

**Announcement of Periodic Review: Moody's announces completion of a periodic review of ratings of Moscow, City of**

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11 Sep 2019

London, 11 September 2019 -- Moody's Investors Service ("Moody's") has completed a periodic review of the ratings of Moscow, City of and other ratings that are associated with the same analytical unit. The review was conducted through a portfolio review in which Moody's reassessed the appropriateness of the ratings in the context of the relevant principal methodology(ies), recent developments, and a comparison of the financial and operating profile to similarly rated peers. The review did not involve a rating committee. Since 1 January 2019, Moody's practice has been to issue a press release following each periodic review to announce its completion.

This publication does not announce a credit rating action and is not an indication of whether or not a credit rating action is likely in the near future. Credit ratings and outlook/review status cannot be changed in a portfolio review and hence are not impacted by this announcement. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody's.com](http://www.moody's.com) for the most updated credit rating action information and rating history.

Key rating considerations are summarized below.

City of Moscow's Baa3 issuer rating and baa3 baseline credit assessment are based on the region's wealthy, diversified and dynamic economy. This economic strength is combined with the region's excellent financial fundamentals that secures superior resilience to possible adverse scenarios in the Russian economy. The region's net direct and indirect debt is limited compared to operating revenues while strong budget performance over recent years helped the city to build-up a large cushion of liquid assets much exceeding its currently outstanding debt. This very strong standalone credit profile is reinforced by unquestioned importance of the capital city for the Russian economy as the largest regional economic center with the most numerous population. The region rating also considers strong interlinkage with the sovereign credit profile and is constrained by the Baa3 rating assigned to the Russian government.

This document summarizes Moody's view as of the publication date and will not be updated until the next periodic review announcement, which will incorporate material changes in credit circumstances (if any) during the intervening period.

The principal methodology used for this review was Regional and Local Governments published in January 2018. Please see the Rating Methodologies page on [www.moody's.com](http://www.moody's.com) for a copy of this methodology.

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