

This Week In Credit

Net Downgrades Streak Continues

S&P Global
Ratings

This report does not constitute a rating action.

June 9, 2025

Key Takeaways

- Downgrades outnumbered upgrades for the sixth consecutive week, cumulatively exceeding upgrades by nearly 60% over the period. However, positive outlooks and CreditWatch placements were at least double the negative ones for the second week in a row.
- Downgrades mainly affected speculative-grade issuers, across 10 different sectors, including six issuers rated 'B-' or below and one new risky credit (an issuer in our 'CCC' category). Meanwhile, upgrades were in four sectors, mostly involving investment-grade issuers.
- Last week there were three defaults, each in a different sector and all due to distressed exchanges, bringing the year-to-date total to 55.

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Ratings performance trends

Arrows indicate week over week trend ↗ ↘

Positive ■

No change ■

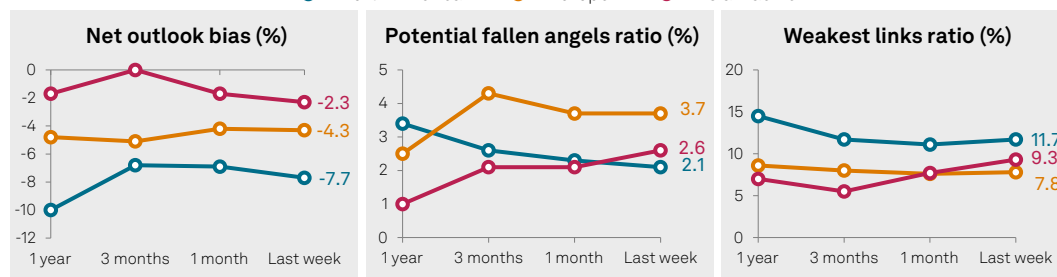
Negative ■

Rating actions				Rating transitions			
Upgrades	Downgrades	Positive OLCW changes	Negative OLCW changes	Rising stars	Fallen angels	Risky credits	Defaults
5 ↗	13 ↗	15 ↗	7 ↗	0 ↗	0 ↗	1 ↗	3 ↗

Industries most at risk			U.S. distress ratio (%)
Net outlook bias (%)	Potential fallen angels	Weakest links	
-19.2 Retail/restaurants ↗	6 Utilities ↗	38 Consumer products ↗	5.6 ↗

Ratings at a glance

— North America — Europe — Asia-Pacific

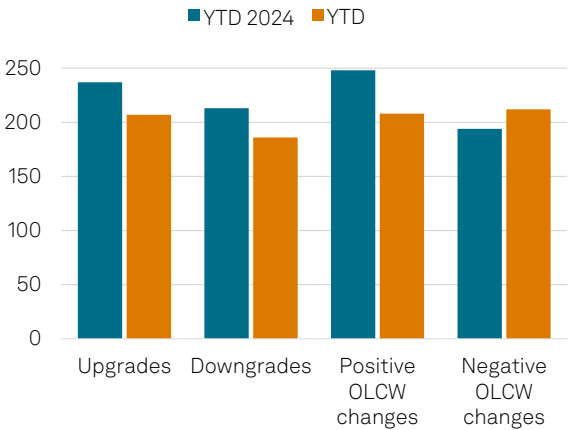


Data as of June 5, 2025. Note: Weekly rating actions, weekly transitions, and industries most at risk are all global data. Data excludes structured and public finance. Upgrades and downgrades exclude no-debt corporate rating actions and confidential rating actions. Downgrades exclude transitions to default. 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

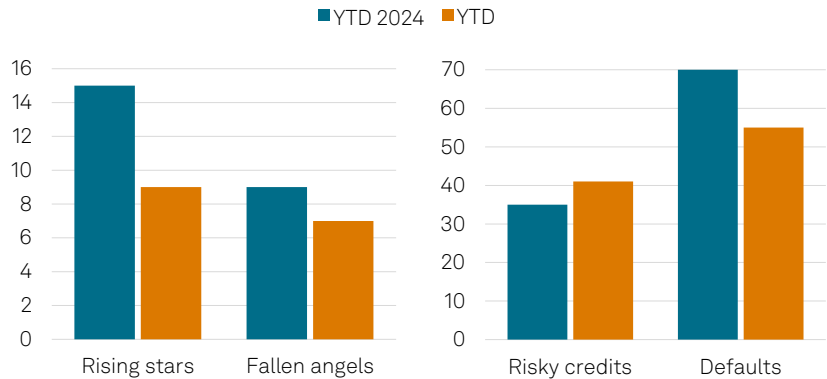
Rating actions
Year-to-date total



Data as of June 5, 2025. (2024 data is through May 30).
YTD--Year to date. OLCW--Outlook/CreditWatch.
Source: S&P Global Ratings Credit Research & Insights.

