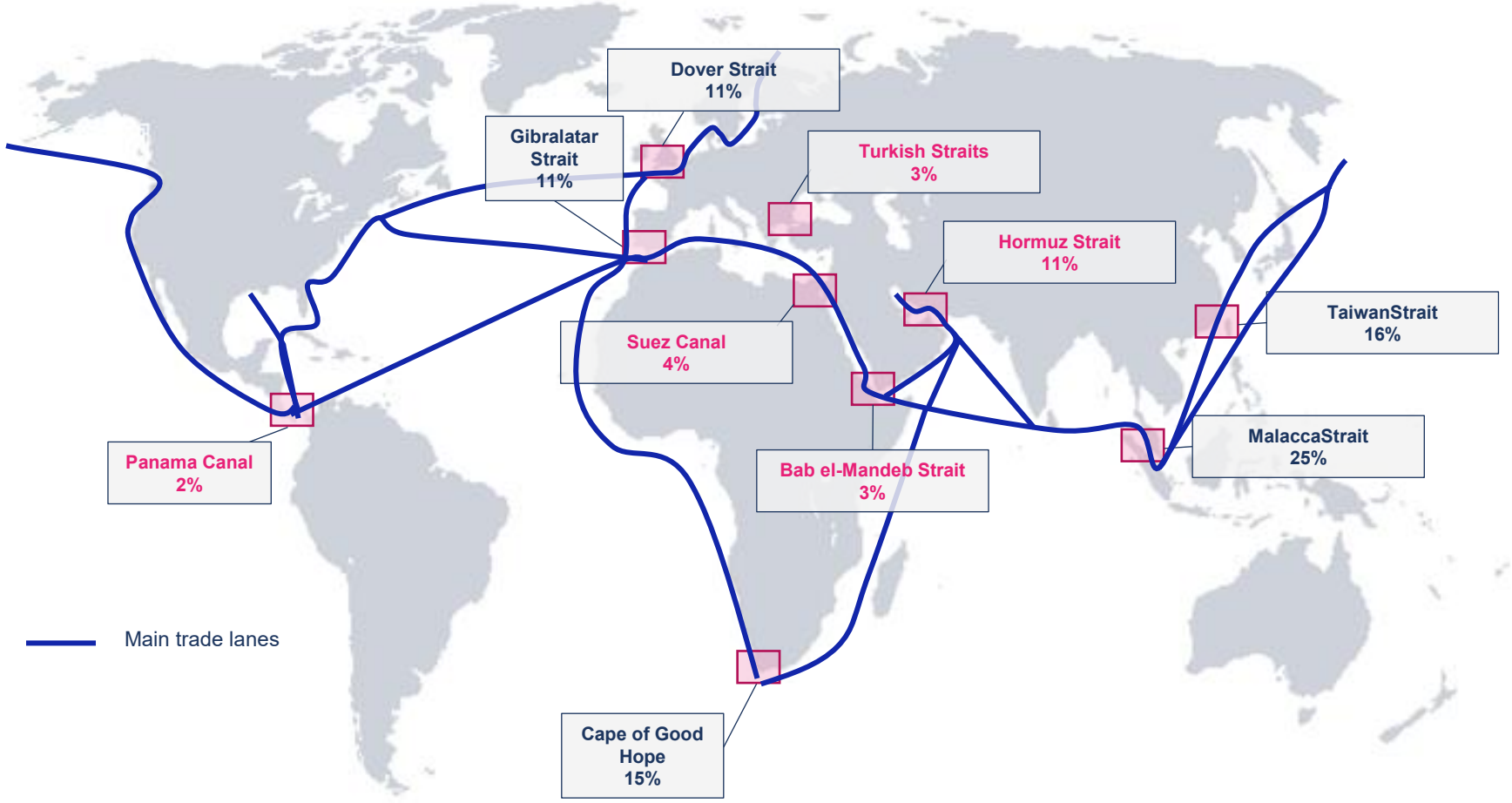

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FOR TRADE
GLOBAL ECONOMIC OUTLOOK
DARKENING SKIES, BUT NO RAIN (YET)
BRUNO DE MOURA FERNANDES
GLOBAL HEAD OF MACROECONOMIC RESEARCH
OCTOBER 2026

GLOBAL TRADE: SOME CRITICAL NODES UNDER PRESSURE

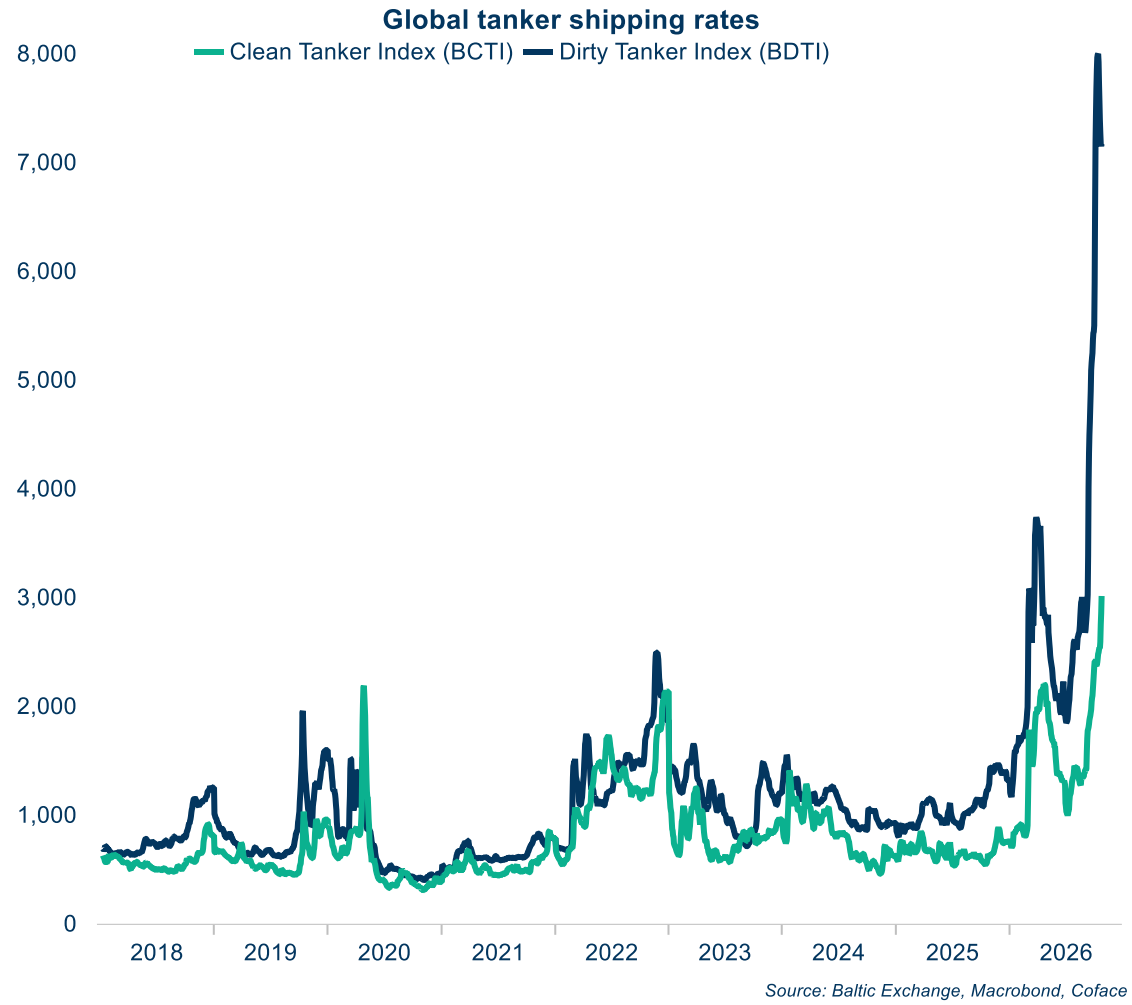
Main maritime chokepoints
(% global sea trade volume, 2024)



FREIGHT RATES : UP AGAIN, AND NOT ONLY FOR OIL & GAS



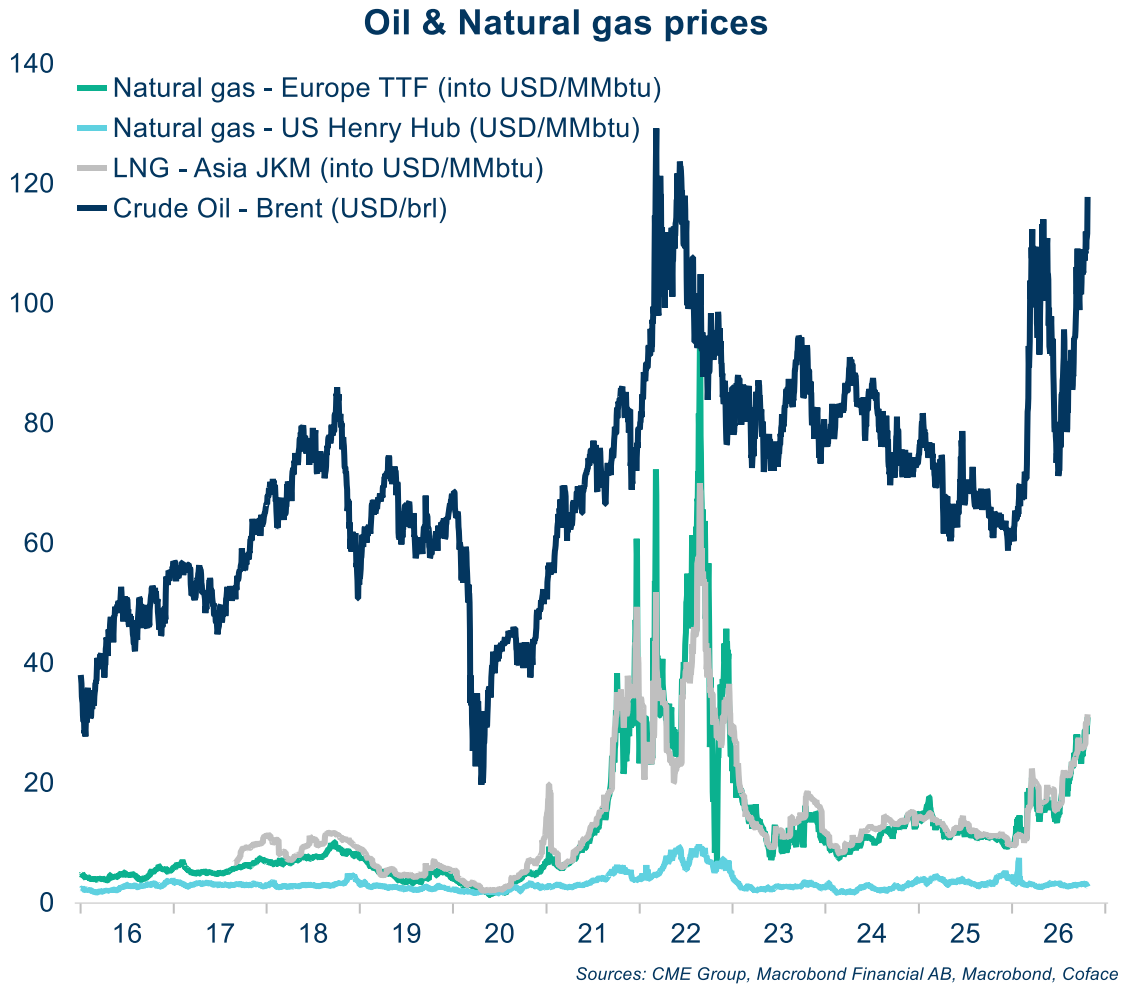
Source: Baltic Exchange, Drewry Shipping Consultants Ltd, Macrobond, Coface

