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Territory of Yukon

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Territory of Yukon

This report supplements our research update "Territory of Yukon 'AA' Rating Affirmed On Exceptional Liquidity And Very Low Debt Burden," published Sept. 28, 2016. To provide the most current information, we may cite more recent data than that stated in the previous publication. These differences have been determined not to be sufficiently significant to affect the rating and our main conclusions.

Rationale

Issuer Credit Rating
AA/Stable/--

The ratings on the Territory of Yukon reflect S&P Global Ratings' opinion of Yukon's exceptional liquidity, very low debt burden, very low contingent liabilities, strong financial management, and average economic strength and budgetary performance. The ratings also reflect our view of the very predictable and well-balanced institutional framework for Canadian territories. In our opinion, Yukon's budgetary flexibility is weak.

We continue to view the territory's debt burden as very low, especially in comparison with that of peers. By our estimates, direct debt stood at C$56 million at the end of fiscal 2016; tax-supported debt, which includes direct debt, the debt of YDC, the territory's wholly owned utility, and Yukon Energy Corp. (YEC), and capital leases, was C$200 million. The modest increase in debt in fiscal 2016 was due to an increase in YDC's debt -- direct debt decreased slightly during the year. Tax-supported debt represented 16% of consolidated adjusted operating revenues and direct debt was only 5% of adjusted operating revenues at that time. Interest expense was stable, at 0.2% of adjusted operating revenues. Given no new borrowing expected through the end of fiscal 2019 and Yukon's amortizing debt profile, we expect that the territory's direct debt will continue to decrease modestly. We also expect, however, that YDC will borrow funds in the next two years to help finance its capital expenditure requirements. Using our conservative base-case estimates, we expect total tax-supported debt to increase slightly in fiscal 2018 to about C$220 million and decline thereafter. Tax-supported debt will remain comfortably below 20% of consolidated adjusted operating revenues in the next two years. The territory's interest will also be stable, at less than 0.5% of adjusted operating revenue.

Yukon's contingent liabilities are very low, in our view. In fiscal 2015, the territory's liabilities for vested sick leave and vacation, severances, and known environmental liabilities that totaled about C$137 million, or 11% of adjusted operating revenues. Furthermore, we believe that in the event of financial stress, support for YDC would be limited to no greater than 2% of consolidated operating revenues.

Yukon's financial management is strong, in our opinion. The government has a long track record of strong management that produces solid financial results. An experienced and capable administration implements policy. Budgets provide good prospective visibility but are detailed for only one-year out. Multiyear capital planning is good. Fully consolidated budgets use realistic assumptions but the key mining sector is volatile, introducing uncertainty into medium-term revenue forecasts. Nevertheless, Yukon has been able to produce good financial results over the long term. Actual variations from budget typically have been modest. We believe that the territory's debt policy is prudent:

debt limits are legislated and outstanding balances are well below the limits. Cash and debt management are integrated. Yukon has only one significant government-related entity, YDC, which has a strong policy rationale and has been run prudently.

We believe Canadian territories benefit from a very predictable and well-balanced local and regional government framework that has demonstrated a high degree of institutional stability. Yukon benefits from significant revenue support through the Territorial Formula Financing (TFF) grant, Canada Health Transfer, and Canada Social Transfer payments from the federal government. In fiscal 2016, total transfers represented 83% of reported total revenues. We expect total federal transfers will continue to increase modestly in the next two years.

Yukon's economy is average, in our view, despite its high GDP per capita. Based on the average of data (as per our criteria), we believe that the territory's nominal GDP per capita averaged about US$60,000 for the 2013-2015 period. Our assessment of the strength of Yukon economy is tempered by its concentration in the mining sector and the related volatility; and our opinion that the territory's growth prospects are limited. We believe that the Yukon economy contracted in 2015 for a third consecutive year, as lowered mineral output and low prices continue to weaken the mining sector. We believe that real GDP fell about 4% in 2015 following a 1% decline in both 2013 and 2014. The labor market began to show the effects in 2015 of the continuing economic contraction. While the labor force was unchanged in 2015, the number of employed workers fell 2% during the period. The unemployment rate rose to 6.3% from 4.3% in 2014. For 2016, we expect real GDP will expand by about 3% but contract again in 2017 by as much as 5%.

