

Sovereign Debt 2021: EMEA Emerging Markets Borrowing To Remain Elevated Versus Pre-Pandemic Levels

March 1, 2021

This report does not constitute a rating action.

Key Takeaways

- We expect emerging markets' (EM) commercial debt issuance in EMEA to remain elevated during 2021, albeit down by just over \$100 billion to \$571 billion.
- We project that EMEA EM sovereigns' commercial debt will reach an equivalent of \$3.2 trillion by end-2021, a year-on-year increase of \$288 billion.
- Turkey is once again set to be the largest EM sovereign issuer in the sample (\$78 billion). We forecast Egypt and Russia will borrow equivalent to \$63 billion and \$52 billion. Taken together, these three sovereigns will borrow over 33% of the total borrowed by the 53 sovereigns this report covers.

Last year we saw a nearly 50% (\$120 billion) increase in gross EMEA emerging markets (EM) sovereign commercial issuance, to \$672 billion, as governments boosted fiscal support for firms and households affected by the global health emergency. We expect commercial debt issuance to remain elevated during 2021, albeit down by just over \$100 billion to \$571 billion--as fiscal support is only gradually withdrawn. Slightly over half of the sovereigns' gross borrowing will be to refinance maturing long-term debt, resulting in an estimated net borrowing requirement of \$273 billion, compared to last year's \$395 billion historical high.

We project that EMEA EM sovereigns' commercial debt will reach an equivalent of \$3.2 trillion by end-2021, a year-on-year increase of \$288 billion (see table 1). Their commercial debt is therefore poised to account for 40.7% of combined GDP, up sharply from 30.7% in 2016, as the costs of a contra-cyclical fiscal response to the global health emergency accumulate. Our projections are even more uncertain than in the past because budgetary performance will remain highly sensitive to the evolution of the virus.

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Table 1

Sovereign Commercial Issuance And Debt

(Bil. USD)	2016	2017	2018	2019	2020	2021f
Gross long-term commercial borrowing	460.1	457.7	386.3	451.7	671.6	571.0
Of which amortization of maturing long-term debt	199.1	218.2	204.0	227.4	276.6	297.8
Of which net long-term commercial borrowing	261.0	239.4	182.2	224.3	395.0	273.2
Total commercial debt stock (year end)	2,142.4	2,308.5	2,308.7	2,562.6	2,948.7	3,236.5
Of which short-term debt	282.8	234.4	246.5	288.8	328.8	355.6
Of which debt with original maturity greater than one year	1,859.6	2,074.1	2,062.3	2,273.8	2,619.9	2,880.9
(% GDP)						
Gross long-term commercial borrowing (% GDP)	6.6	6.0	4.8	5.5	9.0	7.2
Of which amortization of maturing long-term debt (% GDP)	2.8	2.9	2.5	2.8	3.7	3.7
Of which net long-term commercial borrowing (% GDP)	3.7	3.2	2.3	2.7	5.3	3.4
Total commercial debt stock (year end) (% GDP)	30.6	30.5	28.6	31.0	39.6	40.7
Of which short-term debt (% GDP)	4.0	3.1	3.1	3.5	4.4	4.5
Of which debt with original maturity greater than one year (% GDP)	26.5	27.4	25.5	27.5	35.2	36.3

