

RATING RELEASE

October 5, 2026

CariCRIS reaffirms “high creditworthiness” ratings of the Government of the Republic of Trinidad and Tobago; Outlook Stable

***CariAA* (Regional Scale Foreign Currency)**

***CariAA* (Regional Scale Local Currency)**

Caribbean Information and Credit Rating Services Limited (CariCRIS) has reaffirmed the sovereign issuer credit ratings assigned to the Government of The Republic of Trinidad and Tobago (GORTT) of *CariAA* (Foreign and Local Currency Ratings) on its regional rating scale. These ratings indicate that the level of creditworthiness of this obligor, adjudged in relation to other rated obligors in the Caribbean, is **high**.

CariCRIS has also maintained a **stable** outlook on the ratings. The stable outlook is based on projections for broadly maintained macroeconomic stability over the next 12 to 18 months, led by: (i) a low but positive real GDP growth rate over the period; (ii) continued financial sector soundness; (iii) robustness in T&T’s sovereign wealth fund over the medium term; and (iv) continued adequacy in international reserves and import cover.

The ratings are supported by the following key strengths: (1) large regional economy supported by energy and non-energy activities, (2) satisfactory financial sector, monetary and exchange rate conditions, and (3) strong underlying balance of payments characteristics and adequate international reserves. The sovereign’s rating strengths are tempered by the following key risks: (1) fiscal performance is linked to energy supply and prices, which can be volatile; performance is also hampered by high expenditure, (2) social vulnerabilities persist, worsened by labour market shocks and crime levels, and (3) continued inadequacies in statistical compilations.

Rating Sensitivity Factors:

Factors that could, individually or collectively, lead to an improvement in the Ratings and/or Outlook include:

- A decrease in total general government debt to below 65% of GDP over the next 12 months
- A sustained improvement in debt servicing capability to above 7 times over 2 consecutive years
- A fiscal surplus in excess of 3% of GDP sustained over 2 consecutive years
- A rise in the import cover to 12 months or more over the next 24 months

Factors that could, individually or collectively, lead to a lowering of the Ratings and/or Outlook include:

- An increase in total general government debt to above 100% of GDP over the next 12 months
- A sustained deterioration in debt servicing capability to below 3 times over 2 consecutive years
- A fiscal deficit in excess of 10% of GDP sustained over 2 consecutive years
- A fall in import cover to 6 months or less sustained for the next 24 months, with little scope (outside of debt-related balance of payments support) for improving coverage
- Annual economic contraction of greater than 2% over the next 2 years

About the Country:

Trinidad and Tobago (T&T) are the two southernmost islands of the Caribbean chain and lie just seven miles off the north-eastern coast of Venezuela. The islands are outside of the usual path of hurricanes and have largely been spared the annual devastation that some of their northern neighbours have endured from storms and weather-related troughs. The population, estimated to be 1.4 million people¹, comprises a diverse mix of ethnic backgrounds, predominantly of Indian and African descent. The reported adult literacy rate is above 98 percent² and education is free up to the secondary school level, with significant subsidization of tertiary education. The official language is English.

¹ Source: Central Statistical Office (CSO); latest available as at June 2025

² Source: World Bank, World Development Indicators (WDI); latest available data as at 2010

The expansion of T&T's oil industry in the 1950s moved the country from a sugar-based to an energy-based economy. Petroleum and natural gas reserves have enabled the country to develop downstream industries such as the production of liquefied natural gas, methanol and nitrogenous fertilizers. The country also has strong financial services, manufacturing, and wholesale & retail distribution sectors. Tourism is a growing sector of the economy.

For more information on GORTT's ratings, please visit www.caricris.com or contact:

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