

MEDIA RELEASE

July 11, 2018

**CariCRIS reaffirms 'adequate creditworthiness' ratings for
The Government of Saint Lucia**

CariBBB (Regional Scale Foreign Currency)

CariBBB (Regional Scale Local Currency)

Caribbean Information and Credit Rating Services Limited (CariCRIS) has reaffirmed the assigned ratings of **CariBBB** (Foreign and Local Currency Ratings) on its regional rating scale to the several debt issues of the Government of Saint Lucia (GOSL). These ratings indicate that the level of creditworthiness of these debt obligations, adjudged in relation to other debt obligations in the Caribbean, is **adequate**.

CariCRIS has also maintained a **stable** outlook on the ratings. The stable outlook is based on our expectation for continued improvement in real GDP at around 2%-3% in 2018, supported by continued growth in construction and tourism.

The ratings on Saint Lucia continue to reflect its monetary and exchange rate stability underpinned by membership in a quasi-currency board arrangement, a relatively diversified economic base with good growth, as well as an external sector characterised by moderate Balance of Payments (BOP) performances and relatively low external debt. These rating strengths are tempered by a constrained fiscal position though debt levels are moderate, coupled with persistent financial sector weaknesses, though some improvement is noted.

ABOUT THE SOVEREIGN

Saint Lucia, “Helen of the West Indies”, is situated in the Eastern Caribbean, at the northern end of the Windward Island chain. The total area of Saint Lucia is approximately 616 km² (238 square miles). Total population is estimated at 174,417¹, with the greater number of persons living around the capital, Castries. Average life expectancy is 75.1 years. Infant mortality was estimated at 12.7 deaths per 1,000 live births in 2015. The official language is English but French patois is widely spoken.

Tourism is the mainstay of the economy with the main markets being the United States of America (USA), the United Kingdom (UK), the Caribbean and Canada. Agriculture, specifically bananas, also plays a significant role in the economy. There is a small manufacturing sector, the most diverse in the Eastern Caribbean, producing clothing, food and beverages, corrugated cardboard boxes, handicraft and sporting goods amongst others, as well as the assembly of electronic components and the processing of lime and coconut. A relatively small financial sector also exists.

For more information on the Government of Saint Lucia’s ratings, please visit www.caricris.com or contact:

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¹ Ministry of Finance, Economic Affairs, Planning & Social Security