

This Week In Credit

Rating Activity Remains Net Positive

This report does not constitute a rating action.

March 31, 2025

Key Takeaways

- Last week, rating activity was still tilted positive with the number of upgrades more than twice that of downgrades. Upgrades included two sovereigns, Albania and Aruba; as well as two Spain-based banks, which were upgraded due to stronger industry dynamics.
- Upgrades also included a rising star--the seventh of 2025--Italy-based payment services provider Nexi SpA, which was upgraded on its positive deleveraging trajectory.
- There was one default last week, Canada-based Mountain Province Diamonds Inc. was downgraded to 'SD' (selective default) on a refinancing transaction that we consider as distressed and tantamount to a default.

Ratings performance trends

Arrows indicate week over week trend ↕ ↘

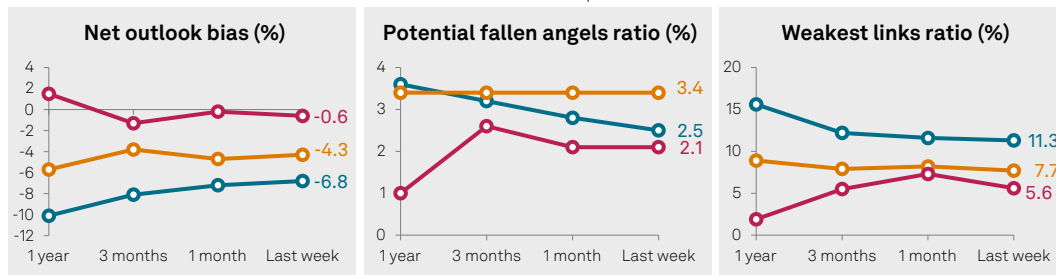
Positive ■ No change ■ Negative ■

Rating actions				Rating transitions			
Upgrades	Downgrades	Positive OLCW changes	Negative OLCW changes	Rising stars	Fallen angels	Risky credits	Defaults
16 ↘	7 ↘	12 ↘	16 ↗	1 ↗	0 ↗	0 ↘	1 ↗

Industries most at risk			U.S. distress ratio (%)
Net outlook bias (%) Chemicals, packaging, and environ. services -18.6 ↘	Potential fallen angels 6 Utilities ↗	Weakest links 33 Consumer products ↗	5.2 ↘

Ratings at a glance

— North America — Europe — Asia-Pacific



Data as of March 27, 2025. 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. As shown in the "Ratings at a glance" graphic all points reference historical point in time data. OLCW--Outlook/CreditWatch. Source: S&P Global Ratings Credit Research & Insights.

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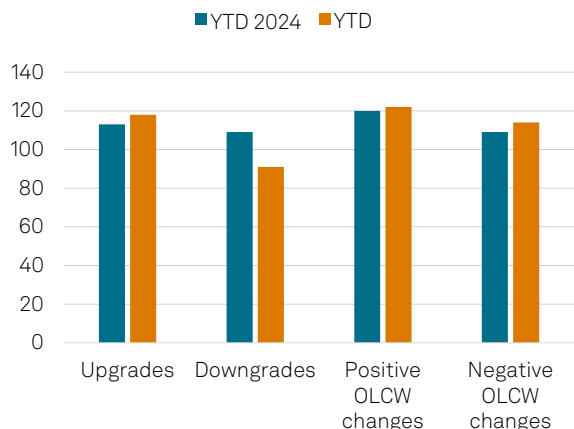
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Year To This Week

