

This Week In Credit

Upgrades Outpace Downgrades Amid Sovereign Actions

S&P Global
Ratings

This report does not constitute a rating action.

Oct. 20, 2025

Key Takeaways

- Upgrades outnumbered downgrades last week, as the count of the latter fell by half. All the rating actions--except one upgrade--were in the speculative-grade segment.
- We upgraded Egypt to 'B' on October 10, and Moroccan phosphate producer OCP S.A. became a rising star, reflecting the upgrade of the sovereign on September 26.
- Chemicals, packaging, and environmental services remains the sector with the most negative net outlook bias (positive bias minus negative bias) at -20.7%, following a decline by one percentage point from the previous week.
- Cano Health, LLC, a provider of senior care and primary medical care services, was the only default recorded last week.

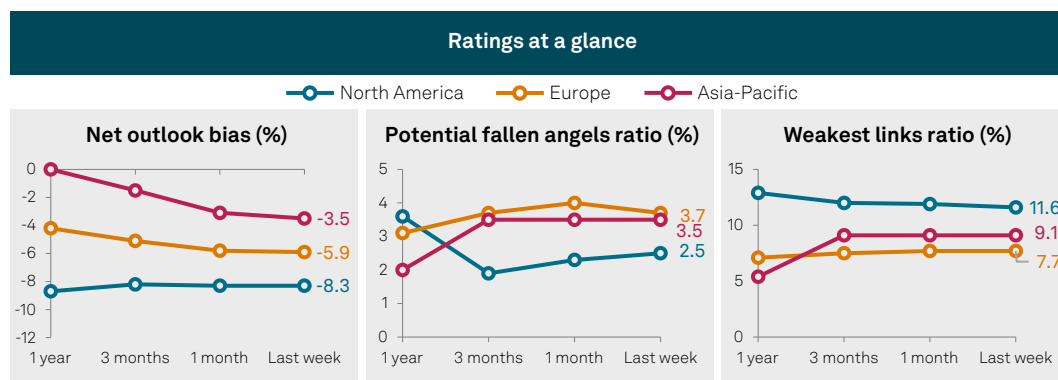
Ratings performance trends

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
7 ↗	5 ↘	8 ↗	14 ↗	1 ↗	0 ➡	1 ➡	1 ↘

Industries most at risk			U.S. distress ratio (%)
Net outlook bias (%)	Potential fallen angels	Weakest links	
-20.7 Chemicals, packaging, and environ. services ↘	8 Utilities ➡	38 Consumer products ➡	4.4 ↗



Data as of Oct.16, 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.

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Related Research

[Credit Trends: U.S. Corporate Bond Yields As Of Oct. 15, 2025](#), Oct. 16, 2025

[Default, Transition, and Recovery: Bankruptcies Drive Default Tally For The First Time In 2025](#), Oct. 16, 2025

[Ratings Performance Insights Q3 2025: Return To Positivity](#), Oct. 15, 2025

[Emerging Markets Monthly Highlights: Tariffs Will Continue Testing Resilience](#), Oct. 15, 2025

