

# This Week In Credit

## Net Positive Rating Activity With Sector Divergence

S&P Global  
Ratings

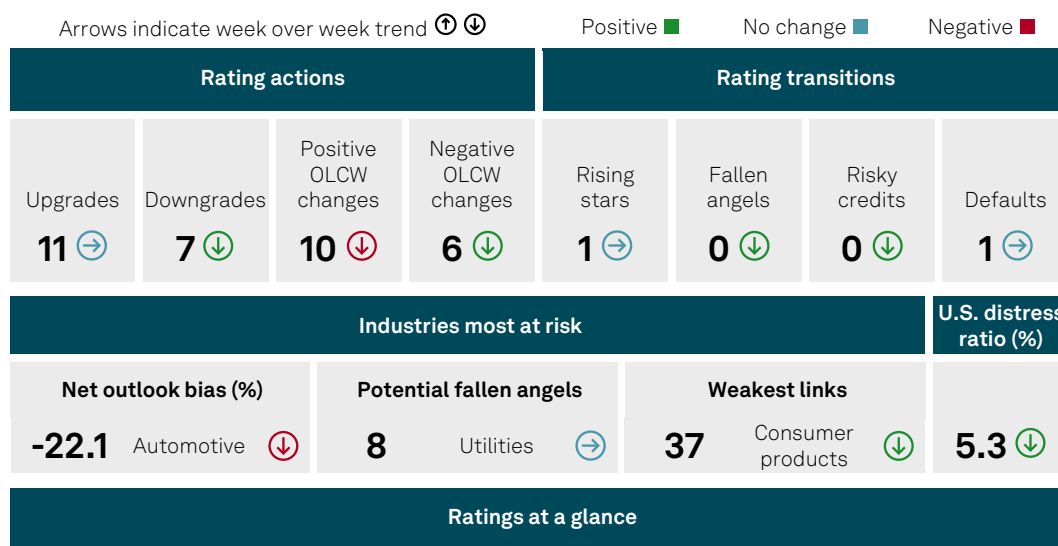
This report does not constitute a rating action.

Dec. 8, 2025

### Key Takeaways

- Rating activity was net positive last week, on the back of a decline in downgrades. Upgrades included one rising star, U.S.-based power company Vistra Corp. (upgraded to investment-grade from speculative-grade). The rising star count year to date is 26, compared with 34 over the same period last year.
- Upgrades also included three Uzbekistan-based issuers following the sovereign's upgrade to 'BB' on Nov. 21, 2025. The chemicals, packaging, and environmental services sector continued to face downward pressure, with two downgrades.
- There was one default recorded last week, the Baffinland Iron Mines Corp., which was downgraded to 'SD' (selective default) from 'CCC-' on Dec. 1, 2025, on a distressed transaction. The company was later upgraded to 'CCC-' on Dec. 3, following a debt maturity extension. Year to date, 109 entities have defaulted, fewer than the 136 that defaulted during the same period last year.

### Ratings performance trends



Data as of Dec. 4, 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 Dec. 3, 2025](#), Dec. 5, 2025

[Global Credit Outlook 2026: Music Playing, Noise Rising](#), Dec. 3, 2025

[Private Markets: How Will Fund Finance Shape Private Credit?](#), Dec. 3, 2025

[Global Tariff Tracker: As Of Nov. 28, 2025](#), Dec. 2, 2025

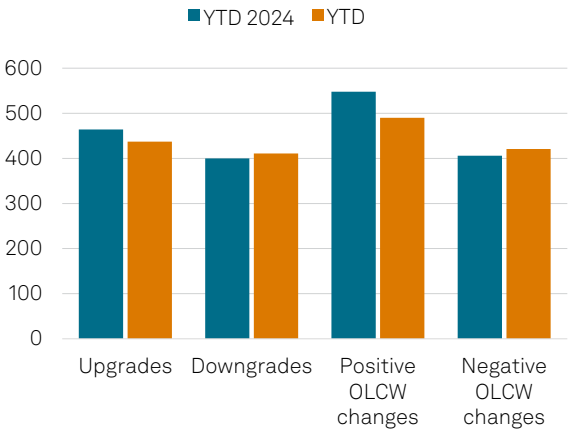
### Upcoming Webinars

[Africa In Focus: Latest Credit Trends and Their Ripple Effects on The Private Sector | S&P Global](#), Dec. 11, 2025