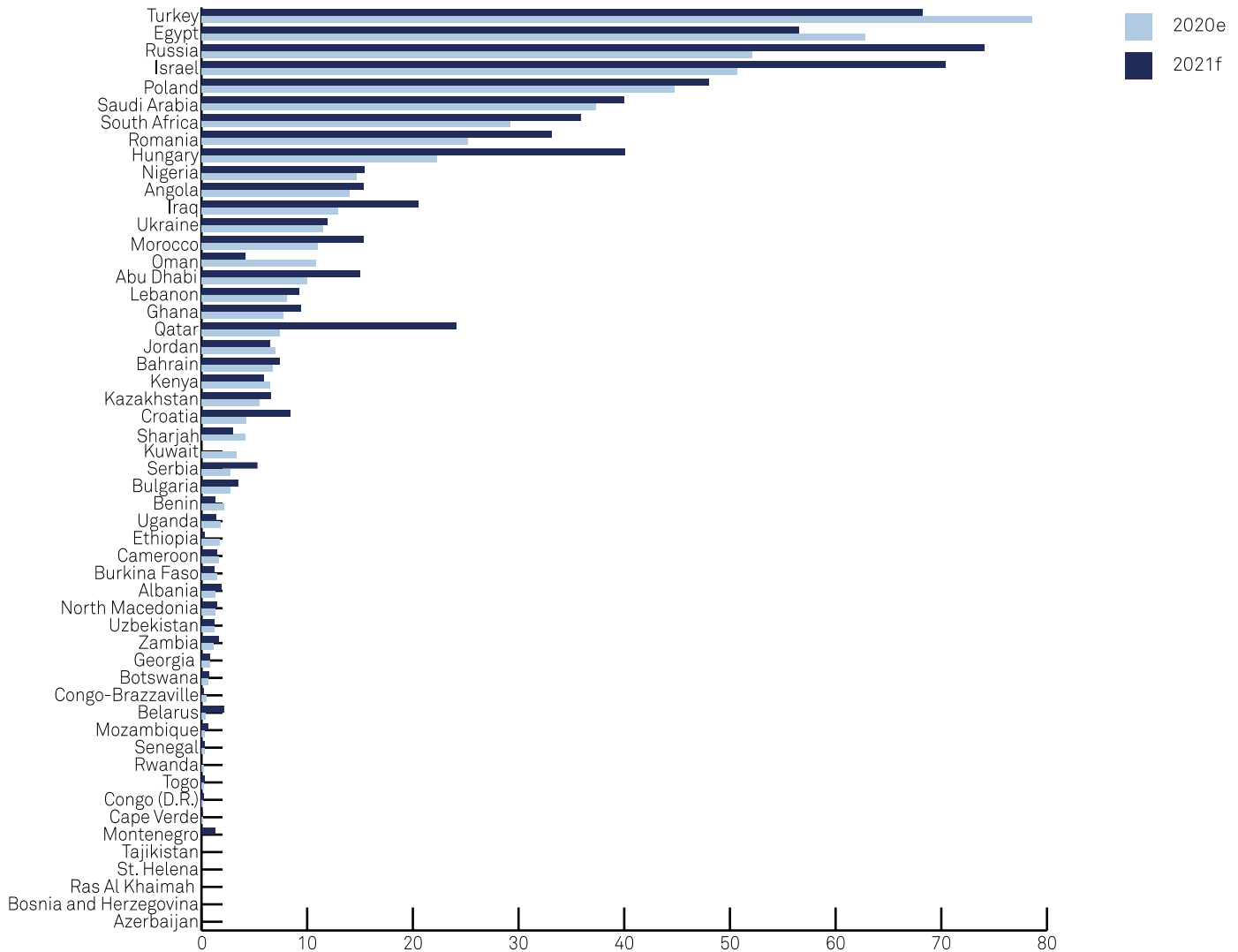
f--Forecast

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Chart 1

Emerging Markets EMEA: Gross Long-Term Commercial Borrowing By Sovereign

Bil. \$



e--Estimate. f--Forecast. Source: S&P Global Ratings. Copyright © 2021 by Standard & Poor's Financial Services LLC. All rights reserved.

We forecast that just under half of commercial sovereign debt in 2021 will be issued by sovereigns with an investment-grade ('BBB-' or higher) foreign currency rating (see lower part of table 2). We expect the 'B' category will form the largest share of the total (around 40%, considerably above historical levels reflecting our expectation that Egypt and Turkey will increase issuance materially compared to 2020) followed by 'BBB' and 'A'. At year-end 2021, we expect that the share of outstanding commercial EMEA EM sovereign debt rated 'BB' or lower will decline somewhat as a percentage of the total, reflecting above all else still very substantial projected debt increases (albeit slightly down from 2020) by higher income issuers including Israel, Poland, Romania, Russia, and Saudi Arabia (see table 3 and chart 2).

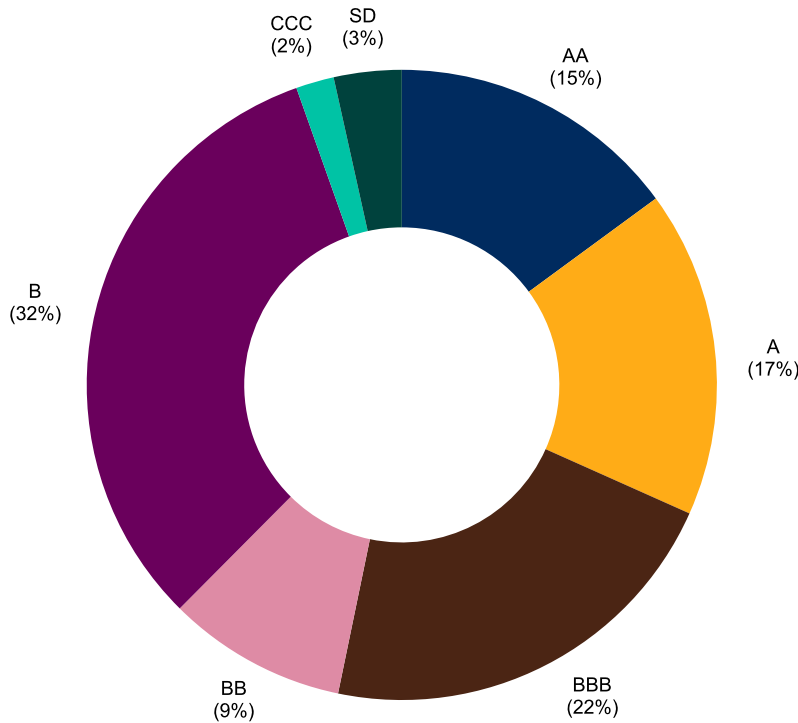
Despite being the second largest economy after Russia in our survey group of 53 EMEA sovereigns,

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Turkey is once again set to be the largest EM sovereign issuer in the sample (currency equivalent of \$78 billion up from \$68 billion last year) with long-term gross commercial borrowing in 2019 accounting for an estimated 14% of the sample (see table 2). We forecast Egypt and Russia will borrow equivalent to \$63 billion and \$52 billion. Taken together, these three sovereigns will borrow over 33% of the total borrowed by the 53 sovereigns this report covers. Of the larger issuers, Egypt has both the highest debt-to-GDP ratio at an estimated 88% and the highest stock of short-term debt at 33% of the total (of all 53 issuers only Kenya has a higher share of short-term debt). As a consequence, Egypt's rollover ratio is by a large margin the highest of all 53 both as a percentage of GDP, and as a percentage of total debt. Given that 78% of Egypt's sovereign debt stock (equivalent to 69% of GDP) is domestic currency debt, and only about three quarters of this is tradeable, the rollover ratios may somewhat exaggerate refinancing risks (given the the willingness of domestic banks, both public and private, to refinance). Nevertheless, despite solid nonresident inflows into Egypt's bond market, the pandemic has been a setback to the authorities' ability to both lower the overall debt burden and manage down the cost of debt.

