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CRIF INDUSTRY WATCH

A monthly edition on Data, Risk and Economic Insights

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Analysis and Studies

CRIF Italy: Companies in Italy during Covid-19 focus on food industry



A recent study produced by CRIF Ratings about financial impact coming from lockdown related to Covid-19 on Italian industries shows that 44% of SME is facing current scenario starting from a an overall situation with a poor liquidity with few rooms in dealing an emergency situation. In particular, specifically in cyclical industries, current crisis could have a very high impact.

From CRIF Industry Outlook, CRIF Monitoring center analyzing main industries before, during and after Covid-19, some industries are showing a totally different scenario and against trends. This is the case of Food area.

Food Industry is showing very good results due to a rise record related to expenses for food. In this period, Italians are cooking more than in the past with a consequent increase in purchasing of flour and baking products. Italian people is stocking up food: in the cart, more than in the past, there are frozen products, long-lasting products and multi packs.

There's no guarantee that this trend will continue also in the future, when lockdown period will be ended, as probably a lot of people will be back to pre-Covid standards of purchasing. This is reported by CRIF Monitoring center "Lockdown, how and why is changing our lives", released by CRIF and Nomisma considering a representative sample of purchases in households.

Food Industry at a Glance

Based on a CRIF Ratings analysis, overall food chain value is around 350 billion euro, 15% of the Italian corporate companies.

Agri-food industry is composed by around 1.3 million of companies, with 3.7 million of workers, one of the main pillar of Italian economy: more than 50.000 companies are reporting a turnover over 100.000 euros.



Considering new index developed by CRIF to better understand most important topics related to current economic cycle, agri-food is positioned with a good propensity to internationalization and innovation.

Internationalization: on a scale from 1 to 5 (1 highest level and 5 lowest level) is positioning Agri-Food at 2.5, it means a high internationalization level.

Innovation: on a scale from 1 to 5 (1 highest level and 5 lowest level) is positioning Agri-Food industry at 3.2, it means a medium innovation level.

This is why Food industry will be more and more one of the leading sector for the Italian economy restart. From financial point of view, is reported a very low impact from lockdown as no affected by a stop in production and purchasing. At the same time, it will be an area that could benefit of stable consumption rates able to support future investments.

Import-Export Snapshot

Greece



Greece is the 61st largest export economy in the world and 48th as importer.

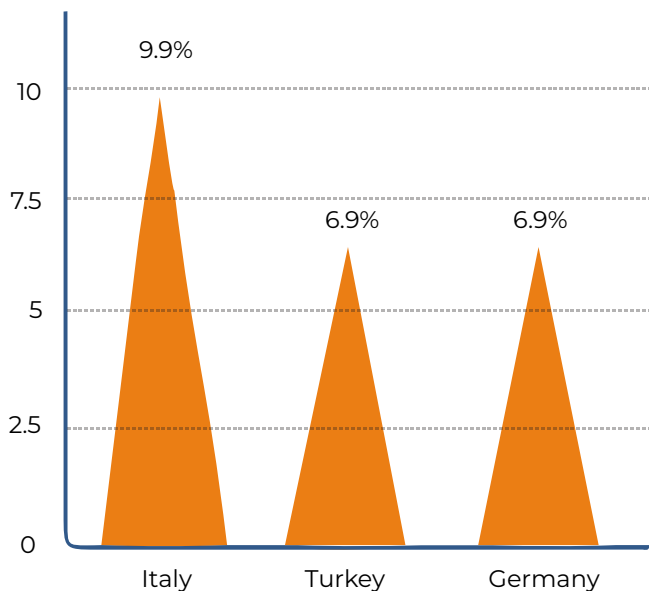
In 2017, Greece exported \$30.2BB and imported \$52.8B, resulting in a negative trade balance of \$22.5B.

In 2017 the GDP of Greece was \$200B and its GDP per capita was \$27.6K.

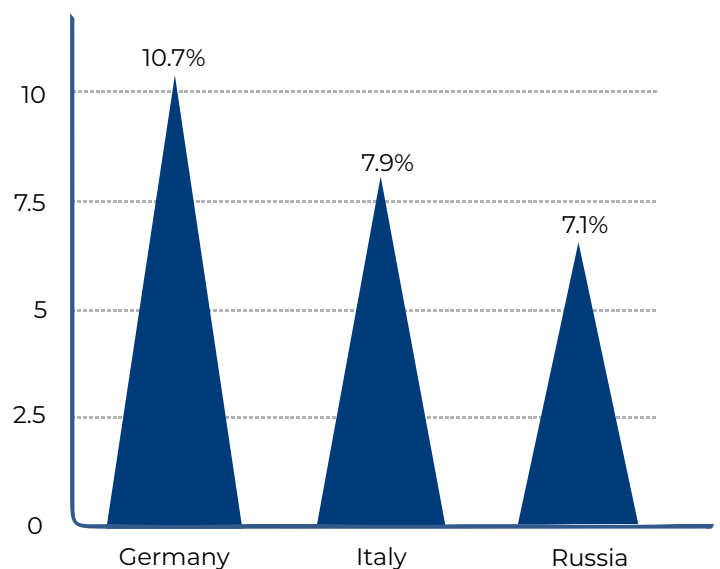
Greece is a member of UE, WTO and OECD.

