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Global Insolvency Outlook: The ebb and flow of the insolvency wave

Executive summary

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- **All in all this year, we expect double-digit increases in bankruptcies for half of the world.** Year-to-date, the number of business insolvencies worldwide has increased by +9% and the rise has been broad-based across geographies and sectors. Two-thirds of countries are expected to surpass their pre-pandemic insolvency numbers, notably the UK and France. Our Global Insolvency Index will increase by +11% in 2024, ending the year between 10 and 15% above its 2016-2019 average (but -11% below its level during the Great Financial Crisis). This catch-up comes from the clearing of the backlog of insolvencies, especially companies that were shielded from going belly up thanks to support measures implemented during the pandemic and the energy crisis. Construction, retail and services have seen the strongest increases in business insolvencies in terms of frequency (the number of companies) and severity (the size of companies going bankrupt). In Q2 2024, large insolvencies (companies above EUR50mn turnover) reached a new record high, with Western Europe leading the trend, surpassing pre-pandemic levels as the manufacturing sector has barely started to exit one and a half years of recession.

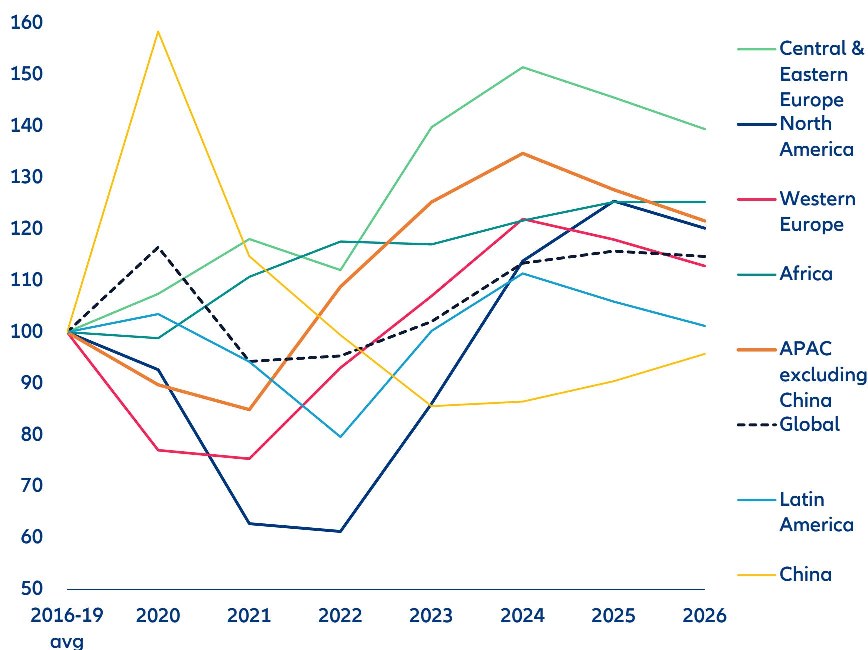
- **Looking forward, slowing growth, persistent geopolitical frictions and a delayed easing of financing conditions would push up corporate insolvencies by +2% in 2025 before stabilizing at high levels in 2026.** In the US, we expect bankruptcies to increase by +12% in 2025 (reaching a total of 27,800 companies) before falling by -4% in 2026. In Germany, business insolvencies will increase by +4% to 23,000 companies before falling also by -4% in 2026. In France and the UK, the number of insolvencies will decrease slightly by -6% for both countries in 2025 to 63,000 and 27,480 companies filing for insolvency, respectively, and continue to decrease further by -3% and -4% in 2026. Meanwhile in Italy, liquidations will continue to rise by +4% in 2025 (representing 9,700 cases) and +3% in 2026. In China, business insolvencies will start to increase from low levels by +5% to 6,850 companies, and +6% in 2025 and 2026, respectively.

- **In 2025, the further rise in business insolvencies will put over 1.6mn jobs at risk in Europe and North America alone.** This is calculated based on the share of companies that go into a liquidation phase immediately (65% on average) and the share of people laid off in a restructuring phase (around 35%). The main sectors at risk are construction, retail and services sectors. The jobs at risk are equivalent to close to 8% of the total number of people unemployed in Europe and the US and represent a 10-year high.

- **Lower interest rates are no silver bullet, likely to bring only moderate relief to corporates, with their positive impact at the highest level towards the end of 2025.** We find the current easing cycle, which would end in September 2025 with a cumulative decrease in key rates close to -2pps, would lead to a -4pps reduction of insolvencies over the course of 2024-2026. This is particularly true in countries where companies have been protecting their margins; the same fall in rates comes with an up to +2pps improvement in margins for Germany, +4pps for France, +3pps for the UK and +2.8pps for the US, to name a few countries where we modelled the effect. Highly leveraged sectors such as household equipment, computers, auto and construction will benefit the most. But insolvency and non-

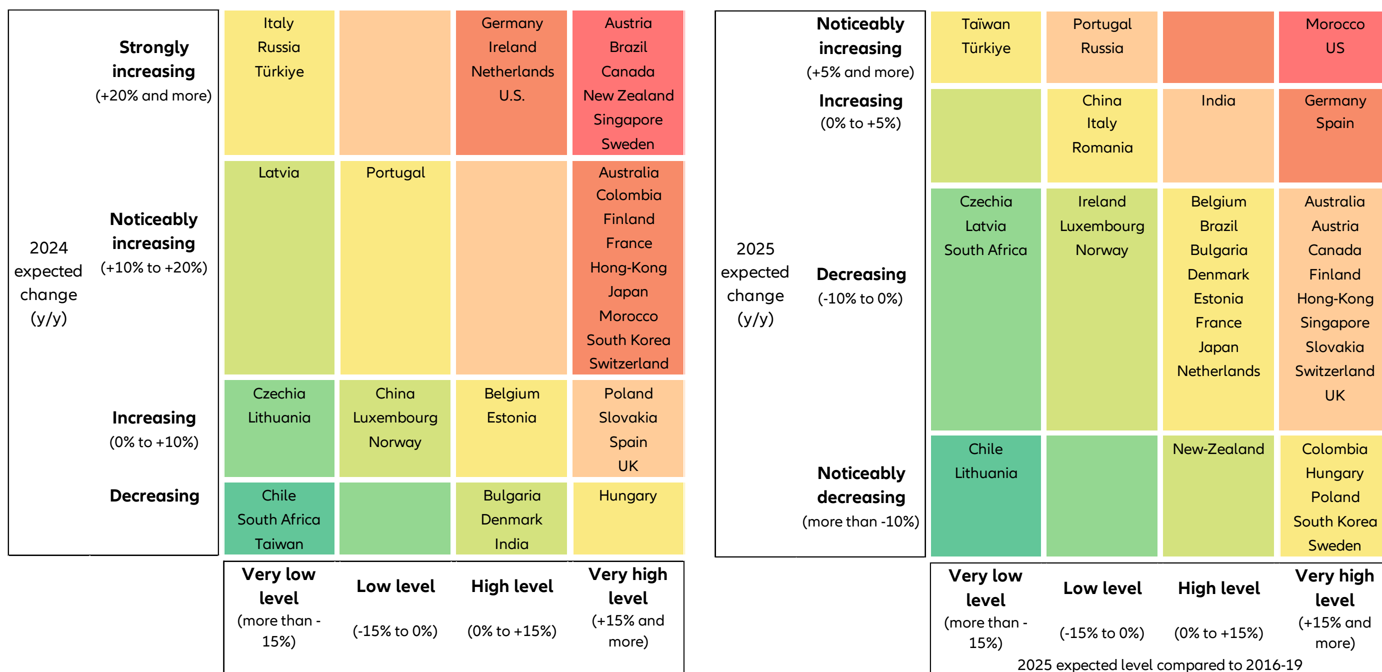
payment risks will persist. Firms have already been deleveraging and adjusting to high rates, meaning the easing cycle may not fully address the financial challenges, only slightly offsetting the expected increase in failures in the US or barely reinforcing the expected decrease in France, for example. Moreover, there is still a significant share of corporate debt to mature in the next couple of years; about a third of lower-quality debt (i.e. high yield rated or unrated) is due to mature by 2026. Highly leveraged sectors will be increasingly distressed, keeping business insolvencies at high levels.

Figure 01: Global and regional insolvency indices, yearly level, basis 100: 2016-2019 average



Source: Allianz Research

Figure 02: Insolvency heat map 2024 (left) and 2025 (right)



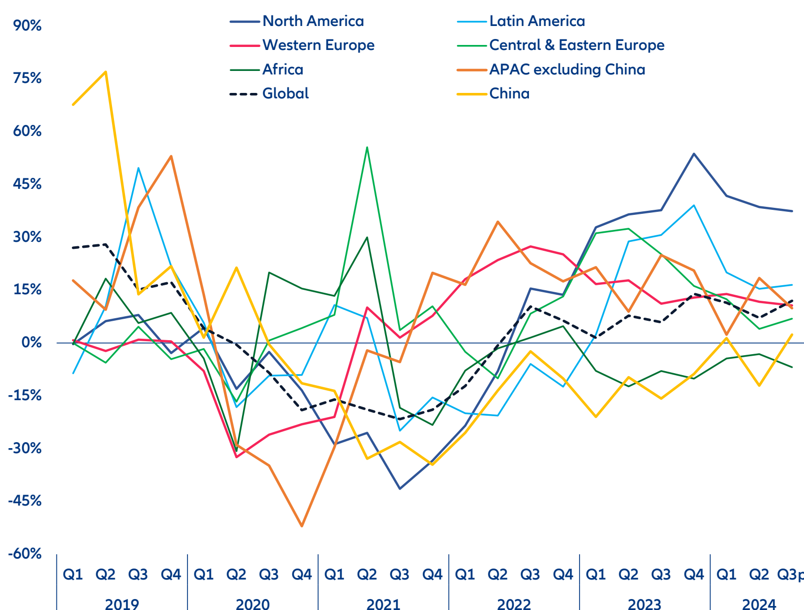
Source: Allianz Research

From normalization to catch-up

As expected[1], 2024 is on track to record another acceleration in business insolvencies. The first half of the year officially ended with a noticeable rise in most countries (three out of four), pushing up our Global Insolvency Index[2] by +9% y/y year-to-date and +10% y/y for the cumulative four quarters. The latest (official) registrations of business insolvencies confirm that the upside trend remained well on track in Q3, with many countries seeing double-digit or sharp increases in each region. De facto, the year-to-date figures show significant jumps in the Americas (+65% y/y and +46% y/y in Canada and Brazil, respectively), Asia (+60% in Singapore, +33% in Hong Kong) and Central and Eastern Europe (+40% in Russia), as well as in Western Europe (+39% in the Netherlands, +36% in Ireland and +32% in Sweden). Overall, 21 countries out of the 43 we monitor, registered a double-digit rebound year-to-date, with 11 experiencing an increase of more than +30%. Interestingly, in Western Europe, Denmark and the UK are seeing a softening trend, but exceptions are mainly to be found in certain emerging markets of Central and Eastern Europe (Bulgaria, Hungary, Lithuania), Africa (South Africa) and Asia (India, Taiwan) – while China continues to report a low number of business insolvencies compared to 2019-2023 despite slightly more cases in July and August. Based on those intermediary figures, our headline indicator is set to show another acceleration for Q3 (+8% q/q i.e. +12% y/y), confirming the overall performance since the beginning of year (+10% y/y) and thus our global expectations for the full year.

