

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.

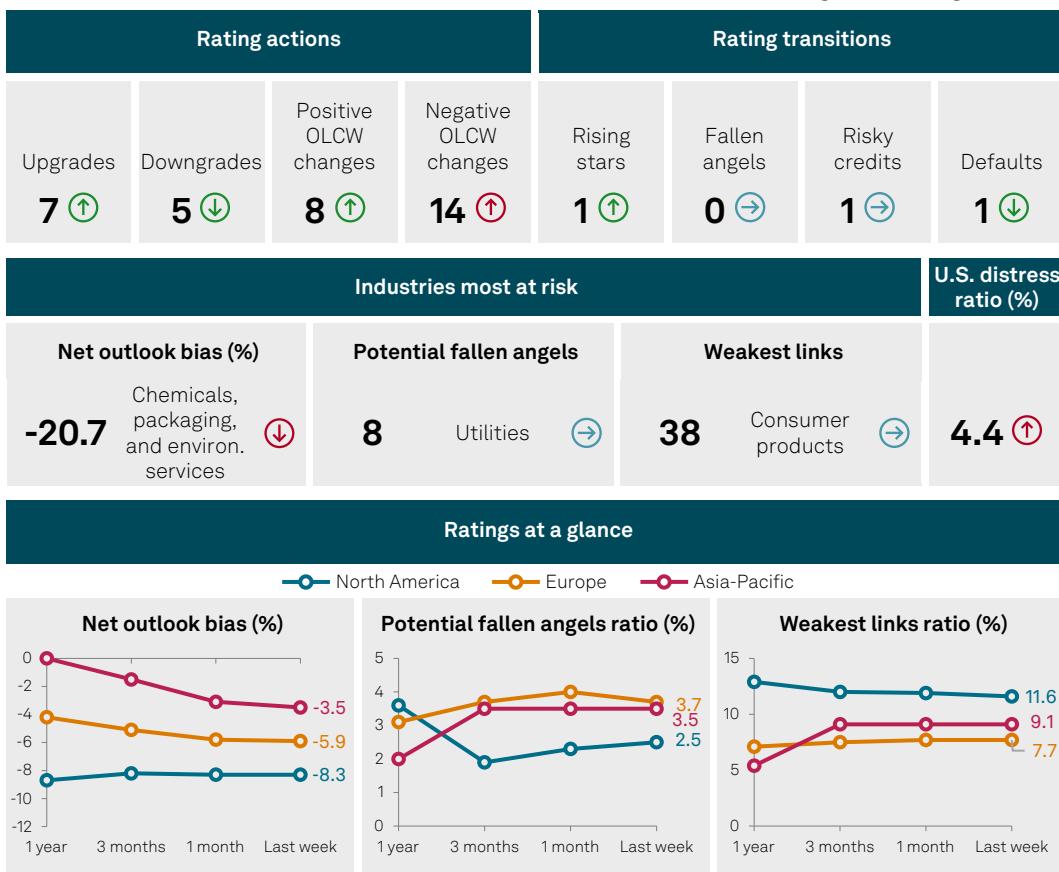
Ratings performance trends

Arrows indicate week over week trend  

Positive 

No change 

Negative 



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

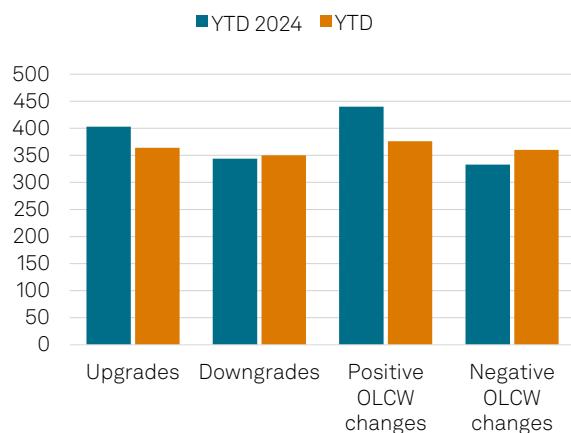
Upcoming Webinars

