

# This Week In Credit

## Rating Actions Drop

This report does not constitute a rating action.

(Editor's note: This Week In Credit will take a short break. We plan to publish the next update on April 28, 2025)

April 14, 2025

### Key Takeaways

- The number of rating actions declined last week, with rating activity net positive. Downgrades dropped to three, including one new risky credit (issuers in the 'CCC' rating category)—independent exploration and production company Canacol Energy Ltd.
- There were no defaults last week. The year-to-date total (27) is materially below this point last year (47).
- Credit pricing deteriorated last week, with corporate spreads widening across investment and speculative grades, leading the U.S. distress ratio to climb to 7.7%. In addition, the credit VIX spiked to its highest level since its inception in 2023.

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### Ratings performance trends

Arrows indicate week over week trend ↕ ↘

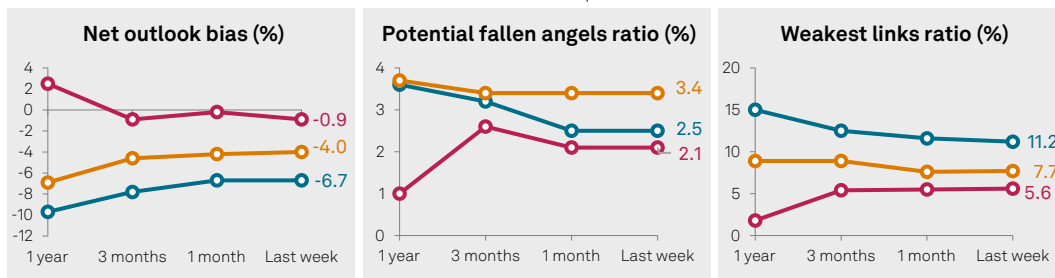
Positive ■ No change ■ Negative ■

| Rating actions |            |                       |                       | Rating transitions |               |               |          |
|----------------|------------|-----------------------|-----------------------|--------------------|---------------|---------------|----------|
| Upgrades       | Downgrades | Positive OLCW changes | Negative OLCW changes | Rising stars       | Fallen angels | Risky credits | Defaults |
| 7 ↘            | 3 ↘        | 6 ↘                   | 5 ↘                   | 0 ↗                | 0 ↗           | 1 ↘           | 0 ↘      |

| Industries most at risk   |   |  | U.S. distress ratio (%) |
|---|---|--|-------------------------|
| <b>Net outlook bias (%)</b><br>Chemicals, packaging, and environ. services<br>-17.7 ↗ | <b>Potential fallen angels</b><br>6 Utilities ↗ | <b>Weakest links</b><br>34 Consumer products ↗ | <b>7.7 ↗</b>            |

### Ratings at a glance

— North America — Europe — Asia-Pacific

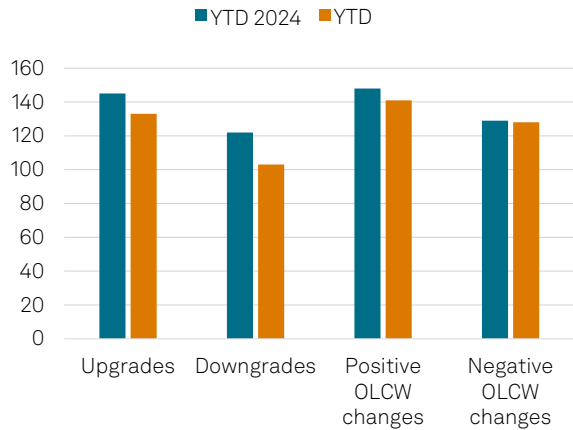


Data as of April 10, 2025. Note: Weekly rating actions, weekly transitions, and industries most at risk are all global data. Data excludes structured and public finance. Upgrades and downgrades exclude no-debt corporate rating actions and confidential rating actions. Downgrades exclude transitions to 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.

