|  |
| --- |
| **logoIBIRating_newlight1,5**  **PRESS RELEASE** |

**IBI-Rating has affirmed the credit rating and rating of investment attractiveness of Sumy city**

National rating agency IBI-Rating informs on affirming of the credit rating of Sumy city at **uaA-** grade, keeping the **«stable»** outlook and the rating of investment attractiveness at **invA-** grade.

**Such rating grades represent** the high investment attractiveness and strong ability of the city to pay off its financial commitments. The «stable» outlook, with the highest probability, implies immutability of the rating on the horizon for 12 months.

**The affirmed ratings grade is due** to maintaining the positive dynamics of key indicators of socio-economic development and budget, moderate diversification of the city's economic complex, and the development of infrastructure. The impact of the negative factors on the investment attractiveness and financial capacity of the city is limited, despite the introduction in the territory of the region of the legal regime of martial law, as well as the preservation of the difficult situation in the country's economy.

**The rating grades are supported by** the significance of the city as a regional center, low direct and consolidated debt load on the revenue side of the budget, a sustained increase in the volume of revenues to the local budget by almost all major items, and a sufficient level of budget security - budget revenues (without transfers) in the calculation per capita exceeds the average figures for local budgets and the indicators of most cities in Ukraine. At the same time, the city needs to attract additional funding, including for the restoration of citys infrastructure, housing and communal services, and its economic complex and budget are sensitive to economic risks.

**7 key indicators of the Sumy city economy of the first half of 2018:**

1. The volume of sales of industrial products against the corresponding period in 2017 increased by 11.4% - to UAH 11.0 billion. The indicator per capita is UAH 41.3 thousand, and in 1.4 times exceeds the corresponding value for the country.
2. Retail trade in relative prices grew by 20.3% to UAH 2.92 billion, and in terms of per capita, it is in 51% higher than the average indicator of Ukraine.
3. Foreign trade turnover increased by 19.9% ​​to USD 339.4 million, due to exports and imports of goods, increased by 13.9% and 25.8% respectively.
4. The city budget was executed with a surplus of UAH 64.4 million.
5. Revenues of the city budget in comparison with the first half of 2017 increased by 27.9% - to UAH 1.87 billion, of which the city's own revenues - increased by 23.5% to UAH 0.83 billion.
6. The development expenses (capital expenditures) were allocated from the city budget funds in the amount of UAH 158.0 million, which in general corresponds to the amount of such financing for the corresponding period of 2017.
7. As in previous years, the city budget is a donor budget - a reverse grant was remitted to the state budget in the amount of UAH 43.6 million.

**Director of the municipal department of the IBI-Rating agency, Mr. Dmytro Zadesenets,** has accented: «Positive for the development of the investment potential of of Sumy city is influenced by the presence of a powerful industrial complex, diversification of the city's economy, as well as the possibility of its further growth at the expense of domestic demand and export orders, availability of necessary resources».

«The Sumy City Council pays much attention to improving the investment climate, business awareness and implementation of projects that attract investors, among which - the creation of the Industrial Park «Sumy», -has commented the results of the rating affirming **Mrs.** **Svitlana Lipova, Director of the Department of Finance, Economics and Investments of Sumy City Council.**

In order to conduct the analytical research the materials obtained from Sumy city have been used, including: indicators of the social and economic development, statistical data, treasury statements, program materials, other necessary internal information, as well as the information from the public sources, which the Rating agency considers credible.

**Municipal department**

For more information please contact:

Press service of IBI-Rating

(044) 362-90-84

press(at)ibi.com.ua