

Market Insights

Sector Intelligence | U.S. Public Finance

S&P Global Ratings

Dec. 9, 2024 | Data as of Nov. 30, 2024

This report does not constitute a rating action.

Key Takeaways

- There have been more than 2,080 rating actions in U.S. public finance (USPF) year-to-date through Nov. 30, 2024.
- Overall, upgrades outpaced downgrades, primarily driven by rating activity in the local governments sector. Downgrades outpaced upgrades in the charter school, education, health care, power, and utilities sectors.
- Year-to-date, unfavorable outlook revisions exceed favorable outlook revisions.

CONTENTS

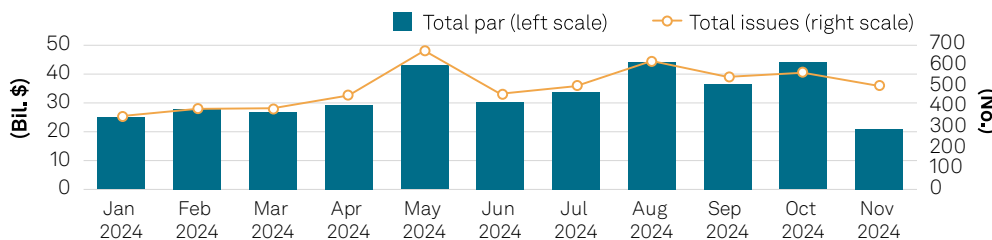
USPF Rating Activity	2
Sector Spotlight	4
U.S. State Ratings	5
Appendix	6

U.S. public finance at a glance

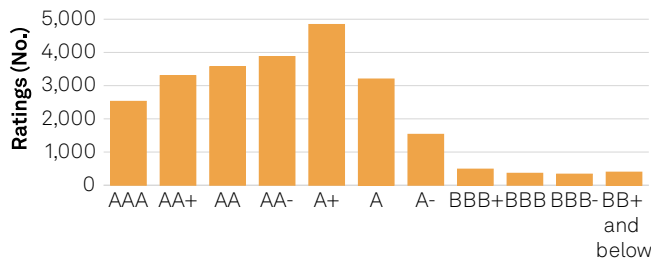
24,400+
Ratings 

Rating changes	November 2024	2024 (No.)
Upgrades	103	674
Downgrades	59	409
Outlook and CW changes		
Favorable	33	342
Unfavorable	32	690

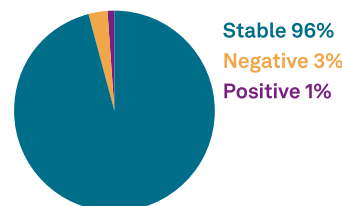
S&P Global Ratings rated new issuance



Rating distribution



Outlook distribution



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.

Recent Research

U.S. Transportation Infrastructure Consolidated Rental Car Facility Report Card: Rebound Complete, Airport Rental Car Sector Credit Quality Remains Stable, Nov. 26, 2024

U.S. Not-For-Profit Transportation Issuers Strengthen On Tax Revenue Growth And Support; Priority Lien Ratings Unchanged, Nov. 22, 2024

Data Centers: U.S. Not-For-Profit Electric Utilities Explore Ways To Mitigate Risks From Load Growth, Nov. 21, 2024

States' Median Reports: Our New Methodology Highlights Rating Consistency, Nov. 20, 2024

U.S. Not-For-Profit Health Care Rating Actions, October 2024, Nov. 15, 2024

U.S. Not-For-Profit Transportation Infrastructure 2023 Medians: Demand And Revenue Growth Improved Financial Medians To Post-Pandemic Highs, Nov. 12, 2024

