

# This Week In Credit

## Highest Weekly Defaults Since May 2023

S&P Global  
Ratings

This report does not constitute a rating action.

May 26, 2025

### Key Takeaways

- Negative rating actions dominated as downgrades outnumbered upgrades for the fourth consecutive week. Downgrades were overwhelmingly on issuers rated speculative grade, including one fallen angel from the media and entertainment sector, Warner Bros. Discovery Inc.
- Among the sectors, consumer products saw the most pronounced credit deterioration last week: It led the number of downgrades with four, saw two risky credit additions, and also one default, U.S. beverage manufacturer Naked Juice LLC.
- There were seven defaults last week--the highest weekly count since May 2023, five of which were due to missed payments.

### Contacts

**Sarah Limbach**  
Paris  
sarah.limbach@spglobal.com

**Patrick Drury Byrne**  
Dublin  
patrick.drurybyrne@spglobal.com

**Vincent Conti**  
Singapore  
vincent.conti@spglobal.com

### Media Contacts

**Jeff Sexton**  
New York  
jeff.sexton@spglobal.com

**Michelle James**  
London  
michelle.james@spglobal.com

**Michelle Lei**  
Beijing  
michelle.lei@spglobal.com

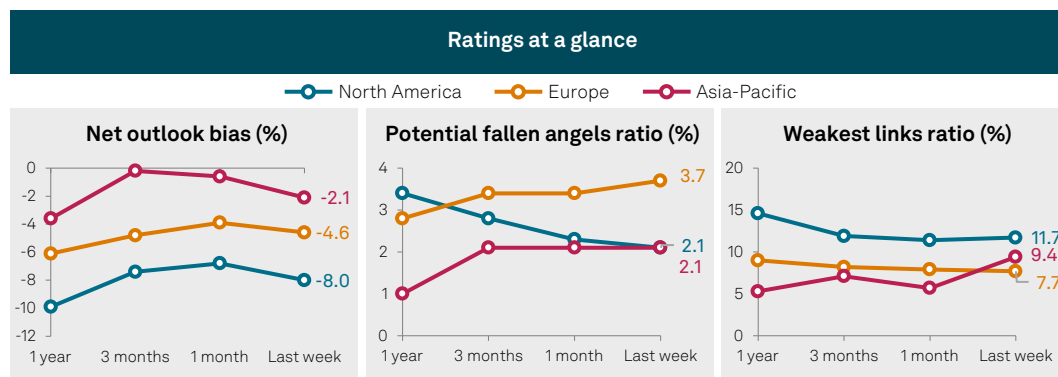
### Ratings performance trends

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
11 ↗	15 ↗	11 ↗	14 ↘	0 →	1 ↗	5 ↗	7 ↗

Industries most at risk			U.S. distress ratio (%)
Net outlook bias (%)	Potential fallen angels	Weakest links	
-19.6 Retail/restaurants ↘	6 Utilities →	36 Consumer products ↗	6.0 ↗

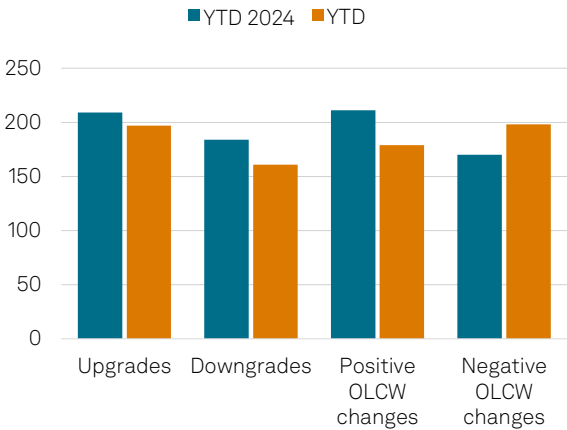


Data as of May 22, 2025. Note: Weekly rating actions, weekly transitions, and industries most at risk are all global data. Data excludes structured and public finance. Upgrades and downgrades exclude no-debt corporate rating actions and confidential rating actions. Downgrades exclude transitions to default. 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