The territory's budgetary performances are average, in our opinion. We estimate that Yukon recorded an operating surplus of about 6% of adjusted operating revenues in fiscal 2016, which is notably lower than the fiscal 2014 and 2015 surpluses of about 11% of adjusted operating revenues. We also estimate that the government produced an after-capital deficit of about 4% of total revenues, which would be similarly lower than the 5% and 4% after-capital surpluses of fiscal years 2014 and 2015, respectively. The smaller operating surplus in fiscal 2016 resulted from operating expenditure growth outpacing operating revenue growth. Capital expenditures have been rising for the past three fiscal years, putting pressure on after-capital results. Capital spending reached close to C$160 million for fiscal 2016, up from close to C$100 million in fiscal 2015. According to our base-case forecast, we expect Yukon to produce somewhat smaller operating surpluses for the fiscal 2017-2019 period that should average about 3% of projected adjusted operating revenues. We further expect that the territory will produce after-capital deficits over the same period: 6% of total revenues in 2017 and about 2% for both fiscal years 2018 and 2019. Under our base-case scenario for fiscal years 2015-2019, the average operating balance will be close to 5% of annual adjusted operating revenues and the balance after-capital expenditures will average about negative 2% of total revenues.

Although transfers from the federal government provide a stable and predictable revenue source, we believe Yukon's budgetary flexibility is weak. Total transfers, mainly from the TFF grant, the Canada Health Transfer, and the Canada Social Transfer, represented more than 80% of operating revenues, resulting in weak budgetary flexibility. Modifiable revenues are typically small. In fiscal 2016, modifiable revenues equaled about 15% of operating revenues. For our fiscal years 2015-2019 base-case period, modifiable revenues will average about 15% of annual operating revenues. Capital expenditures increased again for the second consecutive year, reaching about C$160 million in fiscal 2016.

They also rose to 12% of total spending, and should stay close to that mark in fiscal 2017, at 11%. For the fiscal years 2015-2019 base-case period, capital expenditures will average about 9% of annual total expenditures.

Liquidity

Yukon's liquidity remains exceptional, in our view. By our estimates, the territory had cash, marketable securities, and portfolio investments of about C$300 million as of the end of fiscal 2016, which would be down from close to C$350 million a year earlier. Liquidity levels fell in fiscal 2016 as the government deployed some of its cash to support its capital program. We expect the government will similarly deploy some of its cash to help finance the fiscal 2017 capital program. Nevertheless, we expect that Yukon's free cash and liquid assets will remain easily above 100% of the next 12 months' debt service. We estimate that the territory's free cash and liquid assets represented close to 40x of its next year's debt service as of the end of fiscal 2016. We believe that Yukon has strong access to external liquidity, in line with that of many Canadian peers.

Outlook

The stable outlook reflects our expectation that, in the next two years, Yukon will produce modest operating surpluses and small after-capital deficits. We also expect that its liquidity will remain exceptional despite some drawdown in the next two years, remaining well above 100% of the next 12 months' debt service, and that the territory's debt burden will remain low, well under 30% of projected consolidated operating revenues.

Although we believe it very unlikely, we might consider a negative rating action if, under our downside-case scenario, financial discipline deteriorates, and there is a significant and sustained weakening of budgetary performance such that Yukon records average operating balances of less than 5% of consolidated operating revenues and after-capital deficits of greater than 5%, leading in turn to lower liquidity or a higher debt burden.

We could raise the ratings if the territory's economy expands so that the concentration and volatility risk fall and economic prospects improve, leading to a growing share of modifiable revenues.

Canadian Intergovernmental System Is Very Predictable And Well-Balanced

We view the Canadian federal-territorial intergovernmental system as being very predictable and well-balanced because of its maturity and stability, low degree of mismatching of revenues and expenditures, high level of transparency and accountability, and very strong likelihood of extraordinary support from the federal government.

The intergovernmental system is mature and has been stable. The division of powers between the two levels is established through federal statutes and agreements between the territories and the federal government. Unlike the constitution, which is almost never amended, agreements with the territories have evolved to reflect growing territorial populations and local decision-making.

Through legislation with the federal government, the TFF grant provides the bulk of the territories' revenues. Constraining the capability to increase own-source revenues are both territorial legislation and the narrowness of territorial economies. Limiting expenditure flexibility is the nature of key spending responsibilities, especially health care, which has been rising steadily.

Financial information is typically timely, accurate, and comprehensive. Although no national standards exist concerning disclosure, territorial financial administration statutes mandate certain requirements (such as budgets and public accounts). Strong national accounting standards exist for all governments based on accrual accounting.

