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ANNUAL REPORT

Global Bankruptcy Report – 2024

Sabine Leferink
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Worldwide Network

Introduction

Welcome to the latest edition of the Dun & Bradstreet Global Bankruptcy Report covering bankruptcies in 2023. As we navigate an ever-changing economic landscape, this report provides you with insights that can enable you to better identify and manage risks and uncover new growth opportunities.

Since its inception in 2005, the Worldwide Network (WWN) has been a steadfast ally to businesses worldwide, offering unparalleled access to a comprehensive global database. Comprising 15 dedicated members, the Dun & Bradstreet Worldwide Network diligently collects business information from over 190 countries.

I extend my appreciation to our esteemed members who have played a pivotal role in contributing their local bankruptcy data, without which the creation of this report would not have been possible.

Acknowledgment goes out to Altares, CIAL Dun & Bradstreet, CRIF, D&B Hong Kong, D&B India, D&B Indonesia, D&B SAME, D&B Singapore, D&B Taiwan, Dun & Bradstreet US/Canada, Dun & Bradstreet UK, Dun & Bradstreet Europe, D&B China, Illion, Informa, Interfax, NICE D&B, and TSR for their invaluable contributions.

The data within this report has undergone meticulous analysis and editing by Dun & Bradstreet's Country Insight team of experienced economists.

We trust that you will find this edition of the Global Bankruptcy Report insightful and informative.

Julian Prower
Chief Operating Officer
Dun & Bradstreet International

Preface

For more than 180 years, Dun & Bradstreet has combined global data with local expertise insights to help our clients make smarter, informed decisions. Uncertainty has become the norm for businesses over the past few years; in the face of considerable challenges and changes across all industries, businesses have had to adapt, rather quickly, to the new operating environment to ensure business resilience. Since 2021, across the 45 countries that constitute almost 90% of global GDP, there has been, on average, 12% growth per year in businesses filing for bankruptcy. In 2023, corporate insolvencies reached their highest level in more than 10 years.

Since 2021, across the 45 countries that constitute almost 90% of global GDP, there has been, on average, 12% growth per year in businesses filing for bankruptcy.

In today's market, businesses most at risk of bankruptcy are those that borrowed at very low interest rates (particularly in the post-pandemic period) and now face higher and more stringent refinancing conditions, unsustainable debt servicing, and falling revenues. There is a very real risk that the normalization of business insolvencies will gather pace, but there are reasons for cautious optimism this year. Inflation will likely continue to fall before stabilizing, and interest rates will moderate accordingly. The global economy has started 2024 on a stronger footing than was expected a year ago, and the chances of a softer landing have increased.

Even amid challenging economic conditions, adept management of accounts receivable can still yield beneficial outcomes such as improving cash flow, optimizing risk profiles, and minimizing bad debt. Businesses can enhance their ability to manage vulnerabilities and capitalize on opportunities by integrating trusted third-party commercial data with internal information. This provides a more comprehensive view of account history and behavior, leading to more successful collections outcomes, which put cash back into the business. Comprehensive data, predictive analytics, bespoke analytical models, robust reporting, and performance metrics provide credit and collections teams with greater visibility into risks within customer accounts and portfolios. They also aid in detecting changes that may necessitate strategic engagement or actions through sales, collections, or other business resources.

Many professionals worldwide rely on Dun & Bradstreet to uncover concealed risks within their portfolios, predict cash flows across economic cycles, and obtain invaluable insights into their pipeline risks. In today's ever-changing global economy, access to reliable information is more critical than ever for making well-informed decisions. This report aims to serve as a valuable source of information to assist you in navigating the complex world of credit risk management and maximizing business opportunities.

We trust you will find this report useful, and we look forward to hearing from you with any feedback about this report, so we can help you achieve your goals and thrive in even the most challenging economic conditions.

Dr. Arun Singh
Global Chief Economist
Dun & Bradstreet

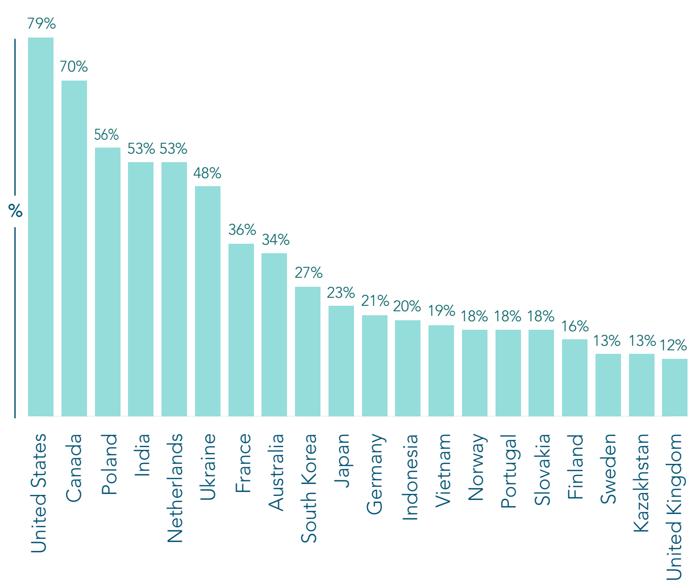
The Post-Pandemic Swell of Business Failures

Many countries are seeing a sharp rise in business insolvencies. During 2023, a little over half of the 45 countries/regions monitored by Dun & Bradstreet and its Worldwide Network saw an increase in business failures. Of these, 14 recorded rates of bankruptcy above pre-pandemic levels, including in the U.S., the U.K., France, and Canada. The few exceptions, where bankruptcies fell, have been in parts of Europe such as Italy, Spain, Türkiye, and Croatia. A confluence of factors caused this rise in businesses going under, including dwindling cash reserves, the post-Covid normalization process, prolonged pressure from higher interest rates, and soft global demand. The global economy held up better than expected in 2023 and is forecast to gradually improve through 2024.

The Rising Tide of Bankruptcies: Exploring the Cause

Having soared in 2022, commodity prices moderated through 2023 on the back of softer global demand and improving supplies. Natural gas and coal prices tumbled from record highs, while base metal and agricultural goods prices also eased – though they remain vulnerable to export restrictions and adverse weather impacts. Crude oil prices fell by around 20% compared with a year earlier, and subsiding commodity pressures helped broader measures of inflation to gradually moderate through 2023. Similarly, underlying measures of inflation, which capture the durable part of consumer price inflation, have also steadily eased, but more slowly.

Economies reporting large increase in bankruptcy (YoY)



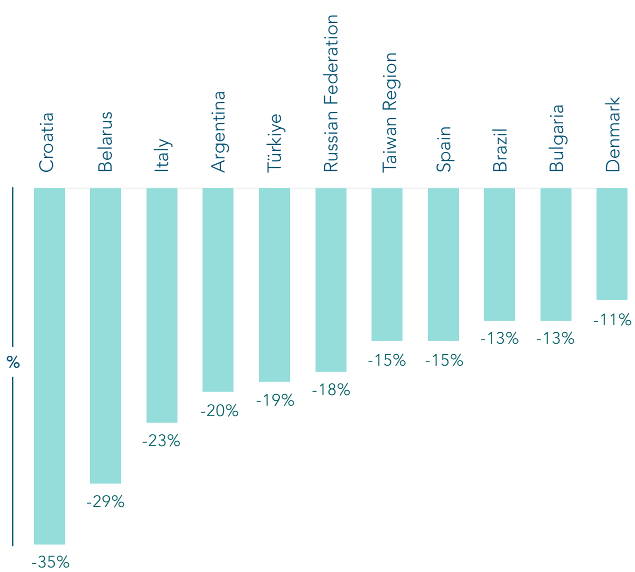
Source: Dun & Bradstreet Worldwide Network

On the face of it, this should have been something of a boost for businesses – lower input prices improve operating costs and, when passed on, consumers enjoy real income growth, increasing spending power. However, disinflation was achieved in part by central banks unleashing the steepest series of interest rate hikes in decades. Aggressive policy tightening is yet to bring inflation to target on a sustainable basis, and major central banks may keep interest rates higher for longer – prolonging the squeeze on consumers and businesses alike by making financing costlier and less available. Worsening payment terms will weigh on liquidity and solvency in the near term, but this should improve as the year progresses.

The Path Ahead: Navigating Choppy Seas

The global economy has started 2024 stronger than was expected a year ago and the chances of a so-called soft landing – lower inflation without meaningful recession – have increased. We forecast either marginally softer or slightly stronger growth in the major global economies this year compared with the last, including in the U.S., Germany, Japan, the Chinese Mainland, India, and Brazil. Having said that, we expect weaker-for-longer growth, which will put a strain on corporations and could prompt a further rise in business insolvencies. However, where there will be downturns, they are expected to be mild, and growth will accelerate through the year as policy becomes more supportive.

Economies reporting large decrease in bankruptcy (YoY)



Source: Dun & Bradstreet Worldwide Network

Inflation is likely to fall more slowly and in a less linear way in 2024. Central banks have done most of the heavy lifting to dampen demand over the past couple of years, and higher energy prices in 2022 have fallen out of the annual inflation rate measure (while remaining high in absolute terms). But risk-averse central banks will be cautious about the path towards price stability targets given limited spare capacity in some economies, with the upshot that most nominal interest rates will continue to remain elevated in the near term, putting the most exposed sectors at risk. Countries such as Brazil, Norway, New Zealand, and Poland started to tighten monetary policy before the U.S. Federal Reserve and the European Central Bank (ECB) and are stealing a march on the rest of the world by cutting interest rates.

The full effect of high interest rates is still to be felt. Even when they begin to be lowered more broadly, monetary policy will remain tight for an extended period. Sustained higher borrowing costs, coupled with low market liquidity, could pose significant challenges in cash flow management for particularly troubled businesses. The cost of servicing debt, renegotiating finance at new higher rates, and limited public spending support in the face of fiscal consolidation will risk pushing many firms that are already on the brink into administration.

The consequences of these developments will be varied. In Europe, for example, fiscal rules suspended since Covid will tighten and include greater emphasis on sovereign deficit and debt reduction, implying less government support. We may see more modified insolvency frameworks, as have been partially implemented in Germany, the U.K., and Japan. Businesses most exposed to high energy prices, discretionary spending, or the recovery in wages, such as hospitality and construction, will be challenged across most regions.

The current unusually elevated level of geopolitical risk weighs heavily on our outlook for global bankruptcies. Events such as the conflicts in the Middle East and in Ukraine tend to cause the greatest risk to businesses through disrupted supply chains and distressed financial and energy markets.

Key Takeaways

- A little over half of the 45 countries/regions monitored by Dun & Bradstreet and its Worldwide Network saw an increase in business failures during 2023, with 20 reporting a higher than 10% y/y rise in bankruptcies, indicating a continuation of the trend witnessed in 2022.
- Some 14 countries/regions recorded rates of bankruptcy in 2023 above pre-pandemic levels, including the U.S., the U.K., France, and Canada.
- Across the major global economies, we expect either marginally softer or slightly stronger economic growth in 2024 than in 2023, including in the U.S., Germany, Japan, the Chinese Mainland, India, and Brazil. Having said that, we expect weaker-for-longer growth, which will put corporations under strain and prompt a further rise in business insolvencies.
- The main challenges we foresee in 2024 include geopolitical risks and associated disruptions, stricter credit environments, tight monetary policies amid inflationary pressure, and a higher cost of living and operating expenses.
- While inflation rates have eased around the world, policy rates remain elevated, especially in major developed economies, keeping borrowing costs high and contributing to tight financing conditions. Policy rates should unwind this year, but normalization paths are unclear.
- The cost of servicing debt, renegotiating finance at new higher rates, and limited public spending support in the face of fiscal consolidation will risk pushing many firms that are already on the brink into administration this year. The impact of these effects will be varied and felt differently across sectors and regions.
- Geopolitical conflicts, including in the Middle East and Ukraine, pose the greatest risk to businesses through supply chain disruptions and distressed financial and energy markets.

Global bankruptcies increased 12.5% in 2023, up from the 11.6% increase in 2022.

Bankruptcies in the U.S., Canada, Poland, and the Netherlands increased by over 50% in 2023 vs 2022.

Bankruptcies in Argentina, Belarus, and Croatia decreased by over 20% in 2023 vs 2022.

Business Failures and Context in Asia

In headline economic terms, Asia Pacific was better positioned than all other regions in 2023. In large part, this was not only driven by strong domestic demand across markets, but also complemented by a recovery, albeit muted, in the Chinese Mainland, the return of tourism in parts of Southeast Asia, and sustained strength in the economies of India and Indonesia. Moreover, the region did not experience the kind of inflation surge seen in Europe and the Americas, and it required only relatively modest rate hikes. However, the second half of 2023 briefly brought back the prospect of food price inflation due to the impact of El Niño.

For the first three quarters of the year, goods exports remained weak, with most manufacturing hubs in the region suffering from a demand slump from markets in Europe and the U.S. This period coincided with a cyclical demand downturn in electronics and continuous rate hikes in these developed markets. However, as 2023 neared its end, both these factors had eased, and goods exports had begun to recover, helping the region finish the year on a strong note.