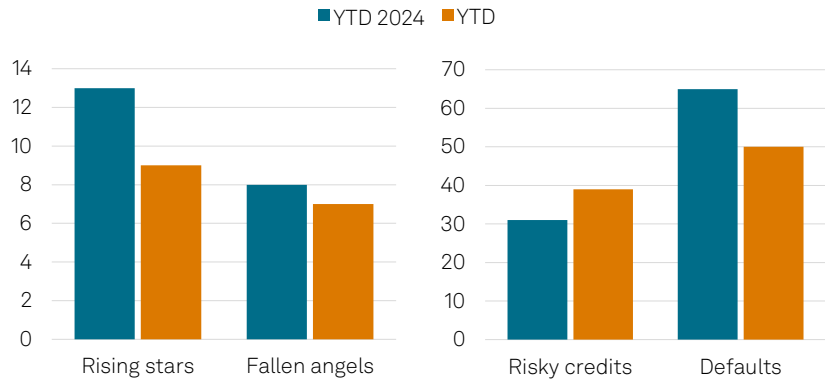
Rating actions  
Year-to-date total



Data as of May 22, 2025. (2024 data is through May 16).  
YTD--Year to date. OLCW--Outlook/CreditWatch.  
Source: S&P Global Ratings Credit Research & Insights.

Chart 2

Rating transitions  
Year-to-date total

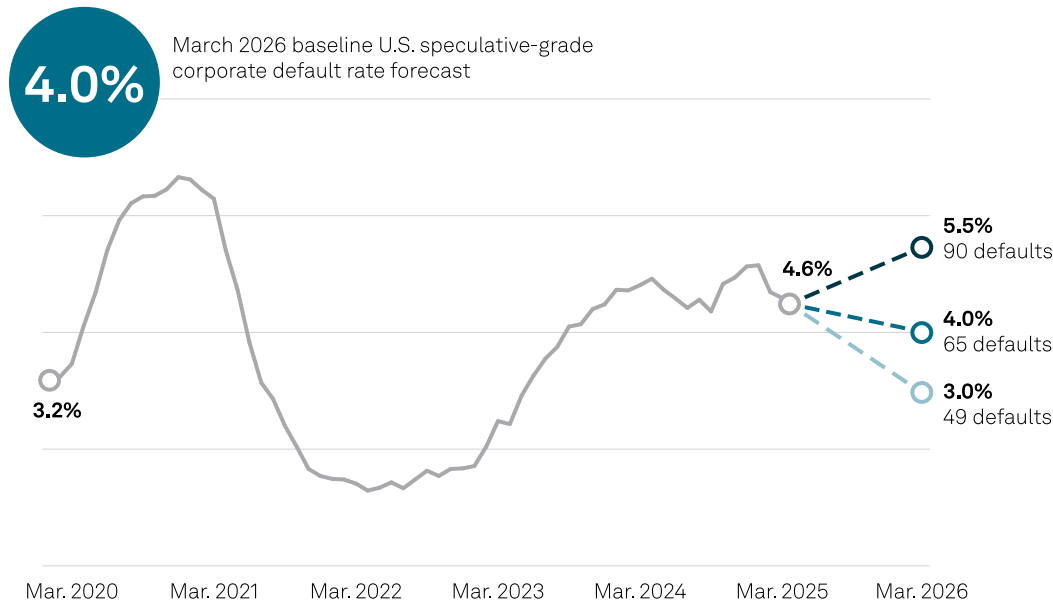


Data as of May 22, 2025. (2024 data is through May 16).  
YTD--Year to date.  
Source: S&P Global Ratings Credit Research & Insights.

