

Cote d'Ivoire

Key Rating Drivers

Outlook Revised to Positive: Fitch Ratings' revision of the Outlook to Positive from Stable reflects continued economic resilience and stability, while the authorities' adherence to fiscal prudence has set general government (GG) debt on track to stabilise well below the current 'B' median over the medium term.

The government has achieved significant progress on strengthening public finance management, and reforms of the business environment and regulatory improvement have led to a marked improvement in Cote d'Ivoire's ranking on World Bank governance indicators.

GG Debt Stabilising: GG debt peaked at 48.6% of GDP in 2018, and will slightly decline to 47% in 2021, under Fitch's forecasts. We expect the authorities to achieve their target of narrowing the GG deficit to 3% of GDP in 2019 from 4% in 2018, and stabilise it at that level over the medium term.

Refinancing risks are moderate but sovereign financing flexibility is constrained by the shallowness of the regional local-currency market. The share of foreign-currency (FX) debt in total debt has increased to around 60% at end-2019 from 41% five years earlier, raising exchange rate and rollover risks.

Robust Growth Outlook: Fitch forecasts GDP growth to average 7.1% in 2019-2021, well above the historical 'B' median of 4.6%, driven by domestic demand. Large ongoing infrastructure projects under the 2016-2020 National Development Plan (PND) will support infrastructure and construction activity. Over the longer term, the sustainability of the growth momentum depends on a pick-up in productivity and private sector activity, which are still constrained by structural obstacles, including infrastructure bottlenecks.

Persistent Political Risks: The upcoming presidential election in October 2020 will constitute a litmus test for Cote d'Ivoire's political stability. Fitch assumes a relatively peaceful election process despite a volatile political environment. However, downside risks around our baseline are significant. Cote d'Ivoire lacks a track record of peaceful transitions of power since independence, while political and regional fault lines are deeply entrenched in the political landscape. Mounting political polarisation could amplify underlying security risks.

Mild Deterioration in External Finances: A negative commodity terms-of-trade shock combined with rising imports of equipment and technical services for large infrastructure projects caused the current account deficit (CAD) to widen to 4.7% of GDP in 2018, still well above the average of 1% in 2012-2020.

The expansion of supply in mining and light industries and the gradual ramping up of domestic refining activity will support a modest narrowing of the CAD to 3.9% of GDP in 2021. Larger CADs will erode Cote d'Ivoire's net external creditor position of 16% of GDP in 2018, which still compares favourably with the current 'B' median of a net debtor position of 27% of GDP.

Rating Sensitivities

Political Security Risks: Evidence of receding political and security risks, for example from a relatively smooth electoral process, would be ratings positive. Conversely, deterioration in political stability or aggravation of security incidents would be ratings negative.

Public Finances: Continued improvement in public finances reflecting adherence to fiscal prudence would be ratings positive. Conversely, worsening in public debt dynamics would be ratings negative.

Economic Growth: A material slowdown of trend GDP growth would be ratings negative.

Ratings

Foreign Currency	
Long-Term IDR	B+
Short-Term IDR	B
Local Currency	
Long-Term IDR	B+
Short-Term IDR	B
Country Ceiling	BBB-

Outlooks

Long-Term Foreign-Currency IDR	Positive
Long-Term Local-Currency IDR	Positive

Rating Derivation

Component	Outcome
Sovereign Rating Model (SRM) ^a	B+
Qualitative Overlay (QO)	0
Structural features	-1
Macroeconomic	+1
Public finances	0
External finances	0
Long-Term Foreign-Currency IDR	B+

Source: Fitch Ratings

Applicable Criteria

- [Sovereign Rating Criteria \(May 2019\)](#)
- [Country Ceilings Criteria \(July 2019\)](#)

Related Research

- [Global Economic Outlook \(September 2019\)](#)
- [Sub-Saharan African Debt Burdens Rising \(June 2019\)](#)
- [Domestic Debt in the MEA Region \(September 2019\)](#)

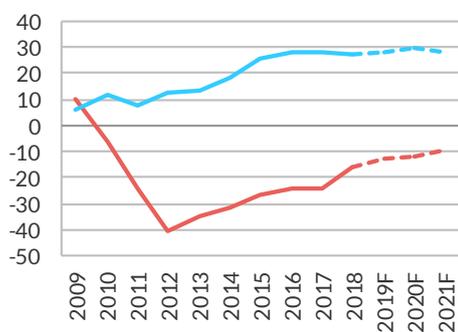
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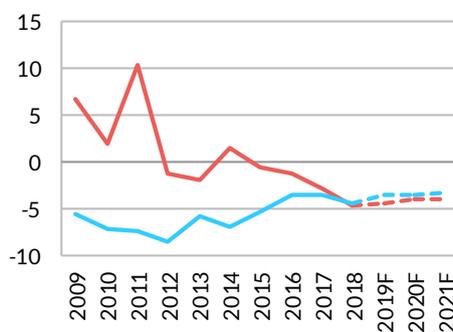
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Peer Comparison

