



Government of the Republic of Trinidad and Tobago
MINISTRY OF FINANCE

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MEDIA RELEASE

S&P affirms Trinidad and Tobago's investment grade rating based on financial resiliency

Today, Standard & Poor's, the rating agency, has affirmed Trinidad and Tobago's BBB- credit rating, with a stable outlook.

The Honourable Minister of Finance underscores the fact that 'S&P's affirmation of our credit rating is a positive development and Trinidad and Tobago is one of the few Investment Grade countries within the Latin America and Caribbean region, and in fact, the only one in the Caribbean' .

While the credit rating had a negative outlook up to July of last year, Trinidad and Tobago's economic and financial performance along with its institutional stability helped to stabilize the outlook thereafter. This stable outlook has now been reaffirmed.

S&P mentions that 'the credit rating reflects Trinidad and Tobago's favorable external profile and stable democracy. It also reflects still-solid government financial assets that mitigate the effect of economic cycles on fiscal and external performance'. It also notes that, faced with a propitious situation in 2022, the government 'used the surplus to accelerate Value Added Tax (VAT) refunds and contribute to the Heritage and Stabilization Fund (HSF)'. S&P does not expect 'net debt [to] rise materially, and to remain below 30% of GDP, supported by assets held in the country's HSF'.

S&P also highlights this country's good policy practices; stating that: 'unlike many commodity exporters, during boom years Trinidad and Tobago saves excess fiscal revenues in the HSF'.

Overall, adds the Honourable Minister of Finance, 'S&P acknowledges the prudent management of an economy faced with external shocks: supporting the economy and the population in difficult times, and conservatively replenishing external buffers and lowering public debt in better times'. 'Those are the attributes of investment grade countries, and the condition for affordable financing looking forward'.

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