Overall, bankruptcies in the region rose in 2023. This was not surprising considering the well-known themes of the higher cost of debt and the rolling back of pandemic-era support measures. For instance, repayments on Japan's 'zero-zero' loans began in 2023, leading to a jump in insolvencies (up 35% y/y in January-November). In addition, weaker currencies and a higher cost of funding challenging debt rollovers have contributed to a rise in bankruptcies, especially among small and medium-sized enterprises (SMEs).

Looking closely at bankruptcy data from the region offers insights into the dynamics of different economies. Dun & Bradstreet data from partner markets suggests that bankruptcies in Hong Kong S.A.R. remained flat over the previous year, with data from January to November 2023 showing a 4% rise in bankruptcies. The economy did well for the first half of the year, recovering from three years of contraction, only to lose steam in the latter half. As a regional financial center, Hong Kong S.A.R. receives an outsize share of bankruptcy proceedings, as was evidenced in the case of real estate giant Evergrande (headquartered in Hong Kong S.A.R., but with operations in the Chinese Mainland).

On the other hand, bankruptcies in India jumped 84% in the first three quarters of the year, despite the economy continuing to do well. This could partly be attributed to the fact that, post-pandemic, India is seeing more recoveries from formal bankruptcy proceedings, encouraging the use of the insolvency code. Interestingly, record aircraft purchases in the aviation sector were accompanied by the bankruptcy filing of low-cost carrier Go Air, highlighting the dichotomous nature of growth in the economy. Singapore, which has been attracting capital away from its regional competitor, Hong Kong S.A.R., saw bankruptcies rise 2% in 2023, in line with the growth in bankruptcies in 2022. South Korea saw a trend reversal: bankruptcies began to tick up at the end of 2022 and rose 27% y/y in 2023 after years of consecutive declines. Given the high levels of corporate indebtedness and expectations of prolonged high interest rates (the country was among the first to raise rates), this trend is likely to sustain.

Looking ahead, we expect bankruptcies in the region to continue rising for some time. Mature economies such as South Korea and Australia could suffer from extended periods of high interest rates, while the economic dynamism of emerging markets could also lead to higher bankruptcies. High growth is usually characterized by a burst of new firms, which is in turn accompanied by high absolute failure of firms. For instance, in 2023, Vietnam saw 176,000 businesses close and 217,000 new businesses established. Together with a continuation of challenges from 2023, all these factors may drive up bankruptcies in the region in the coming months.

Business Failures and Context in Eastern Europe and Central Asia

Bankruptcies across markets in Eastern Europe and Central Asia have risen, except in the controlled economies of Russia and Belarus. High interest rates, the removal of Covid support, stricter credit condition impacting more vulnerable players, and a subdued macroeconomic environment are the main causes. Sectors dependent on exports and domestic consumption have been more heavily impacted, and manufacturing, construction, and retail trade have also suffered, with marginal players at a higher risk of insolvency. Market-wide liquidity crunch and high cost of borrowing have also contributed to the higher bankruptcy rate.

Central Asian countries such as Kazakhstan are benefiting from higher trade with Europe since the latter has been chasing energy security and seeking alternatives to Russia. In addition, increased trade with Russia and the Chinese Mainland has helped firms, with bankruptcies increasing only marginally. For Eastern European nations, over-dependence on Germany has caused export orders to dry up, resulting in an anemic economic environment.

Business Failures and Context in Europe

In Q4 2023, bankruptcies in the EU rose 0.6% compared with Q3 and increased 2.7% in the eurozone. The latest data show a continuation in the broad uptrend in business failures since mid-2020; however, they have only reached pre-pandemic levels in the past couple of quarters.

The largest increases in insolvencies were recorded in Croatia (up 18.5% compared with Q3 2023), Slovakia (up 16.8%), and Luxembourg (up 15.7%). Hungary, Romania, and Latvia recorded around 25% fewer bankruptcies than in the previous quarter. There is some variation by sector, with construction, industry, and transport recording hikes, whereas information and communications and social activities recording dips. Energy-intensive sectors continue to be squeezed by high energy bills.

High interest rates across large parts of Europe will continue to put pressure on businesses in 2024. Though the ECB has signaled that tight monetary policy is having the desired effect of dampening inflation, the bank has offered little guidance as to when it may consider loosening, and policy settings will remain tight even when rates start to be reversed. Refinancing at these higher rates, combined with the end of government pandemic support and increased macroeconomic risks (despite pockets of stronger economic growth this year), means insolvencies are likely to remain high across the region.

On the upside, looking beyond the current challenging operating environment, Dun & Bradstreet's Q1 2024 Global Business Optimism Insights report finds that German companies have a more favorable view of investment and financing conditions – especially the small firms that make up part of Germany's Mittelstand, the main driver of employment, technology, and innovation in the country.

Business Failures and Context in Latin America

After a robust recovery from the pandemic and sustained resilience in early 2023, the economic landscape in Latin America and the Caribbean is poised to experience a moderation, with a shift projected from 3.9% growth in 2022 to 2.2% in 2023. Notably, headline inflation in the region, excluding Argentina and Venezuela, has shown a downward trend, reaching 5.5% in 2023, from 8.7% in 2022.

In 2023, Latin American corporations encountered a more favorable operating environment as several countries initiated monetary policy adjustments, easing cash flow pressures for businesses and fostering increased activity in local debt capital markets. There were monetary policy shifts in Costa Rica, Uruguay, Chile, and Brazil, with rate cuts aimed at stimulating economic activity. The resilience of local bond markets played a crucial role in mitigating economic challenges, contributing to a 20% reduction in total corporate bankruptcies in Argentina. Brazil also experienced a 13% reduction in business closures, including bankruptcies.

Throughout the year, high-profile debt restructuring processes unfolded, such as the judicial recovery filings of major Brazilian companies Americanas SA, Light SA, Oi SA, and Cervejaria Petropolis. Nova Austral in Chile had a bankruptcy reorganization, and Mexican media group TV Azteca faced an involuntary Chapter 11 proceeding in the U.S. Americanas, Oi, and Ocyan sought international recognition of their domestic reorganization proceedings through Chapter 15 cases.

We anticipate a marginal increase in the number of bankruptcies in Latin America in 2024 as the region weathers ongoing economic challenges exacerbated by global dynamics. The agricultural sector, particularly soy farmers in Argentina, may be disproportionately affected by the El Niño phenomenon, which could potentially lead to a higher incidence of bankruptcies. The outlook for business insolvencies remains challenging, emphasizing the need for strategic planning and resilience in the face of evolving economic conditions.

Business Failures and Context in the Nordics

For the Nordics, overall bankruptcies rose 5.6% in 2023 compared with 2022. Except for Denmark, all countries in the region saw a significant jump in bankruptcies: in Norway, they rose 18%, in Finland 16%, and in Sweden 13%. Denmark, on the other hand, saw an 11% dip in the number of bankruptcies, though the country's overall figure remains elevated as compared with the long-term trend.

The 16% rise in Finland in 2023 put bankruptcies in the country at their highest level in the past 25 years. The construction sector saw significant difficulties through the year and accounted for the largest share of total bankruptcies. Large firms faced financial distress, also contributing to the higher number of bankruptcies.

Norway's 18% rise in bankruptcies came because of high interest rates and the end of Covid-related government support.

In Sweden, bankruptcies in 2023 were at their highest level since the 1990s. This is primarily down to a construction and property sector slump and subsequent pains in the banking sector. The automobile, transportation, retail, hotel, and restaurant sectors also experienced a high level of bankruptcies.

Although bankruptcies were down in Denmark, construction was the most affected sector due to the rise in interest rates. The real estate sector continues to be a major pain area, with home prices still not recovering. Investment in the sector is still subdued, creating stress in the banking sector.

Business Failures and Context in Sub-Saharan Africa

Last year marked another year of rise in corporate bankruptcies in sub-Saharan Africa. Rising interest rates, stubbornly high inflation, and large debt piles accumulated from years of easy money have weighed on corporate viability. Looking ahead, global policy settings in 2024 may become more supportive as the year progresses, but businesses in the region are unlikely to see a quick improvement in operating conditions.

According to Statistics South Africa, total liquidations in 2023 fell more than 13%, to 1,657 filings, compared with 1,907 in 2022. Liquidations of companies fell 15.6%, from 1,091 in 2022, to 921, and insolvencies of closed corporations fell 9.8%, from 816 to 736. Of the 1,657 failing businesses, 200 were part of a compulsory winding up by order of the court, and 1,457 were decisions by firms to wind-up their business. The 2023 total number of firms going bankrupt is a sharp drop from the preceding five-year average of 1,952. The energy crisis in South Africa has weighed on businesses and many firms are existing by just servicing debt costs rather than making investments to expand. Most firms shutting up shop have been in financing, insurance, business services and trade, catering, and accommodation.

Since sub-Saharan Africa relies heavily on both Russia and Ukraine for fertilizer and food imports, the conflict between the two countries has driven up import costs, causing inflation to rise and regional central banks to raise interest rates. In turn, borrowing costs have gone up, capital has flowed out, and currencies have lost value against the U.S. dollar. The magnitude of impact varies across countries, with large importers of commodities and those with domestic weaknesses squeezed the most.

The tight global monetary policy has weighed on businesses in the developed world and fed through to firms operating in sub-Saharan Africa. A recent study by the International Finance Corporation (IFC) reveals that SME owners in West Africa found it difficult to raise money for capital improvements and expansion. The report also added that SMEs – a designation that often accounts for most firms in the West African subregion from Niger to Senegal – rarely get access to long-term credit, even in countries that have fast-growing economies. So, although we can expect more supportive global policy settings this year and are forecasting stronger real GDP growth in the region, including among its largest economies, such as Nigeria and South Africa, this does not necessarily translate into higher solvency rates. Businesses operating in sub-Saharan Africa are likely to continue to feel the pinch in 2024.

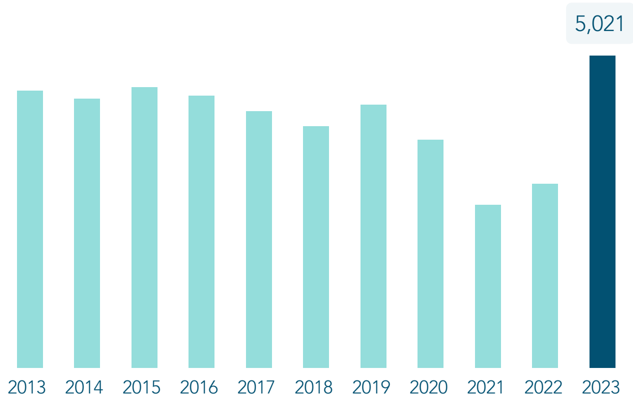
Business Failures and Context in Canada

A 70% year-on-year surge in business bankruptcies in 2023 puts Canada on track for record levels of firms going bankrupt. Tight monetary policy and a weak economic outlook are expected to put pressure on firms this year; however, the peak in business failures may be behind us.

Business bankruptcies in Canada leapt almost 70% in 2023 to a little over 5,000, following 13% growth in 2022. Bucking the broad downtrend of the past three years and having reached a trough in Q3 2021, quarterly data since then confirms the broad uptrend in business failures. Bankruptcies started to rise ahead of the Bank of Canada's hiking cycle beginning in Q1 2022, which saw a 475-basis point (bps) hike through 2023 to address rising inflation. The squeeze on businesses has been two-fold: high inflation has eroded real incomes of consumers, causing demand for goods and services to fall; and high interest rates, which peaked in mid-2023 and have remained at 5.0% since, have impacted firms' ability to meet debt repayment obligations.

In terms of debt obligations, mid-January 2024 marked the deadline for the repayment of pandemic-era debt to get relief on Canada Emergency Business Account loans. Under the terms of the agreement, firms may keep up to CAD20,000 of the maximum CAD60,000 if they repay the rest by the deadline. According to the Canadian government, 25% of firms missed the deadline. Outstanding debt for these firms rolls into a three-year loan carrying a 5.0% interest rate.

CANADA



Source: Dun & Bradstreet Worldwide Network

The lagged impact of the pass-through of interest rates to the real economy will put a strain on consumers and businesses alike this year, as will the expected soft economic recovery. On a positive note, we expect inflation to moderate slightly to 2.5%, from 3.3% last year, much closer to the central bank's official target. This is likely to mean that the central bank will soon be incentivized to lower borrowing costs.

Although we forecast a tough operating environment in Canada this year, Dun & Bradstreet's latest Global Business Optimism Insights report offers more positive signs that businesses in the country are optimistic about prospects in 2024 compared with the end of 2023. We expect that the Bank of Canada will find room to lower rates as inflation eases through the year, bringing some relief for the most at-risk businesses.