A broad-based rise across sectors, with few sectors escaping the (upward) national trend. While not an absolute rule, the country-wide situation often sets the trend for most sectors, with differences in intensity and timing. As a result, in the current catching-up phase, most sectors are seeing rising insolvencies. In the Americas, this is true in Canada and Brazil, for example, where all the major sectors are posting double-digit increases in bankruptcies of over +30%. In Asia, this is particularly the case in Japan, where non-financial sectors are posting increases of between +15% (construction, transport) and over +35% (wholesale trade). Europe is also emblematic. Looking at the eight main economic sectors of our sample

Figure 03: Global and regional indices, quarterly



Source: Allianz Research

1 See our previous insolvency report – Global insolvency outlook: Reality check
2 Covering 44 countries that account for 85% of global GDP 2023, see statistical appendix.

of 27 countries, we observe the broad-based rise in insolvencies across European sectors, with 61% (i.e. 127 out of the 208 sectors) recording an increase over the first half of the year 2024 compared to the same period of 2023. In Q2 2024, more than 130 sectors recorded a y/y rise. Overall, trade and hospitality posted a rise in half of the European countries, while information & communication, transportation & storage, manufacturing and construction recorded a rise in two-thirds of them. Yet, transportation & storage stands out with a strong catch-up above pre-pandemic levels (2016-2019 average) in several countries (13), along with construction (12) and manufacturing (12). Western European countries recorded the largest numbers of sectors already above pre-pandemic levels of business insolvencies, notably the UK, France, Spain, Sweden, Denmark and Austria.

Large firms have not been immune to rising business insolvencies, still recording more than one bankruptcy a day and thus fueling the risk of a domino effect, with Western Europe leading this trend. Globally, major insolvencies[3] hit a new high number of cases in Q2 2024 (110 cases), surpassing the pre-pandemic average level and marking the third-largest quarterly total since the start of our monitoring in 2015. This raises the risks of a domino effect of insolvencies through their long lists of suppliers. Year-to-date, major insolvencies have increased by +23% in the first half of 2024 (217 cases), with the combined turnover of insolvent major companies reaching EUR96bn from EUR72bn in the second half 2023, compared to EUR90bn (i.e. EUR180bn in annual terms) for the 2015-2023 average[4]. Western Europe is leading the global count with 127 cases over the first half of 2024 (+51 y/y), ahead of Asia-Pacific (41 cases i.e. -4 y/y) and North America (39 cases i.e. +8 y/y). Yet, the US remains at the forefront with the highest number of top insolvencies, with nine out of the top 20 insolvencies in Q2 2024, while Western Europe (six cases) has replaced China in the second position (three cases) for the second quarter in a row. Most importantly, the top three sectors contributing to the global count were in Western Europe: retail (18 cases in H1), construction (20) and services (26). Asia had a significant number of cases in construction (12) and chemicals (6) while the US continued to record large insolvencies in services (13) and retail (7). Globally, electronics stood out with the largest severity in terms of turnover (EUR779mn on average), followed by commodities (EUR672mn), retail (EUR649mn), construction (EUR648mn) and metals (EUR637mn).

Figure 04: H1 2024 number of insolvencies, y/y change in % and comparison with 2016-19 average level, selected European countries

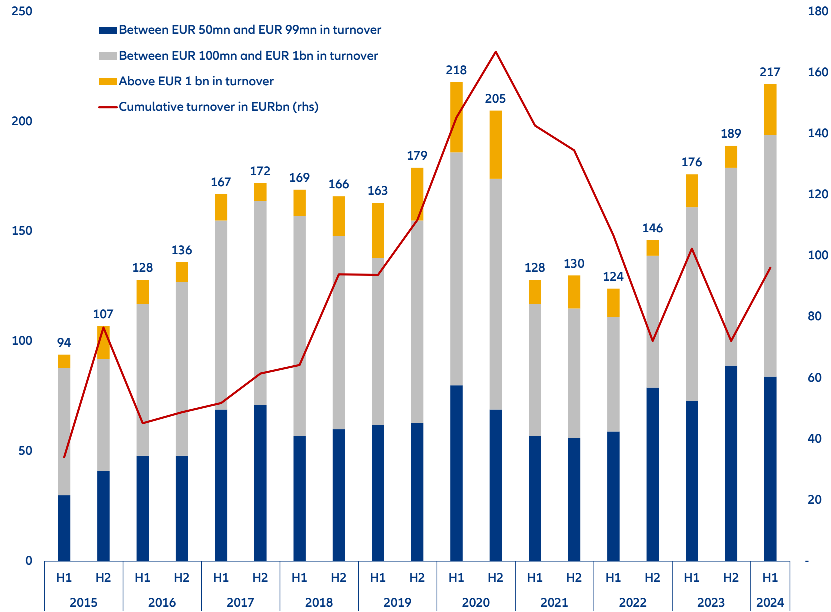
	Industry	Construction	Trade	Transport & storage	Accommod. & food service activities	Information & communic.	Finance, insurance, real estate, B2B activities	Education, human health & social work activities	ALL SECTORS
Belgium	6	24	17	20	7	25	9	5	14
Bulgaria	-11	-40	-11	30	-52	-52	-14	-17	-14
Czechia	26	25	-2	63	-18	129	33	87	23
Denmark	-32	-25	-38	-27	-21	-14	-33	0	-28
Germany	37	23	26	16	30	19	45	24	30
Spain	26	63	55	36	48	81	50	20	47
France	1	28	12	30	3	10	25	8	16
Italy	25	25	24	49	44	10	5	8	24
Luxembourg	17	-16	-20	-55	-19	92	-2	38	-11
Netherlands	9	68	24	30	42	58	69	57	45
Austria	11	23	25	33	25	52	28	27	26
Portugal	50	-15	-1	-10	-7	210	-20	-13	5
Romania	-6	13	-7	31	11	12	0	13	4
Finland	10	0	-9	-3	-18	1	10	-3	-1
Sweden	17	52	20	38	61	96	70	69	51
Norway	-22	-3	-7	3	-28	91	1	-26	-6
UK	-2	0	-4	18	6	31	12	-11	4

(*) non-seasonally adjusted numbers; colored cells indicate a higher level compared to 2016-2019 average

Sources: Destatis, ONS, SCB, Eurostat, Allianz Research

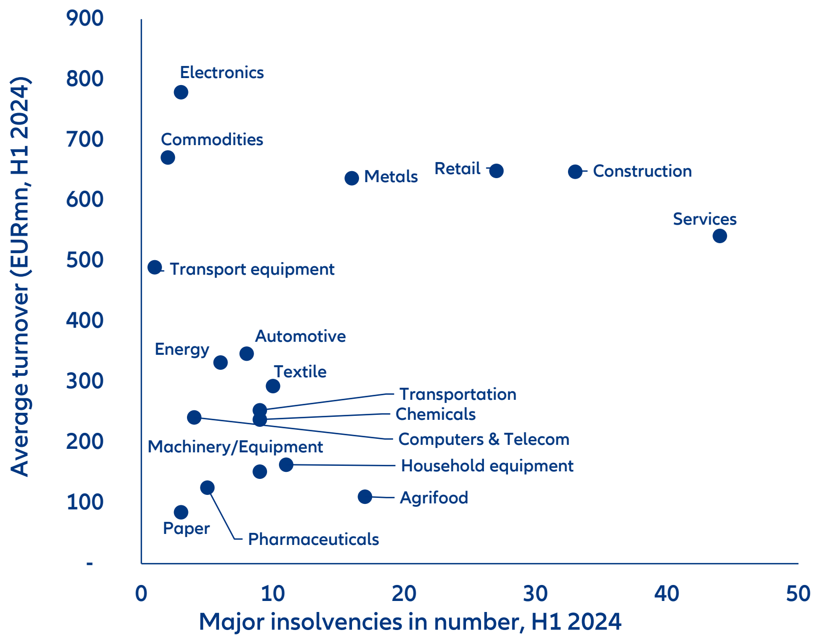
3 Firms with an annual turnover exceeding EUR50mn, based on the reporting of Allianz Trade business units.
4 Note that the 2020-2021 figures were boosted by a few significant cases such as HNA and Evergrande in China.

Figure 05: Major insolvencies, half yearly number, by size of turnover



Source: Allianz Research

Figure 06: Major insolvencies by sector, number of cases (x axis) and average turnover (y axis, EURmn), H1 2024

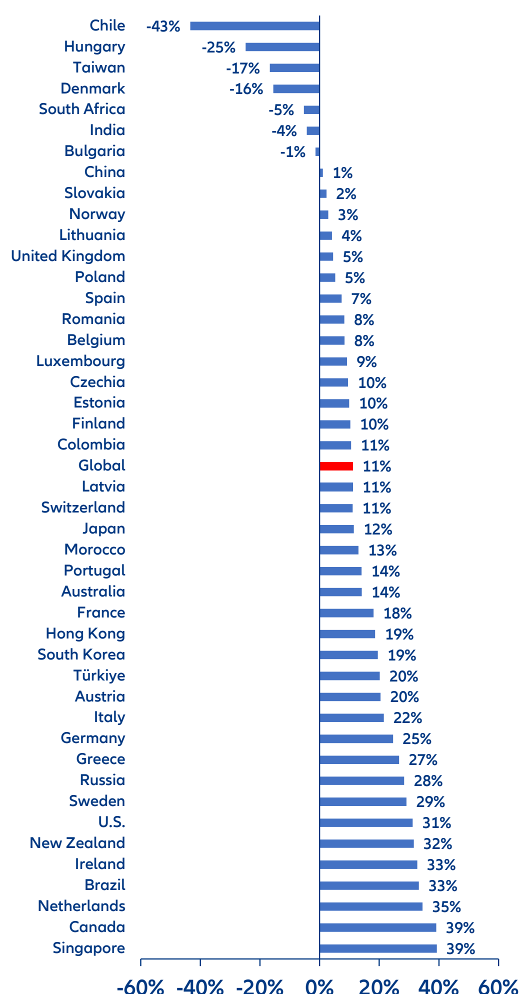


Source: Allianz Research

We expect our global insolvency index to rise by +11% y/y for the full year 2024, from +7% in 2023. This represents a slightly bigger increase compared to our previous expectations (+1pp from June and +2pps from March) as the infra-annual momentum has led to some upside revisions for 2024, notably in Brazil, Singapore, New Zealand and Russia, and to a lesser extent in Canada, Finland, France, Australia, Germany, Switzerland and Austria – which will not be compensated by the adjustments on the downside for Denmark, Belgium, Spain and the UK. However, the big picture remains unchanged. All in all, we expect four out of five countries to see business insolvencies increasing in 2024 (+17% y/y on average, following +30% in 2023), with the largest increases likely in Singapore, Canada, the Netherlands and Brazil in relative terms (+39% y/y, +39%, +35% and +33%, respectively), and in France, the US and Germany in absolute terms (+10,250 cases, +5,890 and +4,390, respectively). More precisely, one out of two countries, together accounting for more than half of global GDP, should still record a strong or noticeable increase in 2024 (>10%). The few exceptions to the global rebound in business insolvencies are India, Taiwan, South Africa, Bulgaria, Hungary, Chile and Denmark. In these countries, the decrease in annual business insolvencies will range from -1% y/y (Bulgaria) to -43% y/y (Turkey), with an average decline of -16% y/y. However, they account for a limited share of global GDP (5.7%) and thus of our Global Insolvency Index (6%), moderately contributing to lower the annual increase of our headline indicator. Regionally, these trends would translate into increases across all regions, with North America leading (+32% y/y), followed by Western Europe (+14%), Latin America (+11%), Central and Eastern Europe (+8%), and Asia closing the picture (+3% with China, but +8% without China).