Greece is classified as high income economy by World Bank.

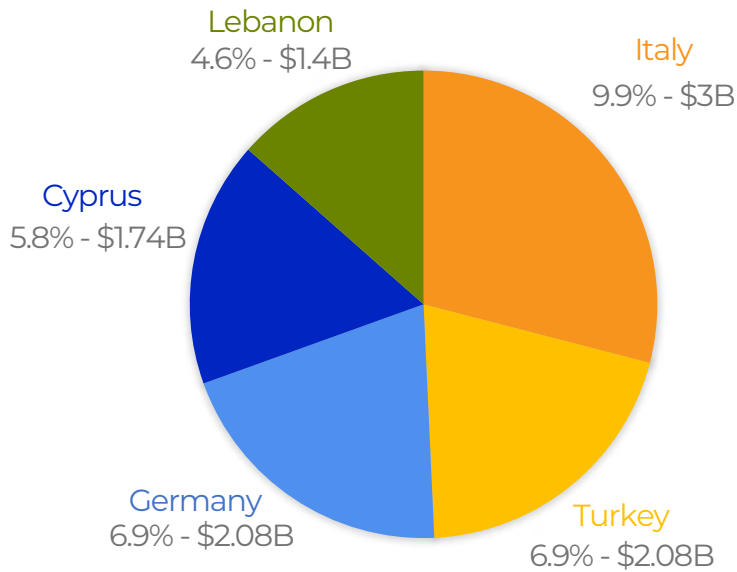
Top 3 Export Destinations (overall value \$30.2B)



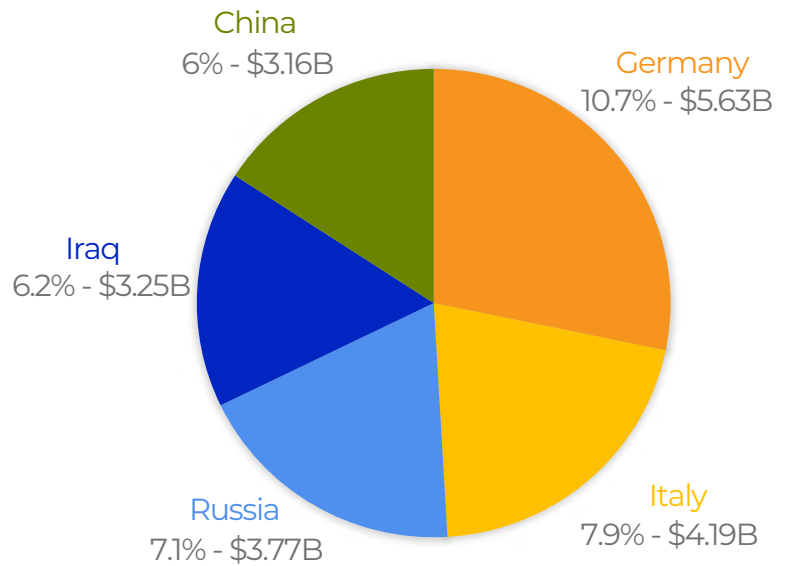
Top 3 Import Origins (overall value \$52.8B)



