

This Week In Credit

Muted Week For Rating Activity

This report does not constitute a rating action.

Oct. 14, 2024

Key Takeaways

- Rating activity eased last week and remained net negative. Three of the downgrades were to Israeli banks following the same action on the sovereign on Oct. 1.
- Serbia was the only rising star last week, while the only fallen angel was Telefonica Moviles Chile S.A. (Telefonica S.A.).
- There were three defaults, all U.S.-based issuers, with one because of distressed exchange. Defaults came from three different sectors: health care, automotive, and media and entertainment.

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Ratings performance trends

Arrows indicate week over week trend (↑ ↓)

Positive ■ No change ■ Negative ■

Rating actions				Rating transitions			
Upgrades	Downgrades	Positive OLCW changes	Negative OLCW changes	Rising stars	Fallen angels	Risky credits	Defaults
4 ↓	6 ↓	9 ↑	9 ↑	1 ↓	1 ■	0 ↓	3 ↓

Industries most at risk			U.S. distress ratio
Net outlook bias -18.2% Chemicals, packaging, and environmental services ↑	Potential fallen angels 7 Utilities ■	Weakest links 36 Consumer products ■	4.2% ↓

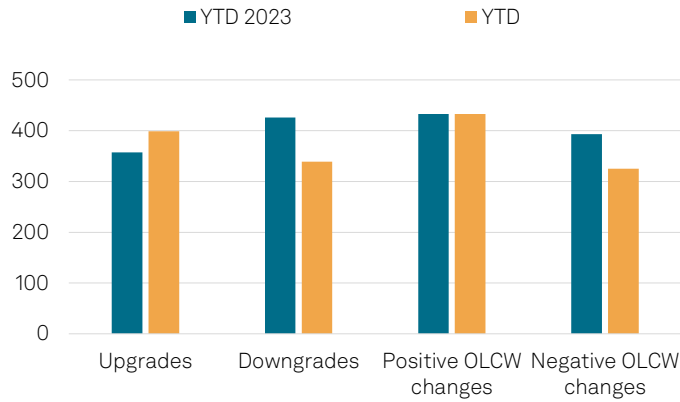
Ratings at a glance					
North America		Europe		Asia-Pacific	
Net outlook bias	-9.1% ■	Net outlook bias	-4.0% ↓	Net outlook bias	0.0% ↑
Potential fallen angels ratio	3.8% ■	Potential fallen angels ratio	3.1% ■	Potential fallen angels ratio	2.0% ■
Weakest links ratio	13.0% ↓	Weakest links ratio	7.0% ↑	Weakest links ratio	5.4% ■

Data as of Oct. 10, 2024. Note: Weekly rating actions, weekly transitions, and industries most at risk are all global data. Data excludes structured and public finance. Upgrades and downgrades exclude no-debt corporate rating actions and confidential rating actions. Downgrades exclude transitions to default. Defaults from confidential issuers are included in the default tally. OLCW--Outlook/CreditWatch. Source: S&P Global Ratings Credit Research & Insights.

Year To This Week

Chart 1

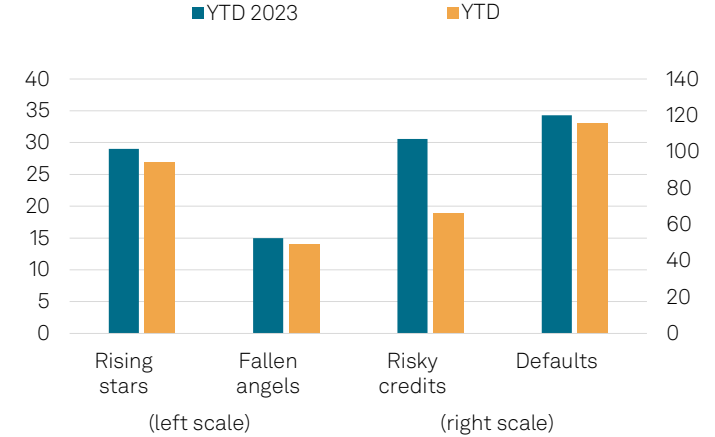
Rating actions Year-to-date total



Data as of Oct. 10, 2024 (2023 data is through Oct. 5). YTD--Year to date. OLCW--Outlook/CreditWatch. Source: S&P Global Ratings Credit Research & Insights.