Chart 2

Sovereign Total Commercial Debt In 2021 By Foreign Currency Rating Category



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Table 2

Gross Commercial Long-Term Borrowing

Bil. \$	2016	2017	2018	2019	2020	2021	Share of 2021f total borrowing (%)	Total commercial borrowing 2021f
Abu Dhabi	5.0	10.0	0.0	13.9	15.0	10.0	1.8	571.0

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Table 2

Gross Commercial Long-Term Borrowing (cont.)

Albania	0.7	0.9	1.5	0.9	1.9	1.3	0.2
Angola	10.2	23.0	25.6	27.4	15.3	14.0	2.5
Azerbaijan	0.1	2.9	0.0	0.1	0.0	0.0	0.0
Bahrain	4.4	6.3	2.8	3.3	7.4	6.7	1.2
Belarus	1.5	2.0	1.2	0.9	2.1	0.4	0.1
Benin	N.A.	1.0	0.4	0.7	1.3	2.1	0.4
Bosnia and Herzegovina	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Botswana	0.2	0.2	0.1	0.4	0.7	0.6	0.1
Bulgaria	2.4	0.5	0.0	0.6	3.5	2.7	0.5
Burkina Faso	0.1	0.2	0.7	0.7	1.2	1.5	0.3
Cameroon	0.4	0.7	0.4	1.6	1.5	1.6	0.3
Cape Verde	0.1	0.1	0.1	0.0	0.1	0.1	0.0
Congo (D.R.)	0.0	0.0	0.0	0.1	0.2	0.1	0.0
Congo-Brazzaville	0.2	0.2	0.1	0.2	0.2	0.5	0.1
Croatia	2.6	6.1	3.7	5.1	8.4	4.2	0.7
Egypt	93.3	33.6	38.1	45.4	56.5	62.8	11.0
Ethiopia	3.4	3.2	1.1	1.2	0.3	1.7	0.3
Georgia	0.5	0.2	0.1	0.5	0.8	0.8	0.1
Ghana	4.5	4.8	4.9	6.3	9.4	7.7	1.3
Hungary	11.6	17.0	17.9	26.7	40.1	22.3	3.9
Iraq	13.6	6.3	0.3	10.2	20.5	12.9	2.3
Israel	25.9	28.5	27.9	34.9	70.4	50.7	8.9
Jordan	4.1	7.5	5.3	6.9	6.5	7.0	1.2
Kazakhstan	0.5	5.0	3.4	4.8	6.6	5.5	1.0
Kenya	3.1	6.3	3.3	2.8	5.9	6.5	1.1
Kuwait	8.1	14.8	0.0	0.0	0.0	3.3	0.6
Lebanon	13.0	15.7	18.6	11.0	9.2	8.1	1.4
Montenegro	0.5	0.3	0.9	0.9	1.3	0.0	0.0
Morocco	10.7	11.4	13.0	11.3	15.3	11.0	1.9
Mozambique	4.5	0.5	0.7	0.3	0.6	0.3	0.1
Nigeria	10.1	10.7	37.2	11.0	15.4	14.7	2.6
North Macedonia	0.7	0.4	1.0	0.3	1.5	1.3	0.2
Oman	10.7	10.5	8.0	5.0	4.1	10.8	1.9
Poland	44.1	32.9	33.8	35.9	48.0	44.7	7.8
Qatar	14.6	19.5	0.0	21.2	24.1	7.4	1.3
Ras Al Khaimah	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Romania	12.4	12.3	16.8	18.8	33.1	25.2	4.4

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Table 2

Gross Commercial Long-Term Borrowing (cont.)

Russia	18.7	37.1	21.4	38.4	74.1	52.1	9.1
Rwanda	0.0	0.0	0.1	0.1	0.0	0.2	0.0
Saudi Arabia	53.4	37.1	32.9	12.0	40.0	37.3	6.5
Senegal	0.6	1.3	0.8	0.1	0.3	0.3	0.0
Serbia	3.8	3.4	2.9	5.0	5.3	2.7	0.5
Sharjah	1.5	1.6	3.2	3.3	3.0	4.1	0.7
South Africa	15.4	17.5	15.7	21.5	35.9	29.2	5.1
St. Helena	N.A.	N.A.	0.0	0.0	0.0	0.0	0.0
Tajikistan	0.4	0.7	0.0	0.0	0.0	0.0	0.0
Togo	N.A.	N.A.	0.2	0.1	0.3	0.2	0.0
Turkey	35.6	44.8	32.6	45.3	68.2	78.6	13.8
Uganda	0.2	0.2	0.7	1.1	1.4	1.8	0.3
Ukraine	11.2	16.4	4.6	10.8	11.9	11.5	2.0
Uzbekistan	N.A.	0.0	0.0	1.2	1.2	1.2	0.2
Zambia	1.7	2.0	2.0	1.5	1.6	1.1	0.2