Overall, two out of three countries should surpass their pre-pandemic number of insolvencies by the end of 2024, compared to one out of two countries in 2023. For half of these countries, this surplus will largely exceed 10%, suggesting that those countries are potentially closer to the end of the catch-up[5] that was expected on top of the 'back-to-normal' number of cases. These countries include the advanced economies of Western Europe, with Sweden leading the way (+72% above the 2016-2019 average), followed by Switzerland (+51%), Finland (+46%), the UK (+43%), Austria (+28%) – and to a lesser extent several others, including France, Spain, the Netherlands, Belgium and Germany – as well as Canada (+87%), South Korea (+149%), Japan (+16%), Australia (+24%) and Morocco (+101%). For a noticeable number of countries (15), the annual number of business insolvencies expected for 2024 will also exceed the level observed during the 2008 Great Financial Crisis (GFC), the last period of severe economic turbulence, which reinforces the fact that these countries could be closer to their peaks. At the global level, our headline index should stand +13% above its 2016-2019 average in 2024, but -11% below its GFC level (2008-2010 average). Notably, Italy, Portugal, Norway and Luxembourg have been exceptions so far, along with emerging markets in Asia (China, Taiwan) and Latin America (Chile).

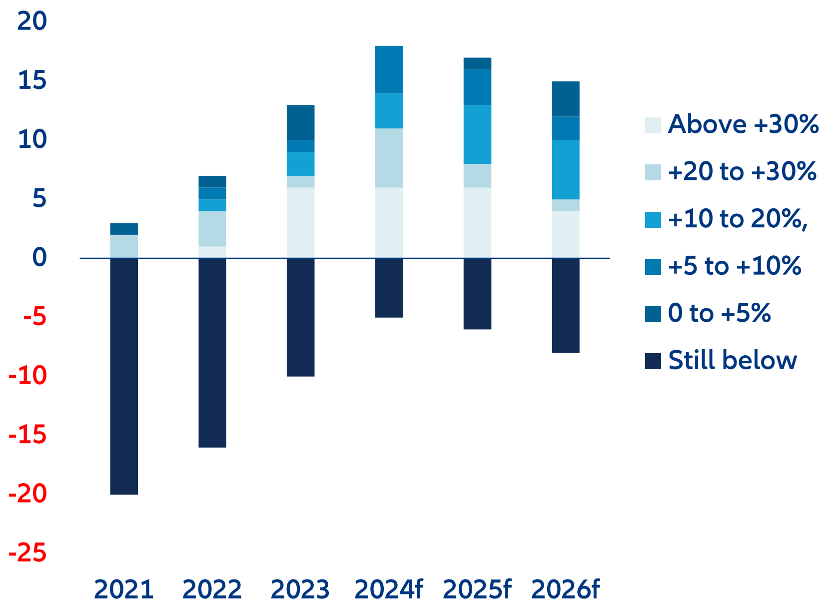
Figure 07: 2024 business insolvencies, annual changes in %



Source: Allianz Research

5 As a reminder, the 'normalization' was largely anticipated for 2023 and 2024 (see our previous insolvency report – Global Insolvency Outlook 2023-25: From maul to ruck?) since the numbers of insolvencies observed in 2020 and 2022 were artificially lowered by the massive state support offered to firms, first during the Covid-19 crisis and then following the shockwaves from the war in Ukraine, in particular on energy prices in Europe. This state support allowed firms to avoid declaring bankruptcy but by doing so it created a backlog of potential future insolvencies among some of the non-viable firms that benefited from the support, mainly small and medium enterprises (SMEs). A quick comparison with 2016-2019 levels shows that, between 2020 and 2022, support measures spared the equivalent of three-quarters of insolvencies in countries such as the US, Germany, Austria, Norway, Portugal and New Zealand, and the equivalent of one year of insolvencies usually reported in Australia, the Netherlands, France, Ireland and Italy.

Figure 08: Gap with 2016-2019 average level in business insolvencies in %, by year and number of advanced economies of Europe, America and Asia



Source: Allianz Research

Figure 09: Gap with 2016-2019 average level in business insolvencies in %, by year and number of advanced economies of Europe, America and Asia

2024 vs pre pandemic 2016-2019		2024 vs GFC (2008-2010): Less		2024 vs GFC (2008-2010): More	
	More	Austria Bulgartia Canada Denmark Estonia Germany Hong-Kong	Hungary Ireland Japan Netherlands New Zealand UK US	Australia Belgium Brazil Colombia Finland France India Morocco	Poland Singapore Slovakia South Korea Spain Sweden Switzerland
	Less	Italy Latvia Lithuania Norway Portugal	Romania Russia South Africa Taiwan Turkiye	Chile China Czechia Luxembourg	

Source: Allianz Research

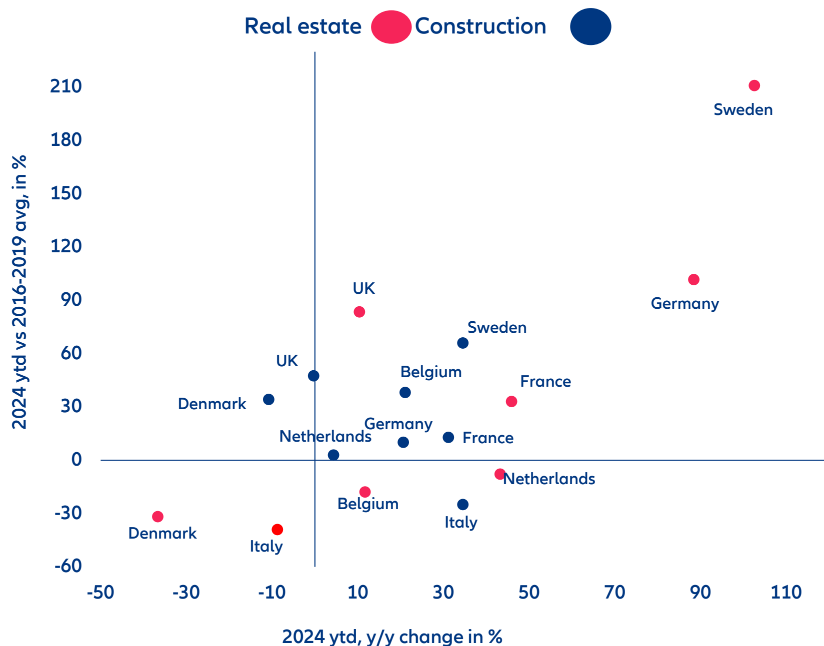
2025-2026
Peaking at high levels

Household-oriented sectors should remain on the watch list for 2025, construction and real estate are about to record noticeable jumps in business insolvencies for 2024, as evidenced by the latest available figures, especially in Sweden (+43% ytd), the Netherlands (+40%), France (+33%), Germany (+32%) and Italy (+24%) in Europe, as well as Japan (+13%) in Asia, and, importantly, Canada (+54%) and the US (over +150%)[6] This momentum should lead to over 18,000 firms going bust in France, over 5,000 in Germany, over 2,800 in Sweden and 2,000 in Italy – and still close to 5,000 cases in the UK. The first signs of recovery in activity for 2025, mostly driven by decreasing interest rates in major economies, should support an improvement, but the unwinding of major headwinds will remain gradual and structural challenges are likely to persist, leading the sector to continue boosting national numbers of business insolvencies, also because of the relatively higher number of firms and share of SMEs[7].

Vigilance remains the watchword for trade sectors, notably retail and automotive. Admittedly, 2024 is likely to see a smaller increases in insolvencies than in other sectors, and in fewer countries, but (i) rises will still be significant (in Europe, according to the latest figures available, the increase has reached +18% in Belgium since the start of the year, +25% in Germany, +27% in the Netherlands and +29% in France) and (ii) this corresponds to a consequent absolute number of insolvencies (at the latest known momentum is consistent with over 2,200 cases for the full year in Italy, 3,500 in Germany, 4,000 in the UK, 5,500 in Belgium and 21,000 in France) which often leads trade to be the first or second contributor to the national number of insolvencies. De facto, trade has not finished adapting to the profound structural changes brought about by e-commerce and the changes in consumer habits that have taken place since the pandemic, which together bring their share of emblematic business failures every year, notably in retail which, in Europe, usually accounts for half of the insolvencies of the sector (55% in average over 2012-2023), compared to 33% for wholesale and 12% for automotive retail. On top of this, the sector will face the switch in consumer spending in 2025[8] , which will benefit durable goods rather than expensive services. For its part, the automotive trade (and maintenance) segment should continue to be closely watched as the prospects for growth in demand remain limited. The latter will prolong the competition between players which has already contributed to a rise in insolvencies, with 2024 set to see notable increases, in particular in Europe where double-digit momentum is in place in several markets (France, Italy, Belgium, the Netherlands, Sweden). It will also maintain the pressure on the manufacturing side, both for original equipment manufacturers (OEM) and suppliers. Historical players are already fighting to succeed in the challenging transition to electric vehicles (EV), which threatens OEMs that are stuck with Internal Combustion Engine (ICE) offerings, and tier-2 and tier-3 suppliers. Difficulties are here to stay while business insolvencies of OEMs and suppliers are already on the rise, in particular in Europe with twice the number of cases that were seen prior to the pandemic, according to the latest trend for 2024. This would lead to over 70 cases in the UK, 60 in Germany, 40 in France and around 15 in Belgium and the Netherlands.

