



STANDARD AND POORS

Ratings agency Standards & Poor's Corp. lifted Macedonia's sovereign rating outlook to stable from negative, citing easing external pressures. S&P revised the outlook on Macedonia's credit ratings on improved external liquidity and has, at the same time, affirmed the ratings.



At the same time as changing the outlook, the ratings agency maintained Macedonia's long-term foreign currency rating at BB. S&P affirmed the BB/B long- and short-term foreign currency and BB+/B local currency ratings. The transfer and convertibility assessment on Macedonia was affirmed at BB+, and the recovery rating on Macedonia's foreign currency debt remains '3'.

"The narrowing of the large current account deficit now under way, plus the government's ability to have attracted external funds, have allayed concerns over Macedonia's external liquidity and the sustainability of the exchange rate anchor," Standard & Poor's credit analyst Kai Stukenbrock said.

Multilateral funding, as well as raising EUR175 million from a Eurobond sale in July have helped ease pressure on Macedonia's international reserves, and therefore also on its exchange-rate peg against the euro, the ratings agency said, adding that it now expects the country's current account deficit to narrow to 8.5% of gross domestic product this year