Top 5 Export Countries



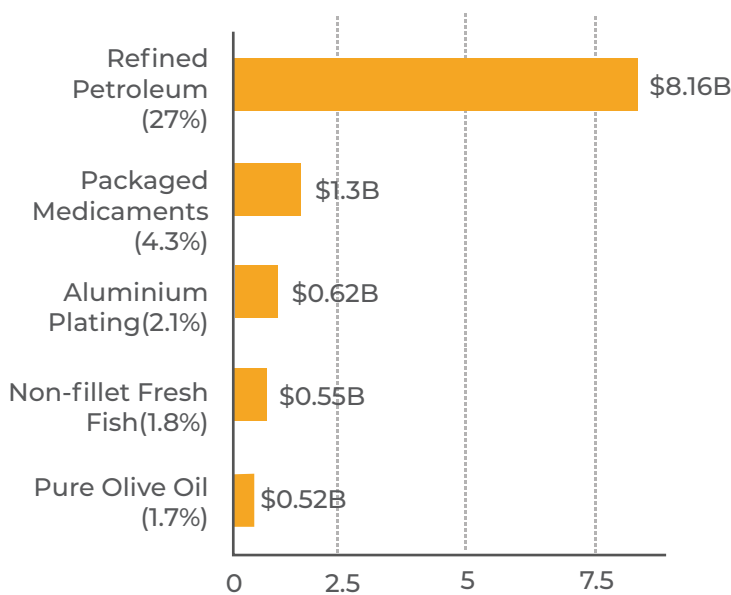
Top 5 Import Countries



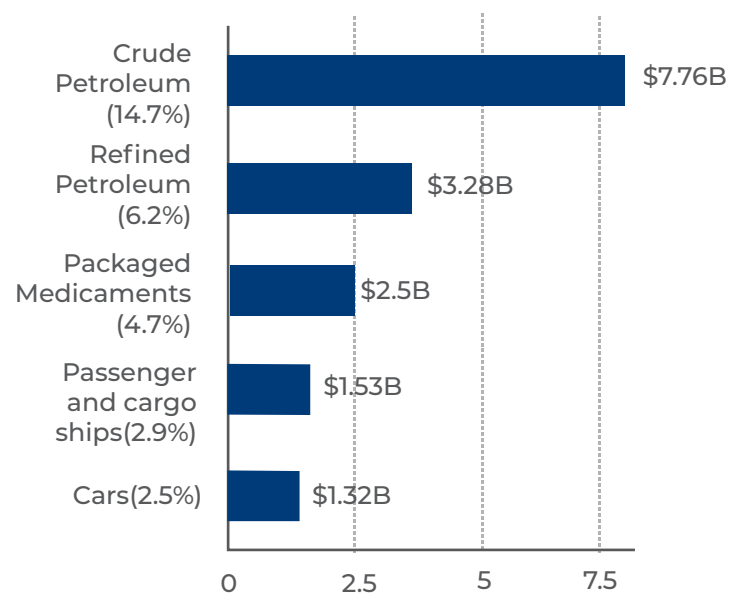
SOURCE:<https://oec.world/en/profile/country/grc/>

What does Greece Imports and Exports?

Top 5 products exported by Greece



Top 5 products imported by Greece



SOURCE:<https://oec.world/en/profile/country/grc/>

Product Analysis

| Clays Top Importer Italy



- Clays are the 707th most traded product in the world.
- The value of total export amounts at \$1.97B.
- Italy imports for \$188M, which represents the 9.5% of the world total.
- The top Importers of Clays are Italy (\$188M), Germany (\$160M), the Netherlands (\$103M), France (\$80.7M) and Indonesia (\$76M).
- The top Exporters are the United States (\$351M), Ukraine (\$245M), China (\$223M), Germany (\$175M) and India (\$94.6M).

Article of the Month

| International Evaluation processes in Emerging Markets: a challenge for worldwide markets

Economy is now strongly based on interconnections between different nations, regardless crisis connected to Covid-19. No matter that relationships between countries are becoming stronger and stronger and, at the same time, due to a certain level of uncertainty, it is required to take business decisions using reliable information. This a fact that cannot be changed. This process is essential for every cross border relation, but absolutely necessary to deal with Emerging markets.

It's now very frequent that companies, including SMEs aren't not only playing in domestic markets but are having relationships with many countries. Following different waves, in the last 20 years, companies de-localized operations to get more efficient results with lower costs even if in some cases moved back to original countries.



Or, in order to improve supply chain avoiding any disruption, identify additional suppliers all around the world. Of course business expansion is the main purpose: starting selling outside domestic market is a huge opportunity of growth especially for mature markets and products.

Whatever is the reason for this process of moving business outside domestic borders, it's a fact that isn't something that can't be unplanned. Especially in current scenario where complexity, different legislations and rules on companies obligations and registration can be always taken into accounts. Successful cross border expansion is strictly linked to a specific behaviour: awareness.

This is true generally speaking for all countries but can assume a higher complexity for so called Emerging Countries. Opportunities can be huge and Western companies, both in Europe and US, are addressing their attention to Emerging countries as well as from supply point of view or as new customers.



Work with several suppliers all around the world means focus attention on how have some alternative players can reduce risks in production and, why not, focus on those business are paying a high attention on costs control leading towards better profits. In addition, for mature economies like Western countries, find out new partners, both suppliers and customer is vital to guarantee their survival and development.

It's clear that hidden risks are very often due to missing knowledge. Dealing with Emerging Markets isn't simple, this is due to several factors. From political instability that can affect macroeconomic, fiscal policies etc, to legislation, level of transparency and organization. Starting from legislations, rules related to companies can be very different in term of registration, negative events and business obliged to file balance sheet. One of the most critical point is related to transparency of the information.

Lack of transparency can be due to legislation, especially in a country with a low level of democracy. Letting aside this very complicated aspects, let's focus on processes, tools and organization in filing company's documents. Emerging Market are considered with a high data friction: data collection, updating and availability are presenting some issues.

