

Republic of Estonia

This annex refers to the rating action release of 21 February 2020

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	Weak
	Economic policy framework	Neutral
	Macro-economic stability and sustainability	Weak
30%	Fiscal policy framework	Neutral
	Debt sustainability	Strong
	Market access and funding sources	Neutral
15%	Current account vulnerability	Neutral
	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	Weak
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)	15.8	16.5	18.1	19.7	21.0	22.0
Real GDP, % change	1.8	2.6	5.7	4.8	3.8	2.4
HICP, % change	0.1	0.8	3.7	3.4	2.3	2.1
General government balance, % of GDP	0.1	-0.5	-0.8	-0.6	-0.2	-0.2
General government debt, % of GDP	10.0	10.2	9.3	8.4	8.7	8.4
Current account balance, % of GDP	1.8	1.7	2.7	2.0	1.2	1.1
Gross external debt, % of GDP	90.5	84.3	88.3	74.1	-	-

Source: European Commission, IMF, Statistics Estonia, Haver, Scope Ratings GmbH

Annex III: Economic development and default indicators

IMF Development Classification ²	AE
5y CDS spread (bps) as of 21 February 2020	55

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