

# Market Insights

## Sector Intelligence | U.S. Public Finance

S&P Global  
Ratings

Sept. 6, 2024 | Data as of Aug. 31, 2024

*This report does not constitute a rating action.*

### Key Takeaways

- There have been over 1,500 rating actions in U.S. public finance (USPF) year-to-date through Aug. 31, 2024.
- Overall, upgrades outpaced downgrades, primarily driven by rating activity in the local governments sector. Downgrades outpace upgrades in the charter schools, education, health care, power, and utilities sectors.
- Year-to-date, unfavorable outlook changes exceed favorable outlook activity overall.

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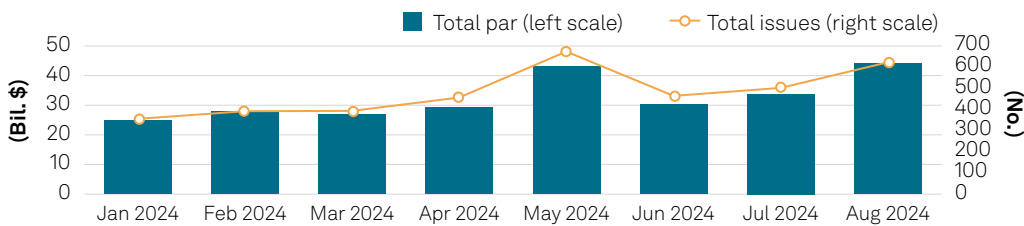
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## U.S. public finance at a glance

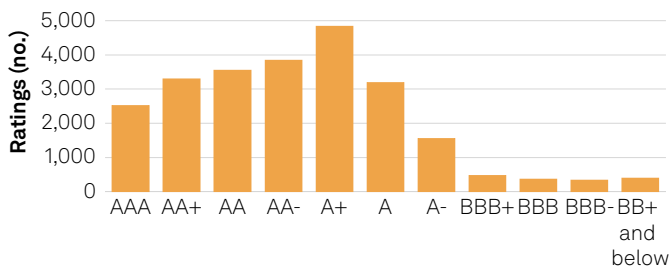
24,300+  
Ratings 

Rating changes	August 2024 (no.)	2024 (no.)
<b>Upgrades</b>	69	447
<b>Downgrades</b>	40	277
<b>Outlook and CW changes</b>		
<b>Favorable</b>	38	235
<b>Unfavorable</b>	45	558

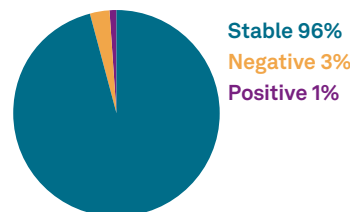
### S&P Global Ratings rated new issuance



### Rating distribution



### Outlook distribution



## Recent Research

Sustainability Insights Research: No Quick Fix For The U.S. Affordable Housing Shortage, Aug. 21, 2024

What The Loper Decision May Mean For U.S. Public Finance, Aug. 14, 2024

Criteria | Governments | U.S. Public Finance: U.S. Public Finance Long-Term Municipal Pools: Methodology And Assumptions, July 26, 2024

For more  
Research  
click here



An Excel workbook containing a master list of rating actions by security type and by issues year to date can be downloaded [here](#).

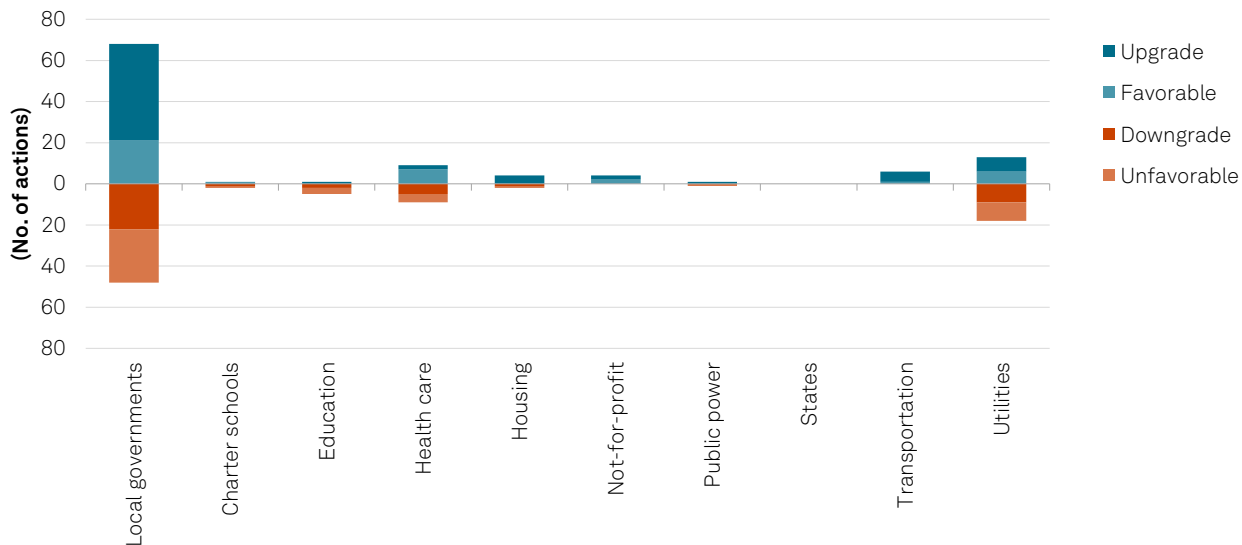
Source: S&P Global Ratings.