The federal government has a substantial track record of extraordinary support for natural disaster recovery and infrastructure. It can provide extraordinary support through its grant-making powers and significant financial resources.

Yukon's Economy Is Average

Yukon is one of Canada's three territories. It is on the northwest corner of Canada's continental mainland, and had a population of close to 37,400 at the end of July 1, 2015. Based on the average of 2013-2015 data (as per our criteria), we believe that the territory's nominal GDP per capita was about US$60,000, which is very strong in our view. The public sector (public administration, health care and social assistance, and educational services) continues to be the most important sector in the Yukon economy, representing more than 20% of output and employment in 2015, and is a stabilizing force in the economy. We believe the economy does not have the depth and scale of that of domestic and international peers. Within the Canadian peer group, Yukon's economy is considerably less diversified than the larger economies of Ontario and Manitoba.

The primary sector, notably gold, silver, copper, and zinc mining, is also very important to the economy. Mining sector output had been rising in the past decade and has represented more than 20% of Yukon's total output in recent years. Furthermore, mining output depends on the fortune of only a few mines -- the sector has yet to achieve any significant depth. Mining's share of the GDP declined again in 2015 to 12% of factor prices from 18% a year earlier. While below the 20% threshold our criteria outlines, mining continues to be one of the two key drivers in the economy. We expect that, as commodity prices rebound, so will the sector's share of GDP. Accordingly, we continue to believe that mining concentration (and the associated volatility) tempers our assessment of the economy's strength. Furthermore, the sector's downturn has reduced our assessment of Yukon's growth prospects, which we assess as below average, also tempering our assessment of economic strength. Nevertheless, we believe long-term mining prospects are favorable because of the territory's mineral wealth, as demonstrated by other mines that are at various stages of permitting and feasibility assessments.

Real GDP contracts again in 2015

We believe that the Yukon economy contracted again in 2015 for a third consecutive year as lowered mineral output and low prices continue to weaken the mining sector. We believe that real GDP fell about 4% in 2015 following a 1% decline in 2014 and 2013 -- before 2013, the territory recorded 10 consecutive years of real GDP growth. We believe that the declines were largely attributable to the negative impact of lower mineral prices on exploration, development, and production. Other sectors changed little in 2015. Yukon has only the one producing mine, and it could conceivably suspend production one day. For 2016, we expect real GDP will expand by about 3% but contract again in 2017, by as much as 5%.

The labor market began to show the effects in 2015 of the continuing economic contraction. While the labor force was unchanged, the number of employed workers fell 2%. The unemployment rate rose to 6.3% from 4.3% in 2014. Yukon's unemployment rate continues to be below the national average. The territory also has one of the highest participation rates in the country in 2015, at 73.7%.

Yukon's population continued to increase in 2015 and 2016, by about 1% in both years. Net interprovincial and international migration are the predominant sources of this growth; the natural increase from births exceeding deaths has been relatively minor. We do not expect any material change in these trends.

Strong Financial Management

Yukon's financial management is strong, in our view. The government has a long track record of strong management that produces solid financial results. A experienced and capable administration implements policy. Fiscal sustainability is high, in our view. Financial policies are prudent but not extensive. Budgets provide good prospective visibility but are detailed for one-year out. The medium term outlook is prepared differently from the one-year budget and provides less visibility. Multi-year capital planning is good.

Fully consolidated budgets use realistic assumptions. The key mining sector is volatile introducing uncertainty into medium-term revenue forecasts. Nevertheless, the territory has been able to produce good financial results over the long term. Actual variations from budget typically have been modest. We believe that the territory's debt policy is prudent: Debt limits are legislated and outstanding balances are well below the limits. Cash and debt management are integrated. Yukon has only one significant GRE, YDC, which has a strong policy rationale and has been run prudently.

The level of transparency and disclosure in financial statements is average: Notes and schedules provide good disclosure about core government, agencies and boards, and business enterprises. The legislature approves spending estimates and the territory's financial statements are independently audited. In our opinion, the government has a strong track record of passing budgets and meeting goals.

Budgetary Flexibility Is Weak

Total transfers, mainly from the TFF grant, the Canada Health Transfer, and the Canada Social Transfer, represented more than 80% of operating revenues, resulting in weak budgetary flexibility. The territory's dependence on federal transfers is the highest among all provincial peers. Modifiable revenues are small as a result, typically accounting for less than 20% of operating revenues. In fiscal 2016 (year ended March 31), modifiable revenues equaled about 15% of operating revenues. In our fiscal year 2015 to 2019 base-case forecast, modifiable revenues will average about 15% of annual operating revenues.