Breakdown by foreign currency rating category

Bil. \$	2016	2017	2018	2019	2020	2021	Share of 2021f total borrowing (%)	Total commercial borrowing 2021f
AAA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	571.0
AA	53.6	72.9	27.9	70.1	109.5	71.5	12.5	
A	97.4	70.0	66.7	47.9	88.0	82.1	14.4	
BBB	60.6	91.2	79.7	109.2	184.9	127.8	22.4	
BB	20.5	24.3	19.9	28.6	44.8	35.2	6.2	
B	198.4	158.0	145.2	155.5	217.4	230.2	40.3	
CCC	14.8	23.6	26.4	28.0	16.3	14.9	2.6	
SD	14.7	17.8	20.6	12.5	10.8	9.3	1.6	

e--Estimate. F--Forecast. N.A.--Not available

Table 3

Total Commercial Debt At Year-End (Long- And Short-Term)

Bil. \$	2016	2017	2018	2019	2020	2021	Share of 2021f total commercial debt (%)	Total commercial debt 2021f
Abu Dhabi	7.9	17.6	17.3	29.4	43.9	51.1	1.6	3,236.5
Albania	5.1	5.9	6.5	6.5	8.0	8.4	0.3	
Angola	44.4	60.4	56.9	51.4	44.9	48.6	1.5	
Azerbaijan	2.6	11.4	10.7	9.3	9.0	9.5	0.3	
Bahrain	23.1	28.2	31.8	31.5	33.5	34.9	1.1	
Belarus	6.0	6.9	6.1	6.3	7.3	7.0	0.2	

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Table 3

Total Commercial Debt At Year-End (Long- And Short-Term) (cont.)

Benin	2.9	3.8	3.5	4.3	5.3	0.2	
Bosnia and Herzegovina	0.1	0.1	0.1	0.1	0.0	0.0	
Botswana	0.7	0.9	1.0	1.3	1.8	2.2	0.1
Bulgaria	11.9	12.4	11.1	10.9	14.5	16.9	0.5
Burkina Faso	1.2	1.9	2.3	3.0	3.8	4.7	0.1
Cameroon	3.4	4.5	4.7	5.2	5.9	6.8	0.2
Cape Verde	0.9	1.3	1.3	0.5	0.6	0.6	0.0
Congo (D.R.)	1.8	2.5	3.2	2.1	2.0	2.1	0.1
Congo-Brazzaville	1.8	3.7	6.4	6.5	6.8	6.8	0.2
Croatia	28.6	34.8	35.4	35.1	40.8	43.0	1.3
Egypt	356.1	184.9	225.9	251.9	292.1	314.0	9.7
Ethiopia	11.9	11.3	11.9	13.5	13.6	13.4	0.4
Georgia	1.7	2.0	2.6	2.0	2.3	2.3	0.1
Ghana	14.0	26.0	25.2	26.6	31.5	34.0	1.1
Hungary	77.4	94.7	94.5	93.1	115.6	115.1	3.6
Iraq	68.8	73.7	42.8	53.5	68.0	75.0	2.3
Israel	192.7	215.5	210.4	238.2	291.7	321.2	9.9
Jordan	29.6	31.0	27.5	29.5	32.1	34.3	1.1
Kazakhstan	19.3	23.4	23.6	27.3	29.2	32.0	1.0
Kenya	20.4	26.5	32.3	36.7	39.3	44.1	1.4
Kuwait	20.4	23.8	19.5	14.7	11.3	11.3	0.4
Lebanon	72.4	77.3	83.0	89.6	94.4	99.2	3.1
Montenegro	1.7	2.1	2.2	2.8	3.7	3.5	0.1
Morocco	55.5	62.7	64.5	66.3	74.4	79.3	2.5
Mozambique	5.8	6.9	8.8	5.0	5.7	5.8	0.2
Nigeria	46.1	49.2	44.5	58.2	61.2	65.7	2.0
North Macedonia	3.1	3.7	4.0	4.1	5.1	5.8	0.2
Oman	17.2	20.4	35.7	42.2	44.6	53.5	1.7
Poland	198.5	239.6	228.2	228.4	257.4	279.3	8.6
Qatar	67.9	83.0	95.3	109.5	108.5	99.5	3.1
Ras Al Khaimah	1.7	0.0	1.2	1.2	1.0	1.0	0.0
Romania	59.4	73.9	80.5	89.3	116.2	125.2	3.9
Russia	138.2	164.0	148.1	191.4	228.5	270.4	8.4
Rwanda	1.1	1.2	1.3	1.9	1.8	1.9	0.1
Saudi Arabia	84.4	118.1	128.4	159.8	217.4	262.2	8.1
Senegal	3.8	4.9	4.2	6.4	7.2	8.0	0.2
Serbia	15.0	15.5	14.2	14.5	17.7	18.6	0.6

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Table 3

Total Commercial Debt At Year-End (Long- And Short-Term) (cont.)

