



PRESS RELEASE

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S&P GLOBAL RATINGS AFFIRMS BOTSWANA SOVEREIGN CREDIT RATING FOR 2019 AND STABLE OUTLOOK

S&P Global Ratings has affirmed Botswana's 2019 Sovereign credit ratings of 'A-' and 'A-2' for long and short-term bonds denominated in domestic and foreign currency. These ratings also apply to the Bank of Botswana long and short-term foreign and domestic currency denominated securities.

The credit ratings are supported by the country's track record of fiscal prudence and low government debt levels, underpinned by a stable institutional framework. The stable outlook reflects S&P Global Ratings expectation that the country's strong external buffers will continue to shield the economy from potential diamond sector volatility, and that expansionary fiscal and accommodative monetary policies will support economic growth.

S&P Global Ratings could raise the ratings on Botswana if the economy's growth rates were to significantly outperform peers at a similar stage of economic development, or if its economic structure were to diversify more significantly. However, the ratings could be revised downwards if fiscal consolidation efforts weaken in the coming years and debt rises significantly. A material weakening of the external position could also exert pressure on the ratings. Both fiscal and external pressures could emanate from reduced production or global demand for diamonds.