mainly driven by improving welfare and disposable incomes (car sector), or by high investment outlays (Mechanical Engineering) in the global economy. The next sectors in the ranking are also quite dependent on developments in the global economy's business cycle. As an exception, only the pharmaceuticals sector is much less reactive to the business cycle in general and is much more dependent on structural issues, such as demography and politics.

Chart 9:
Shares in exports (in percent)



Source: Destatis, Coface.

Over the following sections, we will give an overview of the most recent developments for exports in the most important sectors. Are there any significant effects from the weakening in China and in EMs in general? We will begin with an evaluation of the share of these economies within the above-mentioned key sectors.

Across the whole German economy, almost 29 % of exports are delivered to EMs. Of these exports, more than a fifth are shipped to China. As a consequence, 6 % of cross-border deliveries are sent to China (see Chart 9). This share means that Germany is more exposed to external risks stemming from EMs than most other eurozone countries. On average, EMs' share of euro-area exports is around 26 %, according to IMF and ECB calculations. Among the ten biggest economies in the euro area, only Greece has a much higher export dependence on EMs. By comparison, for the USA, EM's share of total exports is much higher than for Germany. According to the U.S. Department of Commerce, they amount to about 47 %. Nevertheless, due to the higher

importance of internal demand for the US economy, the USA is probably less exposed to the risks from EMs from a macroeconomic perspective. Furthermore, the US industry sector has a much smaller share of GDP (20.5 %) than Germany (30.3 %).

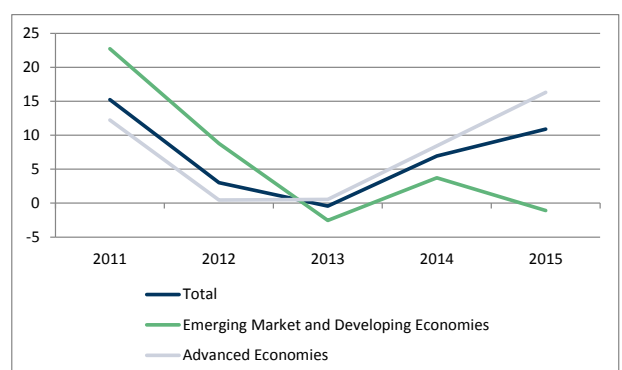
In terms of export share, Germany's Mechanical Engineering and Electrical Equipment sectors are the most exposed to external influences from EMs. The other sectors which are considered in our analysis, are more or less trading with EMs on a par with the average across all sectors. There is one big exception, in Pharmaceuticals, where trade links to these economies are significantly weaker when compared to the average across all sectors.

As to trading links with China, the Automotive, Mechanical Engineering and Electrical Equipment sectors are the most vulnerable to the slowing down of China's economy. Within these sectors, up to every tenth export is shipped to China. For chemical and pharmaceutical exports, the dependence on Chinese demand is much lower and markedly below the economy-wide average. For example, in the pharmaceutical sector, Chinese export share amounts to just 3.2 % of total sectorial export volume.

Automotive: Exports are severely hit by Weaknesses in Emerging Market and Developing Economies

The German automotive sector is clearly suffering from the weaknesses of EMs. Nevertheless, total export growth was about 11 % in 2015. The flows of exports to Advanced Economies and to EMs evolved in different directions. Whereas external demand from Advanced Economies grew buoyantly, at more than 16 %, exports to EMs went down by 1.1 %.

Chart 10:
Automotive: Growth in exports (in percent)



Source: Destatis, Coface.

At the same time, automotive exports to China collapsed by nearly 16 %. The setbacks in exports to Brazil and Russia were even more pronounced. Having said that, total export growth was mainly driven by "conventional" economies, such as the eurozone, the UK and the USA, with growth rates of above 20 % – despite the Volkswagen scandal. According to monthly trade data for 2015, there was only a small dip in export growth to the USA over the course of the

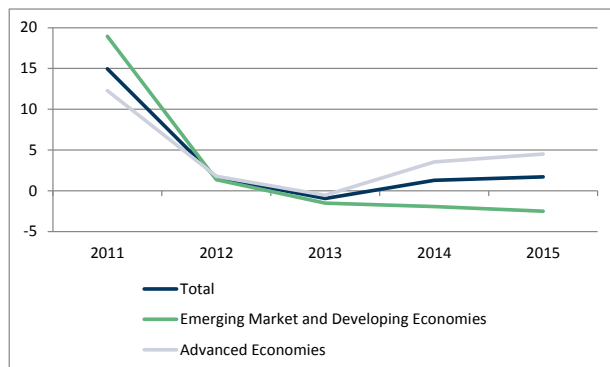
second half of 2015. Year-to-date, export growth was still at around 23 % in December 2015!

For 2016, the Association of the Automotive Industry (VDA) has lowered expectations for export developments. The Association foresees lower dynamics in some Advanced Economies, especially in the United Kingdom. Furthermore, the negative impact from EMs will continue, according to the VDA's estimates. Due to these higher external risks, export growth in the German car industry should slow over the course of 2016.