Chart 2

Rating transitions
Year-to-date total

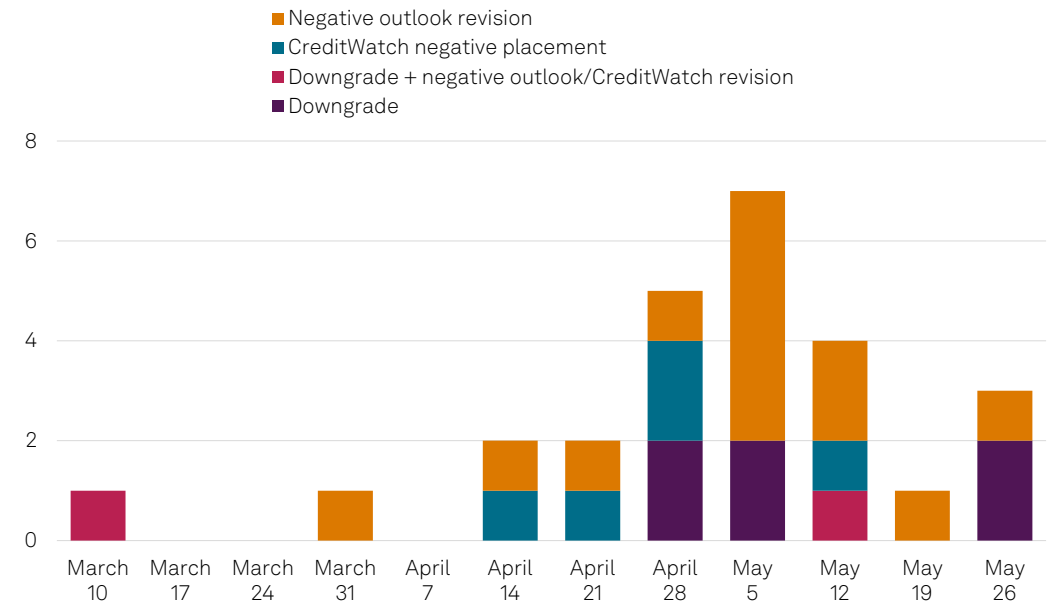


Data as of June 5, 2025. (2024 data is through May 30).
YTD--Year to date.
Source: S&P Global Ratings Credit Research & Insights.

Chart Of The Week

Chart 3

Weekly distribution of tariff-driven rating actions by action type



This chart was first published in “[Global Tariff Tracker: Rating Actions As Of May 30, 2025](#)” on June 3, 2025. Data as of May 30, 2025. Data includes rating actions on nonfinancial and financial corporates, sovereigns, U.S. public finance, international public finance issuers. Source: S&P Global Ratings Credit Research & Insights.

