



International Risk & Payment Review

Essential analysis of 132 countries worldwide

Investing and trading in a foreign market can be a high-risk pursuit. Available via the Internet or as a monthly update journal, the International Risk & Payment Review puts you in the best possible position to reduce that risk by keeping you informed of the latest developments in world markets.

The International Risk & Payment Review provides the critical economic, political and commercial information needed to facilitate decision-making, with monthly updates providing you with the most up-to-date analysis on developments in each market. Presented in an easy-to-follow format, the service is vital for Credit, Sales, Export and Marketing Managers, and all Executives and Directors in organisations planning or currently engaged in international business.

The International Risk & Payment Review:

- Provides reliable, independent and up-to-date analysis of 132 countries.
- Is an essential guide to payment terms and delays, and so is crucial for effective negotiating and planning.
- Includes the unique D&B Country Risk Indicator to help monitor changing market conditions.
- Presents vital data on numerous markets in one source, saving hours of research.

The International Risk & Payment Review is compiled by a team of highly skilled analysts using exclusive data from D&B's global network of reporting offices and worldwide database. This information is supplemented by primary data from national and international sources, and secondary data from the International Monetary Fund, World Bank and other multilateral organisations.

Updated monthly, the data and analysis are presented in a standard format that facilitates the comparison of economic, political and commercial conditions across countries around the globe. Each country assessment includes a two-year forecast, which facilitates the management of ongoing business risk.





Information on 132 countries includes:

- **D&B Country Risk Indicator** - a unique and comparative cross-border assessment of the risk of doing business in a country.
- **Trend Indicator** - a quick reference guide as to whether the risk environment is improving or deteriorating.
- **Usual Terms** - a guide to recommended and minimum credit terms and changes in trading regulations that may affect business transactions.
- **Transfer Situation** - a concise analysis of current payment delays with regard to transactions in local and foreign currency, foreign exchange reserves and import cover.
- **Local Currency** - a time series chart showing the price at which a local currency trades against the currency of another country.
- **Exchange Rates** - a guide to how much each unit of a particular local currency is worth in relation to a number of major world currencies.
- **Import Cover** - a guide to the amount of foreign exchange a country has in relation to the average monthly value of imported goods and services.
- **Economic Indicators** - an index of key economic statistics (GDP growth, inflation, exchange rates, debt-service ratio, etc.) covering three years of historical data and a two-year forecast.
- **Export Credit** - a listing of currently available export credit insurance.
- **Risk Factor** - a concise analysis of a country's current political, economic and trading conditions, including socio-political and economic forecasts.

Delivery options:

- Book
- Internet



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KYRGYZ REPUBLIC

Usual Terms	C L/C	Transfer Situation	Local Delays:	3-4 months
Minimum Terms:	C/A	FX/Bank Delays:	2-3 months	
Recommended Terms:	60-90 days	Import Cover:	5.8 months	

Negotiations are ongoing between Kyrgyzstan, the state-owned gold mining firm, and Australia's Central Asian Gold Ltd to formulate a general agreement for the development of the Taldy-Bulak Leveobereyny gold deposit. According to a government feasibility study, the project requires an overall investment of USD54m and would have the capacity to produce 2 tonnes of gold per year.

Local and FX/bank delays stand at 3-4 months and 2-3 months respectively. As of 1 Jan. '05, total FX reserves stood at USD565.2m, a 45% rise from the start of '04. Going forward, further financial disbursements from key multilaterals, including the IMF and the World Bank, should help to maintain the upward trend in the level of reserves.

Local Currency (Sum (KGS) / USD)	Exchange Rates (London, 15 Apr '05)	Real GDP Growth (% change)
	EUR 53.4019	
	GBP 78.1897	
	JPY* 38.4036	
	USD 41.2992	

Economic Indicators	2002	2003	2004e	2005f	2006f	Export Credit Agencies
Real GDP growth, %	-0.5	6.7	6.8	4.4	4.0	US Eximbank
Inflation, annual av%, %	2.1	3.6	1.4	3.9	3.8	Atradius
Govt balance, % GDP	-5.8	-5.0	-4.6	-4.2	-4.6	ECGD
Unemployment, %	5.5	6.0	6.7	5.1	6.1	Euler Hermes UK
C/A balance, % GDP	-2.3	-4.5	-5.2	-4.7	-5.5	ST cover available, restrictions may apply

Risk Factor

The political situation in the Kyrgyz Republic remains in flux following the recent ousting of President Askar Akayev. The Kyrgyz Republic held a parliamentary election in 2 phases on 27 Feb. and 13 Mar. However, widespread accusations of electoral fraud sparked a wave of protest activity in the country. Although these protests had initially been concentrated in the southern part of the country, they soon spread north, including to the capital Bishkek, culminating in the seizure of Akayev's presidential palace on 24 Mar. and his hasty departure shortly beforehand (he is rumoured to have fled to neighbouring Kazakhstan). Soon after, the country's Supreme Court annulled the results of the previous election and recognised the outgoing parliament as the legitimate legislature. However, indicative of the lack of constitutional clarity, a few days later, the country's Central Electoral Commission, assigned legitimacy to the newly-elected parliament instead, thereby effectively resulting in 2 rival parliaments.

The risk of a dangerous power struggle between the 2 rival parliaments appears to have been averted by a subsequent agreement favouring the legitimisation of the new parliament. While the deal to accept the new parliament (which was allegedly elected by fraudulent means) may appear to undo the main achievement of the recent coup, proponents of the deal have argued it was necessary for achieving the more important objective of restoring a sense of constitutional order in the country.

Despite the apparent end of this dispute, the Kyrgyz Republic remains exposed to other sources of conflict. In particular, Akayev's ousting may have paved the way for a potentially de-stabilising power struggle between the 2 principal post-coup opposition leaders: both acting Prime Minister Kurmanbek Bakiev and the newly-appointed chief of security forces, Feliks Kulov, are likely to be rival contenders in the presidential election due to be held on 26 Jun. '05. While these leaders may hold an uneasy alliance at present, there is some concern that increasing political rivalry between the 2 may sharpen the Kyrgyz Republic's fragile north-south socioeconomic divide: Bakiev comes from the mainly ethnic Uzbek South, a region that has long resented the dominance of the relatively more prosperous north, where support for Kulov is strongest. Meanwhile, the fact that both men had served spells as high ranking officials within the Akayev regime has caused some to question their democratic credentials, with some suggestions that they had only embraced the democracy platform once they had fallen out with the Akayev regime for personal (rather than ideological) reasons. D&B expects the Kyrgyz Republic's risk rating to remain under downward pressure until after the presidential election.

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