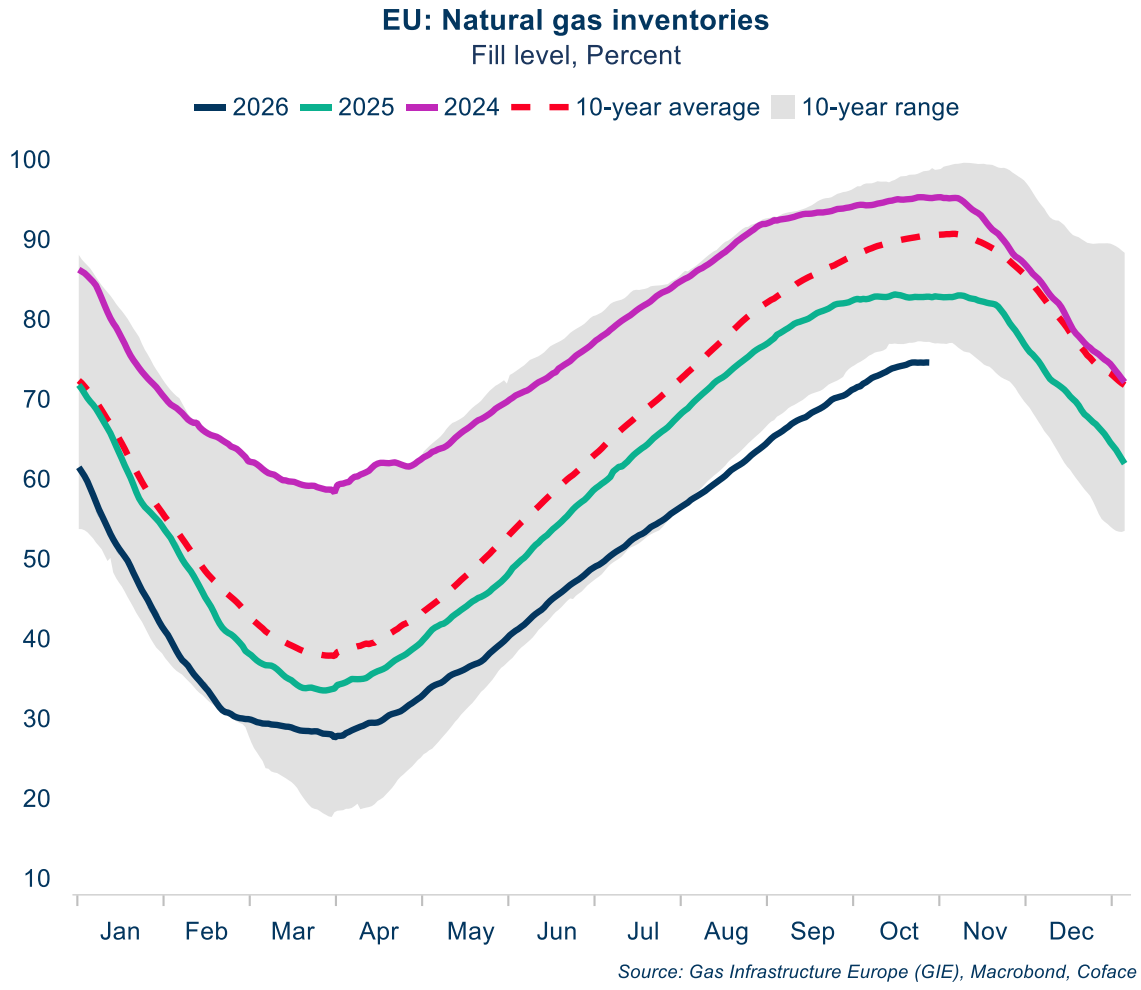


Source: Baltic Exchange, Macrobond, Coface

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ENERGY PRICES ARE RISING (AGAIN)



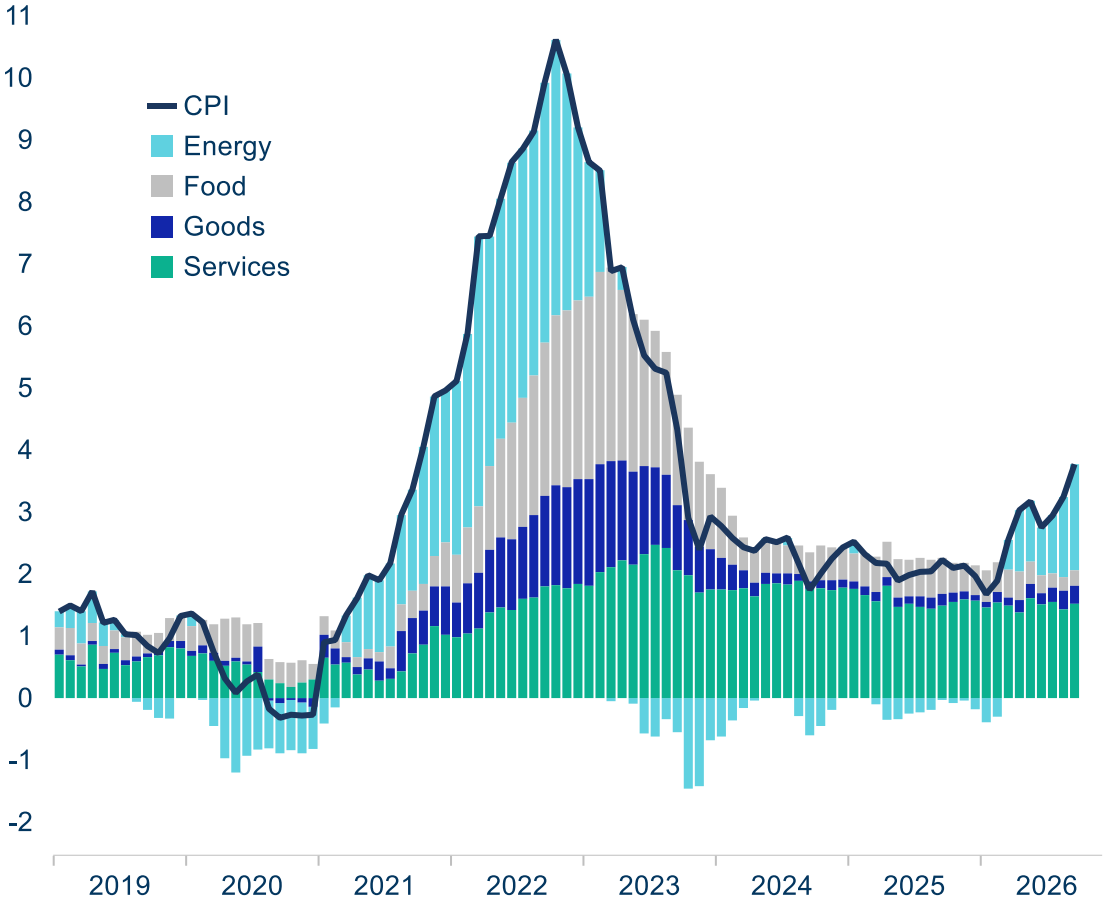


NATURAL GAS STOCKS ARE AT A HISTORICALLY LOW LEVEL IN EUROPE… PRICES COULD RISE SHARPLY THIS WINTER, PARTICULARLY IN THE EVENT OF ADVERSE WEATHER CONDITIONS

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CENTRAL BANKS TURNING MORE HAWKISH WORLDWIDE

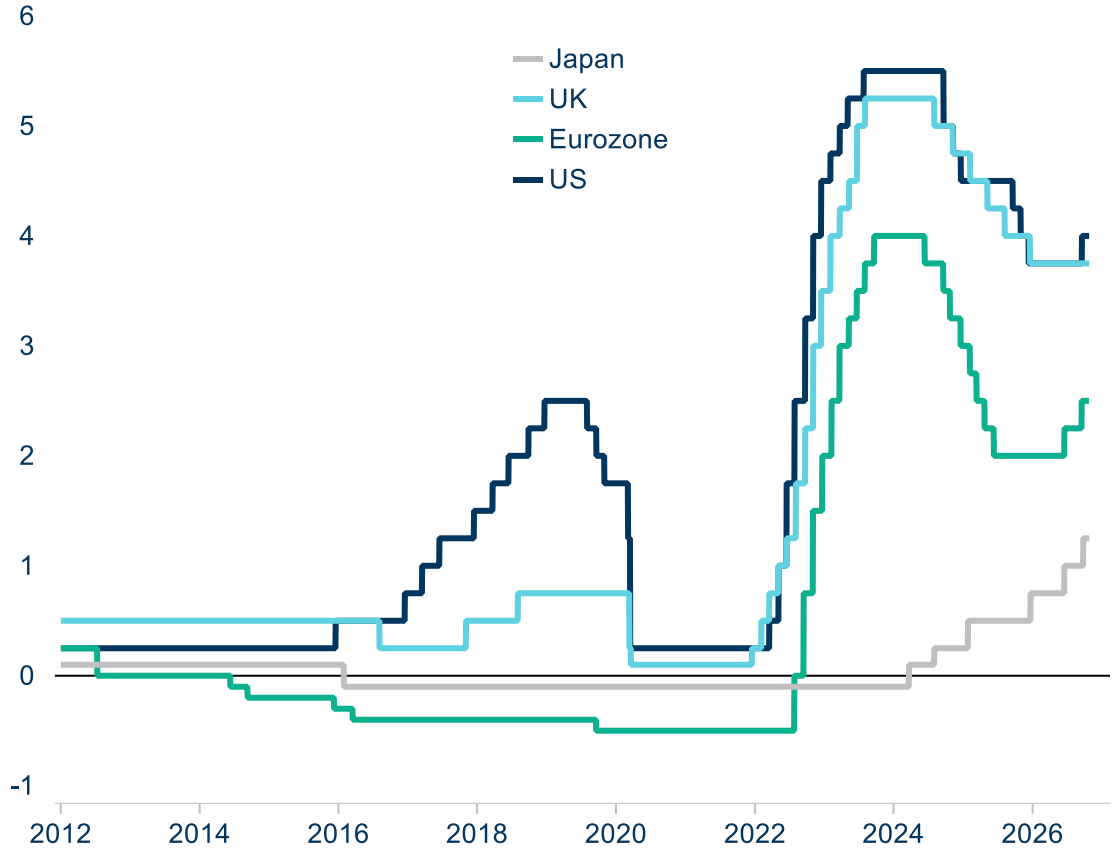
Eurozone: Contributions to inflation



Source: Eurostat, Macrobond, Coface

Central banks policy rate

(%)



Source: Federal Reserve, ECB (European Central Bank), Bank of England, Bank of Japan (BOJ), Macrobond, Coface

