



MERCOSUR MERCOSUL

Trade Credit Risk Insight

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 EULER HERMES

WHAT WE DO

We give companies worldwide the confidence to trade and be paid.

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01

COUNTRIES **RISK**

At a glance:

The fourth largest single market in the world.

If the Red Dragon coughs (China), Latin America falls ill too.



The skies clear up

C4 HIGH RISK
for enterprise



Getting the economy back on its feet.

Political turmoil could hinder the economic recovery

B3 SENSITIVE RISK
for enterprise



Recession is over, but the future is fraught with risks.

Strong growth momentum, despite still-challenging external environment

C2 MEDIUM RISK
for enterprise



GDP growth above regional average and appropriate policies amid external risk.

Tepid regional recovery is a positive

BB2 MEDIUM RISK
for enterprise



Domestic growth is back on track but (still) dependent on foreign partners.

Spiral of turmoil

D4 HIGH RISK
for enterprise

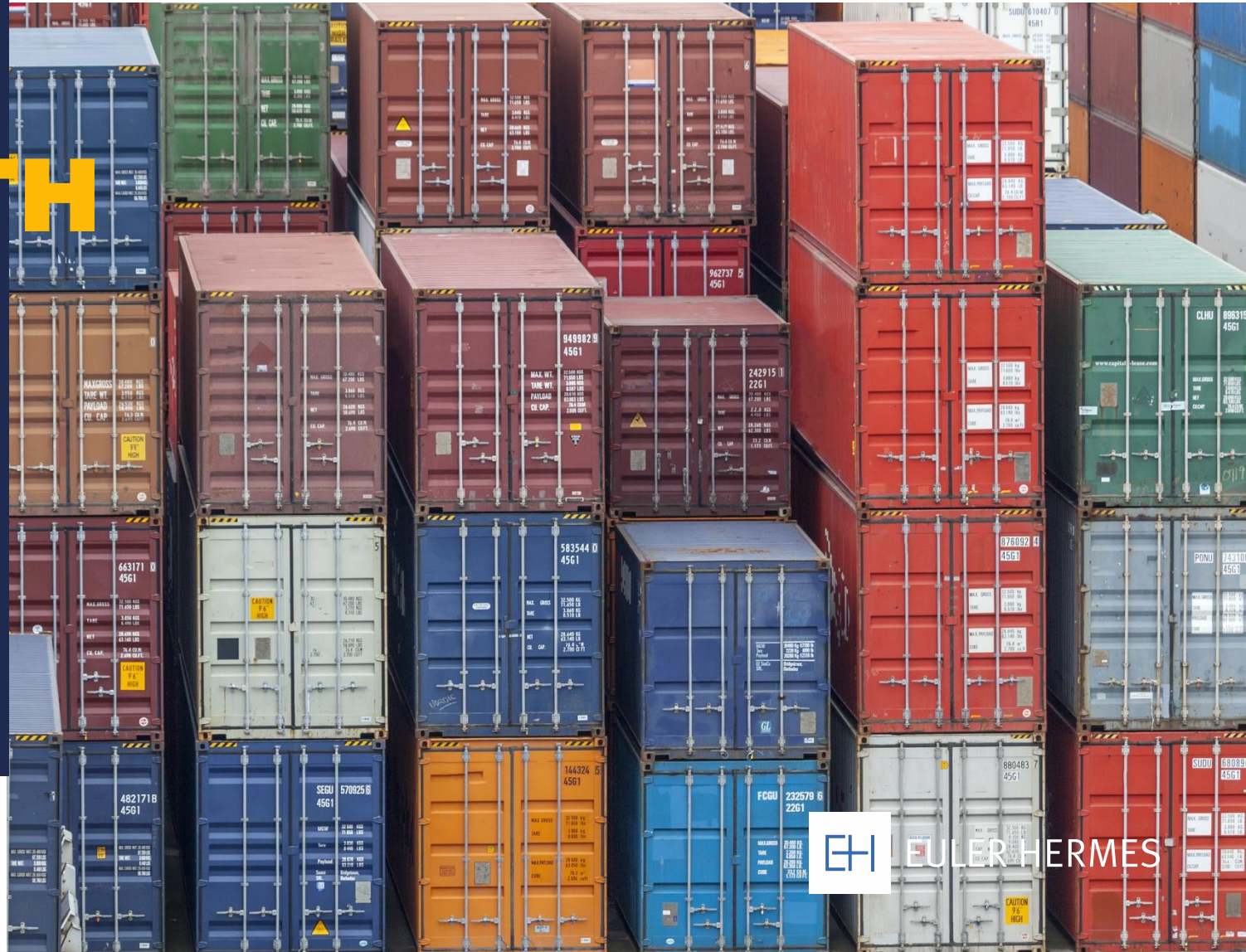


Economic, political and social chaos.
Default seems to be a matter of time.

02

DOING BUSINESS WITH

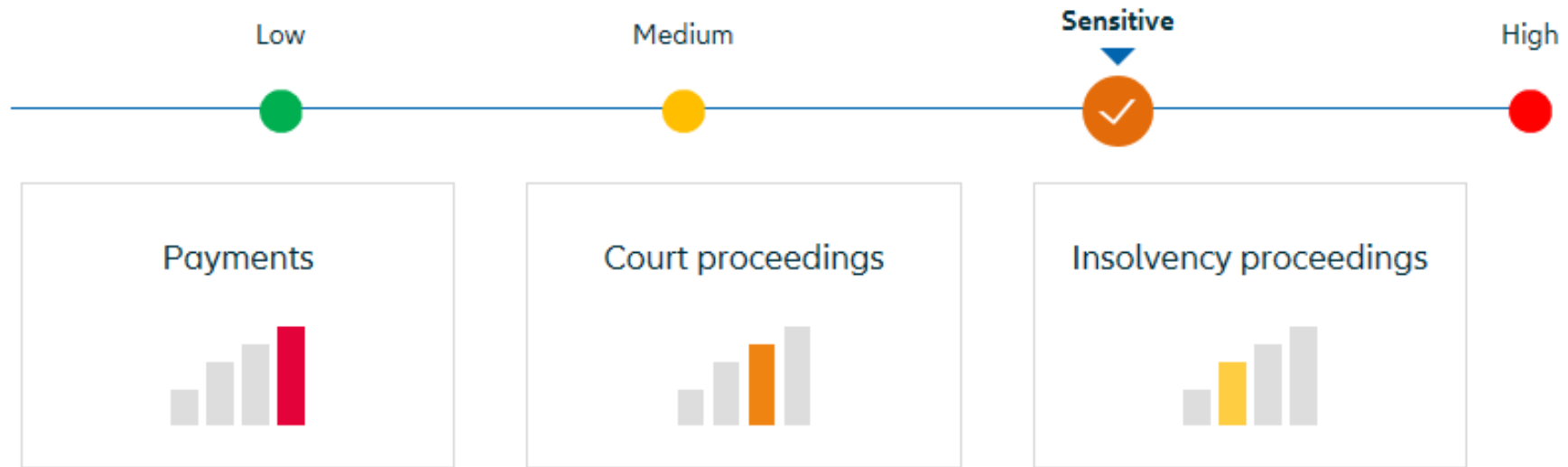
Being prepared to...