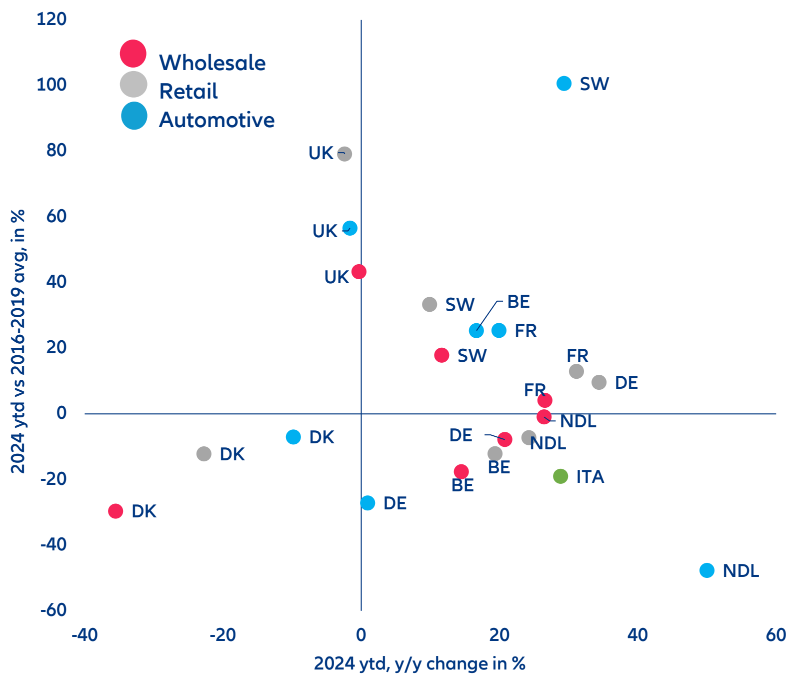
6 based on UBS Corporate Bankruptcy Monitor)
7 Historically, construction has often been the largest contributor to national insolvency numbers, accounting for around 20% of the total number of cases over the last 10 years (17% in Germany and Sweden, 18% in the UK, 19% in Italy and Belgium, and 22% in France), after trade (18%, 22%, 14%, 24%, 59% and 21%, respectively, when combining wholesale, retail and retail of automotive) – with real estate adding between 2pp (Denmark) and 6pp (Belgium).
8 See our previous report 2024_09_27_what_to_watch.pdf (allianz.com)

Figure 10: Insolvencies in construction and real estate, selected European countries



Sources: DeStatis, INSEE, CCCM, ONS, Allianz Research

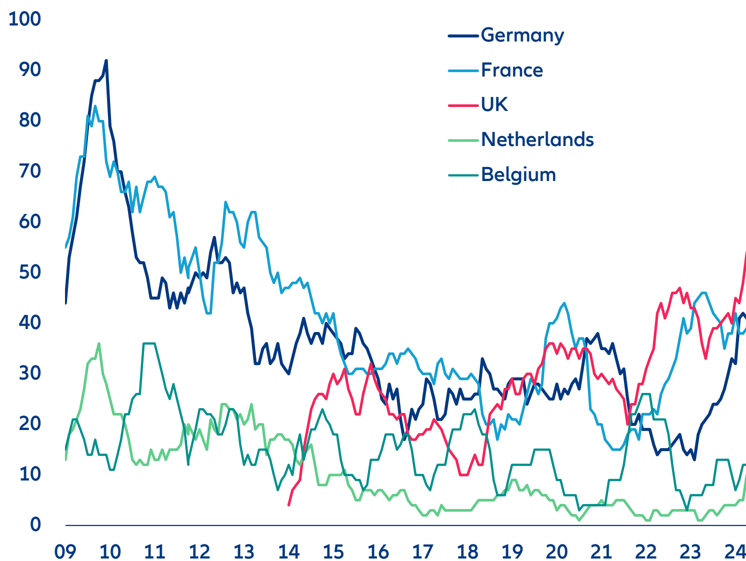
Figure 11: Insolvencies in trade sub-sectors, selected European countries (*)



(*) Germany (DE), Sweden (SW), France (FR), Belgique (BE), Netherlands (NDL), Denmark (DK) – and Italy (ITA) for the combined 3 subsectors (wholesale, retail and retail of automotive)

Sources: DeStatis, INSEE, CCCM, ONS, Allianz Research

Figure 12: Insolvencies in automotive manufacturing, selected European countries, rolling 12 months



Sources: Banque de France, Allianz Research

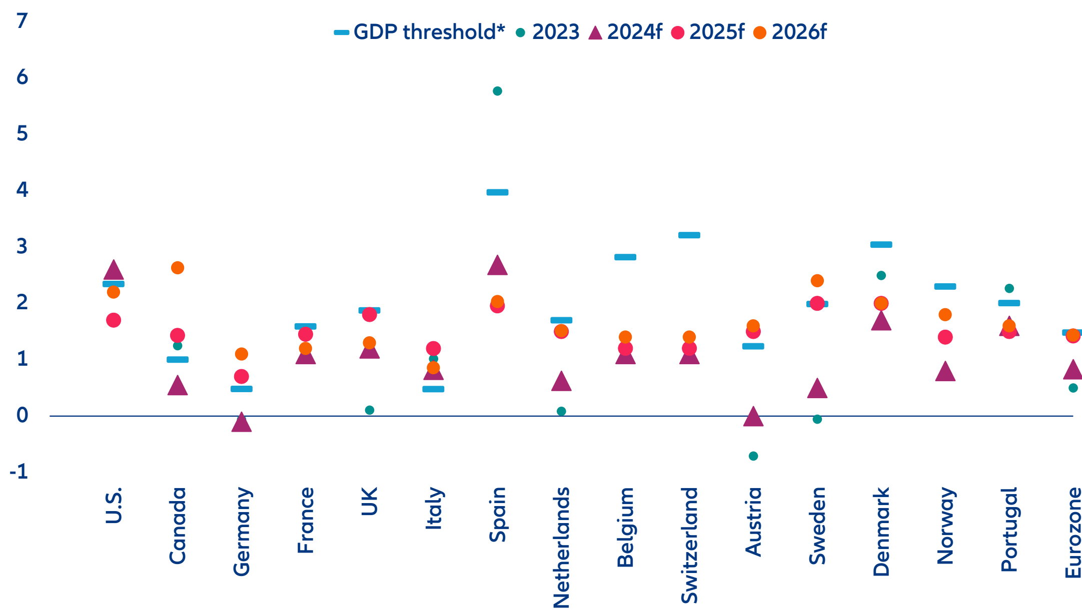
Overall, we expect a somewhat moderate increase in business insolvencies globally in 2025 (+2%), but the latter would result from more uneven regional and national trends than in 2024. This mirrors our global economic outlook, which expects a noticeable and uneven rebalancing among economies[9]. Our global insolvency outcome would be driven by only three out of 10 countries seeing business insolvencies increasing in 2025 (+7% y/y in simple average for the countries concerned, after +17% in 2024). But this will include a mix of large and smaller economies accounting for a major share of global GDP (58%) and thus our Global Insolvency Index (69%), primarily the US (+12% y/y), China (+5%), Germany (+4%) and Italy (+4%). Conversely, we expect a large majority of countries (seven out of 10) to post a downside trend reversal in 2025, albeit a limited one (-8% y/y in simple average for the countries concerned). In Europe, this will be primarily due to the strong bounce-back over 2021-2024 and/or the return to (historic) high insolvency levels. Most often, it will be driven more by the gradual ending of the normalization and catch-up phase than the intensity of the expected improvement in economic and financing conditions.

At this stage, our first forecasts for 2026 suggest a more widespread downside trend, which would translate into the first decrease of our headline indicator in four years, albeit a limited one (-1%). Most regions would contribute to the global decrease, with Europe and North America leading the way. Western and Central & Europe would both prolong the dynamic that began in 2024, displaying another (limited) decrease at a regional level (to -4% y/y from -3% y/y and to -4% from -4% in Western Europe and in Central & Eastern Europe, respectively). Exceptions would be limited, with twice fewer economies on the upside in 2026 (six) compared to 2025 (13). Russia, China and Taiwan would be on the watch list for markets at risk of seeing an increase in insolvencies despite the global downside trend, alongside Italy and Portugal in Western Europe.

Globally, the rebalancing of global economy is only partially addressing the upside factors mentioned our previous report[10], keeping insolvencies at high levels for several quarters. Firstly, in several countries, the level of activity is unlikely to reach the minimum that has historically been required to at least stabilize the number of insolvencies, with still-subdued GDP growth in particular in the US (+1.7% in 2025), the Eurozone (+1.4%) and emerging markets, including China (+4.3%). Based on long-term sensitivities (see Figure 12), the US and Eurozone would need +0.4pp and +0.2pp in additional GDP growth on average in 2025-2026, respectively, to stabilize their numbers of insolvencies, with most countries only gradually reducing the GDP gap compared to 2024. This lack of economic momentum is likely to sustain competition and limit pricing power, softening the rebound in revenue growth and only moderately weakening pressure on profitability.

9 See our report: Global Economic Outlook 2024-26: The great balancing act
10 See our previous insolvency report – Global insolvency outlook: Reality check

Figure 13: Level of GDP stabilizing insolvencies vs 2024-26 GDP forecasts, US and selected European countries.



(*) GDP threshold: GDP growth momentum required to stabilize the number of insolvencies prior to the pandemic

Source: Allianz Research

Our central scenario is exposed to several upside risks. Our insolvency outlook could deteriorate should the US economy perform worse than expected, with a harder "soft" landing, or if there are larger headwinds from China and weaker resilience in APAC, as well as if the outlook for Europe deteriorates. On the geopolitical side, we are monitoring the ongoing conflicts in Russia-Ukraine and the Middle East, tensions in the South-China-Sea and with Taiwan political uncertainties in European countries. Our downside scenario, which translates to -1.5pp lower global growth, would boost our insolvency forecasts by an additional +7.5pps globally to +9% and +6.5% in 2025 and 2026, respectively. For 2025, this would mean +2,600 additional cases in the US and +12,500 in Western Europe. A potential surge in US protectionism[11] if Donald Trump wins the US elections could also drive up our insolvency forecasts, particularly in the case of a disruptive trade policy. A full-blown trade war (i.e. with the US effective tariff rate at 12%), would increase our forecasts by an additional +4pps and +2pps in the US in 2025 and 2026, respectively, and by +0.5pp and +1pp in Asian countries, with a more limited impact in Western Europe.

11 See our previous report 2024-03-13-Trump_Report-AZ.pdf (allianz.com)

Lower interest rates will not entirely lower insolvencies

Corporates have been deleveraging and adjusting to the era of high interest rates. Expensive borrowing costs compelled many companies to reevaluate and adapt their capital structures, and improve their balance sheets. While there was some deleveraging, companies also took out loans and financing at shorter maturities, which were less expensive than longer-term loans. As a result, the interest coverage ratio decreased by "only" 1.1 between 2022 and 2023; for US firms it slightly increased (+0.3) while it decreased by -1.4 and -1.7 respectively for Western Europe and Asia Pacific.