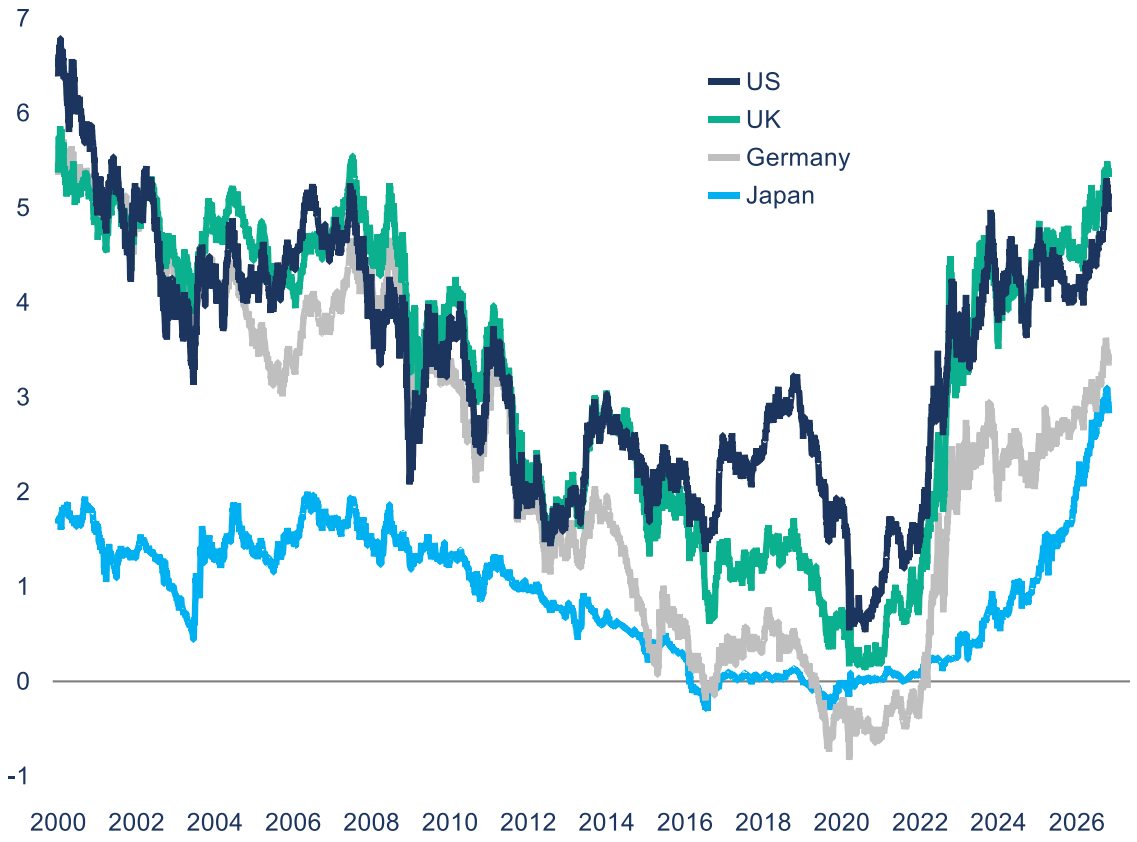
FURTHER RATE RISES EXPECTED FROM ALL THE MAJOR CENTRAL BANKS BY THE END OF THE YEAR

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LONG TERM RATES: (EVEN) HIGHER FOR (EVEN) LONGER

Sovereign interest rates

(10yr, %)



Source: Macrobond, U.S. Treasury, Coface, Macrobond

Euro sovereign spreads

(10yr, %pt)



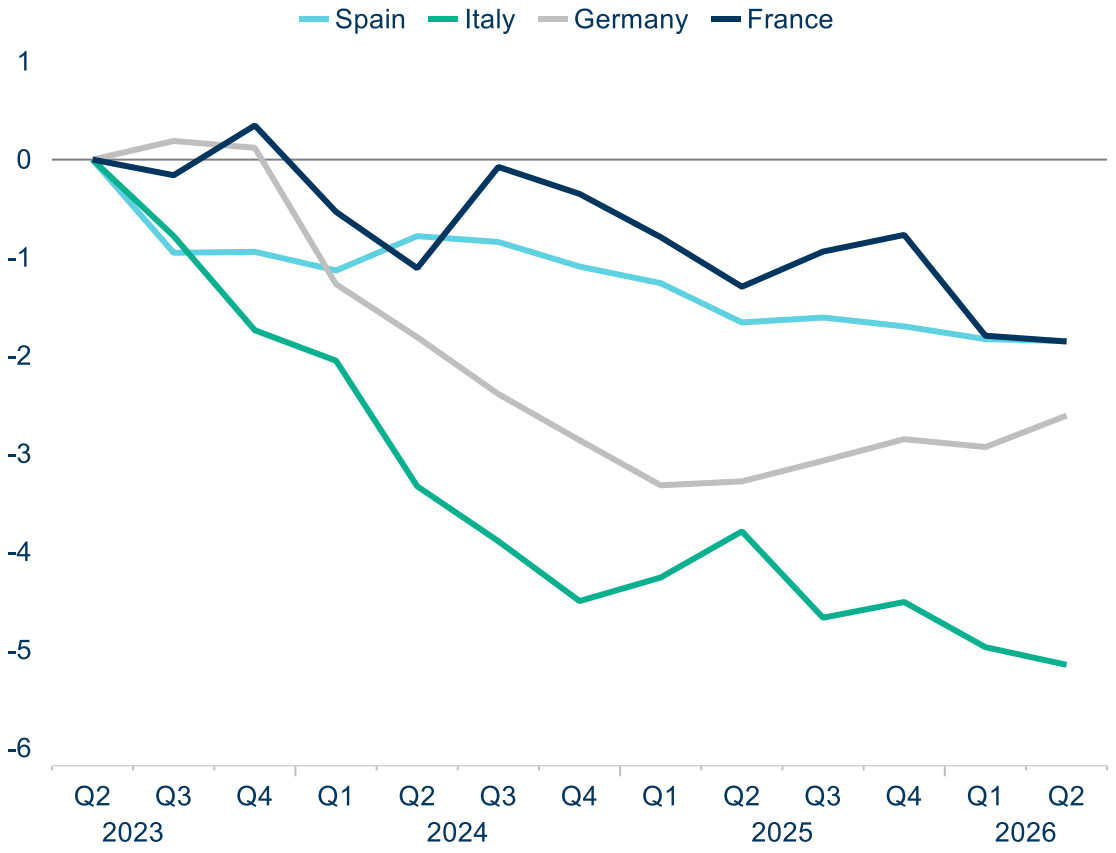
Source: Macrobond, Coface, Macrobond

STRONG SELL-OFF IN BOND MARKETS, TRIGGERED BY INFLATION AND MONETARY POLICY EXPECTATIONS, ALONGSIDE SAVINGS-INVESTMENT IMBALANCES

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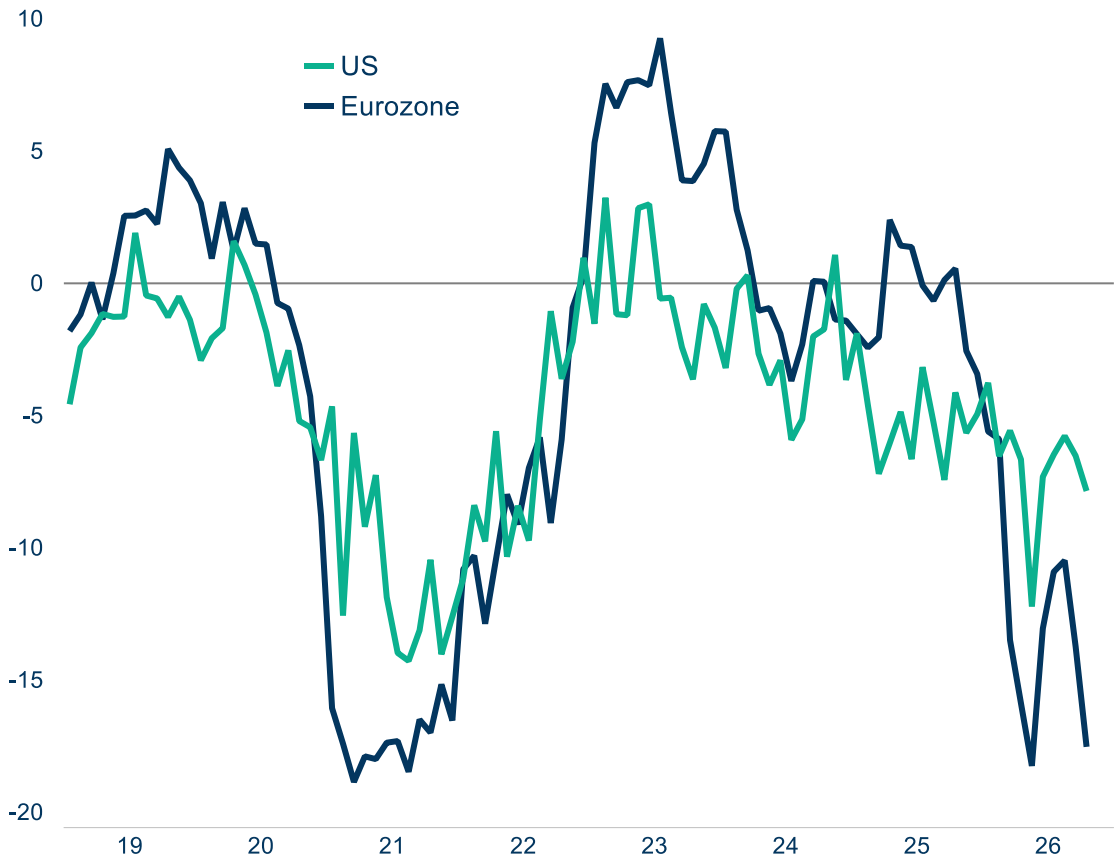
LEADING INDICATORS SUGGEST THAT CORPORATE PROFIT MARGINS WILL CONTINUE TO FALL

Profit share of non-financial companies
(change in percentage points vs. Q2 2023)



Sources: Eurostat, French National Institute of Statistics & Economic Studies (INSEE), Macrobond, Coface

Manufacturing PMI : Output prices - Input prices
(if <0, then Output prices PMI < Input prices PMI)