## Chart Of The Week

Chart 3

U.S. speculative-grade default rate expected to fall to 4% by March 2026



Data as of March 31, 2025. Includes forecasts for pessimistic scenario (90 defaults), base scenario (65 defaults) and optimistic scenario (49 defaults). As of March 2025, S&P Global Ratings rated 1,635 U.S. speculative-grade corporate issuers. This chart was first published in " [The U.S. Speculative-Grade Corporate Default Rate Could Reach 4% By March 2026](#) " on May 21, 2025. Source: S&P Global Ratings Credit Research & Insights.

## Related Research

[Credit Trends: U.S. Corporate Bond Yields As Of May 21, 2025](#), May 22, 2025

[The European Speculative-Grade Default Rate Could Ease Slightly To 3.6% By March 2026](#), May 23, 2025

[Peak Near-Term Sustainable Bond Maturities Appear To Be Manageable](#), May 22, 2025

[The U.S. Speculative-Grade Corporate Default Rate Could Reach 4% By March 2026](#), May 21, 2025

## Upcoming Webinars

[Spotlight on G-SIBs \(AMER / EMEA Session\)](#) May 28, 2025

# Credit Market Conditions

Chart 4

North America 1-month Credit VIX

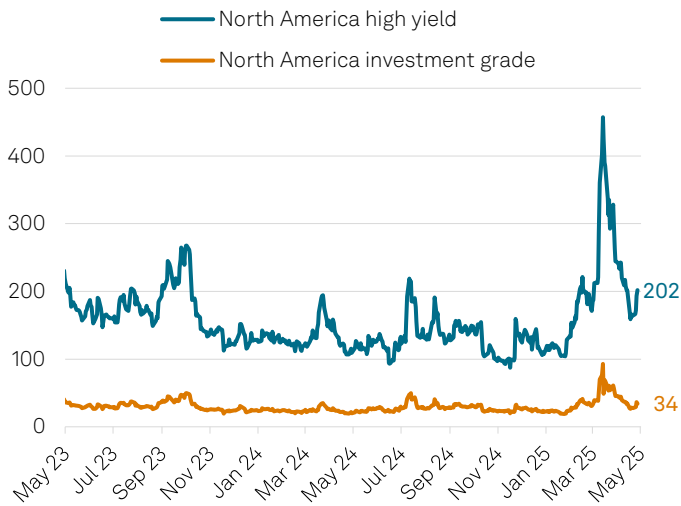
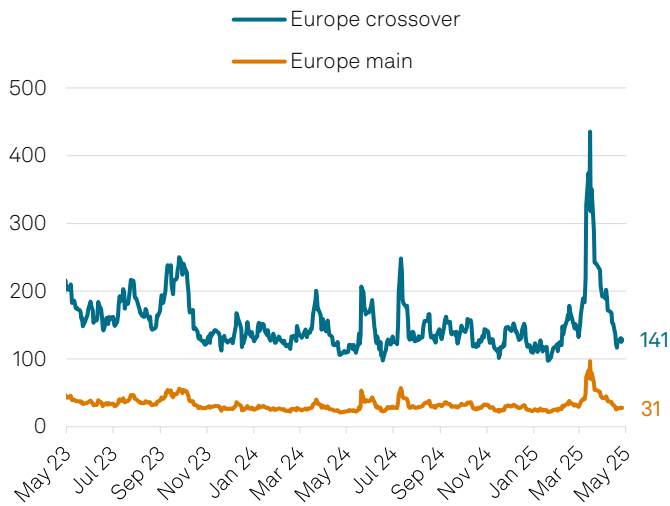


