

This Week In Credit

A Quiet Week For Rating Actions

This report does not constitute a rating action.

Nov. 4, 2024









Key Takeaways





- Last week's combined total of nine upgrades and downgrades reflected a relatively quiet week in rating actions. Upgrades fell below one-third of the previous week's tally, though positive rating actions continued to outweigh negative actions due to an uptick in positive outlook and CreditWatch revisions.
- Downgrades were concentrated in the speculative-grade universe, while upgrades were evenly spread amongst speculative and investment-grade issuers. The downgrades included one sovereign, Republic of Congo-Brazzaville, which became a risky credit.
- There were no defaults last week, the first weekly absence since early September, meaning this year's default tally remained at 123.










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
4 	5 	18 	9 	0 	0 	1 	0 

Industries most at risk			U.S. distress ratio
Net outlook bias Chemicals, packaging, and environmental services -18.1% 	Potential fallen angels 6 Utilities 	Weakest links 38 Consumer products 	3.9% 

Ratings at a glance					
North America		Europe		Asia-Pacific	
Net outlook bias	-8.7% 	Net outlook bias	-4.0% 	Net outlook bias	-0.4% 
Potential fallen angels ratio	3.4% 	Potential fallen angels ratio	3.1% 	Potential fallen angels ratio	1.5% 
Weakest links ratio	12.8% 	Weakest links ratio	7.1% 	Weakest links ratio	5.5% 

Data as of Oct. 31, 2024. 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. OLCW--Outlook/CreditWatch. Source: S&P Global Ratings Credit Research & Insights.

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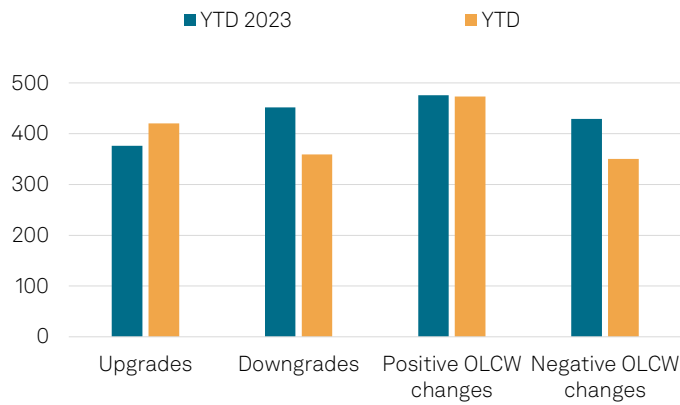
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Year To This Week

Chart 1

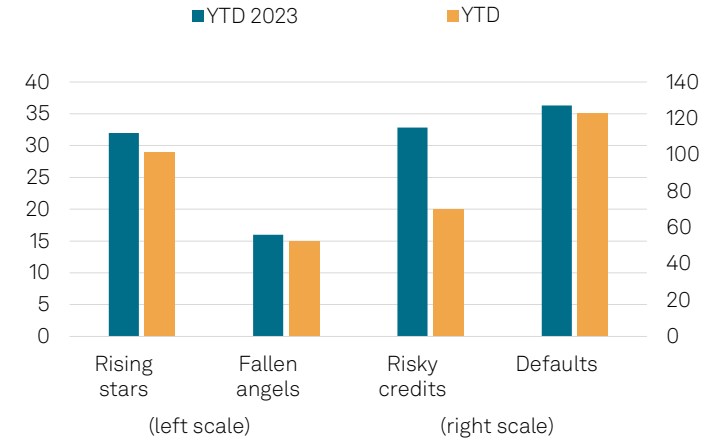
Rating actions Year-to-date total



Data as of Oct. 31, 2024 (2023 data is through Oct. 31). YTD--Year to date. OLCW--Outlook/CreditWatch. Source: S&P Global Ratings Credit Research & Insights.