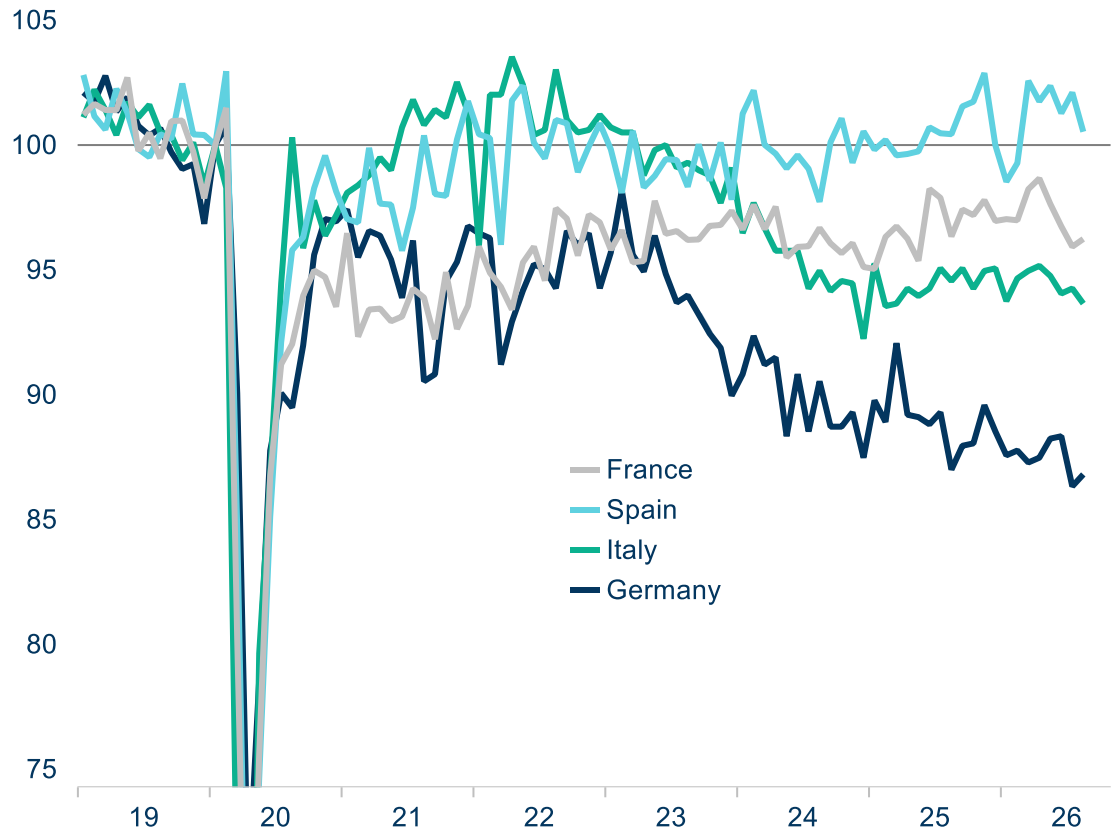
Sources: S&P Global, Macrobond, Coface

THE BLEAK OUTLOOK FOR HOUSEHOLD SPENDING COULD PREVENT BUSINESSES FROM PASSING ON COST INCREASES TO THEIR SELLING PRICES

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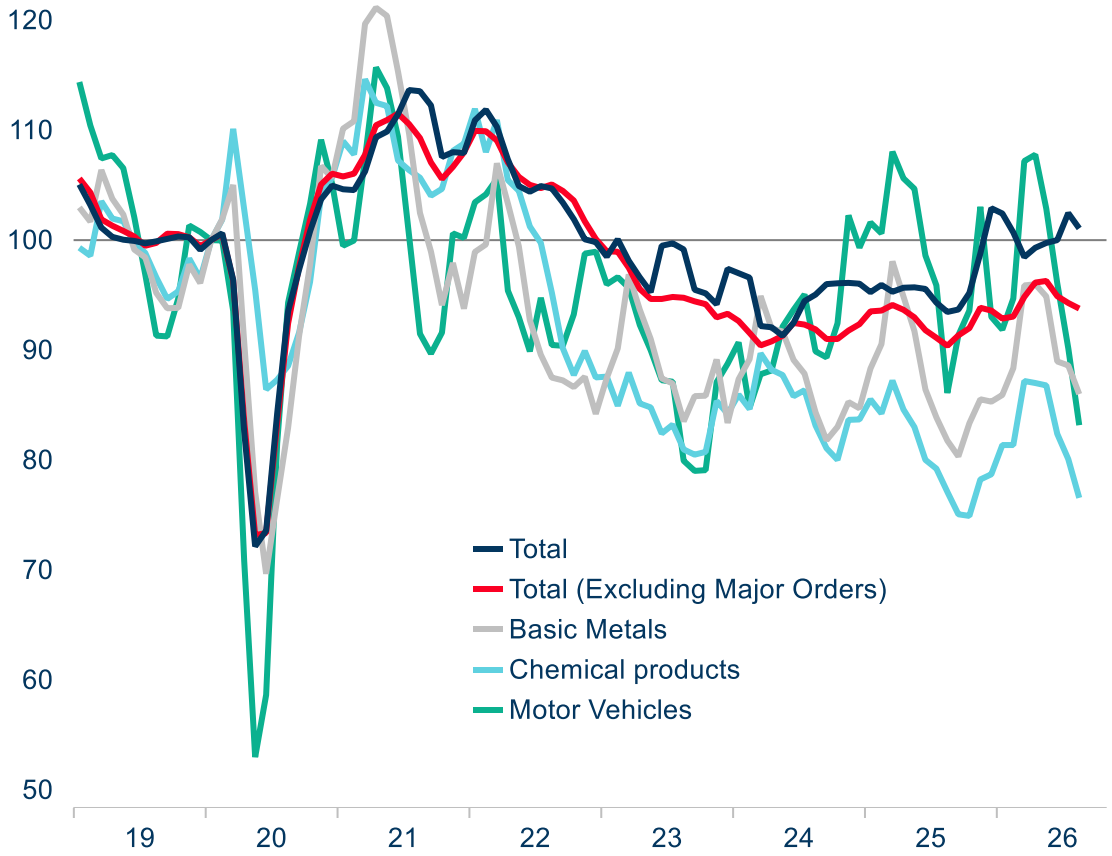
EUROZONE: NO IMPROVEMENT FOR THE MANUFACTURING INDUSTRY

Manufacturing production
(price- and seasonally adjusted, Jan. 2020 = 100)



Source: German Federal Statistical Office (Statistisches Bundesamt), Italian National Institute of Statistics (Istat), Spanish National Statistics Institute (INE), French National Institute of Statistics & Economic Studies (INSEE), Macrobond, Coface

Germany: New orders in manufacturing industry
(3-rolling month average, 100 = Jan. 2020)



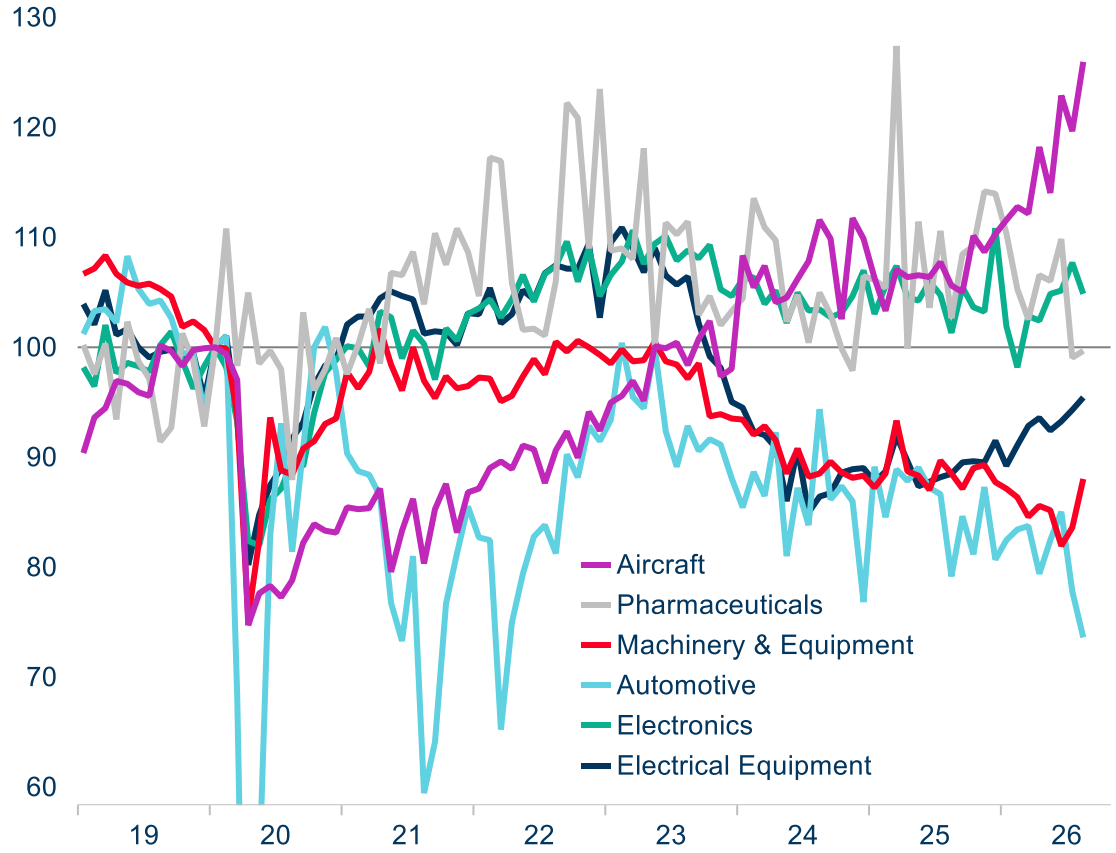
Source: German Federal Statistical Office (Statistisches Bundesamt), Macrobond, Coface

DESPITE A SLIGHT UPTURN IN GDP GROWTH IN GERMANY SINCE THE END OF 2025, THE MANUFACTURING SECTOR IS SHOWING NO REAL SIGNS OF A WIDESPREAD RECOVERY

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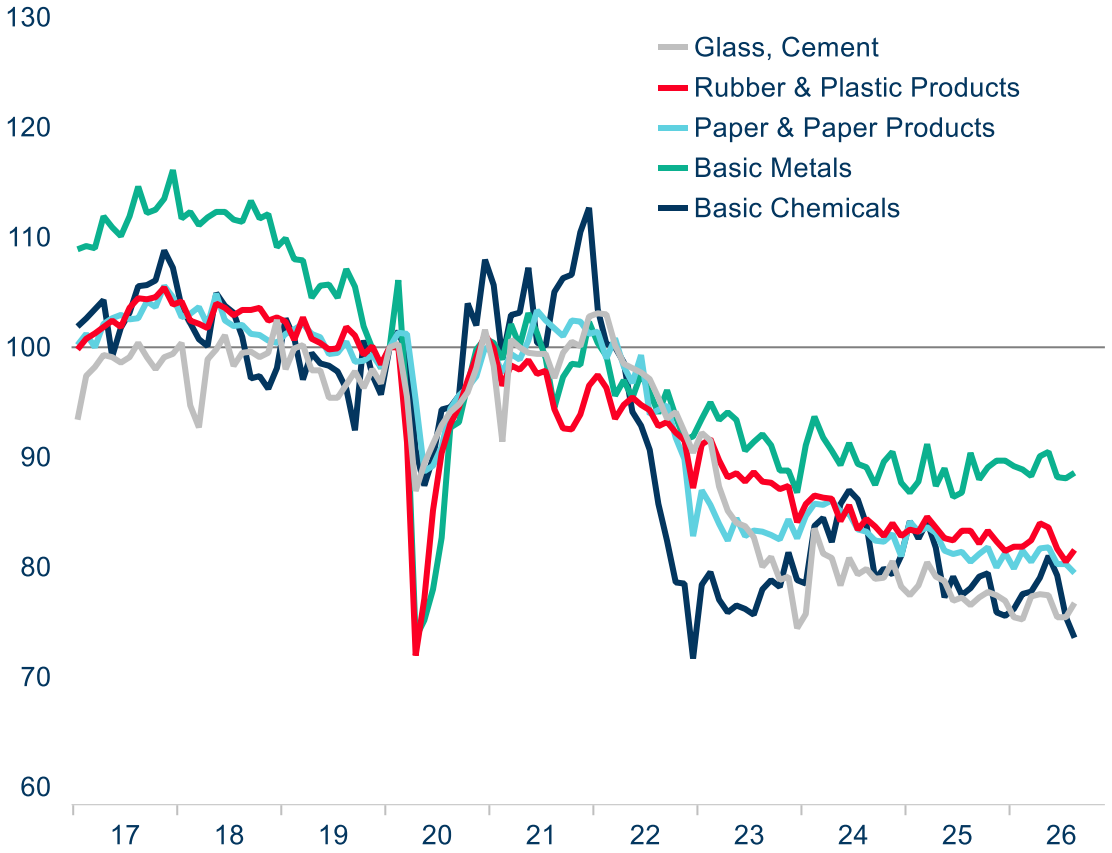
GERMAN INDUSTRY: MOST SECTORS ARE STILL STRUGGLING, EXCEPT FOR THE AIRCRAFT AND DEFENCE INDUSTRIES