For more Research click here

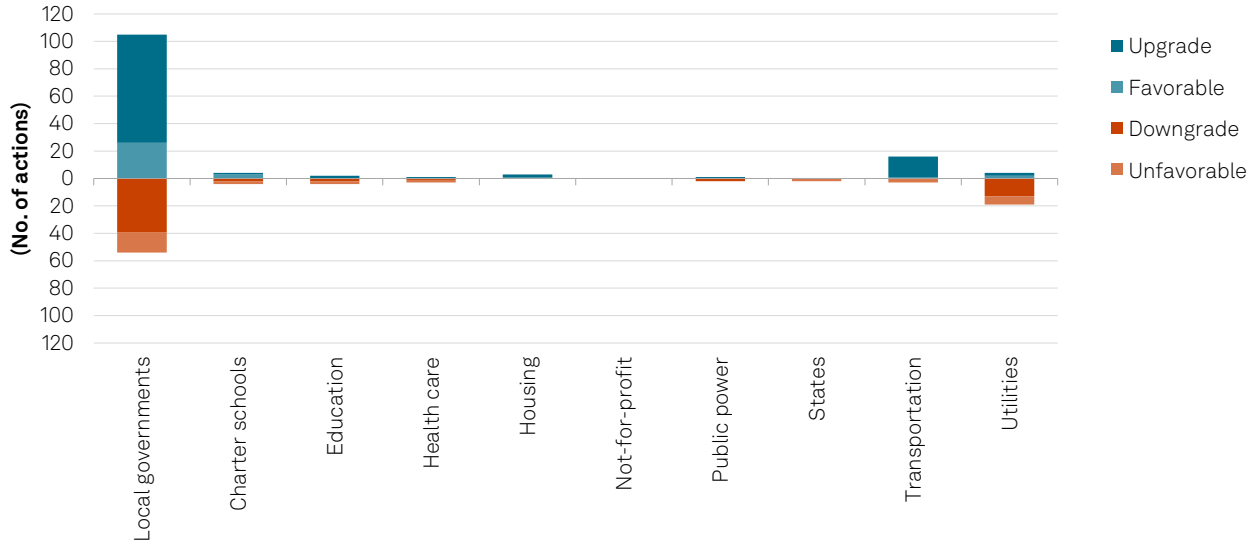


An Excel workbook containing a master list of rating actions by security type and by issues year to date can be downloaded [here](#).

USPF Rating Activity

USPF November rating actions by sector

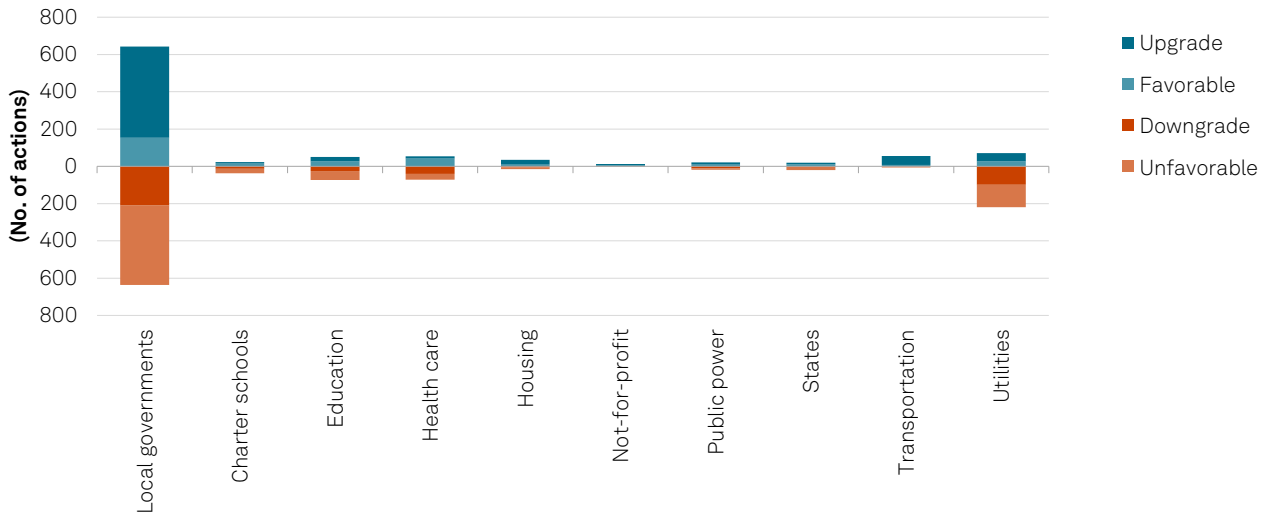
Chart 1



Source: S&P Global Ratings.