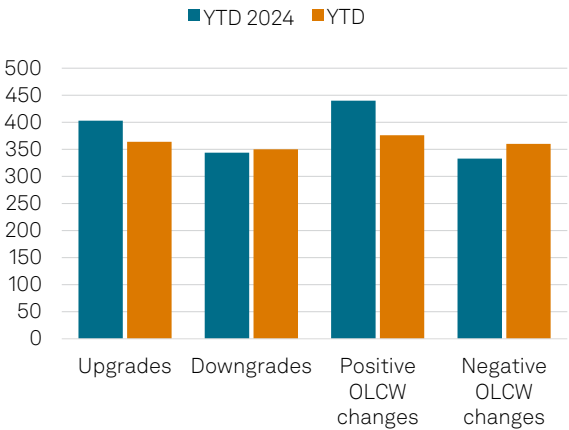
Upcoming Webinars

[Japan Corporate Credit Spotlight 2025 | S&P Global](#), Oct. 23, 2025

Year To This Week

Chart 1

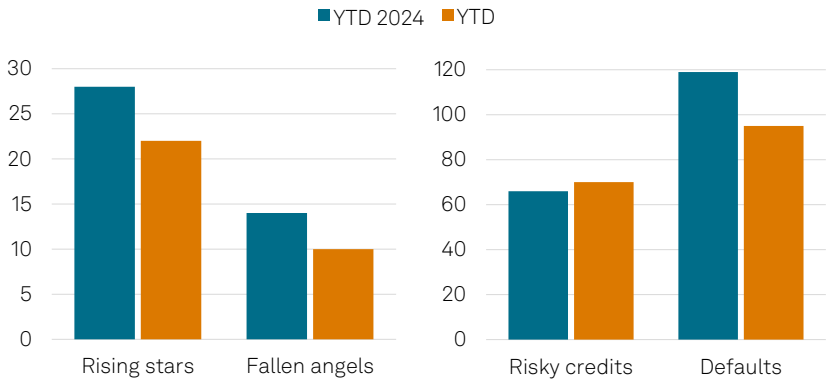
Rating actions
Year-to-date total



Data as of Oct.16, 2025 (2024 data is through Oct. 10).
YTD--Year to date. OLCW--Outlook/CreditWatch.
Source: S&P Global Ratings Credit Research & Insights.

Chart 2

Rating transitions
Year-to-date total

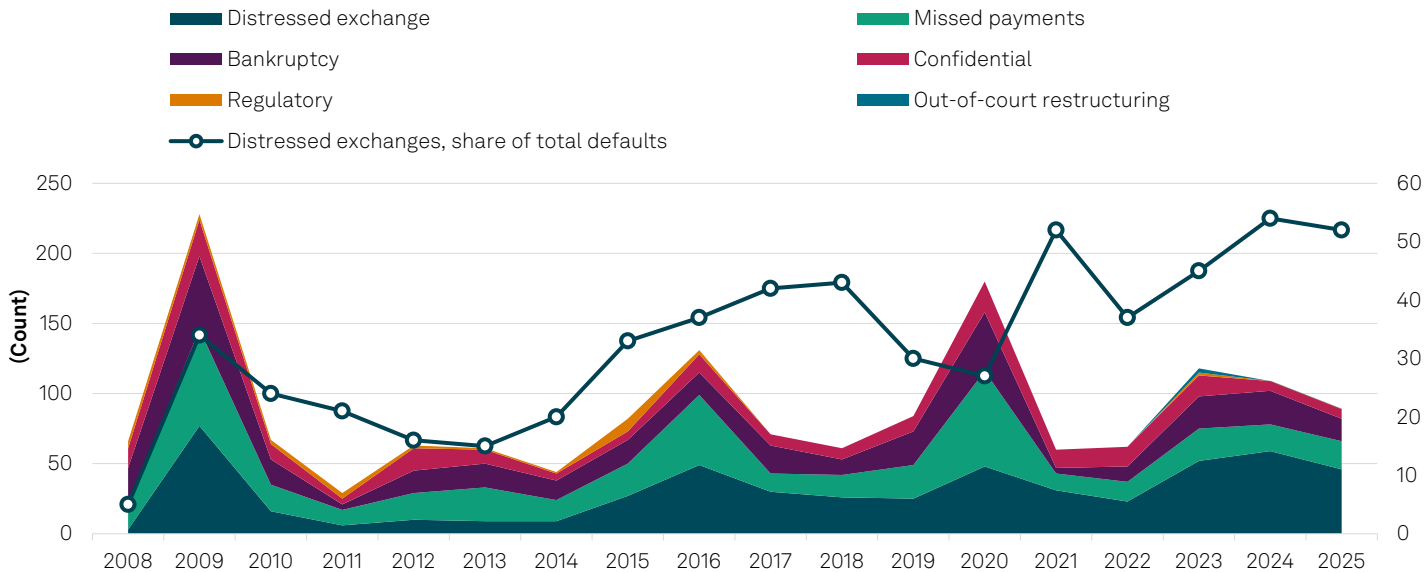


Data as of Oct.16, 2025 (2024 data is through Oct. 10).
YTD--Year to date.
Source: S&P Global Ratings Credit Research & Insights.

Chart Of The Week

Chart 3

Distressed exchanges remain the leading cause of defaults in 2025



This chart was first published in "[Default, Transition, and Recovery: Bankruptcies Drive Default Tally For The First Time In 2025](#)" on Oct. 16, 2025. Data as of Sept. 30, 2025. Data have been updated to reflect confidential issuers. Source: S&P Global Ratings Credit Research & Insights.

