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25 January 2019

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Government of St. Vincent and the Grenadines - B3 stable

Annual credit analysis

RATINGS

St. Vincent and the Grenadines

	Foreign Currency	Local Currency
Gov. Bond Rating	B3/STA	B3/STA
Country Ceiling	Ba3	Ba3
Bank Deposit Ceiling	Ba3	Ba3

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Contacts

David Rogovic +1.212.553.4196
AVP-Analyst
david.rogovic@moodys.com

Patrick Cooper +1.212.553.3811
Associate Analyst
patrick.cooper@moodys.com

Mauro Leos +1.212.553.1947
Associate Managing Director
mauro.leos@moodys.com

Yves Lemay +44.20.7772.5512
MD-Sovereign Risk
yves.lemay@moodys.com

OVERVIEW AND OUTLOOK

The credit profile of St. Vincent and the Grenadines (B3 stable) reflects the Caribbean island nation's high per capita income ($11,480 in PPP terms in 2017) relative to B-rated peers, large share of government debt on concessional terms and membership in the Eastern Caribbean Currency Union (ECCU), which anchors inflation expectations and mitigates exchange rate risks. St. Vincent's growth is also set to improve after the opening of a new international airport in 2017. Alongside small fiscal deficits, we expect higher growth to allow for debt stabilization.

Key credit constraints stem from the sovereign's small size and narrow economic base. St. Vincent is the smallest economy in the rated sovereign universe, measured by nominal GDP. The economy is highly dependent on tourism and is vulnerable to external shocks, particularly natural disasters. The credit profile is also constrained by a high government debt burden, which at an estimated 62% of GDP at the end of 2018 is above the B-rated median, but in line with B3-rated peers.

The stable outlook reflects a balance of upward and downward credit pressures. We expect growth to accelerate and the fiscal deficit to remain moderate over the next two years, conditions that will allow the government debt burden to remain broadly stable. Higher sustained growth, along with a faster pace of fiscal consolidation, would improve economic resilience and place upward pressure on the credit profile.

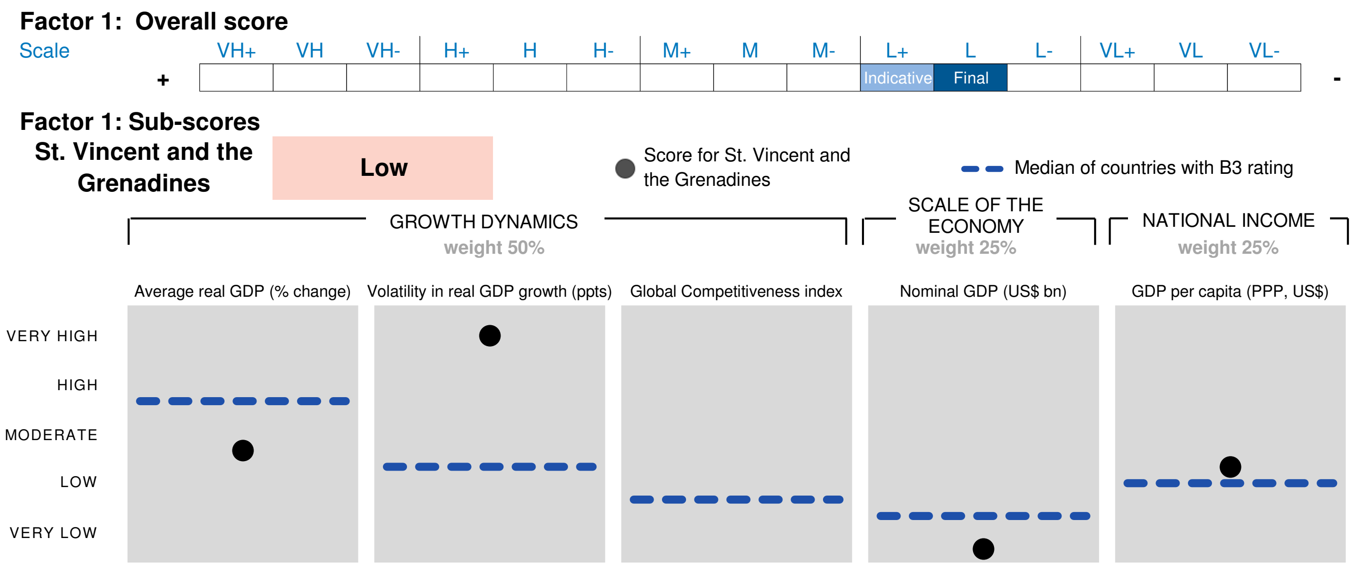
Conversely, a further deterioration in the government's balance sheet from the crystallization of contingent liabilities at state-owned enterprises, or increased commercial borrowing would weaken fiscal strength, increasing downward pressure on the credit profile.

This credit analysis elaborates on St. Vincent and the Grenadines' credit profile in terms of economic strength, institutional strength, fiscal strength and susceptibility to event risk, which are the four main analytic factors in Moody's Sovereign Bond Rating Methodology.

CREDIT PROFILE

Our determination of a sovereign's government bond rating is based on the consideration of four rating factors: economic strength, institutional strength, fiscal strength and susceptibility to event risk. When a direct and imminent threat becomes a constraint, that can only lower the preliminary rating range. For more information please see our Sovereign Bond Rating Methodology.

Economic strength: Low



Economic strength evaluates the economic structure, primarily reflected in economic growth, the scale of the economy and wealth, as well as in structural factors that point to a country's long-term economic robustness and shock-absorption capacity. Economic strength is adjusted in case excessive credit growth is present and the risks of a boom-bust cycle are building. This 'credit boom' adjustment factor can only lower the overall score of economic strength.
Note: In case the Indicative and Final scores are the same, only the Final score will appear in the table above.

St. Vincent and the Grenadines' "Low" economic strength reflects the small scale of the economy and dependence on the tourism sector, which exacerbates vulnerability to external shocks. Our assessment also reflects the economy's susceptibility to environmental risks, particularly weather-related shocks. St Vincent shares the "Low" economic strength score with Barbados (Caa3 stable), Cuba (Caa2 stable), St. Maarten (Baa2 negative), Trinidad & Tobago (Ba1 stable) and Zambia (Caa1 stable).

The score for St. Vincent's economic strength is set at "Low," below the indicative score of "Low (+)," to reflect the frequency of weather-related external shocks that are not captured in our real GDP growth forecasts, and weigh on our assessment of economic strength.

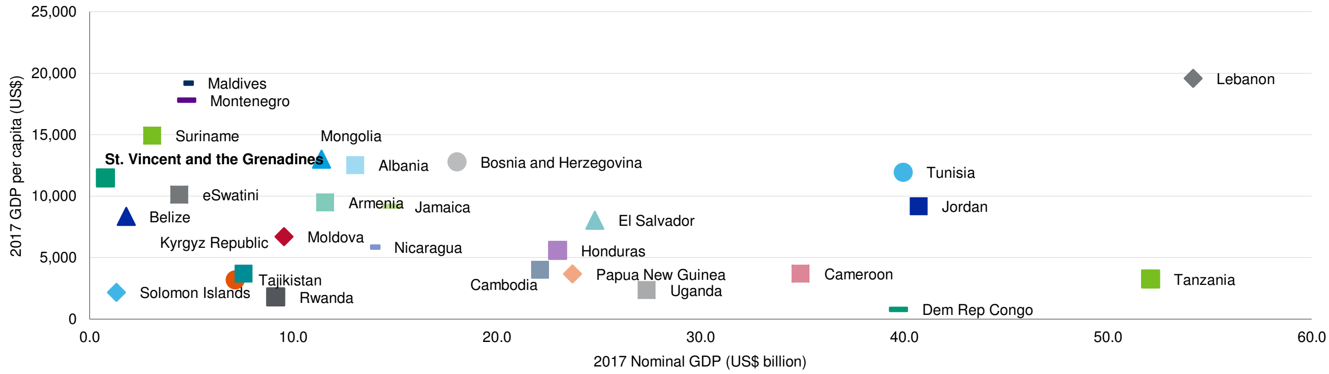
Peer comparison table factor 1: Economic strength

	St. Vincent and the Grenadines B3/STA	L Median	Belize B3/STA	Jamaica B3/POS	St. Maarten Baa2/NEG	Barbados Caa3/STA	Suriname B2/NEG	Papua New Guinea B2/NEG
Final score	L		L+	L+	L	L	L-	L-
Indicative score	L+		L+	L+	--	L+	VL+	L
Nominal GDP (US$ bn)	0.8	12.7	1.8	14.8	1.0	5.0	3.1	23.7
GDP per capita (PPP, US$)	11,479.6	6,686.8	8,342.1	9,161.4	--	18,571.0	14,915.4	3,657.8
Average real GDP (% change)	1.9	1.9	1.8	1.5	-1.1	0.6	0.8	4.4
Volatility in real GDP growth (ppts)	1.5	2.0	1.6	1.5	2.0	1.5	3.4	4.4
Global Competitiveness Index	--	4.0	--	4.3	--	4.2	--	--

Small size and dependence on tourism weigh on economic resilience

With nominal GDP of around $0.8 billion and a population of around 110,000 in 2018, St. Vincent's small size constrains economic growth and limits diversification. St. Vincent's GDP per capita of $11,480 in purchasing power parity (PPP) terms compares favorably to the median per capita income of $8,752 for B-rated sovereigns, and denotes a greater ability to absorb shocks compared to peers with lower wealth levels (see Exhibit 1).

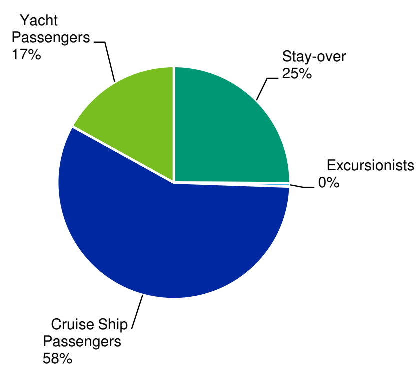
Exhibit 1
St. Vincent is the smallest economy among B-rated sovereigns, but comparatively wealthy
(Nominal GDP US$ billion and GDP per capita PPP US$)



Sources: Moody's Investors Service, National Statistical Authorities

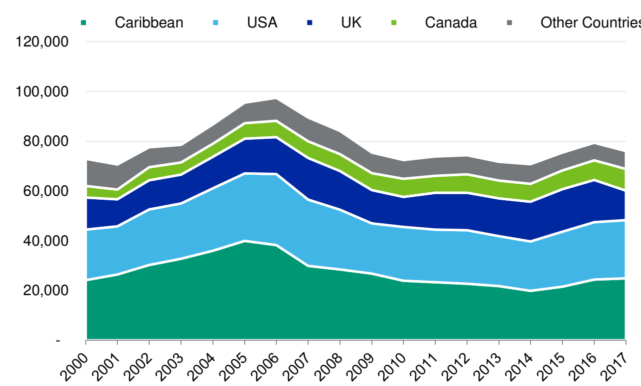
The economy, similar to that of most other Caribbean nations, is highly dependent on tourism, which represented 23% of economic activity, 22% of total employment, either directly or indirectly, and generated 48% of total export receipts in 2017. Tourist arrivals increased by 8.7% over the past five years, although total visitor spending has only increased by 0.6% over the same time frame. Cruise ship passengers account for nearly 60% of total visitors, followed by stay-over visitors, which account for 25% of the total (see Exhibit 2). The largest number of tourists arrive from other Caribbean islands, followed by the United States (Aaa stable), which accounts for an additional 30% of total stay-over arrivals. The United Kingdom (Aa2 stable) and Canada (Aaa stable) represent the other key source markets for tourism (see Exhibit 3). Heavy reliance on tourism leaves St. Vincent's economy sensitive to growth prospects in these source markets, where a slowdown in growth would reduce spending on leisure travel. A deceleration in US growth in 2020 poses some downside risks to the outlook for St. Vincent's tourism sector.

