

This Week In Credit

Ratings Dip: Rising Downgrades And Defaults

S&P Global
Ratings

This report does not constitute a rating action.

Editor's note: We have corrected the first bullet point where we inversed the rating actions on Whirlpool and Berry Global.

May 5, 2025

Key Takeaways

- Net rating activity turned negative last week, as downgrades outnumbered upgrades and included a fallen angel, U.S.-based consumer producer Whirlpool Corp. On the positive side, we added a rising star, U.S.-based consumer packaging company Berry Global Group Inc.
- Three quarters of downgrades originated from three sectors: consumer products, forest products and building materials, and real estate.
- The weekly default count rose to four, up from just one in the previous week, with two issuers each from Luxembourg and the U.S., and three due to distressed exchanges.

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Ratings performance trends

Arrows indicate week over week trend ↗ ↘

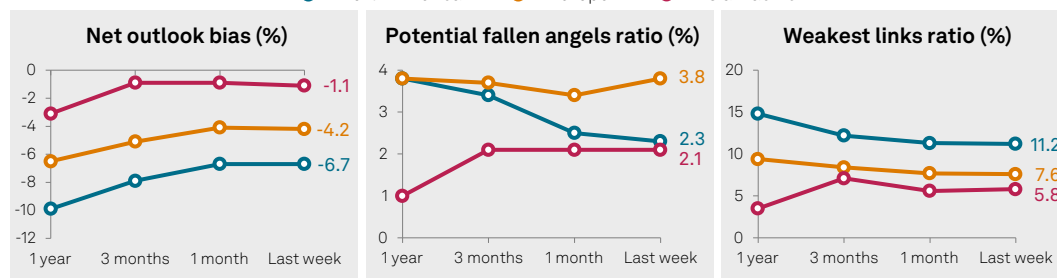
Positive ■ No change ■ Negative ■

Rating actions				Rating transitions			
Upgrades	Downgrades	Positive OLCW changes	Negative OLCW changes	Rising stars	Fallen angels	Risky credits	Defaults
9 ↘	11 ↗	3 ↘	12 ↗	1 ↗	1 →	1 ↗	4 ↗

Industries most at risk			U.S. distress ratio (%)
Net outlook bias (%)	Potential fallen angels	Weakest links	
-17.8 Chemicals, packaging, and environ. services ↘	6 Utilities →	34 Consumer products ↘	7.1 ↗

Ratings at a glance

— North America — Europe — Asia-Pacific

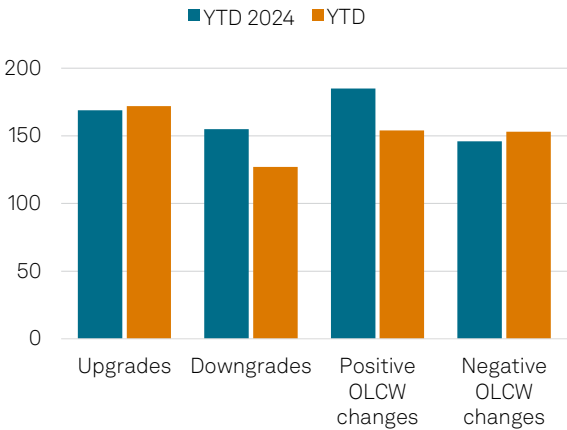


Data as of May 1, 2025. Note: Weekly rating actions, weekly transitions, and industries most at risk are all global data. Data excludes structured and public finance. Upgrades and downgrades exclude no-debt corporate rating actions and confidential rating actions. Downgrades exclude transitions to default. 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

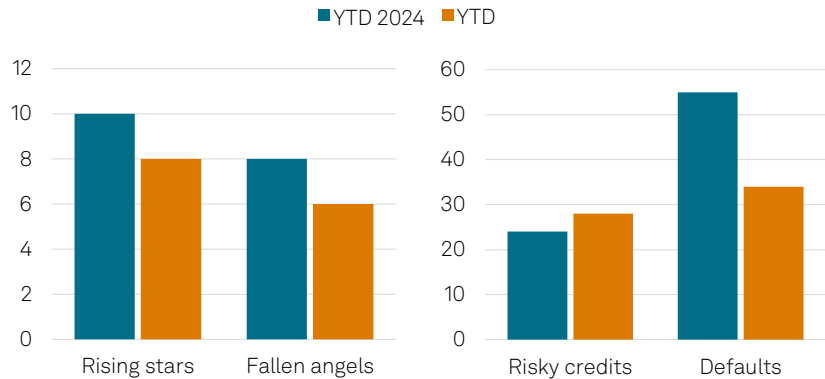
Rating actions
Year-to-date total



Data as of May 1, 2025. (2024 data is through April 25).
YTD--Year to date. OLCW--Outlook/CreditWatch.
Source: S&P Global Ratings Credit Research & Insights.

