



### **AAA rating confirmed for Luxembourg**

Luxembourg's strong stability and positive economic performance was recently assured in a report issued by International rating agency Fitch in which the country's "AAA" credit rating was confirmed.

The report looks at various categories and subjects that give Luxembourg its strong rating, in particular, Fitch mention the rating reflects "its exceptionally high income per capita, as well as its strong governance indicators and public and external balance sheets which outweigh the economy's small size and inherent macroeconomic volatility"

One of Luxembourg's firmest rating advantages is its sound fiscal condition. General government debt is still significantly below the "AAA" standard and among "AAA" sovereigns it continues to have the lowest debt ratio.

Fitch expect annual inflation for 2022 will average 8.3% primarily due to the high energy prices but forecast for 2023 the rate will fall back towards 2.9%.



Other positive areas highlighted in Fitch's report were the autonomy between the institutions and government, solid ESG performance, effective rules and regulations along with the country's transparency.

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