Exhibit 2
Cruise ship and stay-over visitors represent the key sources of tourist arrivals
% of total visitors, 2017



Sources: St Vincent and the Grenadines Statistics Office, ECCB Estimates

Exhibit 3
The Caribbean and US represent the largest source markets for tourist arrivals
Number of stay-over visitors



Sources: St Vincent and the Grenadines Statistics Office, ECCB Estimates

Economy vulnerable to environmental risks

St. Vincent is vulnerable to natural disasters and environmental risks as noted in our report on environmental risks and their impact on sovereigns. Small size and dependence on tourism-related activity make the economy highly susceptible to risks associated with natural disasters. The IMF estimates that - on average - a natural disaster causes damages equivalent to around 5.5% of GDP in St. Vincent, or annual damages worth 1.2% of GDP.

In 2017, the authorities set up and contributed 0.3% of GDP worth of funds to a Contingency Fund to offset the potential cost of damages from future natural disasters, and will contribute around 0.5% of GDP annually going forward. To capitalize the Contingency Fund, the government also introduced a 1% levy on consumption by increasing the VAT rate to 16% from 15% and the consumption tax rate for accommodation and other tourism-related activities to 11% from 10%, which both took effect in May 2017. We expect these measures to support the sovereign's resilience to small-scale natural diasters in the future, although the size of such contingency funds remains small compared to the potential costs of a more severe weather-related event.

Weak business competitiveness a constraint of the economic profile

The World Bank's Ease of Doing Business survey suggests weak business competitiveness as demonstrated by St. Vincent's 130th ranking out of 190 countries in the 2019 edition, down one place from the previous year's survey. At 130th, St. Vincent is one position behind Barbados (Caa3 stable). The country scores particularly weak with regard to registering property (171), getting credit (161) and resolving insolvency (168). We expect the passage of insolvency legislation in 2014 to improve the country's ranking in this last category. On the other hand, St. Vincent outperforms many of its peers in dealing with construction permits (49) and enforcing contracts (56). Given the recent weakening of its overall rank from an already weak position, we expect business competitiveness to remain a constraint on St. Vincent's economic profile for some time.

Completion of new airport key for improved growth prospects

Economic growth remains subdued, but medium-term growth prospects are more favorable in light of the opening of a new airport. Additionally, the development of the Canouan marina, the construction of a geothermal plant and the reopening of a luxury hotel will support construction and tourism activity over the next two to three years.

The opening of the Argyle International Airport in February 2017 has already supported growth in the tourism sector and is an important factor supporting our expectations for improved growth prospects in 2019 and beyond. The opening of the airport has improved connectivity, and will continue to support an increase in tourist arrivals. Already, direct flights from Toronto and New York have been added. Unlike existing airports, which can only receive regional flights from neighboring islands, the Argyle International Airport can receive large international aircrafts and is therefore expected to boost tourism and have a multiplier effect on other sectors of the economy.

We expect economic growth to remain around 2.5% in 2019, similar to the 2.3% growth posted in 2018 (see Exhibit 4), as tourist arrivals increase following the completion of the airport and the introduction of new air connections. The opening of Argyle International Airport improves connectivity to the main island of St. Vincent, which will support growth in the tourism sector, with direct flights from New York and Toronto. A new direct flight from Miami, which started in December 2018, will also support tourist activity. In 2018, tourist arrivals from the United States and Canada increased by 14% and 13%, respectively.

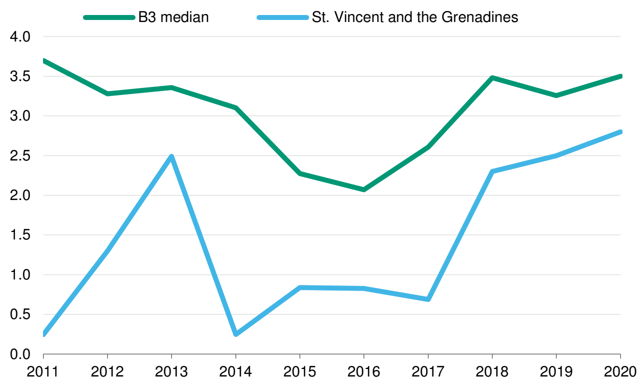
Growth will remain around 2.5%-3.0% in 2020 and 2021, as a number of tailwinds support growth prospects. The development of the marina in Canouon will support the yachting sub-sector, while the anticipated reopening of the Buccament Bay Resort, which closed in December 2016 as a result of a billed up of arrears including utility bills, will support tourist arrivals. Construction activity will support growth, with a number of hotels upgrading or expanding their hotel rooms, as well as new projects, such as the Black Sands project and the Mt. Wynne development, which will have 200 rooms and 250 rooms, respectively. The Black Sands project will also construct 40 villas.

Moreover, the development of a 10-15 megawatt geothermal energy plant, which could generate about 60% of the country's energy needs, near the La Soufrière volcano will further raise long-term growth and reduce fossil fuel import needs. The construction of the plant, in which the government has a 49% stake, occurs in cooperation with Emera Caribbean and Reykjavik geothermal, and costs about $82 million, of which the government will finance about 10%. The government expects the completion of the geothermal project to support its aim of achieving 80% of the country's electricity needs from renewable energy, while also reducing its import bill.

However, even with our expectations of a growth acceleration, St. Vincent's growth prospects will continue to lag that of peers. That said, growth volatility tends to be more contained in St. Vincent when compared with peers (see Exhibit 5). This is in part because of foreign participation in the economy. Indeed, the economy relies heavily on contributions from nonresidents in the form of remittances, which represent almost 25% of GDP, and, to a lesser extent, demand for new housing when Vincentians come back to retire. Remittances represent a stable source of foreign exchange earnings and support domestic consumption, thereby limiting volatility in economic growth.

Exhibit 4

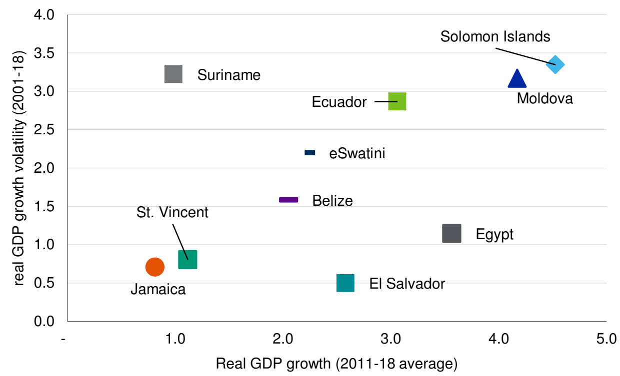
Even with an expected acceleration in growth, St. Vincent will continue to lag B3-rated peers
(Real GDP growth, %)



Sources: Moody's Investors Service, Ministry of Finance

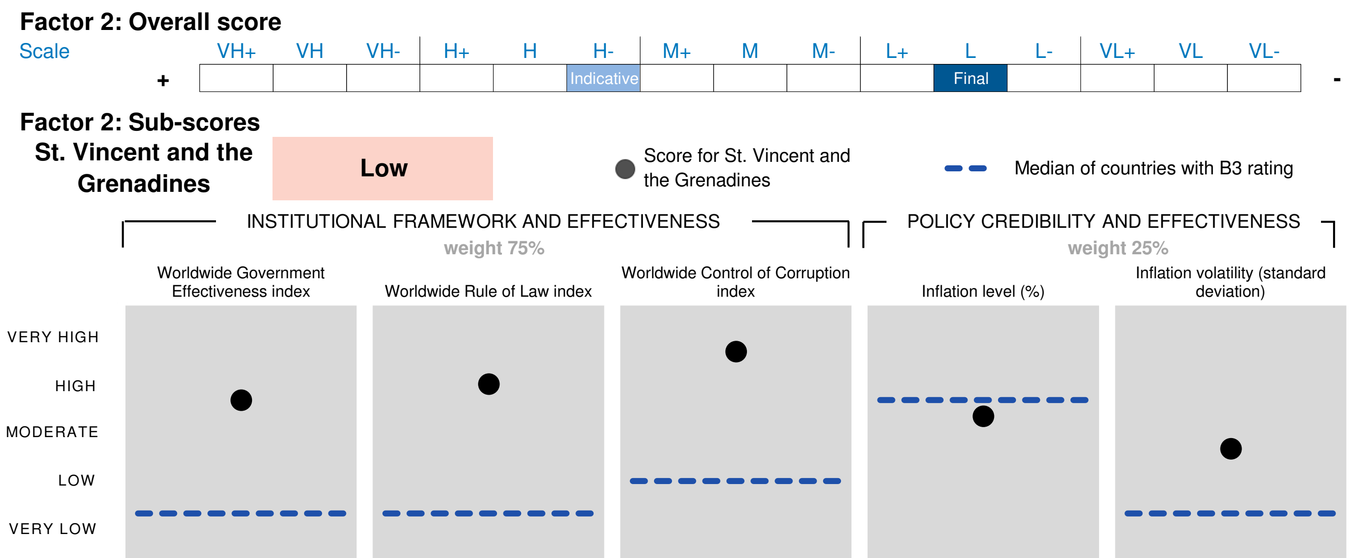
Exhibit 5

St. Vincent's growth tends to be weaker, but less volatile, than similarly rated peers



Sources: Moody's Investors Service, National Statistical Authorities

Institutional strength: Low



Institutional strength evaluates whether the country's institutional features are conducive to supporting a country's ability and willingness to repay its debt. A related aspect of institutional strength is the capacity of the government to conduct sound economic policies that foster economic growth and prosperity. Institutional strength is adjusted for the track record of default. This adjustment can only lower the overall score of institutional strength.
Note: In case the Indicative and Final scores are the same, only the Final score will appear in the table above.

St. Vincent and the Grenadines' "Low" institutional strength assessment reflects the country's relatively favorable scores in the Worldwide Governance Indicators and our qualitative assessment of the government's ability and willingness to pursue policies that support timely debt payment. Official data reporting standards and practices are weak, a shortcoming that limits our assessment of St. Vincent's institutional capacity. St. Vincent shares the "Low" institutional assessment score with Bolivia (Ba3 stable), Cote d'Ivoire (Ba3 stable), Egypt (B3 positive) and Trinidad & Tobago (Ba1 stable).

