

Glossary

The glossary defines terms as they are used in the *International Risk & Payment Review* journal and associated publications from the Country Risk Services group.

b/d	Barrels per day
Basis point	One one-hundredth of a percentage point.
BoP	Balance of payments: The sum of payments made to all other nations less the sum of external receipts.
C/A balance	Current account balance: Part of the balance of payments that records a nation's exports and imports of goods and services, and income and transfer payments.
CAD	Cash against documents: On payment, the buyer receives the documents that give access to the purchased goods.
CiA	Cash in advance: The buyer pays the seller before shipment is effected.
CIS	Commonwealth of Independent States (Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyz Republic, Moldova, Russia, Tajikistan, Ukraine and Uzbekistan)
CLC	Confirmed letter of credit: A letter of credit in which payment is guaranteed by the opening bank in the buyer's country and by another bank.
CPI	Consumer price index
CWP	Claims waiting period: The time between when the covered risk materialises and the earliest time when indemnification of a claim can take place.
DSR	Debt service ratio: Annual interest and principal payments on a country's external debts as a percentage of exports of goods and services.
ECB	European Central Bank
ECGD	Export Credits Guarantee Department (UK)
EU	European Union
Eximbank	Export Import Bank (US)
FDI	Foreign direct investment: Investment in productive assets by a company incorporated in a foreign country.
Fitch	Fitch Ratings
FX	Foreign exchange
G7	Group of Seven industrial nations (Canada, France, Germany, Italy, Japan, UK and US)
G8	Group of Eight industrial nations (G7 plus Russia)
GDP	Gross domestic product: The value of goods and services produced within an economy.
GNP	Gross national product: GDP plus net income from abroad.
Govt Balance	Government balance: The balance of government expenditure and receipts.

HIPC	Heavily Indebted Poor Countries initiative: A framework for creditors to provide debt relief to the poorest and most heavily indebted countries.
IMF	International Monetary Fund
Import cover	The amount of official FX reserves a country has in relation to the average monthly value of imported goods and services.
Inflation	The increase in prices over a given period.
IT	Information technology
LC	Letter of credit: A guarantee of payment to a seller from a buyer's bank. Payment is conditional on named documents being presented by specific dates.
Moody's	Moody's Investors Service
MP	Member of parliament
NATO	North Atlantic Treaty Organisation
NGO	Non-governmental organisation
Nominal effective exchange rate	The weighted average exchange rate of the local currency vis-à-vis a basket of foreign currencies.
OA	Open account: credit extended that is not supported by a note, mortgage or other formal written evidence of indebtedness.
OECD	Organisation for Economic Co-operation & Development
OPEC	Organisation of Petroleum Exporting Countries
Q1; Q2; Q3; Q4	First, second, third and fourth quarter
R&D	Research and development
Real effective exchange rate	The nominal effective exchange rate adjusted for inflation differentials with the country's trading partners.
Real GDP	GDP adjusted for inflation
S&P	Standard & Poor's
SD	Sight draft: A draft or bill that is payable on demand or on presentation.
STIPP	Short-Term Insurance Pilot Program (US): Provides short-term cover to buy US goods in countries where Eximbank is otherwise not open for medium-term financing in the public or private sector.
Terms of trade	The ratio of the index of export prices to the index of import prices. A rising ratio indicates improving terms of trade.
UN	United Nations
VAT	Value-added tax: A consumption tax levied at each stage of production based on the value added to the product at that stage.

WTO

World Trade Organisation