Chart 2

Rating transitions
Year-to-date total

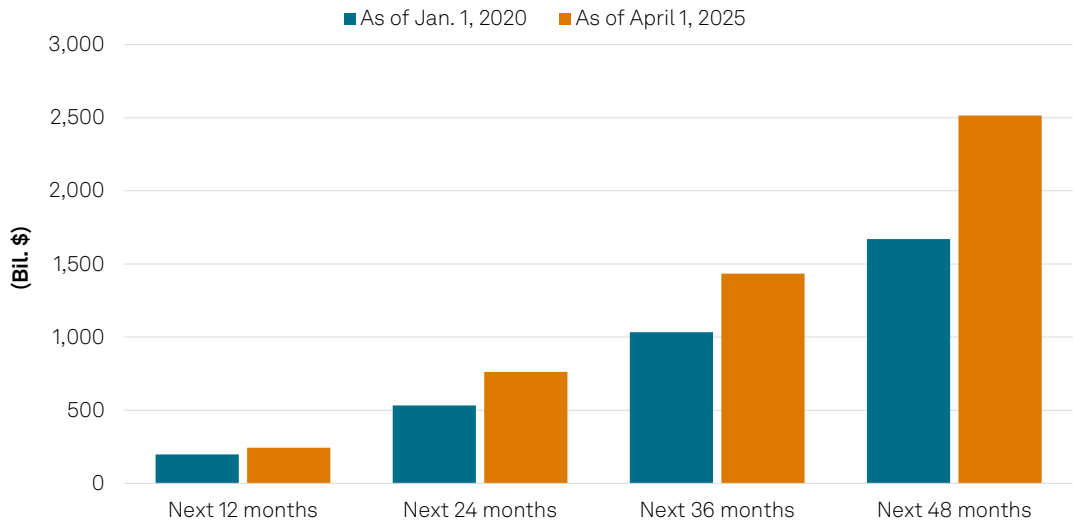


Data as of May 1, 2025. (2024 data is through April 25).
YTD--Year to date.
Source: S&P Global Ratings Credit Research & Insights.

Chart Of The Week

Chart 3

Speculative-grade maturities coming due over the next four years are higher than in 2020



Note: Debt is aggregated to include maturities between the as of date and the subsequent 12, 24, 36, or 48 months. Foreign currencies are converted to U.S. dollars on the respective report period date. Includes nonfinancial corporate issuers' bonds, loans, and revolving credit facilities that are rated 'BB+' and below by S&P Global Ratings. This chart was first published in "[Credit Trends: Global Refinancing: Uncertain Conditions Heighten Maturity Risk](#)" on April 28, 2025.
Source: S&P Global Ratings Credit Research & Insights.

Related Research

[Credit Trends: U.S. Corporate Bond Yields As Of April 30, 2025](#), May 1, 2025

[Credit Trends: Global Refinancing: Uncertain Conditions Heighten Maturity Risk](#), April 28, 2025

[Global Financing Conditions: Peak Uncertainty Leaves A Range Of Projections For Issuance](#), April 28, 2025

[This Month In Credit: Stalling Momentum? \(April 2025\)](#), May 1, 2025

Upcoming Webinars

[Global Credit Conditions: Trade Tensions & Credit Pressures: A Cross-sector Perspective](#), May 9, 2025