Chart 2

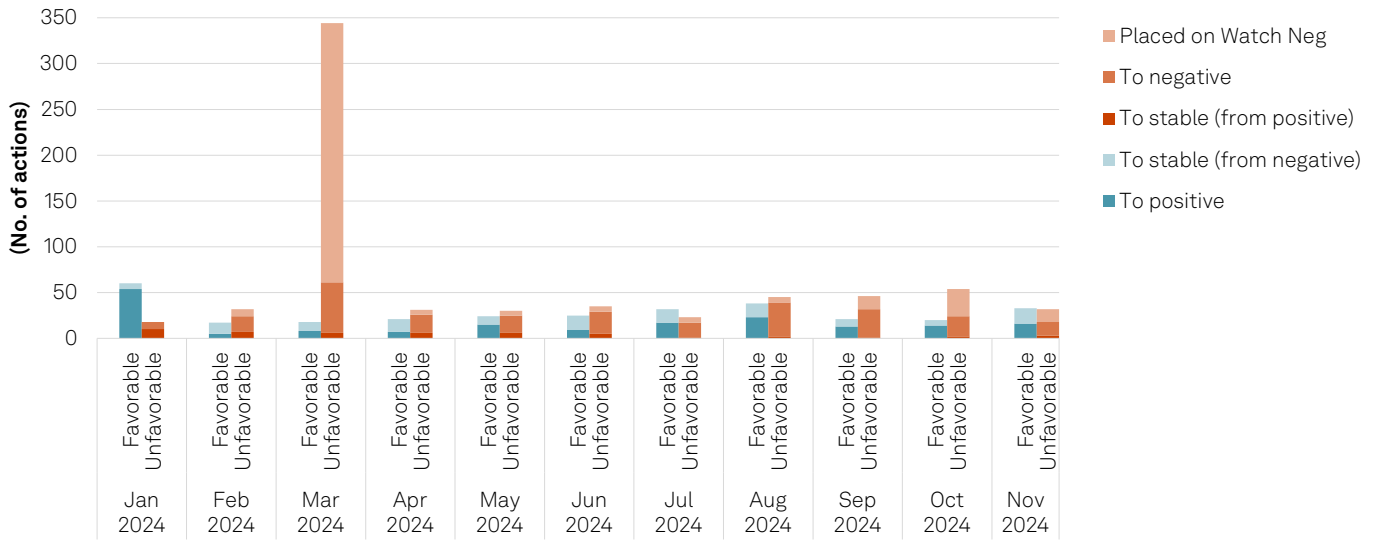
USPF rating actions by sector YTD 2024



Source: S&P Global Ratings.

Chart 3

USPF outlook and CreditWatch actions by month



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

Sector Spotlight—Housing

Rated U.S. community development financial institutions (CDFIs) are looking to grow by attracting new capital to expand their lending capacity in underserved communities.

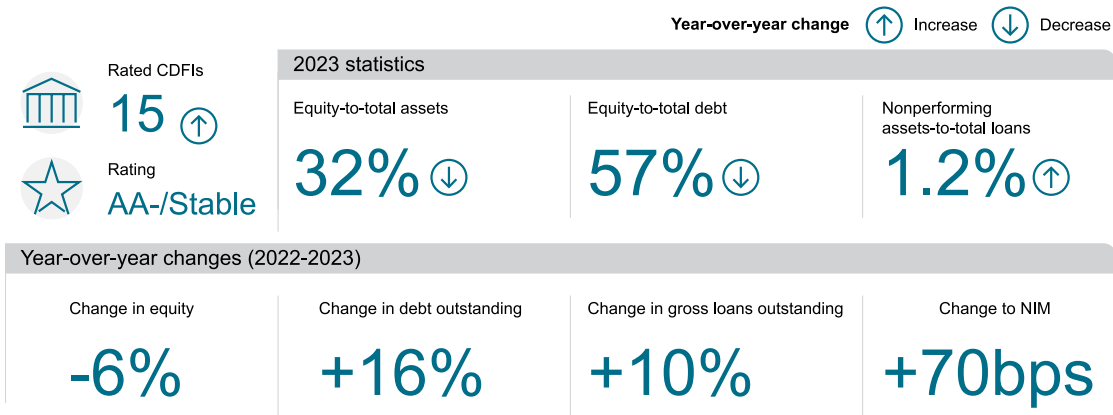
Capital adequacy is weakening but remains at levels commensurate with current ratings.

Diligent underwriting and effective portfolio oversight underpin the rated sector's asset quality, but delayed project stabilization or take-out financing could impair loan performance for certain organizations.

Lending strategies and funding sources vary among rated CDFIs, which is reflected in our view of their individual financial strength.

Chart 4

U.S. Public finance CDFI medians: by the numbers



CDFIs—Community Development Financial Institutions. NIM—Net interest margin. Source: S&P Global Ratings.