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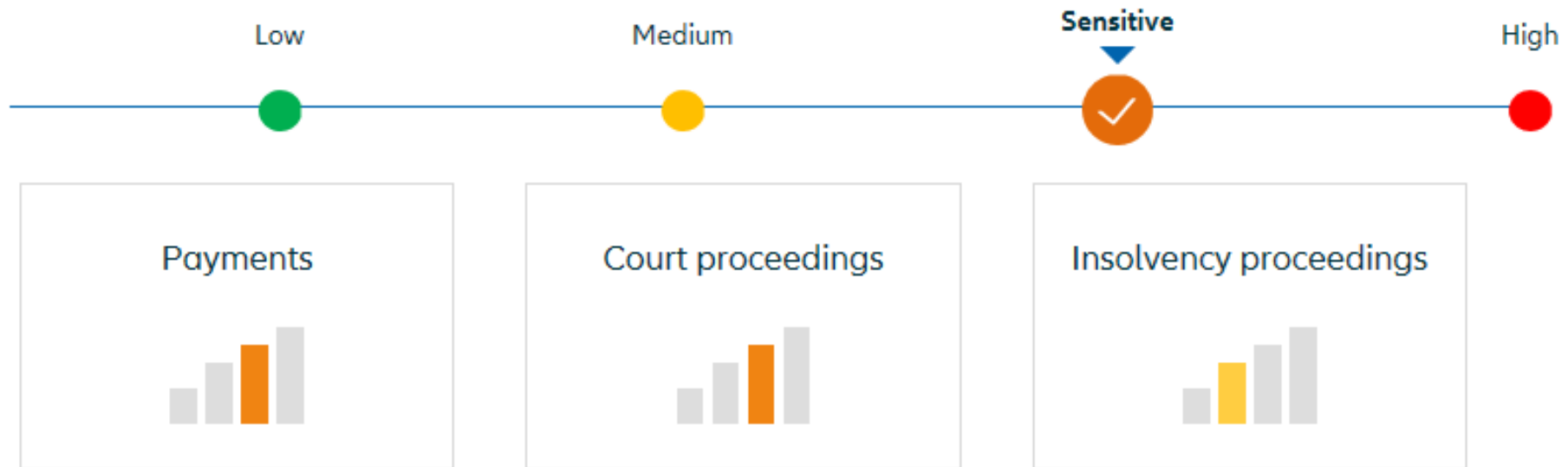
ARGENTINA COLLECTION COMPLEXITY



The payment behavior of domestic companies is poor and the average DSO is excessive. Procedural delays are common and costs are high. Liquidation remains the default procedure but does not secure the unsecured debtors.

