

Russia's Sovereign Credit Rating Upgraded

Upgrade comes as foreigners buy record amount of Russian state debt and reserves hit pre-crisis levels.

January 20, 2020



Russia's international reserves have climbed to their highest level since before the 2014-15 economic crisis. **Anton Novoderezhkin / TASS**

Russia's sovereign credit rating was upgraded today, amid a slew of record-setting figures on the health of the government's finances.

German agency Scope Ratings raised its assessment of Russia's government debt from BBB- to BBB, highlighting Russia's increased security against economic shocks. The agency cited low debt, increased tax revenues, high reserves and sound policy from the Central Bank managing the level of inflation as the key factors in the upgrade.

With a strengthening ruble and falling interest rates, Russian government debt proved an attractive purchase for foreign investors last year, with non-residents buying a record \$22.2

billion of Russian government bonds in 2019, data from the Central Bank shows.

The upgrade by Scope Ratings follows a similar [move](#) by Fitch — one of the Big Three credit ratings agencies alongside Moody's and S&P — last summer.

New data released last week also showed Russia's international reserves have now climbed to their highest levels since before the 2014-15 economic crisis. Russia holds \$557 billion in foreign currencies and gold, slightly up on levels last reached before the Central Bank spent billions trying to stave off the ruble's rapid depreciation at the end of 2014 — a policy which cut reserves to \$350 billion.

S&P left its own rating of BBB- unchanged Monday, with an outlook of “stable,” meaning its analysts do not expect the economic picture to change soon, unless something dramatic occurs, such as a significant tightening of sanctions against Russia.

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