

## Country Risk Ranking 2004 Middle-East

Rank	Country	Total	Economic Performance	Political Risk	Debt Indicators	Access to Finance
1	UAE	95.83	25	20.83	25	25
2	Qatar	95.83	25	20.83	25	25
3	Bahrain	91.67	25	16.67	25	25
4	Kuwait	89.58	25	20.83	25	18.75
5	Israel	87.5	25	12.5	25	25
6	Oman	62.5	18.75	16.67	8.33	18.75
7	Tunisia	60.42	12.5	12.5	16.67	18.75
8	Morocco	60.42	12.5	12.5	16.67	18.75
9	Saudi Arabia	58.33	18.75	12.5	8.33	18.75
10	Egypt	41.66	12.5	8.33	8.33	12.5
11	Algeria	41.66	12.5	8.33	8.33	12.5
12	Jordan	39.58	12.5	8.33	0	18.75
13	Libya	37.5	18.75	4.17	8.33	6.25
14	Iran	37.5	12.5	4.17	8.33	12.5
15	Lebanon	35.42	18.75	4.17	0	12.5
16	Turkey	33.33	12.5	8.33	0	12.5
17	Yemen	31.25	6.25	4.17	8.33	12.5
18	Syria	22.92	12.5	4.17	0	6.25
19	Iraq	18.75	12.5	0	0	6.25
20	Sudan	6.25	6.25	0	0	0

The Boyadjian & Associates country risk assessment uses four categories. The weighted scores are calculated as follows: the highest score in each category receives the full mark for the weighting, the lowest receives zero. In between, figures are calculated according to the formula: Final score = weighting/(maximum score-minimum score) x (score-minimum score). The country risk ranking shows only the final scores after weighting. The categories are:

**Economic performance** (25% weighting). Economies are divided according to 2002 GNI per capita, calculated using the World Bank Atlas Method. The groups are: low income: \$735 or less; lower middle income: \$736-\$2,935; upper middle income: \$2,936-\$9,075; and high income: \$9,076 or more.

**Political risk** (25%) Political risk is monitored through indicators used to assess the political factors, the risk of a currency shortage, the State's ability to meet its commitments abroad, the risk of a sudden devaluation following heavy capital withdrawals, the risk of non-payment or non-servicing of payment for goods or services, loans, trade-related finance and dividends, and the non-repatriation of capital. Each country was given a score of between one and seven. A score of seven indicates no risk of non-payment; one indicates that there is no chance of payment being made.

**Debt indicators** (25%) Scores are calculated using the standard World Bank definitions. Severely indebted means either of the two key ratios is above critical levels: present value of debt service to GNI (80 percent) and present value of debt service to exports (220 percent). Moderately indebted means either of the two key ratios exceeds 60 percent of, but does not reach, the critical levels. All other economies are listed as less indebted. Each country was given a score of between one and four. A score of four indicates the debt is not classified, one indicates that the country is severely indebted.

**Access to international debt and equity finance** (25%) Reflects how easily the country might tap the capital markets. A score of four means no problem whatsoever; three, no problem on 90% of occasions, two usually no problem, one possible in some circumstances, zero: impossible.