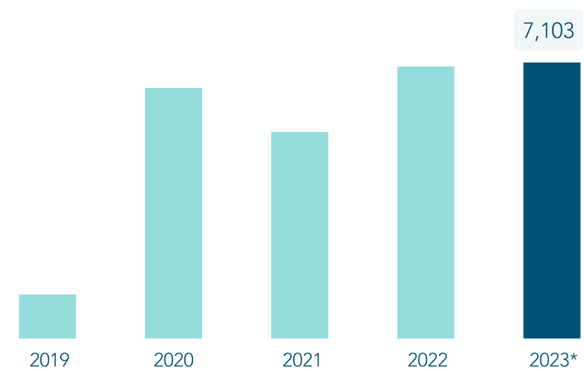
We expect insolvencies to continue to rise in 2024, though they are unlikely to exceed the record pace of 2023 as some of the headwinds are replaced with a gradually more supportive business environment.

Business Failures and Context in Chinese Mainland

Despite regulatory and policy easing, economic vitality has still not fully returned to the Chinese Mainland economy. economy. Lingering stress in the property sector, structural dampeners to growth, and external headwinds have all kept credit conditions weak.

Bankruptcy law in the Chinese Mainland was updated in 2007. Over 2007-15, the number of cases filed and settled under the law remained low and even declined. Starting in 2015, the authorities' focus on containing leverage and increased reliance on market-led solutions led to more application of this law. Over 100 specialized bankruptcy courts and bankruptcy tribunals were set up in various provinces to deal with corporate bankruptcies. This was accompanied by the Supreme People's Court of China setting up an online platform to publicly disclose progress on bankruptcy proceedings, to improve efficiency, and increase transparency and disclosure of information. More recently, local judiciaries have piloted personal bankruptcy regulations. Along with cross-border bankruptcy settlements, this remains an area for more legislative work.

CHINESE MAINLAND



Source: Dun & Bradstreet Worldwide Network, 2023 data is up to November 2023

Data from Dun & Bradstreet's Worldwide Network partner shows that between January and November 2023, the number of business insolvencies in the Chinese Mainland increased 28% against the same 11-month period in 2022. Notably, this comes on the back of a 32% jump in bankruptcies in 2022, marking two consecutive years of double-digit growth in insolvencies. The Chinese Mainland was the only large economy to avoid a recession in pandemic-ridden 2020, and in 2021, its export manufacturing enjoyed boom conditions, with the economy growing 8.4%. This was accompanied by an 18% decline in bankruptcies compared with 2020. However, growth then lost steam because of three dampeners: first, recurrent waves of Covid, which led to stringent restrictions on movement and hampered economic activity; second, a deepening and broadening deleveraging crisis in the economically important property sector with a wave of bond defaults, often by high-profile entities; and third, the adverse effects of geopolitics, specifically, the negative spillovers of the Russia-Ukraine conflict on the global economy. Although growth picked up in 2023, beating the government-defined target of 'about 5%', it came on the back of muted 3% GDP growth in 2022, as recurrent problems in the property sector and risks related to high leverage, especially at the local government level, continued to drag on growth and investor sentiment.

Unsurprisingly, the property sector remains among the most stressed sectors in the economy, with reports suggesting that over 200 entities had initiated bankruptcy proceedings in 2023 alone.

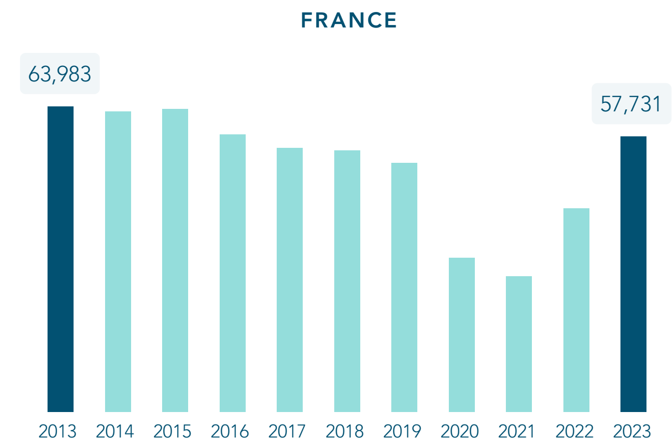
Interestingly, unlike other key central banks, including the U.S. Federal Reserve, the People's Bank of China (PBoC) maintained an accommodative stance through 2023, even cutting several key interest rates. However, this easing has, so far, done little to improve the overall credit environment materially. Following the Politburo meeting in July 2023, authorities clearly set an agenda to stabilize the economy, embarking on a series of actions to promote consumption, boost investment by small firms and startups, promote financial market activity for domestic and foreign investors, and support the real estate sector. Despite this cyclic regulatory easing, growth has not gathered steam and is unlikely to hit the high levels achieved in the past two decades. This is also supported by the government's modest and targeted stimulus measures, with an aim to achieve 'high-quality' growth, instead of 'high' growth.

The insolvency code and restructuring procedures in the Chinese Mainland have still not matured. But the government's inclination to extract value from struggling firms and an increase in the use of insolvency proceedings offers a push in that direction. Together with structural and cyclical challenges to economic growth, we expect the greater use of bankruptcy proceedings to lead to a rise in bankruptcies, albeit at a slower pace than in 2023.

Business Failures and Context in France

In Q4 2023, at 16,820, bankruptcies in France reached their highest level since Q1 2015. At 57,731, a 36% y/y rise, bankruptcies in France in 2023 were at their highest level since 2017. The higher cost of credit and weak market demands are forcing not-so-competitive firms towards insolvencies.

The rising bankruptcy rate in France is attributed, in part, to the removal of Covid-related government assistance and relaxed policies that have now been withdrawn. Meanwhile, the challenging macroeconomic environment in both France and the EU is also impacting the ability of marginal and smaller players to survive. High public and private debt, historically high interest rates, and a constrained credit environment are also affecting firms' debt repayment capabilities, especially in sectors that are seeing subdued demand, such as manufacturing, construction, real estate, utilities, hospitality, and retail. In the three years since January 2021, a total of 129,000 firms have defaulted in France.



Source: Dun & Bradstreet Worldwide Network

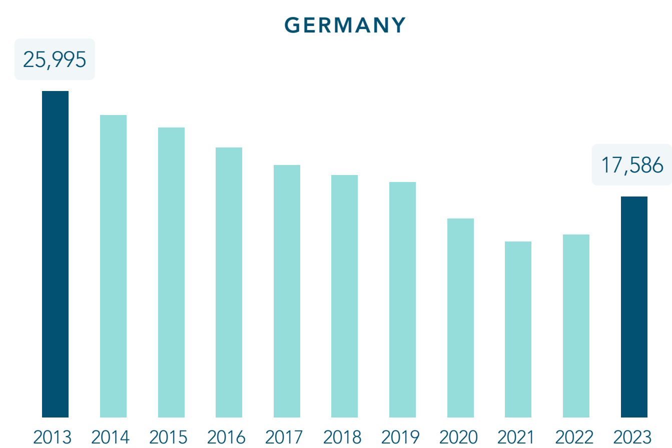
According to the Bank of France, small businesses accounted for 92% of all insolvencies started in Q3 2023. Due to a disrupted supply chain environment, prices of primary materials and energy have been high; simultaneously, inflation has been sticky and financing conditions are challenging. These factors have created higher operating costs for borrowers, along with reduced cash flow and the inability to borrow due to the rise in interest rates. The liquidation of 'zombie' companies that survived solely on public support during the pandemic and over-leveraged firms that were refinanced with state-guaranteed loans also likely contributed to the rising bankruptcy rate.

Business Failures and Context in Germany

As higher interest rates feed through into the real economy, the large increase in insolvencies seen in 2023 (up 20% year on year) might give way to business failure rates comparable with pre-pandemic levels. While this may mean the number of firms going bankrupt could rise again this year, the pace of recorded bankruptcies may begin to slow as the economy gradually recovers.

Conditions deteriorated significantly in Germany in 2023. Industrial production, the backbone of the economy, fell for a record number of consecutive months in the second half of the year.

While bankruptcies in Germany have been declining over the past decade, they reached a low of 3,300 in Q3 2021 and have since accelerated to average 4,500 in each quarter in H2 2023. Business bankruptcies grew more than 20% in 2023, reaching slightly more than 17,500, the largest number of firms going bankrupt since pre-pandemic levels. Though 2023's total is a 3,000 annual increase in the number of failing businesses compared with the previous year, it remains off the average of more than 20,000 a year seen in the five years up to and including 2019. With the challenging economic outlook, insolvencies may be returning to long-run trend levels.



Source: Dun & Bradstreet Worldwide Network

The rise in insolvencies is the result of the withdrawal of state assistance and of relaxed rules around companies being forcibly declared bankrupt, which came into effect during the pandemic and energy crisis, respectively. With energy prices still relatively high, large energy-consuming companies such as those in transportation and storage have been the hardest hit, according to the Federal Statistics Office.

Tight financing conditions have dampened demand and been a major source of credit risk. High interest rates will continue to put pressure on businesses, but with the ECB offering an increasingly favorable view of the impact interest rates are having on inflation, the bank will soon offer guidance on when policy rates will be eased. However, the lagged effects of the rapid rise in interest rates are yet to fully feed through to the real economy and will weigh on economic recovery in 2024. Although this is likely to stretch businesses once again, German firms are more optimistic at the start of this year than they were during the close of 2023. Dun & Bradstreet's latest Global Business Optimism Insights report finds that German companies have a particularly favorable view of investment and financing conditions – especially small firms that make up part of the country's Mittelstand, the main driver of employment, technology, and innovation in Germany.

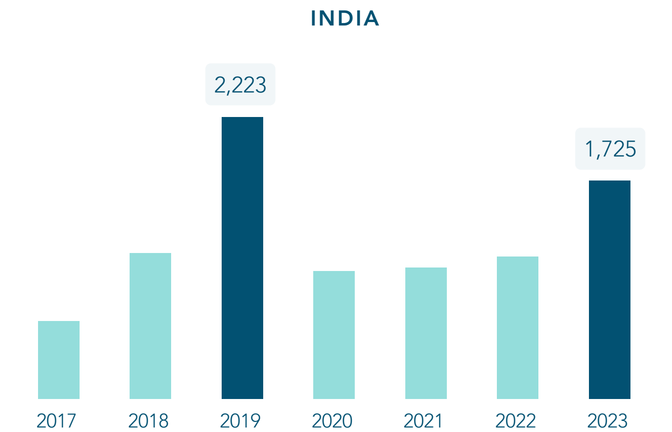
In summary, the evidence suggests that bankruptcies in Germany will rise gradually over the course of 2024, although potentially not as strongly as last year as the economy recovers. Insolvency rates may have peaked in Q4 2023 and could potentially normalize from this point onwards.

Business Failures and Context in India

Bankruptcies in 2023 increased 53% compared with 2022, signaling financial stress following the withdrawal of pandemic-era support, and surplus liquidity, reducing the availability of low-cost funds. Efforts to strengthen the insolvency resolution framework have shown positive results, with a notable shift towards resolutions over liquidations.

Liquidation cases surged in 2023, following a subdued period since the pandemic. In 2023, several factors contributed to the increase in bankruptcy cases, including the high interest rate regime, such as post-pandemic caution among financial institutions towards high-risk firms, and the effectiveness of the National Company Law Tribunal (NCLT).

The Reserve Bank of India (RBI) increased the policy repo rate by 250 bps from May 2022 to February 2023, where it has since remained. This has resulted in the highest average repo rate since 2016, averaging 6.48%. Banks have responded by raising lending rates since May 2022, with the weighted average lending rate on fresh rupee loans increasing by 199 bps from May 2022 to October 2023, making debt more expensive, particularly for smaller businesses. This has made refinancing challenging, exacerbating financial strains on smaller businesses.



Source: Dun & Bradstreet Worldwide Network

Comparing data from January-February 2023 with the same period in 2021 reveals that although the size of loans to small businesses increased post-pandemic, bank approval rates declined, indicating heightened debt stress for smaller businesses. This cautious approach by banks stemmed from the conclusion of pandemic-related relief measures. The issue of delayed payments exacerbated small businesses' financial difficulties, leading some to pursue insolvency petitions in the hope of reaching a settlement. Operational creditors, seeking dues recovery for goods and services, initiated around half of insolvency resolution cases under the Insolvency and Bankruptcy Code (IBC). Notably, a vast majority – i.e., about 80% of all insolvency resolutions for defaults under 10 million – were initiated by operational creditors, while about 80% of those with a default of over 100 million were initiated by lenders. This inclination towards settling through insolvency proceedings is also evident in data from the Insolvency and Bankruptcy Board of India (IBBI). More than 21% insolvency cases initiated by operational creditors have been resolved through appeals, reviews, or settlements, while the figure stands at 10% for financial creditors.

Efficiency improvements in the bankruptcy process and amendments to the insolvency code also have incentivized both financial and operational creditors to engage in the process. Out of cases admitted under the NCLT from 2017 to September 2023, 72% have been closed, with only 20% ongoing. Closed cases included successful resolution plans (16%), withdrawals under Section 12A of the IBC (19%), closure on appeal or review (21%), and liquidation orders (44%). Data from the IBBI also indicates that an increasing percentage of Corporate Insolvency Resolution Processes (CIRPs) are resulting in resolutions rather than liquidation orders; resolutions rose from 21% in FY2018 to 73% as of September 2023. This trend underscores the IBC's growing acceptance as a mechanism for reviving viable firms.