## Year To This Week

Chart 1

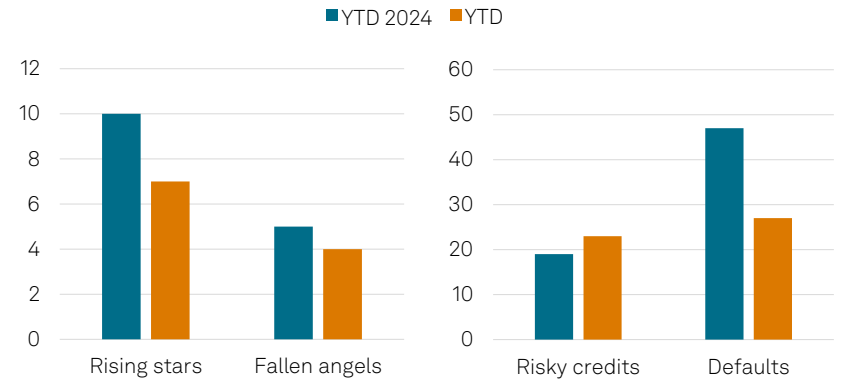
Rating actions  
Year-to-date total



Data as of April 10, 2025. (2024 data is through April 4).  
YTD--Year to date. OLCW--Outlook/CreditWatch.  
Source: S&P Global Ratings Credit Research & Insights.

Chart 2

Rating transitions  
Year-to-date total

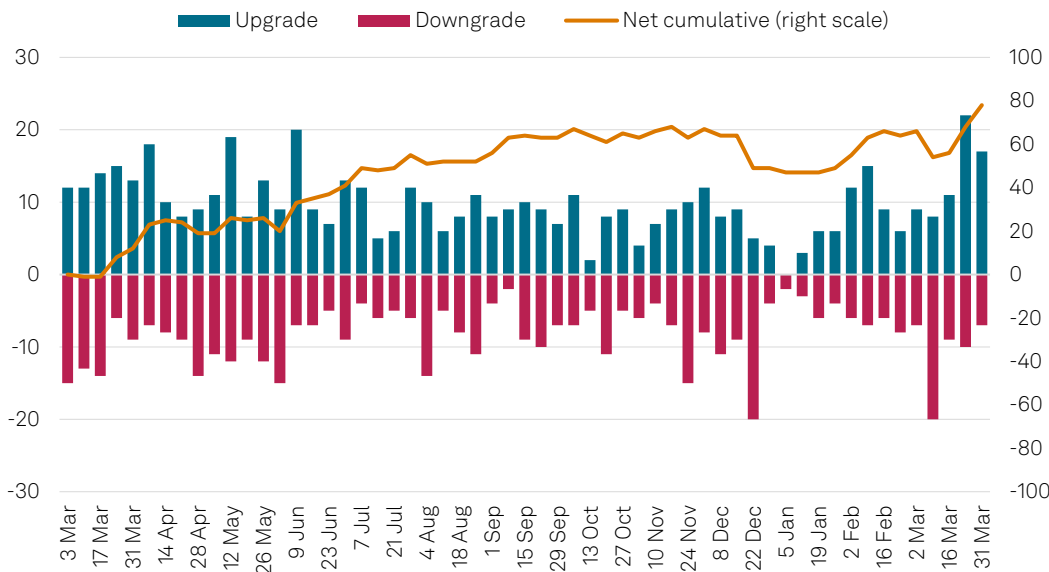


Data as of April 10, 2025. (2024 data is through April 4).  
YTD--Year to date.  
Source: S&P Global Ratings Credit Research & Insights.