Chart 1

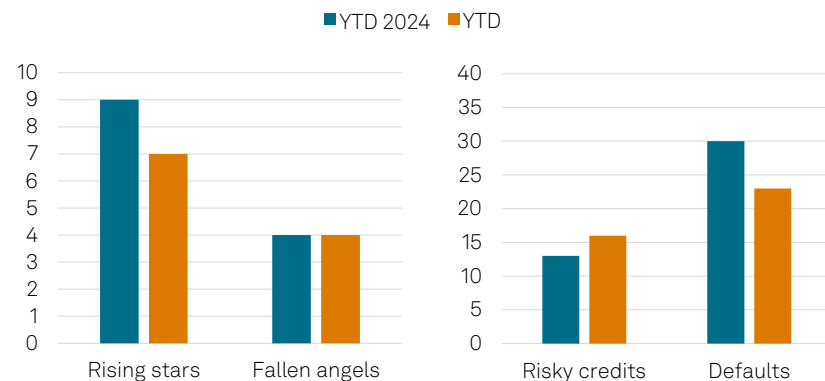
Rating actions Year-to-date total



Data as of March 27, 2025. (2024 data is through March 21).
YTD--Year to date. OLCW--Outlook/CreditWatch.
Source: S&P Global Ratings Credit Research & Insights.

Chart 2

Rating transitions Year-to-date total

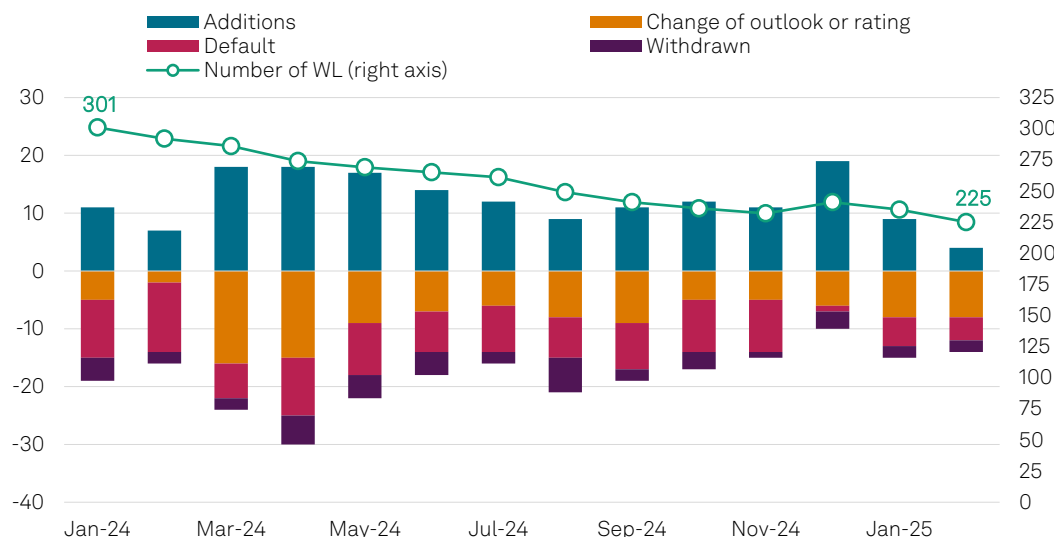


Data as of March 27, 2025. (2024 data is through March 21).
YTD--Year to date.
Source: S&P Global Ratings Credit Research & Insights.

Chart Of The Week

Chart 3

Default as a reason for fall in weakest links remains limited (no.)



Data as of Feb. 28, 2025. This chart was first published in “[This Month In Credit March 2025: Positive Momentum Amid Market Volatility](#)”, on March 27, 2025. Notes: Weakest links include financial and nonfinancial corporate issuers rated ‘B-’ or lower with negative outlooks or on CreditWatch negative. Sources: S&P Global Ratings Credit Research & Insights.