Recent Research

[U.S. CDFIs Take On More Debt To Grow Their Lending Capacity: Ratings Will Likely Remain Stable](#), Nov. 19, 2024

[U.S. Social Housing Providers: Laying The Groundwork To Address Affordable Housing Needs](#), Nov. 14, 2024

[U.S. Public Finance Housing Rating Actions, Third-Quarter 2024](#), Oct. 31, 2024

[U.S. Mortgage Revenue Bond Program Medians: Solid Foundations Underpin Strong Credit Quality](#), Sep. 19, 2024

[Sustainability Insights Research: No Quick Fix For The U.S. Affordable Housing Shortage](#), Aug. 21, 2024

[The U.S. Rental Housing Sector Remains Largely Stable While Expense Pressures Loom](#), Jul. 9, 2024

[Rethinking The American Dream Of Homeownership In New York City](#), May 23, 2024

[Cyber Risk Insights: Hackers Are Knocking On The Door Of U.S. Affordable Housing Issuers](#), May 14, 2024

[U.S. Public Housing Authorities Capital Fund Ratings Remain Resilient Amid Higher Appropriations And No Planned Borrowing](#), Mar. 14, 2024

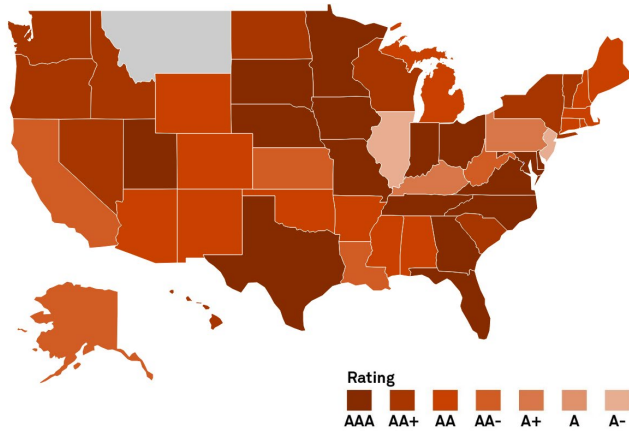
[Military Rental Housing 2024 Outlook: Bond Sector Stable Amid Slow Recruitment And Higher Expenses](#), Mar. 7, 2024

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 5

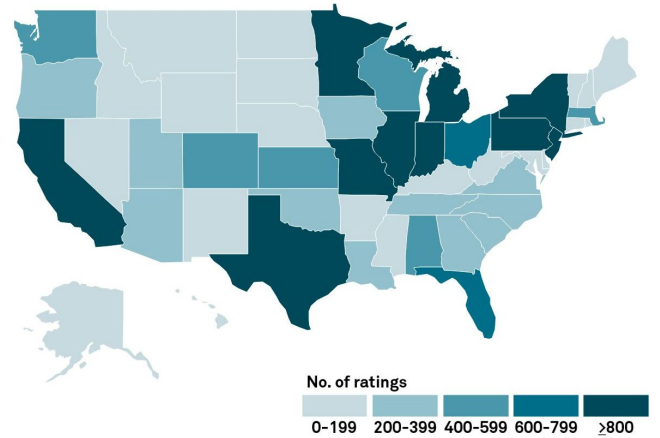
U.S. state ratings



States not rated are in gray. Source: S&P Global Ratings.

Chart 6

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 November 2024

Sector	Rating changes		Outlook changes			CreditWatch changes	
	Upgrade	Downgrade	Outlook to positive	Outlook to negative	Outlook to stable	Placed on Watch Neg	Removed from CreditWatch
Charter schools	1	2	2	1	2	0	0
Education	2	2	0	2	0	0	0
Health care	1	1	0	0	0	2	0
Housing	2	0	1	0	0	0	0
Local governments	79	39	11	6	15	9	1
Not-for-profit	0	0	0	0	0	0	0
Public power	1	2	0	0	0	0	0
States	0	0	0	0	0	2	0
Transportation	15	0	0	1	3	0	0
Utilities	2	13	2	5	0	1	4

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

Table 3

Number of rating actions by sector YTD 2024

Sector	Rating changes		Outlook changes			CreditWatch changes	
	Upgrade	Downgrade	Outlook to positive	Outlook to negative	Outlook to stable	Placed on Watch Neg	Removed from CreditWatch
Charter schools	6	14	14	15	9	3	3
Education	25	26	18	36	13	6	4
Health care	12	40	14	20	32	7	5
Housing	25	6	7	6	2	3	3
Local governments	488	210	100	135	81	265	131
Not-for-profit	7	0	1	1	5	0	0
Public power	9	11	2	5	10	2	5
States	10	2	10	16	0	2	0
Transportation	49	1	3	2	6	1	0
Utilities	43	99	12	28	19	88	57

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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