HACIENDA
SECRETARÍA DE HACIENDA Y CRÉDITO PÚBLICO

México 2021 Año de la Independencia

Mexico City, November 17th, 2021

Fitch Ratings affirms Mexico’s credit rating

- **Fitch Ratings Agency affirmed Mexico’s BBB- sovereign rating, with stable outlook.**
- **The agency points out Mexico’s low public debt compared to peer economies, robust public finances, and a solid macroeconomic policy framework.**

Today, Fitch Ratings ratified the credit rating for Mexico's sovereign debt at BBB-, with a stable outlook.

The rating agency recognizes that Mexico’s vaccination drive mitigates further pandemic risks as the economy continues to fully reopen. As of November 16, 84% of the adult population in the country has had at least one dose of the COVID-19 vaccine.

The agency highlights that Mexico's public finances continue to outperform rating and regional peers, and debt to GDP ratio remains stable and well below the median for BBB rated countries. Likewise, tax revenues have strengthened, particularly VAT collection, given the solid economic recovery in the country.

The agency notes that the 2022 economic package does not envisage increases in taxes, but it includes several tax measures to encourage small businesses to join the formal sector, which will broaden the tax base.

Fitch also emphasizes that in 2022 the Government of Mexico will prioritize spending on health and investment. This reflects the commitment to continue providing support to overcome the effects of the pandemic, while laying the foundations to achieve a more inclusive economic growth in the coming years.

Similarly, the report highlights the proactive and innovative debt management, which has improved public debt maturity profile and its currency denomination, reducing the impact of external risks. Over the medium term, the agency considers that the fiscal policy stance is consistent with a stable path of public debt.

Fitch's affirmation helps to preserve favorable public and private sector access to international and domestic financial markets. The Ministry of Finance and Public Credit reaffirms its commitment to fiscal responsibility and macroeconomic stability, as pillars of sustained economic reactivation and inclusive development in the medium term.

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