



## **NTMA Statement on Moody's Credit Rating Decision**

**Tuesday, 12 July 2011** - The National Treasury Management Agency (NTMA) notes the decision by Moody's Investors Service to lower Ireland's credit rating by one notch from Baa3 to Ba1.

The NTMA notes that Moody's decision was primarily driven by their concern about the prospect of private investor participation in future financial support programmes in the euro area. Moody's acknowledges that Ireland has demonstrated a strong commitment to fiscal consolidation and is successfully delivering on its objectives as required under the EU/IMF Programme of Support.

The situation in the euro area is evolving rapidly. In their statement of Monday 11 July, the Eurogroup set out a range of measures to safeguard the euro area's financial stability. These include enhancing the flexibility and the scope of the European Financial Stability Facility, lengthening the maturities of the loans and lowering the interest rates. These are positive developments for Ireland.

Ireland has sufficient funding under the EU/IMF Programme of Support to cover all its financing requirements until the end of 2013.

Ireland retains investment-grade status with the other main ratings agencies.