

This Week In Credit

Slow Steady Start To Year

This report does not constitute a rating action.

Jan. 13, 2025

Key Takeaways

- Rating activity was light last week with three upgrades and three downgrades. Outlook and CreditWatch placements started the year on a fairly positive note as positive placements have outnumbered negative ones thus far.
- Upgrades included a rising star, U.S.-based media and information services company News Corp. was upgraded on lower leverage sustained by a strong operating performance.
- The first default happened on Jan. 8, 2025, U.S.-based beverage co-manufacturer City Brewing Co. LLC was downgraded to 'SD' (selective default) after it missed a principal payment due at the end of 2024.

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Ratings performance trends

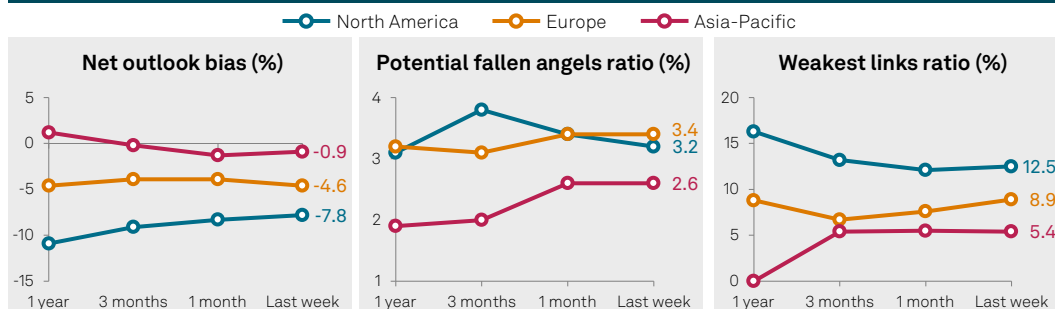
Arrows indicate week over week trend (↑ ↓)

Positive ■ No change ■ Negative ■

Rating actions				Rating transitions			
Upgrades	Downgrades	Positive OLCW changes	Negative OLCW changes	Rising stars	Fallen angels	Risky credits	Defaults
3 ↑	3 ■	6 ↑	3 ↑	1 ↑	0 ■	0 ■	1 ↑

Industries most at risk			U.S. distress ratio
Net outlook bias Chemicals, packaging, and environmental services -18.2% ↑	Potential fallen angels 6 Utilities ■	Weakest links 37 Consumer products ■	3.9% ↓

Ratings at a glance

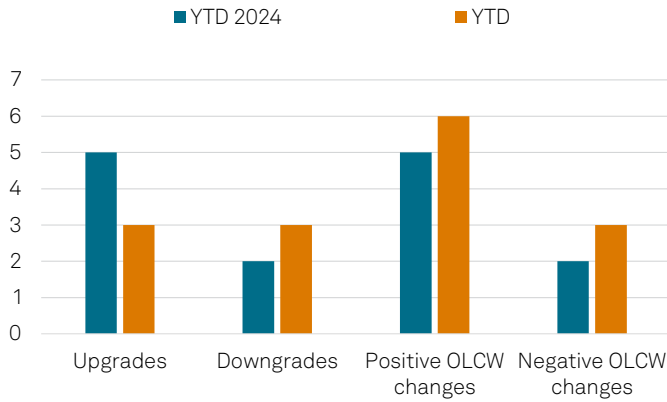


Data as of Jan. 9, 2025. Note: Weekly rating actions, weekly transitions, and industries most at risk are all global data. Data excludes structured and public finance. Upgrades and downgrades exclude no-debt corporate rating actions and confidential rating actions. Downgrades exclude transitions to default. 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

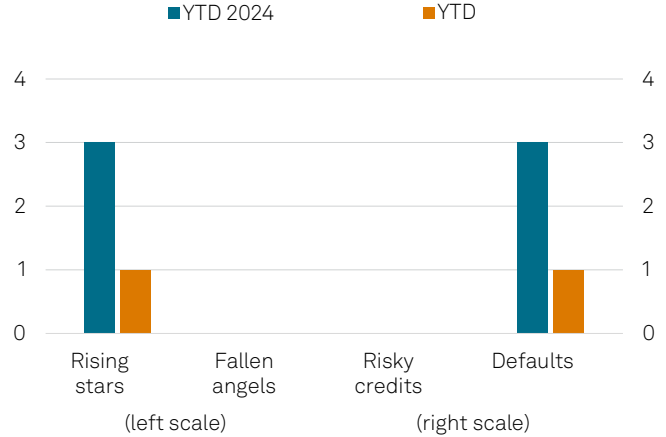
Rating actions Year-to-date total



Data as of Jan. 9, 2025. (2024 data is through Jan. 4). YTD--Year to date. OLCW--Outlook/CreditWatch. Source: S&P Global Ratings Credit Research & Insights.