# Year To This Week

Chart 1

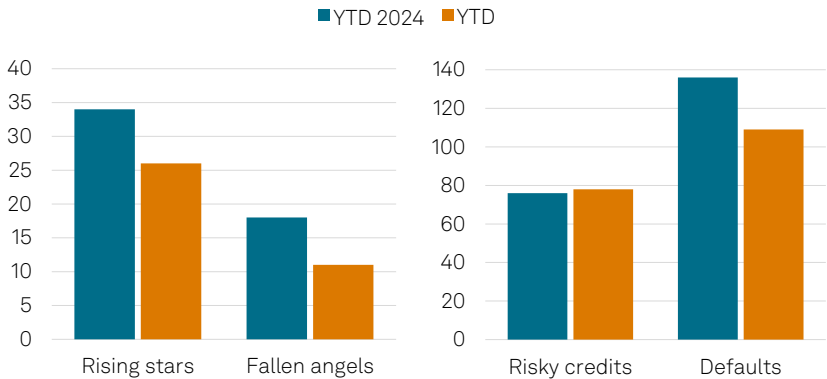
Rating actions  
Year-to-date total



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

# Chart Of The Week

Chart 3

Global 'B' rated bond maturities are pending, while debt costs remain high



This chart was first published in "[Rates: Can Financing Conditions Remain Supportive?](#)" on Dec. 3, 2025. Average coupons calculated based on issued amounts. Source: Refinitiv, S&P Global Ratings

# Credit Market Conditions

Chart 4

North America 1-month Credit VIX

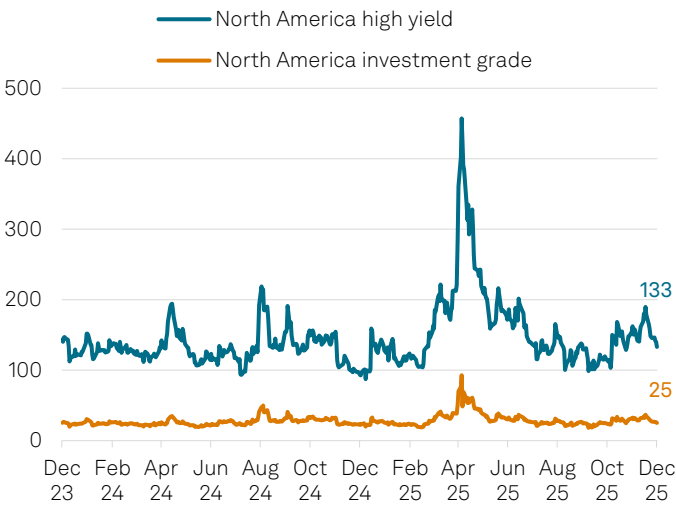
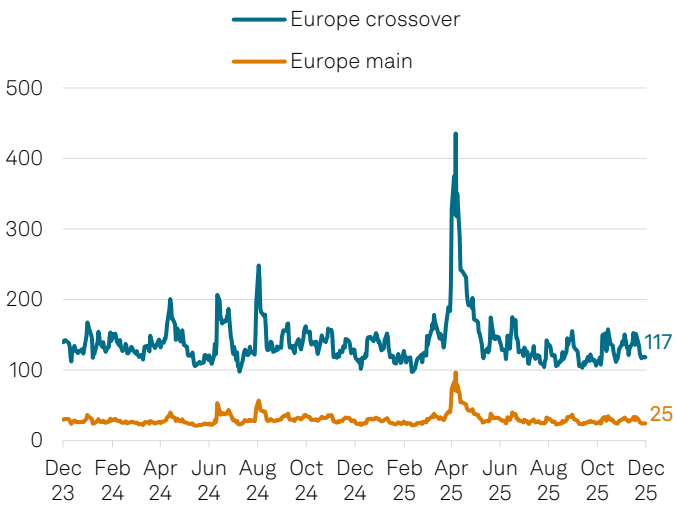