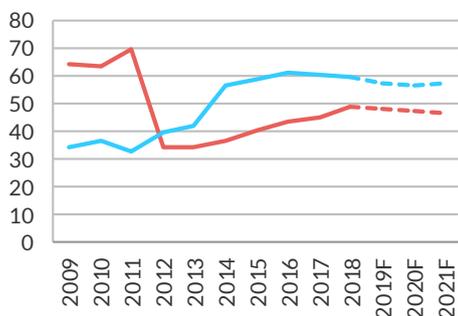
Net External Debt
% of GDP



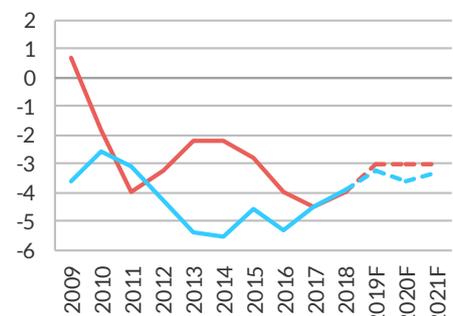
Current Account Balance
% of GDP



General Government Debt
% of GDP



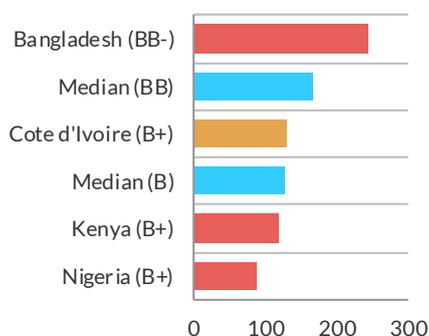
General Government Balance
% of GDP



— Cote d'Ivoire

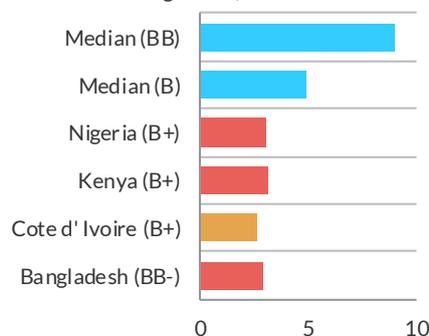
— Median(B)

International Liquidity Ratio, 2019F
%



GDP Per Capita Income, 2019F

At market exchange rates, USA = 100



Note: Medians based on data for sovereigns in the respective rating category at the end of each year. Latest ratings are used for the current year and forecast period
Source: Fitch Ratings

Financial Data

Cote d'Ivoire	
(USDbn)	2019
GDP	44.6
GDP per head (USD, 000)	1.7
Population (m)	25.5
International reserves	6.3
Net external debt (%GDP)	-12.5
Central government total debt (%GDP)	48.4
CG foreign-currency debt	12.9
CG domestically issued debt (XOFbn)	4,025.8

Source: Fitch Ratings

Rating Factors

Summary: Strengths and Weaknesses

Rating factor	Structural features	Macroeconomic	Public finances	External finances
Status	Weakness	Strength	Neutral	Neutral
Trend	Stable	Stable	Positive	Stable

Note: Relative to 'B' category
Source: Fitch Ratings

Strengths

- GDP growth, expected to average 7.1% in 2019-2021, is among the fastest among Fitch-rated sovereigns and well above the 'B' category median.
- The CAD is contained despite large capital import needs, reflecting a long-standing trade surplus underpinned by agricultural exports. The latter mostly consist of cocoa, of which Cote d'Ivoire is the world's top producer, with around 40% of total global production.
- Cote d'Ivoire's position as a regional trade hub as well as ample agriculture and mining resources support its attractiveness for FDI.
- Good relations with the international community since 2012 have guaranteed continued support from official creditors, including debt relief, concessional loans and grants.
- The country has benefited from a stable currency and moderate inflation, reflecting its membership of the West African Economic and Monetary Union (WAEMU).

Weaknesses

- Deep political and regional divisions have led to recurrent violent conflicts, including a postelection spat in 2011. Although stability has prevailed since then, political and security risks linger.
- Cote d'Ivoire's ratings are constrained by two defaults on external commercial debt due to political crises in 1999 and 2011.
- Commodity dependence is high, reflecting the large share of agricultural products (primarily cocoa) in exports and employment, which exacerbates the country's vulnerability to weather hazards and swings in international prices.
- Development indicators remain relatively weak. Although nominal GDP has trebled in 18 years, high poverty rates have declined little, contributing to social tensions.
- The banking sector's credit fundamentals are generally weaker than current 'B' medians.

Local-Currency Rating

Cote d'Ivoire is a member of WAEMU, a monetary union comprising eight African countries. The Long-Term Local-Currency IDR is aligned with the Long-Term Foreign-Currency IDR, in line with Fitch's sovereign methodology for countries in a currency union.

Country Ceiling

The Country Ceiling of Cote d'Ivoire is 'BBB-', four notches above its Long-Term Foreign Currency IDR. This balances the strength of support provided by France under the monetary arrangement with WAEMU against the risk of capital control imposition in Cote d'Ivoire.