The ongoing monetary easing cycle will help struggling firms, but it will not entirely eliminate insolvency risks. Lower borrowing costs will translate directly into reduced interest expenses for companies with outstanding debt, mechanically improving their income and cash positions. For highly leveraged firms in particular, interest payments can constitute a significant portion of operating expenses and a decrease in interest rates can free up cash that can then be allocated toward operational needs, investments or simply toward strengthening liquidity. Furthermore, the broader macroeconomic effects of lower interest rates will also kick-in and benefit corporates around the world. Lower rates often lead to increased consumer spending and investment as borrowing becomes more affordable for both consumers and companies. This uptick in economic activity can boost demand for goods and services, improving corporates' top-lines and earnings, and reducing insolvencies. However, this relief will only partially offset the effects of the past tightening, with the impact to be most felt towards end-2025. As a result, it is not a silver bullet to reduce insolvency risks. Firms will continue to face concerns over their capability to absorb the costs of borrowing, particularly those that are most exposed, while the number of fragile firms remains noticeable in the UK (12%), France (12%), Italy (8%) and Germany (2%). In addition, 80% of the key rate- cut transmission to bank credit rates starts after one month (vs. four months for mortgages, for a transmission of around 70%).

Cyclical and capital-intensive sectors stand to benefit the most. Sectors that are heavily reliant on consumers and especially consumer credit are at the top of the list as consumers will be incentivized to spend on big purchases such as appliances, computers, electronics or cars. Real estate services and construction should also naturally benefit as they are particularly sensitive to interest rate fluctuations. Lower rates should stimulate housing markets, improve access to mortgages and households' creditworthiness. Companies operating in these sectors may experience significant revenue growth, which can alleviate financial pressures. Finally, industries that require significant long-term capital investments, such as tech, energy and utilities, are likely to see increased capex and better long-term growth prospects because of lower interest rates.

We find that a 1pp decrease in interest rates can lead to a -2% drop in insolvencies in the US and France. We found no strong relation for neither Germany, UK nor Spain. Companies that already have debt at higher interest rates can benefit by refinancing their obligations at lower rates, significantly lowering their interest expenses. Lower interest rates can also improve companies' interest coverage ratios, making them more attractive to lenders, and have an indirect impact by improving corporate valuations, which in turn should make it easier for corporates to raise capital or credit. We calculate that the expected -2pps decrease in key interest rates by fall 2025 should lead to higher margins (up to +2pps in Germany, +4pps in France, +3pps in the UK and +2.8pps in the US). This can contribute to reducing insolvencies – especially in the US and France – though it will not be enough to prevent an overall increase. And in Germany, the UK and Spain we do not find a strong relationship between declining interest rates and reduced insolvencies. Moreover, there is still a significant share of corporate debt to mature in the next couple of years; about a third of lower quality debt (i.e. high yield rated or unrated) is due to mature by 2026. Highly leveraged sectors will be increasingly distressed, keeping business insolvencies at high levels.

Overall, we do not expect major relief in terms of business financing requirements. On the contrary, the global restocking ahead will require companies to mobilize financial resources at a time when buyers are more likely to extend their payment terms, increasing the risk of higher working capital requirements (WCR). As of mid-2024, WCR was only slightly lower than a year ago at the global level (-1 day in turnover y/y to 82 days), notably in the US and Europe (both -1 day to 72 and 71 days, respectively) despite the global destocking (-2 days). Looking at key markets, the highest proportion of firms with large WCR as of Q2 2024 is in China and Japan (41% and 42% above 90 days, respectively, compared to 31% in Europe and 29% in the US) and in specific sectors globally: machinery equipment (57% above of 90 days), electronics (55%), transport equipment (54%) and computer/telecoms (46%). We find similar results when looking at Days Sales Outstanding in key markets: the highest proportion of firms with large DSO as of Q2 2024 is also in China (57% above 60 days compared to 45% in Europe and 35% in the US) and in the same list of global sectors: machinery equipment (73% above of 60 days), transport equipment (69%), electronics (68%) and computer/telecoms (64%).

Finally, we still expect the post-pandemic acceleration in business creation[12] to push up the 'natural' rise in business insolvencies as startups and younger firms are often at higher risk of facing financial difficulties and insolvency compared to their more established counterparts, which can withstand weak economic cycles better.

Figure 14: DSO and WCR dispersion, by global sectors, in % of firms, Q2 2024 financials (listed firms)

	DSO						WCR					
	<10 days	10-30 days	30-60 days	60-90 days	90-120 days	>120 days	<10 days	10-30 days	30-60 days	60-90 days	90-120 days	>120 days
Agrifood	12	24	42	16	4	1	7	17	32	25	13	6
Automotive	6	14	31	31	13	6	9	9	22	27	21	13
Chemicals	5	10	31	31	16	7	3	7	23	30	23	14
Commodities	5	8	32	19	12	24	21	8	25	15	12	19
Computers & Telecom	1	7	27	32	20	12	3	4	18	29	27	19
Construction	15	15	20	17	13	20	6	9	20	23	19	22
Electronics	1	4	27	29	20	19	1	1	16	27	29	26
Energy	5	17	45	18	7	8	29	13	31	16	6	5
Household Equipment	3	12	32	28	14	11	3	7	22	27	22	18
Machinery & Equipment	1	4	23	30	20	22	1	2	14	27	29	27
Metals	11	13	28	25	12	11	4	8	20	27	23	18
Paper	1	6	39	30	16	8	4	3	30	33	18	11
Pharmaceuticals	3	9	30	32	15	12	3	4	18	29	26	20
Retail	36	34	20	6	3	1	17	27	29	17	7	3
Services - Financials	18	25	26	12	8	12	13	17	26	21	12	12
Hotels/restaurants/tourism	29	41	19	6	3	2	52	26	11	6	4	2
Other B2B services	6	13	34	28	11	8	13	9	26	25	15	11
Other B2C services	19	29	29	15	5	4	32	25	19	15	4	5
Software & IT services	4	11	40	25	10	10	10	6	35	23	12	14
Textiles	4	19	37	27	7	5	1	9	24	30	23	13
Transportation	9	23	44	17	5	2	33	18	32	10	5	3
Transport Equipment	2	8	20	26	17	27	1	6	16	24	23	31
All sectors	8	14	30	24	13	11	7	8	21	26	21	17

Sources: LSEG Refinitiv, Allianz Research

12 In Europe, for example, new business registrations proved to be +14% higher in 2021-2023, compared to 2016-2019. Countries that saw the most new businesses created were notably France (+47%), the Netherlands (+28%) and Belgium (+14%). In terms of sectors, the top three were information/communication (+32%), transportation/storage (+28%) and real estate/B2B services (+24%).

A changing regulatory landscape in Europe

Global insolvency trends could be accentuated by a changing regulatory landscape in Europe. Several proposals aimed at changing the regulatory framework around payments processing, invoicing and insolvencies are under discussion, which could fundamentally change the way businesses operate in Europe.

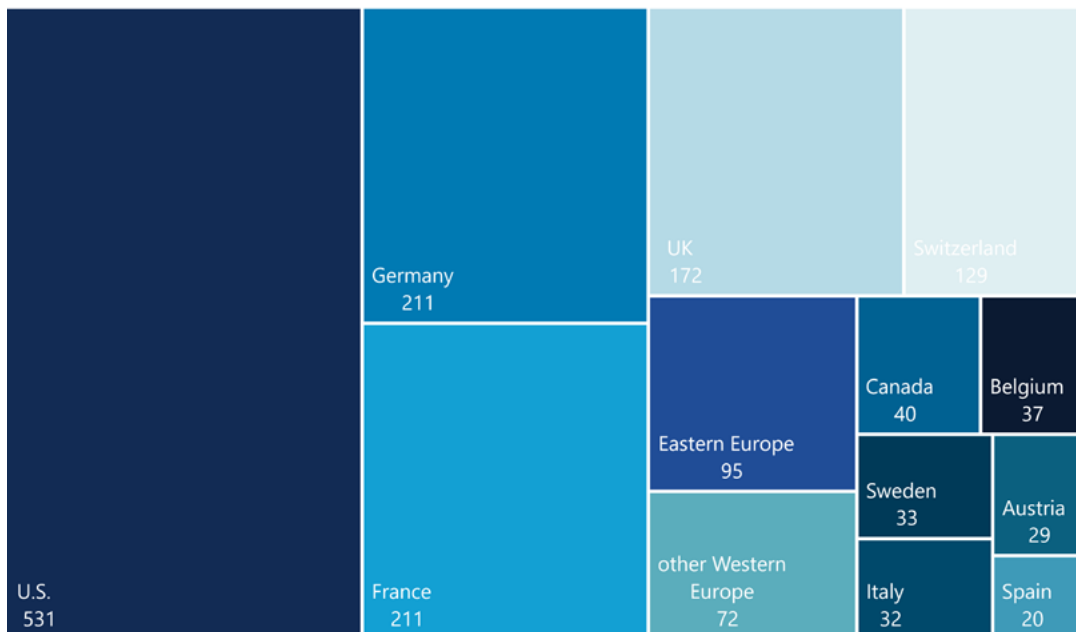
Payment terms, for example, have been at the forefront of policy debates in Brussels. In September 2023, the European Commission introduced a proposal for regulation on combating late payments, which aimed at reducing payment terms from 60 to 30 days across Europe and introducing strict caps and restrictions on the ability of businesses to negotiate terms. However, this proposal received criticism from different sectors, who argued that the Commission's proposal failed to maintain contractual freedom and a necessary flexibility for businesses of all sizes to negotiate in their best interest. It was also noted that different working capital requirements, production cycles and market dynamics could be disrupted by such a change in payment terms. The European co-legislators (European Commission, European Parliament and European Council) failed to come to an agreement after a group of member states led by Germany and Austria wrote to the European Commission, and called for the withdrawal of the proposed regulation. These member states also recommended that the Commission conduct a larger impact assessment, which "analyses all the relevant issues in-depth and justifies all policy choices made in a transparent manner". Payment terms will thus remain a hot topic in the upcoming mandate of the European Commission (2024-2029).

An often overlooked but also crucial topic is e-invoicing. The EU and member states continue to work towards further harmonization of e-invoicing practices. For example, the European Commission's VAT in the Digital Age proposal (ViDA) aims at expanding significantly the scope of e-reporting and e-invoicing obligations and would allow EU member states to impose business-to-business (B2B) e-invoicing requirements. The proposal is currently being discussed by the three European co-legislators and is likely to also make a comeback from November onwards. Additionally, e-invoicing has been implemented in Italy since 2017 and is progressively becoming mandatory in several EU countries, including France, Germany and Poland, with varying timelines and requirements. These regulations are expected to improve transparency and efficiency in commercial transactions, benefiting both businesses and tax authorities by facilitating timely payments, shortening invoice-processing time, reducing error rates and streamlining companies' cash management. However, e-invoicing implementation will be key to follow, as it has a cost to it for companies, notably for SMEs.

