

Weekly Focus

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TRENDS TO KEEP AN EYE ON

Argentina – criticism from the IMF about doctored statistics; **Kuwait** – the opposition is gaining in parliamentary elections; **Portugal** – whatever deal Greece can hammer out with its creditors, Lisbon will want similar treatment.

CANADA

The economy certainly could do better, but consumer confidence has been rising, encouraged by the prospect of a persistence of low interest rates. This should give the “loonie” good support in the weeks ahead, intermittent slips notwithstanding.

FRANCE

In a remarkable response to the economic plans outlined by the Socialists’ presidential candidate, Pres. Nicolas Sarkozy told the nation that it needs to become more German in battling its problems and indicated that he would take a leaf out of former Chancellor Schroeder’s book, if re-elected.

GREECE

Yet another deadline is approaching for the negotiations aimed at whittling the country’s debt burden down to manageable proportions, but on some key issues the principal players are still far apart. There is, thus, still a considerable risk of failure, leading to a chaotic default of which the end result could be that Greece is forced out of the euro.

JAMAICA

While its predecessor’s election defeat marked the first time that Jamaicans voted out an incumbent administration after only one term, the new government under PM Portia Simpson Miller could easily become the second one to suffer such a fate. Renegotiating the IMF program in place since 2010 will be its first test by fire.

KAZAKHSTAN

The elections this month were anything but clean and fair and the new rule they have ushered in is multi-party only in appearance. The economy may slow somewhat, but will, overall, continue to grow at a good clip. The banking sector will remain its weak spot, but no full-fledged crisis is threatening.

SAUDI ARABIA

Riyadh has approved another stimulus budget for 2012, following a year in which spending rose much more sharply than initially heralded. For now, the Kingdom can afford to be generous. The stepped-up outlays will not resolve the tensions in the Eastern Province, but they may help to damp them down.

SENEGAL

This country is headed for a turbulent election, now that the constitutional court has decided the incumbent President can run for a third term while one of his most promising opponents has been excluded. The economy has proven resilient and should do better this year than last.

SPAIN

The latest official statistics suggest that the economy contracted in the final three months of last year and there is little doubt that it will slip further in the current quarter. This makes it clear how difficult it will be for the government to make good on its deficit-cutting promises.

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