

Risk Alert & Early Warning Report

(A systematic, cross-asset framework for identifying default precursors across the high yield universe, before they become consensus)



SCREEN DATE

March 25, 2026

UNIVERSE

65+ HY Bonds

SIGNAL TYPE

Cross-Asset

EQUITY NAMES

27 Issuers

In a high yield market where spreads remain range-bound and issuer-level dispersion is rising; the most actionable signals are no longer coming from broad beta moves. **They are emerging from cross-asset stress indicators at the individual issuer level.**

The Red Flags Indicator Report triangulates equity stress signals, such as stock price drawdowns and abnormal options volume, alongside fixed income deterioration metrics such as Z-spread widening, yield blowouts, and LQA score compression. The result is a broad, difficult-to-monitor HY universe converted into a prioritized, signal-driven research agenda.

Our latest screen across 65+ HY corporate bonds highlights three structural stress themes and a pocket of relative strength worth watching.

THEME 01

Spread Widening Acceleration

A concentrated cohort of names is showing persistent, multi-horizon Z-spread widening that is disconnected from their stated ratings. In several cases, the velocity and persistence of spread widening suggest the rating is materially stale relative to market pricing.

ZoomInfo Finance 3M Δ Z-Spread: +376 bps 6M Δ Z-Spread: +388 bps Mid Z-Spread: 603 Rating: CCC	Clydesdale Acquisition 3M Δ Z-Spread: +303 bps 6M Δ Z-Spread: +357 bps Mid Z-Spread: 646 Rating: CCC+	Champions Financing 3M Δ Z-Spread: +296 bps 6M Δ Z-Spread: +221 bps Mid Z-Spread: 888 Rating: B
Getty Images 3M Δ Z-Spread: +276 bps Mid Z-Spread: 967 1D Δ Equity Price: -4.4% Rating: B	iHeart Communications 3M Δ Z-Spread: +241 bps Mid Z-Spread: 939 1D Δ Equity Price: -4.6% Rating: CCC	Cloud Software Group 3M Δ Z-Spread: +326 bps 6M Δ Z-Spread: +249 bps Mid Z-Spread: 609 Rating: CCC+

Signal: When multi-horizon spread widening persists at this velocity alongside equity price deterioration, it typically signals that credit fundamentals have shifted ahead of agency action. The market is repricing these names well before any formal downgrade.

THEME 02

Liquidity Deterioration as a Leading Indicator

LQA scores across the screen are broadly compressed. When dealer balance sheet support withdraws from a credit, price gapping risk on exit increases materially. This is a phenomenon that often precedes formal ratings action by several weeks.

MPH Acquisition Sector LQA: 24 Liquidity LQA: 21 3M Δ Z-Spread: +230 bps 3M Δ Price: -9.3%	ION Platform Sector LQA: 27 Liquidity LQA: 23 3M Δ Z-Spread: +262 bps 3M Δ Price: -6.8%	Cable One Sector LQA: 32 Liquidity LQA: 26 3M Δ Z-Spread: +184 bps 3M Δ Price: -7.5%
Getty Images Sector LQA: 33 Liquidity LQA: 27 3M Δ Z-Spread: +276 bps 3M Δ Price: -10.1%	MIWD Holding Co Sector LQA: 31 Liquidity LQA: 26 3M Δ Z-Spread: +245 bps 3M Δ Price: -8.9%	

Signal: Critically low LQA scores combined with widening spreads create a reflexive feedback loop. Deteriorating liquidity amplifies mark-to-market losses, which further reduces dealer's willingness to warehouse risk. These names face elevated gapping risk on any forced selling.

THEME 03

Compression Candidates Offering Risk-Adjusted Carry

Not all signals are bearish. A handful of names show spread technicals improving alongside strong liquidity, a rare combination in the current environment that presents compelling carry opportunities for selective long positioning.

