



# **Adapting country-risk measures to the post-Covid transition**

**April 2021**

# Adapting country-risk measures to post-Covid transition

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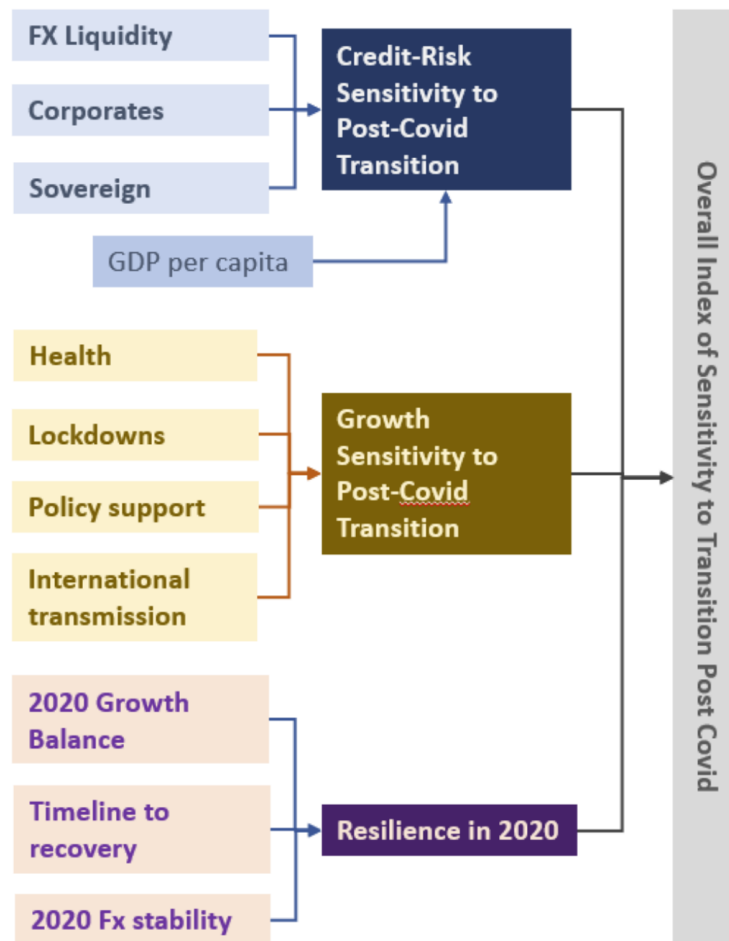
- Covid-19 is proving unique with exceptional sanitary, economic and social consequences
- Our approach at TAC ECONOMICS is to complement our traditional non-linear / AI-based RiskMonitor system with metrics that are specifically adapted to the changing circumstances
- We have therefore adapted, completed, and re-calibrated the metrics aiming at capturing the specific Covid-related risk-developments, with now both positive and negative factors
- Our quantitative tools have well anticipated the asymmetric V-shape recovery profile

# Overall Index of Sensitivity to Post-Covid Transition

The overall sensitivity to the transition to a post-Covid period can be measured as a combination of three broad sets of arguments or factors, as depicted in this chart:

- Credit Risk Sensitivity
- Growth Sensitivity
- Resilience in 2020

Construction of the Overall Index of Sensitivity to Post-Covid Transition

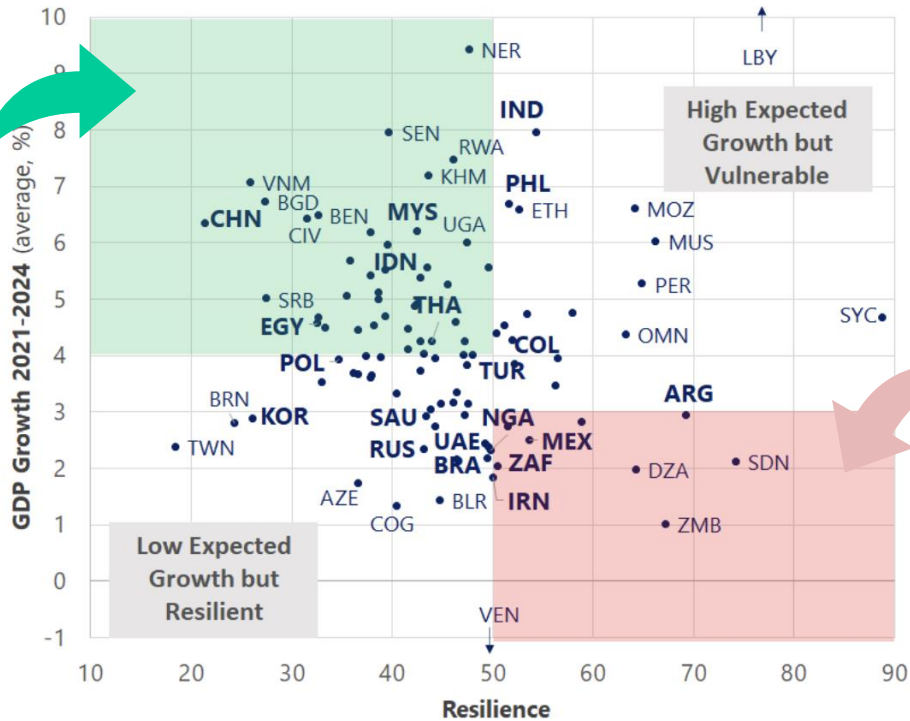


Source: TAC ECONOMICS

# Metrics for resilience: a better view for medium-term priorities

Resilience versus LT Growth

Countries in the upper-left area offer a perspective of **faster economic development** while having shown a **relatively strong resilience** during the global shock of 2020: China, Vietnam, Thailand, Ivory Coast, Senegal

