Government of the Republic of Trinidad and Tobago
Ministry of Finance

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MEDIA RELEASE

Moody's Detailed Credit Analysis Highlights Trinidad and Tobago's Sizeable Fiscal Buffers, Improved Near-Term External Profile and Prospective Gas-Sector Recovery

Today, the international rating agency, Moody's Investors Service (Moody's), published the Issuer In-Depth credit analysis of Trinidad and Tobago.

As an *Issuer In-Depth* report, this publication expands on the factors supporting and constraining the country's credit profile. The report reinforces the key conclusions reached by Moody's in June 2026, when the agency revised the country's outlook from "Negative" to "Stable" while affirming the Ba2 rating.

Moody's assessment considers Trinidad and Tobago's economic strength, institutional and governance framework, fiscal position, liquidity, and susceptibility to external and other event risks.

The report highlights that Trinidad and Tobago's credit profile is supported by sizeable fiscal buffers, including the Heritage and Stabilisation Fund, equivalent to approximately 25% of GDP, and Treasury cash and cash-equivalent deposits equivalent to a further 7% of GDP. Together, these assets provide meaningful capacity to absorb shocks, support budget financing and meet debt-service needs during periods of stress.

Moody's also points to the country's comparatively high-income levels (US$35,956.00 on a purchasing power parity basis in 2025), which continue to support economic resilience, and to a projected rebound in domestic gas production by the end of 2027 (driven by the Manatee, Ginger and Aphrodite fields, expected to lift natural gas output from around 2.5 billion cubic feet per day to 3.0 – 3.5 by 2028-29), and support growth, exports and foreign-exchange generation over the medium-term.

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Moody’s also recognised the strength of the country’s institutions, citing Trinidad and Tobago’s “constitutional system of checks and balances”, “clean political transitions”, and “strong voice and accountability” governance indicators, which the agency notes compare favourably with peers.

The report further acknowledges the Government’s continued reform agenda, including an improved track record of data transparency, as well as reforms aimed at strengthening non-oil revenue and reducing the transfers and subsidies bill.

On external buffers, Moody’s projects foreign-exchange reserves of US$3.5 – $4.0 billion, providing full external debt-service coverage and approximately four (4) months of import cover. It should be noted that actual reserves stood at US$5.7 billion in July 2026, corresponding to an import cover of 6.7 months; Moody's uses a narrower metric, defined as liquid foreign-exchange reserves (gross reserves minus gold and SDR).

The agency also highlighted the country’s favourable external amortisation profile, extending to 2034, and noted that debt affordability remains in line with rating peers. In 2025, interest payments accounted for 12.7% of government revenue, slightly below the regional median of 13.1%. Access to a comparatively deep domestic financial market helps contain refinancing risks and interest costs, while foreign-currency debt represents a relatively small share of total government debt, limiting exposure to exchange-rate movements.

“This detailed assessment by Moody’s is a further validation of the policy direction this Government has pursued since taking office,” said the Honourable Minister of Finance.
The Minister further stated that “Our sizeable fiscal buffers, our renewed and continued access to international capital markets on favourable terms, and the encouraging outlook for our energy sector all point to a more stable and confident Trinidad and Tobago. We remain fully committed to deepening fiscal consolidation, strengthening our institutions, and building a stronger, more diversified economy for the benefit of all our citizens.”

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The Honourable Davendranath Tancoo
Minister of Finance