

Atradius Announces Top Five Promising Emerging Markets

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Leading trade credit insurer Atradius (<https://atradius.co.uk>) has revealed its most promising emerging markets for businesses.

Bulgaria, Indonesia, Vietnam, Peru and Morocco have been shortlisted within the Promising Emerging Markets Economic Research Report (<https://atradius.co.uk/reports/economic-research-promising-emerging-markets-2019.html>) as having the most potential for new trade opportunities this year. The top five are predicted to shine in 2019 thanks to their strong growth prospects and limited vulnerability to global headwinds. They boast a mix of trade diversification, strong investment growth and dynamic domestic markets and offer opportunities in consumer orientated sectors as well as within manufacturing and infrastructure.

Luke Giddings of Atradius (<https://atradius.co.uk>), said: "As the global economy loses steam in 2019, the risks in the traditional emerging markets are coming to the forefront. Economic policy uncertainty, a greater-than-expected slowdown in the Chinese economy and more volatile commodity prices are bringing pressure to bear. However, despite increasing global pessimism and uncertainty, there are still bright spots for global trade.

"We have identified a number of promising markets that show a favourable combination of attributes to make them appealing destinations for international trade. Stable or accelerating growth, favourable business conditions, robust payment behaviour are critical factors and what's more, the markets identified can offer growth opportunities across several sectors."

Bulgaria: The Eastern European market has a positive economic outlook, fuelled by domestic demand and fixed investment. Household incomes are increasing, supported by higher wages and low domestic interest rates which is leading to a rise in demand for exports. Opportunities for exporters are ample in the consumer durables and the food and beverage sectors. Imports have also sharply increased in the machinery sector while the chemicals sector is also well supported. In agriculture, an increased output will create higher demand for fertiliser imports.

Indonesia: This ASEAN member has high and stable growth rates, underpinned by a stable political situation and strong fundamentals. Rising incomes, coupled with job growth and higher public spending should continue to underpin private consumption growth. Promising sectors include consumer durables and food and beverage. Growth in e-commerce is contributing to rapidly increasing demand in the chemicals and plastics sectors. Alongside expansion of the petrochemical and fertiliser industries, there is also significant demand for infrastructure. High construction activity for electricity and transport development will also continue to drive import growth in the machinery sector.

Vietnam: With 6.7% GDP growth forecast, Vietnam has a population of more than 95 million and is home to Southeast Asia's fastest growing middle class – representing an important market for foreign goods. While it is heavily exposed to US-China trade tensions, it stands to gain from rising tariffs. Diversification of trade away from China could offer opportunities for Vietnam's textiles sector, forecast to grow 15% this year. Vietnam's young population with a tendency for eating out make an

attractive potential market for food and beverage businesses. With robust economic growth, an upsurge in infrastructure and construction activities and strong demand for fuels across transportation, aviation, and residential sectors, Atradius also expects continued high growth in the chemicals sector, especially fuels.

Peru: A stable market with a regionally high growth rate of around 4% with a government track record of prudent, business-friendly policymaking. Notable growth prospects can be found in Peru's primary industry sector with enlarged anchovy fishing and higher hydrocarbon production expected to drive growth. The development of new mines and major infrastructure projects are boosting the construction sector. A large domestic market characterised by more than 30 million people with rising incomes and high consumer confidence gives attractive growth potential to the food and beverage and consumer durables sectors.

Morocco: While the Middle East and North Africa is experiencing subdued growth, Morocco is bucking the trend with GDP growth forecast at 3.3% thanks to a cyclical upturn in agricultural production, as well as stronger non-agricultural growth, especially in the manufacturing sector. With close proximity to European markets and heavy investment, the export-oriented manufacturing industry – especially automotive – has high growth potential. There is also strong potential in the growing tourism industry; supporting travel and supportive industries such as food and beverage and services. With good infrastructure, Morocco's energy sector is also seeing strong growth, with potential opportunities for imports – with targets to significantly increase its reliance on renewables.

Luke Giddings continued: "With intelligent insights and experts on the ground around the world, Atradius is well equipped to help businesses spot the opportunities for international trade as well as mitigating the associated risks. We act as a trade partner for businesses, facilitating trade and supporting sustainable and robust business growth."

For more information on Atradius, visit www.atradius.co.uk (<https://atradius.co.uk>) or follow @AtradiusUK (<https://twitter.com/AtradiusUK>) on Twitter and AtradiusUK (<https://www.linkedin.com/company/atradiusuk/>) on LinkedIn

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Atradius is a global provider of credit insurance, bond and surety, collections and information services, with a strategic presence in over 50 countries. The products offered by Atradius protect companies around the world against the default risks associated with selling goods and services on credit. Atradius is a member of Grupo Catalana Occidente (GCO.MC), one of the largest insurers in Spain and one of the largest credit insurers in the world. You can find more information online at <https://www.atradius.co.uk>

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