Data collection: very often there isn't a public body collecting data at national level but only at regional/county level. In this scenario is very difficult to have an overall picture and different bodies are totally unlinked each other. Great part of processes are manual and time consuming.

Data updating: processes, due to data collection flows, data updating processes are slow and done manually. There aren't in place automatic systems for optimization.

Considering both data collection and updating, availability of information related to companies is under pressure. It means that is required a strong presence on the territory and at the same time a clear knowledge of local process in order to get reliable information helping trade processes.

This a crucial point: be able to access to business information partners in charge to guarantee most quality updated information in Emerging Markets suitable to deal with above difficulties in collecting information.

It's exactly the SkyMinder mission, CRIF portal of business information. Thanks to CRIF operations in Europe, Middle East and Far East Countries and very well established relationship with more than 30 local information providers, it's possible to offer fully updated and complete information always giving risk evaluation, information to assess a business partner.



Business Information are delivered only if updated thanks to a fresh investigation process in charge to collect data in a scenario very complex. In addition, with score or rating systems with a credit limit is possible to improve decisional process.

Evaluate a Risk Profile of a company, in Emerging Market but not only, means to have a complete picture of the company itself, as well as potential future changes and country scenario.

SkyMinder can be consider as an international trade enabler, giving access to in-depth credit and financial data on companies all over the world with a set of solutions able to cover different risk assessment needs. Let's discover SkyMinder solutions:

Credit Report and Slim Report: firmographic information, risk assessment and credit limit. Then financial data, management, company structure and industry. Slim Report is a shorter version but with the same level of updating and quality.

Monitoring Solutions

- Full Monitoring: detailed notification generated when any change affects a company.
- Alert: short notification generated when any change affects a company.
- Planned Revision: worldwide available, allows to schedule in advance when receive an updated Report (monthly, quarterly, every 6 months or yearly).



KYC Report: it helps to understand the ownership of a company with Beneficial Owner and Shareholders.

Extended Check Report and Compliance Check Report: Extended Check Report integrates Credit Report to analyze involvement in money laundering, fraud, corruption, bribery or other criminal activities. Compliance Check on companies and persons is focused on financial crimes only.

Cyber Risk Report: evaluates how a company is exposed to a cyber attack

EIU Country Risk Service and EIU Country Report: forecast and outlook related to countries with macroeconomic indicators.

Quick Infographic

| Why you need CRIF's Business Information Report in 2021?



4 habits that will help you build good business partnerships in 2021



A successful partnership is built on transparent terms agreed upon by both parties. It is important to ensure that your counterparts match with the vision and scope to run your supply chain smoothly.

Lay focus on the small details if you wish to build a good business partnership in 2021. A few simple habits will help in landing lucrative business opportunities this year.



Assess your risks in a timely manner to get an insight into your company's vulnerability with credit limits



Deep dive into the legal events of your potential partners to get a clear picture of their true nature and visions



Understand the financial strengths and weaknesses of your potential partners to stay one step ahead in cases of mishaps



Look into the historical data of your potential partner's company to evaluate their emerging trends

Stay one step ahead with **CRIF's Business Information Report in 2021**

About CRIF India

CRIF India is one of India's leading provider of Credit Information, Business Information, Analytics, Scoring, Credit Management and Decisions Solutions.

CRIF's Business Information Report, commonly known as the BIR Report, is a new way of thinking about data and information and how they are linked to each other. Available in 230 countries and territories, CRIF'S Business Information Report contains up to date information collected from various data sources. The report helps in determining a company's profitability, financial trends, and risk. It also provides an in-depth profile of a company, including financial information, legal cases, history of business, ownership details, operational information, and details on related firms and special events that occurred in the past involving company management. It's an industry standard for evaluating both new and existing credit relationships, especially medium-to-high risk accounts. Additionally, it supports a company's other efforts, like marketing and purchasing.

CRIF India's Business Information Offerings



| How is CRIF different?



We brought in new Sets of Data Points,
First in the Industry at a TAT less than 48hrs.



Global Data Environment

200 million companies across 230 countries,
2 Million directors on these companies,
400+ data points covered



Unmatched expertise in analysis

Our vast experience gives us an eye for better
assessment of information



Count on our TAT

Quality in expertise translates into
efficiency in outcome



Quality checks

We've set processes to ensure reliable
information is coming your way

Customized solutions for: Customer | Suppliers | Trade / Supply Chain solutions



CRIF Solutions (India) Pvt. Ltd.

Unit 601, Sixth Floor, Axis Centra, Survey No-62, 1/4, Baner, Pune, 411045, Maharashtra, India

Ph: +91 2067642900 | Email ID: BSales.India@crif.com | Website: www.crif.in