[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

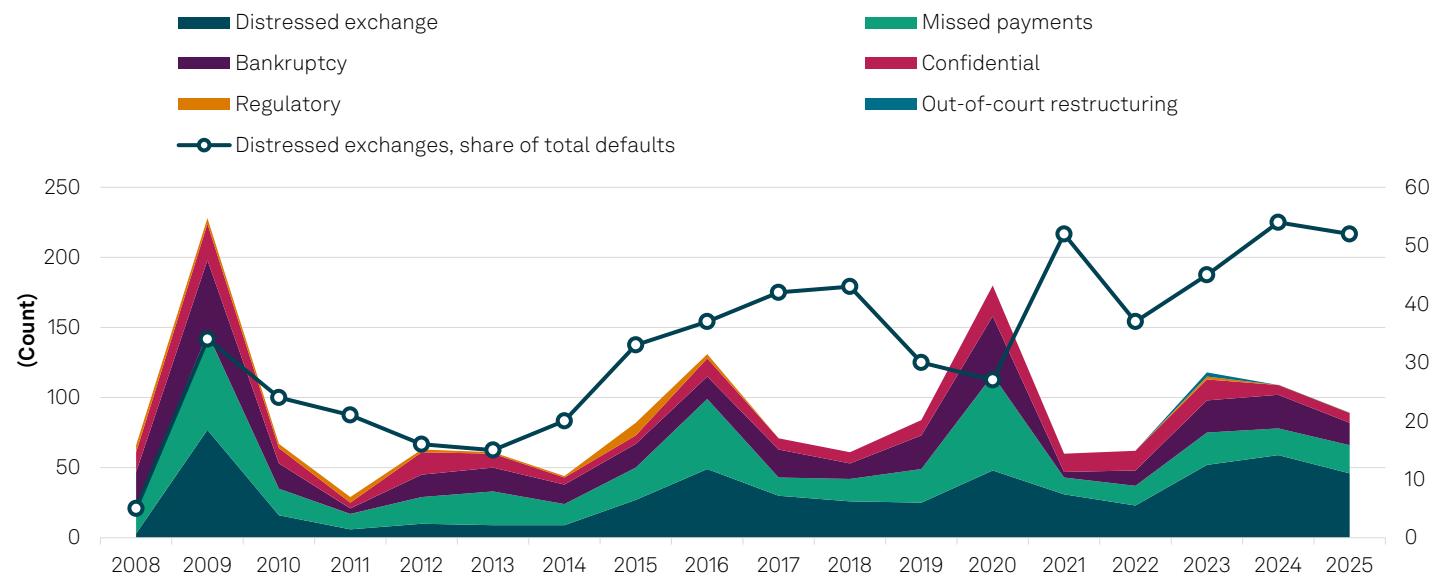


Data as of Oct. 16, 2025 (2024 data is through Oct. 10).
YTD--Year to date.
Source: S&P Global Ratings Credit Research & Insights.

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

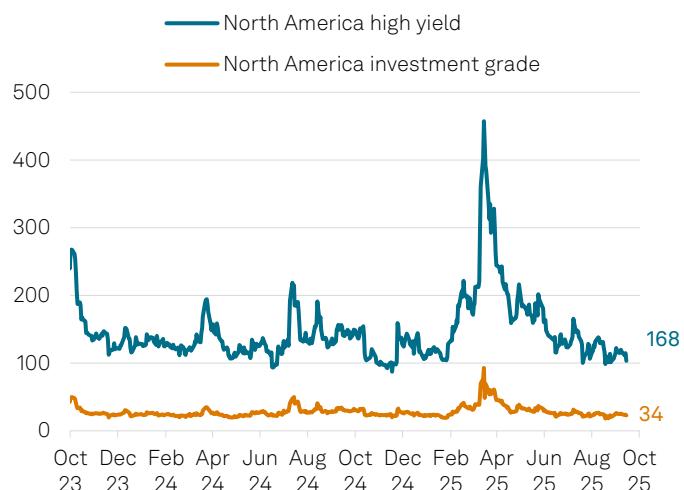
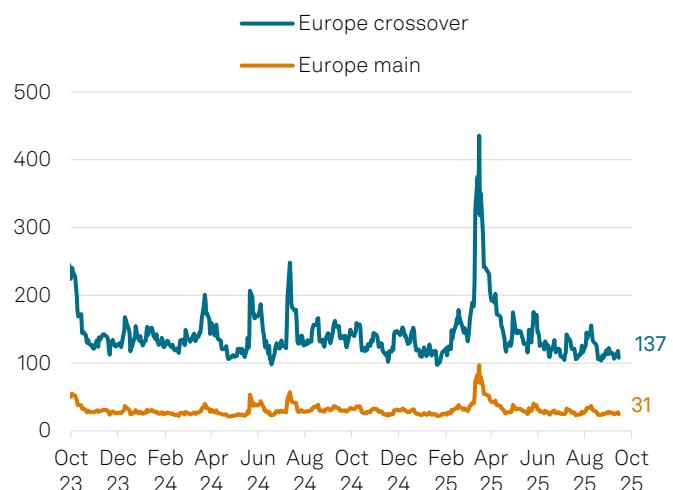


