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**INFLUENCE OF WORLD ECONOMIC AND CREDIT RATINGS ON THE INVESTMENT CLIMATE
OF THE REPUBLIC OF BELARUS**

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In this article abstract is considered as the situation of the Republic of Belarus in the world economic and credit ratings. Also there are made the conclusions about the dynamic of analyzed indicators and tendencies of the differences of analyzed facts.

The most important characteristics of the economy of any country at the present stage of development are investments. Thus, characterizing the state of the investment climate in the country, we focus on the forecasts made by the world's largest rating agencies.

In Table 1 it is considered the position of the Republic of Belarus in the international economic ratings in 2012-2016.

Table 1 – The position of the Republic of Belarus in international economic ratings

Ratings	Position of Belarus in the rating				
	2012	2013	2014	2015	2016
1. Doing Business	64	63	57	44	37 out of 190 countries
2. Index of Economic Freedom	154	150	153	157	104 out of 180 countries
3. Legatum Prosperity Index	54	58	53	63	98 out of 149 countries
4. Corruption Perceptions Index	123	123	119	107	79 out of 176 countries
5. UN Human Development Index	50	51	52	52	52 out of 188 countries
6. Vision of Humanity Global Peace Index	109	96	92	110	106 out of 163 countries

Source: [1–6].

According to Table 1, it can be seen that by 2016 certain indicators in the international ratings have improved in the Republic of Belarus. However, special attention should be paid to the position of Belarus in the World Bank and Doing Business 2017 rankings, the high value of which means favorable conditions for doing business in the country. And the overall improvement in the position is a very positive sign for foreign investors, which, guided by the report's data, can increase the inflow of foreign direct investment in the future.

In Table 2 there is considered the position of Belarus on the ten key indicators of the 'Doing Business' rating.

Table 2 – Key indicators of the World Bank and International Financial Corporation 'Doing Business'

Indicators	Doing Business			Change 2016 to 2017
	2012	2016	2017	
Registration of property	4	7	5	+2
Connection to the power supply system	175	72	24	+50
Enforcement of contracts	14	28	27	+1
Obtaining construction permits	44	28	25	-3
International trade	152	30	30	0
Registration of enterprises	9	30	31	-1
Protection of minority investors	79	62	42	+20
RESOLVING Insolvency	42	95	69	+26
Taxation	156	95	99	-4
Obtaining loans	98	109	101	+8

Source: [7].

Economics

The country's rating grew by six of the indicators indicated in the table. The greatest progress was noted in the category "Connection to the power supply system" (+50 points) due to the simplification of the connection process to the electric networks: the 'one window' principle was introduced when connecting electrical installations to the power grids of Belenergo power supply organizations.

According to the World Bank's assessment, in the Doing Business 2017 report of Belarus, in addition to the reform on the indicator 'Connecting to the electricity system', the following reforms were included:

- 'Registration of property' – it is recognized that the transparency and reliability of administrative procedures in registering property has been increased in Belarus;
- 'Getting a loan' – the credit register in Belarus started to provide a new type of services - credit scoring, in which the scoring model is built on the data of all Belarusian banks, and allows assessing the ability of borrowers to repay the debt;
- 'Protection of minority investors' – strengthened protection of minority shareholders, increased corporate transparency of the company.

It is impossible not to note the achievements of Belarus in improving the 26 positions of the value of the indicator "Resolving Insolvency", which characterizes the time and financial costs, as well as the final outcome of the process of resolving insolvency of enterprises.

Starting from 2012, Belarus has improved its position in the rating of 'Doing Business' for 27 positions. However, the task at the state level in 2012 about entering the top 30 world rating 'Doing Business' has not reached.

The next tool that investors use in the process of buying bonds or making fixed-income investments are credit ratings. Most often, credit ratings are used by investors to help them assess credit risk and compare different issuers and various debt obligations when making investment decisions and managing portfolios. For example, individual investors can use credit ratings in assessing the appropriateness of buying municipal or corporate bonds taking into account their own risk tolerance. For institutional investors, including for mutual funds, pension funds, banks and insurance companies, credit ratings are often a good addition to their own credit analysis of certain debt instruments. In addition, institutional investors can use credit ratings to set credit risk limits and formulate their investment rules [8].

It is worth noting that of the top ten rating agencies in the world, 97% of all ratings are provided by US agencies: «Standard and Poor's», «Moody's» and «Fitch Ratings».

Consider the position of the Republic of Belarus in the credit ratings in Table 3.

Table 3 – Position of the Republic of Belarus in credit ratings

Rating agency	Long-term rating	Short-term rating	Forecast	Date of last evaluation
Standard and Poor's	B	B	Stable	06.10.2017
Fitch Ratings	B-	B	Positive	28.07.2017
Moody's	Caa1	B3	Stable	04.07.2017

Source: [9].

According to the classification of Standard & Poor's, the "B" ratings indicate that the country is vulnerable to unfavorable economic conditions, but at the same time it has the ability to fulfill debt obligations in full. It should be noted that this indicator was achieved by the Republic of Belarus only in October 2017, before that it had a "-B" level.

S & P notes that such factors as the expected GDP growth of Belarus in the amount of about 2%, annually during 2017–2020, as well as providing the Republic of Belarus with reserves to fulfill foreign debt obligations in 2018 contributed to the rating upgrade.

The restoration of the economies of the main trade partners of Belarus, primarily Russia, played a role, as well as the moment that the country managed to settle its differences with the Russian Federation in the oil and gas issue.

Analysts of S & P noted that in the future the rating could be further increased provided that Belarus reduces its dependence on external shocks and eliminates a number of potential vulnerabilities in the economy [10].

So, based on the analytical materials presented in this publication, we can conclude that the Republic of Belarus is sufficiently stable and attractive to assess international economic and credit ratings, improve certain

indicators of the investment climate. This trend, in turn, should lead to an increase in foreign investors. Favorable investment climate contributes both to GDP growth, and creation of new jobs, increase in the volume of exported products, creation of various subjects of innovation infrastructure.

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