St. Vincent's score for institutional strength is set at "Low," below the indicative score of "High (-)" because both monetary and fiscal policy credibility display a mixed track record based on inflation volatility and relatively discretionary fiscal management.

Peer comparison table factor 2: Institutional strength

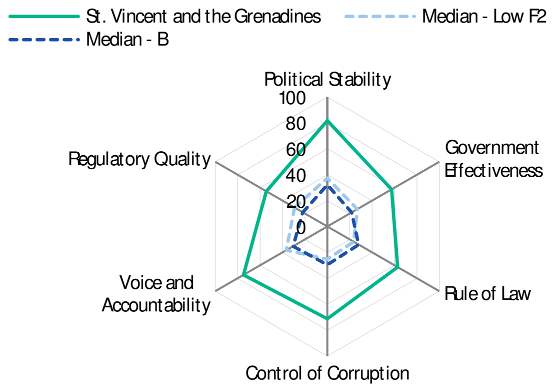
	St. Vincent and the Grenadines B3/STA	L Median	Trinidad & Tobago Ba1/STA	Jamaica B3/POS	Maldives B2/NEG	Fiji Ba3/STA	El Salvador B3/STA	Dominican Republic Ba3/STA
Final score	L		L	M-	L-	L+	L	L-
Indicative score	H-		M+	L+	L	H-	L+	L-
Gov. Effectiveness, percentile [1]	57.8	26.3	55.6	63.1	24.8	48.1	26.3	27.0
Rule of Law, percentile [1]	63.1	20.3	45.8	42.8	21.0	38.3	11.2	27.0
Control of Corruption, percentile [1]	71.4	30.8	38.3	47.3	17.2	63.1	30.8	20.3
Average inflation (%)	0.8	3.9	2.0	5.2	2.2	2.6	1.3	3.4
Volatility in inflation (ppts)	3.0	3.0	3.3	4.4	4.4	2.3	2.4	3.2

[1] Moody's calculations. Percentiles based on our rated universe.

St. Vincent performs well on scores in the Worldwide Governance Indicators

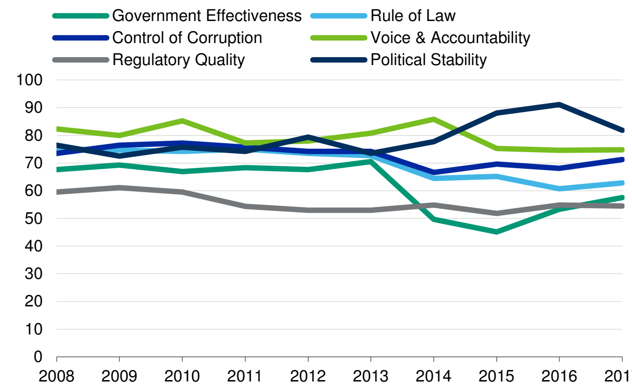
St. Vincent's institutional strength assessment is informed by its scores in the Worldwide Governance Indicators (WGI) (see Exhibits 6 and 7). St. Vincent ranks particularly well with regard to control of corruption (71st percentile in 2017), rule of law (63rd), and government effectiveness (58th).

Exhibit 6
St. Vincent's governance indicators still outperform B-rated peers...
(Percentile rank among rated sovereigns, 2017)



* Composite index with values from about -2.50 to 2.50: higher values correspond to better governance
Sources: Worldwide Governance Indicators, Moody's Investors Service

Exhibit 7
...and remain relatively stable
(Percentile rank among rated sovereigns, 2017)



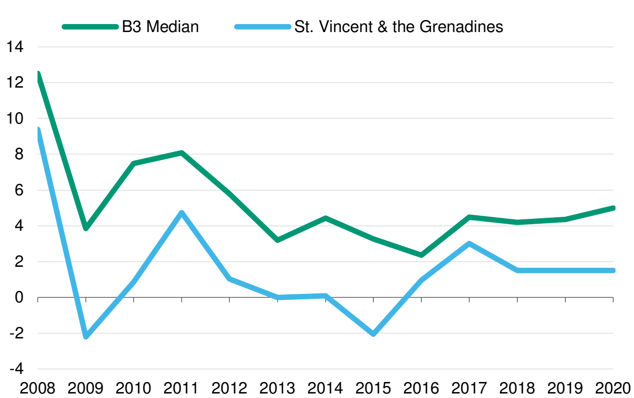
Sources: Worldwide Governance Indicators, Moody's Investors Service

ECCU membership anchors inflation

St. Vincent is part of the six member Eastern Caribbean Currency Union (ECCU). The Eastern Caribbean dollar (EC$) has been pegged at EC$2.7 to the US dollar in a currency board system since 1976. The monetary authority for the union, the Eastern Caribbean Central Bank (ECCB), holds reserves in excess of 100% of the union's monetary base to safeguard the peg, which has been stable since its inception. Membership in the union has provided St. Vincent with a stable exchange rate and an anchor for inflation (see Exhibits 8 and 9). Annual price increases, for instance, averaged 0.9% between 2010-18, although the pass-through from fuel and food prices remains high and leads to moderate inflation volatility.

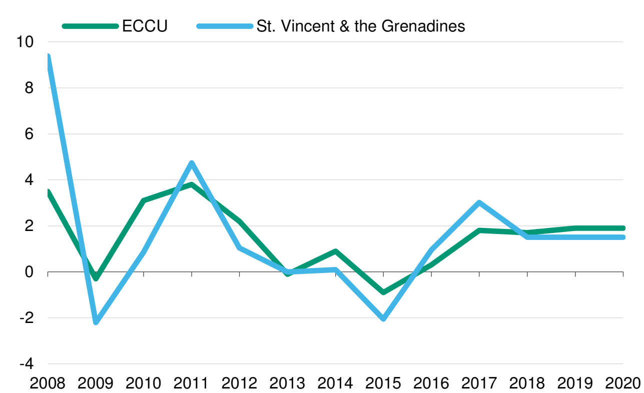
ECCU membership, however, implies that St. Vincent has no independent monetary policy and cannot adjust the exchange rate to mitigate external shocks. Exchange rate inflexibility places a greater emphasis on export competitiveness, both for goods and services (mainly the tourism offering), to ensure balance of payments sustainability.

Exhibit 8
St. Vincent's inflation is lower, but more volatile, than peers
(CPI, % change Dec/Dec)



Sources: Moody's Investors Service, Ministry of Finance, National Statistical Authorities

Exhibit 9
Inflation is anchored through the ECCB
(CPI, % change Dec/Dec)



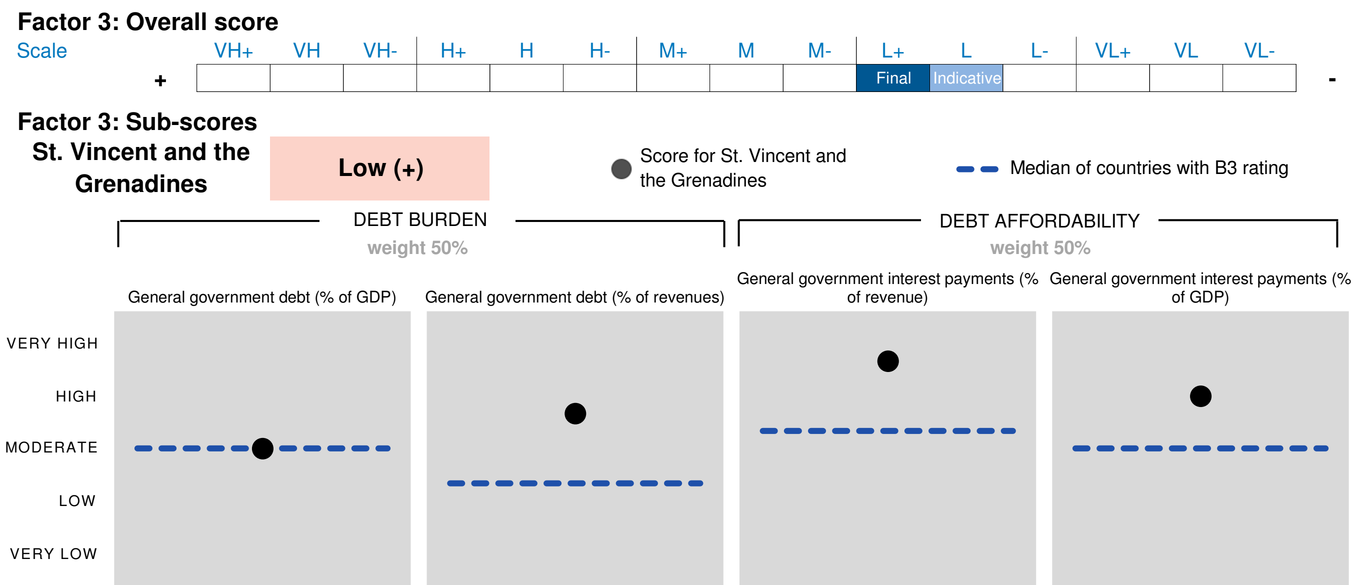
Sources: Moody's Investors Service, Ministry of Finance, IMF

Weak albeit improving data reporting practices constrain institutional capacity

Significant data limitations constrain St. Vincent's institutional strength despite the country's relatively high governance scores. The small size of the population has resulted in human capacity limitations, which affect the quality of data reporting as well as policy implementation. Data deficiencies are particularly a constraint in analyzing the fiscal situation in St. Vincent with public sector debt data reporting subject to lags and government finance statistics coverage that is generally worse than similarly-rated sovereigns. Substantial shortcomings exist in terms of coverage, consistency, timeliness and quality of macroeconomic data.

That said, the regional central bank has recently made progress in improving data reporting. In mid-2017, the ECCB revised the balance of payments data for 2014-16. The revision benefitted from an update to the BPM6 methodology as well as an expansion of coverage and enhanced tourism surveys. In addition to compiling balance of payments data on an annual basis, the central bank also started publishing quarterly data. Finally, annual data for the international investment position has also been made available.

Fiscal strength: Low (+)



Fiscal strength captures the overall health of government finances, incorporating the assessment of relative debt burdens and debt affordability as well as the structure of government debt. Some governments have a greater ability to carry a higher debt burden at affordable rates than others. Fiscal strength is adjusted for the debt trend, the share of foreign currency debt in government debt, other public sector debt and for cases in which public sector financial assets or sovereign wealth funds are present. Depending on the adjustment factor the overall score of fiscal strength can be lowered or increased.
Note: In case the Indicative and Final scores are the same, only the Final score will appear in the table above.

St. Vincent's fiscal strength is "Low (+)" on account of the government's high debt burden and relatively high share of foreign-currency debt. The debt-to-GDP ratio has increased considerable since the global financial crisis, weighing on our assessment of fiscal strength. Other countries with "Low (+)" scores include the Maldives (B2 negative), Italy (Baa3 stable), and Greece (B3 positive).

We have adjusted the final score to "Low (+)," which is above the indicative score of "Low" to offset the adjustment we would otherwise make to reflect high levels of foreign-currency debt given the ECCB's track record in guaranteeing the currency peg and reasonable expectations that the peg will be maintained going forward.

