

Oil adds to gold and cocoa resources



General Information

Form of state	USD39.2bn (World ranking 85, World Bank 2011)
Population	24.97 millions (World ranking 47, World Bank 2011)
Form of state	Constitutional Democracy
Head of government	John Dramani MAHAMA
Next elections	2016, presidential and legislative



Strengths

- Established track record of good governance, with a functioning democratic system and peaceful transfer of power among political parties.
- Natural resource base (cocoa, gold, forestry etc.) now supplemented by discovery of commercially-exploitable oil reserves – output from 2011.
- Market-oriented policy framework.
- Positive relations with the IFIs.

Weaknesses

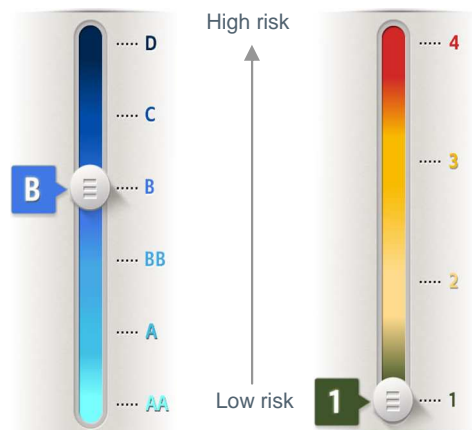
- While some safeguards are established, the ability and capacity to manage oil wealth is yet to be tested fully.
- Continuing twin deficits (fiscal and current account) require careful management.
- Although per capita incomes have improved, poverty remains pervasive in some rural areas.
- Regional instability and uncertainties, including in Côte d'Ivoire, Nigeria and Mali.

Country Rating

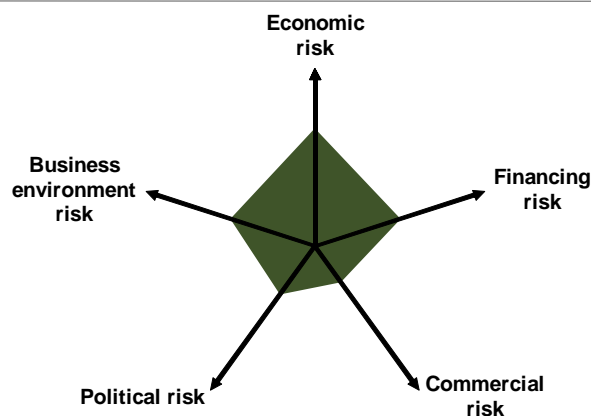
B1

Country Grade

Country Risk Level

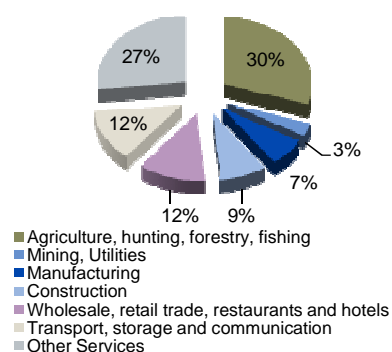


Risk Dimensions



Economic structure

GDP breakdown (% of total, 2010)



Sources: Chelem, UnctadStat, IHS Global Insight, Euler Hermes

Trade structure (% of total, 2010)

By destination/origin

Exports	Rank	Imports
France	19% 1	20% China
Netherlands	10% 2	12% Nigeria
Italy	8% 3	8% United States
United States	8% 4	5% Netherlands
United Kingdom	5% 5	5% India

By product

Exports (% of total)	Rank	Imports (% of total)
Coffee, tea, cocoa, spices, and manufactures thereof	33% 1	12% Road vehicles
Petroleum, petroleum products and related materials	30% 2	7% Miscellaneous manufactured articles, n.e.s.
Gold, non-monetary (excluding gold ores and concentrates)	6% 3	6% Specialised machinery
Vegetables and fruits	5% 4	5% Iron and steel
Metalliferous ores and metal scrap	5% 5	5% Cereals and cereal preparations