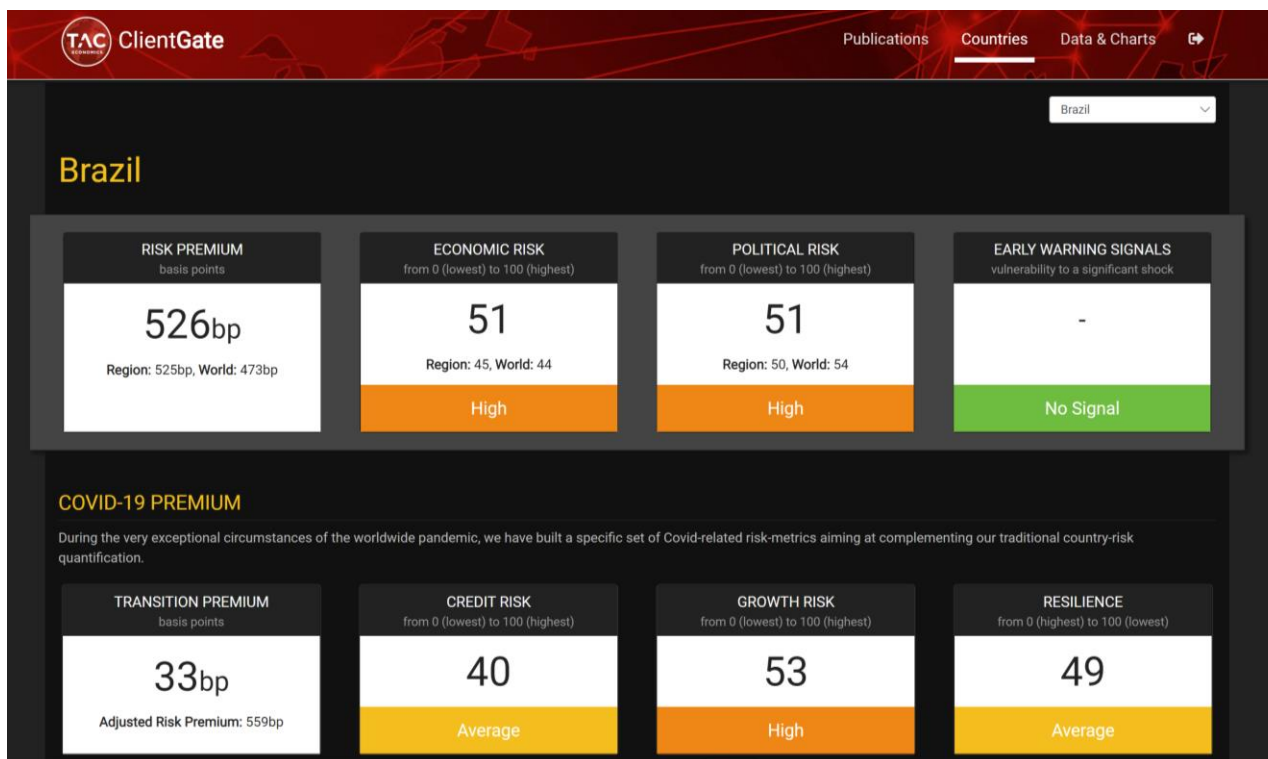


This area shows countries with a **weak resilience** as testified by the 2020 performances and **mediocre expectations for future growth**: Algeria, Mozambique, South Africa, Nigeria, Mexico, Argentina

Source: TAC ECONOMICS, IMF/WEO

# A forward-looking view of country risk

By combining this measure of sensitivity with our traditional country risk outputs = a clear and forward-looking view of aggregate levels of country risk today



Extract of our platform, Client Gate, monitoring 100 countries  
<https://clientgate.taceconomics.com/?m=home>



# 100 countries monitored by TAC ECONOMICS

## List of countries monitored by region

### Eastern & Central Europe, CIS (19)

Albania  
Armenia  
Azerbaijan  
Belarus  
Bosnia and Herzegovina  
Bulgaria  
Croatia  
Czech Rep.  
Georgia  
Hungary

### Latin America (18)

Argentina  
Bolivia  
Brazil  
Chile  
Colombia  
Costa Rica  
Dominica  
Dominican Rep  
Ecuador

### Asia (18)

Bangladesh  
Brunei Darussalam  
Cambodia  
China  
India  
Indonesia  
Korea  
Lao P.D.R  
Malaysia  
Mongolia  
Myanmar  
Nepal  
Pakistan  
Philippines  
Sri Lanka  
Taiwan  
Thailand  
Vietnam

### Middle East & North Africa (15)

Algeria  
Bahrein  
Egypt  
Iran  
Israel  
Jordan  
Kuwait  
Libya  
Morocco  
Oman  
Qatar  
Saudi Arabia  
Tunisia  
UAE  
Yemen

### Sub-Saharan Africa (30)

Angola  
Benin  
Burkina Faso  
Cabo Verde  
Cameroon  
Comoros  
Cote d'Ivoire  
Dem. Rep. Congo  
Ethiopia  
Gabon  
Ghana  
Guinea  
Guinea Bissau  
Kenya  
Madagascar  
Mali  
Mauritius  
Mozambique  
Niger  
Nigeria  
Republic of Congo  
Rwanda  
Senegal  
Seychelles  
South Africa  
Sudan  
Tanzania  
Togo  
Uganda  
Zambia

# Contact

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