

A.C.I.C. SECTOR GRADE

BRINGING LIGHT TO THE DARKNESS

for 17 sectors in 25 countries

Issue Q3 2021

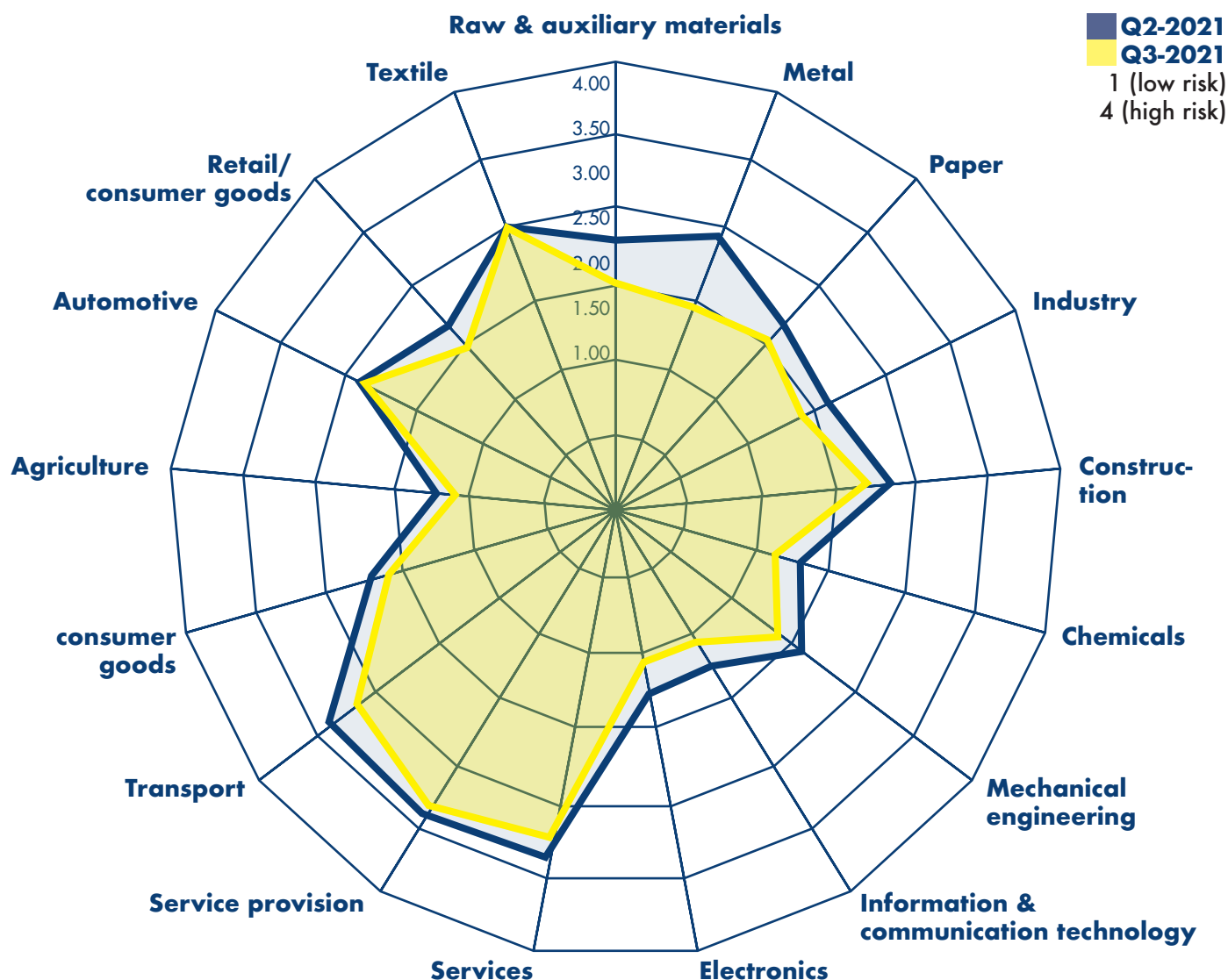


ROAD TO RECOVERY

THE RECOVERY IS ON! BUT IS IT FOR ALL SECTORS AND MARKETS?