Peer comparison table factor 3: Fiscal strength

	St. Vincent and the Grenadines B3/STA	L+ Median	Uganda B2/STA	Armenia B1/POS	Maldives B2/NEG	Cameroon B2/NEG	Trinidad & Tobago Ba1/STA	Honduras B1/STA
Final score	L+		L	L	L+	L+	M-	M-
Indicative score	L		L-	L	M+	L+	L	M-
Gen. gov. debt/GDP	62.4	58.7	39.2	53.6	58.6	38.2	61.0	40.4
Gen. gov. debt/revenue	212.2	212.2	266.5	234.1	210.6	248.6	258.8	151.8
Gen. gov. interest payments/GDP	2.3	2.5	2.4	1.9	1.7	0.9	3.0	2.2
Gen. gov. int. payments/revenue	7.9	6.5	16.1	8.3	6.1	5.6	12.4	8.3

High government debt limits fiscal space

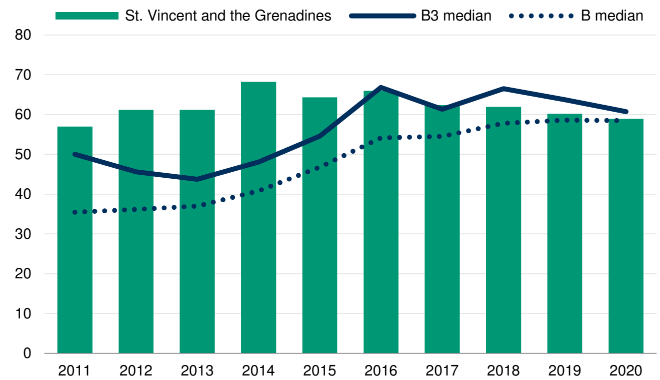
Government debt has increased by 23 percentage points since 2008, reaching 62% of GDP at the end of 2018, compared with 39% in 2008, but has remained broadly stable since 2012 (see Exhibit 10). The increase in government debt since 2008 reflects a combination of low growth, disaster-related budgetary outlays and the construction of the Argyle International Airport, which cost the government around EC$700 million (US$259 million), or 35% of GDP. About half of the financing for the airport came from external grants, while around one-third came from external loans, with the remainder from land sales and government transfers to the International Airport

Development Company. Given our expectations of moderate fiscal deficits averaging 2.0% of GDP in 2019 and beyond, we forecast government debt to remain broadly stable going forward.

Despite the high debt burden, the mostly concessional nature of government debt keeps debt servicing costs relatively low. Interest payments as a share of revenue were 9.4% in 2018, below the B-rated median of 10.5% (see Exhibit 11).

Exhibit 10

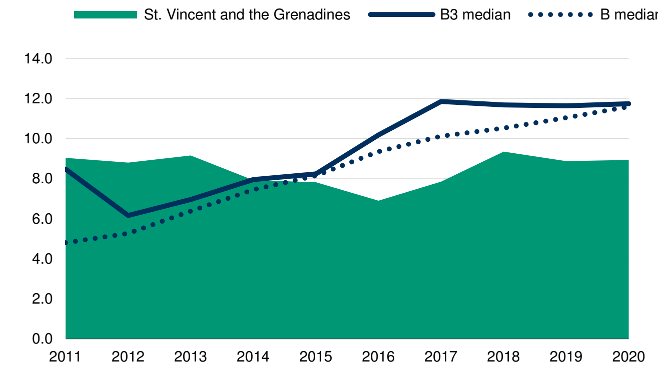
Debt burden to stabilize above 60% of GDP, in line with B-rated peers...
(Government debt, % of GDP)



Sources: Moody's Investors Service, National Statistical Authorities

Exhibit 11

...while the interest burden remains below that of peers
(% of revenue)



Source: Moody's Investors Service

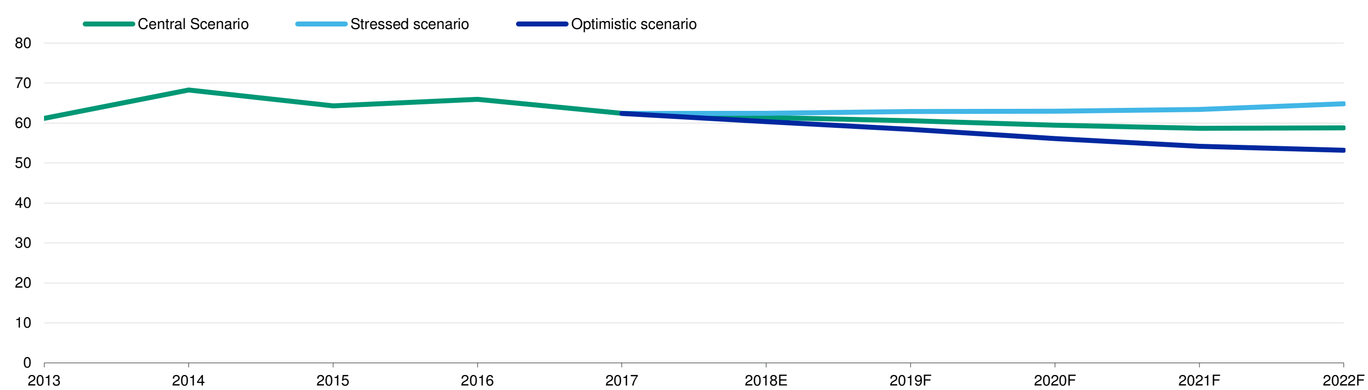
Natural disasters have also contributed to the rise in the country's debt stock. In 2013, for instance, weather-related shocks led to the widest fiscal deficit of the past decade. The government estimated damages and losses from the 2013 floods and landslides alone were 15% of GDP. The country was also hit by natural disasters in 2010 and 2011.

To address the costs associated with frequent natural disasters, the government established the Contingency Fund as a fiscal buffer for natural disasters. The size of budgetary contributions to the fund at 0.5% of GDP are still small and below the average annual cost of natural disasters estimated by the IMF.

Our forecasts for government debt assume St. Vincent will not be affected by any additional natural disaster. As such, the risk of natural disasters represents a key downside to our projections. The IMF estimates the average annual cost of natural disasters in St. Vincent to be around 1.2% of GDP, of which the government assumes around 0.8% of GDP.

Exhibit 12

Central government debt will remain around 60% of GDP over the medium term, but subject to shocks



Moody's stressed/optimistic scenario is based on the impact of negative/positive shocks on the nominal growth, government primary balance and average interest rate on debt. The shocks are based on a 0.25/annum standard deviation (calculated for 10 years) over the course of the forecast period

Source: Moody's Investors Service

In our central scenario, we assume a marginally positive primary balance, which allows debt to fall below 60% of GDP by 2020 and remain on a slight downward trajectory. However, St. Vincent's debt trend is susceptible to various shocks, particularly growth shocks, which would result in a higher debt-to-GDP ratio over the medium term (see Exhibit 12).

St. Vincent's high government debt burden is a key constraint on the credit profile, but is consistent with B3-rated peers. At 62% of GDP in 2018, government debt is the 18th highest among 42 B-rated sovereigns, and above the B-rated median of 58% of GDP. Measured as a percentage of government revenue, St. Vincent's debt burden at 211% is below the B-rated median of 251%.

As a result of the high stock of government debt, St. Vincent has limited space to respond to external shocks. Given the frequency and economic impact of natural disasters, risks to the outlook are skewed to the downside (i.e. larger fiscal deficits and higher debt ratios).

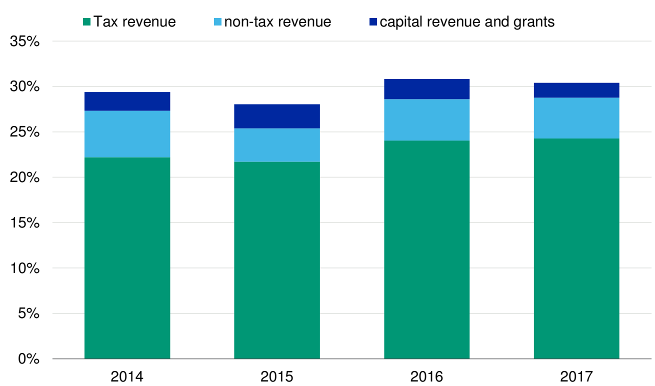
Fiscal flexibility constrained by rigid spending structure with limited ability to increase revenue

St. Vincent's overall fiscal deficit averaged just over 2.0% of GDP between 2011 and 2018, balancing a combination of relatively high tax revenue collection against also high recurrent spending needs, primarily due to a large public sector wage bill.

The government has improved tax collection in recent years mostly due to improved tax compliance, raising tax revenue to 24% of GDP in 2017, compared with 21.6% of GDP in 2013. Tax revenue in St. Vincent is now the highest among ECCU countries, and we therefore do not expect to see much improvement from revenue-related measures. Non-tax revenue, which represents property income and sales of goods and services, are relatively steady between 4%-5% of GDP (see Exhibit 13). The government's high revenue intake is matched by equally high spending needs, with recurrent spending equal to around 25% of GDP, or 85% of total expenditures. Compensation of government employees represents the single largest spending item, at 13% of GDP (see Exhibit 14). Capital expenditures average between 4%-5% of GDP, or 15% of total spending.

Exhibit 13

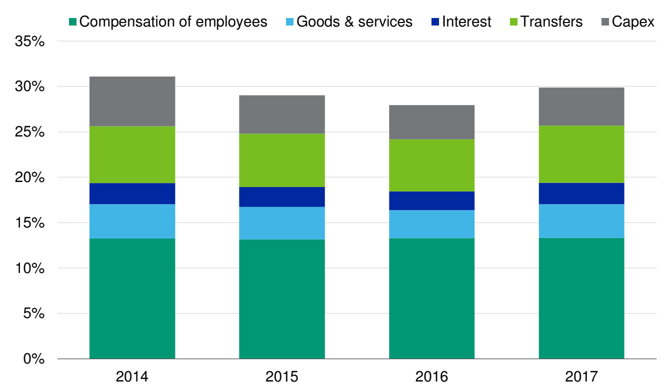
St. Vincent primarily generates revenue through taxes (% of GDP)



Sources: Moody's Investors Service, Ministry of Finance

Exhibit 14

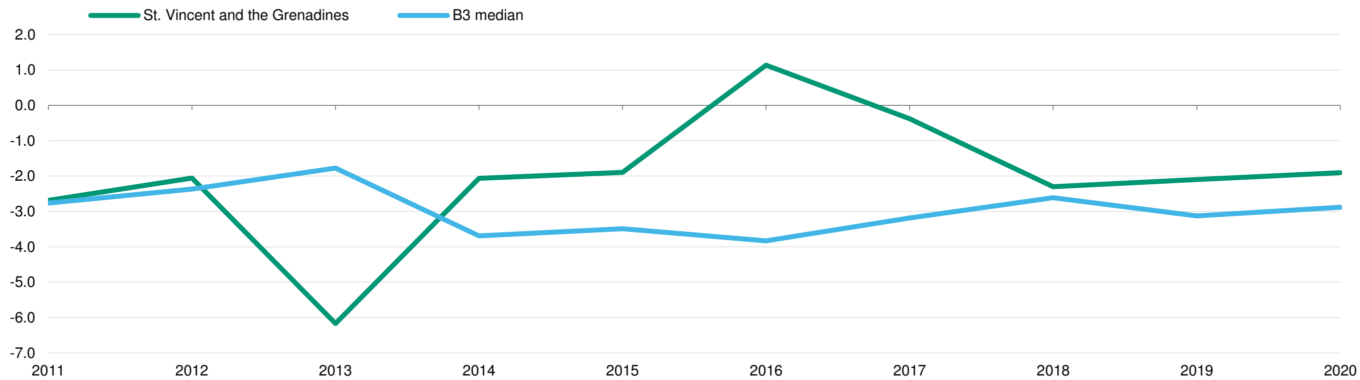
Wages represent more than 50% of recurrent spending, limiting room to lower expenditures (% of GDP)



Sources: Moody's Investors Service, Ministry of Finance

The 2018 budget included marginal fiscal stimulus via a reduction in the corporate tax rate to 30% from 32.5% and a reduction in the marginal rate on personal income tax to 30% from 32.5% as well. To offset the lost revenue, the government intends to focus on improving tax compliance and the collection of tax arrears. We expect spending to increase over the coming two to three years, driven by higher capital expenditures related to the government's public-sector investment program. As a result, we expect the fiscal deficit to widen to around 2.0% of GDP between 2018 and 2020 (see Exhibit 15).