Note: In this report, we define "rating changes" as rating upgrades and downgrades; "rating actions" as rating changes, in addition to outlook changes and CreditWatch assignments or resolutions; "favorable" actions as outlook changes to stable from negative and to positive from stable, or placement of a rating on CreditWatch with positive implications; and "unfavorable" actions as outlook changes to negative from stable and to stable from positive, or placement of a rating on CreditWatch with negative implications. For local governments, we exclude school program rating actions tied to state rating actions.

## USPF Rating Activity

### [USPF August rating actions by sector](#)

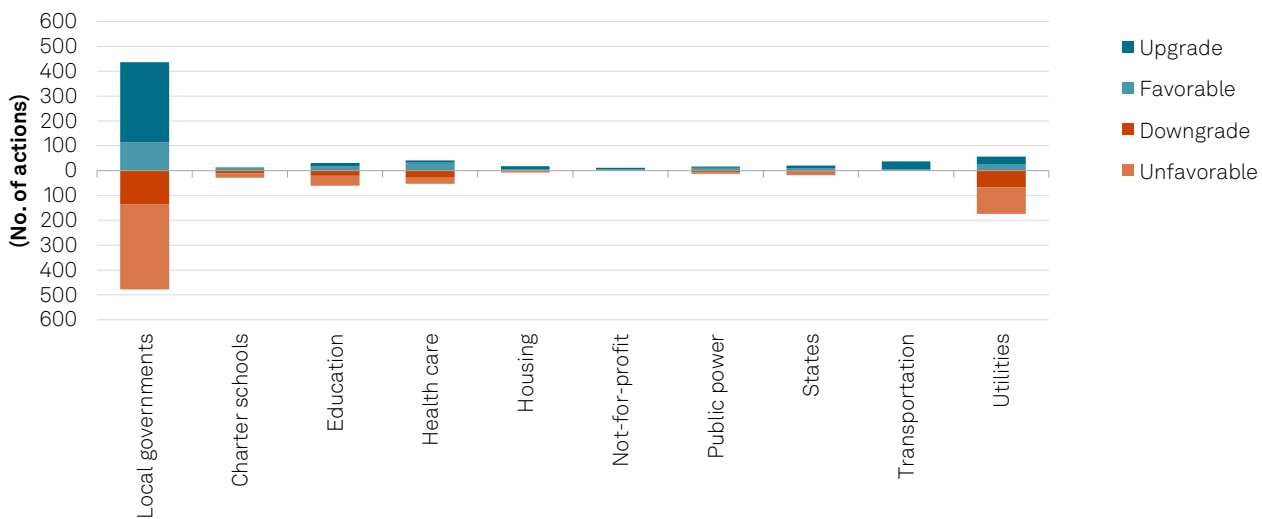
Chart 1



Source: S&P Global Ratings.

