

## Media comment

27 April 2018

### **Ana Boata, European economist at Euler Hermes, the world's largest trade credit insurer, comments on the estimation for UK Q1 GDP:**

“The transitional Brexit deal between the UK and EU gives relief to businesses for a smoother EU exit, not expected before 2021, and supports investment in the short-term. Stronger sterling supports firms’ pricing power in a still growing external environment while it lowers pressures on input prices. However, the pick-up in wage growth, rising oil prices and higher financing costs, could hit corporate margins, already at their lowest level since 2014.

“While we see the softness of Q1 GDP as mainly due to temporary effects and the delays in the construction sector due to unusually cold weather in Q1, we forecast the UK economy will grow by only +1.5 per cent this year. This increase will be the slowest expansion rate in the G7 in 2018, with Germany (+2.5 per cent), France (+2.1 per cent) and the US (+2.3 per cent) all forecast to achieve higher GDP growth.”

# # #

Media contacts:

**Euler Hermes Media Relations**  
Adrian Russell +4420 7860 2728  
[adrian.russell@eulerhermes.com](mailto:adrian.russell@eulerhermes.com)

**Citypress**  
David Bertram +44161 235 0300  
[David.bertram@eulerhermes.com](mailto:David.bertram@eulerhermes.com)

**Euler Hermes** is the global leader in trade credit insurance and a recognized specialist in the areas of bonding, guarantees and collections. With more than 100 years of experience, the company offers business-to-business (B2B) clients financial services to support cash and trade receivables management. Its proprietary intelligence network tracks and analyzes daily changes in corporate solvency among small, medium and multinational companies active in markets representing 92% of global GDP. Headquartered in Paris, the company is present in 52 countries with 6,050 employees. Euler Hermes is a subsidiary of Allianz, listed on Euronext Paris (ELE.PA) and rated AA by Standard & Poor's. The company posted a consolidated turnover of €2.6 billion in 2017 and insured global business transactions for €894 billion in exposure at the end of 2017.

Further information: [www.eulerhermes.com](http://www.eulerhermes.com), [LinkedIn](#) or Twitter [@eulerhermes](#).

Cautionary note regarding forward-looking statements: The statements contained herein may include prospects, 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. Actual results, performance or events may differ materially from those expressed or implied in such forward-looking statements. Such deviations may arise due to, without limitation, (i) changes of the general economic conditions and competitive situation, particularly in the Allianz Group's core business and core markets, (ii) performance of financial markets (particularly market volatility, liquidity and credit events), (iii) frequency and severity of insured loss events, including from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the euro/US-dollar exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions, including related integration issues, and reorganization measures, and (xi) 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.