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## **European Economy now moving, but not without a push says Coface**

A small-scale improvement within European economies could be hampered by a lack of investment, warned Coface's Chief Economist at the credit insurer's Country Risk Conference in London. The event at the British Library on Thursday 4 June examines the trading conditions, risks and opportunities for UK businesses.

In his presentation about the pace of recovery in the Eurozone, Julien Marcilly said that despite some positive signals, the conditions for strong long-term growth were missing. Low inflation and the exchange rate for the euro had boosted household spending and exports respectively, but levels of private investment had not revived significantly, except in Spain.

Predicting a long period of low growth, Julien commented: "The good news is that the car is now moving. The bad news is that this is only because it is being pushed from the back by oil prices and the low value of the Euro. The question is, can we restart the engine before these two begin to tire?"

In addition, delegates heard about the prospects for the UK economy following the General Election. Andrew Goodwin, Lead UK Economist at Oxford Economics gave a generally upbeat assessment but warned that pronounced regional imbalances would widen over the next three years as London, the South East and North West moved further ahead of the rest of the UK. He also urged the Chancellor to address the 'rollercoaster' in his spending plans and take the opportunity to invest in infrastructure.

This year's Conference for CEOs, FDs and Coface business partners also featured presentations by Jim Reid, Global Head of Fundamental Credit Strategy at Deutsche Bank and Kirsten Parker, Senior Director of Country Risk at IHS. Jim expressed concern about the health of the global financial markets which were being distorted by increased central bank activity since 2008. Kirsten gave an insight into political and social unrest in countries such as Russia, Venezuela and North Africa and looked at how these developing situations were affected by falling oil prices, organisation via social media and terrorist activity.

Lively round table discussions on European country risk and geopolitical risk were chaired by Louise Cooper, Chartered Financial Analyst and Times financial columnist. Other contributors to the event were:

- Anna Gaworzewska, Head of Country and Sovereign Risk Analysis, Lloyds Banking Group.
- Adrian Johnson, International Credit Director, Harley-Davidson Europe.
- Richard Mallinson, Geopolitical Analyst, Energy Aspects.
- Grant Williams, Risk Underwriting Director, Coface UK & Ireland.



# P R E S S R E L E A S E

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### About Coface

The Coface Group, a worldwide leader in credit insurance, offers companies around the globe solutions to protect them against the risk of financial default of their clients, both on the domestic market and for export. In 2014, the Group, supported by its 4,406 staff, posted a consolidated turnover of €1.441 billion. Present directly or indirectly in 98 countries, it secures transactions of 40,000 companies in more than 200 countries. Each quarter, Coface publishes its assessments of country risk for 160 countries, based on its unique knowledge of companies' payment behaviour and on the expertise of its 350 underwriters located close to clients and their debtors.

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The company's [credit insurance](#) offer integrates credit assessment, [collection services](#) and cover for unpaid debts. Multinational businesses can protect their worldwide subsidiaries through Coface's international network.

The company also provides access to domestic and international [business information](#) and a collection network at home and overseas. Coface is also a recognised operator in the London [political risk](#) market.

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