Mechanical Engineering: ...more negative Impacts

The above-mentioned trends for the Automotive sector are also reflected in Mechanical Engineering. Exports to EMs have been slowing recently. Since the share in exports of this country group is about 38 % and the highest across the analysed sectors, the negative impact from the weakness in EMs is the most perceptible. On the other hand, deliveries to Advanced Economies are gaining some momentum, albeit at a moderate growth rate of 4.5 %. Nevertheless, total export growth was very weak during recent years. This is an indication of the anemic growth in global production, as well as subdued investment outlays. Due to continued overcapacities in many economies and the risks for sales prospects, global companies are very cautious on costly investment projects, especially investments in expansions.

Chart 11:
Mechanical Engineering: Growth in exports (in percent)



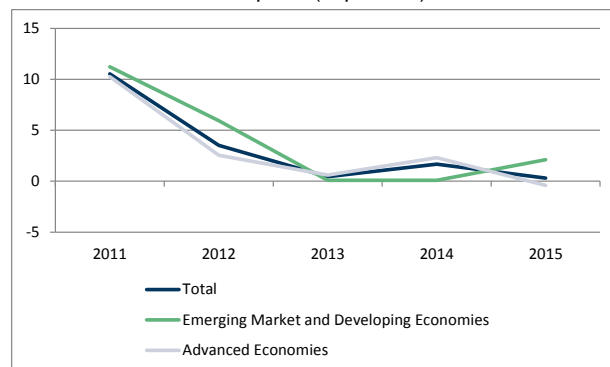
Source: Destatis, Coface.

What is the "China-impact" on Mechanical Engineering exports? Last year, exports to China went down markedly, by almost 7.0 %. As China's share in exports (almost 10 %) is significantly above average, this negative development is dampening total export figures. For the current year, the German Engineering Federation (VDMA) expects a further weakening for its sector, especially due to the slowdown in China and in other important EMs. Furthermore, augmenting geopolitical risks are increasing insecurity and additionally weighing on investment outlays.

Chemicals: Slight recovery in exports to Emerging Market and Developing Economies

Chemicals, the third most important sector for German exports, shows a different pattern when compared to Automotive and Mechanical Engineering. Here, we have not recently seen exports decreasing to EMs in total, nor to China. In fact, export growth recovered for these countries last year, albeit at a modest rate. Furthermore, the near stagnation in total exports solely stemmed from slightly lower exports to Advanced Economies.

Chart 12:
Chemicals: Growth in exports (in percent)



Source: Destatis, Coface.

German Chemical exports particularly suffered from lower deliveries to other European-Union countries. As the chemical sector is typically cyclical, the modest growth in total exports can be explained by the anemic growth in the world economy. The economic challenges faced by many EMs are also holding back export growth.

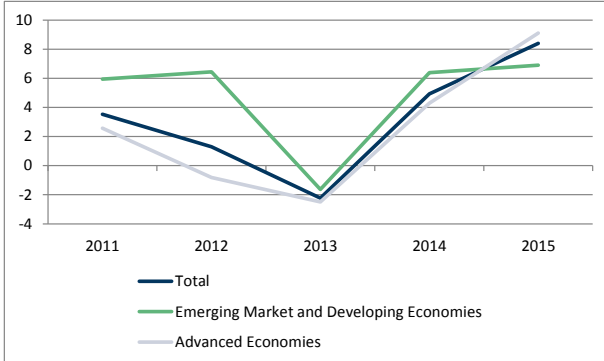
Expectations in the chemicals industry remain cautious, due to its dependence on the world economy's business cycle. As we are only anticipating a small improvement in global economic growth, a strong recovery in chemical exports is not in sight. The German Chemical Industry Association (VCI) is only expecting a slight improvement for the sector, but this will mainly be driven by internal stimulus.

No weakness in the sectors of Data Processing, Optical, Electrical Parts and Electrical Equipment

The German sectors which are, so far, the most immune to weak global growth and the economic problems of several EMs, are Data Processing, Optical and Electrical Parts. In 2015, export growth even gained speed, despite the increasing risks for global economic developments. Total export growth strengthened to 8.4 %, particularly driven by deliveries to Advanced Economies. The dynamics in trade with EMs were also strong, with growth at 6.9 %. Although exports to China still rose at a rate of 3.5 %, one can still see a negative effect in the fact that deliveries to China had grown at much higher rates in previous years. In 2014, for example, export growth was 11.0 %.

Chart 13:

Data Processing, Optical and Electrical Parts: Growth in exports (in per cent)

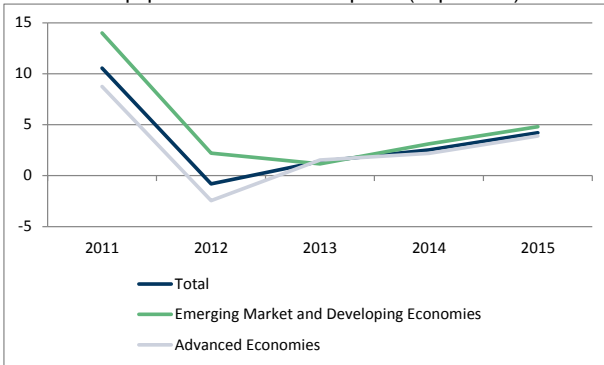


Source: Destatis, Coface.