Credit Market Conditions

Chart 4

North America 1-month credit VIX

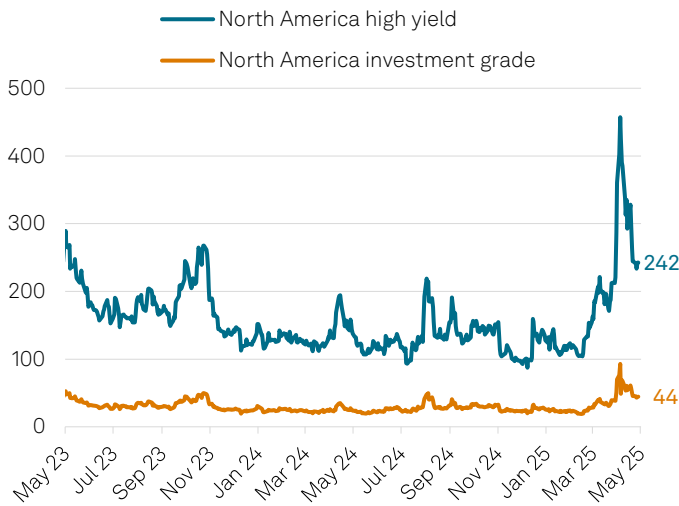
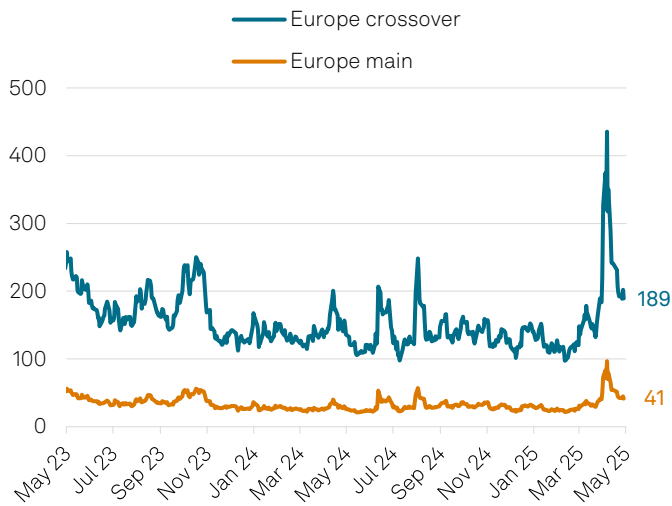


Chart 5

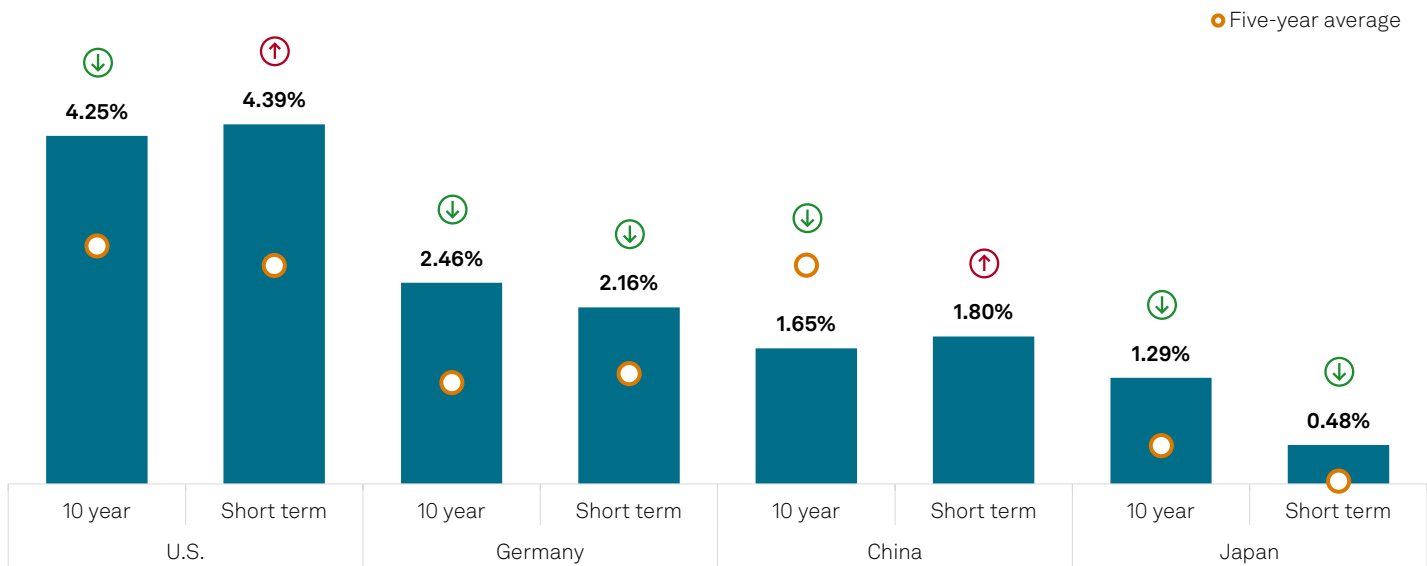
Europe 1-month credit VIX



Data as of May 1, 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 May 1, 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 7