Lastly, European insolvency frameworks will also be the subject of discussions in the upcoming European legislative cycle (2024-2029) as the Capital Markets Union becomes a key priority for the next European Commission. Insolvency law within the EU has long been governed by national legislation, reflecting the distinct legal traditions and economic priorities in each member state, despite several efforts to harmonize insolvency laws through the EU Insolvency Regulation (EIR), initially adopted in 2000 and later revised in 2015, and the 2019 Directive on Preventive Restructuring Frameworks and Second Chance. In December 2022, the European Commission continued its push towards harmonizing insolvency frameworks and published its proposal for harmonizing certain aspects of insolvency law, with the main purpose to set common minimum rules across member states for insolvency proceedings. The text is still under negotiation. More generally, the revised Capital Markets Union, which has been rebranded the "Savings and Investment Union" is likely to tackle insolvency laws again and touch upon key areas, such as insolvency triggers, the ranking of creditors and the treatment of secured creditors.

In this context, the number of jobs directly at risk in Europe and North America will still exceed 1.6mn in 2025 (+10k compared to 2024) before a 'marginal' fall in 2026 (-70k). Based on the average number of employees per firm13, 2024 is likely to end with slightly more than 1.6mn jobs directly at risk in Europe (1.1mn) and North America (510k) together, i.e. a 10-year high for both regions. This is calculated based on the share of companies in Europe and the US that go into a liquidation phase immediately (65% on average) and the share of people laid off in a restructuring phase (around 35%). In 2025, Western Europe (940k) and Central & Eastern Europe (100k excluding Russia and Türkiye) would see a moderate decline (-40k and -10k compared to 2024, respectively), with the bulk of the jobs at risk in Germany, France and the UK, all representing approximatively the same number (roughly 200K), ahead of Switzerland (130k), Belgium (37k), Sweden, Italy and Austria. Conversely, we expect the US to continue having more jobs at risk in 2025 (+60k to 530k).

Figure 15: Jobs at risk due business insolvencies in 2025, in thousands



Sources: SBS (Eurostat), ONS, US Census, StaCan, Allianz Research

13 As per structural business statistics of Eurostat (SBS), ONS, US Census and StatCan

Regional outlooks

North America is leading the global rebound in business insolvencies in 2024 and 2025, with the US to prolong its rebound (+31% in 2024 and +12% in 2025, from +40% in 2023) and Canada to see a moderate decrease from the major upside trend posted since 2022 (+39% and -4% from +41%, respectively).

For the **US,** this catch-up mainly reflects a delayed normalization, after the atypical period where the combination of state support and the strong post-Covid recovery in profits led US firms to accumulate buffers. However, the latter have gradually been used, notably by SMEs, to cope with the sharp tightening of financing conditions in 2022-2023, and more generally by all firms struggling with their business models in a dynamic but highly competitive domestic market. For 2025, we expect the soft landing of the US economy to lead to another significant rebound in business insolvencies, despite the relief coming from the policy-rate loosening cycle. This would mean a return to 27,800+ insolvencies in 2025, slightly above the 2016-2019 average (23,000) but still a low level from a historical perspective (34,000 for the 2000-2020 average, 41,000 for the 1990-2020 average).

For **Canada,** however, the number of insolvencies is likely to hit a 15-year record high at 5,100+ cases in 2024, i.e. significantly above (+87%) the 2016-2019 average (2,750 cases), with another large set of cases in hospitality, construction and retail – together accounting for four out 10 insolvencies. This jump is largely explained by the expiry of the Covid-loan repayment deadline, which has added to the burdens on many firms – on top of the already high operating and borrowing costs in a challenging context of lower economic growth. For 2025 and 2026, we expect the recovery in demand to support a first reduction in the number of business insolvencies in 2025 to slightly less than 5,000 cases (-4%), before a larger improvement in 2026 to 4,500 cases (-9%).

In **Latin America,** Brazil is likely to report a substantial jump in business insolvencies in 2024 (+33% y/y), prolonging the trend that started in 2023 (+39%) with the continuing deceleration of the economy over the past years. Looking ahead, as we expect the rebound in activity to remain limited and monetary policy to maintain the pressure on firms' financials, via the tightening cycle initiated in September 2024, business insolvencies should continue reaching high levels in the coming quarters, with more than 3,400 and 3,200 cases in 2025 and 2026, respectively.

In **Western Europe,** we expect 2024 to end with another increase in business insolvencies at the regional level (+14% y/y from +15% in 2023), for the third consecutive year, which would push the region noticeably above its pre-pandemic number of cases (by +22% compared to 2016-2019 average; from +7% in 2023). The Netherlands (+35% y/y), Ireland (+33%) and Sweden (+29%) should see the largest increases, while most countries would still record a double-digit rise, in particular the core markets of Germany (+25%), France (+18%) and Italy (+22%). But three countries would stand out with a notable softening (the UK and Norway) or downside trend reversal (Denmark). As indicated by our insolvency-regime change model[14] and our economic cycle-based insolvency model, 2025 should see a broad-based but moderate decrease in insolvencies across countries (-3% Spain and Portugal as the main exceptions. This will mean that most countries would still post more insolvencies than in 2016-19.

In **Germany,** business insolvencies are likely to continue their rise until 2026. The upside trend that started in 2023, with a lag compared to most other European countries, is on track for ending 2024 with another acceleration (to +25% y/y from +22% in 2023) – and with all sectors contributing to the spike, notably trade, B2B services, construction/real estate and manufacturing, on top of

several well-known companies. The combination of both cyclical (recession, financing conditions) and structural (competitivity, green transformation) issues is translating into an increasing number of firms struggling fatally to navigate the challenging landscape. In this context, the modest improvement expected in economic activity is set to only soften the rise in business insolvencies in 2025 (+4% y/y to 23,000 cases) before having more impact in 2026 (-4% to 22,100) as firms will gain increasing support from lower borrowing costs resulting from declining interest rates.

In **France,** a new record of business insolvencies is in sight for 2024. Despite signs of softening in the most recent period, the upside trend is likely to end the year on a strong pace for the third year in a row (+18% y/y, following +49% and +35% in 2022 and 2023, respectively). The annual count would reach 67,000 cases, i.e. well above pre-pandemic levels (+22% above the 2016-2019 average), evidencing the importance of the catch-up effect on top of the economic cycle and simple post-Covid normalization. De facto, insolvencies are by far exceeding their 2010-2019 average in a large set of sectors: transport/warehousing, information/communication, retail of automotive, real estate/finance/insurance, hotels/restaurants, and services, both to individuals and companies. We expect slightly lower number of business insolvencies in 2025 and 2026 as GDP growth is to moderately step up from +1.1% in 2024 to +1.4% in 2025, helped by the ECB-induced loosening of credit conditions. However, this would still mean more than 60,000 cases in 2025 and 2026.

In the **UK**, we expect business insolvencies to stay around 30% above pre-pandemic levels by 2026. Despite the first signs of plateauing, a new high is on track for the full year 2024, with more than 29,000 cases (+5%), which would represent a 12-year record, with a still-larger number of insolvencies in construction, trade and hospitality (18% of the total number of cases, 15% and 14%, respectively). Firms have been struggling over the past years due to the succession of shocks and challenges, from Brexit-related issues and the Covid-19 shock, to strong monetary tightening and sticky inflation. As the UK's growth momentum should recover heading into 2025, we expect a gradual relief for firms that would translate into slightly lower number of business insolvencies, with around 27,500 and 26,300 cases in 2025 and 2026, respectively.

In **Italy**, the upside trend in business insolvencies seems well in place after the past volatile years, with alternating large drops (2020, 2022) and strong rebounds (2021, 2023). Mirroring 2023, all major sectors but real estate are to post a positive contribution to the rise in business insolvencies in 2024, with a significant contribution from trade (accounting for 24% of the year-to-date outcome as of August 2024), construction (18%), manufacturing (17%) and hospitality (10%). We expect this catching up to continue in Italy where business insolvencies are still well below their pre-pandemic number (by -17% end of 2024) – even if the legal context created by the 'Codice della crisi e dell'insolvenza', with the new out-of-court proceeding, is de facto limiting the official number of insolvencies. The speeding up of economic growth forecast for 2025 and 2026, compared to 2024, will however remain insufficient to stop the trend at this horizon, pushing our expectations to 9,700 cases for 2025 (+4%) and 10,000 for 2026 (+3%).

Spain used to be one of Europe's outliers in terms of business insolvencies, with a tendency to see the opposite trend compared to peers, as seen in 2020 (with a tiny decrease), 2021 (a massive surge) and 2023 (a noticeable drop, partly due to a temporarily strike of workers at the courts). In 2024, the resilience of the economy, with stronger than anticipated exports of goods and non-travel services, thanks to a record season for tourism activities, has been key in maintaining a rather stable number of insolvencies even if the annual outcome will end on with an increase (+7% from -27% in 2023, with 4,850 cases) due to the base effect of the artificially low level of Q1 2023. While all major sectors are already well exceeding their 2016-2019 average number of insolvencies, we expect the moderation in economic momentum to support a prolonged high level of cases in 2025 (+1% to 4,900 cases +1%) and 2026 (-6% to 4,600 cases).

14 Our insolvency regime-change models are classification models that uses thousands of decade-long macro-financial data series in order to forecast the range of future insolvencies within one of four "buckets" (i.e. "decrease by more than 10%", "decrease by up to 10%","increase by up to 10%", "increase by over 10%"). Features selection and estimation of our models have been done independently for each country, using expanding windows and performances were assessed through their accuracy scores. For each of our countries, accuracy in forecasting the six-month ahead insolvency growth range stands above 70% (i.e. on an average year, the models predict correctly at least eight months)

In **Benelux**, the **Netherlands** stands out with a substantial jump in business insolvencies in 2024, on track to reach +35%, because of a later start in the post-Covid catch-up. A noticeable rise of insolvenices in the construction, trade and B2C-oriented sectors will boost the final count to 4,400 cases, a seven-year high at 8% above the pre pandemic level – with all major sectors except trade exceeding their 2016-2019 average number of insolvencies. Looking ahead, we expect the recovery in domestic and external demand, thanks to the multiple Dutch firms highly exposed to the global trade cycle, to result in a gradual improvement of the corporate situation that would translate into somewhat of a stabilization in business insolvencies to around 4,300 cases (-2% and -1% in 2025 and 2026, respectively). In **Belgium**, where the catch-up in business insolvencies started sooner (2022) and already proved to be major, the number of insolvencies is to reach a 10-year record in 2024, with more than 11,000 cases (+8%) – and noticeable boost from construction, transport and logistics. For 2025 and 2026, we expect the strengthening in economic and financing conditions, albeit moderate, to support a reduction in the number of business insolvencies, with a gradual return to the 2016-19 average by end of 2026, after 10,600 cases in 2025 and less than 10,000 cases in 2026.

Austria is close to recording 6,500 business insolvencies in 2024 (+20% from 2023), a record high number since 2015 and a fourth all-time high – with another spike in construction and hospitality, as well as an increase in the collapses of well-known and major firms. We expect this peak to end the catch-up phase from pre-pandemic artificially low levels, and the gradual recovery of the economy to allow for a downside trend reversal in 2025 (-8% to less than 6,000 cases) and 2026 (-11% to 5,300 cases).