CoreWeave (9.25% '30) 3M ΔZ-Spread: -149 bps Sector LQA: 83 Liquidity LQA: 59 Rating: B+	CoreWeave (9.00% '31) 3M ΔZ-Spread: -152 bps Sector LQA: 82 Liquidity LQA: 57 Rating: B+	Neptune Bidco (9.29% '29) 3M ΔZ-Spread: -43 bps Sector LQA: 86 Liquidity LQA: 63 Rating: B
APLD ComputeCo (9.25% '30) 3M ΔZ-Spread: -188 bps Sector LQA: 70 Liquidity LQA: 47 Rating: BB-	PM General Purchaser (9.50% '28) 3M ΔZ-Spread: -436 bps Sector LQA: 45 Liquidity LQA: 33 Rating: CCC+	Tronox (4.625% '29) 3M ΔZ-Spread: -413 bps Sector LQA: 37 Liquidity LQA: 29 Rating: CCC+

Signal: Improving spread technicals paired with above-average liquidity scores indicate strengthening market confidence. For portfolios seeking selective long exposure, these names offer an attractive carry profile with lower exit-friction risk than the broader screen.

FULL SCREEN

Bond Price Performance

65+ HY corporate bonds screened across spread, yield, liquidity, and duration metrics. Data as of March 24, 2026.

Company	Cpn	Mat	Rank	Mod Durn	Price	YTM	Δ Px 3M	Z-Sprd	ΔZ 1M	ΔZ 3M	ΔZ 6M	Sector LQA	Liquidity LQA	Rating
Alta Equipment	9.00%	Jan-29	2L	2.6	90.0	12.9%	+1.9%	891.9	+161.7	-67.5	+175.9	41	31	B+
Clydesdale Acq.	8.75%	Apr-30	Sr Uns	3.2	94.4	10.5%	-7.4%	646.2	+138.1	+303.1	+357.0	66	45	CCC+
ZoomInfo Finance	3.88%	Jan-29	Sr Uns	2.6	85.5	9.9%	-9.9%	603.3	+16.9	+376.3	+387.6	39	30	CCC
CMG Media	8.88%	Jun-29	2L	2.6	87.3	13.9%	+1.6%	1013	-10.7	-55.9	+226.5	39	30	B+
MIWD Holdco II	5.50%	Jan-30	Sr Uns	3.3	88.5	9.1%	-8.9%	532.7	+114.6	+244.6	+262.1	31	26	B
Neptune Bidco	9.29%	Apr-29	Sec	1.4	100.2	9.2%	0.0%	537.3	+11.0	-43.0	-108.6	86	63	B
Champions Fin.	8.75%	Feb-29	Sec	2.4	91.0	12.6%	-7.6%	887.9	+150.6	+295.5	+221.1	34	28	B
iHeart Communications Inc	9.13%	Jan-29	1L	2.5	90.0	13.2%	-6.6%	938.9	-28.0	+241.2	-21.3	39	30	CCC
Cable One	4.00%	Nov-30	Sr Uns	3.9	71.2	12.3%	-7.5%	860.2	-64.1	+184.2	+400.6	32	26	CCC-
Brand Indust.	10.38%	Jan-30	Sec	3.3	90.9	13.2%	-7.6%	951.4	+69.5	+208.2	+243.9	51	36	CCC
ION Platform	9.50%	May-29	Sec	2.6	94.1	11.8%	-6.8%	806.2	-1.8	+261.8	-	27	23	B+
MPH Acquisition	5.75%	Dec-30	1L	3.9	79.8	11.4%	-9.3%	757.9	-221.4	+230.1	+223.2	24	21	CCC
Getty Images	10.50%	Nov-30	Sec	3.3	91.0	13.1%	-10.1%	967.0	-69.9	+275.7	-	33	27	B
Cloud Soft. Grp	9.00%	Sep-29	2L	2.8	98.3	9.6%	-5.7%	609.0	-22.7	+326.0	+249.2	80	56	CCC+
Rocket Software	9.00%	Nov-28	Sec	2.2	99.5	9.2%	-3.4%	557.2	-107.8	+354.6	+1381	51	36	CCC
CoreWeave	9.25%	Jan-30	Sr Uns	3.3	98.2	9.8%	+5.0%	621.6	-16.6	-149.2	+117.8	83	59	B-
CoreWeave	9.00%	Jan-31	Sr Uns	3.8	97.1	9.8%	+5.7%	624.3	-29.4	-151.9	+100.7	82	57	B+
APLD ComputeCo	9.25%	Dec-30	Sec	3.4	103.9	8.2%	+5.5%	456.9	+3.2	-187.7	-	70	47	BB+
Staples	10.75%	Jan-29	1L	2.7	93.8	13.0%	-5.3%	967.8	-9.3	+165.3	+180.0	82	58	CCC-

Specialty Bldg	7.75%	Oct-29	Sec	2.9	88.6	11.8%	-9.1%	788.8	+281.7	+289.2	+425.2	41	31	B
Tronox	4.63%	Mar-29	Sr Uns	2.6	79.1	13.4%	+13.1%	974.6	-71.4	-412.6	-251.6	37	29	CCC+
DirecTV	10.00%	Feb-31	1L	2.4	101.4	9.6%	-0.8%	602.6	-2.3	-0.5	-73.4	85	62	B

Showing selected names. Full screen included in the complete report.

