

Mexico City, May 8<sup>th</sup>, 2023

**KBRA and DBRS ratified Mexico's credit rating at BBB,  
with a stable outlook**

- **Both Credit Rating Agencies (CRAs) reaffirmed that Mexico's long-term foreign currency debt rating remains at an investment grade.**
- **The Agencies pointed out Mexico's fiscal prudence, its commitment to maintaining sustainable public finances, and a stable debt-to-GDP ratio trajectory.**
- **With this announcement, already three CRAs ratified Mexico's credit rating and projected its stability forward.**

The CRAs Kroll Bond Rating Agency (KBRA) and DBRS Morningstar (DBRS) ratified Mexico's long-term foreign currency debt rating at BBB, two notches above the investment grade, with a stable outlook. The latter provides the certainty that the Agencies do not expect any rating changes in the next 12 to 18 months.

KBRA highlighted the solid management of the Mexican economy as well as the macroeconomic balances of the country, which are reflected in solid fiscal metrics, a flexible exchange rate, and a low current account deficit that allow reducing the country's vulnerability to external shocks, despite the increase in interest rates.

Meanwhile, DBRS stood out Mexico's solid fundamentals derived from a fiscal policy prudent management, credibility in monetary policy, and a well-capitalized financial system with sufficient liquidity; factors that support the external and internal soundness of the Mexican economy.

Both agencies underlined the strength of Mexico's external position derived from the diversification of its debt portfolio. As well, the CRAs emphasized that Mexico is well positioned to take advantage of the relocation of global value chains, hence the importance of policies to promote private investment as well as an environment of greater competition.

Both reaffirmations of Mexico's credit rating endorse the Federal Government's commitment to maintain good public finances management, in order to continue with favorable access to national and international markets.

You can find the complete CRAs' documents in the following links:

KBRA: <https://www.kbra.com/publications/dJgGSPSn/united-mexican-states-mexico-surveillance-report?format=file>

DBRS: <https://www.dbrsmorningstar.com/research/413635/dbrs-morningstar-confirms-mexico-at-bbb-stable-trend>

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