Switzerland is likely to post a new record in business insolvencies in 2024, with more than 8,100 cases, after a fourth consecutive year of increases (to +11% in 2024 from +8% in 2023). This suggests that economic and financial fundamentals are not yet sufficient to avoid a prolongation of the catch-up in business insolvencies that already took place in 2022 and 2023 – even when excluding the specific cases of dissolutions due to organizational deficiencies that refer to the article 731b CO. We expect the moderate acceleration in economic growth, with the strength of the Swiss franc on export-oriented firms, to limit the improvement in business insolvencies, expected to remain above 2018-2019 levels by 2026, with more than 8,000 and 7,400 cases in 2025 and 2026, respectively.

For **Central and Eastern Europe,** as well as **Africa**, our regional index is displaying a moderate increase for 2024 (+8% and +4%, respectively), but this would largely result from different dynamics by country. On one side, a majority of countries with insolvencies on the rise, notably the two large markets of **Türkiye** (+20%), where firms faced high financing costs and an economic slowdown, and **Russia** (+28%) where, as expected, insolvencies started a catch-up with the reducing (political) willingness and (financial) ability of the government to support businesses. On the other side, mainly **South Africa** (-5%), with a prolonged low level of insolvencies, and **Hungary** (-25%), where insolvencies having been boosted temporarily by proceedings relating to firms with nil/limited turnover and dormant companies. For 2025-2026, we expect one out three countries of the regions to see a continued albeit softer rise in insolvencies, notably **Russia** (+16% in 2025) and **Türkiye** (+8%), and the two out of three other countries to record a decrease in insolvencies, pushing the regional index on the downside for Central and Eastern Europe (to -4% and -4% in 2025 and 2026, respectively). In particular, **Poland** could finally start a downside trend reversal in 2025 (-11%) after five consecutive years of increases, reaching a record of around 4,700 cases in 2024 – a reminder that part of this jump is due to changes in the insolvency framework that make restructuring procedures easier and faster. Despite their structural low profitability, Polish corporates should benefit more from the rebound in economic activity as GDP growth is to keep on accelerating to +3.8% in 2025. The entire region of Central and Eastern Europe is, however, subject to an upward risk linked to the (lagging effects of) the historic floods that ravaged several countries in September 2024 (Poland, Czechia, Hungary, Romania, Slovakia), depending on government support measures for businesses, in addition to insurance. In **Africa**, **Morocco** is still waiting for a decrease in insolvencies. At one point we should see less 'administrative' cases of insolvencies, i.e. those of inactive firms that are using the procedure as the new legal way of exiting the register, but we expect domestic firms to continue struggling with payment delay issues and

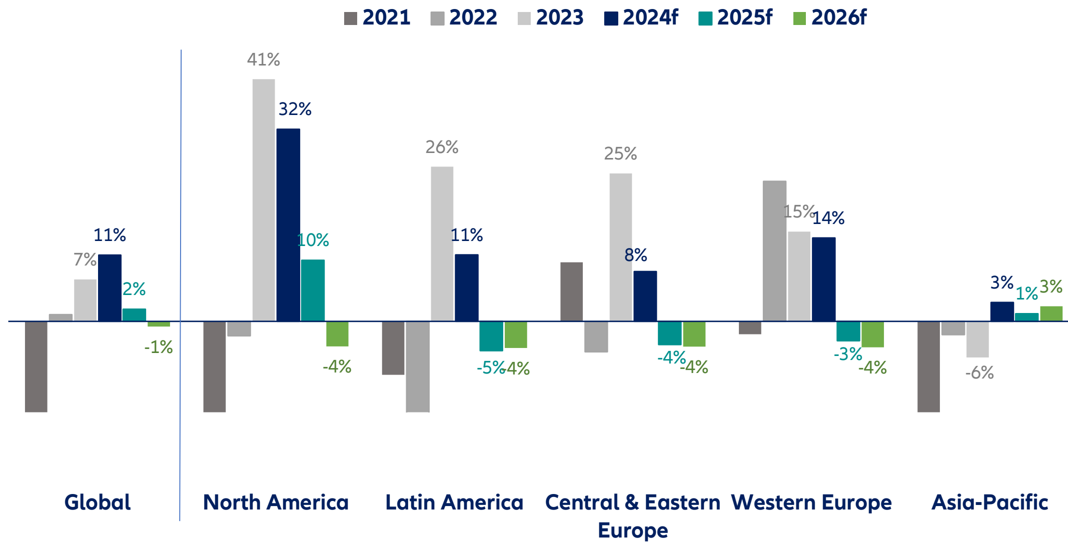
additional fiscal pressure – preventing a downside trend in insolvencies before 2026.

Asia is on track to record higher-than-expected increases in in most countries in 2024, with major rises notably in Singapore (+39%), New Zealand (+32%) and South Korea (+19%) – and India and Taiwan as the only exceptions if China confirms the upside trend timidly started in mid-2024. We expect 2025 to bring the first downside trend reversal in several countries, notably among those that hit historical highs in 2024 such as Japan (eight-year record), Australia (nine years), New-Zealand (10 years) and South Korea (+20 years). At the regional level, this would translate into a +3% y/y increase in 2024 (+8% without China), from -6% in 2023 (+15% without China), followed by +1% in 2025 (-5% without China), with China mechanically playing a key role in this picture since it accounts for 61% of our regional index.

China is set to end 2024 with another low number of insolvencies with less than 6,600 cases, i.e. 45% below the record levels of 2019-2020. However, and despite the PBOC's super package at the end of September , we expect the economic slowdown and weaker potential growth to gradually lead to a rebound in business insolvencies (+5% and +6% in 2025 and 2026, respectively), pushing them above pre-pandemic numbers (i.e. 6,800+ in 2025 compared to 4,700 cases on annual average over 2000-18. The main worries are likely to remain focused on consumer-oriented sectors as well as on construction and real estate, while more export-oriented firms could still benefit from the cyclical rebound of global trade, thanks to China's key position in the global supply chain, despite ongoing structural challenges such as fragmentation and lengthening. **Hong Kong** will register its largest number of business insolvencies since 2010 in 2024, with more than 400 cases, evidencing that specific challenges can lead to a rise in business insolvencies despite a more favorable economic cycle. After four years of increases, we expect the number of cases to remain above its 2010-2020 average in 2025 and 2026 (380 and 370 cases, respectively), with tailwinds from the rebound in global trade compensating for headwinds from the domestic demand slowdown.

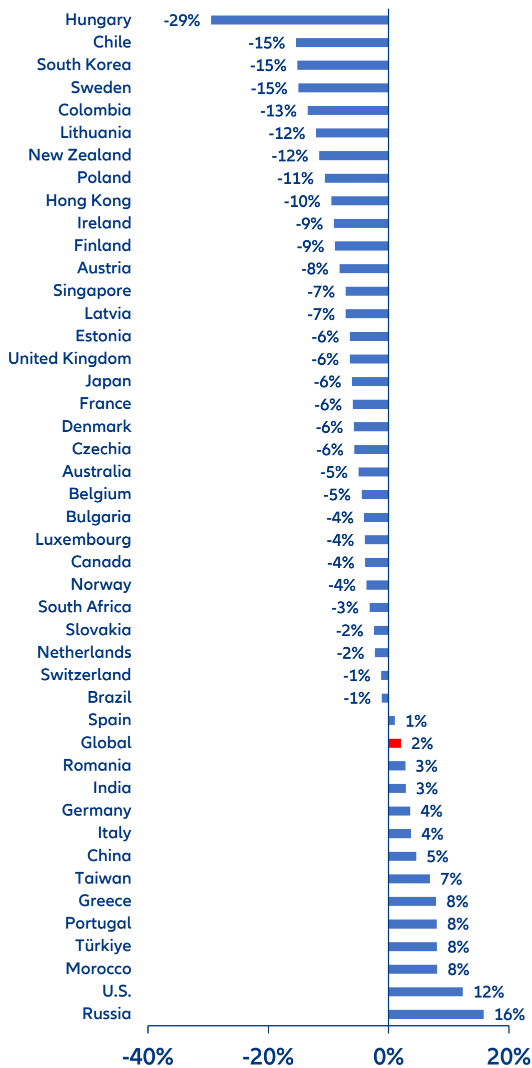
15 See our report What to Watch 27 September 2024 (allianz-trade.com)