CROSS-ASSET SIGNALS

Equity & Options Volume Activity

Equity price performance and options volume spikes across the HY issuer equity universe. Data as of March 25, 2026.

Company	Ticker	Sector	Last Price	1D Δ Px	1M Δ Px	3M Δ Px	Opt Vol	Avg 20D	Spike
E.W. Scripps	SSP	Comms	3.5	-8.2%	-0.2%	-0.5%	32	54	0.6x
ZoomInfo Tech	GTM	Technology	5.8	-7.0%	-0.4%	-4.4%	288	1,460	0.2x
Sabre Corp	SABR	Cons Disc	1.4	-6.0%	+0.5%	0.0%	482	2,420	0.2x
iHeartMedia	IHRT	Comms	2.7	-4.6%	-0.4%	-1.8%	15	83	0.2x
Getty Images	GETY	Comms	0.8	-4.4%	+0.1%	-0.5%	71	344	0.2x
Cable One	CABO	Comms	91.4	-2.5%	+0.5%	-27.1%	-	0	NA
B&G Foods	BGS	Cons Stpl	4.8	-2.2%	-0.5%	+0.3%	1,562	1,080	1.4x
Blackstone	BX	Financials	108.0	-1.3%	-10.2%	-47.6%	18,322	43,210	0.4x
Apollo Global	APO	Financials	111.3	+0.7%	-6.0%	-37.6%	30,912	21,590	1.4x
CoreWeave	CRVV	Technology	83.0	+1.3%	-15.0%	+4.2%	90,729	205,300	0.4x
ACCO Brands	ACCO	Cons Disc	3.0	+1.4%	-1.2%	-0.7%	1,169	117	10.0x
SunCoke Energy	SXC	Materials	6.6	+8.1%	+0.8%	-0.6%	1,666	350	4.8x
Avis Budget	CAR	Cons Disc	117.5	+9.5%	+24.6%	-14.3%	2,060	4,980	0.4x
Tronox Holdings	TROX	Materials	8.5	+15.1%	+1.3%	+4.2%	1,775	1,570	1.1x

Showing selected names. Full screen included in the complete report.

PORTFOLIO IMPLICATIONS

What This Means for HY Investors

The convergence of spread, liquidity, and equity signals across this screen points to two structural implications for portfolio positioning.

01

Issuer-Level Credit Mispricing

Credit risk is mispriced at the issuer level, particularly where spread widening and LQA deterioration are diverging from headline ratings. The market is pricing in stress that rating agencies have yet to acknowledge.

02

Duration-Adjusted Positioning Matters

Names with elevated modified duration combined with widening spreads face compounded mark-to-market pressure that pure yield analysis does not fully capture.

FRAMEWORK

How We Build the Screen

The Red Flags Indicator Report is a systematic, cross-asset early warning framework. It triangulates equity stress signals, including stock price drawdowns and abnormal options volume, alongside fixed income deterioration metrics to convert the broad HY universe into a prioritized, signal-driven research agenda.

Each issuer is evaluated across multiple signal dimensions, with the framework designed to surface names where market pricing is diverging from stated credit ratings, often weeks before formal agency action



2500+

Global Clients

500+

Strong professional team across multi-disciplinary domains

120+

Sectors and sub-sectors researched by our analysis

80+

Countries where we have delivered projects

ABOUT ARANCA



Growth Advisory

CXOs in Strategy, SBUs, Sales, Marketing, CI/MI, Innovation



Valuation & Financial Advisory

CFOs in Start-ups, PE/VC Firms, Corporate M&A Teams, Mid-market Companies



Technology | IP Research & Advisory

R&D, Tech Scouting, Open Innovation, IP Teams, Product Development



Investment Research & Analytics

Brokerage, Hedge Funds, IRPs, I-Banks, AMCs, Investor Relations



Sustainability & Climate

Energy transition, carbon management, circular economy, and sustainable procurement