Related Research

[Credit Trends: U.S. Corporate Bond Yields As Of March 26, 2025](#), March 27, 2025

[This Month In Credit March 2025: Positive Momentum Amid Market Volatility](#), March 27, 2025

[Global Economic Outlook Q2 2025: Spike In U.S. Policy Uncertainty Dampens Growth Prospects](#), March 27, 2025

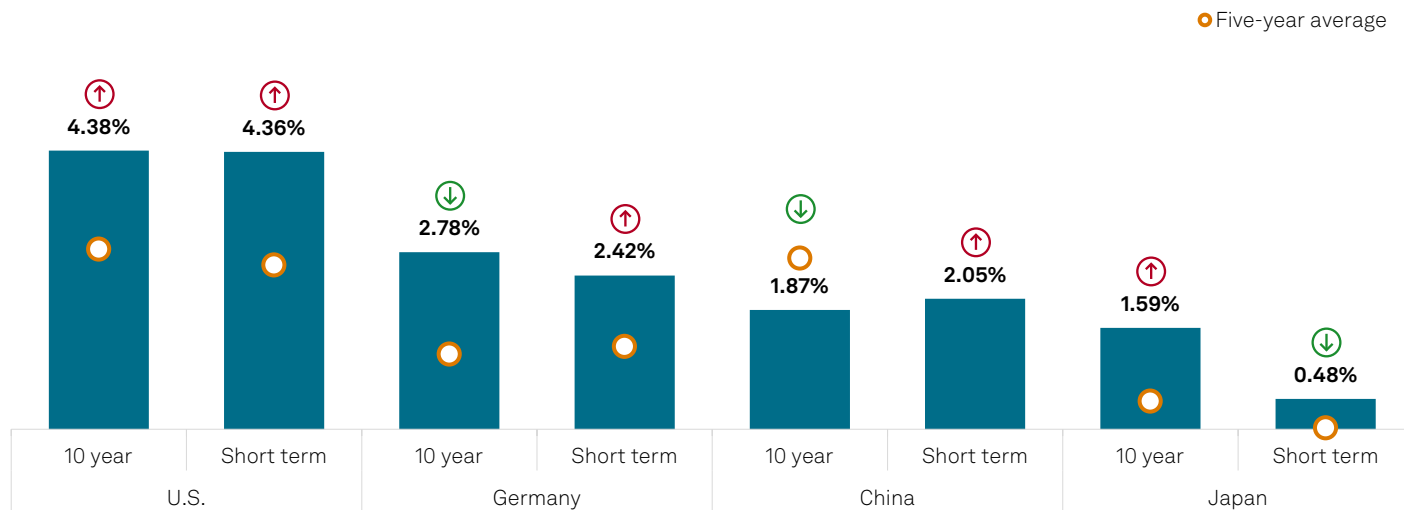
Upcoming Webinars

[Global Credit Conditions Q2: \(AMER/EMEA Session\)](#), April 1, 2025

Credit Market Conditions

Chart 4

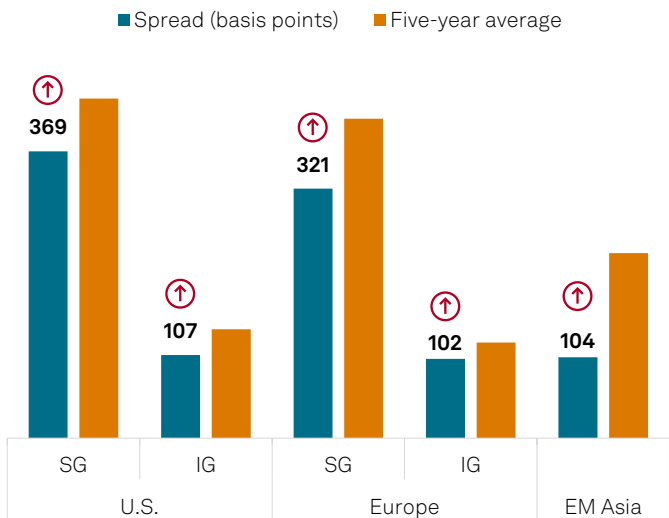
Benchmark yields



Data as of March 27, 2025. Short-term rates: U.S., SOFR; Germany, euro short-term rate; China, DR007; and Japan, uncollateralized overnight call rate. Sources: S&P Global Ratings Credit Research & Insights, Refinitiv, ICE Data Indices, Federal Reserve Bank of St. Louis. Economics & Country Risk, S&P Global Market Intelligence.

