

Atradius lifts the lid on North America

A report detailing the major economic and political updates of North American markets has been published by global trade credit insurer [Atradius](#).

The Atradius North American Country Report is a free publication for any business that is trading, or seeking to trade, within the region.

Richard Reynolds, head of Strategic Accounts for Atradius UK, commented:

“Knowledge is the bedrock of sound trade and an informed business is more likely to successfully mitigate the risks of international trade. If you’re only trading with one customer, it’s easy to focus only on their individual track record. However, it’s imperative to also keep an eye on the wider market and the potential impact that economic or political changes may have upon your customer, and their customers, and the overall sector.

“With experts on the ground in markets around the world, Atradius is able to give real-time insight to the changing economic and political environment as well as offer a performance rating of key sectors within each market.”

Country Report - key highlights:

USA:

- **Economy:** In 2019, the economy is forecast to grow 2.5%, underpinned by strong household and business confidence. However, trade policy uncertainty is a key risk, which may accelerate a downturn more quickly than expected in the face of current economic strength.
- **Insolvencies:** In 2018, businesses benefited from robust economic growth, tax reforms and buoyant business confidence, leading to a 4% decrease in insolvencies. However, US business insolvencies are forecast to level off in 2019.
- **Strongest performing sectors:** Chemicals/Pharma, Electronics/ICT, Financial Services and Services (Good)
- **Weakest performing sectors:** Paper (Poor)

Canada:

- **Economy:** In 2019, GDP is forecast to grow below 2% as export, household consumption and investment growth further ease. However, the Canadian economy should still experience positive momentum, with low unemployment, manageable inflation and rising, albeit historically low, interest rates.
- **Insolvencies:** After decreases of more than 5% in 2016 and 2017, the number of corporate bankruptcies is expected to level-off in 2018 and 2019. This is mainly due to lower economic growth and higher interest rates.
- **Strongest performing sectors:** Agriculture and Financial Services (Excellent), Food and Services (Good)
- **Weakest performing sectors:** Textiles (Bleak) and Paper (Poor)

Mexico:

- **Economy:** Since 1994, average annual real GDP growth was just 2.6%, mainly due to low investments and weak productivity. While uncertainty about the future trade relationship with the US has eased, economic policy uncertainty has increased, which could further dampen investments in 2019. Consumer confidence has decreased, which is expected to weigh negatively on forward consumption growth.
- **Insolvencies:** Despite the ongoing political and economic uncertainties, Mexico seems to be fairly resilient due mainly to strong economic fundamentals. Any steep deterioration of the economy



currently remains unlikely.

- **Strongest performing sectors:** Automotive/Transport, Financial Services, Food, Paper, Services (Good)
- **Weakest performing sectors:** Construction, Metals, Steel and Textiles (Poor)

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Atradius is a global provider of credit insurance, bond and surety, collections and information services, with a strategic presence in over 50 countries. The products offered by Atradius protect companies around the world against the default risks associated with selling goods and services on credit. Atradius is a member of Grupo Catalana Occidente (GCO.MC), one of the largest insurers in Spain and one of the largest credit insurers in the world. You can find more information online at <https://www.atradius.co.uk>