

EconWorld2015@Torino

Bir Kriz Habercisi Olarak Ülke Riski'nin Belirlenmesi ve Türkiye Örneği / Determination of The Country-Risk Rate as a Symptom of Coming Crisis and Turkish Case

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A B S T R A C T

Due to the influence of winds of global financial crises on a global scale, it turns out to be more and more important to calculate the probability of forthcoming risks on the part of those who hold surplus of funds. International investors observe the country-risk rates and plan their direct or indirect investments accordingly. The country-risk rate has a significant role within the risk premium that is expected from international investments. For this reason, the calculation and interpretation of country-risk is vitally important under the current conditions of crises. This study will first present the fundamental conceptual framework necessary to grasp this issue. In the second part, we will explain the concept of “country-risk”. In the third part, we will consider the factors determining the country-risk, and explain the stages of the calculation of risk. In the last part, we will calculate political, economic and financial risk rates of Turkey, by drawing on the macro-economic data of 2008 and 2009. We will come up with composite risk-rates derived from the combination of foregoing risks both for 2008 and 2009. In accordance with the results of our calculations, we will conclude that while Turkey remains as a “moderately risky” country in 2008, it comes to be a “highly-risky” country in 2009 despite the fact that there was a decrease in financial risk rates.

KEYWORDS Crisis; Country Risk; Cds