Germany: Manufacturing production
(100 in Jan. 2020)



Source: Eurostat, Macrobond, Coface

Germany: Energy-intensive manufacturing production
(100 in Jan. 2020)



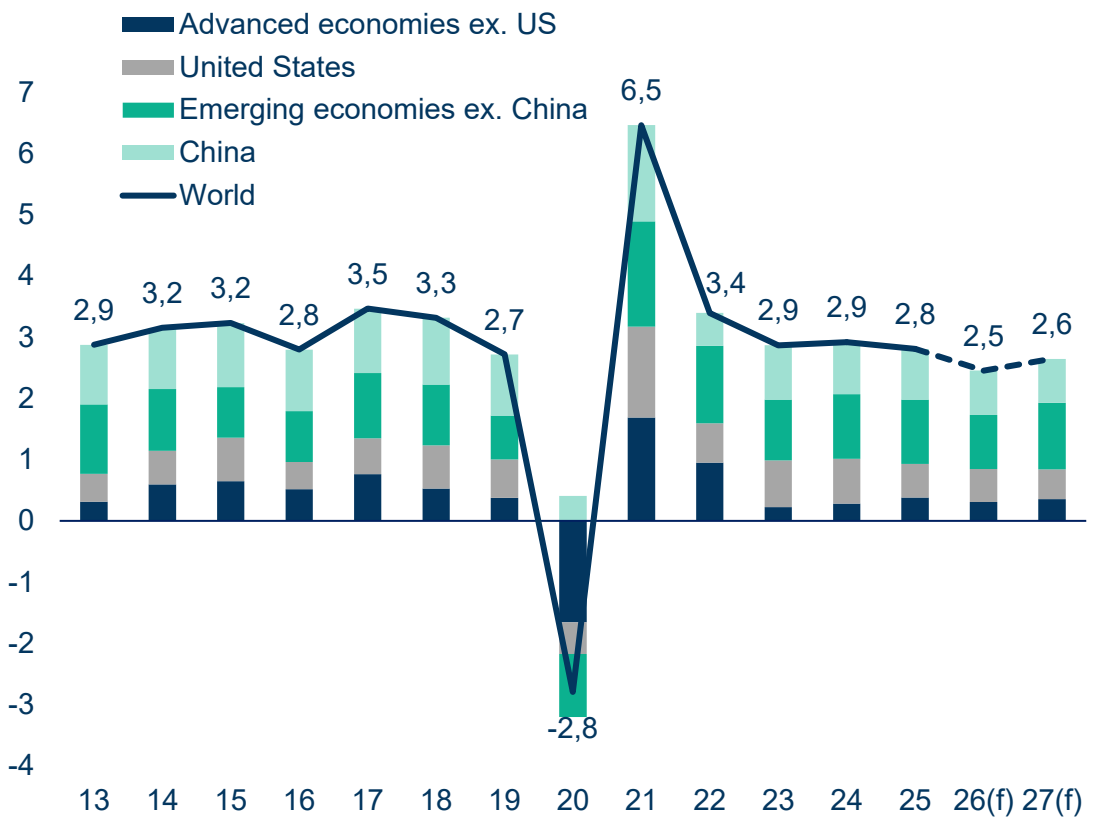
Source: Eurostat, Macrobond, Coface

ENERGY-INTENSIVE SECTORS ARE FAILING TO RECOVER DESPITE GOVERNMENT SUPPORT

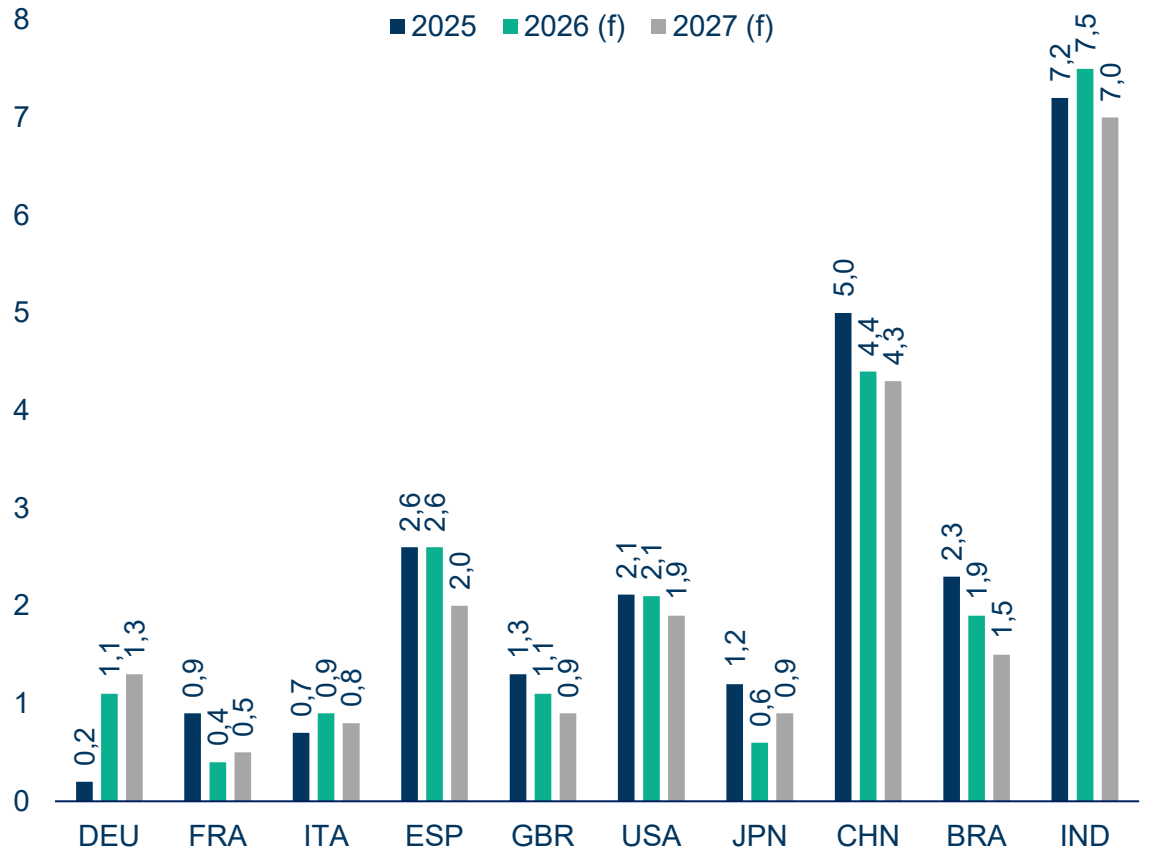
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CENTRAL SCENARIO : GDP GROWTH FORECASTS

Global real GDP growth & regional contributions
(market exchange rates, yoy,%)



Real GDP growth in major economies
(%)

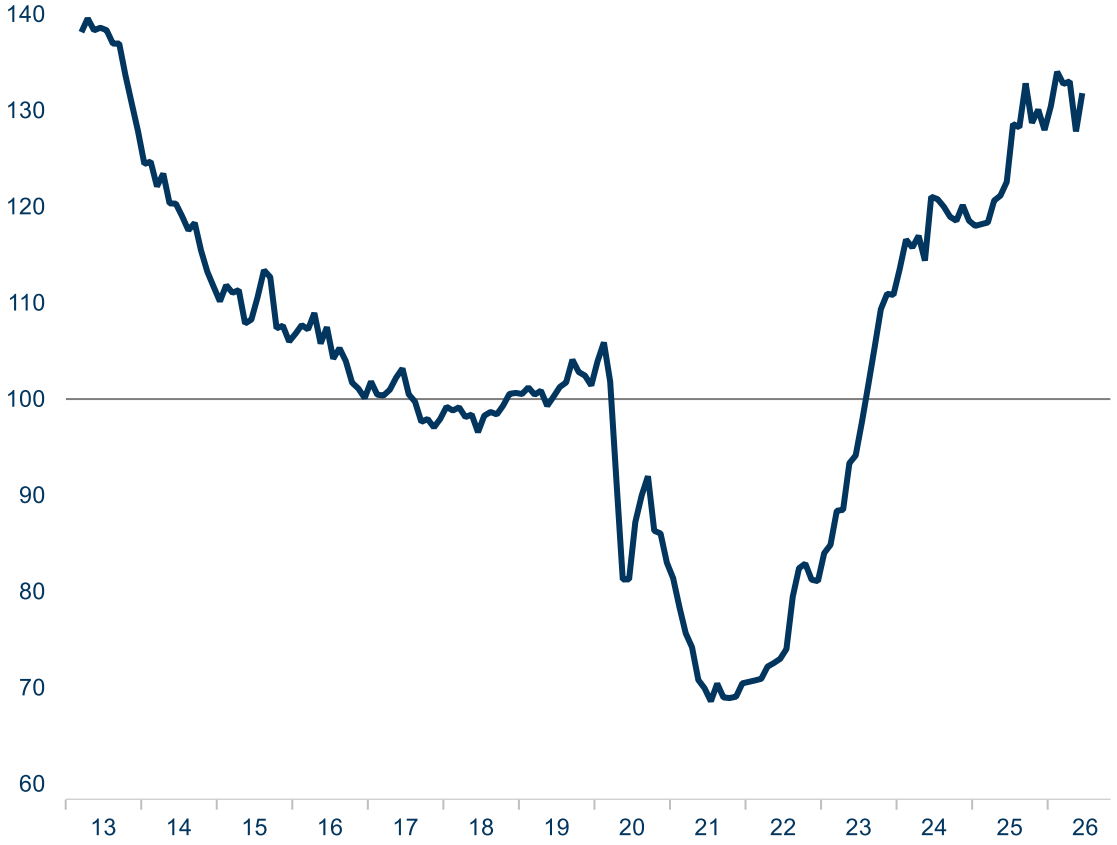


DOWNSIDE RISKS REMAIN PREDOMINANT: (GEO)POLITICAL INSTABILITY, AI BUBBLE BURST, SOVEREIGN DEBT CRISIS, EL NIÑO (AND CLIMATE CHANGE)