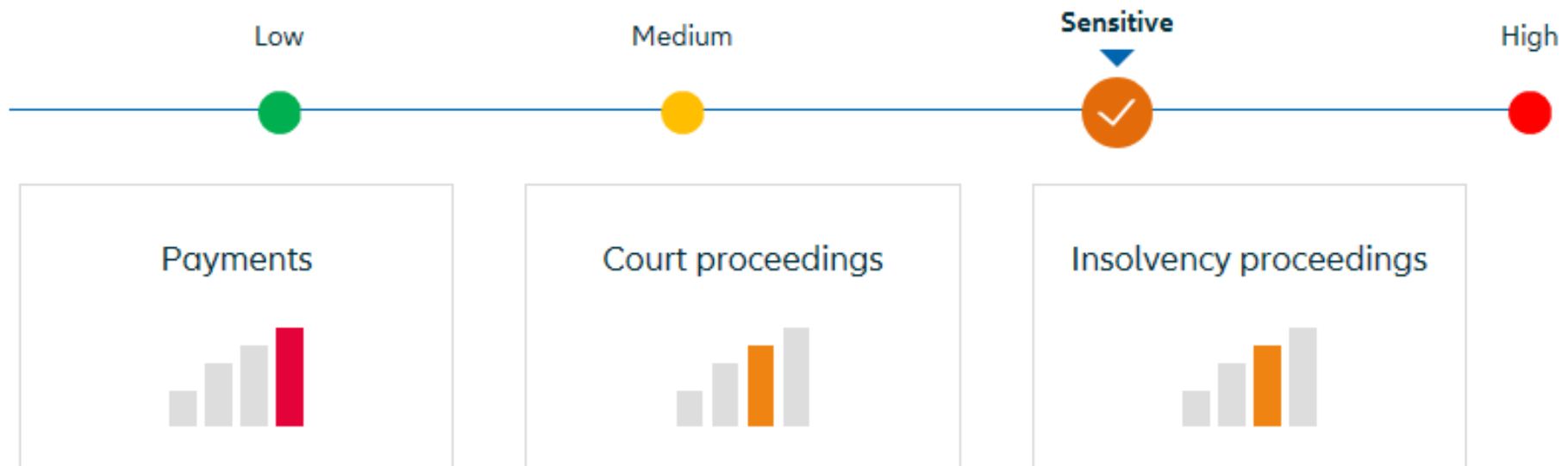
BRAZIL

COLLECTION COMPLEXITY



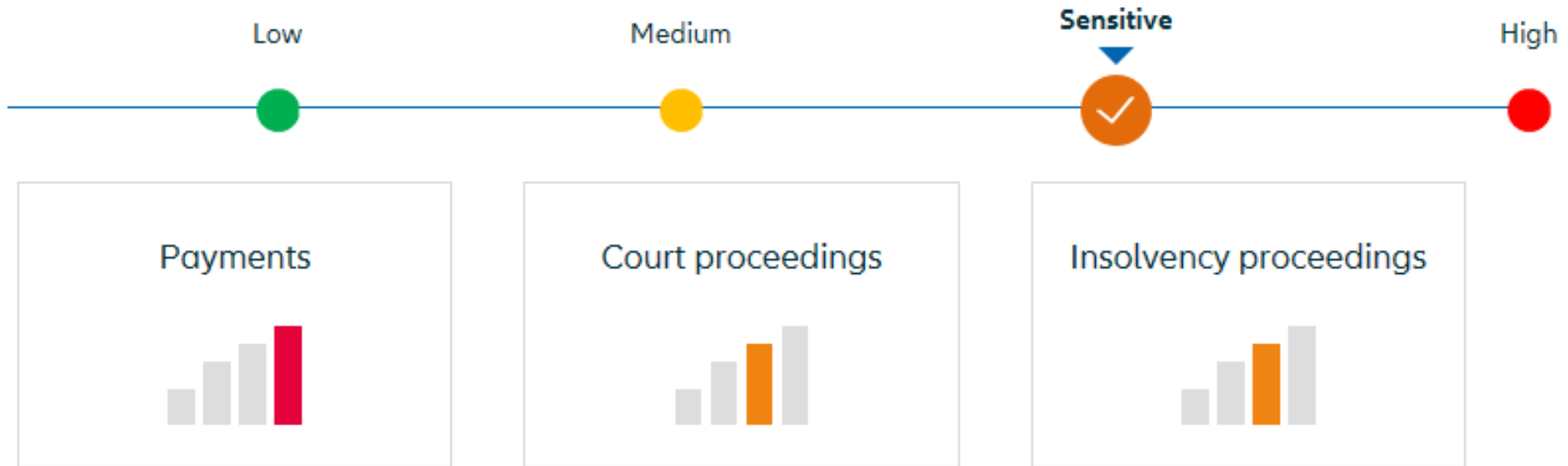
The payment behavior of companies is acceptable, but DSO remains high. Length and high cost of legal actions, chances of obtaining enforceable judgments in a timely manner are low. It is preferable the use of specialists in debt collection methods (non-legal). The chances of recovering debt remain extremely low.

PARAGUAY COLLECTION COMPLEXITY