Chart 2

Rating transitions Year-to-date total

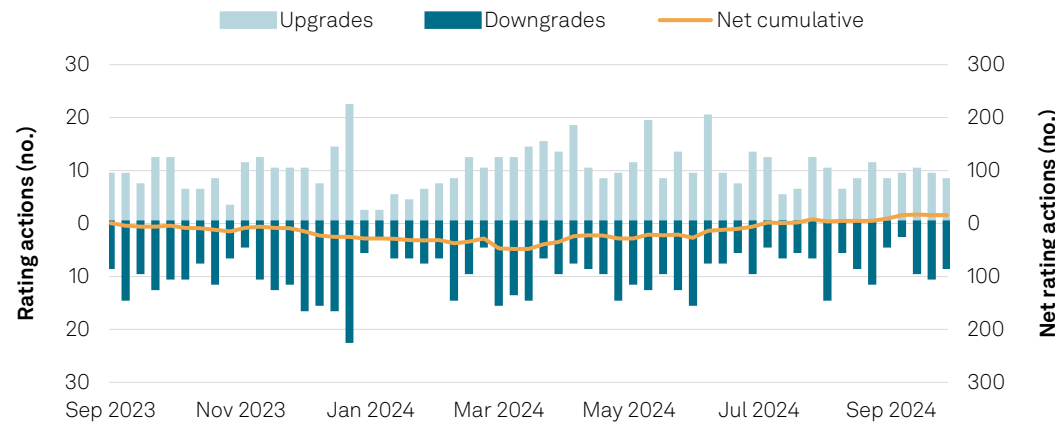


Data as of Oct. 10, 2024 (2023 data is through Oct. 5). YTD--Year to date. Due to a calculation correction, we revised the number of risky credits. Source: S&P Global Ratings Credit Research & Insights.

Chart Of The Week

Chart 3

Global rating actions 2024 Q3 rating actions



This chart was first published in "[Ratings Performance Insights Q3 2024: On A Hot Streak](#)," on Oct. 10, 2024. Data as of Sept. 30, 2024. Includes nonfinancial and financial corporates and sovereigns, excludes defaults. Net cumulative--Total net negative rating actions. Source: S&P Global Ratings Credit Research & Insights.

Related Research

[Credit Trends: U.S. Corporate Bond Yields As Of Oct. 9, 2024](#), Oct. 10, 2024

[CreditWeek: What Are The Credit Risks Of The Escalating And Expanding Middle East Conflict?](#), Oct. 10, 2024