Peer Group

Rating	Country	
BB-	Bahrain	
	Bangladesh	
	Bolivia	
	Brazil	
	Dominican Republic	
	Greece	
	Jordan	
	Turkey	
	Uzbekistan	
	B+	Cote d'Ivoire
Armenia		
Costa Rica		
Egypt		
Jamaica		
Kenya		
Maldives		
Nigeria		
Rwanda		
Tunisia		
Uganda		
B		Angola
		Belarus
	Benin	
	Cabo Verde	
	Cameroon	
	Ethiopia	
	Gabon	
	Ghana	
	Lesotho	
	Mongolia	
	Sri Lanka	
	Ukraine	

Rating History

Date	Long-Term Foreign Currency	Long-Term Local Currency
Dec 15	B+	B+
Jul 14	B	B

Strengths and Weaknesses: Comparative Analysis

2019	Cote d' Ivoire B+	B median ^a	BB median ^a	Bangladesh BB-	Kenya B+	Nigeria B+
Structural features						
GDP per capita (USD, mkt exchange rates)	1,746	3,470	5,847	1,903	2,067	1,967
GNI per capita (PPP, USD, latest)	4,030	8,375	13,910	4,560	3,430	5,700
GDP (USDbn)	44.6			320.0	102.5	396.0
Human development index (percentile, latest)	10.1	36.8	50.8	28.1	25.0	17.0
Governance indicator (percentile, latest) ^b	33.1	38.2	43.9	21.2	31.2	17.0
Broad money (% GDP)	40.7	37.5	47.8	45.1	35.6	21.0
Default record (year cured) ^c	2012	-	-	-	2004	2005
Ease of doing business (percentile, latest)	36.0	38.7	52.2	7.5	68.3	23.3
Trade openness (avg. of CXR + CXP % GDP)	34.2	40.2	46.5	21.2	20.4	22.3
Gross domestic savings (% GDP)	22.5	15.6	17.9	22.8	6.2	13.7
Gross domestic investment (% GDP)	22.0	23.0	21.8	31.2	18.1	13.7
Private credit (% GDP)	26.2	25.1	37.3	37.4	24.5	10.6
Bank systemic risk indicators ^d	-/2 ^e			-/1	-/1	b/1
Bank system capital ratio (% assets)	8.9	15.6	15.7	10.0	18.3	-
Foreign bank ownership (% assets)	57.5	36.4	35.2	5.0	30.7	-
Public bank ownership (% assets)	5.8	18.8	16.5	30.0	4.6	-
Macroeconomic performance and policies						
Real GDP (5yr average % change)	7.8	4.6	4.2	7.4	5.7	1.2
Volatility of GDP (10yr rolling SD)	4.4	2.7	2.5	0.8	1.0	3.5
Consumer prices (5yr average)	0.8	7.7	5.6	5.8	6.2	13.0
Volatility of CPI (10yr rolling SD)	1.4	4.4	3.3	1.3	2.9	2.9
Unemployment rate (%)	9.3	9.0	9.0	4.4	11.5	22.0
Type of exchange rate regime	Conventional peg	-	-	Crawl-like arrangement	Stabilized arrangement	Stabilized arrangement
Dollarisation ratio (% of bank deposits)	-	32.7	39.8	1.8	14.8	-
REER volatility (10yr rolling SD)	3.8	6.5	6.2	6.0	5.2	6.8

Source: Fitch Ratings

Strengths and Weaknesses: Comparative Analysis (Cont.)

2019	Cote d'Ivoire B+	B median ^a	BB median ^a	Bangladesh BB-	Kenya B+	Nigeria B+
Public finances^e						
Budget balance (% GDP)	-3.0	-3.7	-2.7	-4.0	-6.6	-3.9
Primary balance (% GDP)	-1.0	-1.3	-0.6	-2.3	-2.8	-1.9
Gross debt (% revenue)	241.3	213.6	155.6	340.4	324.9	364.8
Gross debt (% GDP)	48.4	49.7	39.0	35.1	57.5	26.6
Net debt (% GDP)	43.5	42.2	32.9	31.1	53.9	20.5
Foreign currency debt (% total debt)	59.6	67.4	60.7	36.4	48.6	31.4
Interest payments (% revenue)	10.2	8.6	9.2	16.4	21.2	26.8
Revenues and grants (% GDP)	20.1	23.4	25.0	10.3	17.7	7.3
Volatility of revenues/GDP ratio	9.4	8.8	6.2	5.9	4.3	39.3
Central govt. debt maturities (% GDP)	4.7	5.7	5.0	0.5	5.8	1.9
External finances						
Current account balance + net FDI (% GDP)	-2.9	-1.4	0.8	-1.2	-4.5	1.2
Current account balance (% GDP)	-4.4	-4.4	-2.7	-1.9	-5.1	0.7
Net external debt (% GDP)	-12.5	17.6	9.6	7.8	31.2	-1.0
Gross external debt (% CXR)	147.6	141.4	114.0	106.6	243.0	127.4
Gross sovereign external debt (% GXD)	68.5	61.1	47.2	63.9	69.5	52.1
Sovereign net foreign assets (% GDP)	-21.1	-14.4	-2.5	-2.9	-20.7	-1.7
Ext. interest service ratio (% CXR)	6.0	3.8	3.9	1.4	8.2	2.4
Ext. debt service ratio (% CXR)	15.1	12.1	13.8	3.5	25.6	6.4
Foreign exchange reserves (months of CXP)	4.7	3.9	4.3	5.9	4.6	6.2
Liquidity ratio (latest) ^f	131.8	161.4	150.7	246.1	118.2	89.1
Share of currency in global reserves (%)	0	0	0	0	0	0
Commodity export dependence (% CXR, latest)	63.3	34.2	22.5	2.7	25.9	62.9
Sovereign net foreign currency debt (% GDP)	14.7	14.8	2.2	1.9	19.1	-4.3