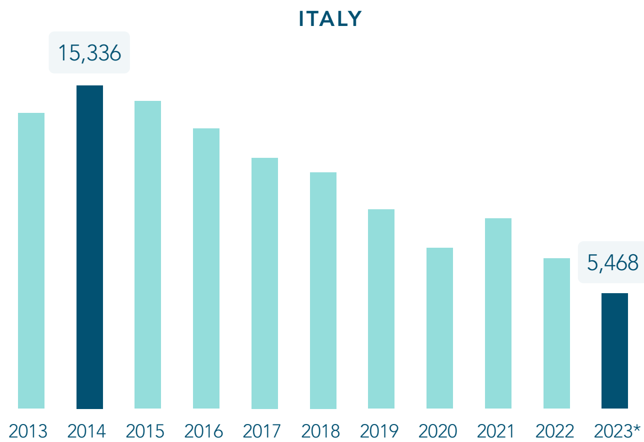
Although strides have been made in enhancing the insolvency resolution framework, challenges remain, particularly concerning resolution timelines. The IBC stipulates a time-bound process, aiming for the completion of CIRPs within 180 days, with a one-time extension of up to 90 days. However, as of September 2023, over 39% of cases have exceeded two years, with an additional 16% falling between one to two years, underscoring the need for further improvements in expediting resolution processes. Further improvements in the bankruptcy/liquidation processes would entail larger numbers of reported bankruptcies.

Business Failures and Context in Italy

Italy is undergoing a gradual adjustment towards pre-pandemic levels of business failures, as insolvencies showed only a moderate increase in the first nine months of 2023. However, the potential withdrawal of welfare measures such as the Superbonus and the transmission of tighter monetary policy through the real economy could lead to a significant surge in insolvencies in 2024.

Following a 21% y/y decline in 2022, business bankruptcies in Italy registered a 1.5% y/y increase during the first nine months of 2023, totaling 5,468. Despite a declining trend in bankruptcy rates over the past decade, Italy has experienced an increase in volatility in bankruptcies since the onset of the pandemic. In Q2 2020, bankruptcies reached approximately 33% of their pre-pandemic (Q1 2019) level, briefly surpassing pre-pandemic levels in Q4 2020 and Q1 2021. Subsequently, bankruptcies consistently remained below pre-pandemic levels on a quarterly basis, reaching 63% in Q3 2023.

Throughout 2023, various factors have adversely affected businesses across Europe, notably in France and Germany, where bankruptcies increased 35.5% and 20.5%, respectively, on an annual basis. Our interpretation suggests that in countries like Italy, the effectiveness of Covid support measures in enhancing firms' liquidity has played a crucial role. These financial buffers have effectively mitigated a surge in insolvencies immediately following the phasing out of government support measures, keeping insolvency levels lower than pre-pandemic times. Several factors have contributed to bankruptcy rate dynamics in Italy, including pandemic-related court restrictions, which hindered normal bankruptcy rulings and somewhat subdued the country's business dynamism; income support and debt-relief measures introduced at the pandemic's onset, which remained in place for much of 2021; and increased spending to support firms and households, particularly since the Russia-Ukraine conflict and the subsequent energy shock in Europe.



Source: Dun & Bradstreet Worldwide Network, 2023 data is up to Q3 2023

We anticipate that the substantial support measures introduced by the Italian government will continue influencing business dynamics in 2024. Concurrently, the rapid increase in interest rates poses a counteracting force, complicating the fulfilment of payment obligations. Notably, in February 2023, the Italian government discontinued the Superbonus program, initially introduced during the pandemic. The scheme allowed homeowners to claim up to 110% tax credit for property improvements, triggering a surge in building renovations across the country. Its abrupt termination is expected to have a significant impact on the construction sector and may affect numerous firms.

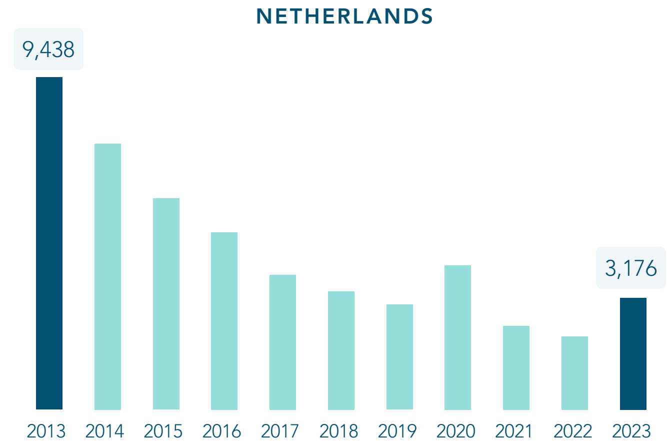
Italian companies are expected to face continued challenges in the coming years. Although firms have managed to replenish cash reserves since the pandemic, recent developments, such as squeezed profit margins and more stringent funding conditions, are exerting pressure on these buffers. Companies are finding themselves with significantly elevated debt levels, and in a higher interest rate market, this is presenting a growing challenge in terms of debt servicing. There is rising awareness in financial markets that central banks are unlikely to ease policies in the near term, and it is anticipated that this will impact companies' financing conditions.

Business Failures and Context in the Netherlands

After experiencing a 53% increase in bankruptcies in 2023, we anticipate another significant rise in 2024. The rise is attributed to the lingering effects of withdrawn pandemic -related emergency measures, further compounded by a restrictive monetary environment and low growth prospects for Europe.

As anticipated, the Netherlands experienced a significant surge in bankruptcies in 2023, with a sharp increase of 53% contrasting with an average decrease of 27% over the previous two years. Q3 2023 saw a surge of over 74% compared with Q3 2022, resulting in a total of 804 companies declared bankrupt, compared with 461 in the corresponding period in 2022. The upswing in bankruptcies in 2023 can be attributed to post-pandemic normalization and the insolvency of 'zombie' firms. Key pandemic-related support measures, including the fixed costs grant scheme (TVL), the temporary emergency scheme for job retention (NOW), and the general tax payment deferral option were extended until April 2022, providing substantial benefits to businesses.

Initially, these support measures bolstered firms' liquidity, preventing a surge in insolvencies after the cessation of government support. However, as support diminished and lending conditions tightened, insolvencies accelerated in 2023. The strain on businesses intensified due to rising inflation and energy prices, elevating operational costs and potentially impacting profitability. Many businesses struggled with absorbing these escalating costs, leading to financial difficulties. The European Central Bank's decision to raise interest rates to counter inflation further exacerbated the situation, making borrowing more expensive and adding to the financial challenges faced by businesses already under economic pressure. It became increasingly difficult for them to manage existing debts and secure new loans. Although the initial upswing in bankruptcies occurred early in 2023, the spike in Q3 might have been due to the delayed impact of these compounding factors.



Source: Dun & Bradstreet Worldwide Network

Statistics Netherlands data for 2023 reveals that, consistent with previous years, the trade sector experienced the highest number of bankruptcies (and the most significant absolute increase), followed closely by the construction sector, both being among the largest sectors in terms of the number of businesses. Year on year, bankruptcies increased across most sectors. The accommodation and food services sector experienced a doubling of bankruptcies, primarily driven by an increase in bankruptcies in food and beverage services.

We anticipate more stringent credit conditions and a significant economic deceleration in 2024, and we project a notable increase in insolvencies across various sectors, surpassing the levels recorded in 2023. This expected surge may even exceed the business insolvency rates observed in 2017-19. The SME sector, characterized by smaller cash reserves, narrower profit margins, and limited capital-raising options, is likely to face the brunt of these challenging conditions.

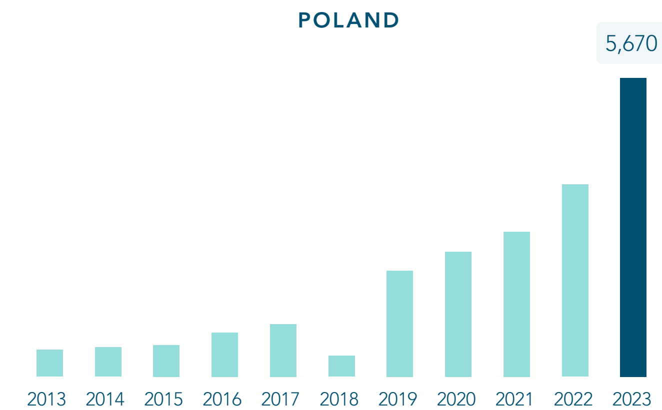
Business Failures and Context in Poland

The bankruptcy rate in Poland rose 56% y/y in 2023, a decade high, as the government moved towards pursuing fiscal consolidation, removing Covid tax and fuel subsidies, and tightening its bankruptcy laws.

As the economic landscape in trading partners, especially those in Western Europe, worsens, export-oriented sectors in Poland are seeing higher bankruptcies. Domestically, the investment environment is experiencing constrained liquidity and historically high borrowing costs, raising insolvencies among SMEs that are over-leveraged and/or in sectors witnessing slower demand growth.

Household consumption declined in 2023, putting consumer confidence on shaky grounds, in turn affecting sectors such as wholesale and retail trade, hospitality, and leisure. The economy faces a demand slowdown at the same time as business confidence is diminishing owing to high operating costs and higher interest rates.

High fuel costs and disrupted supply routes in the Red Sea, Ukraine, and the Mediterranean have affected the transportation, manufacturing, trade, construction, and services sectors.



Source: Dun & Bradstreet Worldwide Network

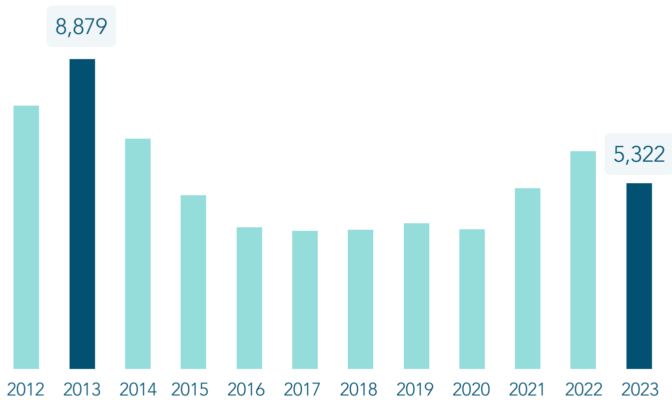
Retail and wholesale trade, transportation, construction, real estate, and manufacturing have all seen high bankruptcy rates. In an uncertain macroeconomic environment, the number of insolvencies is set to rise further..

Business Failures and Context in Spain

Following increases over the past two years, the number of companies filing for bankruptcy in Spain exhibited a noteworthy decrease in 2023. It appears unlikely that the revised Insolvency Act will contribute to a substantial uptick in bankruptcy filings; however, a moderate increase is anticipated in 2024.

After experiencing increases over the past two years, the number of companies filing for bankruptcy in Spain demonstrated a notable decline of 14.7% in 2023, reaching a total of 5,322, according to data from Dun & Bradstreet Worldwide Network partner, Informa. This is one of the more favorable outcomes in Europe. The data reveals a substantial spike in Q4 2023, with a remarkable 59.5% quarterly increase. However, the overall reduction in bankruptcies is attributed to subdued filings during the first and third quarters, offsetting the Q4 surge. Notably, in January-March, court clerks initiated strikes, advocating for improved pay and working conditions. This resulted in a near-total paralysis of judicial activity throughout Spain, leading to a backlog of proceedings and notifications in the first quarter. Judicial activity was further hampered by a strike by other justice officials that began in April 2023 and was placed on indefinite hold in July.

SPAIN



Source: Dun & Bradstreet Worldwide Network

Spain's approach to corporate debt restructuring underwent a significant change with the introduction in September 2022 of Act 16/2022 amending the country's Recast Insolvency Act so that it complies with EU directives. The amendment has drawn comparisons with the U.K.'s restructuring plan.

The effectiveness of the new regulations can be illustrated by the case of steel company Celsa, which effectively underwent a legal process to restructure its EUR2.8bn debt. The Barcelona Court, overseeing the case, agreed with the restructuring plan submitted by Celsa's creditors – a paradigm shift, as the court's judgment endowed the creditors with unprecedented authority to initiate and direct restructuring procedures. The judgment signifies a departure from the U.K. framework (wherein explicit debtor consent is needed for a restructuring plan), allowing creditors to propose a Spanish restructuring plan without the debtor's explicit consent. The Barcelona Court's nuanced approach, wherein creditor-led plans are held to a lower standard considering information asymmetry, establishes a precedent that underscores the intricacies and efforts involved for creditors to assume control through approval. This could potentially influence future negotiation dynamics. Shareholders, now cognizant of potential outcomes, may exhibit a greater inclination to collaborate with creditors without judicial intervention, while creditors, mindful of obstacles and risks, are likely to adopt a more pragmatic approach.