Figure 16: Global and regional insolvency indices, yearly change in %



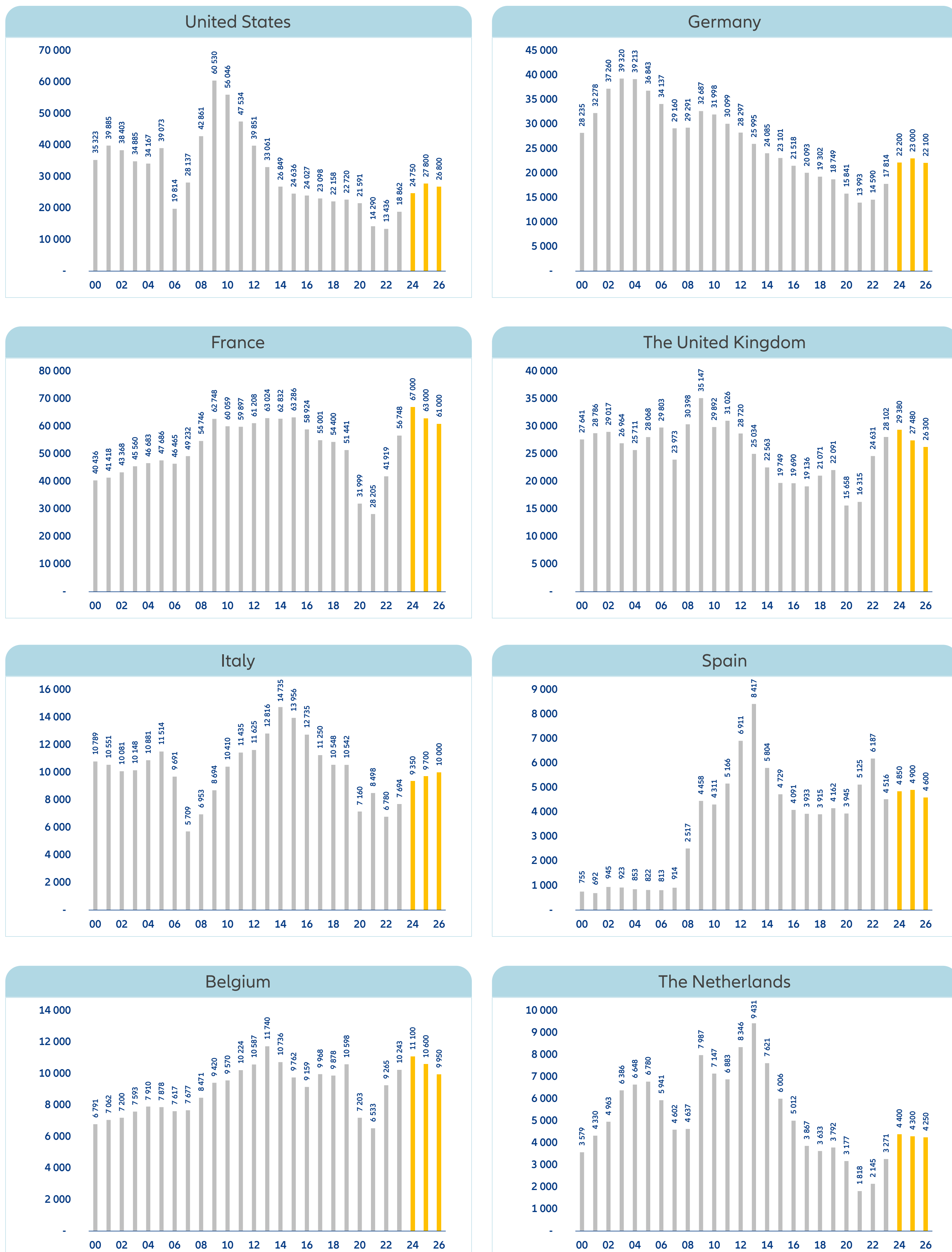
Source: Allianz Research

Figure 17: 2025 expected number of insolvencies, annual changes in %



Source: Allianz Research

Figure 18: 2024-26 expected number of insolvencies, selected advanced economies



Source: Allianz Research

Statistical appendix

	% of World GDP **	% of Global Index	Business insolvencies level					Business insolvencies growth					Comparison with 2016-2019 average				
			2022	2023	2024f	2025f	2026f	2022	2023	2024f	2025f	2026f	2022	2023	2024f	2025f	2026f
GLOBAL INDEX *	84.7	100	120	129	143	146	145	1%	7%	11%	2%	-1%	-5%	2%	13%	16%	15%
North America Index *	26.3	31.0	57	80	106	117	112	-2%	41%	32%	10%	-4%	-39%	-14%	14%	25%	20%
U.S.	24.1	28.6	13 436	18 862	24 750	27 800	26 800	-6%	40%	31%	12%	-4%	-42%	-18%	8%	21%	17%
Canada	2.1	2.5	2 621	3 702	5 150	4 950	4 500	35%	41%	39%	-4%	-9%	-5%	35%	87%	80%	64%
Latin America Index *	2.6	3.0	119	149	166	158	151	-16%	26%	11%	-5%	-4%	-20%	0%	11%	6%	1%
Brazil	1.9	2.2	1 857	2 588	3 450	3 410	3 260	-5%	39%	33%	-1%	-4%	-33%	-7%	25%	23%	18%
Colombia	0.3	0.4	1 088	1 148	650	550	600	-28%	6%	-43%	-15%	9%	-11%	-6%	-47%	-55%	-51%
Chile	0.3	0.4	1 219	1 411	1 560	1 350	1 150	2%	16%	11%	-13%	-15%	19%	37%	52%	31%	12%
Europe Index *	22.8	26.9	75	88	101	98	94	10%	17%	14%	-3%	-4%	-6%	10%	26%	22%	17%
EU27+UK+Norway Index *	19.1	22.6	92	114	127	120	113	22%	24%	11%	-5%	-6%	1%	25%	39%	32%	25%
EU27 Index *	15.5	18.3	85	108	123	117	110	16%	27%	14%	-5%	-6%	-3%	23%	39%	33%	25%
Euro zone Index *	13.0	15.4	70	80	95	94	90	14%	14%	19%	-1%	-4%	-18%	-7%	11%	10%	6%
Western Europe Index *	18.1	21.4	84	97	111	107	102	23%	15%	14%	-3%	-4%	-7%	7%	22%	18%	13%
Germany	3.8	4.6	14 590	17 814	22 200	23 000	22 100	4%	22%	25%	4%	-4%	-27%	-11%	11%	15%	11%
United Kingdom	3.2	3.6	24 631	28 102	29 380	27 480	26 300	51%	14%	5%	-6%	-4%	20%	37%	43%	34%	28%
France	2.6	3.2	41 919	56 748	67 000	63 000	61 000	49%	35%	18%	-6%	-3%	-24%	3%	22%	15%	11%
Italy	1.8	2.3	6 780	7 694	9 350	9 700	10 000	-20%	13%	22%	4%	3%	-40%	-32%	-17%	-14%	-11%
Spain	1.3	1.6	6 187	4 516	4 850	4 900	4 600	21%	-27%	7%	1%	-6%	54%	12%	20%	22%	14%
Netherlands	0.9	1.1	2 145	3 271	4 400	4 300	4 250	18%	52%	35%	-2%	-1%	-47%	-20%	8%	5%	4%
Switzerland	0.8	0.9	6 799	7 336	8 150	8 050	7 400	33%	8%	11%	-1%	-8%	26%	36%	51%	49%	37%
Sweden	0.6	0.7	7 189	9 291	12 000	10 200	9 500	6%	29%	29%	-15%	-7%	3%	33%	72%	46%	36%
Belgium	0.6	0.7	9 265	10 243	11 100	10 600	9 950	42%	11%	8%	-5%	-6%	-6%	3%	12%	7%	0%
Ireland	0.5	0.6	530	663	880	800	730	32%	25%	33%	-9%	-9%	-35%	-18%	9%	-1%	-10%
Norway	0.4	0.6	3 680	4 490	4 620	4 450	4 250	11%	22%	3%	-4%	-4%	-23%	-6%	-4%	-7%	-11%
Austria	0.4	0.5	4 775	5 380	6 480	5 950	5 300	57%	13%	20%	-8%	-11%	-6%	6%	28%	17%	4%
Denmark	0.4	0.4	2 834	3 078	2 600	2 450	2 350	30%	9%	-16%	-6%	-4%	17%	27%	8%	1%	-3%
Finland	0.3	0.3	2 993	3 763	4 150	3 780	3 350	7%	26%	10%	-9%	-11%	5%	32%	46%	33%	18%
Portugal	0.2	0.3	1 928	2 191	2 500	2 700	2 840	-12%	14%	14%	8%	5%	-34%	-25%	-14%	-8%	-3%
Greece	0.2	0.3	23	30	38	41	41	-57%	30%	27%	8%	0%	-75%	-68%	-59%	-56%	-56%
Luxembourg	0.1	0.1	1 006	925	1 010	970	930	-13%	-8%	9%	-4%	-4%	-9%	-17%	-9%	-13%	-16%
Central & Eastern Europe Index *	4.6	5.5	123	153	166	160	153	-5%	25%	8%	-4%	-4%	12%	40%	51%	46%	39%
Russia	2.0	2.4	9 047	7 400	9 500	11 000	13 000	-12%	-18%	28%	16%	18%	-30%	-43%	-26%	-15%	1%
Türkiye	0.9	1.0	1 573	932	1 120	1 210	1 210	-32%	-41%	20%	8%	0%	-24%	-55%	-46%	-42%	-42%
Poland	0.7	0.8	2 625	4 467	4 700	4 200	3 600	20%	70%	5%	-11%	-14%	186%	387%	412%	358%	292%
Romania	0.3	0.3	6 649	6 650	7 200	7 400	7 400	8%	0%	8%	3%	0%	-18%	-18%	-11%	-8%	-8%
Czechia	0.3	0.3	5 859	5 615	6 150	5 800	5 600	-34%	-4%	10%	-6%	-3%	-22%	-25%	-18%	-23%	-25%
Hungary	0.2	0.2	8 450	20 751	15 600	11 000	9 500	65%	146%	-25%	-29%	-14%	32%	225%	145%	72%	49%
Slovakia	0.1	0.1	1 812	2 023	2 070	2 020	1 960	7%	12%	2%	-2%	-3%	25%	40%	43%	40%	36%
Bulgaria	0.1	0.1	548	507	500	480	450	1%	-7%	-1%	-4%	-6%	18%	9%	8%	4%	-3%
Lithuania	0.1	0.1	1 041	1 037	1 080	950	900	41%	0%	4%	-12%	-5%	-56%	-56%	-54%	-60%	-62%
Latvia	0.0	0.0	308	252	280	260	240	28%	-18%	11%	-7%	-8%	-50%	-59%	-54%	-58%	-61%
Estonia	0.0	0.0	100	141	155	145	135	-7%	41%	10%	-6%	-7%	-30%	-1%	9%	2%	-5%
Africa Index *	0.5	0.6	126	125	130	134	134	6%	0%	4%	3%	0%	18%	17%	22%	25%	25%
South Africa	0.4	0.5	1 907	1 657	1 570	1 520	1 520	-1%	-13%	-5%	-3%	0%	-1%	-14%	-18%	-21%	-21%
Morocco	0.1	0.2	12 397	14 245	16 100	17 400	17 400	17%	15%	13%	8%	0%	54%	77%	101%	117%	117%
Asia-Pacific Index *	32.6	38.5	193	181	187	189	194	-2%	-6%	3%	1%	3%	7%	1%	4%	5%	8%
China	19.9	23.1	7 528	6 481	6 550	6 850	7 250	-13%	-14%	1%	5%	6%	-1%	-14%	-13%	-10%	-4%
Japan	4.0	4.9	6 428	8 690	9 690	9 100	8 900	7%	35%	12%	-6%	-2%	-23%	4%	16%	9%	6%
India	3.5	4.0	1 239	1 097	1 050	1 080	1 040	53%	-11%	-4%	3%	-4%	8%	-4%	-9%	-6%	-9%
South Korea	1.7	2.0	1 004	1 657	1 980	1 680	1 550	5%	65%	19%	-15%	-8%	26%	109%	149%	112%	95%
Australia	1.6	2.0	4 940	7 008	8 000	7 600	6 900	45%	42%	14%	-5%	-9%	-22%	10%	26%	20%	9%
Taiwan	0.8	0.9	211	174	145	155	160	3%	-18%	-17%	7%	3%	-1%	-18%	-32%	-27%	-25%
Singapore	0.4	0.5	215	201	280	260	240	13%	-7%	39%	-7%	-8%	1%	-5%	32%	22%	13%
Hong Kong	0.4	0.4	303	354	420	380	370	1%	17%	19%	-10%	-3%	8%	26%	50%	36%	32%
New Zealand	0.2	0.3	1 651	1 976	2 600	2 300	1 980	12%	20%	32%	-12%	-14%	-21%	-5%	24%	10%	-5%

(*) Index 100: 2015

(**) GDP 2023 weighing at current exchange rates

(***) weighing at 2015 number of active firms per country (OECD and national source figures)

Sources: national figures, Allianz Research (f:forecasts)

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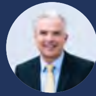

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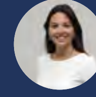

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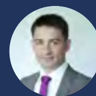

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