Chart 2

Rating transitions Year-to-date total

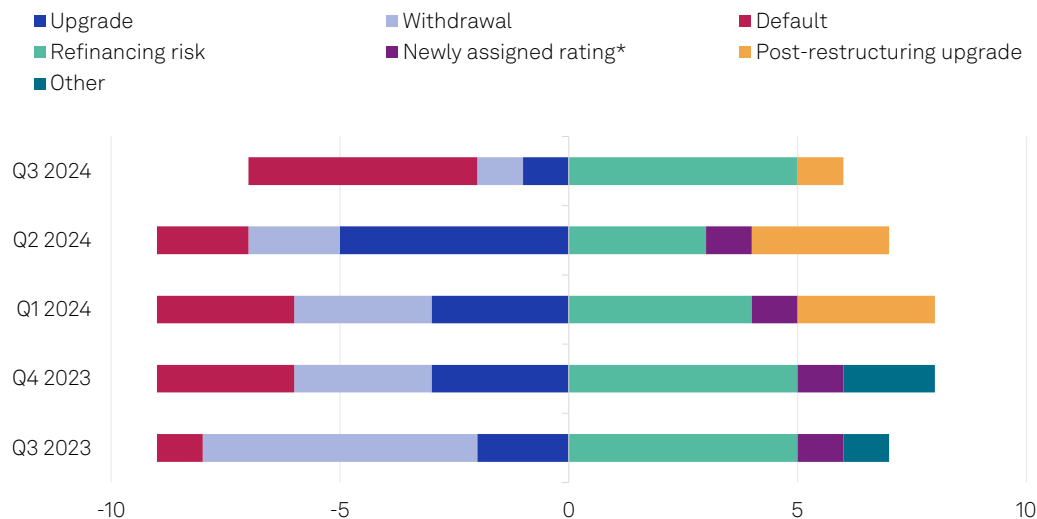


Data as of Oct. 31, 2024 (2023 data is through Oct. 31). YTD--Year to date. Due to a calculation correction, we revised the number of risky credits. Source: S&P Global Ratings Credit Research & Insights.

Chart Of The Week

Chart 3

Additions to risky credits are due to still elevated refinancing risk



This chart was first published in "Risky Credits: Defaults Have Driven A Decline In European Risky Credits", on Oct. 30, 2024. Data as of Sept. 30, 2024. Withdrawals might include default of the entity and subsequent withdrawals. Other include additions to risky credits due to macroeconomic factors or risk of worsening credit metrics. Negative number indicates removals from the risky credits cohort, positive numbers indicate additions. *Includes new and reinstated ratings. Source: S&P Global Ratings Credit Research & Insights.

Related Research

[Global Credit Markets Update Q4 2024: Good Vibrations](#), Oct. 31, 2024

[Risky Credits: U.S. And Canadian Risky Credits Drop For Third Straight Quarter Amid Sector Divergences](#), Oct. 31, 2024

[This Month In Credit: Back On Track](#), Oct. 31, 2024

[Risky Credits: Defaults Have Driven A Decline In European Risky Credits](#), Oct. 30, 2024

[Risky Credits: Emerging Markets: Issuance Activity And Deleveraging Plans](#), Oct. 30, 2024

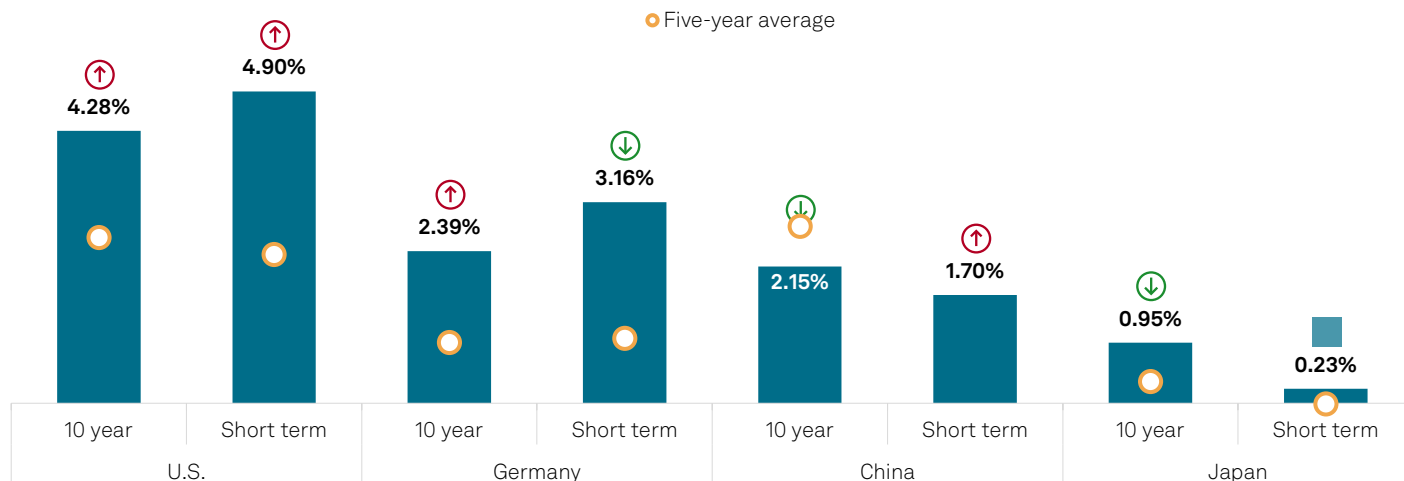
Upcoming Webinars

[Global Rating Performance Insights: What We Are Watching](#), Nov. 5, 2024

Credit Market Conditions

Chart 4

Benchmark yields



Data as of Oct. 31, 2024. Source: S&P Global Ratings Credit Research & Insights, Refinitiv, ICE Data Indices, Federal Reserve Bank of St. Louis. Economics & Country Risk from IHS Markit. Short-term rates: U.S., SOFR; Germany, euro short-term rate; China, DR007; and Japan, uncollateralized overnight call rate.