SECTOR GRADE Q2 TO Q3: A BRIEF SUMMARY OF ALL THE CHANGES

The Sector Grade combines the sector assessments of credit insurance companies and currently comprises the assessments of 17 sectors in 25 countries. The tables on the following pages summarize the changes in individual sectors or countries between the second and third quarters of 2021. The sector comparison summarizes the assessments of all countries, and the country comparison the assessments of all sectors.



SECTOR COMPARISON	Q2-2021	Q3-2021	CHANGE
Industry	2.58	2.43	0.15
Construction	2.85	2.72	0.13
Chemicals	2.31	2.14	0.17
Mechanical engineering	2.58	2.44	0.14
Information & communication technology	2.24	2.09	0.15
Electronics	2.24	2.09	0.15
consumer goods	2.68	2.59	0.09
Agriculture	2.18	2.05	0.13
Automotive	2.86	2.84	0.02
Retail/consumer goods	2.64	2.45	0.19
Textile	3.02	3.01	0.01
Raw & auxiliary materials	2.8	2.51	0.29
Metal	2.94	2.47	0.47
Paper	2.67	2.55	0.12
Services	3.38	3.26	0.12
Service provision	3.4	3.36	0.04
Transport	3.36	3.17	0.19
Industries total	2.75	2.61	0.15

The Sector Grade indicates the sector risk on a scale of 1 (low risk) to 4 (high risk). The changes to the Sector Grade values in the individual sectors or countries indicate a sector recovery or a worsening of the sector assessment. You can find more information on the methodology on page 12.

COUNTRY COMPARISON	Q2-2021	Q3-2021	CHANGE
United Kingdom	3.10	2.46	0.64
Italy	3.10	2.67	0.43
France	2.88	2.47	0.40
Germany	2.61	2.26	0.35
Spain	3.10	2.79	0.31
Brazil	2.88	2.67	0.21
USA	2.43	2.24	0.19
China	2.53	2.39	0.14
Japan	2.31	2.17	0.14
Turkey	3.14	3.00	0.14
United Arab Emirates	2.88	2.79	0.08
Canada	2.50	2.42	0.08
Mexico	3.07	2.99	0.08
Netherlands	2.50	2.42	0.08
Switzerland	2.61	2.53	0.08
Czech Republic	2.49	2.40	0.08
Romania	2.42	2.33	0.08
Austria	2.50	2.44	0.06
India	2.57	2.51	0.06
Saudi Arabia	3.00	2.96	0.04
Poland	2.69	2.67	0.03
Argentina	3.38	3.38	0.00
Israel	2.50	2.50	0.00
Russia	2.86	2.88	-0.01
Chile	2.83	2.88	-0.04
Total for all countries	2.75	2.61	0.15

The Sector Grade indicates the sector risk on a scale of 1 (low risk) to 4 (high risk). The changes to the Sector Grade values in the individual sectors or countries indicate a sector recovery or a worsening of the sector assessment. You can find more information on the methodology on page 12.



THE CURRENT RISK ASSESSMENT – 17 SECTORS IN 25 COUNTRIES IN DETAIL

Methodology for Sector Grade:

- The A.C.I.C. Sector Grade is based on data from Atradius, Coface, and Euler Hermes.
- Each of the aforementioned credit insurers publishes its own sector analysis with different assessment grades and sector definitions. A sector assessment is not available for each country or for each sector.
- A.C.I.C. collects and collates these data. To arrive at an averaged statement, A.C.I.C. summarizes the different risk classifications on a standardized risk scale from 1 (low risk) to 4 (high risk). Since the insurers also use different sector definitions, the summary may result in a certain amount of vagueness.
- A.C.I.C. calculates the average of all provided data and data standardized to the risk scale of A.C.I.C., and expresses this average value as a Sector Grade.

