

City of Helsingborg

October 20, 2025

This report does not constitute a rating action.

Ratings Score Snapshot

Institutional framework	Individual credit profile	Issuer credit rating
Extremely predictable and supportive	Economy <div><div></div><div></div><div></div><div></div><div></div></div>	AAA/Stable/A-1+ National scale rating --/--/K-1
Very predictable and well-balanced	Financial management <div><div></div><div></div><div></div><div></div><div></div></div>	
Evolving but balanced	Budgetary performance <div><div></div><div></div><div></div><div></div><div></div></div>	
Evolving but unbalanced	Liquidity <div><div></div><div></div><div></div><div></div><div></div></div>	
Volatile and unbalanced	Debt burden <div><div></div><div></div><div></div><div></div><div></div></div>	
Very volatile and underfunded		

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Credit Highlights

Overview

Credit context and assumptions	Base-case expectations
The extremely predictable and supportive institutional framework for Swedish municipalities underpins the ratings on the City of Helsingborg.	Given good expenditure control, we expect Helsingborg will post resilient operating results through 2027.
Helsingborg's local economy is strong, underpinned by close integration in the Öresund region.	Owing to sizable investment needs, we forecast a gradual buildup in nominal debt, but the city will lend a significant share of proceeds to financially healthy municipal companies.
The city benefits from a competent management team committed to budgetary discipline and strict cost control.	We expect Helsingborg will maintain its strong liquidity position.

S&P Global Ratings expects the City of Helsingborg's budgetary performance will remain robust. Supporting our ratings are the expectation that proactive cost management and prudent financial planning will result in ongoing robust cash flow-based operating performance.

The city's investment needs through 2027 are large but manageable. A noticeable share of borrowing proceeds will be lent to companies that Helsingborg owns, primarily its energy company, Öresundskraft.

Management remains committed to maintaining the city's strong liquidity position. Liquidity, consisting of committed facilities from banks as well as cash and tradeable securities, normally sits within 80%-120% of annual debt maturities.

Outlook

The stable outlook reflects our expectation that Helsingborg's management will remain committed to budgetary discipline, both on operations and investments, to comply with its financial targets. This will in turn preserve broadly stable budgetary performance and debt through at least 2027.

Downside scenario

We could consider lowering the ratings if Helsingborg's management displayed weaker budgetary discipline, leading to a significant and structural deterioration of budgetary performance.

Rationale

Helsingborg benefits from close integration with the Öresund region, political stability, and a supportive institutional framework

Helsingborg's local economy remains strong thanks to its close integration with the Öresund region. As a result, its economy is diversified, which leads to a resilient labor market. Still, unemployment remains structurally above the national average, standing at 11.6% at year-end 2024 compared with the national average of 6.8%. In line with other Swedish local and regional governments (LRGs), Helsingborg benefits from Sweden's comparably high wealth levels and resilient economy. We estimate Swedish GDP per capita at about \$59,000 in 2025. On June 30, 2025, Helsingborg's population amounted to 152,644, compared with 152,191 at year-end 2024. Compared with the last few decades, population growth is lower, although it is still somewhat higher than national average.

We regard the political situation in Helsingborg as stable. A center-right minority coalition governs the city, and we have observed consensus regarding long-term strategies and targets for a surplus as percentage of revenue to maintain financial sustainability. Helsingborg has a record of upholding budgetary discipline while using its revenue flexibility to maintain a strong fiscal position. Furthermore, budgeting is predictable and transparent, with formal rules that stipulate clear processes. The city temporarily lowered its internal budget surplus target for 2024 but still complied well with the accrual-based balanced budget requirement for Sweden's LRGs. It counterbalanced this with a correspondingly higher target in its 2025 budget, after which the regular 2% surplus target will resume. We also expect Helsingborg's approach toward managing its debt and liquidity will remain prudent, ensuring sufficient liquidity to cover debt-servicing needs.

We regard the institutional framework for Swedish municipalities as extremely predictable and supportive. In our view, the framework provides for a high degree of stability. The LRG sector's revenue and expenditure management is based on a far-reaching equalization system and significant tax autonomy. Historically, Sweden's central government has provided extensive support to the sector, for example through additional grants distributed in response to the pandemic or, more recently, to cover rising pension costs (see "[Swedish Municipalities And Regions Have Flexibility To Balance Costs](#)," Nov. 29, 2023).

Persistently strong budgetary performance from budgetary discipline will mitigate the buildup of debt

Against the backdrop of a few years of very strong operating margins, Helsingborg's operating surpluses weakened somewhat in 2024, although we forecast them to improve in the 2025-2027 period, remaining comfortably above 5%. We expect tax revenue to increase somewhat slower than our previous expectations, although this is counterbalanced by lower expenditure pressure due to lower inflation and good expenditure control at the municipal boards. On an accrual basis, the city complies well with its internal surplus goal and the regulatory balanced budget requirement.

We continue to forecast that Helsingborg's capital expenditure will be elevated, leading to minor deficits after capital accounts by end of our forecast period. The city's investment needs reflect its changing demographic structure, characterized by a growing share of older citizens. Consequently, a notable part of upcoming investments relates to the construction and refurbishment of nursing homes. Given cost pressure, Helsingborg now engages in stricter prioritization of capital expenditure projects to meet financial targets and mitigate debt buildup.

Because of investment needs for the city and the municipal company sector--particularly its energy company, Öresundskraft--we continue to expect an increase in nominal debt throughout the forecast period through 2027, with some upward pressure on direct debt as percentage of revenue. The largest recipient of Helsingborg's borrowing proceeds is the public housing company, AB Helsingborgshem. The company has a strong financial profile, supported by noncyclical operating cash flows and high local demand for housing. Consequently, in our view, Helsingborg's lending to this entity overstates the city's debt burden. Excluding the lending to this company, the city's direct-debt ratio, which we forecast about 67% at year-end 2027, falls to about 30%. Furthermore, Helsingborg's contingent liabilities, including guarantees extended, remain limited.

