



PRESS RELEASE

RISK REVIEW

2026 – a moment of truth for the global economy?

Hong Kong S.A.R, 19 February 2026 – Momentum for the global economy has been varied moving into 2026. We expect growth of +2.6% this year – a very minor downtick on +2.8% in 2025 – despite an international environment marked by persistent geopolitical, financial and social risks.

In light of this, Coface has made 7 country risk assessment changes (6 upgrades) and 9 sector rating changes (7 upgrades).

Key figures:

- **+2.6%**: projected global growth in 2026
- **+3.9%**: growth in global trade in 2025
- **+15%**: increase in corporate insolvencies in the US in H2 2025

2025 displayed the resilience of globalisation

2025 lived up to expectations in that history went full throttle, driven simultaneously by turmoil and stabilising global growth, which was in line with our initial growth forecast of +2.8%. The paradoxical result can be explained by two main factors. The first is that the shock to the global economy was not a patch on the preceding uncertainty, particularly where tariffs were concerned. The second is the capacity of companies to adapt, particularly those with an international focus, confirming (if any such thing was needed) that globalisation continues to be a strong dynamic and one that is fuelled by powerful – and implacably interdependent – forces.

2026 begins under heavy pressure

2026 has started under a large cloud of uncertainty, often in the presence of overwhelming risks. **Geopolitical risks** have materialised, as recent events have shown in Latin America, Iran and Greenland. **Financial risks** have emerged on back of the debt and asset valuation levels of most assets in a sticky high-interest rate environment. **Macroeconomic risks** also abound with US economic policy vagaries and the ever-present threat of further trade clashes, amid escalating international competition and weakening global cooperation. **Social and political risk** looms large in many countries, manifested by deep festering resentment in growing

segments of the population, particularly in Europe. Not to mention, of course, pervasive and intensifying health and climate risks.

Global growth slows but continues to hold up

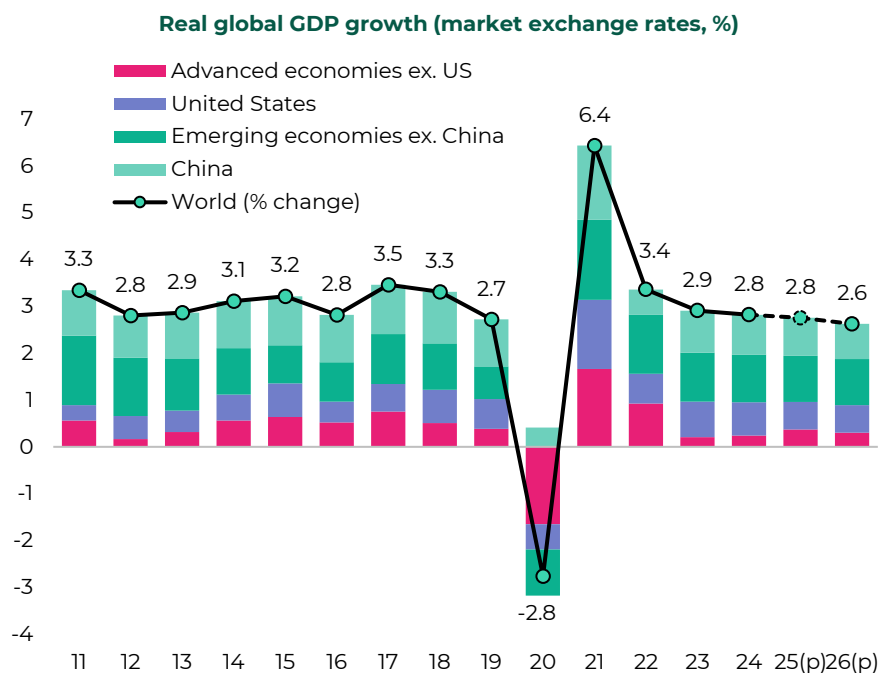
The global economic outlook continues to be patchy. In the US, the growth projection of **+2.2%** is supported by durably solid consumption despite a significant rise in bankruptcies in H2 2025 (**+15%**). In the eurozone, activity is expected to reach **around +1%**, fuelled by Germany's rebound on back of a major investment plan, while France –

pressured by a public deficit that clings stubbornly above 5% of GDP – should stabilise at around **+0.9%**.

Central Europe has displayed a much more robust dynamic, led by Poland (**+3.8%**). In Asia, China's growth will

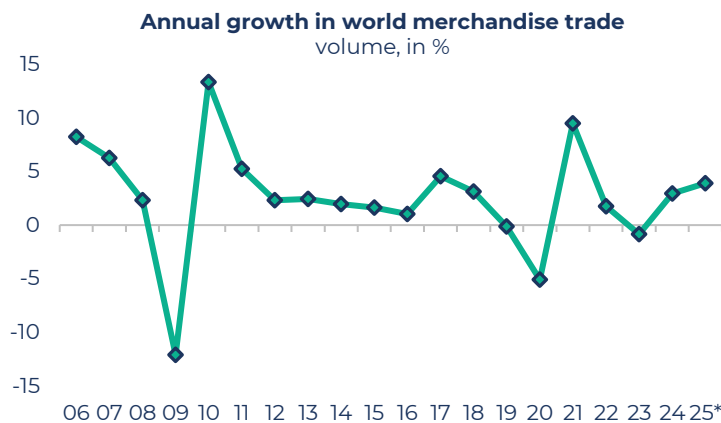
slow to **+4.4%** and weigh on regional momentum, while Southeast Asia's performance is one of uneven resilience. Conversely, India has confirmed its role as a global growth engine, one supported by strong domestic demand and proactive public policies, with a growth forecast of **+6.1%**.

In this context, oil prices are predicted to contract from USD 68 per Brent barrel in 2025 to around **USD 60**, reflecting moderate demand-led growth and a significant increase in supply. Despite potential episodes of volatility sparked by geopolitics, energy prices should be relatively neutral for inflation, which continues to ease across most regions.



Global trade defies expectations

Despite concerns caused by US tariff offensives, global trade surprised more than a few in 2025, with **3.9%** growth in trade volumes driven by strong US imports and an increase in US customs levies that ultimately proved to be lower than initially feared. The effective average tariff rate came in at **9.4%** in November, compared with the anticipated 36% at the height of tensions with China.



*: Forecast. World trade is the average of exports and imports. Source: UNCTAD, Coface

Vietnam has been a major beneficiary of supply chain reorganisation (**+43%** in US imports from January to November 2025), while Europe has stabilised its external trade. A **gradual slowdown** is expected for 2026 alongside falling freight rates due to overcapacity and a possible reopening of traditional maritime routes.

Country risk: 7 changes, including 6 upgrades

▲ Upgrades¹

- **Chile (A4 → A3):** rising investments in copper and energy, supported by a stabilised institutional environment.
- **Poland (A4 → A3):** strong investment momentum thanks to EU funds and durably solid household consumption. Sweden (A3 → A2): resilient private demand and improving labour market, backed by expansionary fiscal policy.
- **Cyprus (A4 → A3):** record tourism performance and EU funds boosting activity.
- **Barbados (C → B):** effective fiscal consolidation and continued debt reduction supporting economic resilience.
- **Ecuador (D → C):** solid recovery after the 2024 energy crisis, supported by fiscal reforms and IMF backing.

▼ Downgrades

Senegal (B → C): fiscal slippage and unsustainable debt complicating discussions with the IMF.

¹ Country risk: A1 = Very low, A2 = Low, A3 = Satisfactory, A4 = Reasonable, B = Quite high, C = High, D = Very high, E = Extreme



Access the full study [here](#).

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COFACE: FOR TRADE

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