## Chart Of The Week

Chart 3

Global Rating Actions Q1 2025



Data as of Mar. 31, 2025. This chart was first published in "[Ratings Performance Insights Q1 2025: A Solid Start](#)", on April 10, 2025. Downgrades are shown as negative numbers. 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 April 9, 2025](#), April 10, 2025

[Ratings Performance Insights Q1 2025: A Solid Start](#), April 10, 2025

[Global Credit Conditions Special Update: Ongoing Reshuffling](#), April 11, 2025

### Upcoming Webinars

[China Financial Sector Shakeup – Strengthening The Base Amid Tariff Downside Risks?](#), April 17, 2025

# Credit Market Conditions

Chart 4

## North America 1-month credit VIX

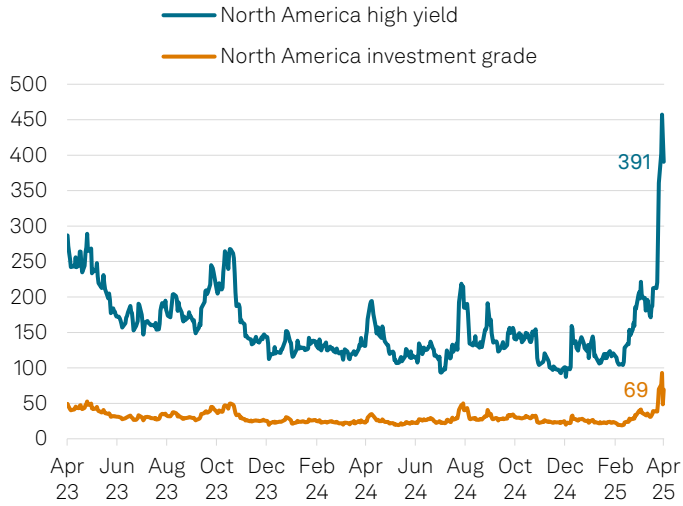
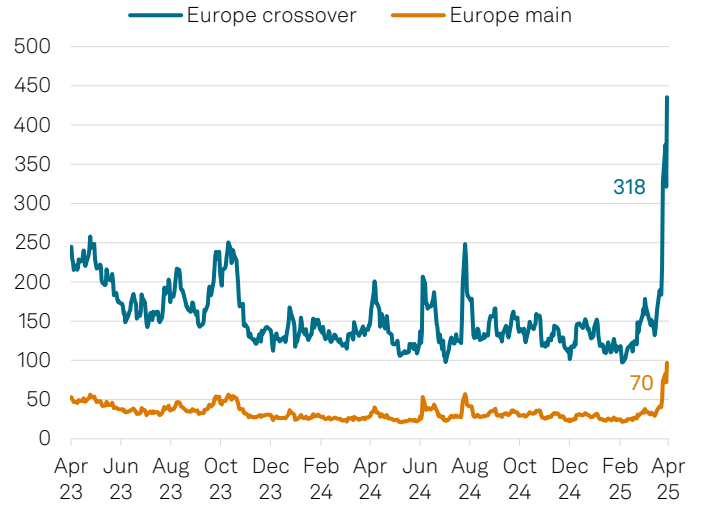


