



Political Risk Map

in emerging markets

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Falling oil prices have global implications: Aon Political Risk Map 2015

- *Sanctions, oil prices and war continue to weaken investment environment in Russia and increase corporate default risk in Ukraine.*
- *Oil producing states outside the GCC likely to face political & economic uncertainty*
- *Oil producers Iran, Iraq, Libya, Nigeria, Sudan and Turkmenistan rated Very High or High for political risk.*

[Aon Risk Solutions](#), the global [risk management](#) business of [Aon](#) plc (NYSE:

AON), today unveiled its 2015 Political Risk Map which portrays political risk in emerging markets. Topping the list of political risks facing emerging market investors is the increasing instability in already-fragile oil producing countries such as Iran, Iraq, Libya, Russia and Venezuela as a consequence of the low oil price. The effectiveness of extremist groups in the Middle East & Africa will be amplified in afflicted countries that lack the resilience to absorb economic shocks.

The map illustrates that 2015 will be a particularly challenging year for oil producers in the Middle East and Africa several of which already have High or Very High country risk ratings. Egypt, Tunisia and Morocco, which should otherwise stand to benefit from cheaper oil imports, face increased security risks because of the power vacuums in Iraq, Libya and Syria.

The low oil price continues to cast an economic shadow over the CIS region, particularly for Russia's larger regional trading partners such as Belarus and Kazakhstan.

Matthew Shires, Head of Political Risk said "By using the latest data and analytics, the political risk map helps organisations determine their emerging market investment strategies. Businesses need to constantly monitor their exposure to political risk such as the impact of oil price uncertainty and political instability. The Aon Political Risk Map allows our clients to do exactly that."

Paul Domjan, Managing Director, Roubini Country Insights, said "Roubini Global Economics is proud to continue its partnership with Aon for its clients. During 2014 political risks in the emerging markets rose, particularly in oil exporting regions. The quarterly updates to the risk icon scores and the country ratings highlight developing risk-trends, allowing investors to respond quickly to deterioration and to better hedge their exposure or take advantage of new opportunities. Once again, the map demonstrates the power of combining RGE's country analysis and benchmarking with Aon's expertise in country risk."

More information about Aon's political risk map can be accessed at: <http://www.aon.com/2015politicalriskmap>

Leading data, analytics and insight from a leading team

Aon's long-standing strength in Political Risk management is complemented by partnering with Roubini Global Economics (RGE), an independent, global research firm founded in 2004 by renowned economist Nouriel Roubini, in order to take advantage of RGE's unique methodology.

About the 2015 Aon political risk map

Aon measures political risk in 163 countries and territories to assess the risks associated with exchange transfer, sovereign non-payment, political interference, supply chain disruption, legal and regulatory regimes, political violence, ease of doing business, banking sector vulnerability and governments' capability to provide fiscal stimulus. In each specific risk category, as well as the overall rating, each country is rated as Low, Medium-Low, Medium, Medium-High, High or Very High. Member countries of the European Union and the Organisation for Economic Co-operation and Development are not rated in the 2015 map.

Country ratings reflect a combination of analysis by Aon Risk Solutions, Roubini Global Economics – a global analysis and advisory firm – and the opinions of over 20 Lloyd's syndicates and corporate insurers actively writing political risk insurance.

The online interactive map has data going back over 18 years and also measures banking sector vulnerability, risk to fiscal stimulus and risk of doing business. By accessing Aon's Interactive Map, institutions can track their specific political risk exposures in emerging markets, both on a current and historical basis.

Country ratings:

The political risk map upgrades and downgrades countries and territories based on events which have taken place in the previous year. As a result the following 7 countries have been upgraded (where the overall country or territory risk is rated lower than the previous year): Dominican Republic, Ecuador, Georgia, Lao PDR, Panama, Swaziland and Zimbabwe. 12 countries have been downgraded (experiencing an increasing in political risk): Angola,

Central African Republic, Burkina Faso, Ghana, Guinea Conakry, Haiti, Libya, Mozambique, Oman, Pakistan, Sierra Leone and Uganda.

There were 19 country rating changes since the 2014 risk map was released compared to 15 in 2013 and 25 in 2012. RGE's Country Insight scores capture a series of small changes on a quarterly basis, which can give an early warning of changes. Any changes in grade are delivered quarterly and allow the Political Risk Map to highlight deterioration in countries, such as with the Ukraine several quarters in advance.

About Aon

[Aon plc](#) (NYSE:AON) is the leading global provider of [risk management](#), insurance and [reinsurance](#) brokerage, and [human resources](#) solutions and [outsourcing](#) services. Through its more than 66,000 colleagues worldwide, [Aon](#) unites to empower results for clients in over 120 countries via [innovative](#) and effective [risk](#) and [people](#) solutions and through industry-leading global resources and technical expertise. Aon has been named repeatedly as the world's best [broker](#), best insurance intermediary, best reinsurance intermediary, best captives manager, and best [employee benefits](#) consulting firm by multiple industry sources. Visit [aon.com](#) for more information on Aon and [aon.com/manchesterunited](#) to learn about Aon's global partnership with [Manchester United](#).

About Roubini Global Economics

Founded in 2004 by economist Nouriel Roubini, Roubini Global Economics is an independent, global macroeconomic research firm. The firm's research combines expert insights with systematic analysis to translate economic, market and policy signals into actionable intelligence for a wide range of financial, corporate and policy professionals. This holistic approach uncovers opportunities and risks before they come to the attention of markets, helping clients arrive at better decisions in a timelier manner. Roubini Global Economics is headquartered in New York, with offices in London and Singapore.

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Om Aon

Aon är Sveriges ledande leverantör av risk managementtjänster, försäkrings- och återförsäkringsförmedling, human resources-lösningar och outsourcing. Aon har ett starkt lokalt engagemang för sina kunder och ett globalt utbud av expertis och resurser. Verksamheten etablerades 1992 och idag har Aon cirka 250 anställda i Stockholm, Göteborg och Malmö. Aon är certifierade enligt ISO 14001, den globalt erkända standarden för miljöledningssystem. Gå in på www.aon.com/sweden/ för mer information.

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