Sharjah	4.0	4.9	6.7	9.1	11.3	13.6	0.4
South Africa	163.2	202.2	193.9	209.3	229.7	258.9	8.0
St. Helena			0.0	0.0	0.0	0.0	0.0
Tajikistan	0.8	0.5	0.5	0.5	0.4	0.5	0.0
Togo			0.6	2.6	3.0	3.2	0.1
Turkey	195.8	209.3	182.6	204.5	226.7	252.7	7.8
Uganda	3.6	3.3	4.0	4.2	5.1	6.3	0.2
Ukraine	43.4	47.2	49.8	58.3	59.3	61.9	1.9
Uzbekistan		0.0	0.0	1.1	2.1	2.8	0.1
Zambia	7.9	10.4	11.5	12.9	12.4	13.2	0.4

Breakdown by foreign currency rating category

Bil. \$	2016	2017	2018	2019	2020	2021	Share of 2021f total commercial debt (%)	Total commercial debt 2021f
AAA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,236.5
AA	288.8	339.9	342.6	391.8	455.4	483.1	14.9	
A	284.5	357.8	357.8	389.4	475.8	542.5	16.8	
BBB	395.1	471.8	465.6	523.9	632.3	697.6	21.6	
BB	185.6	234.8	225.5	240.2	265.9	297.9	9.2	
B	854.2	743.1	747.5	849.8	953.1	1,039.7	32.1	
CCC	53.8	73.4	75.3	65.0	59.4	63.4	2.0	
SD	80.3	87.7	94.6	102.6	106.8	112.3	3.5	

e--Estimate. F--Forecast. N.A.--Not available

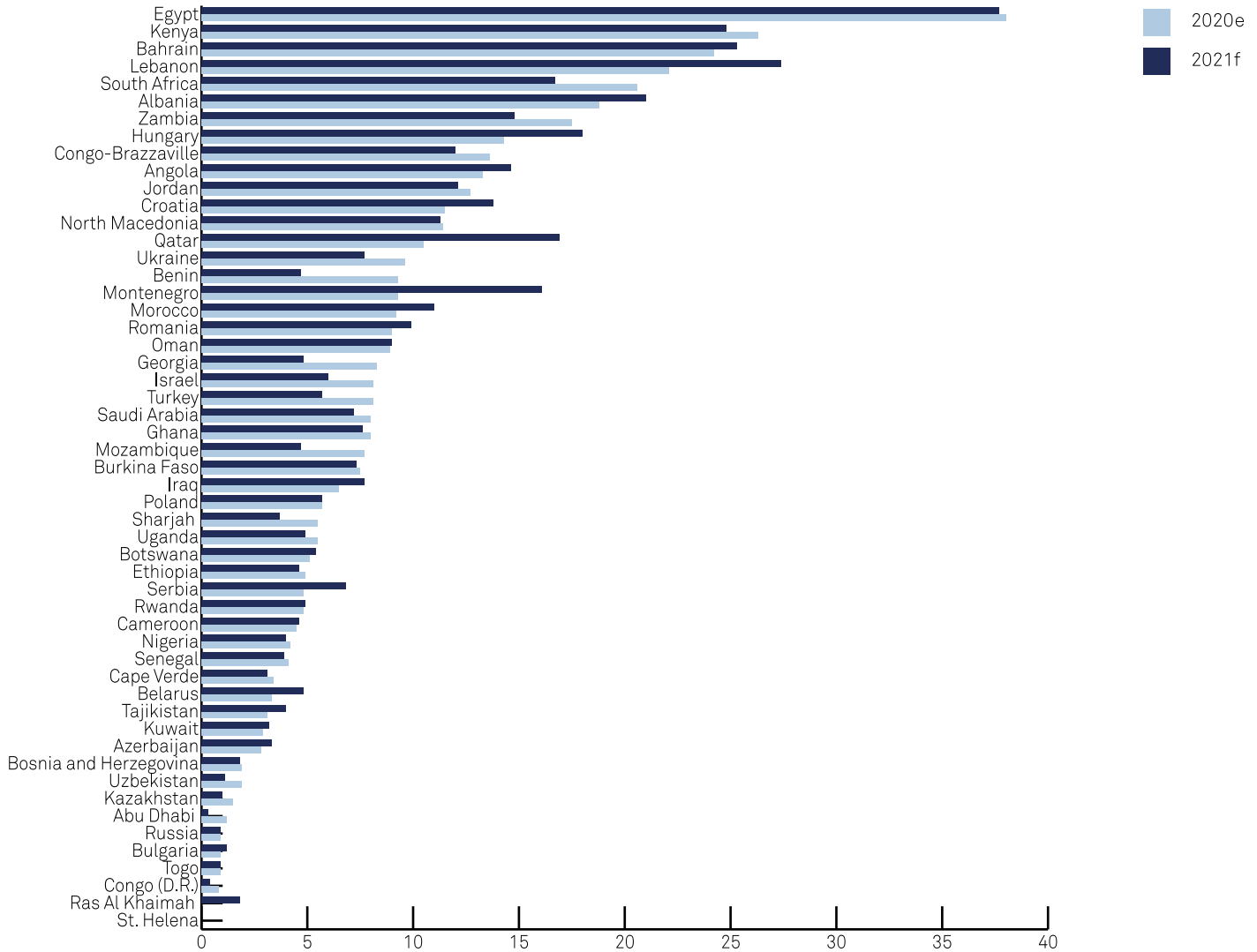
After Egypt, the three EMEA sovereign issuers with the highest rollover ratios during 2021 as a percentage of GDP are Kenya (26%; reflecting high short term debt as well as an overall increase in debt levels), Bahrain, and South Africa. All three had seen rising debt to GDP even before the pandemic (we exclude Lebanon, given that is currently in default on its external debt, and its capacity to continue to service its local currency debt is captured by its local currency rating of CC/Negative/C).