Chart 5

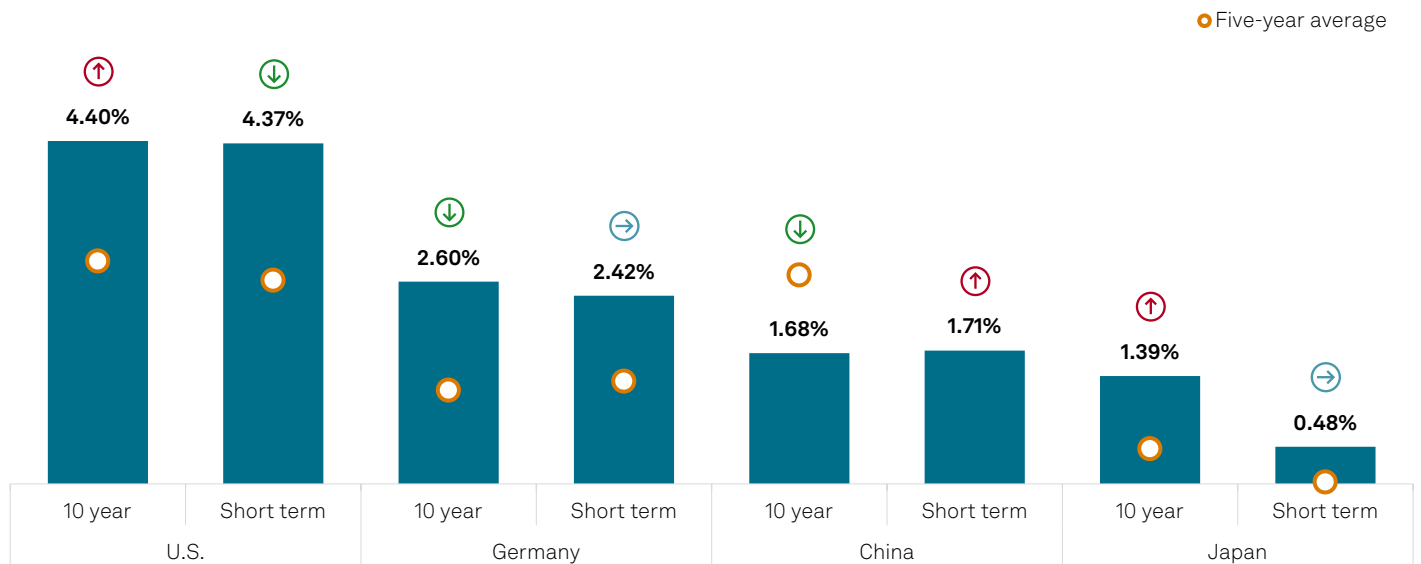
## Europe 1-month credit VIX



Data as of April 10, 2025. Note: Europe Crossover--ITraxx/Cboe Europe Crossover 1-Month Volatility Index (BP Volatility); Europe Main--ITraxx/Cboe Europe Main 1-Month Volatility Index (BP Volatility); NA HY--CDX/Cboe NA High Yield 1-Month Volatility Index (BP Volatility); NA IG--CDX/Cboe NA Investment Grade 1-Month Volatility Index (BP Volatility). The launch date of the indices was October 13, 2023. All information for an index prior to its Launch Date is hypothetical back-tested, not actual performance, based on the index methodology in effect on the Launch Date.  
Source: S&P Dow Jones Indices LLC.

Chart 6

## Benchmark yields



Data as of April 10, 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.

## This Week In Credit: Rating Actions Drop

Chart 7

### Secondary market credit spreads

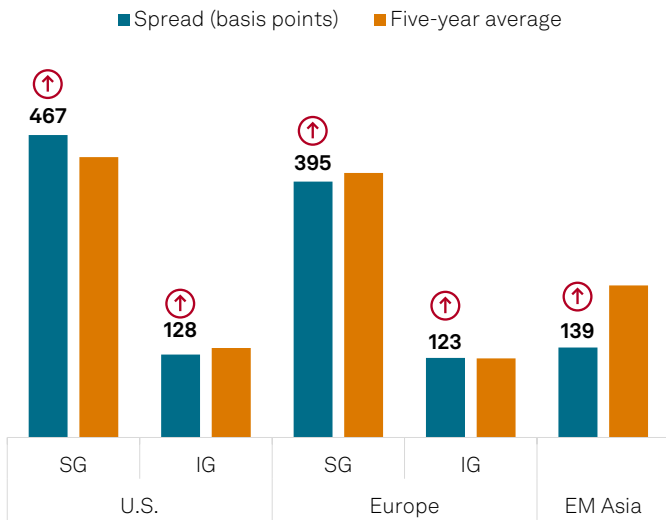
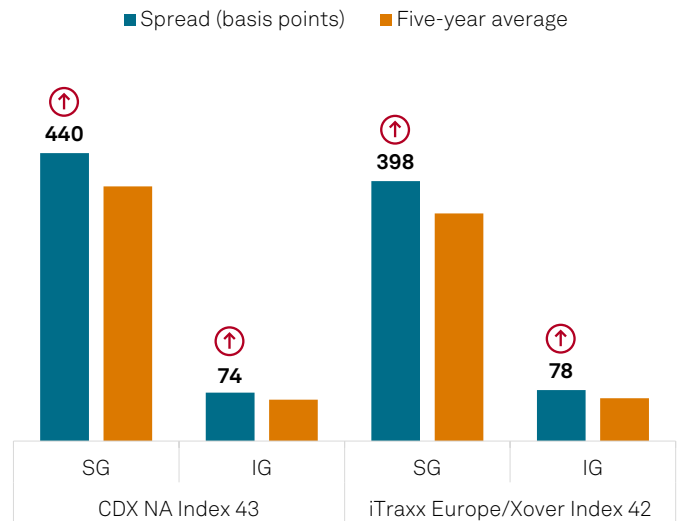