Credit Market Conditions

Chart 4

North America 1-month Credit VIX

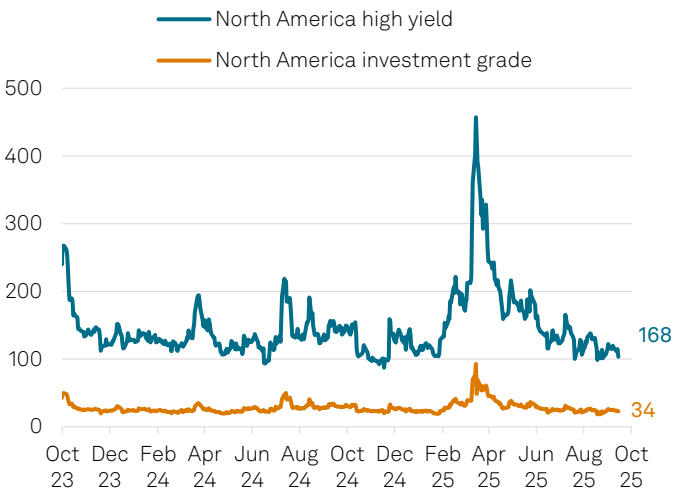
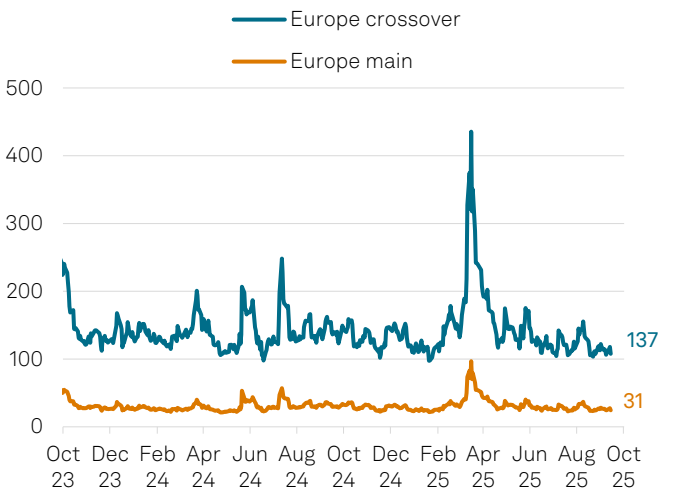


Chart 5

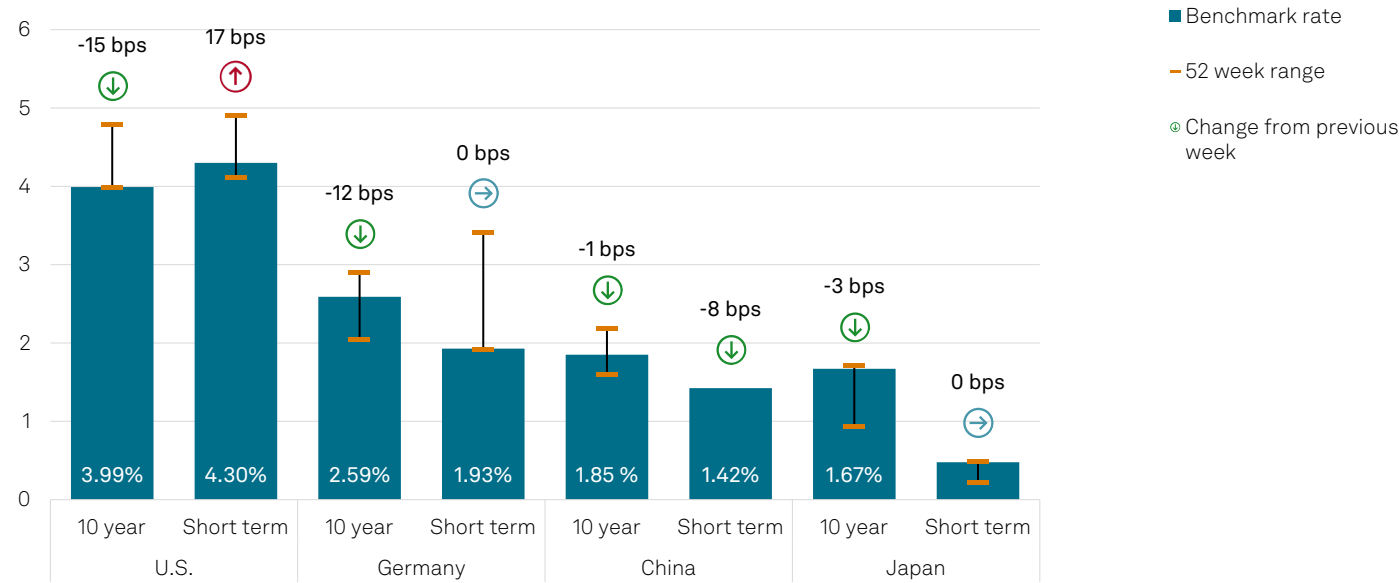
Europe 1-month Credit VIX



Data as of Oct. 16, 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 Oct.16, 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

