UNITED STATES · SOVEREIGN CREDIBILITY

A reading without precedent

In 2025 an index of news attention to American sovereign creditworthiness reached a level more than twice its previous high in a decade of data. The dollar had barely moved when the reading first crossed.

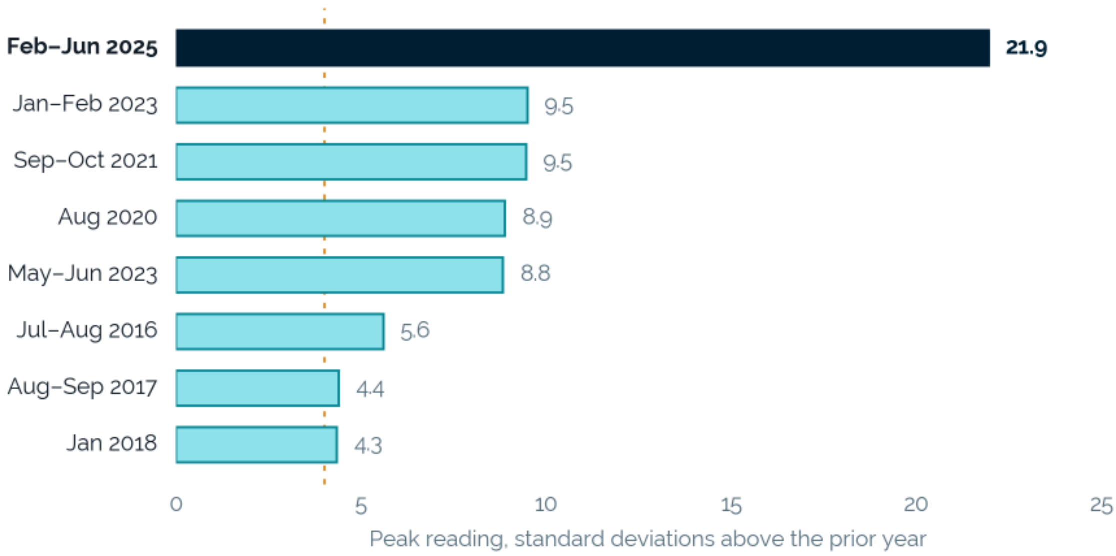
PERMUTABLE INSIGHT · SEPTEMBER 2026

21.9	9.5	103	5.6%
Peak reading, May 2025	Previous high, a decade	Days the episode ran	Of days above the threshold

The index counts and scores news coverage of American sovereign creditworthiness, sums it over a rolling thirty days, and measures that total against the preceding year. Readings are expressed in standard deviations, so a value of four means coverage running four deviations above what the prior twelve months would have led one to expect. On this measure the index has crossed four on 193 of 3,469 days since the start of 2016, about one day in eighteen, grouped into eight distinct episodes.

On 27 February 2025 it crossed that mark for the first time since June 2023. What distinguished the episode that followed was not the crossing but its scale. The reading peaked at 21.9 on 20 May, against a previous decade high of 9.5, and the episode ran 103 days where the longest before it had lasted 34. On the day of the crossing the dollar index stood at 107.24, down 0.7 per cent over the preceding sixty days and 2.5 per cent below its January high.

Peak reading in each episode since 2016

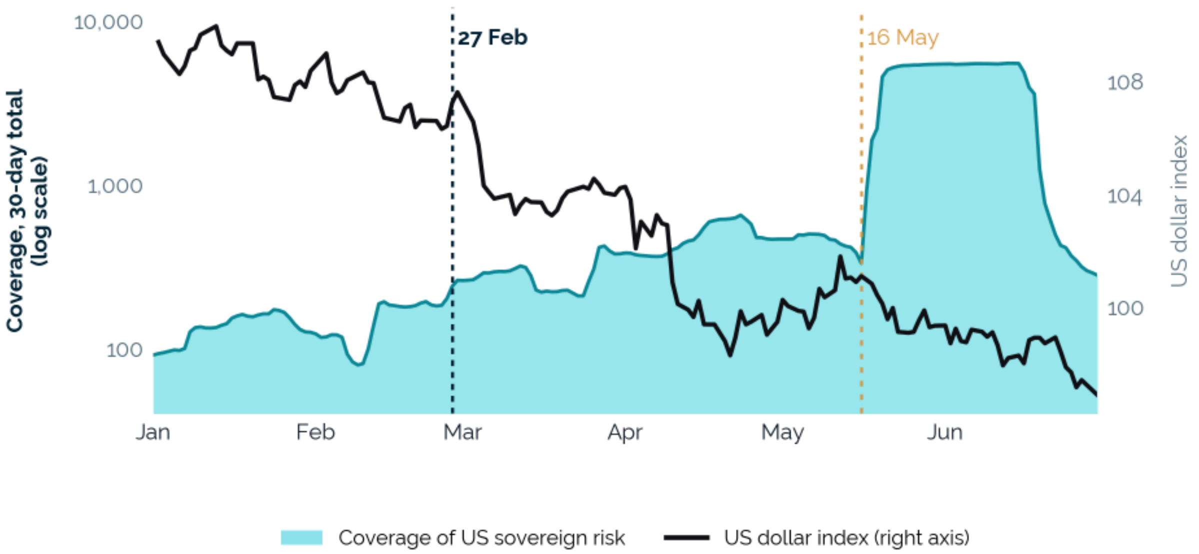


The amber line marks the four-deviation threshold. Days above it falling within 45 days of one another are treated as a single episode. Navy marks 2025.