Chart 2

Rating transitions Year-to-date total

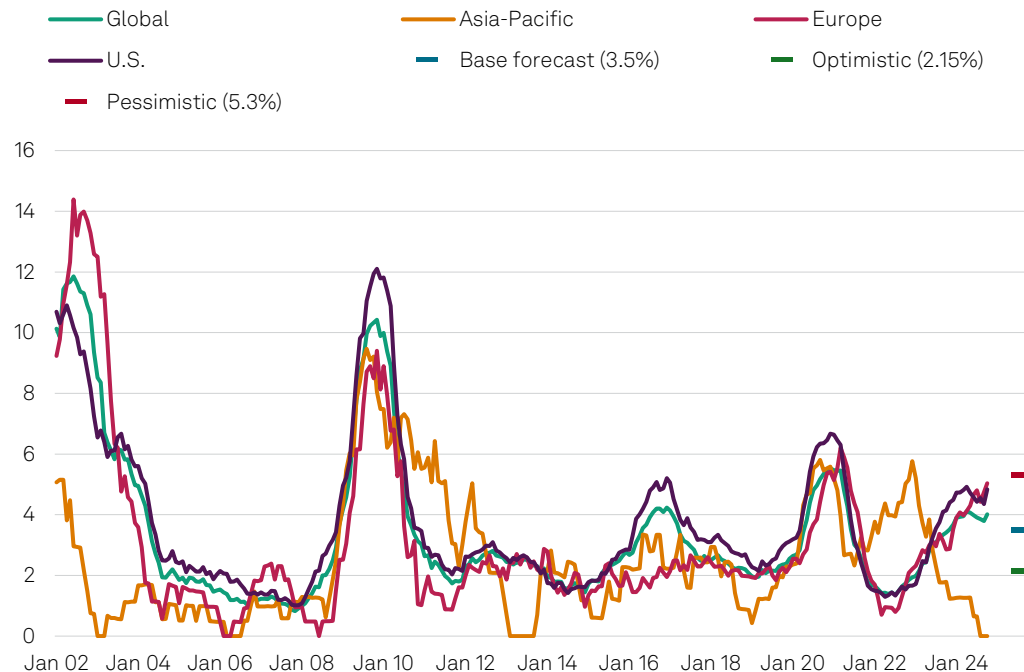


Data as of Jan. 9, 2025. (2024 data is through Jan. 4). YTD--Year to date. Source: S&P Global Ratings Credit Research & Insights.

Chart Of The Week

Chart 3

Regional speculative-grade default rates and global forecast



This chart was first published in "[Default, Transition, and Recovery: Global Speculative-Grade Corporate Default Rate To Decline To 3.5% By September 2025](#)" on Dec. 12, 2024. Source: S&P Global Ratings Credit Research & Insights.

