

Republic of Finland

This annex refers to the rating action release of 26 July 2019

Annex I: Summary of core variable scorecard (CVS) and qualitative scorecard (QS)¹

Implied rating of core variable scorecard (CVS)		aa
Weight	Qualitative scorecard (QS)	
35%	Growth potential of the economy	Neutral
	Economic policy framework	Strong
	Macro-economic stability and sustainability	Neutral
30%	Fiscal policy framework	Strong
	Debt sustainability	Neutral
	Market access and funding sources	Strong
15%	Current account vulnerability	Weak
	External debt sustainability	Neutral
	Vulnerability to short-term external shocks	Weak
10%	Perceived willingness to pay	Neutral
	Recent events and policy decisions	Neutral
	Geopolitical risk	Neutral
10%	Banking sector performance	Neutral
	Banking sector oversight and governance	Neutral
	Financial imbalances and financial fragility	Weak
QS adjustment (notches)		1
Additional considerations (notches)		0
Final rating		AA+ STA

Annex II: Selected indicators

	2015	2016	2017	2018	2019E	2020F
GDP per capita (EUR, '000s)	38.3	39.3	40.6	42.3	43.6	44.8
Real GDP, % change	0.5	2.8	2.7	2.3	1.6	1.2
HICP, % change	-0.2	0.4	0.8	1.2	1.4	1.6
General government balance, % of GDP	-2.8	-1.7	-0.8	-0.7	-0.4	-0.2
General government debt, % of GDP	63.4	63.0	61.3	58.9	58.3	57.7
Current account balance, % of GDP	-0.7	-0.7	-0.7	-1.9	-1.5	-1.4
Gross external debt, % of GDP	213.7	195.0	181.9	208.3	-	-

Source: EC, Statistics Finland, Haver, Scope Ratings GmbH

Annex III: Economic development and default indicators

IMF Development Classification ²	AE
5y CDS spread (bps) as of 26 July 2019	13

¹ The weighting and explanation of all rating factors are described in Scope's 'Public Finance Sovereign Ratings' methodology, available on www.scoperatings.com
² AE = advanced economy; EMDE = emerging market and developing economy