Chart 5

Secondary market credit spreads

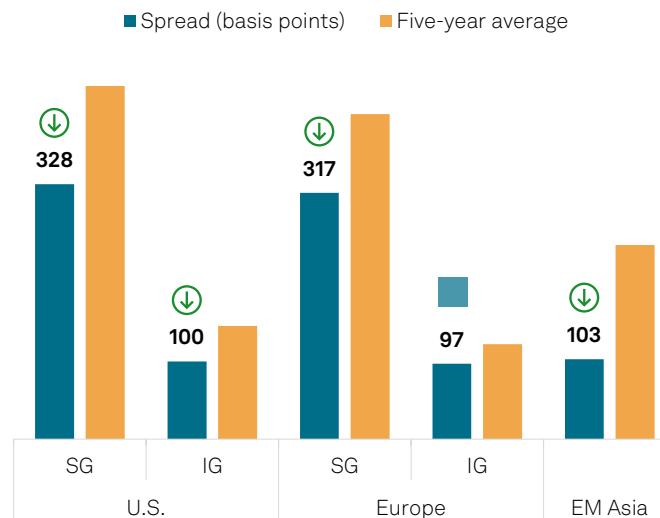
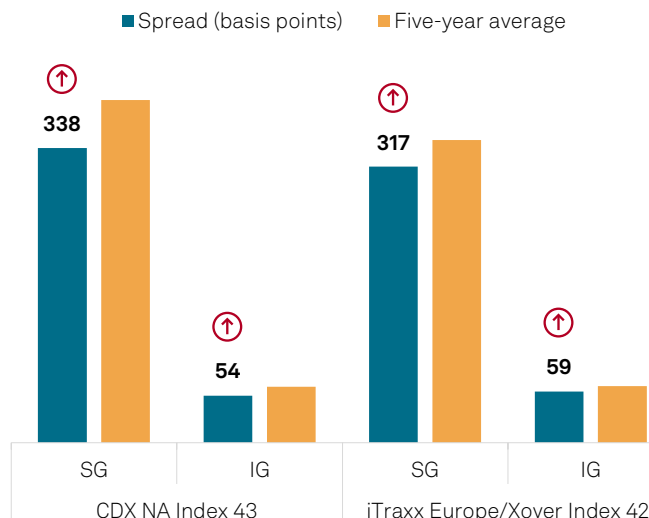


Chart 6

CDS pricing



Data as of Oct. 31, 2024. 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 Global Market Intelligence.

This Week In Credit: Quiet Week For Rating Actions

Table 1

Top 10 upgrades and downgrades by debt

Date	Action	Issuer	Industry	Country	To*	From*	Debt volume (mil. \$)
Oct. 29, 2024	Downgrade	Kering S.A.	Consumer products	France	BBB+/Stable	A-/Stable	11,816
Oct. 29, 2024	Upgrade	Ceska Sporitelna, a.s.	Financial institutions	Czech Republic	A+/Stable	A/Stable	3,506
Oct. 25, 2024	Downgrade	Consolidated Energy Ltd.	Chemicals, packaging, and environmental services	Trinidad and Tobago	B/Stable	BB-/Stable	3,144
Oct. 29, 2024	Upgrade	Vertiv Group Corp.	Capital goods	U.S.	BB+/Positive	BB/Positive	2,963
Oct. 30, 2024	Upgrade	Toronto Hydro Corp.	Utilities	Canada	A+/Stable	A/Positive	2,298
Oct. 27, 2024	Upgrade	Perenti Ltd.	Capital goods	Australia	BB+/Stable	BB/Positive	1,079
Oct. 31, 2024	Downgrade	LaserShip Inc.	Transportation	U.S.	CCC-/Negative	CCC+/Negative	880
Oct. 31, 2024	Downgrade	Victoria PLC	Consumer products	U.K.	B-/Negative	B/Negative	810
Oct. 30, 2024	Downgrade	Republic of Congo-Brazzaville	Sovereign	Congo-Brazzaville	CCC+/Negative	B-/Stable	-

Data as of Oct. 31, 2024. 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 include defaults. SD--Selective default. D--Default. Source: S&P Global Ratings Credit Research & Insights.

Table 2

Last week's defaults

Date	Parent company	Country/market	Subsector	To	From	Reason
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No defaults this week

Data as of Oct. 31, 2024. 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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