^a Medians based on actual data since 2000 (excl. forecasts) for all sovereign-year observations where the sovereign was in the respective rating category at year-end. Three-year centred averages are used for the more dynamic variables (e.g. current account and fiscal balance)

^b Composite of six World Bank Governance Indicators used in the Sovereign Rating Model: Government Effectiveness; Rule of Law; Control of Corruption; Voice and Accountability; Regulatory Quality; and Political Stability and Absence of Violence

^c Cote d'Ivoire defaulted on Eurobond servicing in 2011 and its default was cured in 2012, the same year as the country reached completion point under HIPC.

^d Bank systemic indicator, which equates to a weighted average Viability Rating; and macroprudential indicator, with 1 'low' systemic risk through to 3 'high'

^e General government unless stated

^f Ratio of liquid external assets, defined as the stock of official FX reserves including gold at the end of the previous calendar year plus banks' liquid external assets, to liquid external liabilities, defined as scheduled external debt service in the current year, plus the stock of short-term external debt and all non-resident holdings of marketable medium- and long-term local-currency debt at the end of the previous calendar year

Note: Acronyms used: Consumer Price Inflation (CPI), Gross Domestic Product (GDP), Current External Receipts (CXR), Current External Payments (CXP), Gross National Income (GNI), Purchasing Power Parity (PPP), Standard Deviation (SD), Foreign Direct Investment (FDI)

Source: Fitch Ratings

Key Credit Developments

Significant Political Risks Ahead of Key 2020 Presidential Elections

Competition among main political parties is intensifying ahead of the 2020 presidential elections. Former president Henri Konan Bedie's PDCI party has launched an initiative to build a united opposition front with its long-time rival, the FPI party faction led by former president Laurent Gbagbo, and with ruling coalition dissident Guillaume Soro, a former rebel leader and parliament speaker. Given their historical rivalries and wide political gaps, it is unlikely that the opposition parties will field a single candidate in the first round of the election, but they could rally behind the best-positioned candidate in the second round. Soro has announced his presidential bid but main traditional parties are yet to select their candidates for the election.

President Ouattara will confirm in 2020 whether he would seek a third term. The opposition considers that the incumbent is barred from standing for re-election under the new constitutional term limit rule, after having served two terms since 2010. However, the president has expressed the view that the adoption of a new constitution in 2016 means he could serve an additional term. Current prime minister Amadou Gon Coulibaly appears to be the ruling RHDP party's frontrunner candidate, should president Ouattara opt not to run again.

The election will constitute a litmus test for Cote d'Ivoire's political stability after the 2010-2011 post-electoral conflict, which followed a decade of civil strife. Fitch assumes a peaceful holding of the election. The security situation is more stable than in the early 2000s, as illustrated by the withdrawal of the United Nation's peacekeeping mission from the country in 2017, after 13 years of deployment. Progress has also been achieved on institutional reform. A referendum on the new constitution and presidential, parliamentary and local elections have been organised since 2015, pointing to smooth functioning of the political institutions. The Independent Electoral Commission (IEC), a longstanding bone of contention between the government and the opposition, was recently revamped following a multi-party national dialogue. The implementation of the military programming law has neared completion; it will cut the headcount in the army and strengthen its governance, reducing the risk of a repetition of the 2017 mutinies by former rebels admitted into the military.

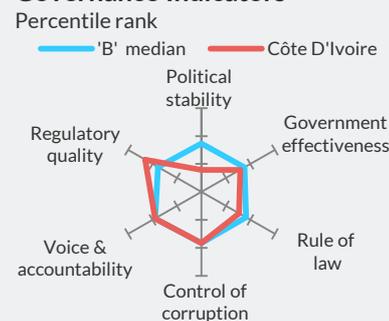
However, downside risks for political stability are significant and uncertainty will remain high in the run-up to the election. Cote d'Ivoire has not had a peaceful transfer of power since its independence, while regional and political divisions are deeply entrenched in the country. Major opposition parties continue to contest the impartiality of the IEC and have challenged its new composition in national and international courts. Disagreements between the government and the opposition about the IEC, the interpretation of the constitutional presidential term limit and ongoing legal cases against former officials could also become flash points in a highly polarised political landscape. Security risks linger, as illustrated by sporadic acts of violence since 2017, and could be exacerbated by mounting political rivalries.