Chart 2

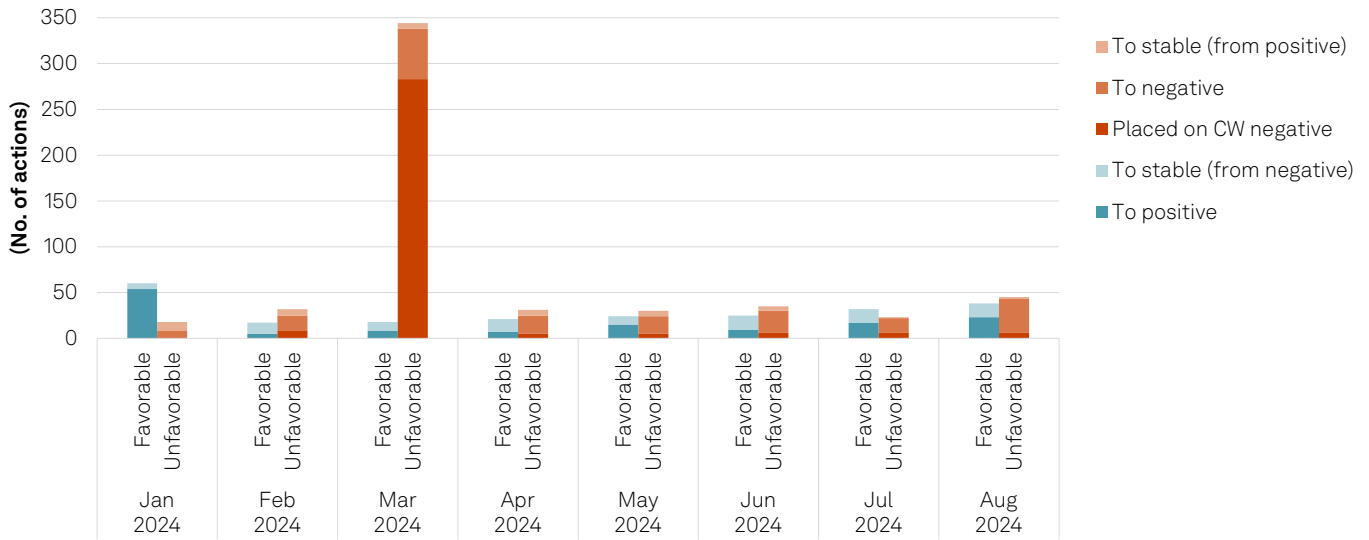
### USPF rating actions by sector YTD 2024



Source: S&P Global Ratings.

Chart 3

USPF outlook and CreditWatch actions by month



CW—CreditWatch. Source: S&P Global Ratings.

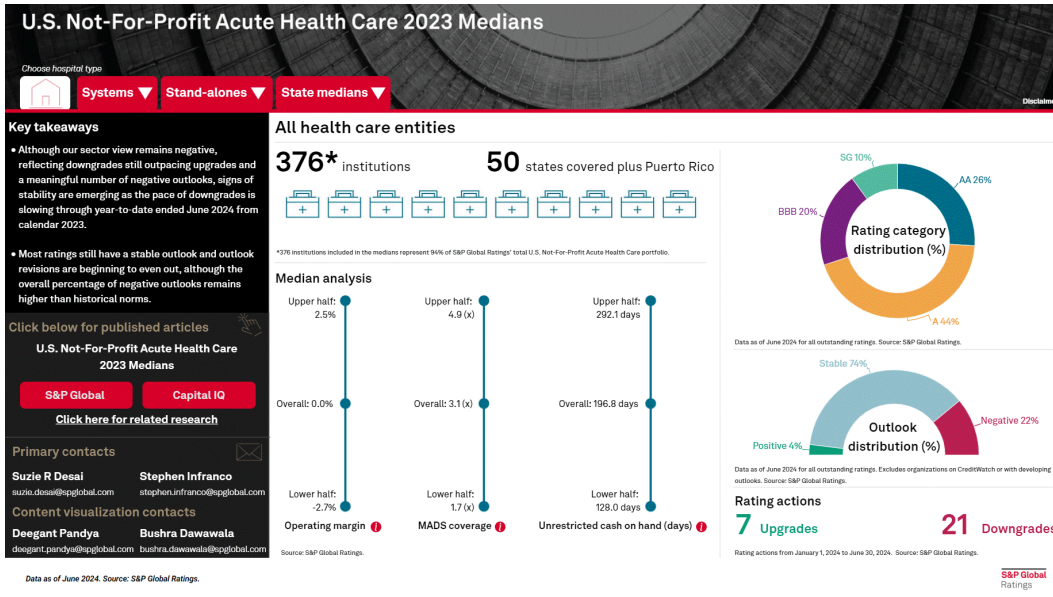
# Sector Spotlight—U.S. Health care

In August, we published our annual medians for U.S. not-for-profit acute health care.

Full details of the medians are available through our new interactive dashboard, by clicking [here](#).

Chart 4

## U.S. not-for-profit acute health care interactive



Screenshot as of Aug. 30, 2024. Source: S&P Global Ratings.