Wide informal economy. Poor legal protection for creditors.
We recommend to trade with only using advanced payment or letter of credit.

URUGUAY COLLECTION COMPLEXITY



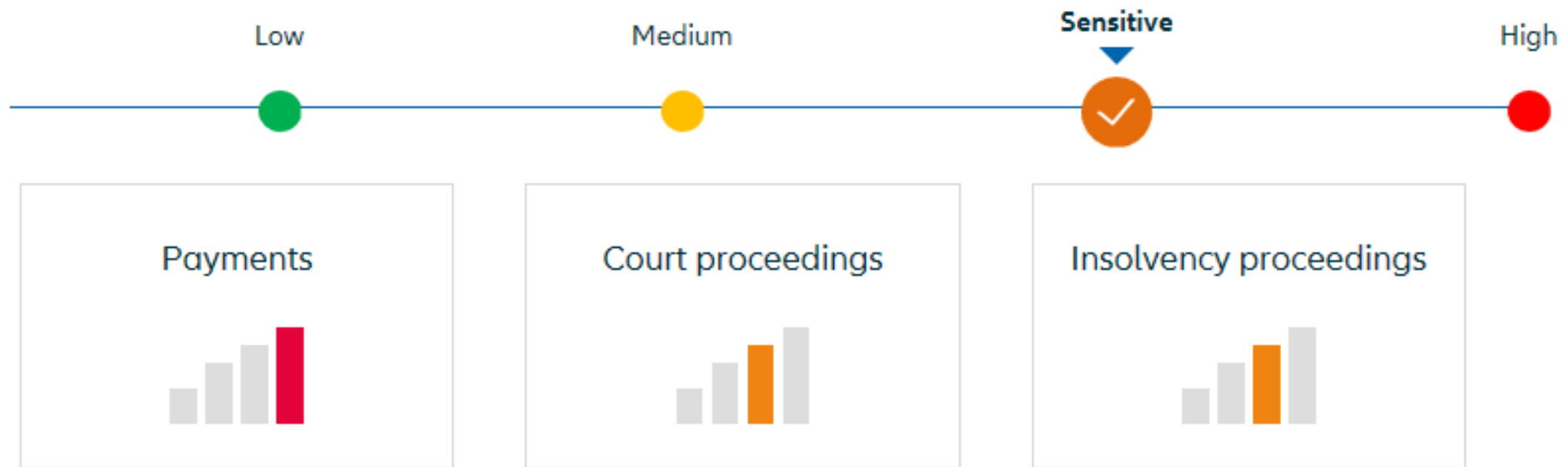
Banking system highly dollarized with large non-resident deposits. Uruguay benefits from political stability and a sound business environment. We recommend to trade with only using advanced payment or letter of credit.