Fiscal Consolidation Advancing, Raising Fiscal Revenues Still a Challenge

The government will achieve significant fiscal consolidation of 1% of GDP in 2019, which it expects to be equally split between revenue and spending measures. Budget intakes will be boosted by the rise in tax rates on agricultural commodity exports and minor excise tax increases. Continued hiring restraint, savings on other primary spending and cuts to capital outlays will offset the rise in the spending on interest expenditures. President Ouattara has announced a social spending programme of 3% of GDP in 2019 and 2020. Fitch expects the social package will not affect the fiscal deficit as most of it was already provisioned for in the budget, while the residual cost will be offset by spending reallocation. Fluctuations in commodity prices and the electoral agenda pose downside risks to public finances

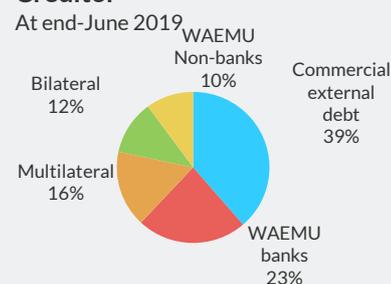
The government plans to keep the deficit below 3% of GDP in the medium term, while creating fiscal space to increase social and capital spending through administrative and fiscal reforms aiming at raising tax revenues. The authorities are contemplating a plan to reduce Cote d'Ivoire's numerous and generous tax exemptions, which are a major drag on fiscal revenues. Despite the government's demonstrated commitment to fiscal reforms, tax revenues/GDP have improved little in recent years, reflecting capacity challenges, social opposition to tax increases and the government's propensity to cushion fluctuations in oil and cocoa prices by

Governance Indicators



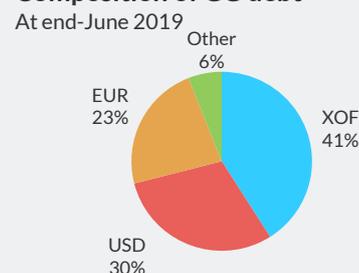
Source: Fitch Ratings, World Bank

Cote d'Ivoire: GG Debt by Creditor



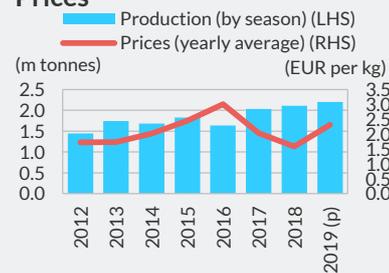
Source: Fitch Ratings, Ministry of Finance

Cote d'Ivoire: Currency Composition of GG debt



Source: Fitch Ratings, Ministry of Finance

Rise in Cocoa Production, Prices



Source: Fitch Ratings, ICCO, Ministry of Finance

adjusting tax rates. Fitch forecasts only slow progress on raising tax revenues and expects the government to continue to offset tax shortfalls by adjusting capital spending.

Refinancing risks are moderate but the sovereign's financing flexibility is constrained by the shallowness of the regional CFA-franc debt market. The government aims to cover around 70% of its financing needs over 2019-2023 through a blend of commercial and concessional external borrowing. It is attempting to contain increasing foreign exchange and rollover risks through liability management operations and by lengthening the debt maturity profile.

SOE debt is moderate, at 3.8% of GDP at end-June 2019 and is mostly owed by the national refinery SIR and the electricity company CI-Energies. The government will settle recently identified arrears of around 1.1% of GDP dating back to 2000-2010, reflecting stronger transparency and public finance management. Fiscal risks arise from the portfolio of public-private partnerships (PPPs) with projects under construction or operation of around 9% of GDP, according to the World Bank.

Buoyant Economic Outlook; Mild Deterioration in External Finances

Cote d'Ivoire is undergoing the longest expansion cycle of its modern history, with GDP growth averaging 8.7% between 2012 and 2018. Fitch forecasts growth will average 7.1% in 2019-2021. Domestic demand will be underpinned by ongoing large infrastructure projects under the government's 2016-2020 PND, including the Abidjan metro, the extension of the city's airport and port and international railway and highway connections. Infrastructure upgrades will bolster Cote d'Ivoire's role as a trade hub for its landlocked neighbours. At end-2018, 40% of the total projected public investment spending under the PND worth 44% of the forecast 2019 GDP was executed; the authorities expect an overall execution rate of around 80%. Of the official financing pledges of USD 15.4 billion for the PND made at the 2016 Paris donor conference, 75% were confirmed by end-2018.

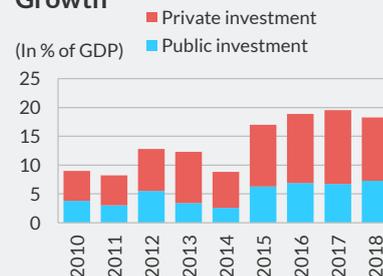
Domestic demand will be supported by higher disposable income for cocoa farmers. The sector directly provides livelihoods for around 20% of Cote d'Ivoire's population. Cocoa crop production grew by 10% in the 2018-2019 season, reaching a multi-year record level. The minimum guaranteed farm-gate price for cocoa farmers was raised by 10% for the 2019-2020 season, outpacing the rise in international prices. In collaboration with Ghana, Cote d'Ivoire will charge cocoa buyers a living income differential of USD400/tonne on top of international market prices to support farmers' income. It also plans to save windfall gains when world cocoa prices exceed USD2,900/tonne in a stabilisation fund to guarantee a minimum income for farmers when prices fall. Although implementation mechanisms remain uncertain, these measures could improve the governance of the cocoa sector and mitigate the exposure of the Ivorian economy and public finances to fluctuations in international prices.

Cote d'Ivoire's economic growth still heavily depends on high investment. The long-term sustainability of strong growth is a function of a pick-up in productivity gains, as continued reliance on physical capital accumulation could strain macroeconomic balances in the longer term. The business climate has improved but private sector activity remains constrained by structural impediments, including infrastructure congestion and poor education outcomes.