For Electrical Equipment, total export growth in 2015 was more moderate (around 4%), but export growth to Advanced Economies, as well as for EMs gained some speed. Globally weak investment dynamics are also a drag on export growth in this sector. Furthermore, export growth to China eroded last year. Having reached a growth rate of more than 17% in 2014, shipments to China nearly stagnated in 2015. Since China's share in exports for Electrical Equipment is the highest across all sectors, negative impacts from the cooling-down of the Chinese economy were a strong hindrance to better growth performance.

Chart 14:

Electrical Equipment: Growth in exports (in percent)



Source: Destatis, Coface.

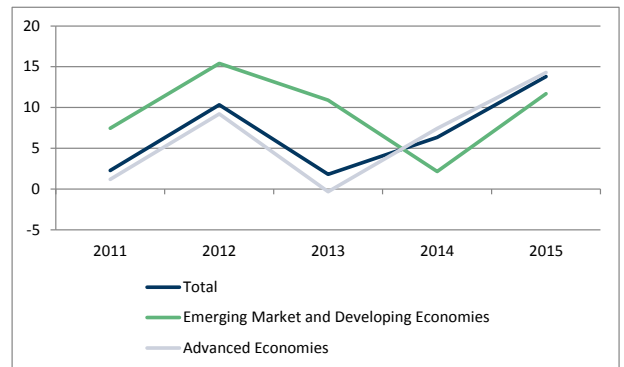
This year, expectations for export performance in the electrical business are stable. The German Electrical and Electronic Manufacturers' Association (ZVEI) forecasts slight increases in its sales. Despite some cyclical dampening factors, these industries are expected to profit from digital re-processing in global manufacturing industries.

Pharmaceuticals

The best performing export sector last year was Pharmaceuticals. With a total growth of almost 14%, it even outperformed the high growth rate in the Automotive sector. Deliveries to Advanced Economies, as well as to EMs, grew at high rates. The outstanding performance in Pharmaceutical exports can be explained by several supporting factors. Firstly, its exposure to EMs is significantly lower than the average among German industrial sectors. Secondly, Pharmaceuticals are less dependent on cyclical developments than other sectors. In addition, developments in the Pharmaceuticals sector are much more driven by structural, demographic and political issues. For example, exports saw extraordinarily high growth rates to Brazil (nearly 30%) and China (a good 44%), despite their macroeconomic challenges.

Chart 15:

Pharmaceuticals: Growth in exports (in percent)



Source: Destatis, Coface.

According to the German Chemical Industry Association (VCI), which also covers Pharmaceuticals, businesses and exports in this sector should further increase this year. Exports should remain fairly immune to weak global demand. In addition, external demand for German pharmaceutical products is expected to be supported by improvements in the health systems of less developed economies and by demographic issues in more advanced economies.

4

CONCLUSION

In the first weeks of 2016, risks for German export industries have become more materialised. These will dampen export growth over the course of 2016. The recent downwards trend for export growth should therefore continue in the coming months. Nevertheless, export volume should increase over the course of this year. Therefore, after the record in export volume in 2015, 2016 is supposed to be a new record year.

With this in mind, the current fall in German business expectations is no surprise. Companies foresee downwards pressure on their export businesses, especially in the sectors with noticeable exposure to EMs. The Automotive and Mechanical Engineering sectors are expected to suffer the most from weak activity in these economies.

For export-oriented companies, the renewed fall in global oil prices is a matter for concern, since it indicates a weak global aggregate demand. Moreover, for many EMs, growth prospects remain subdued. The scenario of a 'gradual landing' in China will also have a negative impact on German export industries.

From a macroeconomic perspective, robust and rather dynamic internal demand is expected to be the most important shield against negative external influences for the German economy. Due to the strength in internal demand, GDP growth is expected to reach 1.7 %, albeit not supported by net exports.

RESERVATION

This document is a summary reflecting the opinions and views of participants as interpreted and noted by Coface on the date it was written and based on available information. It may be modified at any time. The information, analyses and opinions contained in the document have been compiled on the basis of our understanding and interpretation of the discussions. However Coface does not, under any circumstances, guarantee the accuracy, completeness or reality of the data contained in it. The information, analyses and opinions are provided for information purposes and are only a supplement to information the reader may find elsewhere. Coface has no results-based obligation, but an obligation of means and assumes no responsibility for any losses incurred by the reader arising from use of the information, analyses and opinions contained in the document. This document and the analyses and opinions expressed in it are the sole property of Coface. The reader is permitted to view or reproduce them for internal use only, subject to clearly stating Coface's name and not altering or modifying the data. Any use, extraction, reproduction for public or commercial use is prohibited without Coface's prior agreement. Please refer to the legal notice on Coface's site.

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