We believe that in the long term, Yukon's modifiable revenues will increase as the mining sector grows and the economy expands. However, the territory's ability to increase some revenue is somewhat constrained because of the Taxpayer Protection Act, which stipulates that the Yukon government cannot introduce a new tax or increase an existing one (in particular, personal income, corporate income, and fuel taxes) without a referendum. This requirement would weigh more heavily on our flexibility assessment if the territory relied more on own-source revenues, especially tax revenues.

TFF Grant

Yukon's primary source of revenue is the TFF grant from the federal government, which represented 83% of all federal government transfers again in fiscal 2015 and 70% of total revenues. In the next two years, we expect total transfers to show modest annual growth with the three main grants remaining in their historical proportions.

The TFF grant is unconditional, and helps territorial governments fund essential government services such as hospitals, schools, social services, and related infrastructure in the country's north, where there are numerous small and isolated communities. The grant is legislated for five years and was renewed April 1, 2014. We also expect that, although there are some technical changes to the formula with respect to the measurement of tax bases and fiscal capacity, any changes will remain broadly revenue-neutral. Although the TFF grant limits its budgetary flexibility, in our view, it also provides the territory with a large degree of revenue stability and predictability. The TFF is based on the difference between a proxy of Yukon's expenditure needs (the gross expenditure base) and its capacity to generate revenues. Of note, all components of the formula are lagged by two years and based on three-year averages.

Capital expenditures increased again for the second consecutive year, reaching about C$160 million in fiscal 2016. As a share of total expenditures, capital spending is also rising. It reached 12% of total spending in fiscal 2016 and should stay close to that mark in fiscal 2017, at 11%. Capital spending should decline in absolute and relative terms in fiscal years 2018 and 2019. For the fiscal years 2015 to 2019 base-case forecast, capital expenditures will average about 9% of annual total expenditures.

Budgetary Results Are Average In Fiscal 2016

To improve comparability across local and regional governments globally, S&P Global Ratings adjusts the published figures of all governments to reflect their budgetary balances on a cash basis. This includes making adjustments for major accruals and the increase in equity of government business enterprises, restating capital spending back to a cash basis by removing the influence of capital amortization and removing one-time revenue influences. Government-reporting entities include Yukon College, Yukon Hospital Corp., and Yukon Housing Corp.

We estimate that Yukon recorded an operating surplus of about 6% of adjusted operating revenues in fiscal 2016, which is notably lower than the fiscal years 2014 and 2015 surpluses of about 11% of adjusted operating revenues. We also estimate that the government produced an after-capital deficit of about 4% of total revenues, which would be similarly lower than the 5% and 4% after-capital surpluses of fiscal years 2014 and 2015, respectively. The smaller operating surplus in fiscal 2016 followed operating expenditure growth outpacing operating revenue growth.

Operating revenue growth in fiscal 2016 slowed substantially on lower-than-budgeted and fiscal 2015 actual own-source revenues. Specifically, lower-than-budgeted and actual personal and corporate income taxes (and tobacco taxes, to a lesser degree) drove operating revenue growth down. Income taxes fell from fiscal 2015 levels due to the fall in commodity prices that began in 2014 and the knock-on effects on the mining sector and the overall economy in turn. Other operating revenues (with some modest exceptions) showed low but positive growth in fiscal 2016.

Transfers from Canada (the TFF, the Canada health and social transfers, and other transfers) grew close to 3% and were on budget in fiscal 2016.

Adjusted operating expenditures, on the other hand, grew 6.5% in fiscal 2016, by our estimates. All operating expense items, except interest expense, rose notably in fiscal 2016. Health and social services, community and transportation, education, and general government are the territory's main expense areas and represent close to 80% of all operating spending. Some of the expense growth followed population growth, because the territory's population has been increasing about 1% annually; other reasons for spending growth are those typical for all governments, such as wage increases and aging populations.

Capital expenditures have been rising for the past three fiscal years, putting pressure on after-capital results. Capital spending reached close to C$160 million for fiscal 2016, up from close to C$100 million in fiscal 2015. We expect that capital spending will fall modestly in fiscal 2017 and more significantly in 2018 when it reaches about C$100 million. Traditionally, the focus of the territory's capital expenditures has been infrastructure, namely highway and public works, community development (such as water and sewer infrastructure and lot development), social housing, and facilities.