Related Research

[Credit Trends: U.S. Corporate Bond Yields As Of Jan. 8, 2025](#), Jan. 9, 2025

[How Will 2024's Ratings Performance Shape The Year Ahead?](#), Dec. 19, 2024

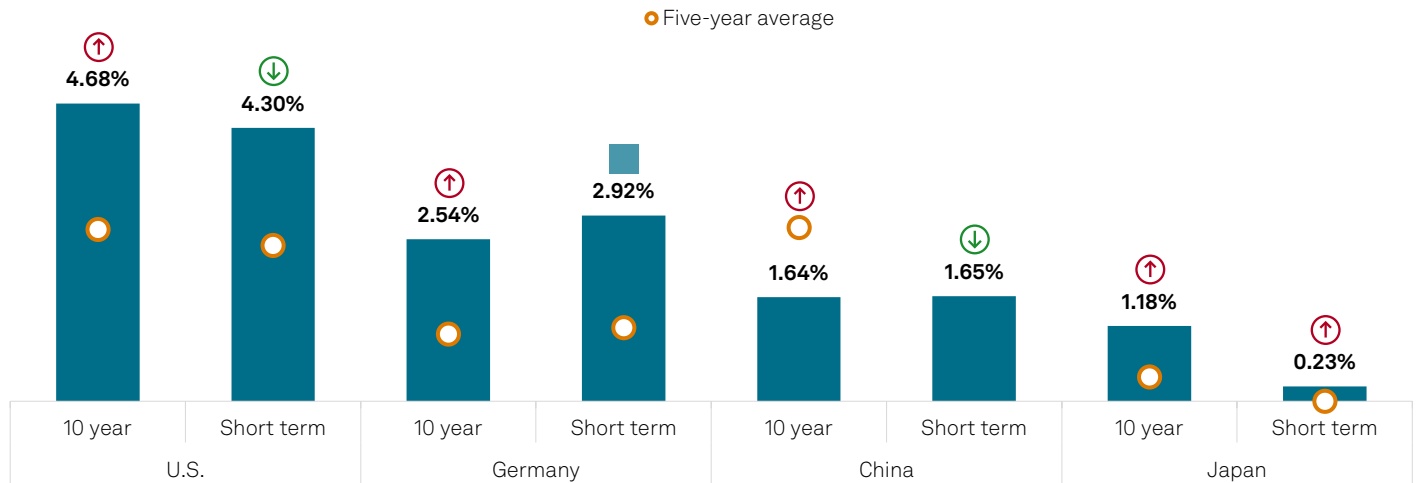
Upcoming Webinars

[What's In Store For The Global Oil & Gas Industry In 2025](#), Jan. 14, 2025

Credit Market Conditions

Chart 4

Benchmark yields



Data as of Jan. 9, 2025. 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

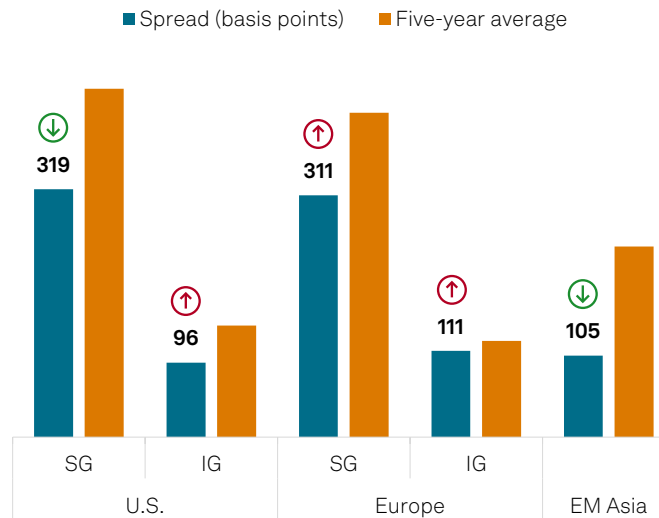
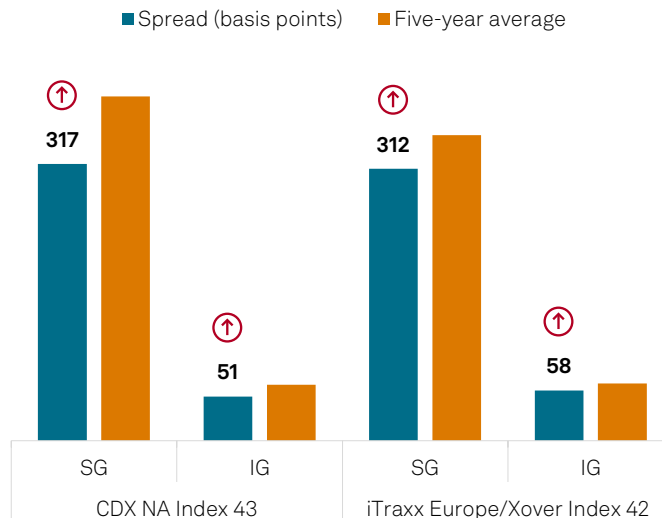


Chart 6

CDS pricing



Data as of Jan. 9, 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.

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Table 1

Top 10 upgrades and downgrades by debt

Date	Action	Issuer	Industry	Country	To*	From*	Debt volume (mil. \$)
Jan. 9, 2025	Downgrade	Swisscom AG	Telecommunications	Switzerland	A-/Stable	A/Watch Neg	10,803
Jan. 9, 2025	Downgrade	Southern California Gas Co. (Sempra)	Utilities	U.S.	A-/Stable	A/Negative	7,445
Jan. 9, 2025	Upgrade	Advanced Micro Devices Inc.	High technology	U.S.	A/Stable	A-/Positive	2,555
Jan. 9, 2025	Downgrade	Naked Juice LLC	Consumer products	U.S.	CCC/Negative	CCC+/Negative	2,375
Jan. 8, 2025	Upgrade	News Corp.	Media and entertainment	U.S.	BBB-/Stable	BB+/Positive	1,500
Jan. 8, 2025	Upgrade	Momentive Performance Materials Inc.	Chemicals, packaging, and environmental services	U.S.	BB-/Positive	B+/Stable	850

Data as of Jan. 9, 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. \$)
Jan. 8, 2025	Upgrade	News Corp.	Media and Entertainment	U.S.	BBB-/Stable	BB+/Positive	1,500

Data as of Jan. 9, 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	Country/market	Subsector	To	From	Reason	Debt volume (mil. \$)
Jan. 8, 2025	City Brewing Co. LLC (Blue Ribbon Holdings LLC)	Consumer products	U.S.	SD	B-	Missed payments	885

Data as of Jan. 09, 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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