COUNTRY RISK MODEL FOR ZIMBABWE

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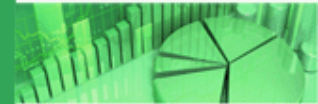
Abstract

The main objective of the study is to determine a country beta model for Zimbabwe based on six economic fundamentals; namely political risk, GDP deflator, FDI inflows, current account, external debt and GDP per capita. The country beta model is useful for predicting country risk. Logistic multiple regression analysis was employed in order to develop the beta model.