Despite certain mitigating factors, our outlook suggests a moderate increase in corporate bankruptcies in Spain for 2024. The global economic slowdown and restrictive monetary policies present notable challenges; however, the withdrawal of pandemic-era support measures has not led to an accelerated rise in defaults, underscoring the resilient financial position of Spanish businesses. Particularly noteworthy is the resilience demonstrated by sectors heavily reliant on tourism and retail, which benefited from robust tourist inflows in 2023, maintaining overall economic activity at a buoyant level. Although we anticipate a slight deceleration in growth in 2024 compared with 2023, it is still expected to surpass that of many European counterparts. Correspondingly, we forecast that bankruptcies will follow a similar pattern, reflecting the nuanced dynamics of Spain's economic landscape.

Business Failures and Context in Switzerland

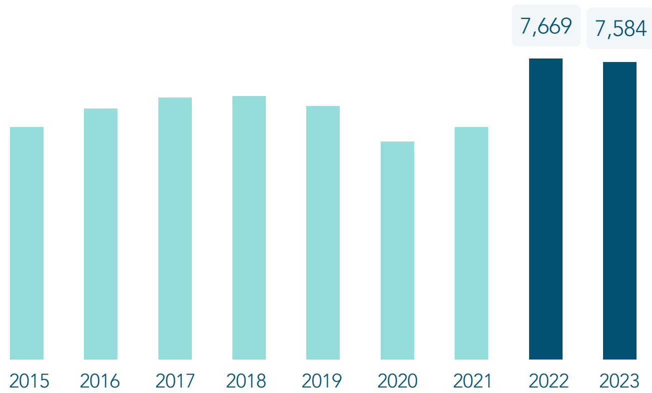
Geopolitical tensions affecting supply chains and a recessionary environment in Europe have led to bankruptcies in Switzerland. The Russia-Ukraine conflict and subsequent sanctions affected commodity trading businesses and energy supplies, while the Israel-Hamas conflict has disrupted supply chains, affecting exporters. In addition, the Credit Suisse banking crisis also dented the economy's prospects, in particular those of the financial services sector, which saw rising bankruptcies among SMEs.

Bankruptcies in Switzerland are estimated to have fallen marginally in 2023, by 1.1% y/y, although they were still close to the highest level seen in the past nine years.

Swiss bankruptcies in 2023 were primarily caused by high indebtedness as higher interest rates and restrained liquidity due to the financial sector crisis affected borrowers' ability to stay afloat. The withdrawal of pandemic-era government aid also contributed to the rise. Insolvency cases increased 8% in the first three quarters of the year.

Sector-wise, bankruptcies were high in the construction, wholesale and retail, IT, hospitality, and transport and logistics sectors. There were declines in the communications, wholesale, and retail, building construction, and engineering sectors. The regional bankruptcy breakdown reveals that, except for Central Switzerland, every region saw rising bankruptcies.

SWITZERLAND



Source: Dun & Bradstreet Worldwide Network

Bankruptcies were more severe in the case of SMEs, which were left defenseless due to the sudden rise of energy and electricity prices, high prices, and interrupted supplies of industrial commodities. A large proportion of SMEs do not hedge on energy prices and are therefore subject to extreme volatilities – as seen in 2022.

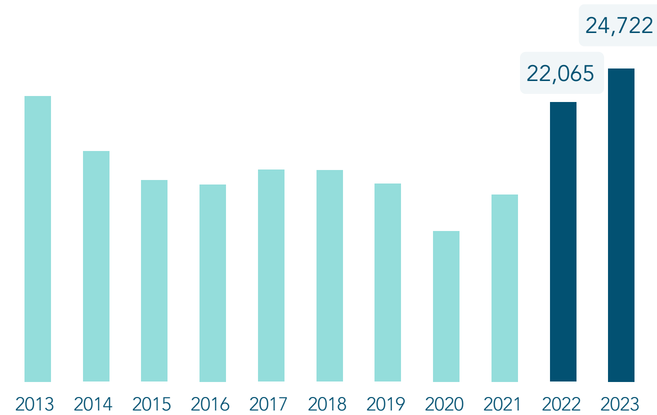
Business Failures and Context in the United Kingdom

Following sharp rises in the past three years (28% y/y on average) because of soft demand and the withdrawal of pandemic- and energy-related support measures, businesses are increasingly likely to come under pressure from the lagged effects of tight monetary policy. However, we expect policy to be loosened through this year and although insolvencies are set to rise, the increase will be at a slower pace than the year before.

Business bankruptcies in the U.K. grew 12.0% in 2023, the slowest rate of growth since they fell in 2020, and a sharp deceleration from almost 50% growth in 2022. The number of U.K. bankruptcies reached 24,700, up from an average of 16,100 in the five years to 2019 and double the artificially low number in 2020. The rise in insolvencies comes because of the gradual ending of extensive government support for businesses during the pandemic.

Most of the rise in business failures in 2023 (in growth and absolute terms) was in consumer-facing sectors such as restaurants and eateries (33.9% y/y) and retail trade (22.1%). Some 3,500 restaurants went out of business in 2023, compared with 2,600 in 2022, and 2,600 retailers went bankrupt compared with 2,100 the year before. Wholesale trade (10.3%), consumer manufacturing (12.1%), machinery manufacturing (12.4%), and materials processing (18.1%) all saw double-digit growth on the year. In quarterly terms, since Q1 2021, when 2,500 firms registered as going bankrupt, bankruptcies have gradually edged upwards, reaching 6,700 in Q4 2023.

UNITED KINGDOM



Source: Dun & Bradstreet Worldwide Network

Tight policy has restrained demand and price pressure has subsequently fallen back, helped by high energy prices falling out of the annual rate of inflation. Business attention has turned to when the bank will begin to loosen policy, with expectations that the first rate cut could potentially be as soon as Q2 2024. Regardless, monetary policy in the U.K. will remain tight, limiting the recovery and continuing to squeeze businesses. The future rates path depends on the trajectory of price growth dynamics. We are expecting less than 1% real GDP growth in 2024 and for inflation to slow to an average of 4% for the year.

Many businesses continue to face pressure from elevated interest rates, still-high energy costs, and solid but easing wage pressure. The Bank of England's latest Monetary Policy Report, following the February 2024 meeting of the Monetary Policy Committee, noted that trade credit continues to tighten modestly along supply chains and that insolvencies this year are likely to be concentrated among small firms. Small U.K. firms with less-diverse revenue streams and greater difficulty accessing financing are more likely than larger firms to struggle this year.

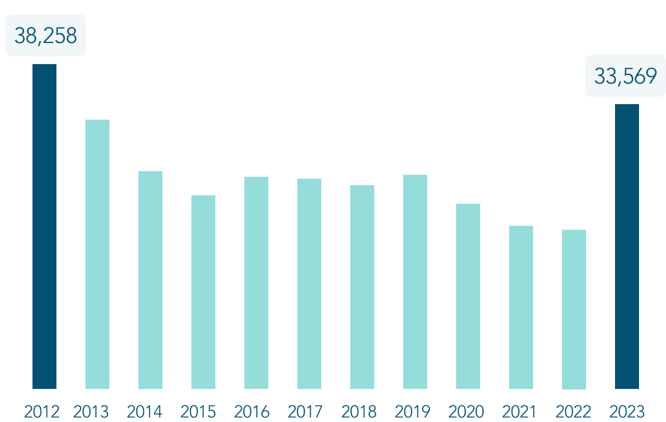
We expect insolvencies to continue to rise in 2024, albeit at a slower pace than in 2023, as some of the driving forces lose steam and are replaced with a gradually more supportive business environment.

Business Failures and Context in the United States

Bankruptcies are likely to continue to rise; risks are tilted to the downside, as excess household savings that were driving consumption so far have been largely run down. Credit conditions will remain restrictive for the time being, compounded by lingering stress in regional banks and commercial real estate, exacerbating trouble for small businesses and sole proprietors.

Bankruptcies in the U.S. jumped sharply in 2023. Dun & Bradstreet data adds bankruptcies filed by sole proprietorships to businesses bankruptcies, which shows a marked increase of 79% year on year. This massive jump follows a 2% y/y decline in such bankruptcies in 2022. The relative outperformance of the U.S. economy – with respect to developed market peers in Europe and against expectations – was a dominant economic story in 2023. At the same time, the number of commercial bankruptcies hit its highest level in over a decade. The primary driver seems to have been the lagged effect of the U.S. Fed's most aggressive monetary tightening cycle in decades, which cumulatively resulted in 525 bps of rate hikes in less than two years. Separately, the double whammy of the high cost of living and the rolling back of pandemic-era support measures also seem to have affected personal finances, evidenced in the near tripling of sole proprietorship bankruptcies. Finally, credit conditions also tightened due to the difficult operating environment for small regional banks in the country.

UNITED STATES



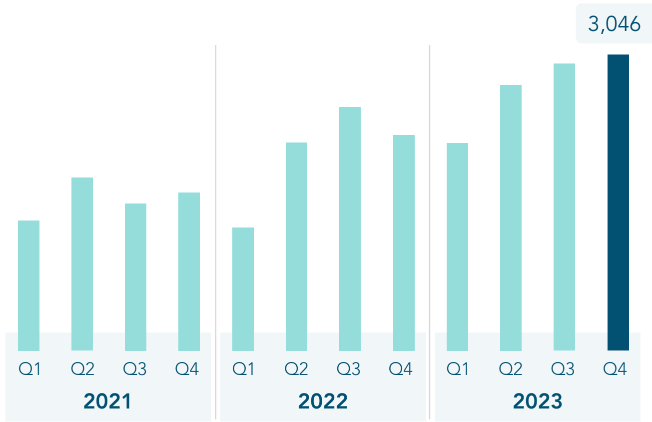
Source: Dun & Bradstreet Worldwide Network

The fall of two key regional banks – Silicon Valley Bank and Signature Bank – in quick succession in March 2023 set the tone for commercial bankruptcies for the rest of the year. Although the authorities stepped in decisively to limit contagion, regional banks continued to suffer from a massive outflow of deposits (leading to more bank failures) and a subsequent tightening of lending standards for their niche borrowers. Apart from regional banks, U.S. businesses face a range of challenges. The cases of big names such as Pennsylvania Real Estate Investment Trust, the owner of several malls, and workspace provider WeWork highlight the challenges of post-Covid recovery for commercial real estate. Meanwhile, the bankruptcy of trucking company Yellow was linked to challenges related to labor pay and, later, the inability to restructure the pandemic-era support loan that the company received under the CARES Act.

We expect credit conditions to remain challenging. The U.S. economy has remained quite strong so far but is more likely to weaken in the coming quarters as some of the underlying reasons for higher bankruptcies ripple through to other parts of the economy. Moreover, we do not expect the U.S. Fed to cut rates anytime soon – this view is supported by recent inflation readings and commentary coming out of Fed meetings. This means that the cost of refinancing and issuing new debt is likely to remain high for some time. The longer these dynamics hold, the more likely it is that pockets of debt distress will emerge, potentially leading to higher bankruptcies in 2024.

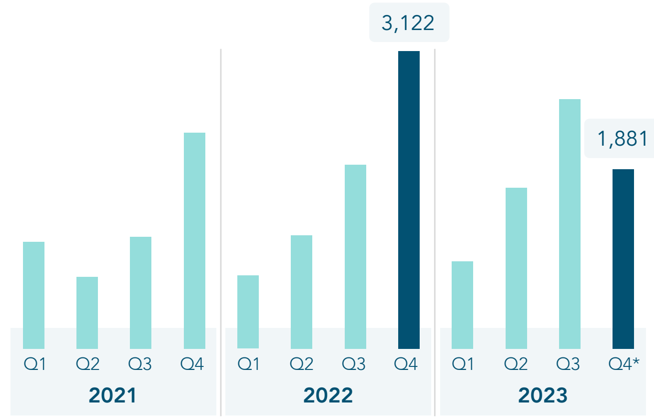
Charts - Asia/Oceania

AUSTRALIA



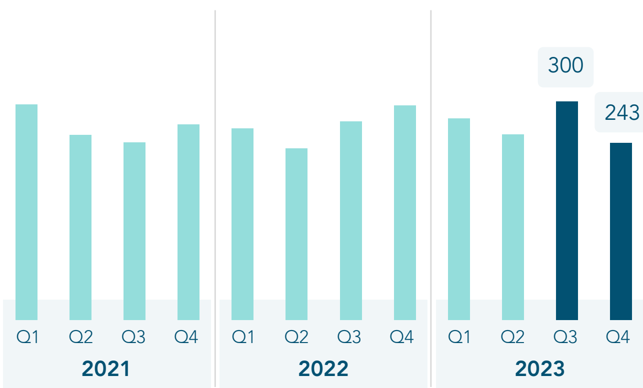
Source: Dun & Bradstreet Worldwide Network