Chart 5

Europe 1-month Credit VIX

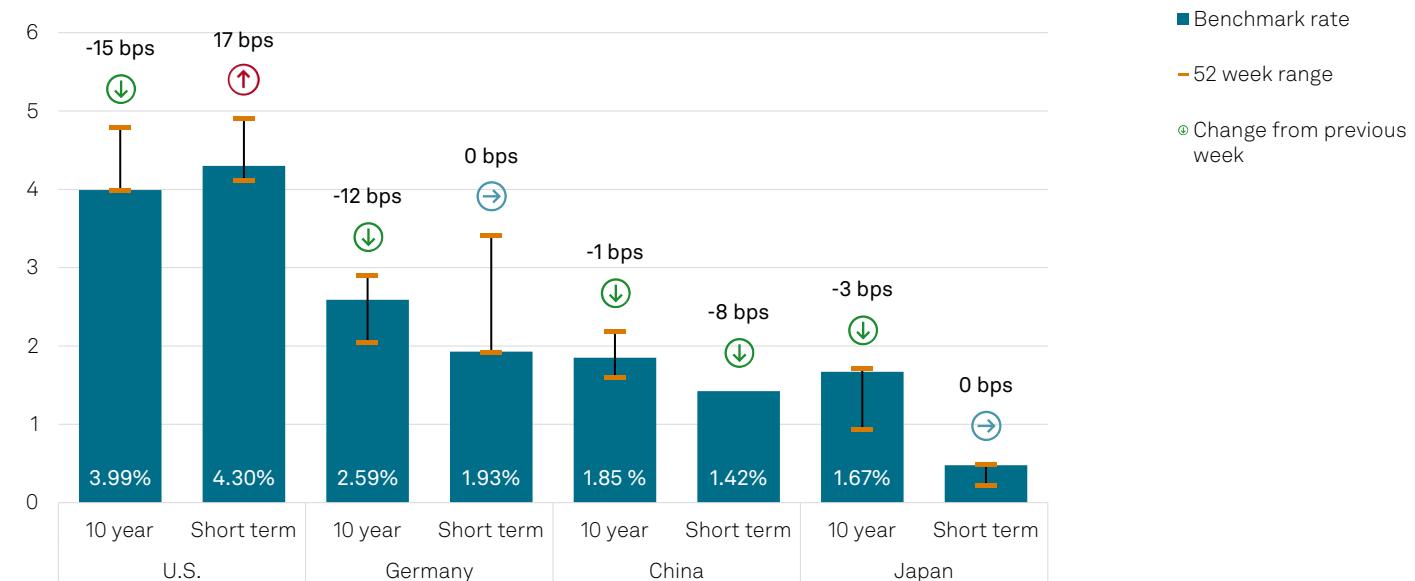


Data as of Oct. 16, 2025. Note: Europe Crossover--ITraxx/Cboe Europe Crossover 1-Month Volatility Index (BP Volatility); Europe Main--ITraxx/Cboe Europe Main 1-Month Volatility Index (BP Volatility); North America high-yield--CDX/Cboe NA High-yield 1-Month Volatility Index (BP Volatility); North America 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.

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Chart 7

Secondary market credit spreads

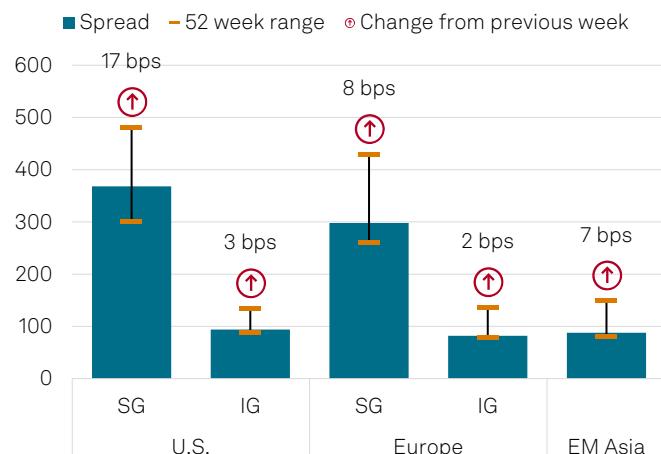
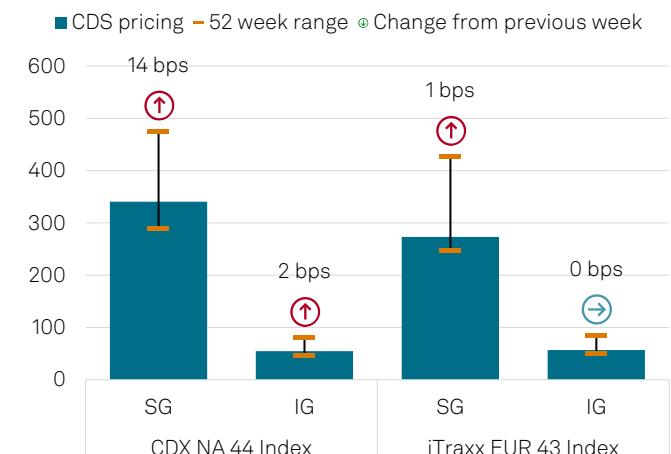


Chart 8

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 depositary 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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