

Fitch Ratings Fitch Fiscal Index

ANALYTICAL TOOL

Fiscal performance is a key factor behind sovereign rating changes. The new **Fitch Fiscal Index Analytical Tool (FFI)** enables you to better understand the fiscal position of a Fitch-rated sovereign compared to peers and benchmarks by aggregating the impact of the four public finance variables used in Fitch's proprietary Sovereign Rating Model (SRM). You can also utilize it to quantify the fiscal pressure on a sovereign's creditworthiness.



Global Coverage

Gain access to the FFI, related data, and analytics, for all Fitch-rated sovereigns around the world



Built upon Fitch Ratings SRM

Take advantage of the coefficients obtained during the SRM's annual estimation procedure



Fitch Ratings Forecasts

Leverage sovereign analysts' forecasts up to two years ahead and historical time series up to 20 years



Quarterly Updates

Stay informed with data that is updated quarterly, including between sovereign rating reviews



Easy to Use

Quickly visualize and compare a sovereign's fiscal position in Excel or a PDF for convenient workflow integration

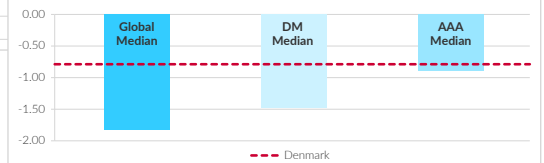
Understand a sovereign's fiscal position

- Combine the contribution of different fiscal variables into an aggregated fiscal position.
- Quantify the fiscal position's pressure on a sovereign's creditworthiness—on the credit rating notch numerical scale—by leveraging the coefficients from Fitch Ratings proprietary SRM.
- Assess a sovereign's fiscal position relative to rating and regional peers.

Fitch Fiscal Index - Contribution by Variable

(notches)	Denmark	Global	DM	AAA
Fitch Fiscal Index	-0.77	-1.83	-1.37	-0.89
Balance / GDP	-0.04	-0.08	-0.02	-0.06
Debt / GDP				
Interest / revenue				
FC debt / total debt				

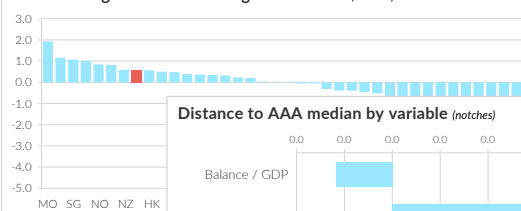
Fitch Fiscal Index vs Medians



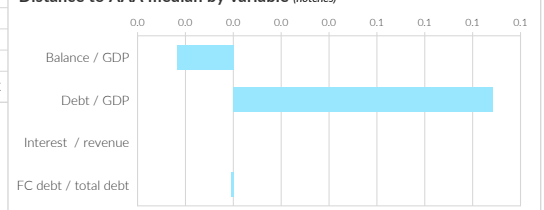
Compare strengths and weaknesses

- Determine the fiscal position of a sovereign within the distribution of rating and regional peers.
- Identify and quantify strengths and weaknesses within the variables composing the fiscal position.

DM Sovereigns Distance to Regional Median (notches)

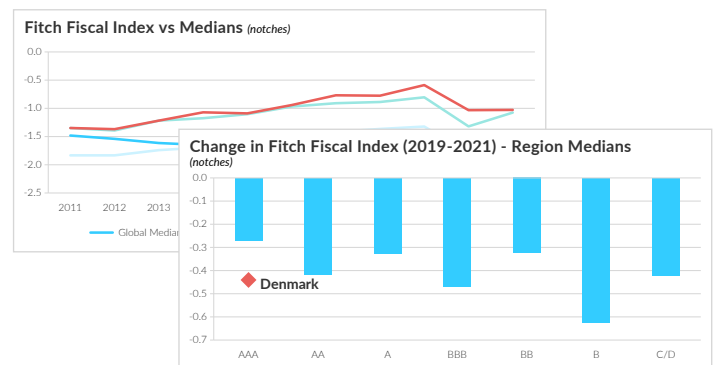


Distance to AAA median by variable (notches)