CHINESE MAINLAND



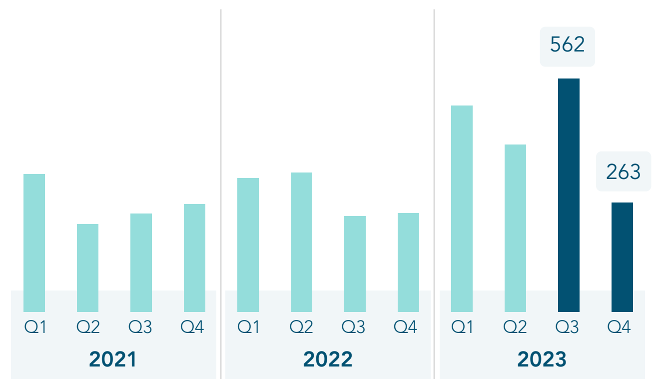
Source: Dun & Bradstreet Worldwide Network, Q4 2023 data up to Nov-23

HONG KONG S.A.R



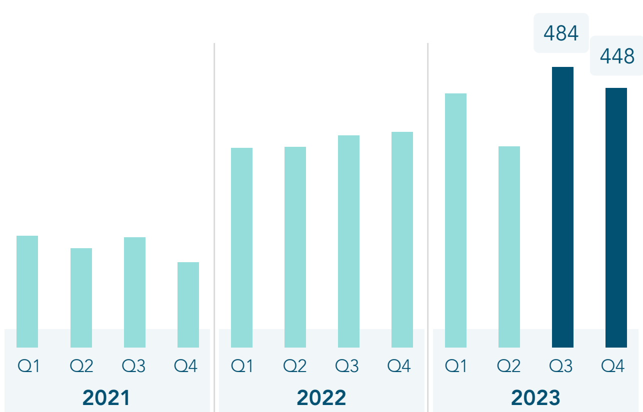
Source: Dun & Bradstreet Worldwide Network

INDIA



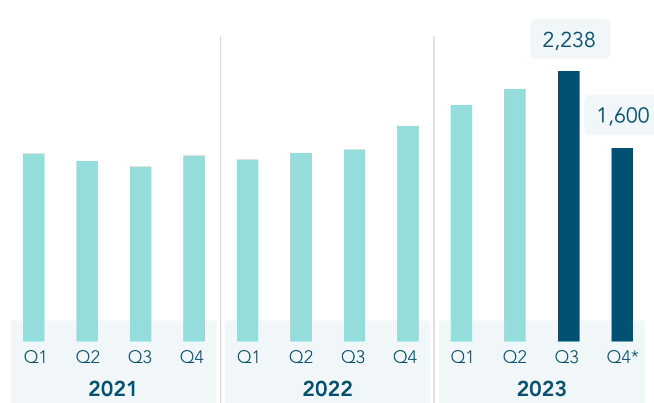
Source: Dun & Bradstreet Worldwide Network

INDONESIA



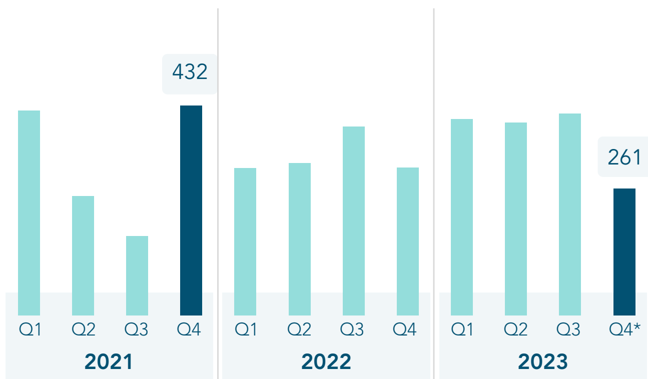
Source: Dun & Bradstreet Worldwide Network

JAPAN



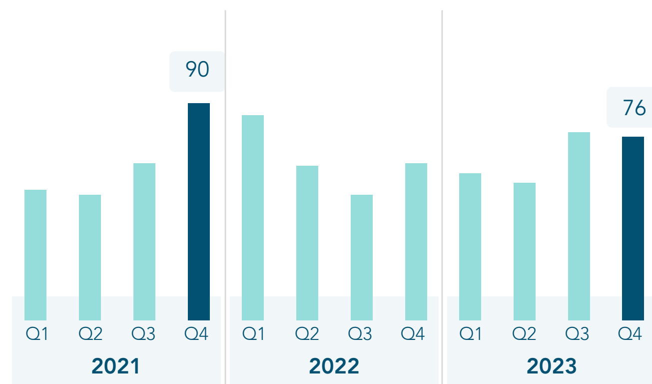
Source: Dun & Bradstreet Worldwide Network, Q4 2023 data up to Nov-23

KAZAKHSTAN



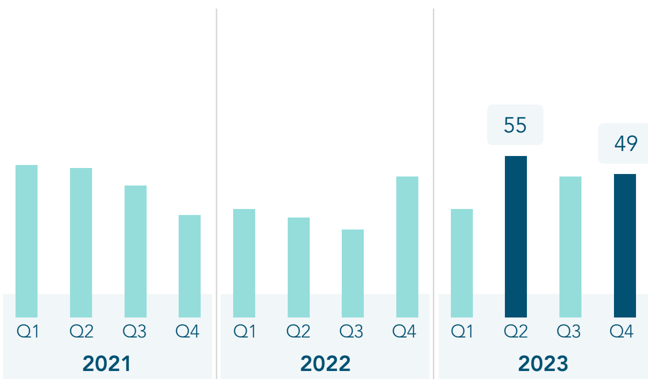
Source: Dun & Bradstreet Worldwide Network, Q4 2023 data up to Nov-23

SINGAPORE



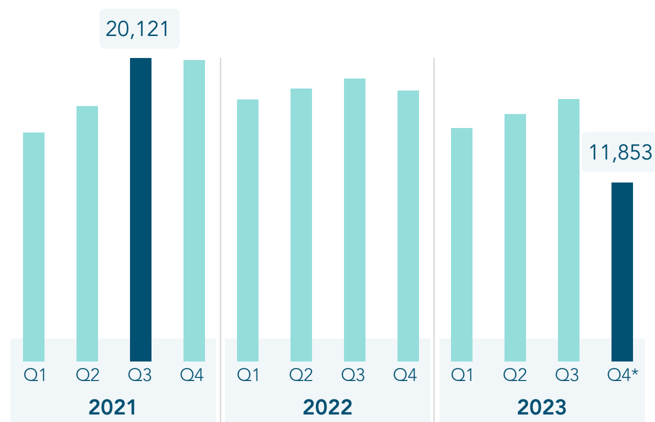
Source: Dun & Bradstreet Worldwide Network

SOUTH KOREA



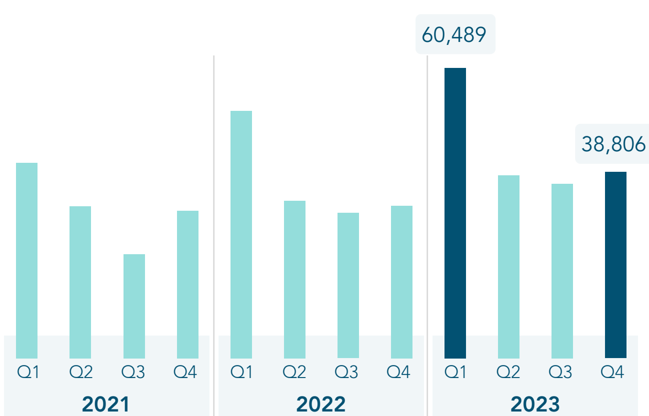
Source: Dun & Bradstreet Worldwide Network

TAIWAN REGION



Source: Dun & Bradstreet Worldwide Network, Q4 2023 data up to Nov-23

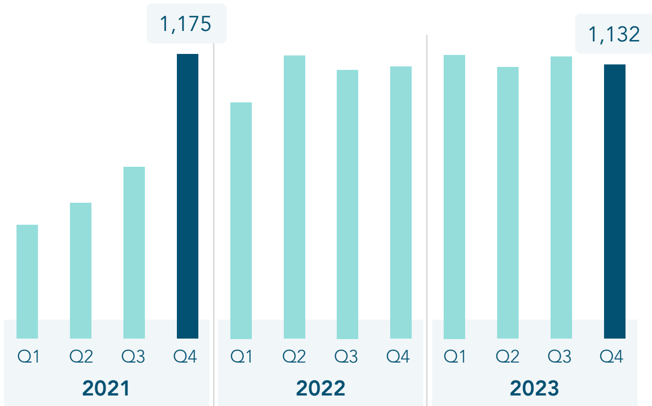
VIETNAM



Source: Dun & Bradstreet Worldwide Network

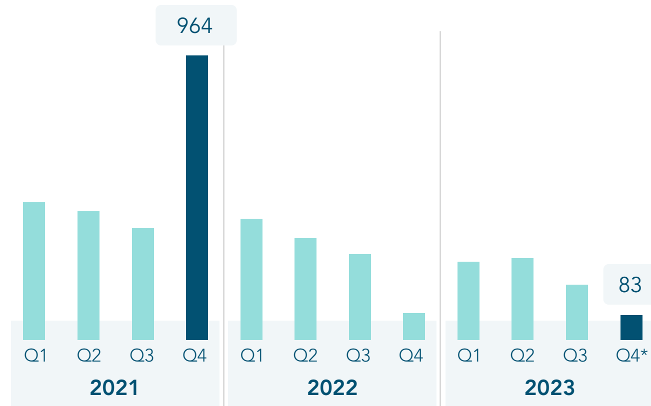
Charts - Europe

AUSTRIA



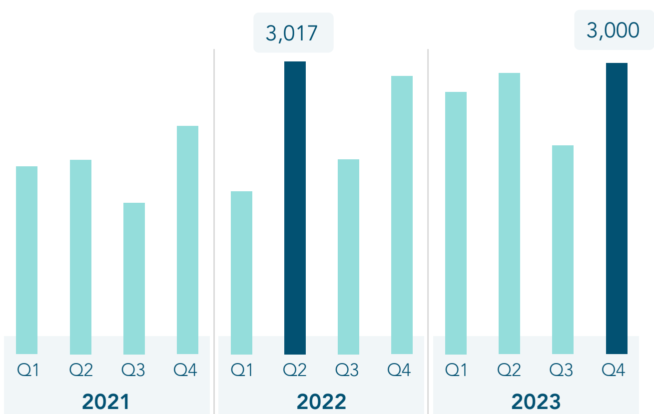
Source: Dun & Bradstreet Worldwide Network

BELARUS



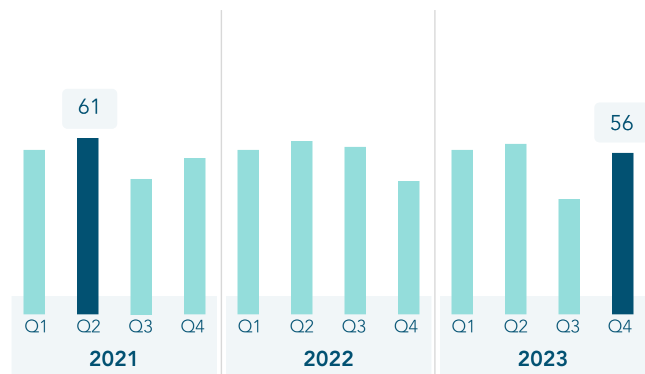
Source: Dun & Bradstreet Worldwide Network, Q4 2023 data up to Nov-23

BELGIUM



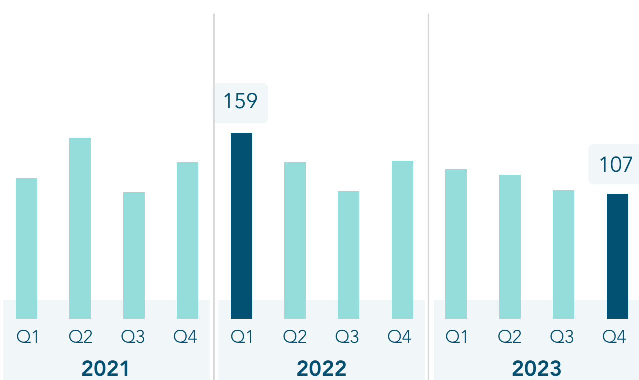
Source: Dun & Bradstreet Worldwide Network

BOSNIA & HERZEGOVINA



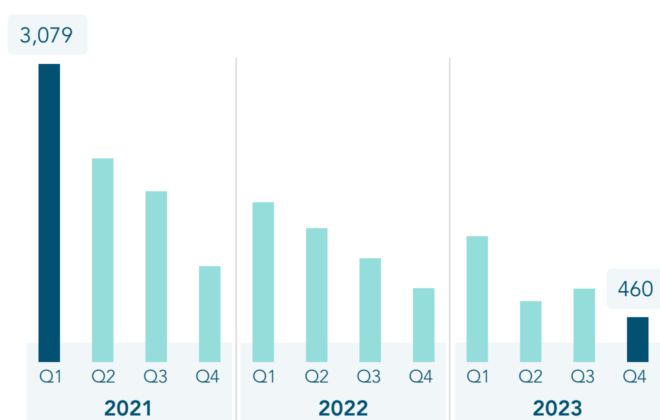
Source: Dun & Bradstreet Worldwide Network

