Bond Case Briefs

Municipal Finance Law Since 1971

Fitch U.S. Public Finance First-Quarter 2020 Rating Actions.

Link to Fitch Ratings' Report(s): U.S. Public Finance Rating Actions Report & Sector Updates: First-Quarter 2020

Fitch Ratings-New York-09 April 2020: Overall Ratings Stability with Upgrades Outpacing Downgrades
In 1Q20, Fitch Ratings upgraded 18 U.S. public finance ratings and downgraded 12 compared to 54 upgrades and 35 downgrades in 4Q19. Annual upgrades have exceeded downgrades for the sixth year since 2008. Upgrades represented approximately 2.2% of all rating actions in 1Q20, while downgrades represented approximately 1.5%.

Outlooks Trend Mixed with Increase in Negative Watches
There were 92 Positive Rating Outlooks and Watches and 126 Negative Rating Outlooks and Watches in the portfolio as of quarter-end 1Q 20 compared to 93 and 105, respectively, in 4Q19. The increase in Negative Watches was partially driven by coronavirus-related reasons. Positive Rating Outlooks and Watches accounted for approximately 3.2% of the U.S. public finance portfolio and Negative Rating Outlooks and Watches represented 4.3%.

Coronavirus Impact
As of 1Q20 quarter end, Fitch had placed one state rating (Alaska) and 13 local government ratings on Rating Watch Negative due to coronavirus-related credit impacts. Unprecedented effects of the coronavirus on the economy and operating environments will continue to create downward rating pressure throughout 2020, especially for the tax-supported, healthcare and higher education sectors. Fitch will continue to monitor the rapidly evolving situation with additional rating actions and analysis.

Criteria News
Fitch released its updated criteria for housing finance agencies in February 2020 and its finalized criteria for affordable housing in March 2020. Finalized tax-supported criteria were released in January 2020 and revisions to Fitch's tax-supported, revenue-supported, public power and colleges and universities criteria were published in March 2020.

"U.S. Public Finance Rating Actions Report & Sector Updates: First-Quarter 2020" is available at www.fitchratings.com.

Contact:

Arlene Bohner
Managing Director, Head of U.S. Public Finance
+ 212 908-0554
Fitch Ratings, Inc.
300 West 57th Street
New York, NY 10019

Media Relations: Sandro Scenga, New York, Tel: +1 212 908 0278, Email: sandro.scenga@thefitchgroup.com

Additional information is available on www.fitchratings.com.

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com