Even if Sweden's central bank recently lowered its policy rate, we do not expect a rapid relief in the city's interest burden, as there are still some low-cost fixed rate loans that will need to be refinanced at higher rates, as well as newly renegotiated loans at fixed terms. Still, given that Helsingborg has lent almost all proceeds of its debt to its municipal companies, most interest expense will be paid by the final borrowers and reflected in higher financial revenue, largely neutralizing the effect of higher rates on the city's operating performance.

We view Helsingborg's liquidity position as strong, supported by ample cash holdings and committed facilities. We estimate the city's weighted debt-service coverage ratio at 110%. Through 2027, we expect Helsingborg will remain committed to keeping liquidity sources (including contracted facilities) comfortably within at 80%-120% of annual debt maturities. Moreover, in line with other rated Swedish LRGs, Helsingborg benefits from a strong track record of reliable access to external financing, even in times of financial market stress. The city funds itself exclusively in the capital markets through a Swedish krona (SEK) 8 billion medium-term note (MTN) program, an SEK5 billion CP program, and a €500 million ECP program. It has augmented the MTN program with a green bond framework, further improving access to external capital.

City of Helsingborg Selected Indicators

Mil. SEK	2022	2023	2024	2025bc	2026bc	2027bc
Operating revenue	11,817	12,584	13,119	13,416	13,885	14,311
Operating expenditure	10,362	11,299	12,044	12,187	12,602	13,017

City of Helsingborg Selected Indicators

Operating balance	1,455	1,285	1,075	1,228	1,283	1,294
Operating balance (% of operating revenue)	12.3	10.2	8.2	9.2	9.2	9.0
Capital revenue	172	241	342	50	50	50
Capital expenditure	1,223	1,424	1,370	1,221	1,323	1,493
Balance after capital accounts	404	102	47	58	10	(148)
Balance after capital accounts (% of total revenue)	3.4	0.8	0.4	0.4	0.1	(1.0)
Debt repaid	4,958	5,171	5,503	5,774	4,288	3,038
Gross borrowings	3,615	5,190	4,370	5,820	5,281	3,893
Balance after borrowings	(2,107)	499	(642)	297	0	(0)
Direct debt (outstanding at year-end)	8,838	8,857	7,724	7,770	8,763	9,619
Direct debt (% of operating revenue)	74.8	70.4	58.9	57.9	63.1	67.2
Tax-supported debt (outstanding at year-end)	8,916	8,934	7,815	7,861	8,854	9,710
Tax-supported debt (% of consolidated operating revenue)	50.4	50.1	42.6	41.4	45.0	47.8
Interest (% of operating revenue)	0.8	2.3	2.5	2.4	2.5	2.5
Local GDP per capita (\$)	--	--	--	--	--	--
National GDP per capita (\$)	55,018.5	55,029.0	57,214.9	59,135.3	65,190.5	68,527.6

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. bc--Base case reflects S&P Global Ratings' expectations of the most likely scenario. SEK--Swedish krona. \$--U.S. dollar.

Rating Component Scores

Key rating factors	Scores
Institutional framework	1
Economy	1
Financial management	1
Budgetary performance	2
Liquidity	2
Debt burden	2
Stand-alone credit profile	aaa
Issuer credit rating	AAA

S&P Global Ratings bases its ratings on non-U.S. local and regional governments (LRGs) on the six main rating factors in this table. In the "Methodology For Rating Local And Regional Governments Outside Of The U.S.," published on July 15, 2019, we explain the steps we follow to derive the global scale foreign currency rating on each LRG. The institutional framework is assessed on a six-point scale: 1 is the strongest and 6 the weakest score. Our assessments of economy, financial management, budgetary performance, liquidity, and debt burden are on a five-point scale, with 1 being the strongest score and 5 the weakest.

Key Sovereign Statistics

- [Sovereign Risk Indicators](http://www.spratings.com/ratings/sri), Oct. 9, 2025. Interactive version available at <http://www.spratings.com/ratings/sri>

Related Criteria

- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021
- [Criteria | Governments | International Public Finance: Methodology For Rating Local And Regional Governments Outside Of The U.S.](#), July 15, 2019
- [General Criteria: Methodology For Linking Long-Term And Short-Term Ratings](#), April 7, 2017
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011

Related Research

- [Sweden 'AAA/A-1+' Ratings Affirmed; Outlook Stable](#), June 13, 2025
- [Institutional Framework Assessments For Local And Regional Governments Outside Of The U.S.](#), Sept. 18, 2024
- [Nordic Public Finance Credit Outlook 2024: A Mixed Picture](#), May 16, 2024
- [Institutional Framework Assessment: Swedish Municipalities And Regions Have Flexibility To Balance Costs](#), Nov. 29, 2023

Ratings Detail (as of October 15, 2025)*

Helsingborg (City of)		
Issuer Credit Rating		
		AAA/Stable/A-1+
Nordic Regional Scale		
		--/--/K-1
Issuer Credit Ratings History		
03-May-2012		
		AAA/Stable/A-1+
22-Mar-2011		
		AA+/Positive/A-1+
08-Apr-2010		
		AA+/Stable/A-1+
08-Apr-2010		
		Nordic Regional Scale
		--/--/K-1
11-Nov-2008		
		--/--/NR
31-Dec-1998		
		--/--/K-1

*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.

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