Methodology for G-Grade:

Political risks or country risks play a big role in the risk assessment performed by credit insurers and flow into the decision about the ability to hedge individual customers or businesses. Credit limit decisions not only reflect the assessment of the individual consumer-related risk, but are also a mix of creditworthiness, sector environment, and country assessment. Many credit insurers prepare their own country ratings, which can also frequently differ from each other.

The core and objective of our G-Grade is an objectification of these different assessment of the credit insurers of 144 countries by calculating an average of the assessments of Atradius, Coface, Credendo, and Euler Hermes.


























































































	AT		D		GB		FR					
	1.50 4.00%		1.5 3.40%		1.75 4.20%		2 5.10%					
Industry												
	1	3	1	2	0.39	1	3	0.56	1	3	0.94	
Construction												
	2	3	1	2	0.33	2	3	0.33	1	3	1.00	
Chemicals												
	1	2	1	2	0.33	2	2	0.33	1	2	0.33	
Mechanical engineering												
	2	2	2	2	0.50	1	2	1.00	1	2	1.50	
Information & communication technology												
	2	3	2	2		1	2	1.00	1	2	0.67	
Electronics												
	2	3	2	2		1	2	1.00	1	2	0.67	
consumer goods												
	1	4	0.08	1	4	0.17	1	4	0.25	2	4	-0.17
Agriculture												
	1	2		2	2		1	2	0.67	2	3	-0.33
Automotive												
	2	4		2	3		2	4	0.33	3	4	-0.33
Retail/consumer goods												
	2	3	0.33	1	3	0.33	2	4		2	3	0.33
Textile												
	2	4		1	4	0.33	2	4		3	4	-0.33
Raw & auxiliary materials												
	2	3	0.17	1	3	0.83	1	3	1.00	1	4	0.67
Metal												
	2	3	0.33	1	2	1.33	1	3	1.67	1	3	1.33
Paper												
	2	3		2	3	0.33	2	3	0.33	2	4	
Services												
	3	4		2	4	0.33	2	4	1.00	2	4	0.33
Service provision												
	3	3		3	4		2	4	1.00	3	4	
Transport												
	3	4		2	3	0.67	2	4	1.00	2	4	0.67

	IT		NL		CH		ES	
	3.75 3.60%		1.25 3.00%		1.25 2.80%		2.75 4.70%	
Industry		↑		↓				↑
	2 3	0.50	1 3	-0.06	1 3		2 3	0.33
Construction		↑						↑
	3 3	0.33	1 3		2 3		2 3	0.67
Chemicals		↑		↑				↑
	2 2	0.67	1 2	0.33	1 2		2 2	0.33
Mechanical engineering		↑		↓				
	2 2	0.50	2 3	-0.50	2 3		2 3	
Information & communication technology		↑						↑
	2 2	0.33	1 2		2 3		2 2	0.33
Electronics		↑						↑
	2 2	0.33	1 2		2 3		2 2	0.33
consumer goods		↑		↑		↑		↑
	2 4	0.42	2 4	0.33	1 4	0.08	2 4	0.33
Agriculture		↑						
	2 2	0.67	2 2		1 2		2 3	
Automotive		↑		↑				↑
	2 4	0.33	2 3	0.33	2 4		3 3	0.67
Retail/consumer goods		↑		↑		↑		↑
	2 3	0.67	2 3	0.67	2 3	0.33	2 3	0.67
Textile				↑				
	2 4		2 4	0.33	2 4		3 4	
Raw & auxiliary materials		↑				↑		↑
	2 3	0.50	2 3		2 3	0.33	2 3	0.33
Metal		↑		↑		↑		↑
	2 3	0.67	2 3	0.33	2 3	0.67	2 3	0.67
Paper		↑		↓				
	2 3	0.33	2 3	-0.33	3 3		2 3	
Services		↑		↓				↑
	3 4	0.33	3 4	-0.08	2 4		3 4	0.17
Service provision				↓				
	4 4		3 4	-0.50	2 3		4 4	
Transport		↑		↑				↑
	3 4	0.67	3 3	0.33	2 4		3 4	0.33

