



MINISTRY OF FINANCE & THE PUBLIC SERVICE

PRESS RELEASE

FOR IMMEDIATE RELEASE

Fitch Ratings Upgrades Jamaica to ‘B+’

Fitch Ratings Agency, today, January 31, 2019, upgraded the Government of Jamaica’s Long-Term Foreign-Currency Issuer and Local Currency Issuer Default Rating (IDR) to ‘B+’ from ‘B’, and revised the outlook to “Stable” from “Positive”. The Agency also upgraded the country ceiling to ‘BB-’ from ‘B’. This is Jamaica’s highest rating in over ten (10) years.

Dr. the Honourable Nigel Clarke, Minister of Finance and the Public Service, in commenting on the rating upgrade said, “The Government of Jamaica (GOJ) welcomes the rating upgrade by Fitch, and the GOJ is committed to the continuation of policies and programmes that enable a stable macroeconomic environment that facilitates the economic growth required for sustainable and inclusive development.”

The upgrade reflects Jamaica’s macroeconomic performance, in particular, the “track record” of strong fiscal discipline reflected in sustained high primary surpluses over the six year period FY2013/14 – FY2018/19, which has contributed to the significant reduction in the Debt/GDP ratio.

The ratings were also supported by Jamaica’s structural strengths, such as relatively high income per capita and social indicators, policy consensus and relatively strong institutional capacity. According to Fitch’s press release, positive performance indicators underpinning the upgrade in Jamaica’s credit rating include:

- The strong performance of tax revenues, increasing by 10.4 percent (year-on-year);
- The declining path of Jamaica’s public debt/GDP;
- The decrease in the government’s interest burden to an estimated 6.8 percent of GDP in FY2018/19 from 8.0 percent recorded in FY2014/15;
- Reduction in the unemployment rate to an all-time low of 9.1% in 2018 (annual average);
- Strong external liquidity;
- Structural indicators such as governance, human development per capita income;
- Reforms to strengthen the macroeconomic institutional framework, including the establishment of a fiscal council; and
- Cross-party support for economic reforms.

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