

Flash News:

Fitch Upgrades Ghana's Credit Rating to 'B-'



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Ghana has received a significant boost to its economic standing, as global credit rating agency Fitch Ratings upgraded the nation's Long-Term Foreign-Currency Issuer Default Rating (IDR) from 'Restricted Default' (RD) to 'B-' with a Stable Outlook. This positive shift signals growing international confidence in Ghana's recovery from its recent economic challenges.

Why did it Happen?

The upgrade is primarily attributed to Ghana's major progress in external debt restructuring, particularly the successful reorganization of its \$13.1 billion Eurobond debt. This has normalized relations with a significant majority of its external commercial creditors.

Fitch also highlighted other improving economic fundamentals, including declining inflation, a strengthening Ghanaian Cedi, and a strong commitment to fiscal consolidation.

Why does it Matter?

Previously, 'Restricted Default' indicated that Ghana had experienced an uncured payment default or a distressed debt exchange on a material financial obligation. The new 'B-' rating, while still in the speculative category, means that material default risk is present but a limited margin of safety remains, and financial commitments are currently being met.

This upgrade is expected to ease borrowing costs and potentially reopen access to global capital markets for Ghana.

Ghana's Fitch Long-Term Issuer Default Rating History

