

Financial Risk

Monitoring sovereign, currency and banking sector risk

Identify sovereign, currency and banking sector risks posed by political and economic developments across 131 markets with our Financial Risk service. Combining EIU's market-leading data and country expertise in a rigorous risk-modelling framework, it enables you to determine risk across countries.

Unparalleled coverage

Assess the risks to your business posed by the political and economic situation in each country, with up to 220 macroeconomic variables provided in each report.

Consistent methodology

Compare risk easily across countries, with a standardised format and forecasting methodology.

Actionable intelligence

Download, manipulate, and analyse data in your own financial and risk-rating models.

Information you can trust

Receive independent and impartial country ratings with information gathered, checked and assessed by our in-house team of experts.

Our trusted information, the way you want it



Easily search for and discover content using our intelligent search function



Get critical analysis direct to your inbox with bespoke alerts



Incorporate data into your own models, reports or presentations with the download feature

What's included?

Financial Risk gives you three rating reports per year. Each report contains:

Executive summary	Essential information covering five main ratings categories (sovereign, currency, banking, politics, and economic structure)
Analysis and outlook	Risk ratings, including positive or negative grade changes, as well as the ratings outlook for the next two calendar years
Medium-term forecast	A two-year forecast of the political, economic and external payments situation
Data tables	Forecasts and back-series for a wide range of macroeconomic data relevant to risk assessment, including public finances, exchange rates, the banking sector and the external-payments position
Event-driven analysis	Regular updates on world events that affect our forecasts

*The sovereign ratings of EIU's Financial Risk service are regulated in accordance with The Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, SI 2019/266.

Choose the delivery channel that works best for you



Website

Quickly navigate to the analysis that matters to you with our user-friendly interface.



Excel add-in

Simplify your workflow with automated data entry into your Excel spreadsheets.



API

View our latest data in your preferred systems for faster decision-making.



Data Feeds

Get data feeds delivered in multiple file formats and minimise the risks of manual data handling.

Risk ratings explained

EIU's ratings are based on 59 quantitative and qualitative indicators covering five different risk factors, including political and economic-structure risks.



Sovereign risk

Measures build-up in arrears of principal, interest-on-foreign or local-currency debt that is the direct obligation of the sovereign or guaranteed by the sovereign.



Currency risk

Measures devaluation against the reference currency (usually the US dollar, sometimes the euro) of 25% or more in nominal terms over the next 12-month period.



Banking sector risk

Gauges the likelihood of a systemic crisis whereby banks holding 10% or more of total bank assets become insolvent and unable to discharge their obligations to depositors or creditors.



Political risk

Evaluates a range of political factors relating to political stability and effectiveness that could affect a country's ability and/or commitment to service its debt obligations and cause turbulence in the foreign-exchange market. This rating informs the first three.



Economic structure risk

Monitors a series of macroeconomic variables of a structural (non-cyclical) nature. Consequently, the rating for economic structure risk tends to be relatively stable, evolving in line with structural changes in the economy.



Overall country risk

Takes a simple average of the scores for sovereign, currency, and banking sector risk.

Who uses this service?

The world's leading organisations rely on Financial Risk to evaluate opportunities and risks across countries. This service is used by a variety of departments and is applicable within a range of sectors, industries and organisations that have an international focus, giving you the tools to monitor the world for what's ahead.



Financial institutions



Corporations



Governments

Financial institutions

- Assess credit risks posed by the political and economic situation
- Monitor the world's political and economic landscape
- Understand macroeconomic trends to anticipate future events
- Form your independent view and inform stakeholders ahead of time

Corporations

- Analyse and manage threats to your operations
- Optimise supply chains and anticipate disruptions
- Assess new markets and identify the best opportunities for business
- Monitor international developments and macroeconomic indicators

Governments

- Identify trade opportunities in new markets
- Compare business operating environments and pinpoint trade growth
- Navigate complex foreign country dynamics
- Anticipate the impact of changes in policy and regulations

About EIU

EIU is the research and analysis division of The Economist Group, the sister company to *The Economist* newspaper. Created in 1946, we have over 70 years of experience in helping businesses, financial firms and governments to navigate the ever-changing global landscape.

Contact us for more information

To arrange a demonstration of EIU's Financial Risk service or to discuss the analysis and features included, please get in touch or visit www.eiu.com

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