Moody’s Revises the Outlook on Armenia’s Sovereign Rating to Positive

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On July 28, 2026, Moody’s Ratings published its decision regarding the sovereign rating of the Republic of Armenia. The agency revised the outlook on Armenia’s sovereign rating from stable to positive, while affirming the country’s long-term sovereign rating at Ba3.

Moody’s attributes the revision of the rating outlook to the following key factors:

• Reduced geopolitical and political risks, reflecting a lower likelihood of a large-scale military conflict with Azerbaijan, progress in the normalization of relations with Türkiye, diversification of Armenia’s external partnerships through deeper cooperation with the United States and the European Union, and continued domestic political stability.

• Improved medium-term economic growth prospects, with economic growth of 5–5.5% expected in 2026–2027, supported by resilient domestic demand, increased investment, continued expansion of the services sector, and higher government expenditure.

• Strengthening of the economy’s structural potential, driven by rising investment, particularly in the technology and infrastructure sectors, continued economic diversification, and prospects for higher productivity.

Moody’s report is available