

Mexico City, November 18<sup>th</sup>, 2022

## **Fitch reaffirms Mexico's credit rating with a stable outlook**

- **The agency affirmed Mexico's long-term foreign currency debt rating at BBB- with a stable outlook.**
- **Despite the global environment, Fitch highlighted the strength of Mexico's fiscal metrics, its macroeconomic stability, and its solid external position.**
- **After this announcement, Mexico keeps the investment grade with 8 ratings agencies.**

Today, Fitch Ratings ratified Mexico's long-term foreign currency debt rating at BBB- with a stable outlook.

The credit rating agency highlighted Mexico's government commitment to maintain a prudent fiscal and monetary stance. According to Fitch, public finances continue outperforming the median of countries in the BBB range, including moderate fiscal deficits as well as a stable path of debt to GDP.

Furthermore, despite global economic slowdown risks, Fitch pointed out Mexico's robust external position mainly due to a flexible exchange rate, an adequate level of international reserves, and a low current account deficit supported by foreign direct investment, in addition to the most recent ratification of the IMF's flexible credit line, equivalent to 47 billion dollars.

The agency stressed the stronger economic dynamism in 2022 supported by private consumption, labor-market improvements and strong

remittances. In Fitch's view, *nearshoring* is an important economic opportunity for Mexico given the China-US geopolitical tensions. The agency emphasized the importance of increasing investment levels to improve the rating.

Mexico's rating reinforces Mexico's government commitment to the strength of public finances, guaranteeing favorable access to international and national financial markets.

In the following link you can find the complete report from the credit rating agency:

<https://www.fitchratings.com/research/sovereigns/fitch-affirms-mexico-at-bbb-outlook-stable-18-11-2022>

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