Chart 8

### CDS pricing



Data as of April 10, 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.

## This Week In Credit: Rating Actions Drop

Table 1

### Top 10 upgrades and downgrades by debt

| Date         | Action    | Issuer                             | Industry  | Country | To*           | From*          | Debt volume (mil. \$) |
|--------------|-----------|------------------------------------|---|---------|---------------|----------------|-----------------------|
| Apr. 4, 2025 | Upgrade   | DISH DBS Corp. (EchoStar Corp.)    | Telecommunications                              | U.S.    | CCC+/Negative | CC/Negative    | 11,000                |
| Apr. 7, 2025 | Upgrade   | Global Atlantic Financial Group    | Insurance                                       | Bermuda | BBB/Stable    | BBB-/Positive  | 9,400                 |
| Apr. 8, 2025 | Upgrade   | Permian Resources Corp.            | Oil and gas                                     | U.S.    | BB+/Stable    | BB/Stable      | 4,450                 |
| Apr. 4, 2025 | Upgrade   | VS Holding I Inc.                  | High technology                                 | U.S.    | B+/Stable     | B/Stable       | 3,250                 |
| Apr. 7, 2025 | Downgrade | Aeroporti di Roma SpA (Mundys SpA) | Utilities                                       | Italy   | BBB-/Stable   | BBB/Stable     | 1,867                 |
| Apr. 4, 2025 | Upgrade   | Five Point Holdings LLC            | Homebuilders/real estate co.                    | U.S.    | B/Stable      | B-/Stable      | 1,723                 |
| Apr. 7, 2025 | Upgrade   | Alfa S.A.B. de C.V.                | Consumer products                               | Mexico  | BBB/Stable    | BBB-/Watch Pos | 1,600                 |
| Apr. 7, 2025 | Upgrade   | China General Nuclear Power Corp.  | Utilities                                       | China   | A/Stable      | A-/Stable      | 600                   |
| Apr. 8, 2025 | Downgrade | Canacol Energy Ltd.                | Oil and gas                                     | Canada  | CCC+/Stable   | B-/Negative    | 500                   |
| Apr. 7, 2025 | Downgrade | Lune S.a.r.l                       | Chemicals, packaging and environmental services | France  | CCC/Negative  | CCC+/Negative  | 494                   |

Data as of April 10, 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. \$) |
|------|--------|--------|----------|---------|-----|-------|-----------------------|
|------|--------|--------|----------|---------|-----|-------|-----------------------|

*No rising stars or fallen angels.*

Data as of April 10, 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. \$) |
|------|----------------|-----------|----------------|----|------|--------|-----------------------|
|------|----------------|-----------|----------------|----|------|--------|-----------------------|

*No defaults.*

Data as of April 10, 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."

## This Week In Credit: Rating Actions Drop

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