Exhibit 15
St. Vincent's fiscal deficit remains narrower than the B3 median
(Financial balance, % of GDP)



Sources: Moody's Investors Service, National Statistical Authorities

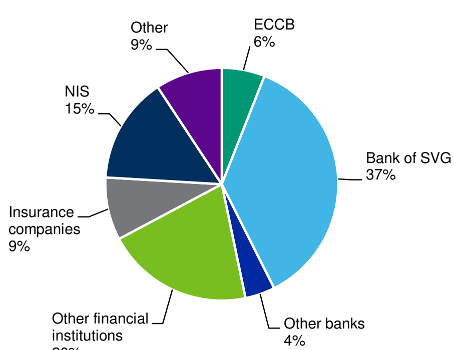
Debt of public corporations pose contingent risks

Adding public corporations' debt to central government debt reveals St. Vincent's debt burden is much higher, at an estimated 75% of GDP at the end of 2018, a level that has been constant over the past four years. Public corporations' debt includes EC$112 million (5.3% of GDP) contracted under the PetroCaribe initiative, which is debt provided by Venezuela (C stable) on concessional terms – part of this debt was not recorded under general government debt until 2016. Nevertheless, the government is committed to bringing the wider public sector debt ratio down to 60% of GDP by 2030, in line with the ECCU target. In 2017, the IMF estimated that the government would need an additional 1.8% of GDP worth of annual adjustments to bring the debt ratio down to 60% by 2030.

Predominantly foreign currency-denominated debt is largely concessional

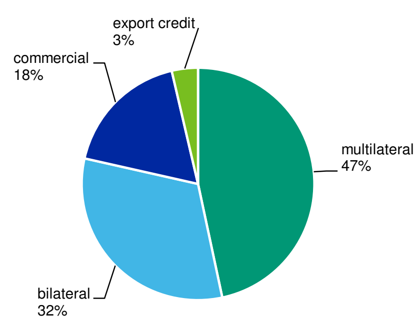
Almost two-thirds of government debt is external and denominated in foreign currency, which exposes St. Vincent to exchange rate risk. However, this risk is mitigated by St. Vincent's membership in a long-standing currency union and by the large share of external concessional debt (56.3% of total central government debt in 2017). The majority of external debt is owed to multilateral and bilateral creditors, and comes at concessional interest rates and long maturities (see Exhibit 17). The Caribbean Development Bank (Aa1 stable) is the largest multilateral lender, accounting for 70% of total multilateral debt. The remainder of the multilateral debt is owed to the International Development Association (IDA, Aaa stable) and the IMF. Taiwan (Aa3 stable) and Venezuela's ALBA Bank/El Fondo are the largest bilateral creditors. The average interest rate on external debt was 2.3% at the end of 2017, compared with a weighted average interest rate of 5.7% on domestic debt. The average time to maturity on external debt (7.8 years) is also significantly longer than on domestic debt (2.6 years). These factors offset some of the risks associated with a large stock of foreign-currency debt.

Exhibit 16
One-third of the debt is owed to domestic creditors
(% of total domestic debt)



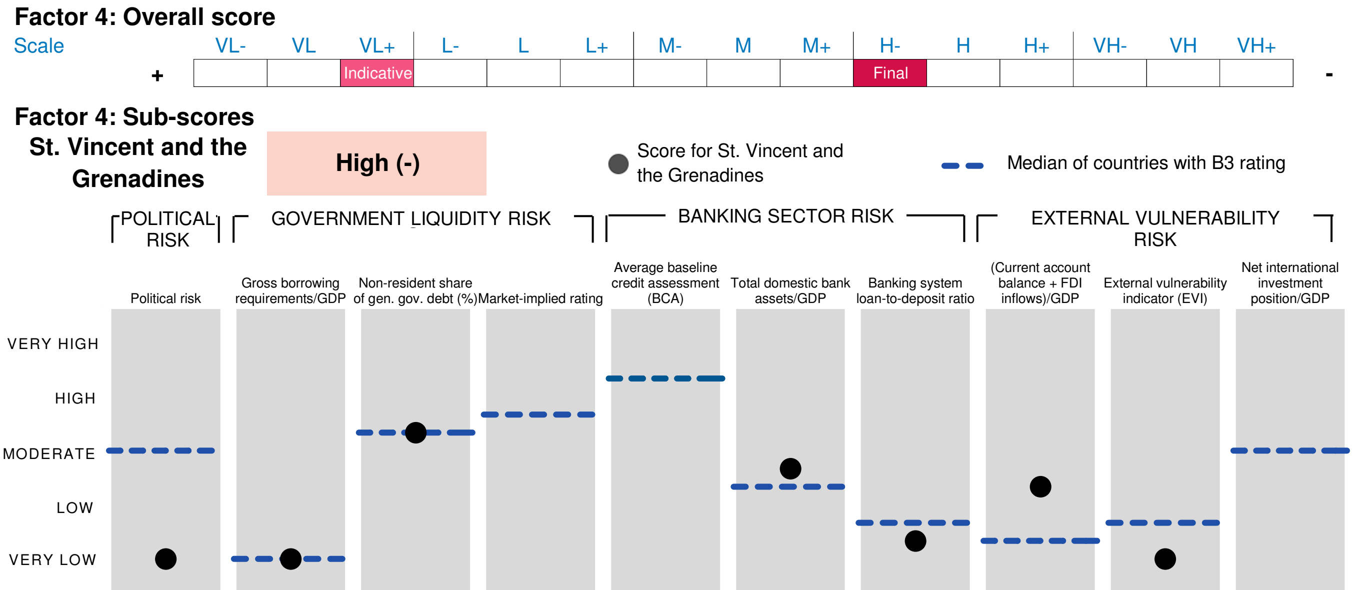
Sources: Moody's Investors Service, ECCB, National Statistical Authorities

Exhibit 17
External debt is primarily owed to multilateral and bilateral lenders
(% of total external debt)



Sources: Moody's Investors Service, ECCB, National Statistical Authorities

Susceptibility to event risk: High (-)



Susceptibility to event risk evaluates a country's vulnerability to the risk that sudden events may severely strain public finances, thus increasing the country's probability of default. Such risks include political, government liquidity, banking sector and external vulnerability risks. Susceptibility of event risk is a constraint which can only lower the preliminary rating range as given by combining the first three factors.
Note: In case the Indicative and Final scores are the same, only the Final score will appear in the table above.

We assess susceptibility to event risk as "High (-)," driven by external vulnerability risk from large balance-of-payments imbalances. Mongolia (B3 stable) shares a similar score for susceptibility to event risk, driven by external vulnerability risk.

Political risk: Very Low

Peer comparison table factor 4a: Political risk

	St. Vincent and the Grenadines B3/STA		United States of America Aaa/STA	Jamaica B3/POS	Mongolia B3/STA	Trinidad & Tobago Ba1/STA	Costa Rica B1/NEG	Cyprus Ba2/STA
Final score	VL		VL+	VL	VL	VL	VL	VL
Geopolitical risk	VL	--	VL	VL	VL	VL	VL	VL
Domestic political risk	VL	--	VL+	VL	VL	VL	VL	VL

We assess both geopolitical and domestic political risk to be "Very Low." St. Vincent is a parliamentary democracy and an independent Commonwealth realm. The parliamentary term of office is five years and the House of Assembly is a unicameral parliament with fifteen elected members and six senators. The Governor General, who represents the monarch of the UK, appoints the senators: four on the advice of the prime minister and two on the advice of the opposition leader. Following the parliamentary elections of December 2015, the Unity Labour Party retained its one seat majority and currently holds eight seats. The remaining seats are taken up by electives of the New Democratic Party.

Government liquidity risk: Low (+)

St. Vincent's government liquidity risk score is set "Low (+)" given modest gross borrowing requirements and reliance on multilateral and bilateral lenders, which reduces rollover risk. We have adjusted the score upward from the indicative of "Very Low" to the final score of "Low (+)" to take into account relatively narrow domestic capital markets and foreign-currency borrowing, which is a mix of concessional lending from a diverse base of multilateral and bilateral creditors, commercial borrowing from banks or via debt issuance.

Peer comparison table factor 4b: Government liquidity risk

	St. Vincent and the Grenadines B3/STA	L+ Median	Jamaica B3/POS	Fiji Ba3/STA	Bahamas Baa3/NEG	Cambodia B2/STA	El Salvador B3/STA	Tajikistan B3/NEG
Final score	L+		L+	L+	L	L	M-	M-
Indicative score	VL		L	L	L-	VL-	L+	VL-
Gross borrowing req./GDP	7.6	8.2	9.4	7.6	8.9	4.8	7.6	5.0
Gen. gov. ext. debt/gen. gov. debt	66.0	58.4	60.3	28.1	26.9	98.9	49.5	73.8
Market funding stress indicator	--	Ba3	Ba2	B1	Ba2	--	B1	--

We estimate gross financing needs will reach 6.6% of GDP in 2019. The government relies on several funding sources, including a regional government securities market, multilateral and bilateral lending and domestic bank loans.

The government has a Sinking Fund, amounting to $16 million, which is used to set aside funds from current revenue on an annual basis to meet bullet bond obligations when they fall due. The Sinking Fund reduces rollover risk and therefore liquidity pressures.

Banking sector risk: Low (+)

The score for banking sector risk is set at "Low (+)," which is above the indicative score of "Very Low (+)," to reflect the importance of foreign-owned banks in the financial system, which exposes St. Vincent to events taking place in other countries where the foreign banks operate.

