



Government of the Republic of Trinidad and Tobago
MINISTRY OF FINANCE

CORPORATE COMMUNICATIONS UNIT

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For Immediate Release

MEDIA RELEASE (TYPO CORRECTED)

**STANDARD AND POORS AFFIRMS AND MAINTAINS
TRINIDAD AND TOBAGO'S INVESTMENT GRADE RATING OF BBB+
FOR THE FIRST TIME IN 3 YEARS**

Standard and Poors Global (S&P) has affirmed and maintained the long term sovereign rating of the Republic of Trinidad and Tobago as BBB+ which is investment grade.

It is noteworthy that this is the first time in 3 years that Trinidad and Tobago's credit rating has not been downgraded by S&P, which is welcome news.

S&P has said that its affirmation of Trinidad and Tobago's credit rating for 2018 as investment grade is based on the fiscal consolidation programme of the Government and sizable government assets which continue to support creditworthiness.

However, S&P revised its outlook for Trinidad and Tobago from stable to negative because it expects macroeconomic and external imbalances to persist over the next two years.

In particular, S&P, in determining its outlook, has pointed, among things, to persistent gas supply shortages and has said that it does not expect crude oil production, which, together with oil exploration represents 17% of the energy sector, to increase over the next two years, due to natural decline and uncertainty surrounding new sources of production.

The Ministry of Finance considers it a significant achievement that despite all of the economic challenges that our country still faces, our credit rating has been affirmed for the first time in 3 years, and we have not been downgraded in this year 2018.

However, with respect to the outlook, the Ministry of Finance was faced with the challenge of overcoming inaccurate forecasts of oil and gas production given by the Ministry of Energy and Energy Industries to S&P. These inaccurate forecasts were based on 2017 estimates which bore no relationship to the actual production of gas in 2018.

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Indeed, whereas the average production of natural gas in Trinidad and Tobago in 2017 was 3.37 billion standard cubic feet per day, by January 2018, gas production had improved to 3.91 billion standard cubic feet per day, an increase of 16% over the 2017 average.

However, S&P was unfortunately given lower forecasts of gas production by the Ministry of Energy and Energy Industries than the actual 2018 production, as well as inaccurate forecasts of oil production.

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The Hon. Colm Imbert
Minister of Finance