The CAD widened significantly to 4.7% of GDP in 2018 from an average of 1.5% over the previous three years, on a commodity terms-of-trade shock and strong growth in import-intensive investment. The drop in international prices of cocoa, rubber and cashew nuts weighed on exports, while the impact of the rise in oil prices on imports was compounded by the breakdown of key refining equipment. The balance of income has also deteriorated on higher interest and dividends payments to external asset holders. Fitch forecasts the CAD will improve over the coming three years on more favourable commodity terms of trade. The expansion of processing capacities in agribusiness will also support exports by increasing the domestic value-added content incorporated in agricultural commodity exports.

Cote d'Ivoire external creditor position is eroding but with net external debt of -16.3% of GDP at end-2018, it still compares favourably with a current 'B' median of a net debtor position of 27% of GDP. The regional central bank BCEAO has stepped up efforts to enforce rules on repatriation of foreign exchange earnings by commercial banks and exporters. The repatriation rate improved to 74% mid-2019 from 29% in 2017, according to BCEAO. Higher FX repatriation rates will support the build-up of regional reserves over the medium term.

Strong Investment Driving Growth



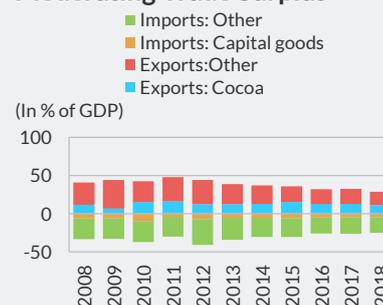
Source: Fitch Ratings, Ministry of Finance

Improvement in Logistics Performance



Source: Fitch Ratings, World Bank

Moderating Trade Surplus



Source: Fitch Ratings, BCEAO

WAEMU FX Reserves Boosted by Eurobond Issuances



Source: Fitch Ratings, IMF

Public Debt Dynamics

GG debt has peaked at 48.6% of GDP at end-2018 and will stabilise at around 47% over the medium term, under Fitch's baseline scenario. This debt trajectory is predicated on the assumptions of adherence to fiscal prudence over the projection horizon, brisk albeit gradually decelerating GDP growth, stable inflation and modest local currency depreciation. The debt path is mostly vulnerable to shocks on economic growth and durable fiscal slippages. It is also vulnerable to an abrupt depreciation of the exchange rate as the share of FX debt in total debt has risen to around 60% at end-2019 from 41% five years earlier.

Fitch uses stylised projections for a sovereign's gross general government debt/GDP ratio to illustrate the sustainability of its debt burden and its sensitivity to economic growth, the cost of borrowing, fiscal policy and the exchange rate.

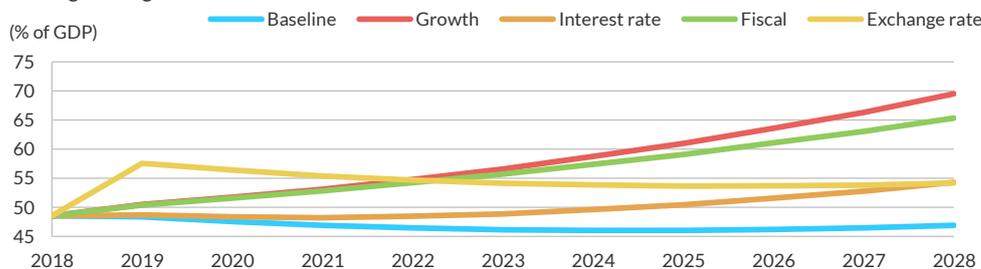
Debt Dynamics: Fitch's Baseline Assumptions

	2018	2019	2020	2021	2022	2023	2028
Gross general government debt (% of GDP)	48.6	48.4	47.6	46.9	46.5	46.1	46.9
Primary balance (% of GDP)	-2.1	-1.0	-0.9	-0.9	-1.0	-1.0	-1.0
Real GDP growth (%)	7.4	7.3	7.0	7.0	6.5	6.5	5.0
Avg. nominal effective interest rate (%)	4.3	4.4	4.5	4.5	4.7	4.8	5.1
XOF/USD (annual avg.)	555.7	581.9	591.0	591.0	593.9	599.8	630.4
GDP deflator (%)	0.5	1.1	1.6	1.6	2.0	2.0	2.0

Source: Fitch Ratings

Sensitivity Analysis

Gross general government debt



Source: Fitch Ratings, debt dynamics model

Debt Sensitivity Analysis: Fitch's Scenario Assumptions

Growth	GDP growth 4.5% lower (half standard deviation lower)
Interest rate	Marginal interest rate 250bp higher
Fiscal	Stable primary balance deficit of 3% of GDP starting 2019
Exchange rate	30% devaluation at end-2019