	PL		RO		RU		CZ					
	3.25 4.50%		4.50 4.80%		5.75 3.80%		2.75 4.30%					
Industry	2	3	0.17	2	3	2	5	2	3			
Construction	3	3		2	3	3	3	2	3			
Chemicals	2	3		2	2	2	3	2	2			
Mechanical engineering	2	3	0.50	2	2	3	5	-0.50	2	3		
Information & communication technology	2	3	-0.33	2	2	2	3		1	2		
Electronics	2	3	-0.33	2	2	2	3		1	2		
consumer goods	2	4	-0.04	2	4	0.13	2	4	2	4		
Agriculture	2	2		2	2		2	-0.33	2	2		
Automotive	2	3	0.33	2	3		3	3	2	3		
Retail/consumer goods	2	2		2	2	0.50	2	3	0.33	2	2	0.33
Textile	2	4	-0.50	2	4		3	4	2	4		
Raw & auxiliary materials	2	3	-0.17	2	2	0.25	2	2	0.17	2	3	0.17
Metal	2	3	-0.17	2	2	0.50	2	2	0.33	2	3	0.33
Paper	2	3	-0.17	2	2		2	2	2	2		
Services	3	4	0.33	3	3		3	4	3	3	0.17	
Service provision	3	4		3	3		3	4	3	3		
Transport	3	4	0.67	3	3		3	4	3	3	0.33	

	CA		US		CN		IN					
	1.25 4.70%		1.25 3.50%		4.25 5.60%		5.25 6.90%					
Industry	2	3	2	2	2	4	2	4				
Construction	2	2	2	2	3	4	2	4				
Chemicals	2	3	2	2	2	2	2	3				
Mechanical engineering	2	2	2	2	2	2	2	3				
Information & communication technology	1	2	1	2	1	2	2	3				
Electronics	1	2	1	2	1	2	2	3				
consumer goods	1	4	0.08	2	4	0.25	1	3	0.08	1	4	
Agriculture	1	2	0.33	2	2	0.33	1	2		1	2	
Automotive	2	3		2	3	0.33	2	3	0.33	1	4	
Retail/consumer goods	2	3		2	3	0.33	2	3		1	4	
Textile	2	4		2	4		2	3		1	4	
Raw & auxiliary materials	2	3	0.33	2	3	0.50	2	3	0.50	2	3	0.33
Metal	2	3	0.33	2	2	0.67	2	3	0.67	2	3	0.33
Paper	2	3	0.33	2	3	0.33	2	3	0.33	2	3	0.33
Services	3	3		2	3	0.17	2	3	0.17	2	3	
Service provision	3	3		2	3		3	3		3	3	
Transport	3	3		2	3	0.33	2	3	0.33	2	3	

	JP		AR		BR		CL	
	2.25 2.50%		9.25 2.50%		5.50 2.60%		3.00 3.80%	
Industry		↑				↑		
	1 2	0.22	3 4		1 3	0.28	3 3	
Construction		↑						
	2 2	0.33	3 4		3 3		3 3	
Chemicals		↑				↑		
	1 2	0.33	3 3		1 3	0.33	3 3	
Mechanical engineering						↑		
	2 2		3 3		2 3	0.50	3 3	
Information & communication technology		↑						
	1 1	0.67	3 3		2 3		2 2	
Electronics		↑						
	1 1	0.67	3 3		2 3		2 2	
consumer goods						↑		↓
	1 3		3 4		2 4	0.08	2 4	-0.38
Agriculture								
	1 2		3 3		2 2		2 3	
Automotive								↓
	1 3		3 4		2 4		3 4	-1.00
Retail/consumer goods						↑		↓
	1 3		3 4		2 3	0.33	2 4	-0.50
Textile								
	1 3		3 4		2 4		2 3	
Raw & auxiliary materials		↑				↑		↑
	2 3	0.17	3 4		2 2	0.67	2 3	0.25
Metal		↑				↑		
	2 3	0.33	3 4		2 2	0.67	2 3	
Paper						↑		↑
	2 3		3 4		2 2	0.67	2 3	0.50
Services								↑
	3 3		3 4		3 4		3 4	0.25
Service provision								↑
	3 3		4 4		3 4		3 4	0.50
Transport								
	3 3		3 4		3 4		3 4	