Related Research

[Credit Trends: U.S. Corporate Bond Yields As Of June 4, 2025](#), June 6, 2025

[Global Tariff Tracker: Rating Actions As Of May 30, 2025](#), June 3, 2025

[This Month In Credit: Wavering Momentum \(May 2025\)](#), May 29, 2025

Upcoming Webinars

[Supply-Chain Risk Trends – A Credit Perspective Update](#), June 10, 2025

Credit Market Conditions

Chart 4

North America 1-month Credit VIX

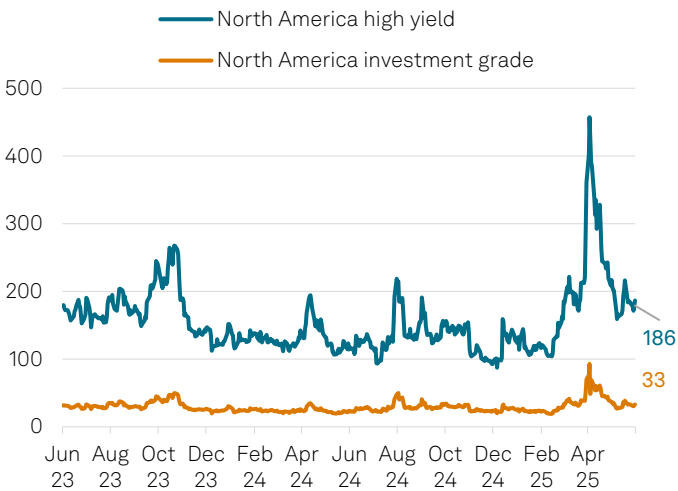
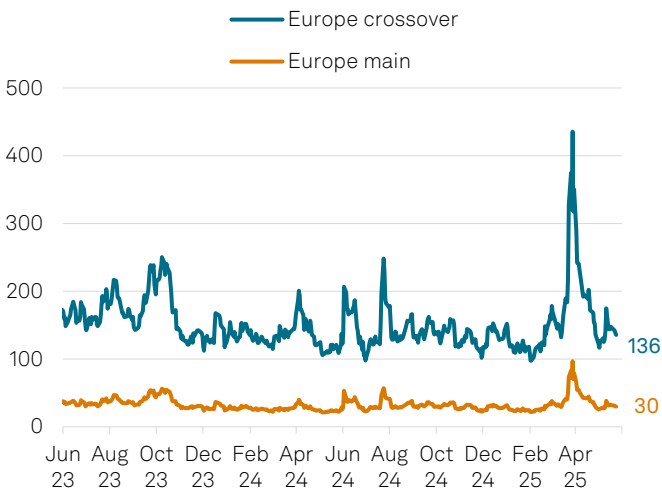


Chart 5

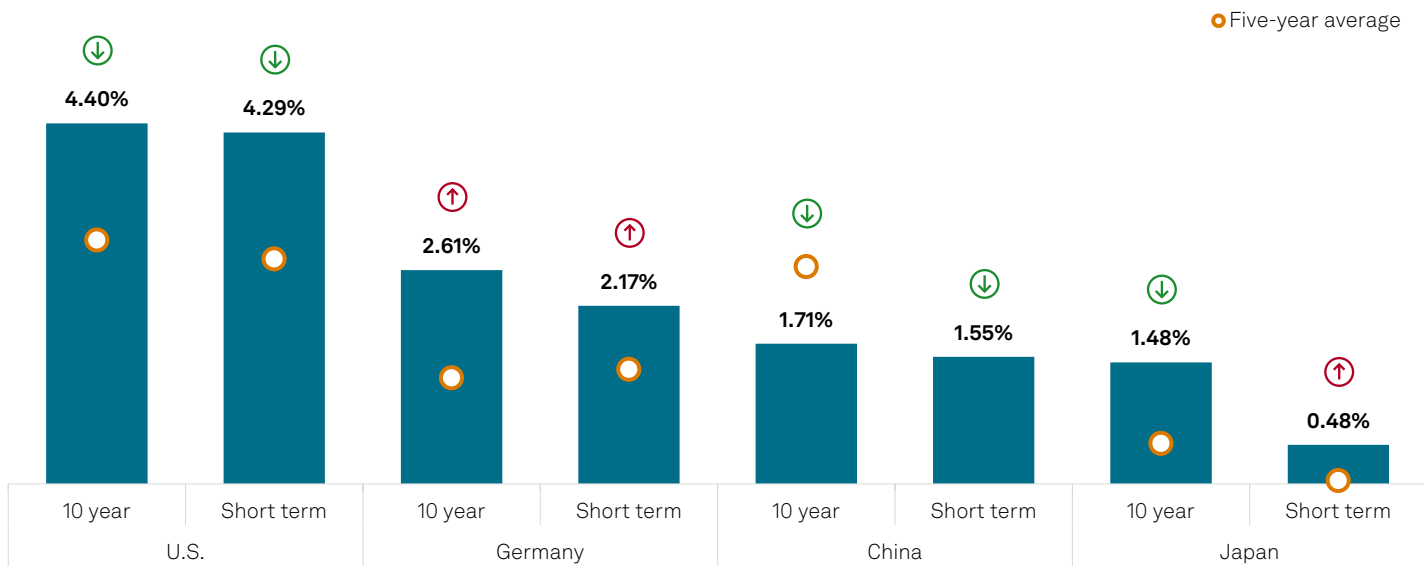
Europe 1-month Credit VIX



Data as of June 5, 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 June 5, 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