Chart 5

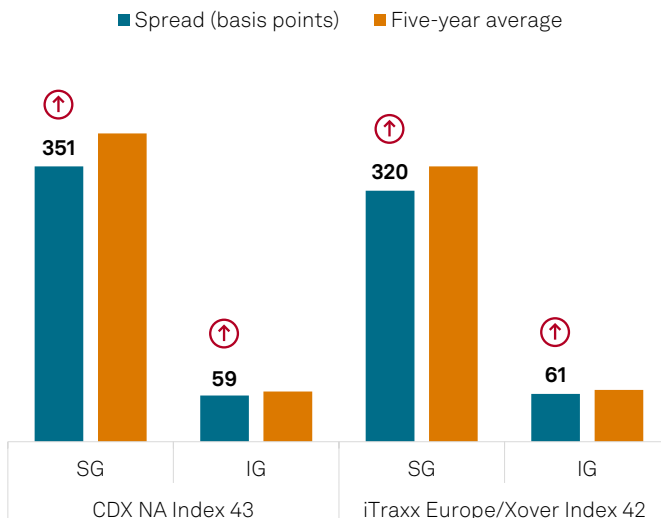
Secondary market credit spreads



Data as of March 27, 2025. 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 Dow Jones Indices.

Chart 6

CDS pricing



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Table 1

Top 10 upgrades and downgrades by debt

Date	Action	Issuer	Industry	Country	To*	From*	Debt volume (mil. \$)
March 25, 2025	Upgrade	General Electric Co.	Aerospace and defense	U.S.	A-/Stable	BBB+/Stable	90,485
March 25, 2025	Upgrade	Carnival Corp.	Media and entertainment	Panama	BB+/Stable	BB/Positive	25,050
March 27, 2025	Upgrade	Banco de Sabadell S.A.	Financial institutions	Spain	A-/Stable	BBB+/Positive	15,759
March 21, 2025	Downgrade	ARD Finance S.A.	Chemicals, packaging, and environmental services	Luxembourg	CC/Negative	CCC-/Negative	15,245
March 27, 2025	Downgrade	Brookfield Property Partners L.P.	Homebuilders/real estate co.	Bermuda	BB-/Stable	BB/Negative	12,181
March 26, 2025	Upgrade	Baker Hughes Co.	Oil and gas	U.S.	A-/Stable	A-/Stable	10,550
March 25, 2025	Upgrade	Wolters Kluwer N.V.	Media and entertainment	Netherlands	A-/Stable	BBB+/Stable	6,976
March 27, 2025	Upgrade	Quanta Services Inc.	Capital goods	U.S.	BBB/Stable	BBB-/Positive	3,650
March 21, 2025	Downgrade	Quest Software U.S. Holdings Inc.	High technology	U.S.	CCC-/Negative	CCC+/Negative	3,575
March 21, 2025	Upgrade	Albania	Sovereign	Albania	BB/Stable	BB-/Stable	3,318

Data as of March 27, 2025. 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 exclude defaults. Source: S&P Global Ratings Credit Research & Insights.

Table 2

Last week's rising stars and fallen angels

Date	Action	Issuer	Industry	Country	To*	From*	Debt volume (mil. \$)
March 25, 2025	Upgrade	Nexi SpA	Financial institutions	Italy	BBB-	BB+	2,269

Data as of March 27, 2025. Note: Rising stars--Issuers upgraded to investment-grade from speculative-grade. Fallen angels--Issuers downgraded to speculative-grade from investment-grade. 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. Source: S&P Global Ratings Credit Research & Insights.

Table 3

Last week's defaults

Date	Parent company	Subsector	Country/Market	To	From	Reason	Debt volume (mil. \$)
March 21, 2025	Mountain Province Diamonds Inc.	Metals, mining, and steel	Canada	SD	CCC/ Negative	Distressed exchange	195

Data as of March 27, 2025. 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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