

RAEX-Europe downgraded the credit ratings of Russia from ‘BBB-’ to ‘CC’. The rating outlook is negative. The ratings remain on watch.

RAEX-Europe downgraded the sovereign government credit ratings (SGCs) of Russia from ‘BBB-’ (Moderately high level of creditworthiness of the government) to ‘CC’ (Very low level of creditworthiness – possible delay in execution of some commitments) in national currency and from ‘BBB-’ (Moderately high level of creditworthiness of the government) to ‘CC’ (Very low level of creditworthiness – possible delay in execution of some commitments) in foreign currency. The rating outlook is negative which means that in the mid-term perspective there is a high probability of downgrading the rating score. The ratings remain on watch.

“Russia’s sovereign credit ratings were downgraded from ‘BBB-’ to ‘CC’ with a negative outlook, as a result of the severe and wide sanctions imposed by the West in the midst of the Russian invasion of Ukraine. This, in turn, has extremely heightened risk of non-repayment of public FX- and LC-denominated debt. In addition, the isolation of Russia’s financial sector and the Central Bank of Russia (CBR) have already caused internal shocks in the economy, which are expected to become larger as the conflict continues”, – clarified Hector Alvarez, Associate Director of RAEX-Europe.

Research report on Russia is available at:

https://raexpert.eu/reports/Research_report_Russia_07.03.2022.pdf

Next scheduled rating publication: 10 June 2022. The full sovereign rating calendar can be found at [Sovereign Rating Calendar 2022](#)

SOVEREIGN RATING CALENDAR DEVIATION DISCLOSURE

Under EU credit rating agency (CRA) regulation, the publication of sovereign credit ratings must take place according to a published schedule, except where it is necessary for CRAs to deviate from this in order to comply with their legal obligations. RAEX-Europe interprets this provision as allowing us to publish a rating review outside the published schedule in situations where there is a material change in the creditworthiness of the issuer.

The publication of this rating action deviates from the previously scheduled release date in the sovereign calendar published at <https://raexpert.eu/sovereign/#conf-tab-5>. RAEX-Europe believes that developments in the country warrant such a deviation from the calendar and our rationale for this is set out in the Research report available at https://raexpert.eu/reports/Research_report_Russia_07.03.2022.pdf.

For further information contact:

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