cotace

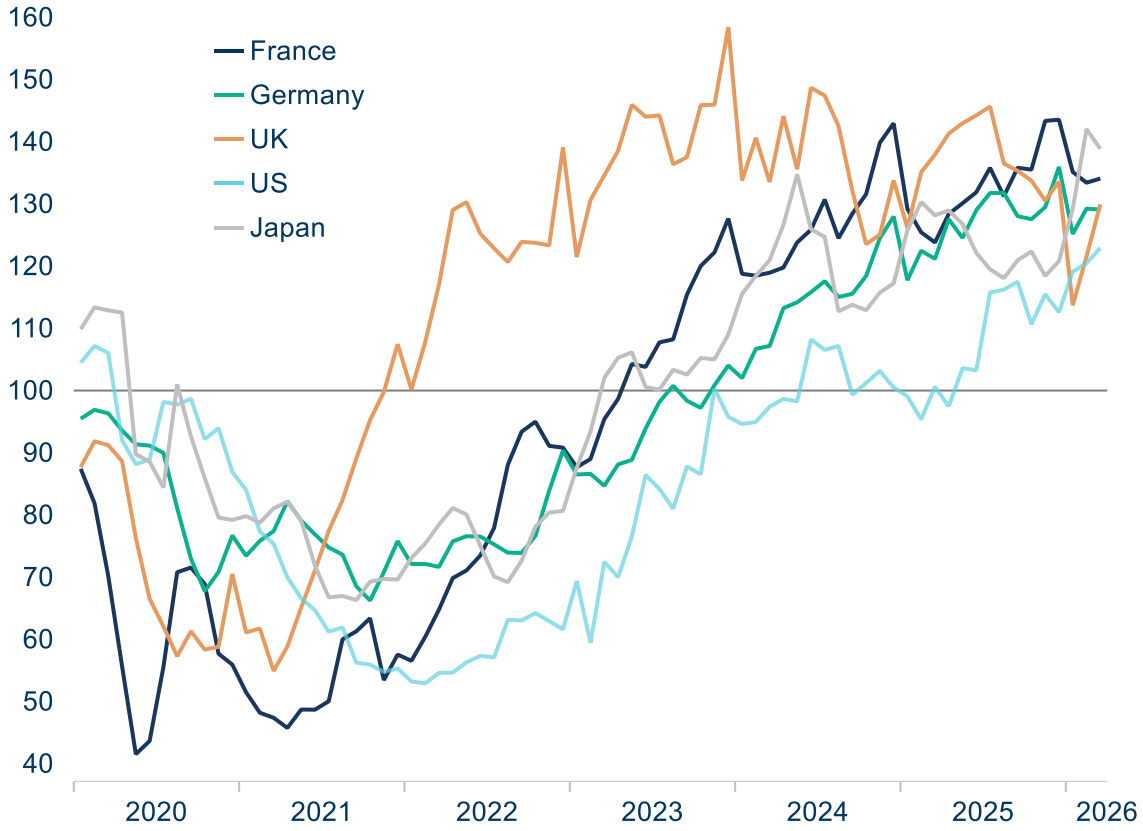
BUSINESS INSOLVENCIES AT A DECADE HIGH

Global Corporate Insolvencies Index
(Average of same month in 2017-19 = 100, 3-month rolling average)



Note: Canada, USA, Belgium, France, Germany, Italy, Netherlands, Spain, Sweden, Switzerland, UK, Australia, Hong Kong, Japan, Korea Rep., New Zealand, Singapore, and Taiwan.Sources: National sources, Macrobond, Coface

Business insolvencies
(3mma, % of the same period in 2019)

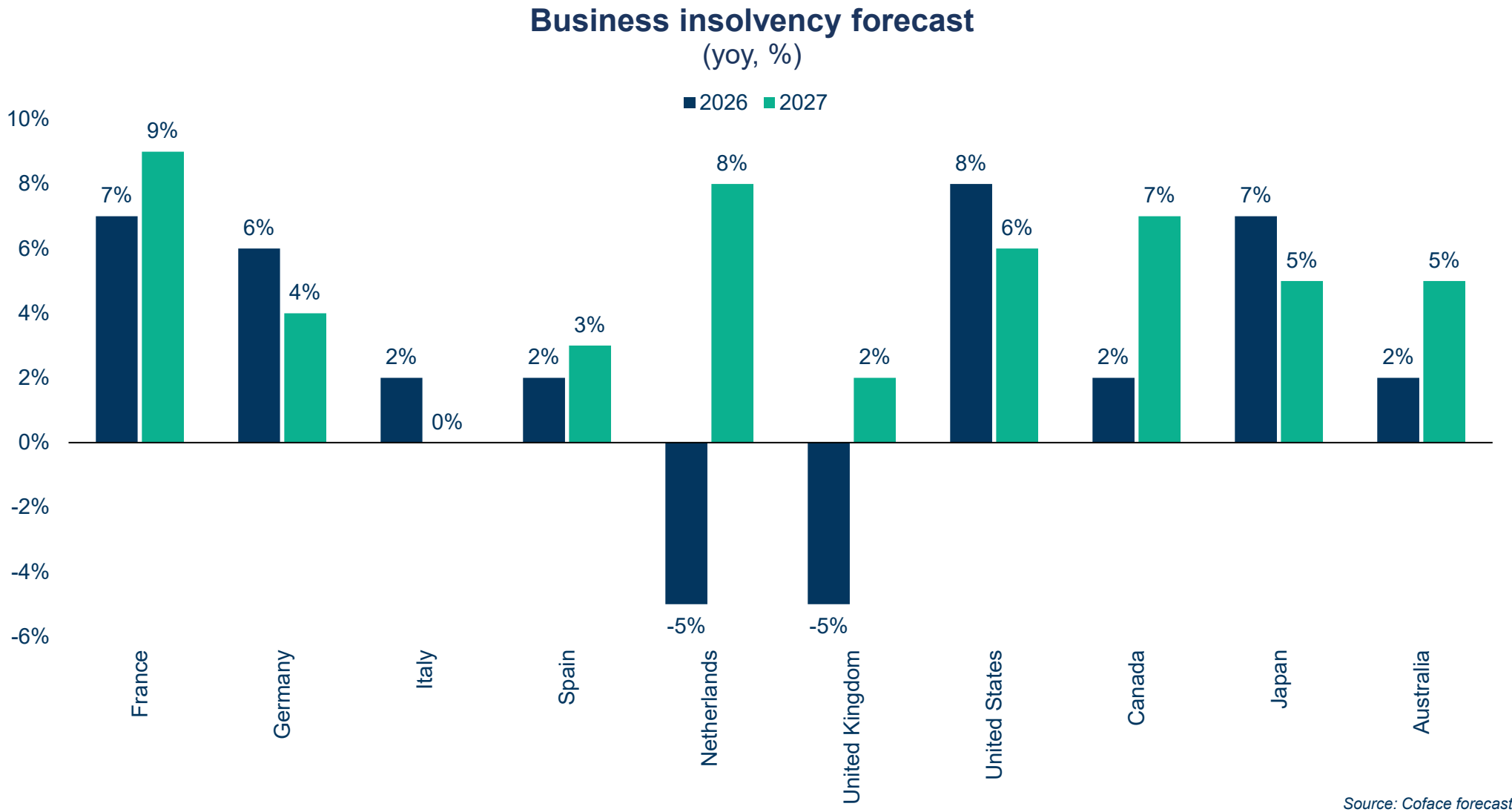


Sources: Central Bank of France (Banque de France), German Federal Statistical Office (Statistisches Bundesamt), U.K. Insolvency Service, U.S. Federal Courts, Tokyo Shoko Research, Macrobond, Coface

INSOLVENCIES DRIVEN UP BY PRESSURES ON OPERATING MARGINS & DEBT ROLLOVER ISSUES

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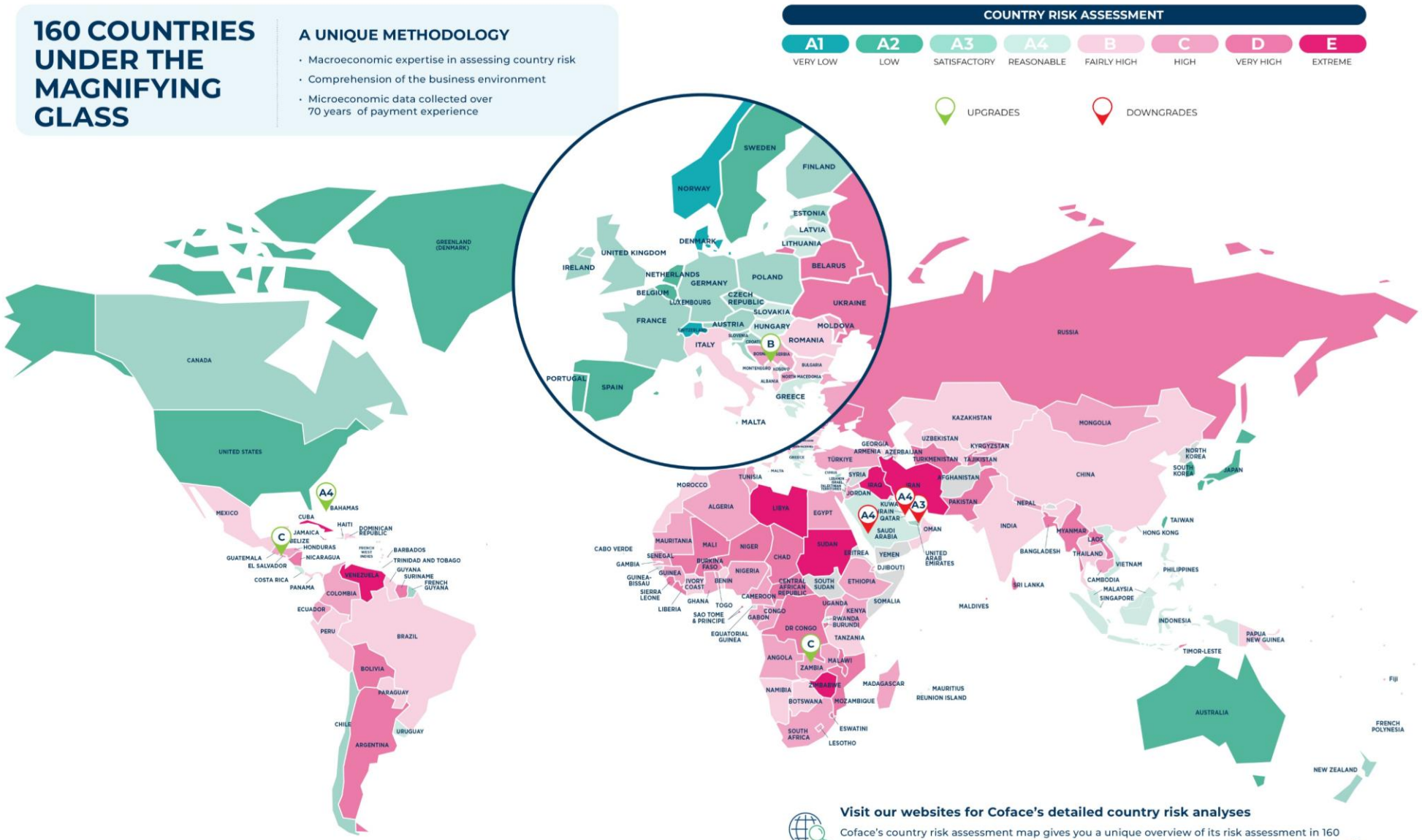
BUSINESS INSOLVENCIES WILL CONTINUE TO RISE GLOBALLY: +6% IN 2026 AND +5% IN 2027