## Recent Research

U.S. Not-For-Profit Acute Health Care 2023 Medians: Remarkably Level With Prior Year, But Performance Remains Notably Below Historical Norms, Aug. 30, 2024

U.S. Not-For-Profit Health Care Children's Hospital Median Financial Ratios--2023, Aug. 7, 2024

U.S. Not-For-Profit Acute Health Care Speculative-Grade Median Financial Ratios--2023, Aug. 7, 2024

U.S. Not-For-Profit Health Care Small Stand-Alone Hospital Median Financial Ratios--2023, Aug. 7, 2024

U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios--2023, Aug. 7, 2024

U.S. Not-For-Profit Health Care System Median Financial Ratios--2023, Aug. 7, 2024

U.S. Not-For-Profit Health Care Outstanding Ratings And Outlooks As Of June 30, 2024, July 18, 2024

Your Three Minutes In U.S. Not-For-Profit Health Care: Governmental Entities Are Converting To Private 501c3s To Maximize Operating Flexibility, June 3, 2024

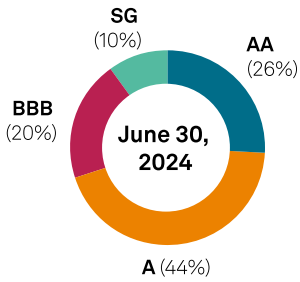
U.S. Not-For-Profit Health Care Covenant Violations Will Continue To Affect Pressured Issuers, April 29, 2024

How U.S. Not-For-Profit Acute-Care Providers Are Managing Risks From The Change Healthcare Cyber Attack, March 7, 2024

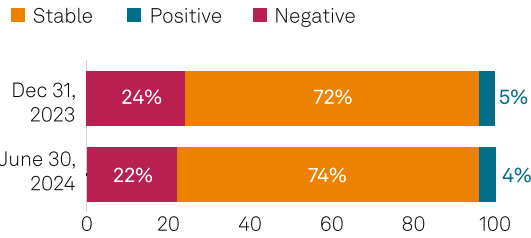
Chart 5

U.S. not-for-profit acute health care medians: by the numbers

Rating category distribution



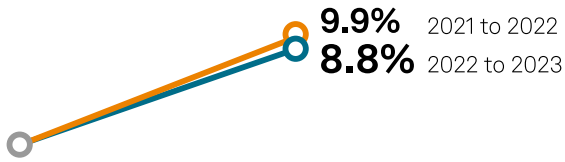
Outlook distribution



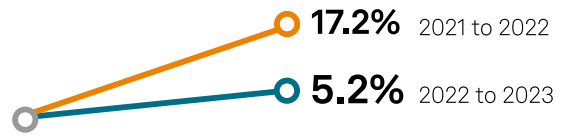
94%

Rated acute care organizations included in 2023 medians

Median total operating revenue growth trends

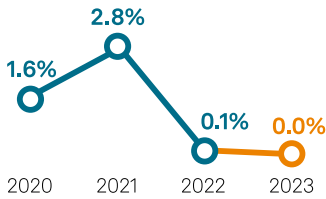


Median total operating expense growth trends

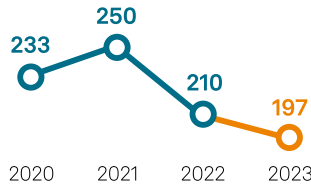


Key median financial metrics

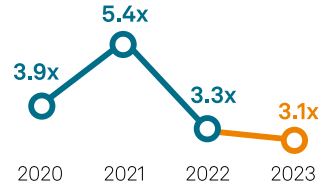
Operating margin



Days' cash on hand



Maximum annual debt service coverage



Rating and outlook action trends

Downgrades to upgrades



Unfavorable to favorable



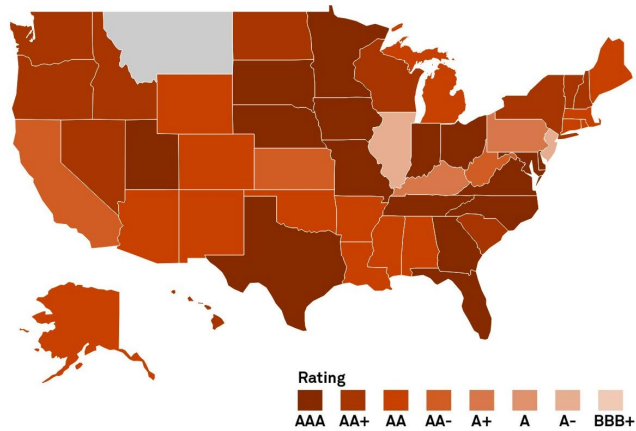
SG—Speculative grade. Source: S&P Global Ratings.