Secondary market credit spreads

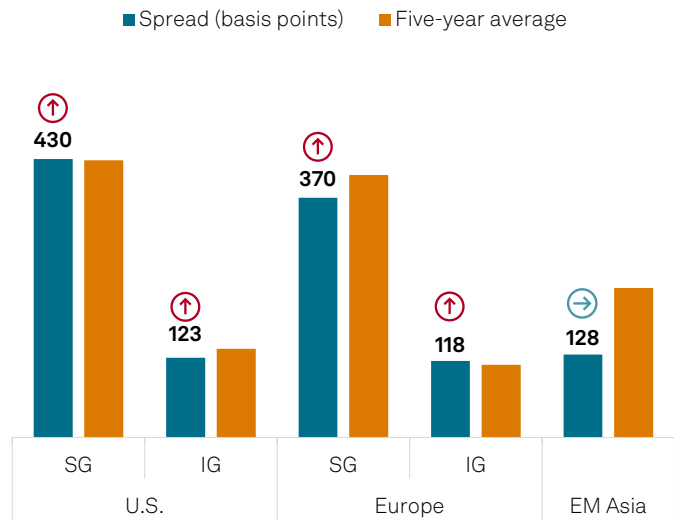
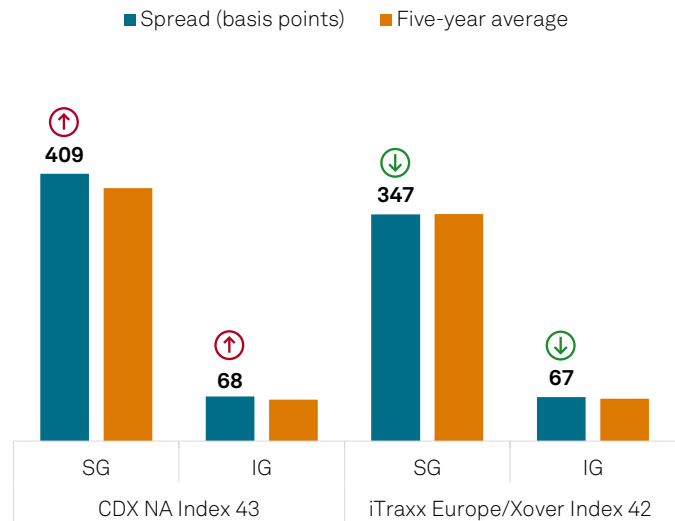


Chart 8

CDS pricing



Data as of May 1, 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: Ratings Dip: Rising Downgrades And Defaults

Table 1

Top 10 upgrades and downgrades by debt

Date	Action	Issuer	Industry	Country	To*	From*	Debt volume (mil. \$)
May 1, 2025	Upgrade	Berry Global Group Inc.	Chemicals, packaging and environmental services	U.S.	BBB/Stable	BB+/Watch Pos	24,921
Apr. 29, 2025	Downgrade	Aroundtown S.A.	Homebuilders/real estate co.	Luxembourg	BBB/Stable	BBB-/Negative	17,361
May 1, 2025	Upgrade	BAE Systems PLC	Aerospace and defense	U.K.	A-/Stable	BBB+/Stable	9,300
Apr. 29, 2025	Downgrade	Grand City Properties S.A.	Homebuilders/real estate co.	Luxembourg	BBB/Stable	BBB-/Negative	5,531
Apr. 28, 2025	Upgrade	Landsbankinn hf.	Financial institutions	Iceland	A-/Stable	BBB+/Positive	4,584
May 1, 2025	Downgrade	Whirlpool Corp.	Consumer products	U.S.	BB+/Stable	BBB-/Negative	3,500
Apr. 25, 2025	Upgrade	Workday Inc.	High technology	U.S.	BBB+/Stable	BBB/Stable	3,000
Apr. 29, 2025	Upgrade	Amynta Holdings LLC	Insurance	U.S.	B/Stable	B-/Positive	2,807
May 1, 2025	Upgrade	Sun Communities Inc.	Homebuilders/real estate co.	U.S.	BBB+/Stable	BBB/Watch Pos	2,700
Apr. 30, 2025	Downgrade	Ahlstrom Holding 3 Oy	Forest products and building materials	Finland	B-/Stable	B/Stable	2,408

Data as of May 1, 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. \$)
May 1, 2025	Upgrade	Berry Global Group Inc. (Amcor PLC)	Chemicals, packaging and environmental services	U.S.	BBB	BB+	24,921
May 1, 2025	Downgrade	Whirlpool Corp.	Consumer products	U.S.	BB+	BBB-	3,500

Data as of May 1, 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. \$)
Apr. 25, 2025	EagleView Technology Corp.	Media and entertainment	U.S.	SD	CCC	Distressed exchange	810
Apr. 28, 2025	Eos Finco S.a r.l.	Consumer products	Luxembourg	SD	CCC+	Missed payments	1,787
Apr. 29, 2025	Kleopatra Holdings 2 S.C.A.	Chemicals, packaging and environmental services	Luxembourg	SD	CC	Distressed exchange	1,862
Apr. 30, 2025	Community Health Systems Inc.	Health care	U.S.	SD	CCC+	Distressed exchange	10,445

Data as of May 1, 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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