Chart 5

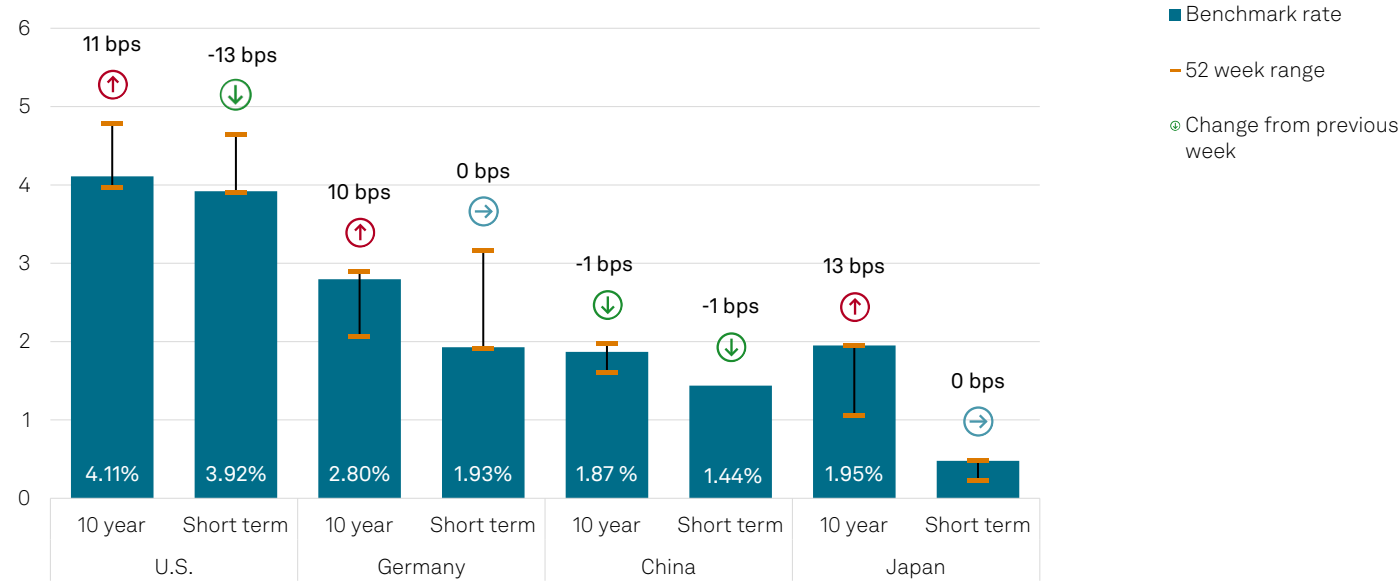
Europe 1-month Credit VIX



Data as of Dec. 4, 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. Source: S&P Dow Jones Indices LLC's Credit Volatility Indices (Credit VIX).