According to our base-case forecast, we expect Yukon to produce somewhat smaller operating surpluses for fiscal years 2017 to 2019 that should average about 3% of projected adjusted operating revenues. We further expect that the territory will produce after-capital deficits over the same period: 6% of total revenues in 2017 and about 2% for both fiscal years 2018 and 2019. Under our base-case scenario for fiscal years 2015 to 2019, the average operating balance will be close to 5% of annual adjusted operating revenues and the balance after-capital expenditures will average about negative 2% of total revenues.

Liquidity Remains Exceptional

Yukon's liquidity remains exceptional in our view. By our estimates, the territory had cash, marketable securities, and portfolio investments of about C$300 million as of fiscal year-end 2016, which would be down from the previous fiscal year, when total liquidity was about close to C$350 million. Liquidity levels fell in fiscal 2016 as the government deployed some of its cash to support its capital program. We expect the government will similarly deploy some of its cash to help finance the fiscal 2017 capital program. Nevertheless, we expect that Yukon's free cash and liquid assets will remain easily above 100% of the next 12 months debt service. We estimate that the territory's free cash and liquid assets represented more than 40x of its next year's debt service as of the end of fiscal 2016. We believe that Yukon has strong access to external liquidity, in line with many of its peer Canadian peers.

Debt Burden Remains Very Low

The territory's total debt outstanding in fiscal 2016 remained very low compared with that of international and domestic peers. By our estimates, direct debt stood at C$56 million at the end of fiscal 2016; tax-supported debt, which includes direct debt, the debt of YDC and YEC, and capital leases, was C$200 million. The modest increase in debt in fiscal 2016 was due to an increase in YDC's debt--direct debt declined slightly during the year. Tax-supported debt represented 16% of consolidated adjusted operating revenues and direct debt was only 5% of adjusted operating revenues. Interest expense was stable, at 0.2% of adjusted operating revenues. The majority of debt outstanding is in the form of bank loans, and we have little concern with respect to refinancing risk associated with maturing debt. In addition, floating-rate exposure is negligible and foreign exchange risk is nonexistent. We believe that the territory's very low debt burden fits well within that of its peer group by all measures, unlike the Canadian provinces, which are typically more indebted than most governments in the 'AA' category.

Under the Yukon Act, the federal government limits the territory's borrowing to C$400 million and includes all drawn facilities. An existing debt regulation clarifies what entities are included under the government. They are: YDC, YEC, Yukon Housing Corp., Yukon College, Yukon Liquor Corp., and Yukon Hospital.

With no new borrowing expected through to the end of fiscal 2019 and an amortizing debt profile, we expect that the territory's direct debt will continue to decrease modestly. We expect, however, that YDC will borrow funds in the next two years to help finance its capital expenditure requirements. Using our conservative base-case estimates, we expect total tax-supported debt to increase slightly in fiscal 2018 to about C$220 million and decline thereafter. Tax-supported debt will remain comfortably below 20% of consolidated adjusted operating revenues in the next two years. The territory's interest will also be stable, at less than 0.5% of adjusted operating revenue.

Contingent Liabilities Are Very Low

Yukon's contingent liabilities are very low in our view. In fiscal 2015, the territory's liabilities for vested sick leave and vacation, severances, and known environmental liabilities that totaled about C$136 million, or 11% of adjusted operating revenues.

Yukon Development Corp.

YDC was created in 1986 through the Yukon Development Corporation Act. Through its subsidiary, YEC, YDC participates with the private sector in developing Yukon by assuring a continuing and adequate supply of energy and cost-effective energy or energy-related infrastructure. YEC is the main generator and transmitter of electrical energy in the territory. It has the capacity to generate 129 megawatts (MW) of power, 92 MW of which come from three hydro facilities. As of Dec. 31, 2015, YDC had assets of C$491.1 million and net income of C$4.7 million on revenues of about C$52.2 million. YEC is a rate-regulated (cost of service model) electric utility that can recover losses from its rate-base.

We believe that, in the event of financial stress, Yukon's support for YDC's operations would be limited to no greater than 2% of consolidated operating revenues. We note that 2% of the territory's operating revenues are equivalent to about half of YDC's annual revenues.

