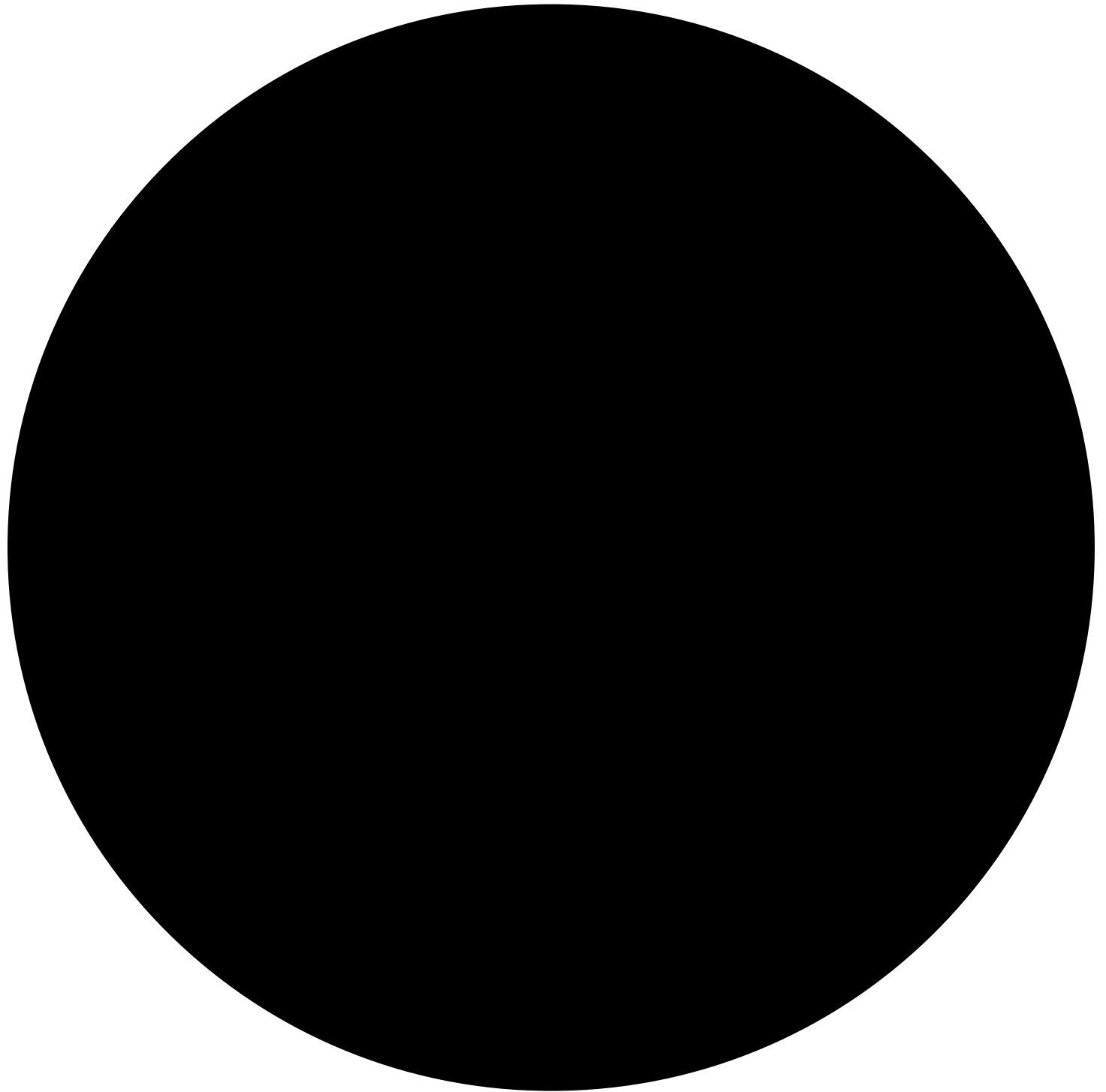


MADRID BREAKS WITH RATING AGENCIES

Posted on 06/10/2015 by Naider



As if it were a divorce, the Madrid City Council has decided [breaking with the rating agencies](#) that valued his debt, in his case the companies Fitch and Standard and Poor's. This rupture comes after the decision of the consistory not to issue more debt during the next year.

Rating agencies are highly valued by investors as they rate the debt of both countries and municipalities (which so request) providing very valuable information for them. On the other hand, these types of firms have also received harsh criticism, even more so during the outbreak of the crisis, in terms of their credibility, especially after the outbreak of the American Lehman Brothers.

These contracts with the agencies were signed in 2012 and periodically renewed year after year, with a cost that amounted to 107,521.19 euros per year.

This resolution taken by the council of Manuela Carmena comes after the downgrade of the debt note by Standard and Poor's once the will of the mayoress to audit the accounts of the Madrid city council was made official.

There are no comments yet.