



Multi-country economic and sector spending assessment

Situation

Amid uncertainty over the trajectory of international oil prices, one of the world's leading defence and aerospace companies wanted to assess how public spending in eight oil-exporting countries in the Middle East, Asia and Africa would be affected under three different oil price scenarios over a four-year period. The company wanted to understand which of their key sectors and projects of interest would be prioritised across the three scenarios and why.

Our approach

We collaborated with Oxford Economics to assess the key factors driving decisions over public spending in each country. We analysed how each government was likely to prioritise spending across seven sectors and on 24 projects that were of interest to the client. In collaboration with Oxford Economics we delivered an integrated assessment of the macroeconomic implications for eight countries of the three scenarios and the governments' likely plans for spending in seven sectors that were of interest to the client.

In addition, we provided commentary on the implications of these findings on 24 specific projects that were also of interest to the client. Our findings were delivered in a high-level visual 'dashboard' format designed to provide the client's senior audience with an easy-to-reference document.

Outcome

Our assessment provided the group strategy team with an independent view on the likely trajectories of international oil prices and how these would affect the company's interests in key markets. Our forecasting and scenarios provided the client with the basis for shaping a successful business development strategy, underpinning their growth and strategic direction.