Chart 6

Benchmark yields



Data as of Dec. 4, 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

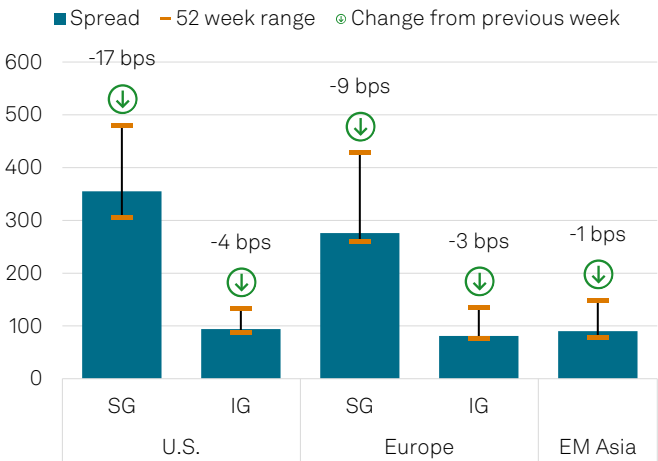
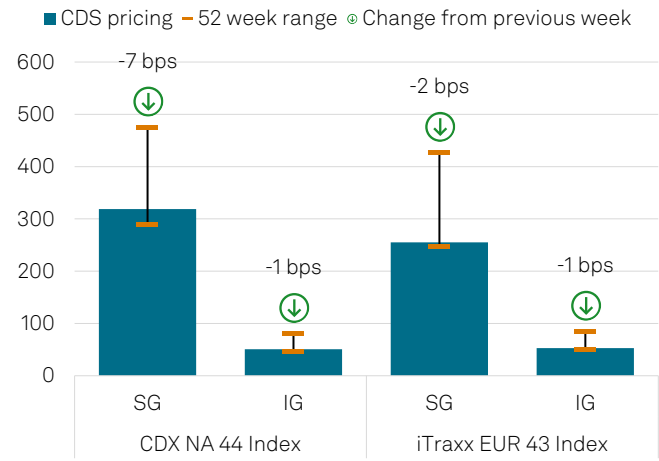


Chart 8

CDS pricing



Data as of Dec. 4, 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: Positive Tilt Amid Light Rating Activity

Table 1

### Top 10 upgrades and downgrades by debt

Date	Action	Issuer	Industry	Country	To*	From*	Debt volume (mil. \$)
Dec. 2, 2025	Upgrade	Vistra Corp.	Utilities	U.S.	BBB-/Stable	BB+/Positive	19,400
Dec. 4, 2025	Upgrade	AIA Group Ltd.	Insurance	Hong Kong	AA-/Stable	A+/Positive	10,070
Dec. 4, 2025	Upgrade	Lorca Telecom Bidco S.A.U.	Telecommunications	Spain	BB+/Watch Pos	BB/Watch Pos	9,224
Dec. 4, 2025	Upgrade	Reliance Industries Ltd.	Oil and gas	India	A-/Stable	BBB+/Stable	6,741
Dec. 3, 2025	Upgrade	Prudential PLC	Insurance	U.K.	A+/Stable	A/Stable	4,140
Dec. 3, 2025	Downgrade	Elsan SAS	Health care	France	B/Stable	B+/Stable	2,086
Nov. 28, 2025	Downgrade	Tullow Oil PLC	Oil and gas	U.K.	CCC-/Negative	CCC/Negative	1,800
Dec. 1, 2025	Upgrade	Uzbekneftegaz JSC	Oil and gas	Uzbekistan	BB-/Stable	B+/Positive	1,550
Dec. 1, 2025	Upgrade	Navoi Mining and Metallurgical Co.	Metals, mining, and steel	Uzbekistan	BB/Stable	BB-/Positive	1,500
Dec. 4, 2025	Downgrade	Fortna Group Inc.	Capital goods	U.S.	CCC-/Negative	CCC+/Negative	1,471

Data as of Dec. 4, 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. \$)
Dec. 2, 2025	Upgrade	Vistra Corp.	Utilities	U.S.	BBB-	BB+	19,400

Data as of Dec. 4, 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. \$)
Dec. 1, 2025	Baffinland Iron Mines Corp.	Metals, mining and steel	Canada	SD	CCC-	Distressed exchange	1,150

Data as of Dec. 4, 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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