Chart 5

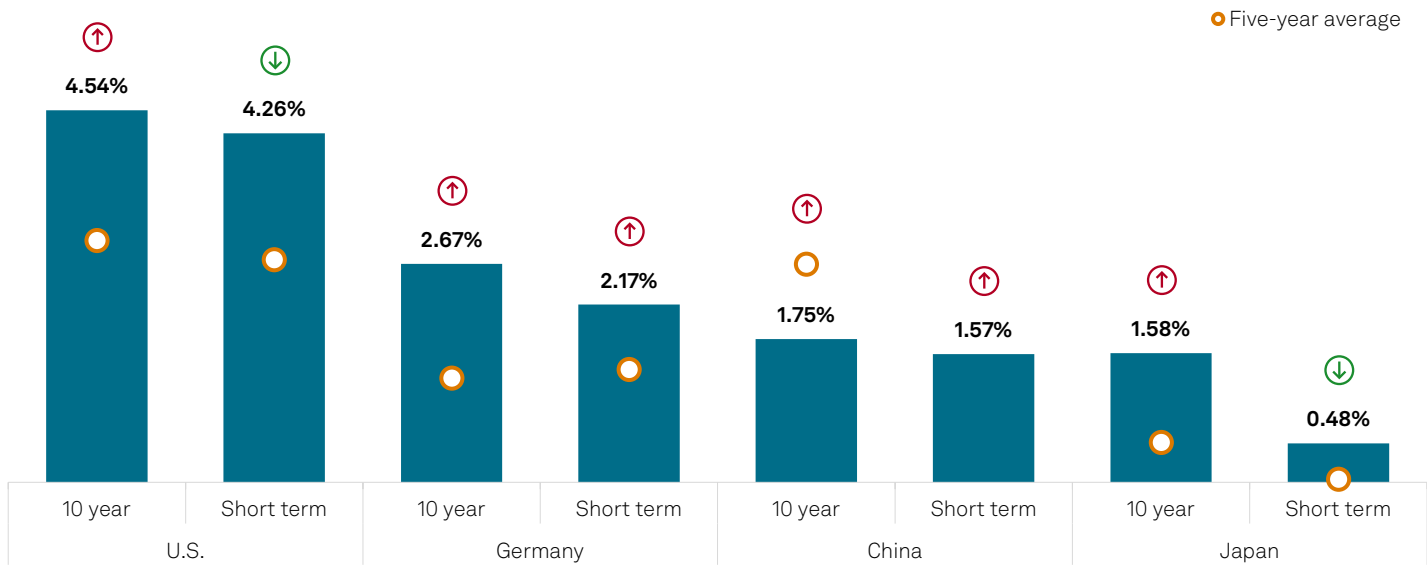
Europe 1-month Credit VIX



Data as of May 22, 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); North America high yield--CDX/Cboe NA High-yield 1-Month Volatility Index (BP Volatility); North America investment grade--CDX/Cboe NA Investment-grade 1-Month Volatility Index (BP Volatility). The launch date of the indices was Oct. 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's Credit Volatility Indices (Credit VIX).

Chart 6

Benchmark yields



Data as of May 22, 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

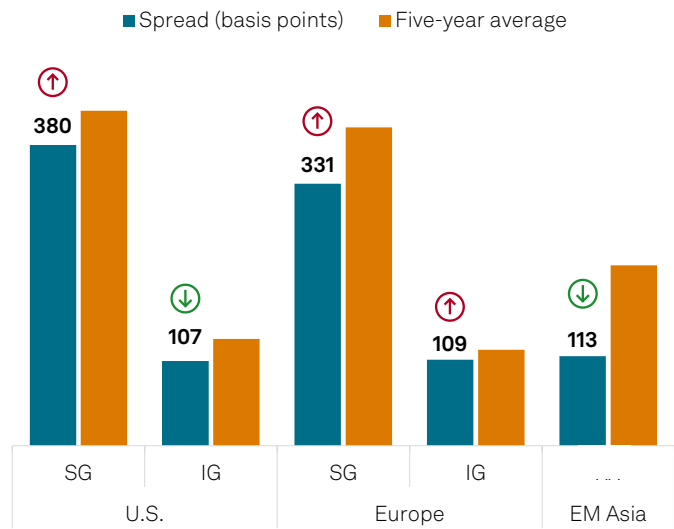
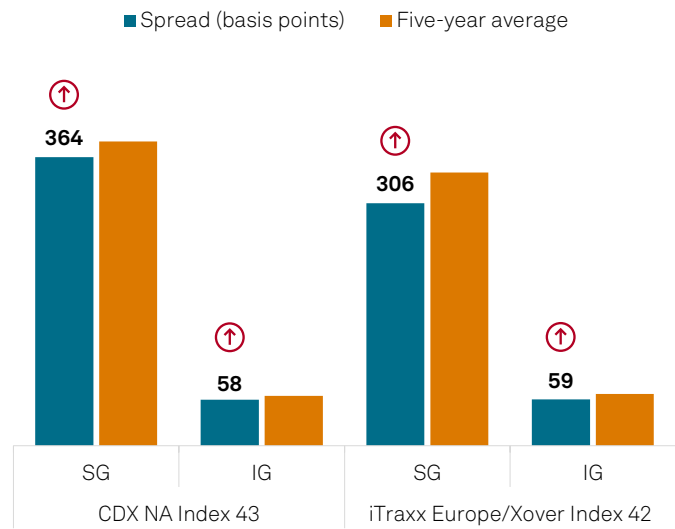