Source: Coface forecasts

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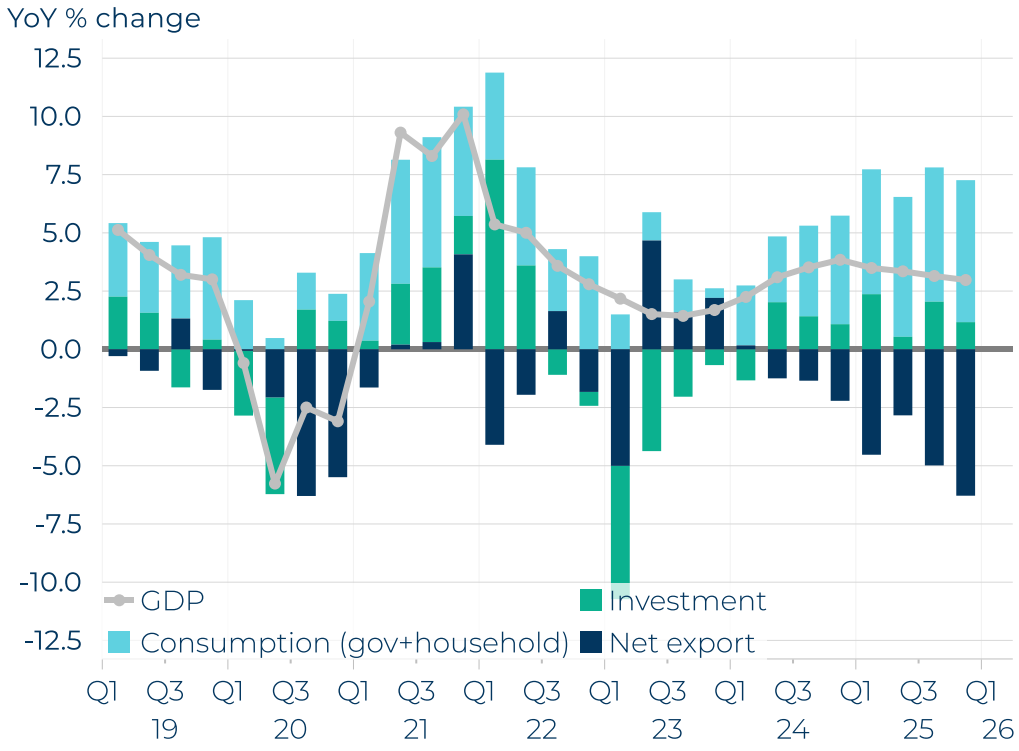
COUNTRY RISK ASSESSMENT MAP



BULGARIA: ECONOMY GROWING ON THE BACK OF STRONG DOMESTIC DEMAND

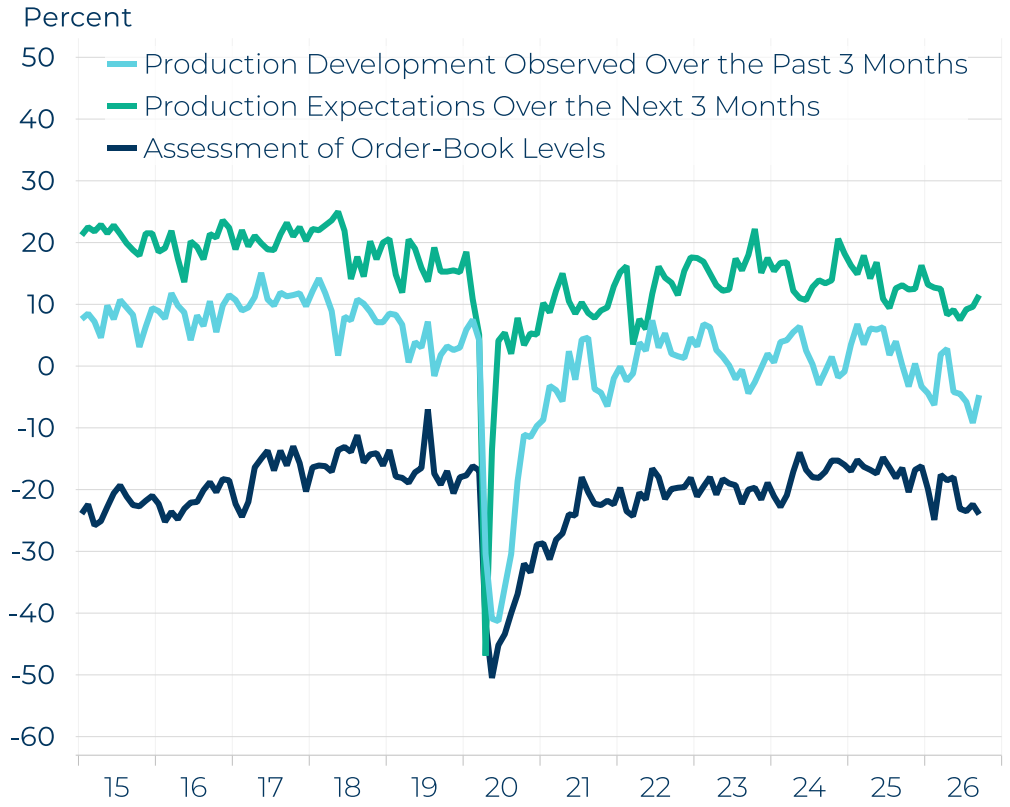
Bulgaria: GDP growth

Expenditure approach



Coface | Sources: Bulgarian National Statistical Institute via Macrobond

Bulgaria: Business surveys



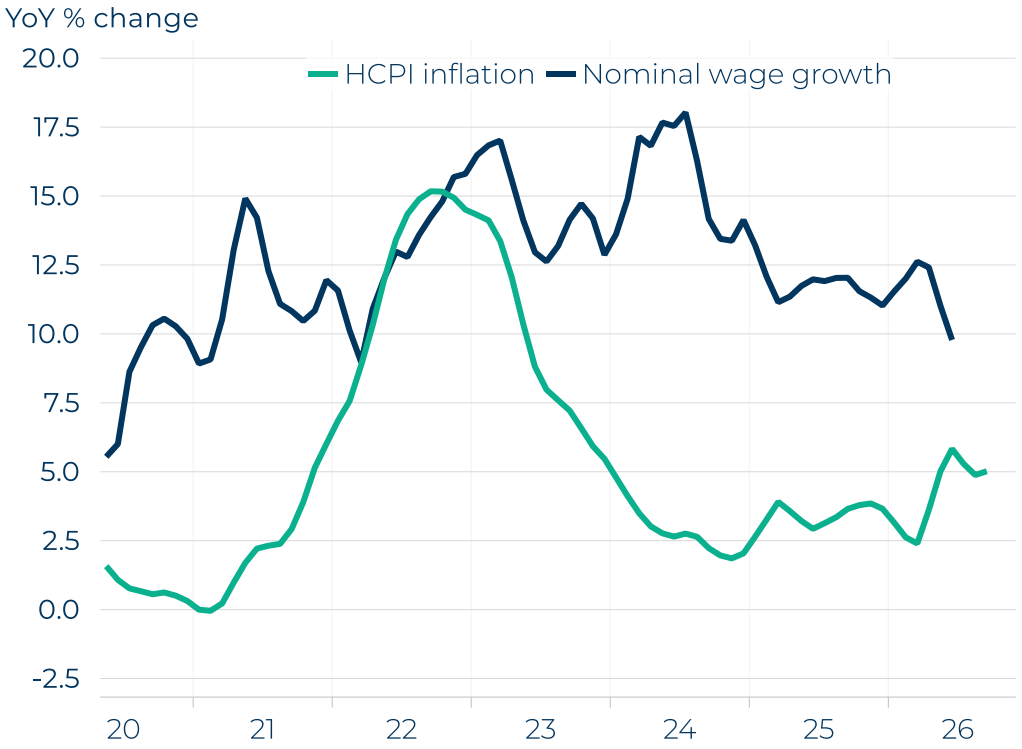
Coface | Sources: Eurostat via Macrobond