	MX		AE		IL		SA	
	4.50 3.00%		3.25 2.60%		3.00 5.00%		4.75 4.00%	
Industry								
	2 4		2 4	0.11	2 3		2 4	0.17
Construction								
	3 4		3 4		2 3		3 4	
Chemicals								
	2 4		2 3	0.33	2 2		2 3	0.50
Mechanical engineering								
	3 4		3 3		2 2		3 3	
Information & communication technology								
	2 3	0.33	2 3	0.33	2 2		2 3	0.50
Electronics								
	2 3	0.33	2 3	0.33	2 2		2 3	0.50
consumer goods								
	2 4	0.08	1 3	0.08	2 3		1 3	
Agriculture								
	2 3	0.33	1 2	0.67	2 3		1 3	0.50
Automotive								
	2 4		3 3	-0.33	2 3		3 3	-0.50
Retail/consumer goods								
	2 3		2 3		2 2		2 3	
Textile								
	2 3		2 3		2 3		2 3	
Raw & auxiliary materials								
	3 4	0.17	3 3		2 3		3 3	
Metal								
	3 4	0.33	3 3		2 3		3 3	
Paper								
	3 4		3 3		2 2		3 3	
Services								
	3 3		3 4		3 4		4 4	-0.25
Service provision								
	3 3		3 4		4 4		4 4	
Transport								
	3 3		3 4		3 4		4 4	-0.50

	G-Grade GDP forecast	TR		7.5 3.50%
Industry		2	4	0.22
Construction		3	4	0.33
Chemicals		2	3	0.33
Mechanical engineering		3	3	
Information & communication technology		3	3	
Electronics		3	3	
consumer goods		2	3	0.17
Agriculture		2	3	0.33
Automotive		3	3	
Retail/consumer goods		3	3	
Textile		3	3	0.33
Raw & auxiliary materials		2	4	0.17
Metal		2	4	0.33
Paper		2	3	
Services		3	4	
Service provision		4	4	
Transport		3	4	

DEFINITION OF TERMS & READER'S GUIDE:

G-Grade: Country risk assessment on a scale from 1 (low risk) to 10 (very high risk).

GDP forecast: For 2021



Sector Grade scale: Average sector assessment of the credit insurers Atradius, Coface, and Euler Hermes as smilies (for the ranges 1.00 - 1.50 😊, 1.51 - 2.50 😊, 2.51 - 3.50 😞, 3.51 - 4.00 😡)

and among them the best and worst sector assessment of an individual credit insurer.

Sector Grade quarterly change: The green arrows show a positive change and the red ones a negative change. A significant change that leads to a change of smiley is detectable from a value of ≥ 0.5 . ↓ ↑

Country codes:

- AT ... Austria
- DE ... Germany
- UK ... United Kingdom
- FR ... France
- IT ... Italy
- NL ... Netherlands
- CH ... Switzerland
- ES ... Spain
- PL ... Poland
- RO ... Romania
- CZ ... Czech Republic
- CA ... Canada
- US ... USA
- CN ... China
- IN ... India
- JP ... Japan
- AR ... Argentina
- BR ... Brazil
- CL ... Chile
- MX ... Mexico
- AE ... United Arab Emirates
- IL ... Israel
- SA ... Saudi Arabia
- TR ... Turkey

LIST OF SOURCES:

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A.C.I.C. Kreditversicherungsmakler GmbH

Neutorgasse 13/3, 1010 Vienna, Tel. +43 1 367 0853 0, Fax +43 1 253 3033 3461, www.acic.at

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