[Ratings Performance Insights Q3 2024: On A Hot Streak](#), Oct. 10, 2024

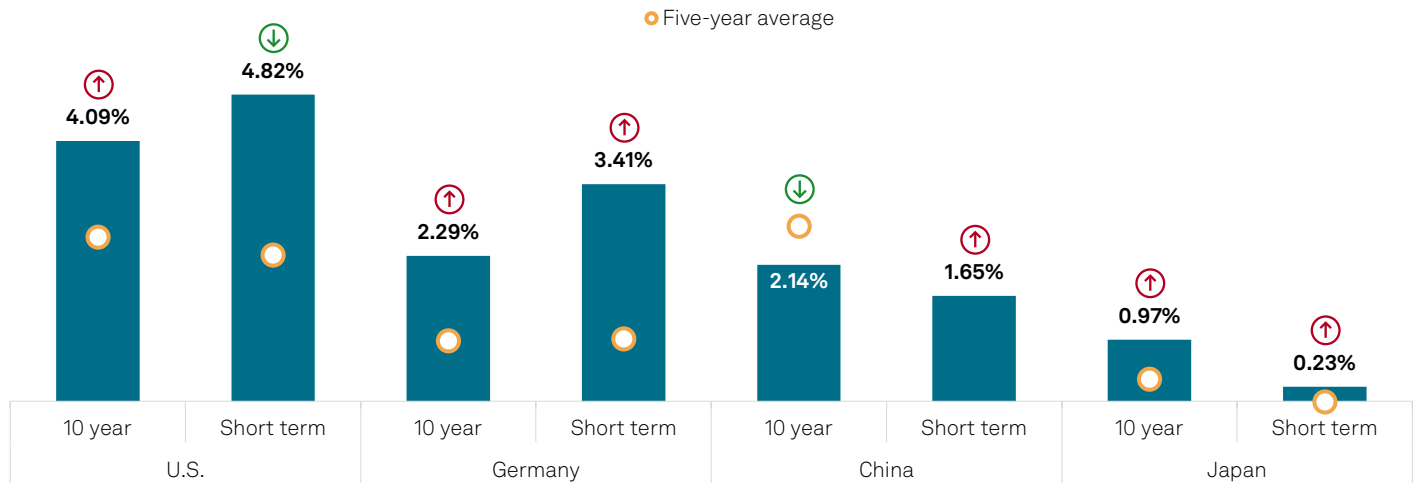
Upcoming Webinars

[S&P Latin America Spotlight - Brazil 2025 Credit Outlook](#), Oct. 22, 2024

Credit Market Conditions

Chart 4

Benchmark yields



Data as of Oct. 10, 2024. Source: S&P Global Ratings Credit Research & Insights, Refinitiv, ICE Data Indices, Federal Reserve Bank of St. Louis. Economics & Country Risk from IHS Markit. Short-term rates: U.S., SOFR; Germany, euro short-term rate; China, DR007; and Japan, uncollateralized overnight call rate.

Chart 5

Secondary market credit spreads

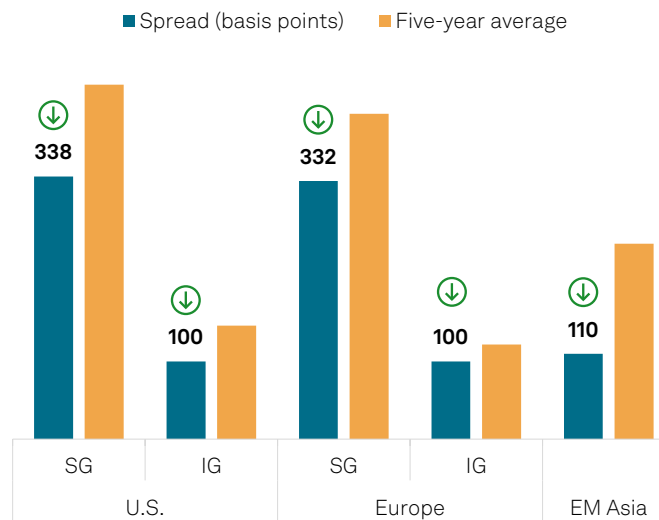
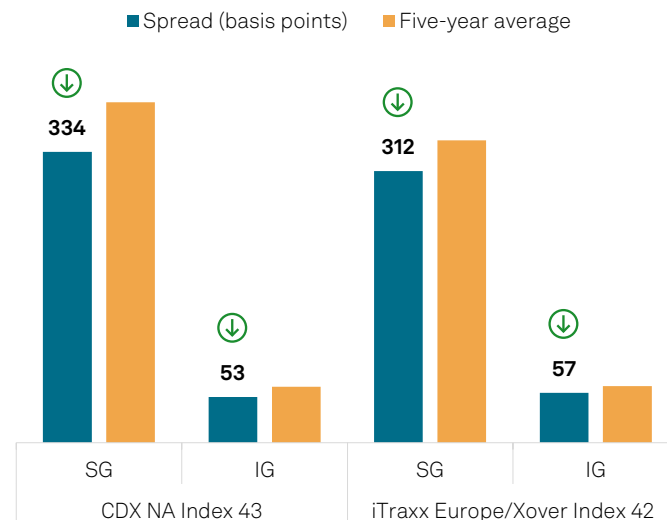


Chart 6

CDS pricing



Data as of Oct. 10, 2024. The arrows indicate weekly trends. SG--Speculative-grade. IG--Investment-grade. EM--Emerging market. Sources: S&P Global Ratings Credit Research & Insights, ICE Data Indices LLC, ICE BofA Euro High-Yield Index Option-Adjusted Spread, retrieved from the Federal Reserve Bank of St. Louis, S&P Global Market Intelligence.