Key Statistics

Table 1

Territory of Yukon -- Economic Statistics					
	2014	**2015bc**	**2016bc**	**2017bc**	**2018bc**
Population	37,000	37,400	37,774	38,152	38,533
Population growth (%)	1.6	1.1	1.0	1.0	1.0
GDP per capita (C$)	70,351	68,346	70,918	67,617	68,956
Real GDP growth (%)	N/A	(2)	2.0	2.0	N/A
Unemployment rate (%)	4.3	4.8	6.3	6.3	6.3

Note: The data and ratios above result in part from S&P Global Ratings' own calculations, drawing on national as well as international sources, reflecting S&P Global Ratings' independent view on the timeliness, coverage, accuracy, credibility, and usability of available information. Sources typically include Statistics Canada. N/A--Not applicable.

Table 2

Territory of Yukon -- Financial Statistics					
	--Budget year--				
(Mil. C$)	**2014**	**2015bc**	**2016bc**	**2017bc**	**2018bc**
Operating revenues	1,228	1,247	1,277	1,305	1,331
Operating expenditures	1,097	1,168	1,243	1,272	1,298
Operating balance	131	79	35	33	33
Operating balance (% of operating revenues)	10.7	6.4	2.7	2.5	2.5
Capital revenues	17	31	35	35	35
Capital expenditures	103	157	148	101	101
Balance after capital accounts	45	(47)	(78)	(33)	(32)
Balance after capital accounts (% of total revenues)	3.6	(3.6)	(6.0)	(2.4)	(2.4)
Debt repaid	6.2	4.7	3.9	3.8	3.9
Balance after debt repayment and onlending	39	(51)	(82)	(36)	(36)
Balance after debt repayment and onlending (% of total revenues)	3.1	(4.0)	(6.3)	(2.7)	(2.7)
Gross borrowings	0	3	0	0	0
Balance after borrowings	39	(48)	(82)	(36)	(36)
Operating revenue growth (%)	2.1	1.6	2.4	2.2	2.0
Operating expenditure growth (%)	2.5	6.5	6.4	2.4	2.0
Modifiable revenues (% of operating revenues)	16.2	14.9	15.0	14.8	14.5
Capital expenditures (% of total expenditures)	8.6	11.8	10.6	7.3	7.2
Direct debt (outstanding at year-end)	59	56	51	46	41
Direct debt (% of operating revenues)	4.8	4.5	4.0	3.6	3.1
Tax-supported debt (% of consolidated operating revenues)	14.7	15.6	14.4	16.4	15.7
Interest (% of operating revenues)	0.2	0.2	0.2	0.2	0.2
Debt service (% of operating revenues)	0.7	0.6	0.5	0.4	0.4

Note: The data and ratios above result in part from S&P Global Ratings' own calculations, drawing on national as well as international sources, reflecting S&P Global Ratings' independent view on the timeliness, coverage, accuracy, credibility, and usability of available information. The main sources are the financial statements and budgets, as provided by the issuer. Base case reflects S&P Global Ratings' expectations of the most likely scenario. Downside case represents some but not all aspects of S&P Global Ratings' scenarios that could be consistent with a downgrade. Upside case represents some but not all aspects of S&P Global Ratings' scenarios that could be consistent with an upgrade. bc--Base case.

Ratings Score Snapshot

Table 3

Territory of Yukon -- Ratings Score Snapshot	
Key rating factors	**Assessment**
Institutional Framework	Very predictable and well-balanced
Economy	Average
Financial Management	Strong
Budgetary Flexibility	Weak
Budgetary Performance	Average
Liquidity	Exceptional
Debt Burden	Very low
Contingent Liabilities	Very low

Note: S&P Global Ratings' credit ratings on local and regional governments are based on eight main rating factors listed in the table above. Section A of S&P Global Ratings' "Methodology For Rating Non-U.S. Local And Regional Governments," published on June 30, 2014, summarizes how the eight factors are combined to derive the foreign currency rating on the government.

Key Sovereign Statistics

- Sovereign Risk Indicators, July 6, 2016. Interactive version available at http://www/spratings.com/sri

Related Criteria And Research

Related Criteria

- Methodology For Rating Non-U.S. Local And Regional Governments, June 30, 2014
- Analyzing The Liquidity Of Non-U.S. Local And Regional Governments And Related Entities And For Rating Their Commercial Paper Programs, Oct. 15, 2009
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009

Ratings Detail (As Of October 25, 2016)	
Yukon (Territory of)	
Issuer Credit Rating	AA/Stable/--
Issuer Credit Ratings History	
08-Jun-2010	AA/Stable/--

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.