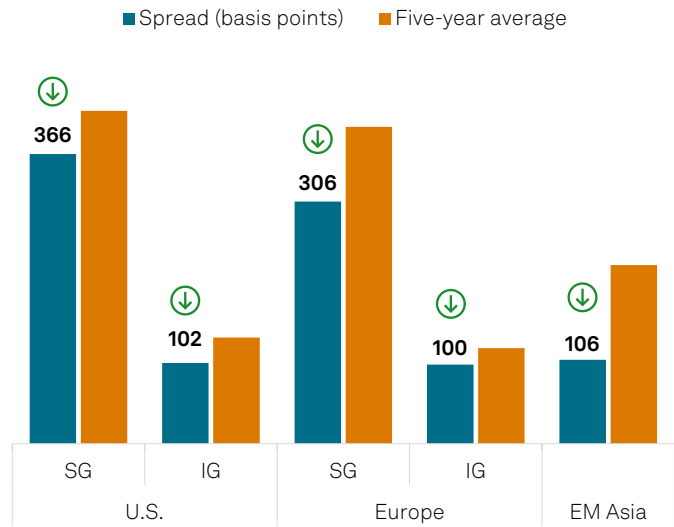
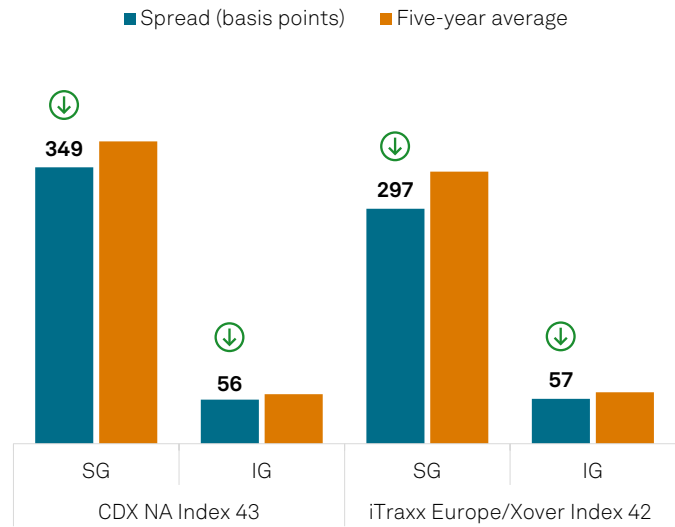


Chart 8

CDS pricing



Data as of June 5, 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: Net Downgrades Streak Continues

Table 1

Top 10 upgrades and downgrades by debt

Date	Action	Issuer	Industry	Country	To*	From*	Debt volume (mil. \$)
May 30, 2025	Downgrade	Radiate Holdco, LLC	Telecommunications	United States	CC/Negative	CCC/Negative	9,940
June 4, 2025	Downgrade	New Fortress Energy Inc	Utilities	United States	B-/Negative	B/Negative	5,706
June 2, 2025	Downgrade	Chrome HoldCo SAS	Health care	France	CCC+/Stable	B-/Stable	4,470
May 30, 2025	Upgrade	Thomson Reuters Corp.	Media and entertainment	Canada	A-/Stable	BBB+/Stable	3,578
June 4, 2025	Downgrade	Telesat Canada (Telesat Holdings Inc.)	Telecommunications	Canada	CCC-/Negative	CCC+/Negative	3,359
June 5, 2025	Downgrade	Colonial Enterprises Inc.	Utilities	United States	BBB-/Stable	A/Watch Neg	2,860
May 30, 2025	Downgrade	Oscar AcquisitionCo LLC	Forest products and building materials	United States	B-/Stable	B/Stable	2,670
June 5, 2025	Upgrade	Adidas AG	Consumer products	Germany	A/Stable	A-/Stable	2,278
June 5, 2025	Upgrade	Toll Brothers Inc.	Homebuilders/real estate co.	United States	BBB/Stable	BBB-/Positive	1,600
June 3, 2025	Downgrade	Arabian Centres Co.	Homebuilders/real estate co.	Saudi Arabia	B+/Stable	BB-/Stable	1,585

Data as of June 5, 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. \$)
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No fallen angels or rising stars last week.

Data as of June 5, 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	Debt Volume (mil. \$)
May 30, 2025	Baffinland Iron Mines Corp.	Metals, mining, and steel	Canada	SD	CCC	Distressed exchange	1,150
June 2, 2025	Flexsys Holdings Inc.	Chemicals, packaging, and environmental services	U.S.	D	CC	Distressed exchange	475
June 4, 2025	Quest Software US Holdings Inc.	High technology	U.S.	SD	CCC-	Distressed exchange	3,575

Data as of June 5, 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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