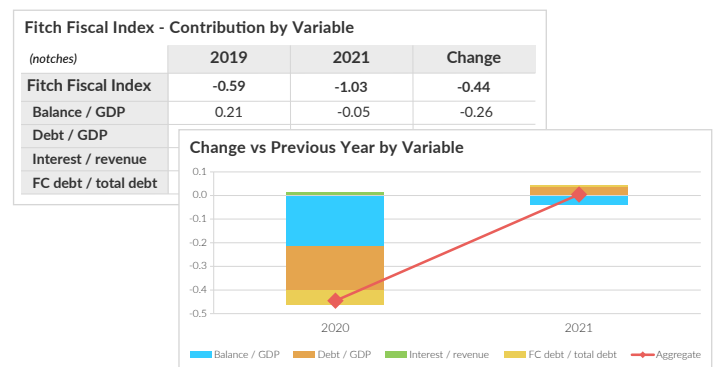
Analyze historical performance trends

- View time series of up to 20 years of annual data to analyze year-over-year changes more granularly than the three-year averages used in the SRM.
- Assess a sovereign's fiscal performance by comparing it to rating and regional peers' movement.



Forecast and monitor fiscal performance

- Extend the trend analysis by selecting up to two years of data forecasts by Fitch Ratings analysts.
- Stay up-to-date with quarterly data updates, including between rating reviews.



Integrate the analysis into your workflow

- Access comprehensive data tables and visualizations to support your credit risk and investment decisions.
- Conveniently export insights to a PDF that can be added to your documents.

FFI Movers, DM Region (2019-2021)							
Report Date: 2022-Jan-13							
Change	Sovereign	FFI 2021	Change vs 2019	Contributions			
				Balance / GDP	Debt / GDP	Interest / revenue	FC debt / total debt
-1.50	Ireland	-1.50	-0.03	-0.17	+0.08	+0.06	-
-1.03	Taiwan, China	-1.03	-0.07	-0.11	+0.03	+0.01	-
-0.90	Sweden	-0.90	-0.09	-0.07	-0.04	+0.01	+0.00
-0.77	Singapore	-0.77	-0.18	-0.06	-0.13	+0.01	-
-1.15	Hong Kong, China	-1.15	-0.22	-0.16	-0.04	-0.00	-0.01
-0.62	Luxembourg	-0.62	-0.22	-0.15	-0.08	+0.01	-
-0.77	Switzerland	-0.77	-0.23	-0.17	-0.07	+0.01	-
-1.28	Lithuania	-1.28	-0.27	-0.22	-0.20	+0.04	+0.11
-1.75	Finland	-1.75	-0.34	-0.13	-0.24	+0.03	-
-1.38	Korea	-1.38	-0.38	-0.18	-0.20	-0.00	+0.00
-2.23	Israel	-2.23	-0.39	-0.12	-0.26	-0.00	-0.01
-3.26	Portugal	-3.26	-0.39	-0.21	-0.24	+0.05	+0.00
-0.60	Estonia	-0.60	-0.42	-0.16	-0.25	-0.00	-
-1.03	Denmark	-1.03	-0.44	-0.26	-0.15	+0.02	-0.05
-1.12	Norway	-1.12	-0.53	-0.47	-0.07	-	-
-1.61	Netherlands	-1.61	-0.55	-0.32	-0.18	-0.05	+0.00
-1.85	Germany	-1.85	-0.55	-0.32	-0.26	+0.03	+0.00
-2.42	Iceland	-2.42	-0.56	-0.35	-0.27	+0.07	-0.01
-2.20	Austria	-2.20	-0.56	-0.32	-0.27	+0.03	-
-1.84	Belgium	-1.84	-0.57	-0.32	-0.26	+0.03	-

Learn More

To find out how the **Fitch Fiscal Index Analytical Tool** can help you assess the fiscal position and creditworthiness of a Fitch-rated sovereign, please email us at marketing@fitchsolutions.com or contact the nearest office:

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