

# Cote d'Ivoire Business Forecast Report Q2 2014

<https://marketpublishers.com/r/C8DB7944670EN.html>

Date: January 2014

Pages: 35

Price: US\$ 1,195.00 (Single User License)

ID: C8DB7944670EN

## Abstracts

### Core Views

Côte d'Ivoire's economy will continue to expand rapidly over the coming years, with real GDP growth averaging 8.9% annually between 2014 and 2018. High public investment and a buoyant consumer segment will be the main drivers of growth, while ongoing reforms to the business climate should see foreign investment continue to accelerate.

The combination of stagnating cocoa production and soaring demand for consumer and capital goods imports will see Côte d'Ivoire maintain a moderate current account shortfall over the coming years. Robust FDI inflows, however, should ensure that the deficit is adequately covered.

The government has put political reconciliation at the top of the agenda in 2014. While this, together with the more conciliatory rhetoric seen from both sides of late, is an encouraging sign, we believe that meaningful progress on this front is unlikely over the near term.

### Major Forecast Changes

A historical revision made by the UN's statistical authorities to Côte d'Ivoire's 2012 headline GDP figure, from 9.8% to 8.6%, has had modest knock-on effects for our short-term growth projections. We are now predicting real GDP growth of 8.7% in 2014 compared with 8.2% previously.

### Key Risks To Outlook

The country's positive economic prospects remain heavily contingent on political

stability, and any notable deterioration in this area would pose a major threat to the nation's recovery. Political tensions remain high, and BMI does not believe that any substantial progress towards integrating opposition supporters into the political process is likely in the short term.

The economy's reliance on cocoa exports means that poor weather could seriously damage exports. Conversely, if global cocoa prices push higher than we are currently predicting, this would put upward pressure on our outlook for exports.

## Contents

Executive Summary  
Core Views  
Major Forecast Changes  
Key Risks To Outlook

### CHAPTER 1: POLITICAL OUTLOOK

SWOT Analysis  
BMI Political Risk Ratings  
Domestic Politics  
Significant Reconciliation Unlikely In 2014

The Ouattara administration has put political reconciliation at the top of the agenda in Côte d'Ivoire in 2014. While this, together with the more conciliatory rhetoric seen from both sides of late, is an encouraging sign, we believe that meaningful progress on this front is unlikely over the near term. In light of this, we expect economic policy successes to continue to overshadow political ones.

Table: Political Overview

Long-Term Political Outlook

Post-Conflict Challenges To Linger

While the establishment of a cohesive national government has set the stage for an impressive economic recovery in Côte d'Ivoire, the country's political system remains brittle and ethnic tensions are easily inflamed. In our core scenario, BMI predicts that Alassane Ouattara's government will be only partially successful in addressing the country's political, security, and social challenges and that tensions will remain high over the coming years. A more stable outcome is possible, though highly unlikely, while we ascribe a 10-20% probability to a repeat of the 2010-2011 political crisis between now and 2020.

### CHAPTER 2: ECONOMIC OUTLOOK

SWOT Analysis  
BMI Economic Risk Ratings  
Economic Activity  
Economic Growth To Remain Strong In 2014

We believe that Côte d'Ivoire's economy will continue to grow rapidly over the coming years, with real GDP growth averaging 8.9% between 2014 and 2018. High public investment and a buoyant consumer segment will be the main drivers of growth, while

ongoing reforms to the business climate should see foreign investment accelerate, particularly into the agribusiness, mining and oil sectors.

Table: ECONOMIC ACTIVITY

Balance Of Payments

Higher Cocoa Prices Sweeten Outlook For Current Account

Côte d'Ivoire's current account deficit will narrow from an estimated 2.9% of GDP in 2013 to 1.8% of GDP in 2014 as export revenues are boosted by rising cocoa prices. The combination of stagnating cocoa production and soaring import demand will, however, see the country maintain a moderate current account shortfall over the coming years.

Table: CURRENT ACCOUNT

Fiscal Policy

Fiscal Deficit To Steadily Narrow

Despite rising government spending, we expect Côte d'Ivoire's fiscal deficit to steadily narrow from 3.5% of GDP in 2013 to 1.9% by 2018 as a surging economy, improving investment climate and strengthening institutions see revenue growth outpace expenditure.

Table: FISCAL POLICY

Table: Exports As % Of Total

Regional Economic Outlook

Five Key Themes For 2014

## CHAPTER 3: 10-YEAR FORECAST

The Ivorian Economy To 2023

A Bright Decade Ahead, But Fragilities To Persist

While growth over the next 10 years is expected to improve on the last decade, political uncertainty continues to exert a downward pull on the country's potential. In our view, high poverty levels and a frail business environment will represent the main obstacles to growth over the longer term.

Table: Long-Term Macroeconomic Forecasts

## CHAPTER 4: BUSINESS ENVIRONMENT

SWOT Analysis

BMI Business Environment Risk Ratings

Business Environment Outlook

Institutions

Table: BMI BUSINESS AND OPERATION RISK RATINGS

Table: BMI LEGAL FRAMEWORK RATING

Infrastructure

Table: LABOUR FORCE QUALITY

Market Orientation

Table: AFRICA – ANNUAL FDI INFLOWS

Table: TOP EXPORT DESTINATIONS

Operational Risk

## **CHAPTER 5: BMI GLOBAL ASSUMPTIONS**

Global Outlook

Momentum To Continue In H114

Table: Global Assumptions

Table: Developed States, Real GDP Growth, %

Table: BMI VERSUS BLOOMBERG CONSENSUS REAL GDP GROWTH  
FORECASTS, %

Table: Emerging Markets, Real GDP Growth, %

## I would like to order

Product name: Cote d'Ivoire Business Forecast Report Q2 2014

Product link: <https://marketpublishers.com/r/C8DB7944670EN.html>

Price: US\$ 1,195.00 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service:

[info@marketpublishers.com](mailto:info@marketpublishers.com)

## Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click button on product page <https://marketpublishers.com/r/C8DB7944670EN.html>