BULGARIA



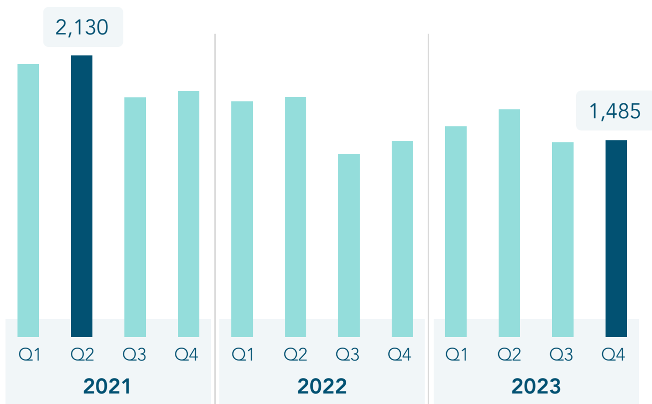
Source: Dun & Bradstreet Worldwide Network

CROATIA



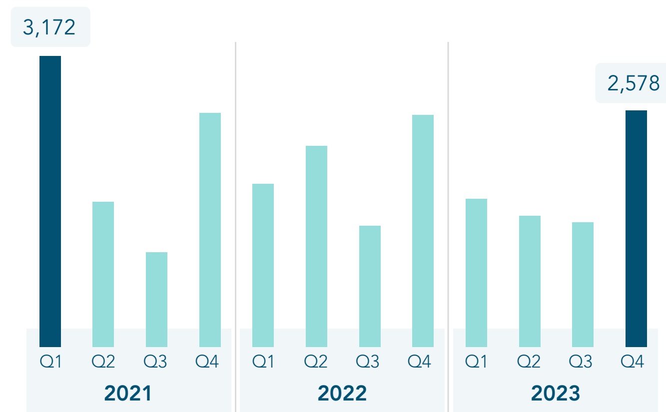
Source: Dun & Bradstreet Worldwide Network

CZECH REPUBLIC



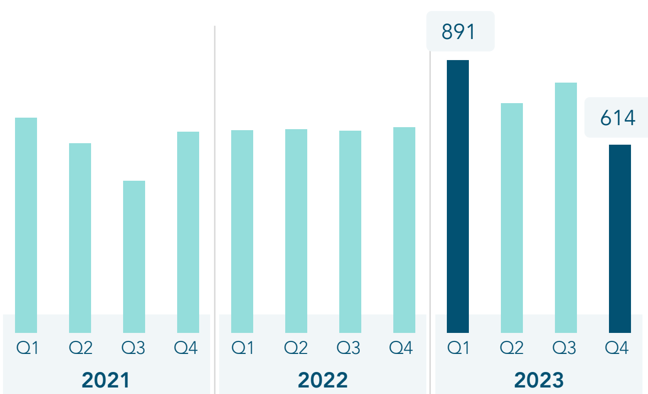
Source: Dun & Bradstreet Worldwide Network

DENMARK



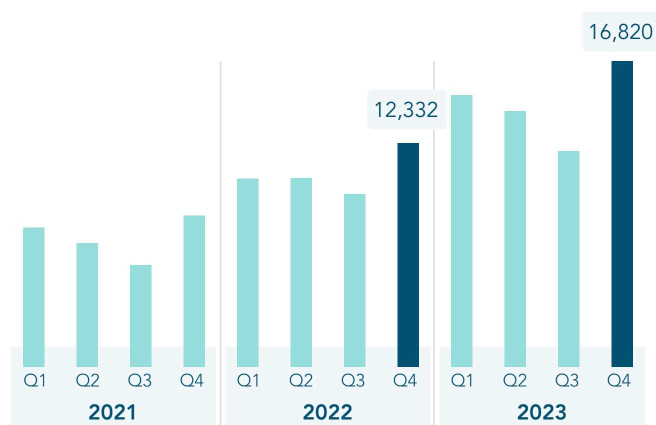
Source: Dun & Bradstreet Worldwide Network

FINLAND



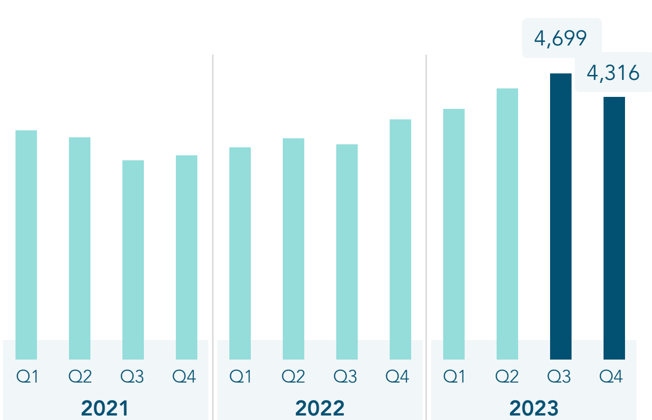
Source: Dun & Bradstreet Worldwide Network

FRANCE



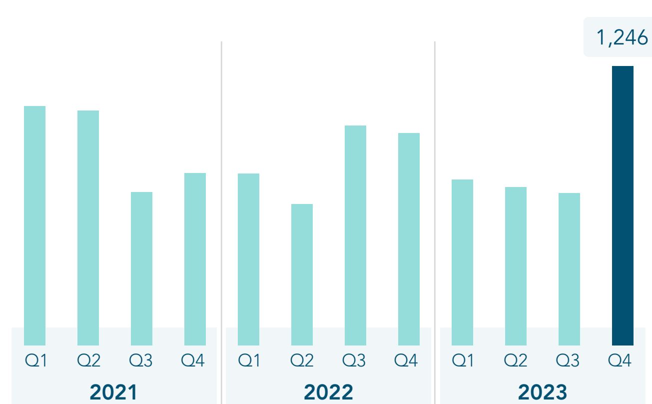
Source: Dun & Bradstreet Worldwide Network

GERMANY



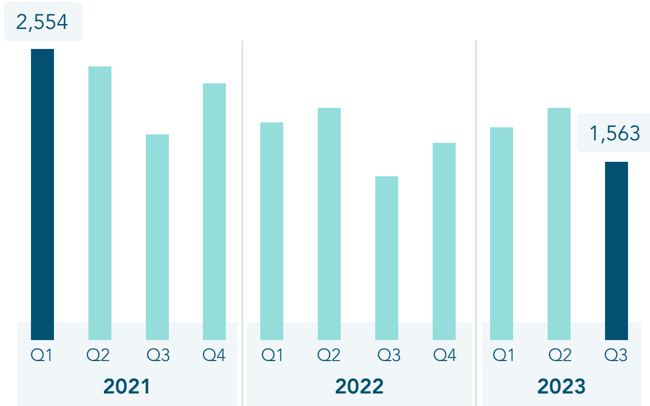
Source: Dun & Bradstreet Worldwide Network

HUNGARY



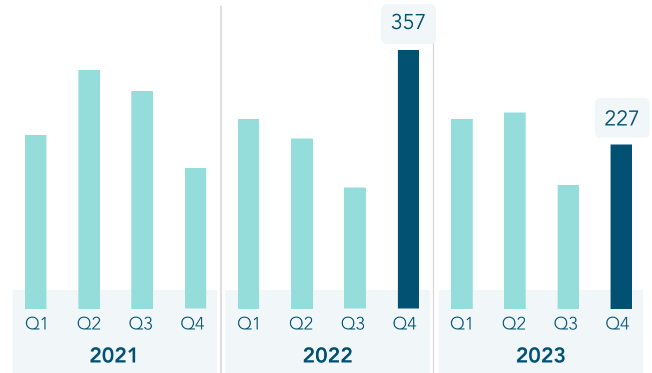
Source: Dun & Bradstreet Worldwide Network

ITALY



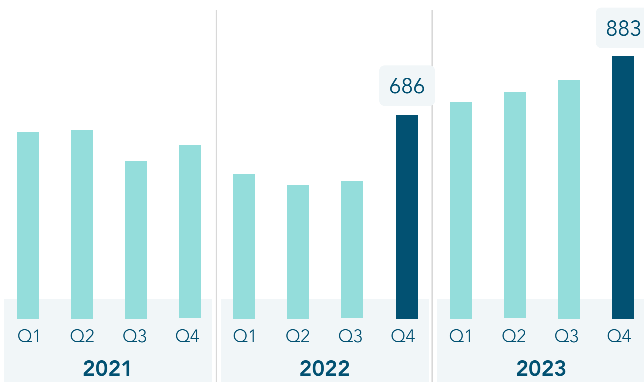
Source: Dun & Bradstreet Worldwide Network

LUXEMBOURG



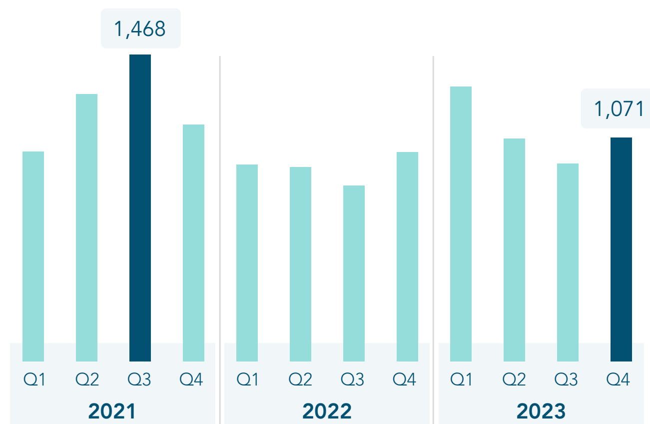
Source: Dun & Bradstreet Worldwide Network

NETHERLANDS



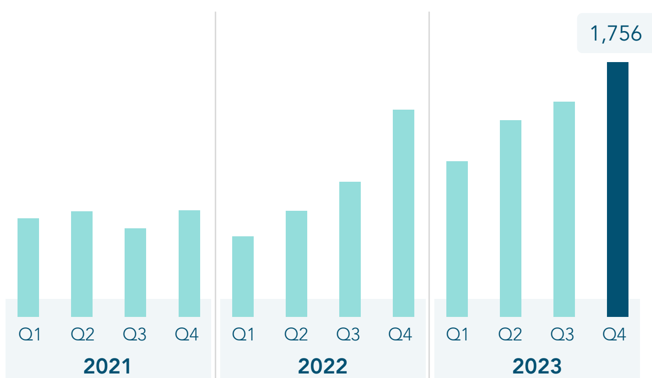
Source: Dun & Bradstreet Worldwide Network

NORWAY



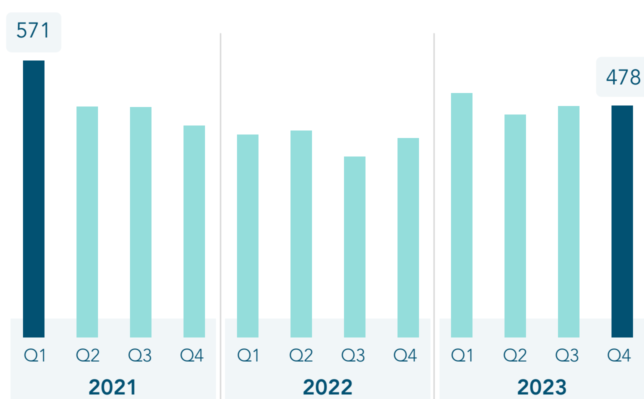
Source: Dun & Bradstreet Worldwide Network

POLAND



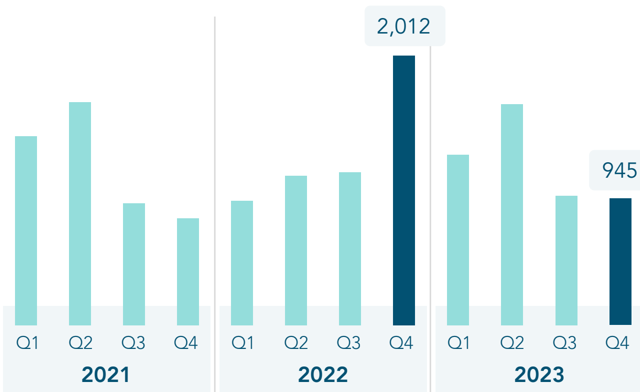
Source: Dun & Bradstreet Worldwide Network

PORTUGAL



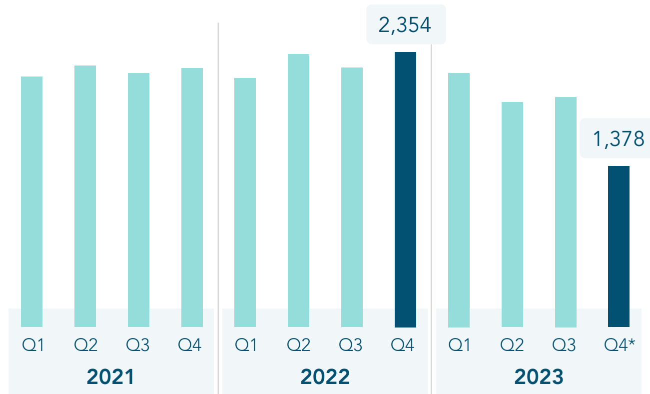
Source: Dun & Bradstreet Worldwide Network

