



MINISTRY OF FINANCE & THE PUBLIC SERVICE

PRESS RELEASE

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STANDARD & POOR'S UPGRADES JAMAICA'S RATINGS; OUTLOOK REMAINS STABLE

Standard and Poor's Ratings Agency (S&P), on September 27, 2019, upgraded the Government of Jamaica's long-term foreign and local currency rating to "B+" from "B" and affirmed the 'B' rating on the short-term foreign and local currency sovereign credit ratings. The outlook remains "stable". S&P Global Ratings also raised its transfer and convertibility assessment to 'BB-' from 'B+'.

S&P said that the rating action reflected Jamaica's sustained progress in achieving macroeconomic stability and strengthening its external liquidity, which improved the country's ability to withstand external shocks. They also cited anticipated continuation of public-sector reforms and establishment of an independent fiscal council as critical factors to promote sustainable fiscal practices and deepen government accountability in a post International Monetary Fund Stand-By Arrangement environment.

The outlook was affirmed based on the Government's willingness to continue maintaining robust primary fiscal surpluses, which will support a gradual reduction in debt and interest burdens, and help to boost external reserves. Furthermore, S&P expected "the country will be able to maintain its growth momentum, with modest GDP growth, and that the government will continue advancing toward a more effective monetary policy framework for the central bank, including a more flexible exchange rate. "

"We are pleased with the upgrade in Jamaica's credit rating by S&P. The upgrade is a tangible recognition of the gains Jamaica has made under our Economic Reform Programme and it reflects the confidence that the investing community has in Jamaica's future economic prospects. Moreover, this credit rating upgrade underscores the importance of GOJ's commitment to sustain our reform effort into the post IMF programme period"

A two-member team from S&P visited the country in May to conduct the Annual review.

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