Peer comparison table factor 4c: Banking sector risk

	St. Vincent and the Grenadines B3/STA	L+ Median	Sri Lanka B2/STA	Jamaica B3/POS	Nigeria B2/STA	Gabon Caa1/STA	El Salvador B3/STA	Armenia B1/POS
Final score	L+		M-	L	L+	L+	L	M-
Indicative score	VL+		M-	L-	VL-	L	L+	M-
Baseline credit assessment	--	baa3	b2	--	b3	--	b3	b2
Total dom. bank assets/GDP	81.7	81.8	77.3	78.7	30.4	23.8	70.8	78.2
Loan-to-deposit ratio	61.6	92.8	86.9	77.0	84.8	80.4	88.2	102.3

There are no immediate contingent liabilities arising from the banking sector. The banking system is relatively sizeable, with assets amounting to around 83% of GDP in 2017. There are four banks operating in St. Vincent: the Royal Bank of Trinidad and Tobago (RBTT) and two branches of Canadian banks – Bank of Nova Scotia (Aa2 stable) and Canadian Imperial Bank of Commerce (Aa2 stable). The Bank of St. Vincent is the only indigenous bank in which the central government owns a 43% stake. The government also owns a 20% stake in the National Insurance Services (NIS). As such, the government has a 63% shareholder stake altogether in the Bank of St. Vincent.

Similar to other Eastern Caribbean countries, the financial system is fragmented with 21 insurance companies and five credit unions, which are gaining more prominence in the financial sector, operating alongside the four banks. The IMF notes that the financial system has become more vulnerable to credit unions as a result of their increased size and concentration of deposits in the banking system. As such, the government requires stress testing for credit unions as well now.

Risk to asset quality stems from low economic growth and sizeable exposure to the inherently risky retail customer segment. Nonperforming loans (NPLs) reached 7.0% of gross loans in September 2018. NPLs have risen steadily in recent years as a result of subdued growth and tourist arrivals. Commercial banks' performance remains stable with rising profitability and a capital adequacy ratio well above the regulatory requirement.

External vulnerability risk: High (-)

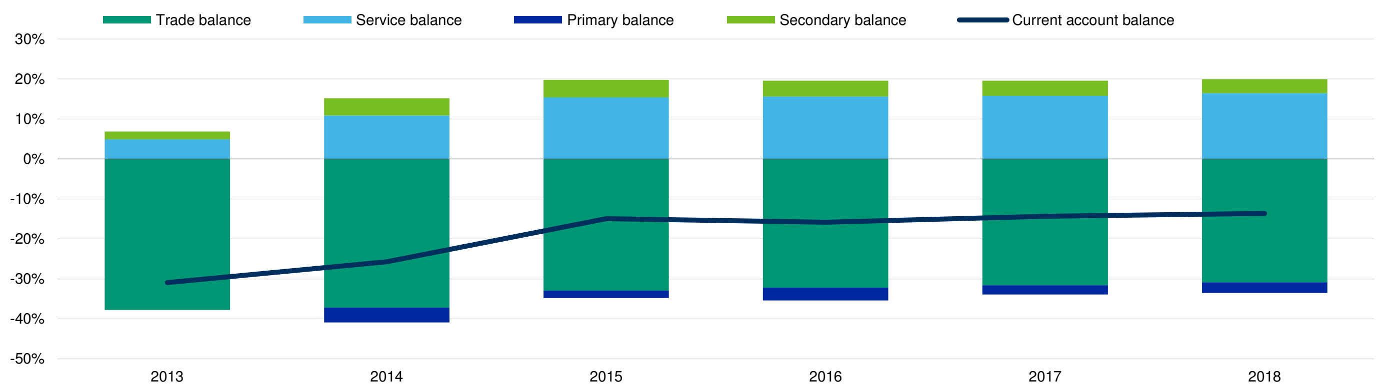
We have set the score for external vulnerability risk at "High (-)," which is above the indicative score of "Very Low (+)" to reflect the high susceptibility to an external shock, originating from balance-of-payments crises, and the heavy reliance on foreign capital inflows.

Peer comparison table factor 4d: External vulnerability risk

	St. Vincent and the Grenadines B3/STA	H- Median	Mongolia B3/STA	Tunisia B2/NEG	Barbados Caa3/STA	Bahrain B2/STA	Lebanon Caa1/STA	Tajikistan B3/NEG
Final score	H-		H-	H	H	H	M+	M+
Indicative score	VL+		M	H	M-	M+	M+	H-
(Curr. acc. bal. + FDI inflows)/GDP	-4.8	-0.1	4.5	-8.0	--	-3.1	-18.2	4.9
External vulnerability indicator (EVI)	54.7	100.8	146.9	266.3	114.9	2,768.3	126.5	800.9

The current account deficit has narrowed in recent years, with the deficit reaching 14% of GDP in 2018, from a peak of 29% in 2013, on the basis of reduced food imports, lower oil prices and an increase in tourist arrivals (see Exhibit 18). In recent years, IMF assistance managed to alleviate immediate pressures on St. Vincent's external accounts from natural disasters, but the balance of payments remains vulnerable to further extreme weather events. Given that foreign direct investments do not fully cover the current account deficit, St. Vincent remains highly dependent on concessional, international financial flows from multilateral development banks and bilateral agreements with individual countries. St. Vincent's external accounts also remain vulnerable to extreme weather events.

Exhibit 18
Structural trade deficit weighs on the current account balance
(% of GDP)



Source: International Monetary Fund

ECCU members are required to pool their foreign exchange reserves at the ECCB. St. Vincent's contribution to the accumulation of foreign exchange reserves within the ECCU has been limited, but the monetary union's foreign exchange reserves reached $1.7 billion as of September 2018. With international reserves covering over five months of imports of goods and services at a regional level, foreign exchange reserves remain well above the import coverage ratio and various other metrics of reserve adequacy, thereby providing a sufficient buffer.

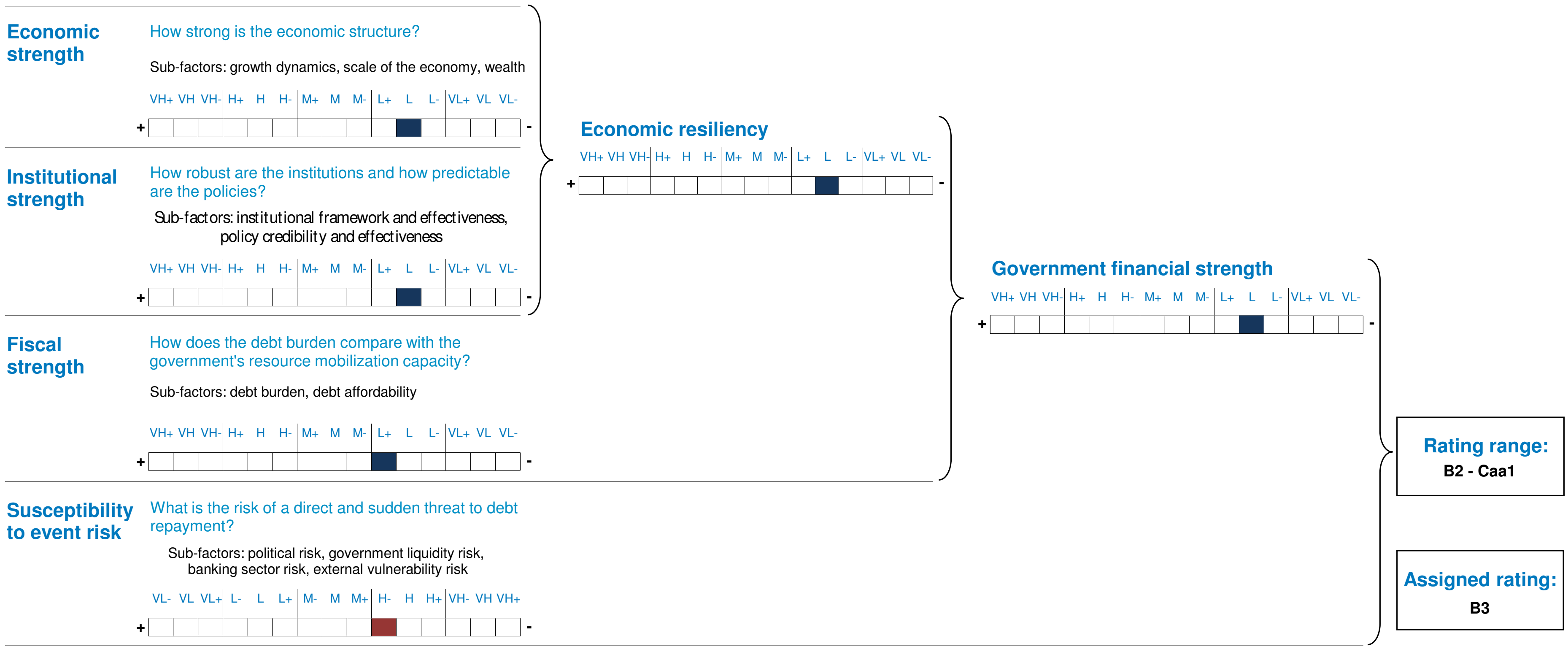
While ECCU membership has benefits, it does not entirely temper the risk of a balance-of-payments crisis. The ECCB has been successful in maintaining the EC$ peg since 1976, thereby offsetting the impact of any balance-of-payment developments on the exchange rate and ensuring macroeconomic stability. However, the ECCB is the only institution to guarantee the exchange rate regime and to warrant the convertibility of the EC$ to hard currency. Even though the probability of a devaluation of the EC$ remains low, the currency union does not eliminate exchange rate risk. A deterioration in the terms of trade across the ECCU zone and increased foreign-currency needs could, for instance, increase pressure on the regional currency peg.

Rating range

Combining the scores for individual factors provides an indicative rating range. While the information used to determine the grid mapping is mainly historical, our ratings incorporate expectations around future metrics and risk developments that may differ from the ones implied by the rating range. Thus, the rating process is deliberative and not mechanical, meaning that it depends on peer comparisons and should leave room for exceptional risk factors to be taken into account that may result in an assigned rating outside the indicative rating range. For more information please see our Sovereign Bond Rating Methodology.

Exhibit 19

Sovereign rating metrics: St. Vincent and the Grenadines



Source: Moody's Investors Service

Comparatives

This section compares credit relevant information regarding St. Vincent & the Grenadines with other sovereigns that we rate. It focuses on a comparison with sovereigns within the same rating range and shows the relevant credit metrics and factor scores.

St. Vincent's factor scores are roughly on par with those of peers. Economic strength is assessed as "Low," which is lower than most B3-rated peers, due to the small size of the economy and low growth levels. Institutional strength, at "Low" is higher than B3-rated peers due to St. Vincent's low inflation levels and more favorable WGI scores. Fiscal strength is "Low (+)," in line with peers and reflects very high debt ratios and a relatively high reliance on foreign-currency debt. At "High (-)," St. Vincent's susceptibility to event risk, which stems from persistent external imbalances, limited buffers to absorb external shocks and a high vulnerability to natural disasters, is in line with many B3-rated peers.