VENEZUELA

COLLECTION

COMPLEXITY

SUSPENDED



Inflation among the highest in the world (+1000% in 2016). Poor business environment. We recommend to avoid any type of open term business with companies based in this country.

03

TAKE AWAY

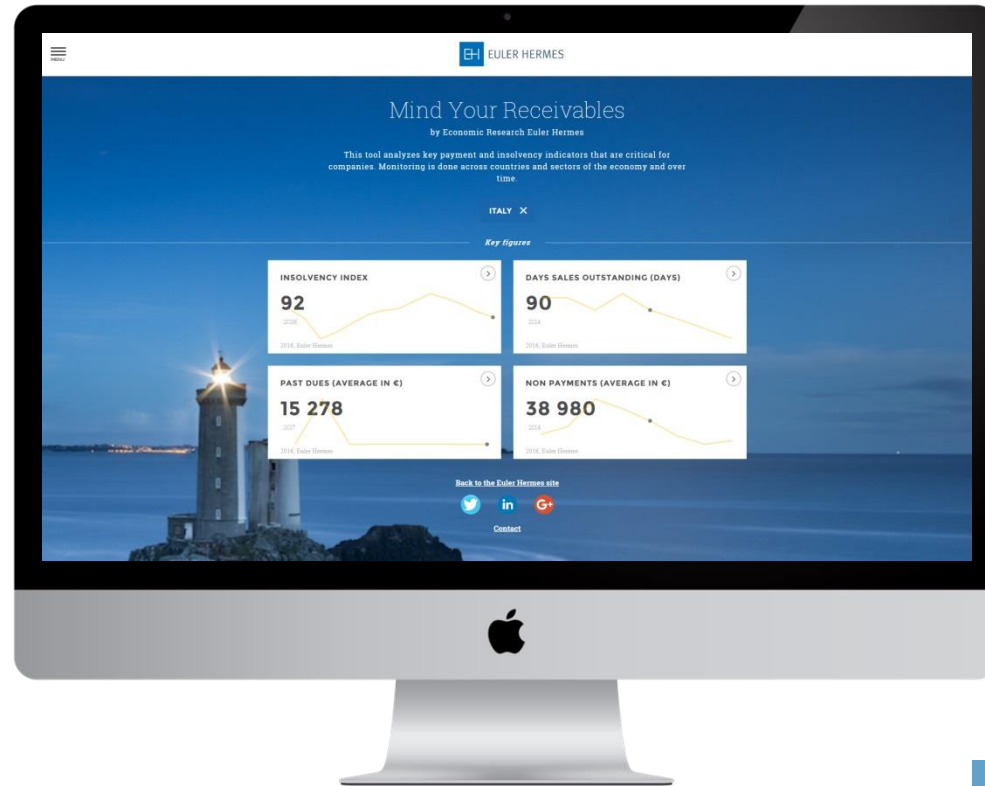
Good to know

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TAKE AWAY



MIND YOUR RECEIVABLES

by Economic Research Euler Hermes

This tool analyzes key payment and insolvency indicators that are critical for companies. Monitoring is done across countries and sectors of the economy and over time.

Check our web app:

mindyourreceivables.eulerhermes.com

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