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SLOWING REAL WAGES ARE EXPECTED TO TAKE A TOOL ON CONSUMPTION

Wages & inflation in Bulgaria

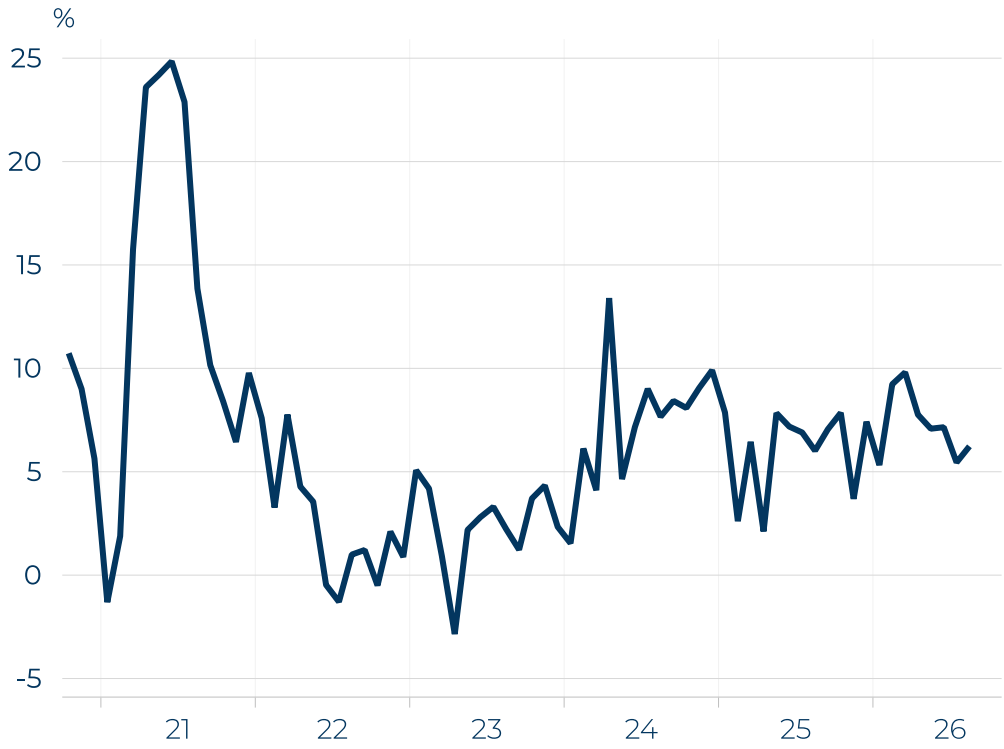
year-over-year growth



Coface | Sources: Bulgarian National Statistical Institute via Macrobond

Retail sales in Bulgaria

Seasonally and inflation adjusted, year-over-year change

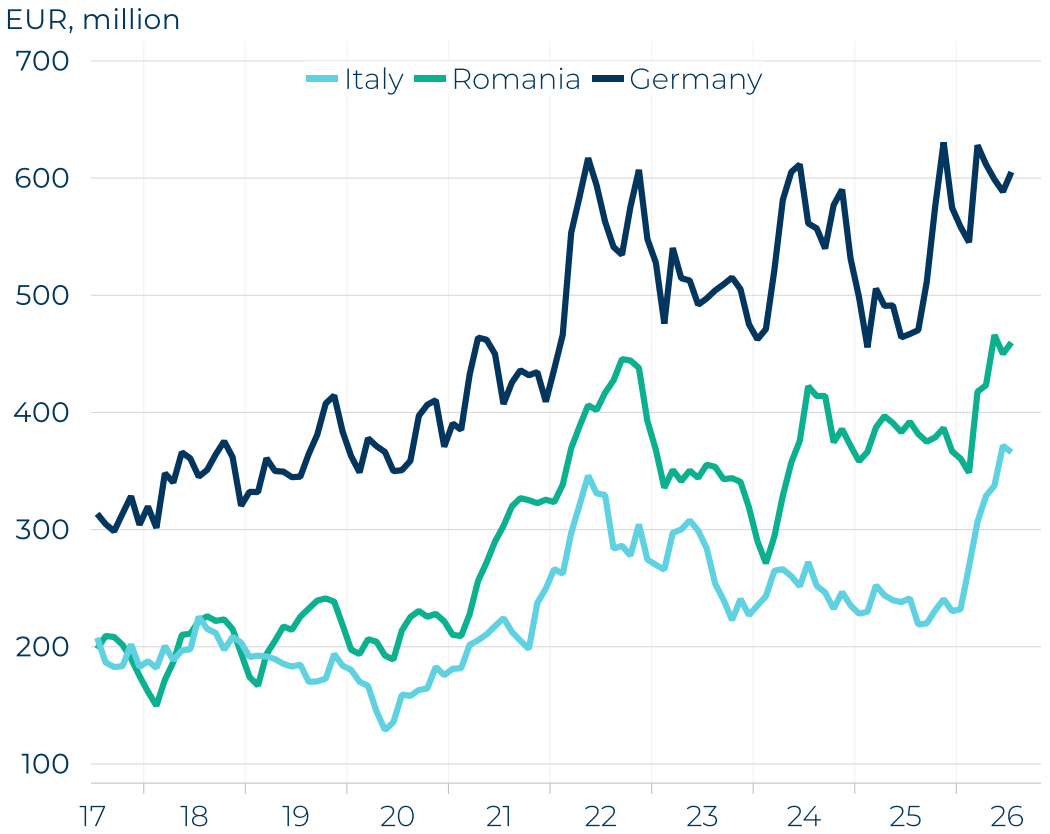


Coface | Sources: Bulgarian National Statistical Institute via Macrobond

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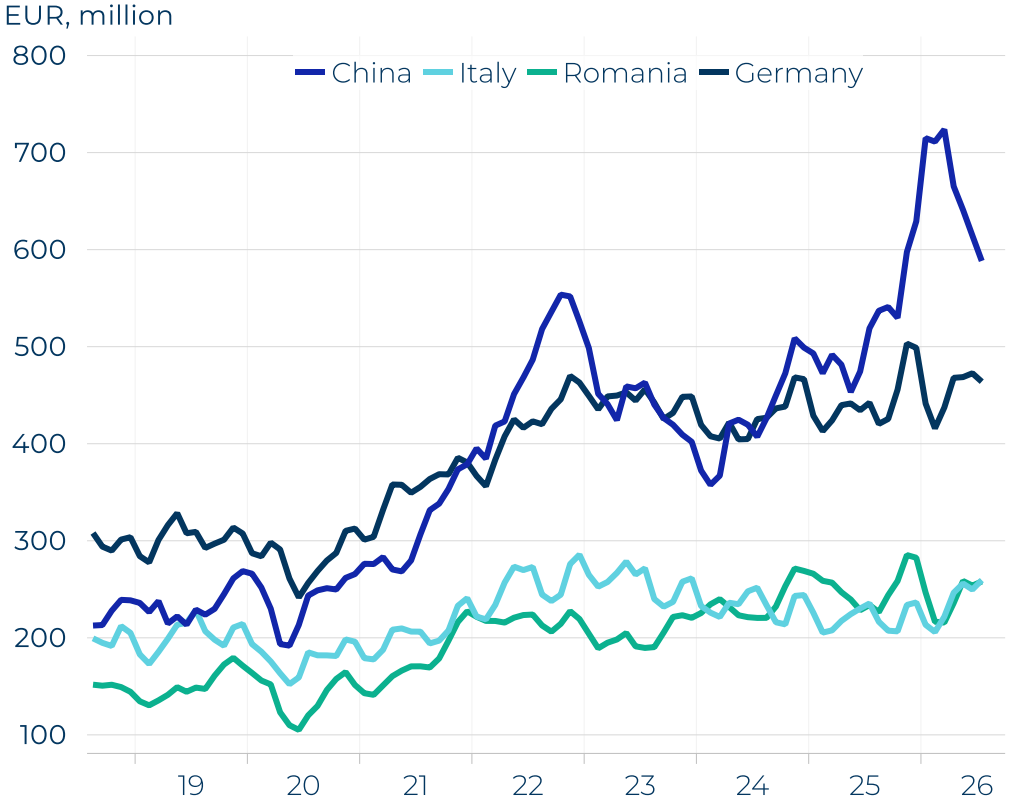
EXPORTS ARE RECOVERING, BUT IMPORTS FROM CHINA HAVE RISEN MUCH FASTER - DRIVEN BY BATTERIES

Exports of Bulgaria



Coface | Sources: National Bank of Bulgaria via Macrobond

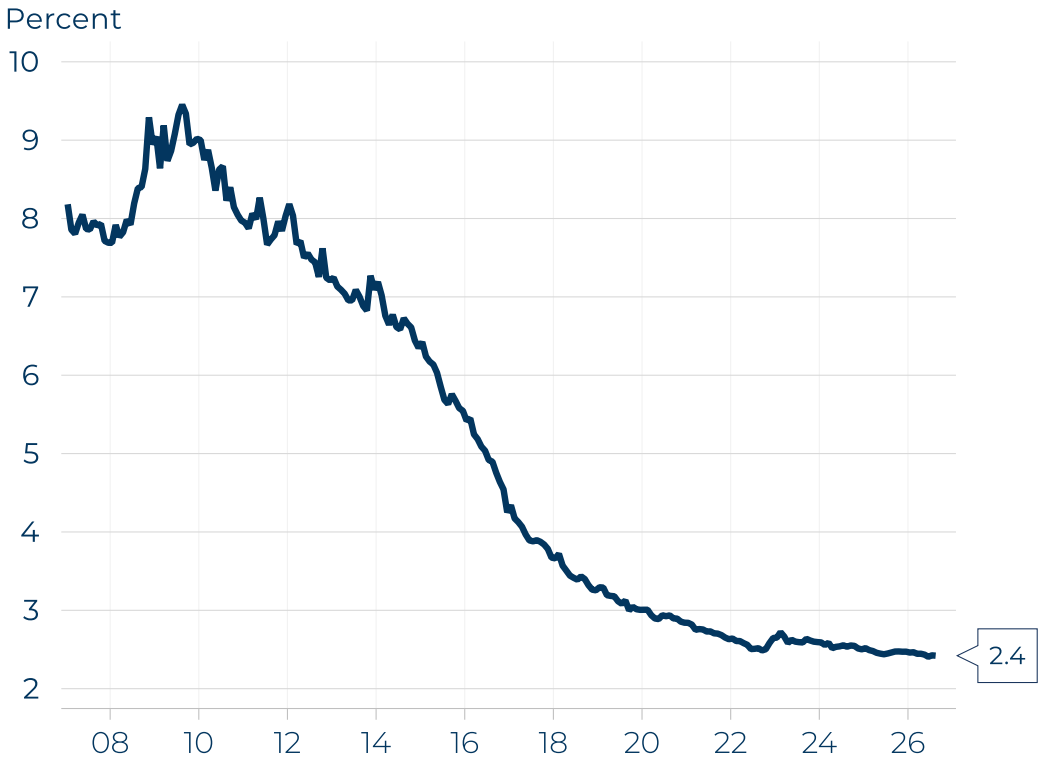
Imports in Bulgaria



Coface | Sources: National Bank of Bulgaria via Macrobond

BULGARIAN REAL ESTATE MARKET IS BOOMING

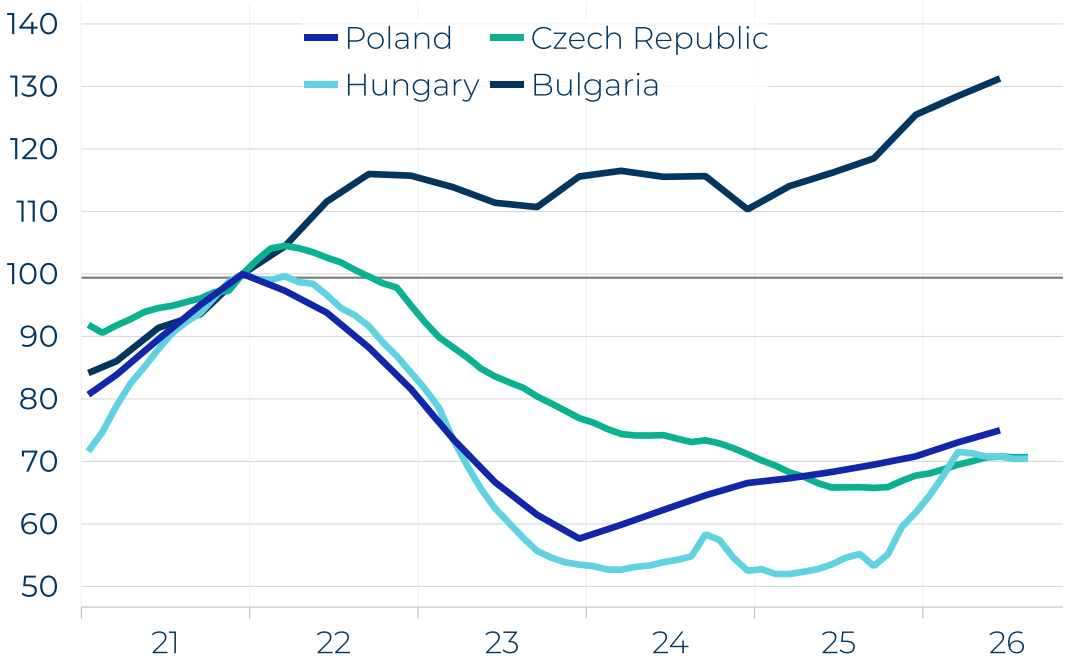
Bulgaria: Lending rates on mortgage loans



Coface | Sources: National Bank of Bulgaria via Macrobond

Building permits, 2021=100

Residential



Coface | Sources: Bulgarian National Statistical Institute, Czech Statistical Office, Hungarian Central Statistical Office (HCSO), Polish Central Statistical Office (GUS) via Macrobond

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