Coverage did not settle after the crossing. The thirty-day total stood at 239 on 27 February and reached 5,427 by 4 June, a factor of nearly twenty-three. The steepest section came in the second half of May, after Moody's withdrew the United States' last triple-A credit rating on 16 May, the final agency to do so. The peak reading followed four days later.

The market moved over the same period, though not on the same schedule. The dollar index fell from 107.24 on the day of the crossing to 96.88 by 30 June, a decline of 9.7 per cent, with the sharpest leg through April. Gold rose from 2,876 to a peak of 3,434 on 21 April, a gain of 19.4 per cent. Both moves were largely complete before coverage reached its own maximum.

Coverage and the dollar through the 2025 episode



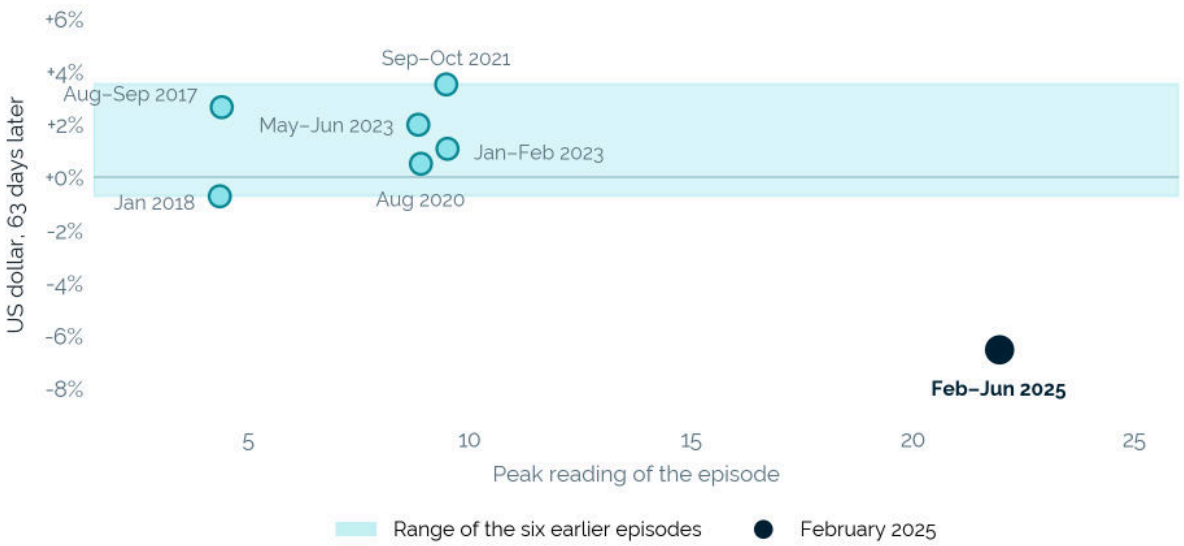
Coverage is shown on a logarithmic scale to accommodate a twenty-three-fold range. Amber marks the Moody's downgrade of 16 May.

> *Coverage rose twenty-three-fold between late February and early June. The dollar's decline was largely complete before that rise reached its peak.*

Six earlier episodes have market data alongside them. In the sixty-three days after each, the dollar moved between minus 0.7 and plus 3.5 per cent, rising in five of the six, with a median gain of 1.5 per cent. On the historical record, elevated readings of this kind had been associated with mild dollar firmness rather than weakness.

February 2025 sits outside that range. The dollar was 6.5 per cent lower sixty-three days on, and gold 12.6 per cent higher. Both fall well beyond anything in the preceding record. The episode is the largest reading in the series and the only one followed by a decline of that order, which is a striking pairing and also, on a sample of seven, a single observation.

Size of the reading against what the dollar did next



Each point is one episode. The horizontal band spans the full range of dollar outcomes across the six earlier episodes.

WHAT THIS ESTABLISHES

The index recorded, on a fixed rule and in real time, that attention to American sovereign creditworthiness had reached a level without precedent in its history, and it did so while the dollar was still close to its high for the year. That is a measurement claim, dated and reproducible from the underlying series, and it is the substance of what the data supports.

It is not, on this evidence, a forecasting claim. Across the decade elevated readings have not generally preceded large moves in the dollar, and the 2025 relationship rests on one episode. Establishing predictive value would require applying the same construction to comparable sovereign events elsewhere – the United Kingdom in 2022 and the euro-area periphery in 2011 are the natural tests – rather than extrapolating from a single case.