Source: Fitch Ratings

Forecast Summary

	2015	2016	2017	2018	2019f	2020f	2021f
Macroeconomic indicators and policy							
Real GDP growth (%)	8.8	8.0	7.7	7.4	7.3	7.0	7.0
Unemployment (%)	9.3	9.3	9.3	9.3	9.3	9.3	9.3
Consumer prices (annual average % change)	1.3	0.7	0.7	0.4	1.0	2.0	2.0
Short-term interest rate (bank policy annual avg.) (%)	2.5	2.5	2.5	2.5	2.5	2.5	2.5
General government balance (% of GDP)	-2.8	-4.0	-4.5	-4.0	-3.0	-3.0	-3.0
General government debt (% of GDP) ^a	40.4	43.1	45.3	48.6	48.4	47.6	46.9
XOF per USD (annual average)	591.45	593.01	582.09	555.72	581.92	590.95	590.95
Real effective exchange rate (2000 = 100)	109.2	110.7	109.9	112.3	114.1	114.1	114.1
Real private sector credit growth (%)	26.3	11.0	15.5	6.3	7.4	6.6	6.6
External finance							
Current account balance (% of GDP)	-0.6	-1.2	-2.8	-4.7	-4.4	-4.0	-3.9
Current account balance plus net FDI (% of GDP)	0.8	0.4	-2.0	-3.3	-2.9	-2.5	-2.4
Net external debt (% of GDP)	-26.8	-24.2	-24.1	-16.3	-12.5	-11.8	-9.2
Net external debt (% of CXR)	-67.5	-68.4	-67.4	-51.5	-39.1	-37.5	-30.2
Official international reserves including gold (USDbn) ^b	4.8	5.2	6.2	6.4	6.3	7.6	7.8
Official international reserves (months of CXP cover) ^b	4.3	4.8	5.1	4.9	4.7	5.4	5.2
External interest service (% of CXR)	4.4	4.8	4.4	5.1	6.0	7.0	7.4
Gross external financing requirement (% int. reserves)	13.9	31.4	53.3	49.3	51.0	50.3	37.4
Real GDP growth (%)							
US	2.9	1.6	2.4	2.9	2.3	1.7	1.7
China	6.9	6.7	6.9	6.6	6.1	5.7	5.7
Eurozone	2.1	2.0	2.4	1.9	1.1	1.1	1.2
World	2.9	2.6	3.4	3.2	2.6	2.5	2.7
Oil (USD/barrel)	53.0	45.1	54.9	71.6	65.0	62.5	60.0

^aExcluding Contrat de Désendettement et de Développement (C2D) bilateral debt of 3.5% of GDP at end-2018

^bCote d'Ivoire is a member of the WAEMU currency union and FX reserves are pooled at the regional levels. The figures presented herein are those for Cote d'Ivoire's imputed reserves

Source: Fitch Ratings

Fiscal Accounts Summary

(% of GDP)	2016	2017	2018	2019f	2020f	2021f
General government						
O/w grants	1.4	1.2	1.0	1.2	1.2	1.0
Revenue	20.0	20.4	19.9	20.1	20.2	20.2
Expenditure	24.0	24.9	23.8	23.1	23.2	23.2
O/w current expenditure and transfers	17.2	18.0	17.4	17.0	16.9	17.0
- Interest	1.7	1.7	1.8	2.1	2.1	2.1
O/w capital expenditure	6.7	6.9	6.5	6.1	6.2	6.2
Current balance	2.7	2.4	2.5	3.0	3.2	3.2
Primary balance	-2.3	-2.8	-2.1	-1.0	-0.9	-0.9
Overall balance	-4.0	-4.5	-4.0	-3.0	-3.0	-3.0
General government debt^a	43.1	45.3	48.6	48.4	47.6	46.9
% of general government revenue	216.0	222.7	244.3	241.3	236.1	231.8
Central government deposits	4.8	5.4	5.3	5.0	4.7	4.4
Net general government debt	38.3	39.9	43.3	43.5	43.0	42.5
General government debt (XOFbn)^a	9,023.2	10,045.1	11,607.8	12,558.7	13,429.0	14,374.4
By residency of holder						
Domestic	4,049.1	4,275.1	3,994.4	4,025.8	4,539.9	4,578.6
Foreign	4,974.2	5,770.0	7,613.4	8,532.9	8,889.1	9,795.9
By currency denomination						
Local currency	4,809.4	5,121.7	4,922.5	4,953.9	5,468.0	5,506.7
Foreign currency	4,213.9	4,923.4	6,685.3	7,604.8	7,961.0	8,867.8
In USD equivalent (eop exchange rate)	6.8	9.0	11.7	12.9	13.5	15.0
Average maturity (years)	6.6	7.2	8.2	8.7	-	-
Memo						
Nominal GDP (XOFbn)	20,931.4	22,150.8	23,899.8	25,926.6	28,185.3	30,640.8

^aExcluding Contrat de Désendettement et de Développement (C2D) bilateral debt of 3.5% of GDP at end-2018
Source: Fitch Ratings estimates and forecasts and Ministry of Finance