Exhibit 20

St. Vincent and the Grenadines key peers

	Year	St. Vincent and the Grenadines	Belize	Maldives	Gabon	Jamaica	Bosnia and Herzegovina	B3 Median	Latin America and Caribbean Median
Rating/Outlook		B3/STA	B3/STA	B2/NEG	Caa1/STA	B3/POS	B3/STA	B3	Ba3
Rating Range		B2 - Caa1	B2 - Caa1	B1 - B3	Caa1 - Caa3	B1 - B3	B3 - Caa2	B2 - Caa1	Ba2 - B1
Factor 1		**L**	**L+**	**L+**	**L+**	**L+**	**L+**	**L+**	**L+**
Nominal GDP (US$ bn)	2017	0.8	1.8	4.7	14.6	14.8	18	32.3	48.8
GDP per capita (PPP, US$)	2017	11479.6	8342.1	19191.3	18105.4	9161.4	12784.2	8751.8	14436.7
Avg. real GDP (% change)	2013-2022	1.9	1.8	6	3.5	1.5	3.1	2.7	2.3
Volatility in real GDP growth (ppts)	2008-2017	1.5	1.6	4.7	3.3	1.5	2.4	2.7	2.4
Global Competitiveness index	2017	--	--	--	3.8	4.3	3.9	3.9	4.1
Factor 2		**L**	**VL+**	**L-**	**VL-**	**M-**	**VL**	**L-**	**L**
Government Effectiveness, percentile [1]	2017	57.8	15	24.8	6	63.1	23.3	22.9	36.8
Rule of Law, percentile [1]	2017	63.1	9	21	17.2	42.8	39.8	19.9	31.5
Control of Corruption, percentile [1]	2017	71.4	40.6	17.2	15.7	47.3	30	30.4	37.5
Average inflation (% change)	2013-2022	0.8	1.1	2.2	2.2	5.2	0.7	5.4	3.3
Volatility in inflation (ppts)	2008-2017	3	2	4.4	1.7	4.4	1.8	4.3	2.5
Factor 3		**L+**	**VL+**	**L+**	**L-**	**VL-**	**M+**	**L+**	**M-**
Gen. gov. debt/GDP	2017	62.4	95.5	61.1	63.9	101	39.7	61.3	48.2
Gen. gov. debt/revenue	2017	212.2	309.8	210.5	336	347.7	93	295.3	216.5
Gen. gov. interest payments/revenue	2017	7.9	10.1	6.1	13.5	24.1	1.7	11.9	10.7
Gen. gov. interest payments/GDP	2017	2.3	3.1	1.8	2.6	7.1	0.7	3.1	2.3
Gen. gov. financial balance/GDP	2017	-0.4	-1.7	-2	-1.9	0.5	2.1	-3.2	-2.8
Factor 4		**H-**	**H**	**M+**	**H-**	**L+**	**H+**	**H-**	**M**
Current account balance/GDP	2017	-17.4	-7.3	-18.8	-5	-4.8	-4.7	-3.8	-1.7
Gen. gov. external debt/gen. gov. debt	2017	66	70.2	38	63.9	60.3	65.5	65.6	56
External vulnerability indicator (EVI)	2019F	54.7	29.5	70.1	53.7	54.8	48.5	72.5	54.8

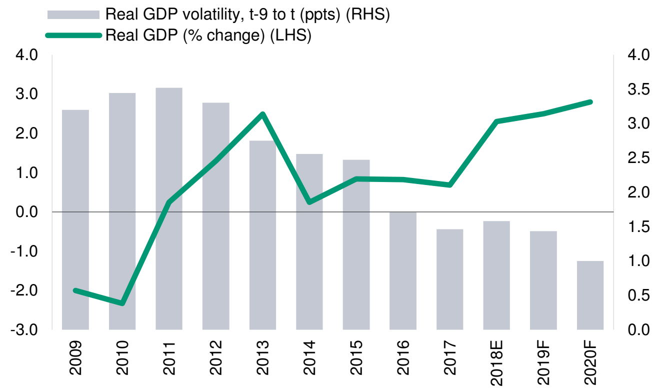
Moody's calculations. Percentiles based on our rated universe.
Sources: Moody's Investors Service, National Statistical Authorities

DATA, CHARTS AND REFERENCES

Chart pack: St. Vincent & the Grenadines

Exhibit 21

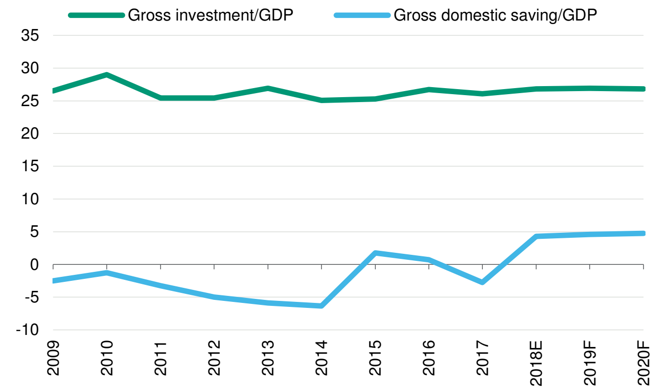
Economic growth



Sources: Moody's Investors Service, ECCB

Exhibit 22

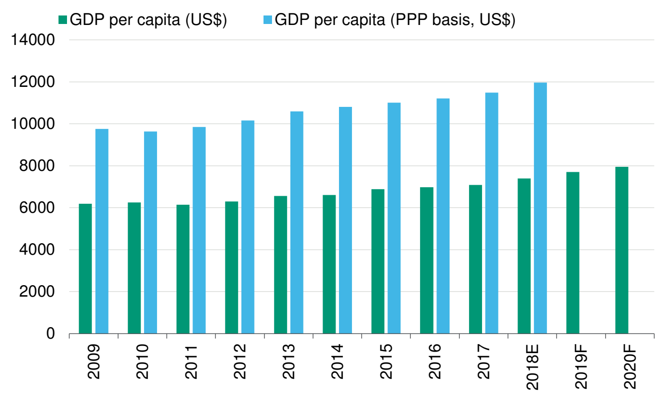
Investment and saving



Sources: Moody's Investors Service, ECCB

Exhibit 23

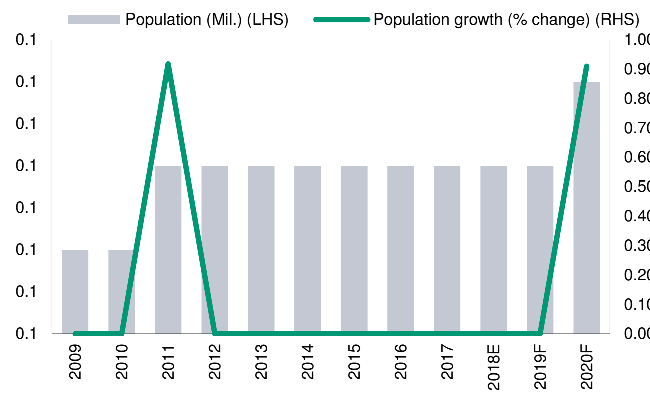
National income



Sources: Moody's Investors Service, ECCB

Exhibit 24

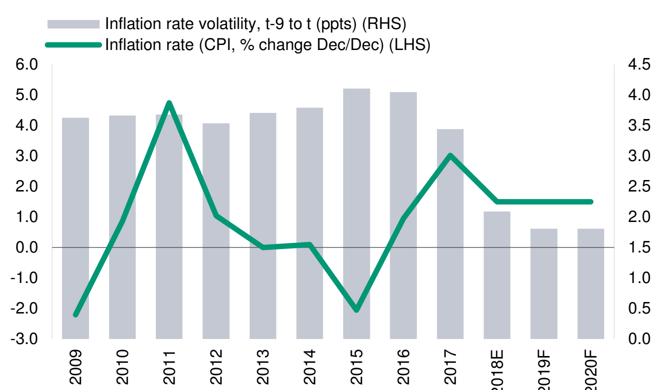
Population



Source: IMF WEO

Exhibit 25

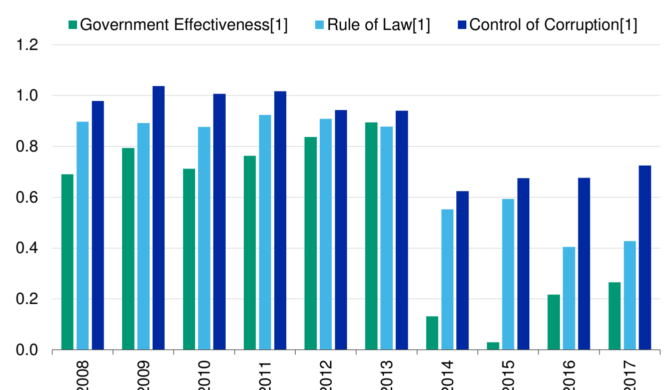
Inflation and inflation volatility



Sources: Moody's Investors Service, ECCB

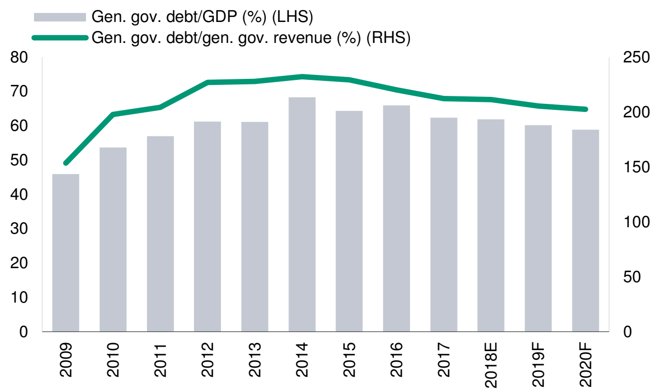
Exhibit 26

Institutional framework and effectiveness



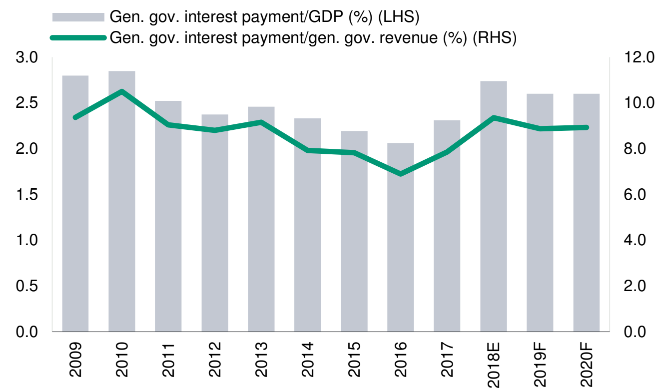
Notes: [1] Composite index with values from about -2.50 to 2.50: higher values suggest greater maturity and responsiveness of government institutions.
Source: Worldwide Governance Indicators

Exhibit 27
Debt burden



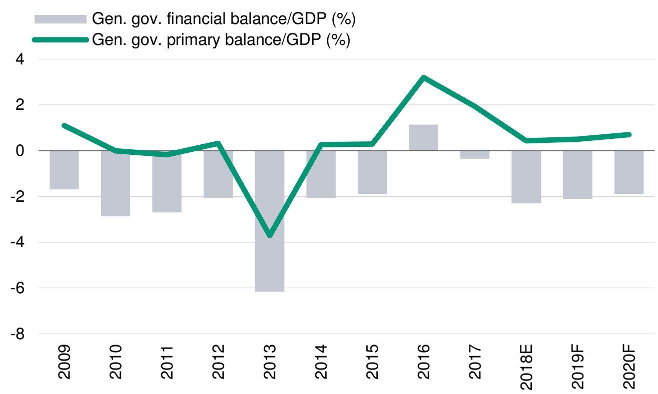
Sources: Moody's Investors Service, ECCB, Ministry of Finance