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Chart 3

Emerging Markets EMEA: Sovereign Debt Rollover Ratios

As a percentage of GDP



e--Estimate. f--Forecast. Source: S&P Global Ratings. Copyright © 2021 by Standard & Poor's Financial Services LLC. All rights reserved.

Table 4

Central Government Rollover Ratios And Debt Structure (% Of Total Debt, Including Bi-/Multilateral)

	2020					2021			
	Commercial debt (% of total)	Short-term debt (% of total)	Foreign currency debt (% of total)	Long-term fixed-rate debt (% of total debt)	Inflation-indexed debt (% of total)	Bi-/Multilateral debt (% of total)	Rollover ratio (% of total debt)	Rollover ratio (% of GDP)	Bi-/Multilateral debt (% of total)
Abu Dhabi	100.0	0.0	91.2	91.7	0.0	0.0	5.4	1.2	0.0
Albania	68.6	17.1	47.4	60.5	0.0	31.4	26.1	18.8	31.1

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Table 4

Central Government Rollover Ratios And Debt Structure (% Of Total Debt, Including Bi-/Multilateral) (cont.)

Angola	71.3	2.7	76.4	97.3	0.0	28.7	11.9	13.3	28.7
Azerbaijan	63.2	2.3	57.9	97.7	0.0	36.9	8.5	2.8	34.5
Bahrain	84.1	13.3	64.0	69.3	0.0	15.9	21.0	24.2	19.0
Belarus	32.8	0.0	97.6	61.4	0.0	67.2	8.3	3.3	67.2
Benin	58.5	0.2	55.5	98.1	0.0	41.5	19.2	9.3	36.2
Bosnia and Herzegovina	1.0	0.0	100.0	60.3	0.0	99.0	8.1	1.9	99.2
Botswana	49.9	8.5	50.2	24.7	0.0	50.2	21.8	5.1	44.6
Bulgaria	87.3	0.0	82.2	98.1	0.0	12.7	3.4	0.9	13.2
Burkina Faso	47.0	5.6	47.9	94.4	0.0	53.1	14.6	7.5	49.4
Cameroon	34.4	2.0	76.0	98.0	0.0	65.6	9.8	4.5	64.6
Cape Verde	21.0	0.7	79.1	99.4	0.0	79.1	2.3	3.4	79.1
Congo (D.R.)	36.0	1.1	66.7	98.9	0.0	64.0	6.1	0.8	65.3
Congo-Brazzaville	60.2	0.0	69.6	100.0	0.0	39.8	10.4	13.6	42.2
Croatia	93.3	8.2	44.1	80.8	0.0	6.7	15.5	11.5	8.6
Egypt	85.6	33.8	26.2	66.2	0.0	14.4	40.3	38.0	14.5
Ethiopia	44.3	15.8	59.0	48.8	0.0	55.7	14.9	4.9	55.7
Georgia	27.3	2.5	78.2	62.3	0.0	72.7	13.6	8.3	76.3
Ghana	68.8	8.0	52.0	73.6	18.4	31.2	11.2	8.0	30.0
Hungary	93.3	5.4	20.0	73.6	10.9	6.7	18.9	14.3	6.9
Iraq	44.2	0.0	69.8	90.0	0.0	55.8	7.4	6.5	56.4
Israel	100.0	2.1	16.6	45.8	47.4	0.0	10.5	8.1	0.0
Jordan	75.9	0.6	45.0	87.1	0.0	24.1	12.0	12.7	25.4
Kazakhstan	75.4	0.0	41.4	85.2	5.9	24.6	5.7	1.5	27.0
Kenya	65.5	35.0	50.0	52.0	13.0	34.5	39.3	26.3	34.5
Kuwait	100.0	0.0	70.6	100.0	0.0	0.0	29.4	2.9	0.0
Lebanon	98.0	2.8	37.0	93.3	0.0	2.0	10.8	22.1	2.0
Montenegro	72.3	1.1	17.5	74.0	0.0	27.7	10.8	9.3	28.0
Morocco	84.9	4.0	24.7	88.5	0.0	15.1	11.6	9.2	16.3
Mozambique	39.0	5.0	75.0	71.3	23.8	61.0	7.3	7.7	62.0
Nigeria	75.3	8.4	38.0	88.8	0.0	24.7	18.0	4.2	24.7
North Macedonia	78.1	10.6	77.1	74.5	0.0	21.9	21.1	11.4	21.6
Oman	87.1	2.5	79.7	69.6	0.0	12.9	10.6	8.9	8.1
Poland	93.5	1.5	25.4	74.0	2.9	6.5	11.6	5.7	8.7
Qatar	100.0	0.0	56.2	100.0	0.0	0.0	16.6	10.5	0.0
Ras Al Khaimah	100.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0
Romania	90.6	9.3	47.9	84.8	0.0	9.5	16.1	9.0	9.1

Sovereign Debt 2021: EMEA Emerging Markets Borrowing To Remain Elevated Versus Pre-Pandemic Levels

Table 4

Central Government Rollover Ratios And Debt Structure (% Of Total Debt, Including Bi-/Multilateral) (cont.)