External Debt and Assets

(USDbn)	2014	2015	2016	2017	2018	2019f
Gross external debt	12.1	12.3	13.8	16.4	19.1	21.1
% of GDP	35.6	37.1	39.0	43.2	44.4	47.3
% of CXR	82.6	93.2	110.1	120.8	140.3	147.6
By maturity						
Medium- and long-term	9.4	9.5	10.6	12.7	14.7	16.2
Short-term	2.8	2.8	3.2	3.8	4.4	4.8
% of total debt	22.9	22.9	22.9	22.9	22.9	22.9
By debtor						
Sovereign	6.6	8.5	8.4	10.4	12.7	14.4
Monetary authorities	0.5	0.4	0.4	0.4	0.4	0.5
General government	6.2	8.1	7.9	10.0	12.3	14.0
Banks	1.0	1.1	1.4	2.3	1.7	1.8
Other sectors	4.5	2.7	4.0	3.7	4.7	4.8
Gross external assets (non-equity)						
Gross external assets (non-equity)	22.9	21.2	22.3	25.6	26.1	26.7
International reserves, incl. gold ^a	4.8	4.8	5.2	6.2	6.4	6.3
Other sovereign assets nes	0.0	0.0	0.0	0.0	0.0	0.0
Deposit money banks' foreign assets	1.4	1.4	2.0	2.7	2.2	2.3
Other sector foreign assets	17.0	15.0	16.2	18.0	18.8	19.3
Net external debt						
Net external debt	-10.8	-8.9	-8.6	-9.2	-7.0	-5.6
% of GDP	-31.6	-26.8	-24.2	-24.1	-16.3	-12.5
Net sovereign external debt	2.1	3.8	4.2	5.5	7.6	9.4
Net bank external debt	-0.4	-0.3	-0.6	-0.4	-0.6	-0.5
Net other external debt	-12.5	-12.4	-12.2	-14.3	-14.0	-14.5
Net international investment position						
Net international investment position	2.8	2.3	2.0	2.1	1.6	-0.3
% of GDP	8.2	6.8	5.7	5.4	3.6	-0.7
Sovereign net foreign assets						
Sovereign net foreign assets	-2.1	-3.8	-4.2	-5.5	-7.6	-9.4
% of GDP	-6.3	-11.5	-11.9	-14.4	-17.7	-21.1
Debt service (principal & interest)						
Debt service (principal & interest)	1.2	1.0	1.7	2.3	1.7	2.2
Debt service (% of CXR)	8.1	7.8	13.6	17.0	12.7	15.1
Interest (% of CXR)	3.7	4.4	4.8	4.4	5.1	6.0
Liquidity ratio (%)	165.9	162.5	138.5	131.1	161.6	131.8
Net sovereign FX debt (% of GDP)	0.4	4.1	4.5	7.4	12.3	14.7
Memo						
Nominal GDP	34.1	33.1	35.3	38.1	43.0	44.6
Inter-company loans	-	-	-	-	-	-

^a Cote d'Ivoire is a member of the WAEMU currency union and FX reserves are pooled at the regional levels. The figures presented herein are those for Cote d'Ivoire's imputed reserves

Source: Fitch Ratings estimates and forecasts and Central Bank, IMF, World Bank

External Debt Service Schedule on Medium- and Long-Term Debt at End-December 2018

(USDm)	2019	2020	2021	2022	2023	2024	2025+
Sovereign: Total debt service	1,257	1,265	999	1,014	1,000	1,514	10,626
Amortisation	731	760	509	538	540	1,070	8,065
Official bilateral	412	385	80	94	92	162	1,658
Multilateral	196	204	252	257	272	260	1,457
Bonds	99	97	97	117	117	601	4,937
Other commercial	23	74	80	70	59	46	13
Interest	526	505	490	477	461	444	2,561

Source: Fitch Ratings and Ministry of Finance, Central Bank

Balance of Payments

(USDbn)	2016	2017	2018	2019f	2020f	2021f
Current account balance	-0.4	-1.0	-2.0	-1.9	-1.9	-2.0
% of GDP	-1.2	-2.8	-4.7	-4.4	-4.0	-3.9
% of CXR	-3.3	-7.7	-14.8	-13.6	-12.8	-12.9
Trade balance	3.1	3.4	2.3	2.6	2.9	3.2
Exports, fob	10.9	11.9	11.8	12.4	13.1	13.8
Imports, fob	7.8	8.5	9.5	9.8	10.2	10.6
Services, net	-2.0	-2.4	-2.1	-2.2	-2.4	-2.6
Services, credit	0.9	1.0	1.0	0.9	0.9	0.8
Services, debit	2.9	3.3	3.1	3.2	3.3	3.4
Income, net	-1.1	-1.5	-1.7	-1.9	-2.0	-2.1
Income, credit	0.3	0.3	0.2	0.2	0.2	0.2
Income, debit	1.4	1.8	1.9	2.1	2.2	2.3
O/w: Interest payments	0.6	0.6	0.7	0.9	1.0	1.2
Current transfers, net	-0.4	-0.5	-0.5	-0.4	-0.5	-0.5
Capital and financial accounts						
Non-debt-creating inflows (net)	0.7	0.3	0.5	0.5	0.6	0.6
O/w equity FDI	0.5	0.1	0.4	0.4	0.4	0.5
O/w portfolio equity	0.0	0.0	0.0	0.0	0.0	0.0
O/w other flows	0.2	0.2	0.2	0.1	0.1	0.2
Change in reserves	-0.4	0.6	0.5	-0.1	1.3	0.2
Gross external financing requirement	1.5	2.8	3.1	3.2	3.2	2.8
Stock of international reserves, incl. gold	5.2	6.2	6.4	6.3	7.6	7.8

Source: Fitch Ratings estimates and forecasts and IMF

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