Chart 8

CDS pricing



Data as of May 22, 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: Highest Weekly Defaults Since May 2023

Table 1

### Top 10 upgrades and downgrades by debt

Date	Action	Issuer	Industry	Country	To*	From*	Debt volume (mil. \$)
May 20, 2025	Downgrade	Warner Bros. Discovery Inc.	Media and entertainment	U.S.	BB+/Stable	BBB-/Negative	14,461
May 21, 2025	Upgrade	HUB International Ltd.	Insurance	U.S.	B+/Stable	B/Positive	11,797
May 18, 2025	Upgrade	Discover Financial Services	Financial institutions	U.S.	BBB/Stable	BBB-/Watch Pos	8,373
May 19, 2025	Upgrade	Novo Nordisk A/S	Health care	Denmark	AA/Stable	AA-/Stable	7,752
May 20, 2025	Upgrade	Ryman Hospitality Properties Inc.	Media and entertainment	U.S.	BB-/Stable	B+/Positive	6,804
May 22, 2025	Upgrade	Griffin Global Asset Management Holdings Ltd.	Financial institutions	Cayman Islands	BB/Stable	BB-/Positive	2,500
May 20, 2025	Upgrade	Pershing Square Holdings Ltd.	Financial institutions	U.S.	A-/Stable	BBB+/Positive	2,358
May 16, 2025	Downgrade	Suedzucker AG	Consumer products	Germany	BBB-/Stable	BBB/Negative	2,355
May 20, 2025	Upgrade	Arctera Holdings Ltd.	High technology	Bermuda	CCC+/Stable	CCC/Watch Pos	1,724
May 16, 2025	Downgrade	Cable One Inc.	Telecommunications	U.S.	BB-/Negative	BB/Negative	1,450

Data as of May 22, 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 22, 2025	Downgrade	Warner Bros. Discovery Inc.	Media and entertainment	U.S.	BB+	BBB-	14,461

Data as of May 22, 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	To	From	Reason
May 16, 25	Altice France Holding S.A.	Telecommunications	Luxembourg	D	CC	Missed payment
May 16, 2025	Urban One Inc.	Media and entertainment	U.S.	SD	CCC+	Distressed exchange
May 19, 2025	Investimentos e Participacoes em Infraestrutura S.A. - Invepar	Transportation	Brazil	D	CC	Missed payment
May 20, 2025	Naked Juice LLC	Consumer products	U.S.	D	CC	Distressed exchange
May 20, 2025	Nitrogenmuvek Zrt	Chemicals, packaging and environmental services	Hungary	D	CCC-	Missed payment
May 20, 2025	Oi S.A.	Telecommunications	Brazil	SD	CCC	Missed payment
May 22, 2025	Aegis Toxicology Sciences Corp.	Health care	U.S.	D	CCC-	Missed payment

Data as of May 22, 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®.

## Research Contributors

Suresh Kasa  
Mumbai

Amol Nakashe  
Mumbai

Deegant Pandya  
New York

Bushra Dawawala  
Mumbai

## 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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