# U.S. State Ratings

Ratings represented in table 1 are the state general obligation debt ratings or issuer credit ratings. Ratings on other debt issued by the state will vary based on the security backing the bonds. For more information, see our [History Of U.S. State Ratings](#) and [U.S. State Ratings And Outlooks: Current List](#).

Chart 6

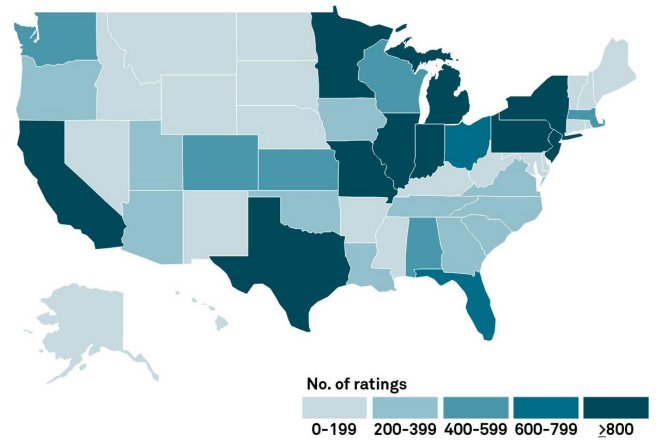
## U.S. state ratings



Unrated states are in gray. Source: S&P Global Ratings.

Chart 7

## No. of ratings by state



Includes all sectors. Source: S&P Global Ratings.

Table 1

## U.S. state rating actions YTD 2024

State	Rating action	Outlook action	Current rating	Previous rating	Current outlook	Previous outlook	Date of rating action
Arizona	Affirmation	Outlook to positive	AA	AA	Positive	Stable	July 25, 2024
Arkansas	Affirmation	Outlook to positive	AA	AA	Positive	Stable	May 2, 2024
Alaska	Upgrade	Outlook to stable	AA	AA-	Stable	Positive	April 30, 2024
Wyoming	Affirmation	Outlook to positive	AA	AA	Positive	Stable	April 19, 2024
New Hampshire	Upgrade	Outlook to stable	AA+	AA	Stable	Positive	March 25, 2024
Louisiana	Upgrade	Outlook to stable	AA	AA-	Stable	Positive	March 20, 2024
Mississippi	Affirmation	Outlook to negative	AA	AA	Negative	Stable	March 1, 2024
Washington	Affirmation	Outlook to positive	AA+	AA+	Positive	Stable	Jan. 11, 2024

Source: S&P Global Ratings.

# Appendix

Table 2

## Number of rating actions by sector August 2024

Sector	Rating changes		Outlook changes			CW changes	
	Upgrade	Downgrade	Outlook to positive	Outlook to negative	Outlook to stable	Placed on CW negative	Removed from CW
Charter schools	0	1	1	1	0	0	1
Education	1	2	0	3	0	0	0
Health care	2	5	3	3	4	1	1
Housing	4	1	0	1	0	0	0
Local governments	47	22	13	20	10	4	3
Not-for-profit	2	0	0	0	2	0	0
Public power	1	0	0	1	0	0	0
States	0	0	0	0	0	0	0
Transportation	5	0	1	0	0	0	0
Utilities	7	9	5	8	1	1	1

CW—CreditWatch. Source: S&P Global Ratings.

Table 3

## Number of rating actions by sector YTD 2024

Sector	Rating changes		Outlook changes			CW changes	
	Upgrade	Downgrade	Outlook to positive	Outlook to negative	Outlook to stable	Placed on CW negative	Removed from CW
Charter schools	4	11	7	9	7	3	2
Education	14	21	11	30	11	5	4
Health care	9	28	13	17	23	4	4
Housing	12	4	4	2	2	2	2
Local governments	322	137	80	96	60	220	122
Not-for-profit	6	0	0	1	5	0	0
Public power	5	7	2	5	10	1	3
States	10	2	10	16	0	0	0
Transportation	32	0	2	0	3	1	0
Utilities	33	67	9	20	19	83	51

CW—CreditWatch. Source: S&P Global Ratings.

## Editor's note

*In this report we present rating actions at the debt type level (e.g., general obligation, sales tax, parking revenue, etc.) rather than at the issuer level. Therefore, an issuer may have multiple rating actions associated with it in different sectors in the tables and charts.*

*Because we present the rating actions at the debt level, the metrics presented in the above may not be comparable to other research published by S&P Global Ratings or by other S&P Global divisions.*

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