

# Bahamas govt pleased with latest S&P ratings

## NASSAU

The Bahamas government has welcomed the latest ratings from the US-based Standard & Poor's Global Ratings (S&P), saying it reflects the ongoing recovery of credit perception and marks a significant milestone in The Bahamas' re-rating trajectory.

Last week, S&P upgraded its long-term foreign and local currency sovereign credit ratings on The Bahamas to "BB-" from "B+."

It reflects strengthened economic performance, supported by the tourism and financial sectors, coupled with sound fiscal management.

"The stronger economy, propelled by strong cruise tourism and large-scale investment projects across the Family Islands, and the government's tax compliance efforts have helped reduce the fiscal deficit and contained the sovereign's debt burden," the US-based agency said.

S&P highlighted several key drivers behind the upgrade, including stronger economic performance, with gross domestic product (GDP) growth of 3.4 per cent in 2024 and a projected 2.1 per cent in 2025, supported by revised data collection methods from the Bahamas National Statistical Institute.

The country also had a record tourism growth, with 11.2 million arrivals in 2024 and 6.3 million in the first half of 2025 and that the fiscal deficit narrowed to 1.3 per cent of GDP in the financial year 2023/24, returning to pre-pandemic levels.

S&P also made reference to a resilient policy framework underpinned by fiscal consolidation; ongoing energy reforms expected to strengthen the financial position of Bahamas Power and Light and other public entities and continued investment.