Economic Forecasts

	Average 2000-08	2009	2010	2011	2012f	2013f	2014f
GDP growth (% change)	5.4	4.0	8.0	14.4	8.0	7.0	7.5
Inflation (% end-year)	18.8	16.0	8.6	8.6	9.2	9.1	8.9
Fiscal balance (% of GDP)	-4.9	-5.8	-7.2	-4.1	-3.1	-3.1	-3.4
Public debt (% of GDP)	65.6	36.2	46.3	43.4	51.6	52.2	49.6
Current account (% of GDP)	-8.6	-10.5	-14.1	-12.2	-12.7	-10.5	-9.1
External debt (% of GDP)	79.7	44.8	48.6	49.6	38.6	40.4	39.2

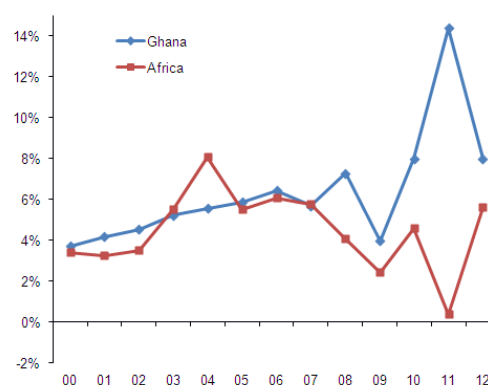
Sources: IHS Global Insight, National sources, Euler Hermes

Economic Overview

Annual average GDP growth was above +5% in 2000-08, a relatively good rate of expansion but around the pace required to make positive advances in socio-economic development for a country like Ghana. In that period, growth largely reflected the performances in the gold, cocoa and forestry industries and associated exports. However, growth of GDP accelerated in 2011, boosted by the energy sector as oil output came on stream at the Jubilee oilfield in that year, when GDP expanded by over 14%. The impetus from that significant economic development was not maintained last year but GDP growth is estimated to have grown by a still substantial +8%.

EH forecasts GDP growth to slow but, at +7% in 2013 and +7.5% in 2014, it will remain above the average for Sub-Saharan Africa. While the Jubilee oilfield is now producing crude oil, other fields have yet to be developed fully and natural gas output holds further potential. Accordingly, high GDP growth rates could be maintained into the medium term, at least.

GDP growth (annual, %)



Sources: IHS Global Insight, Euler Hermes

Economic Overview (continued)

Large current account deficits (annual average -8.6% of GDP in 2000-08) were recorded before oil output came on stream and exports of crude oil have now boosted the trade balance. However, imports of energy-related capital goods will maintain large current account deficits in 2013 and 2014. After that, with machinery and other oil-industry inputs largely in place and export earnings increasing, current account deficits should be lower. Before then deficits will be covered largely by significant inflows of FDI. Foreign exchange reserves provide a current import cover of 3.3 months but FX levels will increase into the medium term. Foreign debt levels and repayment obligations are comfortable.

Economic management appears sound, partly reflecting relative consistency in recent years of pro-market policy formulation adopted by governments of varying political allegiance. Even so, twin deficits on the fiscal and current accounts require careful management. In recent years, governments have opened the economy further to bilateral assistance, as well as multilateral support, and this is most noticeable in the involvement in the country of China. There are current plans to access a further USD3 billion in financial assistance from the China Development Bank. The lending programme is designed to facilitate large infrastructure projects, including in the energy, transport (road, rail and ports) and agriculture sectors.

Relative to other countries in Sub-Saharan Africa, Ghana consistently ranks highly in the World Bank's Ease of Doing Business surveys, with only Mauritius, South Africa, Rwanda and Botswana higher ranked in 2013.

DISCLAIMER

These assessments are, as always, subject to the disclaimer provided below.

Cautionary Note Regarding Forward-Looking Statements: Certain of the statements contained herein may be statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, the words 'may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential, or continue' and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in the Allianz SE's core business and core markets, (ii) performance of financial markets, including emerging markets, (iii) the frequency and severity of insured loss events, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) the extent of credit defaults (vii) interest rate levels, (viii) currency exchange rates including the Euro-U.S. Dollar exchange rate, (ix) changing levels of competition, (x) changes in laws and regulations, including monetary convergence and the European Monetary Union, (xi) changes in the policies of central banks and/or foreign governments, (xii) the impact of acquisitions, including related integration issues, (xiii) reorganization measures and (xiv) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences. The matters discussed herein may also involve risks and uncertainties described from time to time in Allianz SE's filings with the U.S. Securities and Exchange Commission. The Group assumes no obligation to update any forward-looking information contained herein.