Russia	99.6	0.0	17.1	71.8	27.8	0.4	5.2	0.9	1.1
Rwanda	30.6	6.7	83.5	92.1	0.0	69.5	7.1	4.8	72.0
Saudi Arabia	100.0	20.0	41.3	60.0	20.0	0.0	21.1	8.0	0.0
Senegal	44.5	0.0	85.5	87.0	0.0	55.5	6.3	4.1	55.5
Serbia	57.5	0.0	69.5	85.0	0.0	42.5	8.3	4.8	42.5
Sharjah	100.0	4.2	79.6	67.1	0.0	0.0	13.5	5.5	0.0
South Africa	90.0	25.0	14.4	54.5	20.5	10.0	23.0	20.6	10.0
St. Helena	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	0.0	N.M.
Tajikistan	11.3	2.7	83.7	97.3	0.0	88.7	5.9	3.1	88.0
Togo	68.9	0.0	34.2	100.0	0.0	31.1	1.5	0.9	31.1
Turkey	91.9	3.3	56.2	68.0	13.8	8.1	21.7	8.1	7.3
Uganda	35.5	10.0	64.6	81.0	9.0	64.6	10.2	5.5	65.0
Ukraine	76.2	5.3	61.8	72.2	6.4	23.8	16.0	9.6	27.0
Uzbekistan	14.2	1.8	96.2	53.0	0.0	85.8	5.9	1.9	85.4
Zambia	70.8	15.0	65.0	72.3	12.8	29.3	16.3	17.5	29.3

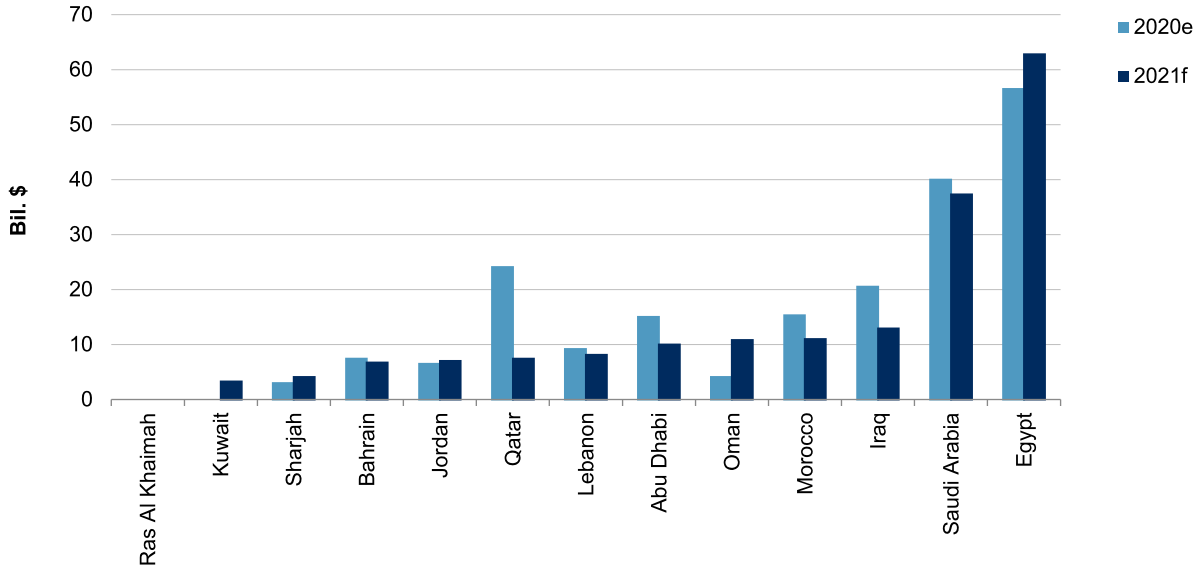
Breakdown by foreign currency rating category

	2020					2021				
	Commercial debt (% of total)	Short-term debt (% of total)	Foreign currency debt (% of total)	Long-term fixed-rate debt (% of total debt)	Inflation-indexed debt (% of total)	Bi-/Multilateral debt (% of total)	Rollover ratio (% of total debt)	Rollover ratio (% of GDP)	Bi-/Multilateral debt (% of total)	
AAA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
AA	100.0	1.3	34.5	64.5	30.4	0.0	11.7	6.1	0.0	
A	96.4	9.6	32.6	67.9	10.4	3.6	15.9	6.8	4.7	
BBB	92.6	3.9	30.3	78.4	11.6	7.4	11.1	3.5	7.9	
BB	80.6	19.8	27.9	59.7	15.8	19.4	20.0	14.5	19.6	
B	73.6	13.6	51.0	72.7	4.4	26.4	22.7	12.7	26.4	
CCC	62.9	2.6	74.8	93.7	3.7	37.1	10.7	8.3	37.5	
SD	93.8	4.7	41.3	90.1	2.0	6.2	11.6	20.9	6.2	

f--Forecast. N/A.--Not applicable

Chart 4

Gross Long-Term Commercial Borrowing By Sovereigns In MENA



e--Estimate. f--Forecast. MENA--Middle East and North Africa.
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Factors We Consider In Our Estimates

Our estimates focus on debt issued by a central government in its own name. We exclude local government and social security debt, as well as debt issued by other public bodies and government-guaranteed obligations. In terms of commercial debt instruments, our estimates for long-term borrowing include bonds with tenors of more than one year, issued either on publicly listed markets or sold as private placements, as well as commercial bank loans.

