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S&P U.S. Not-For-Profit Transportation Infrastructure 2025 Outlook: Tariffs May Rock The Boat As The Sector Stays On An Even Keel

Sector View: Stable For All Asset Classes

- S&P Global Ratings' view of business conditions and credit quality across the U.S. not-for-profit transportation infrastructure enterprise (TIE) sector for 2025 is stable, as many asset class operators reach operational high watermarks, work to rein-in inflationary expenditure growth, and navigate often significantly more expensive capital improvement programs. Our TIE asset classes include airports and related special facilities, toll roads, maritime ports, mass transit, parking operators, and federal transportation grant-secured entities.
- Credit quality has largely been overwhelmingly strong as demonstrated financial resilience, rising demand, and positive revenue trends along with rate increases continue to mitigate the impact of higher debt burdens for larger issuers.
- We estimate that most GDP-linked activity metrics (enplanements, containers, and vehicular traffic) in 2025-2027 will settle in the low single digits, fueling generally strong financial performance, with any headwinds coming from broader economic or asset class-specific operational pressures.
- Higher transit ridership growth from a lower baseline is expected to continue and, in some regions, operators will face local funding hurdles as they exhaust their remaining federal aid against a backdrop of waning federal support.

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