

Methodological Note: Export Opportunity Index

The index is calculated by weighing six variables:

Variable	Year	Source
Total value of Italian exports	2022	Istat
Average growth rate of Italian exports <i>note 1</i>	2019-2026	Istat and Oxford Economics projections
Concentration of suppliers <i>note 2</i>	2017-2021	CEPII
Italy's market share <i>note 3</i>	2017-2021	CEPII
Average tariff applied to Italian goods <i>note 4</i>	2017-2021	MAcMap and CEPII
Complementarity index <i>note 5</i>	2017-2021	CEPII

Notes:

- The score is computed as the average growth rate of Italian exports using:
 - Historical data and SACE forecasts (up to 2026) for countries covered in the Export Report (68 countries);
 - Historical data only for the remaining countries.
- The concentration index is the normalized version of the Herfindahl-Hirschman index.
- The score is the result of the application of a specific bell-shaped function that is subsequently normalized between 0 and 100. The function has the property of reaching its peak at 5%, so as to reward countries in which the Italian market share denotes a competitive advantage, without reaching saturation levels.
- The score is computed as the weighted average minimum tariff (i.e. ad valorem equivalent) applied to Italian goods by each importing country.
- The complementarity index provides a measure of matching between the products exported by Italian companies and those imported by each country. A high index underscores a substantial degree of matching between demand and supply, suggesting the potential for increasing bilateral flows.

The resulting score may be adjusted by expert judgement, in order to account for other qualitative factors.