In addition to commercial debt, some of the estimates we use in this study also report on bilateral and multilateral official debt. We do not include government debt that may be issued by some central banks for monetary policy purposes. All reported forecast figures are our own estimates and do not necessarily reflect the issuers' projections. We factor in our expectations regarding central government deficits, our assessment of governments' potential extra-budgetary funding needs, and our estimates of debt maturities in 2020. Estimates that we express in dollars are subject to exchange-rate variations.

Table 5

Sovereign Ratings

	Local currency ratings	Foreign currency ratings*
Abu Dhabi	AA/Stable/A-1+	AA/Stable/A-1+
Albania	B+/Stable/B	B+/Stable/B

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Table 5

Sovereign Ratings (cont.)

	Local currency ratings	Foreign currency ratings*
Angola	CCC+/Stable/C	CCC+/Stable/C
Azerbaijan	BB+/Stable/B	BB+/Stable/B
Bahrain	B+/Stable/B	B+/Stable/B
Belarus	B/Negative/B	B/Negative/B
Benin	B+/Stable/B	B+/Stable/B
Bosnia and Herzegovina	B/Stable/B	B/Stable/B
Botswana	BBB+/Negative/A-2	BBB+/Negative/A-2
Bulgaria	BBB/Stable/A-2	BBB/Stable/A-2
Burkina Faso	B/Stable/B	B/Stable/B
Cameroon	B-/Stable/B	B-/Stable/B
Cape Verde	B-/Stable/B	B-/Stable/B
Congo (D.R.)	CCC+/Stable/C	CCC+/Stable/C
Congo-Brazzaville	CCC+/Stable/C	CCC+/Stable/C
Croatia	BBB-/Stable/A-3	BBB-/Stable/A-3
Egypt	B/Stable/B	B/Stable/B
Ethiopia	B-/Watch Neg/B	B-/Watch Neg/B
Georgia	BB/Negative/B	BB/Negative/B
Ghana	B-/Stable/B	B-/Stable/B
Hungary	BBB/Stable/A-2	BBB/Stable/A-2
Iraq	B-/Stable/B	B-/Stable/B
Israel	AA-/Stable/A-1+	AA-/Stable/A-1+
Jordan	B+/Stable/B	B+/Stable/B
Kazakhstan	BBB-/Stable/A-3	BBB-/Stable/A-3
Kenya	B+/Negative/B	B+/Negative/B
Kuwait	AA-/Negative/A-1+	AA-/Negative/A-1+
Lebanon	CC/Negative/C	--/--/SD
Montenegro	B+/Negative/B	B+/Negative/B
Morocco	BBB-/Negative/A-3	BBB-/Negative/A-3
Mozambique	B-/Stable/B	CCC+/Stable/C
Nigeria	B-/Stable/B	B-/Stable/B
North Macedonia	BB-/Stable/B	BB-/Stable/B
Oman	B+/Stable/B	B+/Stable/B
Poland	A/Stable/A-1	A-/Stable/A-2
Qatar	AA-/Stable/A-1+	AA-/Stable/A-1+
Ras Al Khaimah	A-/Stable/A-2	A-/Stable/A-2
Romania	BBB-/Negative/A-3	BBB-/Negative/A-3

Table 5

Sovereign Ratings (cont.)

	Local currency ratings	Foreign currency ratings*
Russia	BBB/Stable/A-2	BBB-/Stable/A-3
Rwanda	B+/Negative/B	B+/Negative/B
Saudi Arabia	A-/Stable/A-2	A-/Stable/A-2
Senegal	B+/Stable/B	B+/Stable/B
Serbia	BB+/Stable/B	BB+/Stable/B
Sharjah	BBB-/Stable/A-3	BBB-/Stable/A-3
South Africa	BB/Stable/B	BB-/Stable/B
St. Helena	BBB-/Stable/A-3	BBB-/Stable/A-3
Tajikistan	B-/Stable/B	B-/Stable/B
Togo	B/Stable/B	B/Stable/B
Turkey	BB-/Stable/B	B+/Stable/B
Uganda	B/Stable/B	B/Stable/B
Ukraine	B/Stable/B	B/Stable/B
Uzbekistan	BB-/Negative/B	BB-/Negative/B
Zambia	CCC-/Negative/C	--/--/SD

*Ratings as of March 1, 2021

Related Research

- Sovereign Debt 2021: Global Borrowing Will Stay High To Spur Economic Recovery, March 1, 2021
- Sovereign Debt 2021: Developed EMEA's Commercial Borrowing Could Reach \$1.4 Trillion, March 1, 2021

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