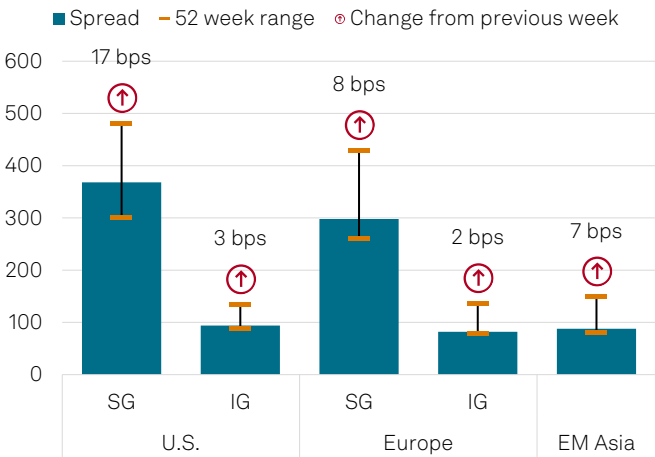
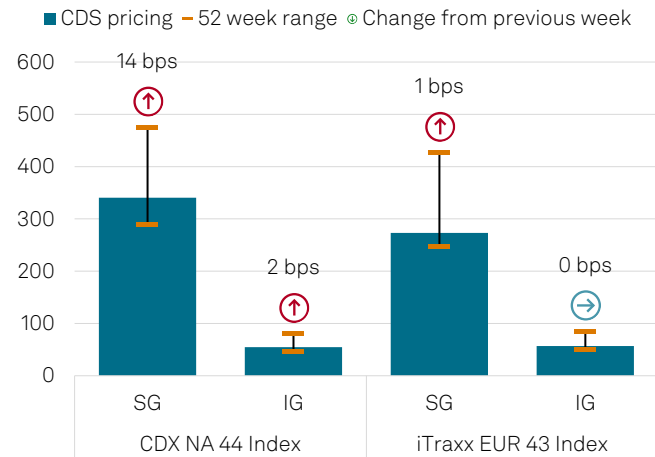


Chart 8

CDS pricing



Data as of Oct. 16, 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: Upgrades Outpace Downgrades Amid Sovereign Actions

Table 1

Top 10 upgrades and downgrades by debt

Date	Action	Issuer	Industry	Country	To*	From*	Debt volume (mil. \$)
Oct. 10, 2025	Upgrade	Egypt	Sovereign	Egypt	B-/Stable	B-/Stable	31,584
Oct. 16, 2025	Upgrade	OCP S.A.	Chemicals, packaging, and environmental services	Morocco	BBB-/Stable	BB+/Positive	7,150
Oct. 13, 2025	Downgrade	Xerox Holdings Corp.	High technology	U.S.	B-/Negative	B-/Negative	3,600
Oct. 10, 2025	Upgrade	AppLovin Corp.	Media and entertainment	U.S.	BBB/Stable	BBB-/Positive	3,550
Oct. 10, 2025	Downgrade	Aston Martin Lagonda Global Holdings PLC	Automotive	U.K.	CCC+/Stable	B-/Negative	1,808
Oct. 15, 2025	Upgrade	Ferrellgas Partners L.P.	Oil and gas	U.S.	B/Stable	CCC/Negative	1,475
Oct. 15, 2025	Downgrade	Anadolu Efes Biracilik ve Malt Sanayii AS	Consumer products	Turkey	BB/Negative	BB+/Negative	1,000
Oct. 10, 2025	Downgrade	Conduent Inc.	Media and entertainment	U.S.	B/Stable	B+/Negative	520
Oct. 15, 2025	Upgrade	IAMGOLD Corp.	Metals, mining, and steel	Canada	BB-/Stable	B/Stable	450
Oct. 16, 2025	Upgrade	Tamarack Valley Energy Ltd	Oil and gas	Canada	B+/Stable	B/Stable	445

Data as of Oct. 16, 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 (\$ Million)
Oct. 16, 2025	Upgrade	OCP S.A.	Chemicals, packaging and environmental services	Morocco	BBB-/Stable	BB+/Positive	7,150

Date	Action	Issuer	Industry	Country	To	From	Debt Volume (\$ Million)
Oct. 16, 2025	Upgrade	OCP S.A.	Chemicals, packaging and environmental services	Morocco	BBB-/Stable	BB+/Positive	7,150

Data as of Oct. 16, 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/ Market	To	From	Reason	Debt volume (mil. \$)
Oct. 15, 2025	Cano Health, LLC	Health Care	U.S.	D	CCC+	Distressed exchange	211

Data as of Oct. 16, 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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