This Week In Credit: Downgrades Nearly Doubled

Table 1

Top 10 upgrades and downgrades by debt

Date	Action	Issuer	Industry	Country	To*	From*	Debt volume (mil. \$)
Oct. 4, 2024	Upgrade	Serbia	Sovereign	Serbia	BBB-/Stable	BB+/Positive	10,215
Oct. 4, 2024	Upgrade	Mongolia	Sovereign	Mongolia	B+/Positive	B/Stable	3,125
Oct. 9, 2024	Downgrade	Bank Leumi le-Israel B.M.	Financial institutions	Israel	BBB+/Negative	A-/Negative	1,750
Oct. 7, 2024	Downgrade	LifeScan Global Corp.	Health care	U.S.	SD/NM	CCC-/Negative	1,586
Sep. 4, 2024	Upgrade	Banco Comercial Portugues S.A.	Financial institutions	Portugal	BBB/Positive	BBB-/Positive	1,379
Oct. 10, 2024	Downgrade	Aimbridge Acquisition Co Inc.	Media and entertainment	U.S.	CCC/Negative	CCC+/Positive	1,034
Sept. 9, 2024	Downgrade	Bank Hapoalim B.M.	Financial institutions	Israel	BBB+/Negative	A-/Negative	1,000
Oct. 9, 2024	Downgrade	8th Avenue Food & Provisions Inc.	Consumer products	U.S.	CCC/Negative	CCC+/Negative	750
Oct. 9, 2024	Downgrade	Mizrahi Tefahot Bank Ltd.	Financial institutions	Israel	BBB+/Negative	A-/Negative	600
Oct. 10, 2024	Downgrade	Telefonica Moviles Chile S.A. (Telefonica S.A.)	Telecommunications	Chile	BB+/Stable	BBB-/Negative	500

Data as of Oct. 10, 2024. Note: Rating actions include financial and nonfinancial corporates and sovereign issuer credit ratings. Excludes no-debt corporate rating actions and confidential rating actions. *Long-term issuer credit rating/outlook or CreditWatch status. Downgrades include defaults. SD--Selective default. D--Default.
Source: S&P Global Ratings Credit Research & Insights.

Table 2

Last week's defaults

Date	Parent company	Country/market	Subsector	To	From	Reason
Oct. 7, 2024	LifeScan Global Corp.	U.S.	Health care	SD	CCC-	Missed payments
Oct. 10, 2024	Accuride Corp.	U.S.	Automotive	D	CCC+	Bankruptcy
Oct. 10, 2024	CareerBuilder LLC,	U.S.	Media and entertainment	SD	CCC-	Distressed exchange

Data as of Oct. 10, 2024. Excludes local currency defaults. Preliminary data. SD--Selective default. D--Default.
Sources: S&P Global Ratings Credit Research & Insights, S&P Global Market Intelligence's CreditPro®.

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Glossary And Abbreviations

Ratings Performance Trends

Fallen angels--Issuers downgraded to speculative-grade from investment-grade.

Investment-grade (IG)--Issuers rated 'BBB-' or above.

Negative bias--Percentage of issuers with a negative outlook or on CreditWatch.

Net outlook bias--Percentage of issuers with a positive bias minus those with a negative bias.

OLCW--Outlooks and CreditWatch placements.

Positive bias--Percentage of issuers with a positive outlook or CreditWatch placement.

Potential fallen angels--Issuers rated 'BBB-' with either a negative outlook or CreditWatch placement.

Potential fallen angel ratio--The number of potential fallen angels divided by the population of issuers rated in the 'BBB' category.

Rising stars--Issuers upgraded to investment-grade from speculative-grade.

Risky credits--Issuers in the 'CCC' rating category.

Speculative-grade (SG)--Issuers rated 'BB+' or below.

U.S. distress ratio--Proportion of speculative-grade issues with option-adjusted composite spreads of more than 1,000 basis points relative to U.S. Treasury bonds.

Weakest links--Issuers rated 'B-' and below with either a negative outlook or CreditWatch placement.

Weakest links ratio--The number of weakest links divided by the total speculative-grade ratings population.

Credit Market Conditions

CDS--Credit default swaps.

DR007--Seven-day repurchase rate for depository institutions.

SOFR--Secured overnight financing rate.

Note: For definitions of ratings, outlooks, CreditWatch status, and other credit terms, see: "[S&P Global Ratings Definitions](#)."

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