ROMANIA



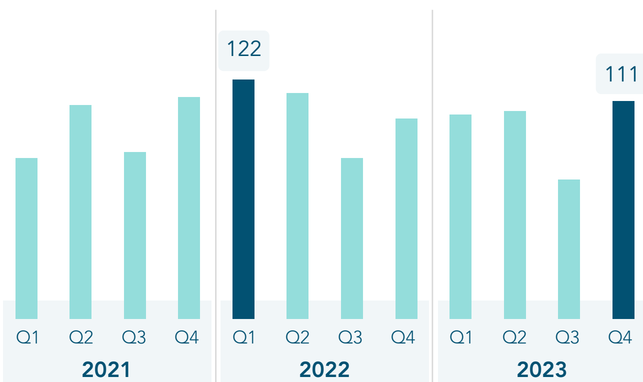
Source: Dun & Bradstreet Worldwide Network

RUSSIAN FEDERATION



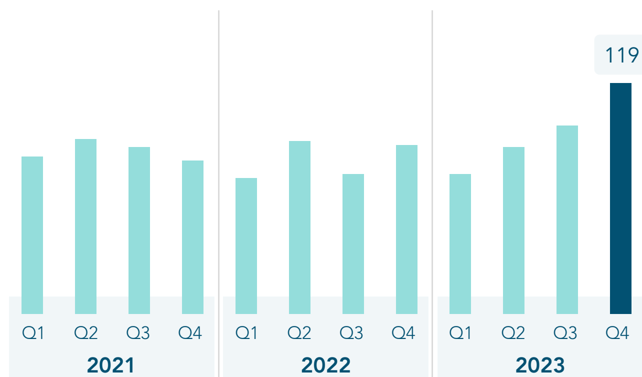
Source: Dun & Bradstreet Worldwide Network, Q4 2023 data up to Nov-23

SERBIA



Source: Dun & Bradstreet Worldwide Network

SLOVAKIA



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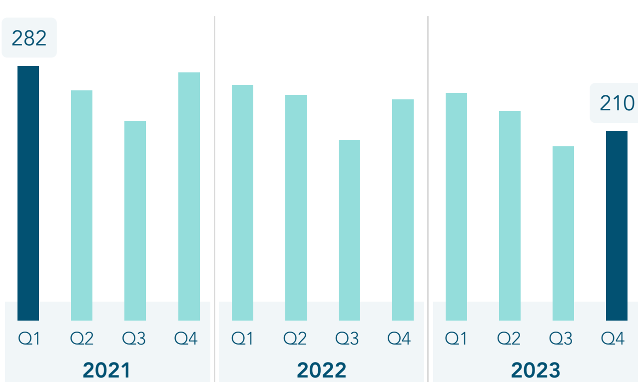
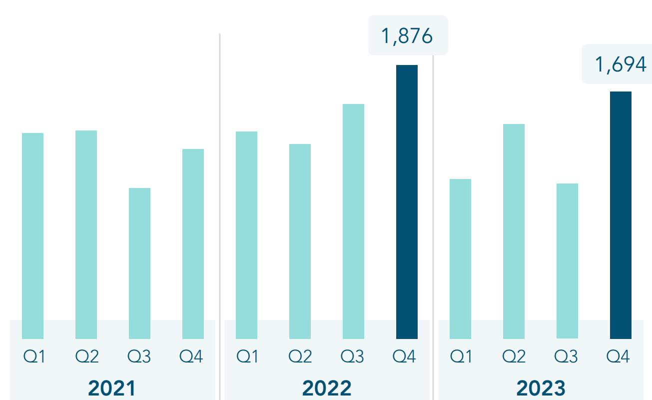
SLOVENIA



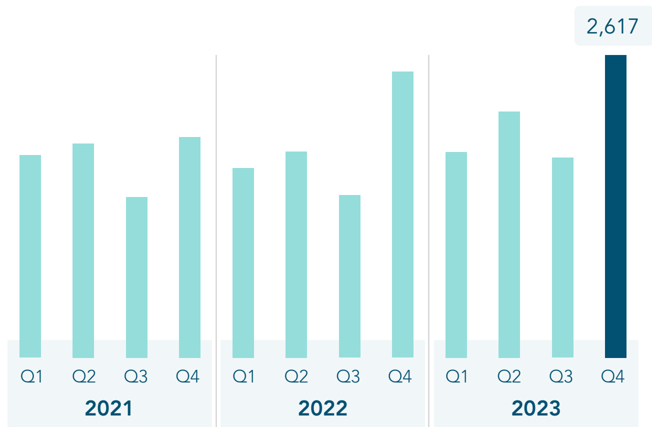
Source: Dun & Bradstreet Worldwide Network

SPAIN



Source: Dun & Bradstreet Worldwide Network

SWEDEN



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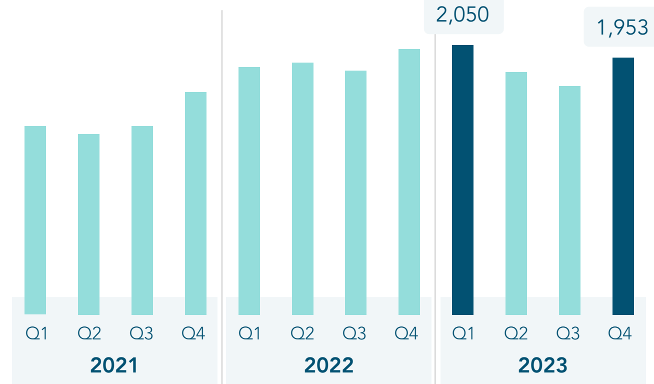
SWITZERLAND



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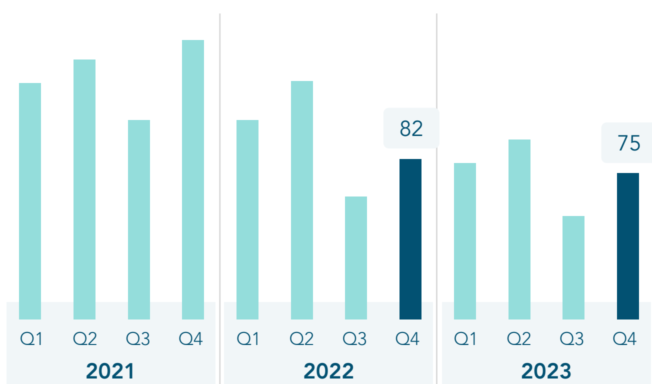
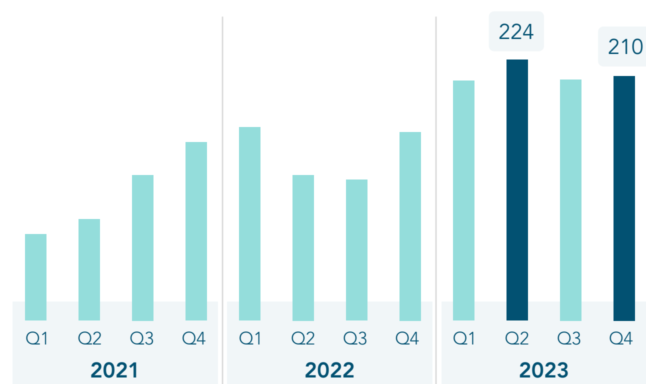
TÜRKIYE



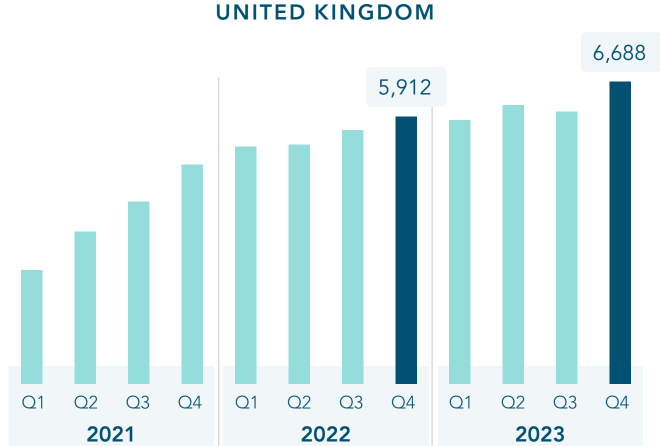
Source: Dun & Bradstreet Worldwide Network

UKRAINE



Source: Dun & Bradstreet Worldwide Network

UNITED KINGDOM



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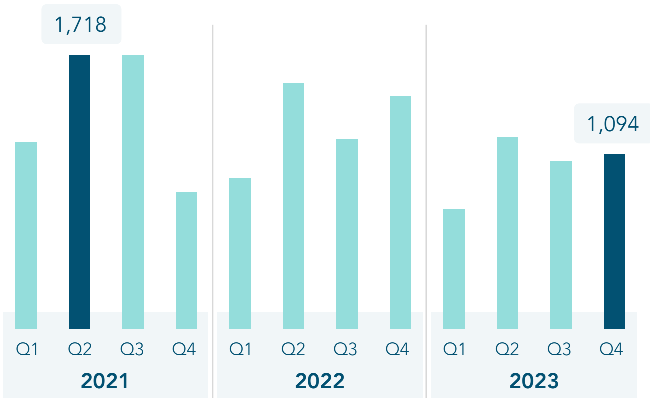
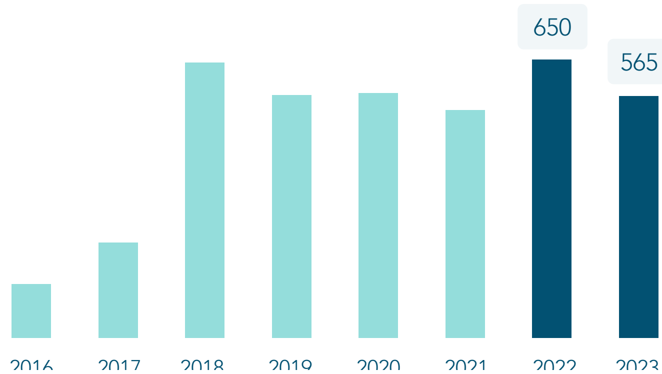
Charts - Americas

ARGENTINA



Source: Dun & Bradstreet Worldwide Network

BRAZIL



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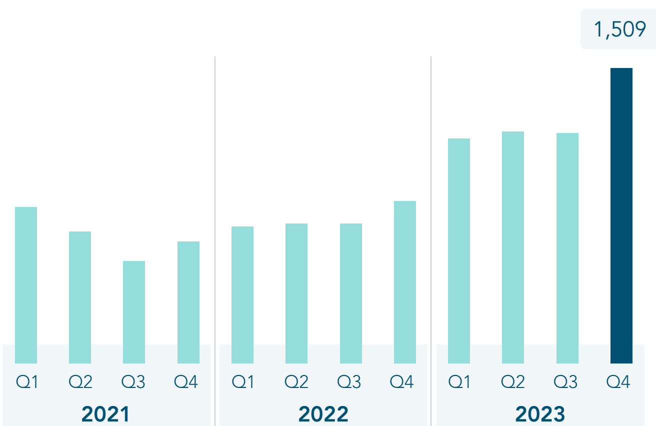
CANADA



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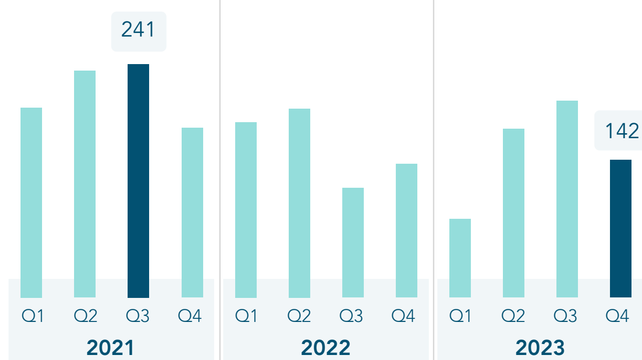
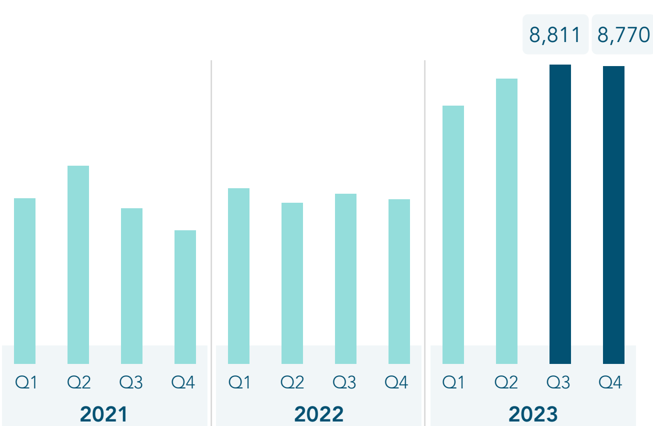
COLUMBIA



Source: Dun & Bradstreet Worldwide Network

UNITED STATES



Source: Dun & Bradstreet Worldwide Network

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