Exhibit 28
Debt affordability



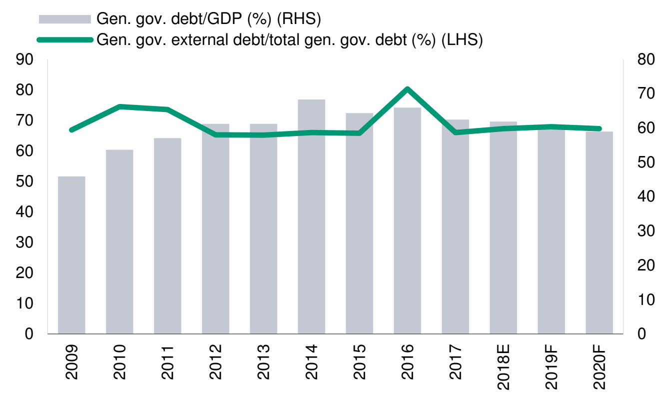
Sources: Moody's Investors Service, ECCB, Ministry of Finance

Exhibit 29
Financial balance



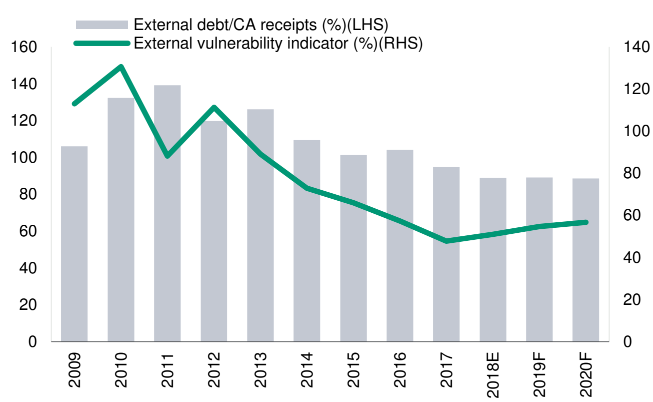
Sources: Moody's Investors Service, ECCB, Ministry of Finance

Exhibit 30
Government liquidity risk



Sources: Moody's Investors Service, ECCB, Ministry of Finance

Exhibit 31
External vulnerability risk



Source: Moody's Investors Service

Rating history

Exhibit 33

St. Vincent and the Grenadines[1]

	Government Bonds			Foreign Currency Ceilings				
				Bonds & Notes		Bank Deposit		
	Foreign Currency	Local Currency	Outlook	Long-term	Short-term	Long-term	Short-term	Date
Outlook Changed	--	--	Stable	--	--	--	--	May-16
Rating Lowered	B3	B3	Negative	--	--	--	--	Nov-14
Rating Lowered	B2	B2	Stable	Ba3	NP	Ba3	NP	Oct-12
Rating Assigned	--	--	Stable	A3	P-2	Baa1	P-2	Dec-07
Rating Assigned	B1	B1	Stable	--	--	--	--	Dec-07

Notes: [1] Table excludes rating affirmations. Please visit the issuer page for St. Vincent and the Grenadines for the full rating history.
Source: Moody's Investors Service

Annual statistics

Exhibit 34

St. Vincent and the Grenadines

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018E	2019F	2020F
Economic structure and performance												
Nominal GDP (US$ bil.)	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.9
Population (Mil.)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
GDP per capita (US$)	6,192	6,250	6,147	6,299	6,556	6,599	6,880	6,972	7,092	7,400	7,696	7,954
GDP per capita (PPP basis, US$)	9,762	9,636	9,852	10,161	10,587	10,803	10,999	11,200	11,480	--	--	--
Nominal GDP (% change, local currency)	-2.9	0.9	-0.7	2.5	4.1	0.6	4.3	1.3	1.7	4.5	4.0	4.3
Real GDP (% change)	-2.0	-2.3	0.2	1.3	2.5	0.2	0.8	0.8	0.7	2.3	2.5	2.8
Inflation (CPI, % change Dec/Dec)	-2.2	0.9	4.7	1.0	0.0	0.1	-2.1	1.0	3.0	1.5	1.5	1.5
Gross investment/GDP	26.5	29.0	25.4	25.4	26.9	25.1	25.3	26.7	26.0	26.8	26.9	26.8
Gross domestic saving/GDP	-2.5	-1.3	-3.2	-5.0	-5.9	-6.3	1.8	0.7	-2.5	4.3	4.6	4.7
Nominal exports of G & S (% change, US$ basis)	-8.5	-4.7	-0.2	4.3	-4.6	2.2	1.2	5.2	1.0	6.1	2.0	2.0
Nominal imports of G & S (% change, US$ basis)	-9.9	0.3	-3.2	6.6	4.2	-1.6	-6.4	2.2	-2.0	2.5	2.5	2.5
Openness of the economy[1]	86.0	84.0	82.7	85.4	83.2	82.3	75.8	77.2	75.1	74.7	73.5	72.1
Government Effectiveness[2]	0.8	0.7	0.8	0.8	0.9	0.1	0.0	0.2	--	--	--	--
Government finance												
Gen. gov. revenue/GDP[3]	29.9	27.1	27.9	27.0	26.9	29.4	28.1	29.9	29.3	29.3	29.3	29.1
Gen. gov. expenditures/GDP[3]	31.6	30.0	30.6	29.0	33.0	31.5	30.0	28.8	29.7	31.6	31.4	31.0
Gen. gov. financial balance/GDP[3]	-1.7	-2.9	-2.7	-2.1	-6.2	-2.1	-1.9	1.1	-0.4	-2.3	-2.1	-1.9
Gen. gov. primary balance/GDP[3]	1.1	0.0	-0.2	0.3	-3.7	0.3	0.3	3.2	1.9	0.4	0.5	0.7
Gen. gov. debt (US$ bil.)[3]	0.3	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Gen. gov. debt/GDP[3]	45.9	53.6	57.0	61.2	61.2	68.3	64.3	66.0	62.4	61.9	60.2	58.9
Gen. gov. debt/gen. gov. revenue[3]	153.6	197.7	204.4	226.9	227.8	232.2	229.2	220.4	212.6	211.3	205.5	202.4
Gen. gov. interest payments/gen. gov. revenue[3]	9.4	10.5	9.0	8.8	9.2	7.9	7.8	6.9	7.9	9.4	8.9	8.9
Gen. gov. FC & FC-indexed debt/gen. gov. debt[3]	54.6	63.2	64.2	57.4	57.9	60.4	61.1	65.8	66.0	67.2	67.9	68.2

Source: Moody's Investors Service

Exhibit 35

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018E	2019F	2020F
External payments and debt												
Nominal exchange rate (local currency per US$, Dec)	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7
Real eff. exchange rate (% change)	6.2	-1.9	-4.1	6.1	-2.1	0.0	11.6	0.9	-1.8	--	--	--
Current account balance (US$ bil.)	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Current account balance/GDP	-29.2	-30.6	-29.4	-27.8	-29.2	-25.9	-14.5	-15.3	-17.3	-14.0	-13.7	-12.8
External debt (US$ bil.)[4]	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.4
Public external debt/total external debt[4]	92.4	93.9	92.4	92.0	92.6	92.0	92.7	91.9	92.2	92.6	92.6	92.6
Short-term external debt/total external debt	--	--	--	--	--	--	--	--	--	--	--	--
External debt/GDP[4]	36.5	43.4	45.0	41.6	43.2	47.0	45.4	43.5	41.2	41.6	40.9	40.2
External debt/CA receipts[5][4]	106.1	132.2	139.1	119.7	126.2	109.3	102.1	93.8	95.0	88.9	89.1	88.6
Interest paid on external debt (US$ bil.)[4]	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization paid on external debt (US$ bil.)[4]	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net foreign direct investment/GDP	16.3	14.3	12.7	16.7	17.6	16.6	7.6	20.0	12.6	11.9	11.9	12.2
Net international investment position/GDP	--	--	--	--	--	--	--	--	--	--	--	--
Official forex reserves (US$ bil.)	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Net foreign assets of domestic banks (US$ bil.)	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.1	0.1	--	--	--
Monetary, external vulnerability and liquidity indicators												
M2 (% change Dec/Dec)	1.4	2.6	-0.3	6.6	8.5	9.6	4.8	3.0	4.1	--	--	--
Monetary policy rate (% per annum, Dec 31)[6]	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	--	--	--
Domestic credit (% change Dec/Dec)	2.0	1.8	1.5	4.9	1.2	-0.2	2.5	0.6	0.7	--	--	--
Domestic credit/GDP	51.4	51.8	53.0	54.3	52.8	52.3	51.4	51.0	50.5	--	--	--
M2/official forex reserves (X)	5.3	3.7	4.7	4.0	3.6	3.3	3.3	2.9	3.3	--	--	--
Total external debt/official forex reserves	327.2	267.1	346.5	264.0	234.2	218.4	208.8	174.4	178.1	199.2	209.5	207.7
Debt service ratio[7]	15.6	16.2	16.1	15.2	13.2	9.8	9.9	9.0	9.5	8.4	8.4	8.0
External vulnerability indicator (EVI)[8]	112.9	130.6	88.2	111.3	89.2	72.9	66.0	57.3	47.8	50.9	54.7	56.6
Liquidity ratio[9]	17.0	18.8	18.3	15.8	20.6	46.7	25.7	40.7	44.7	--	--	--
Total liabilities due BIS banks/total assets held in BIS banks	47.1	52.7	53.6	48.9	57.1	60.4	32.8	49.5	49.4	--	--	--
"Dollarization" ratio[10]	5.1	5.3	5.8	3.9	5.1	5.4	6.0	5.5	5.6	--	--	--
"Dollarization" vulnerability indicator[11]	9.9	9.6	11.9	8.5	10.3	11.1	12.2	9.9	10.9	--	--	--

[1] Sum of Exports and Imports of Goods and Services/GDP
[2] Composite index with values from about -2.50 to 2.50: higher values suggest greater maturity and responsiveness of government institutions
[3] Central government
[4] Public sector only
[5] Current Account Receipts
[6] Bank discount rate
[7] (Interest + Current-Year Repayment of Principal)/Current Account Receipts
[8] (Short-Term External Debt + Currently Maturing Long-Term External Debt + Total Nonresident Deposits Over One Year)/Official Foreign Exchange Reserves
[9] Liabilities to BIS Banks Falling Due Within One Year/Total Assets Held in BIS Banks
[10] Total Foreign Currency Deposits in the Domestic Banking System/Total Deposits in the Domestic Banking System
[11] Total Foreign Currency Deposits in the Domestic Banking System/(Official Foreign Exchange Reserves + Foreign Assets of Domestic Banks)

Source: Moody's Investors Service

Moody's related publications

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Related websites and information sources

- The ECCB's website: www.eccb-centralbank.org/
- The IMF's website: www.imf.org/external/index.htm

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