

This Week In Credit

Net Positive Rating Activity With Sector Divergence

S&P Global
Ratings

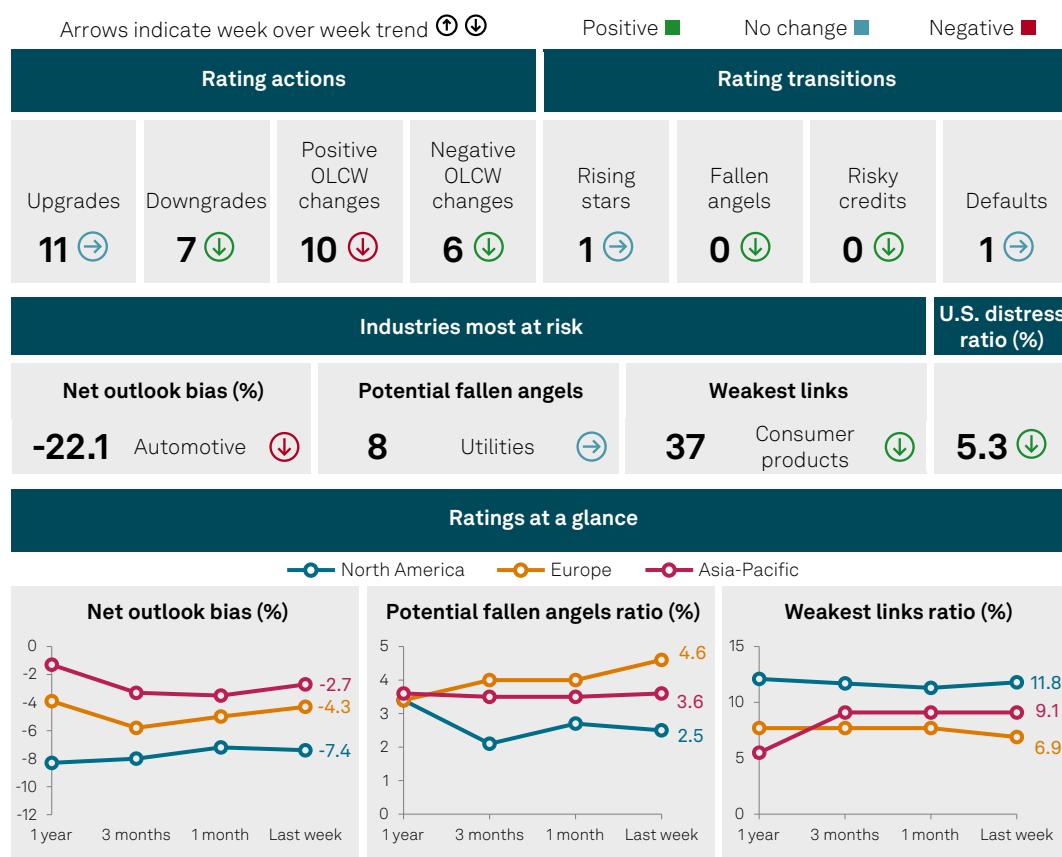
This report does not constitute a rating action.

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

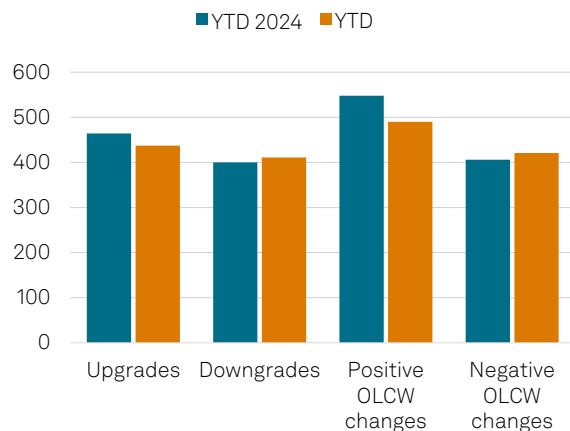
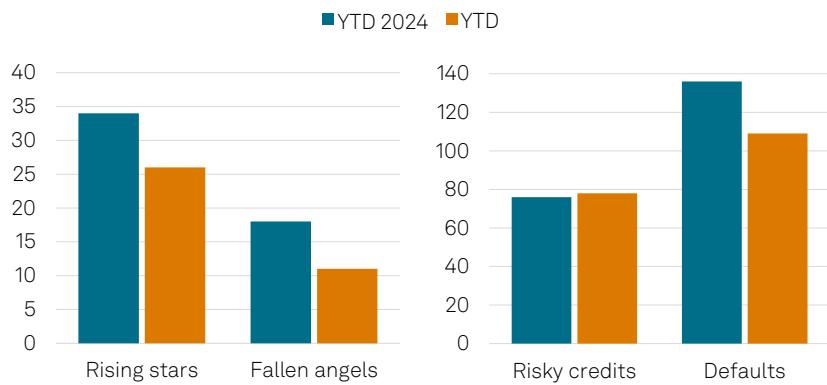


Chart 2

Rating transitions 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.

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

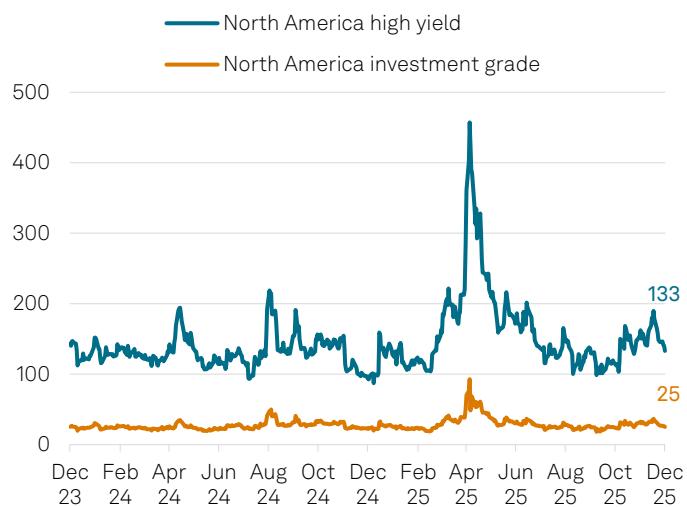


Chart 5

Europe 1-month Credit VIX

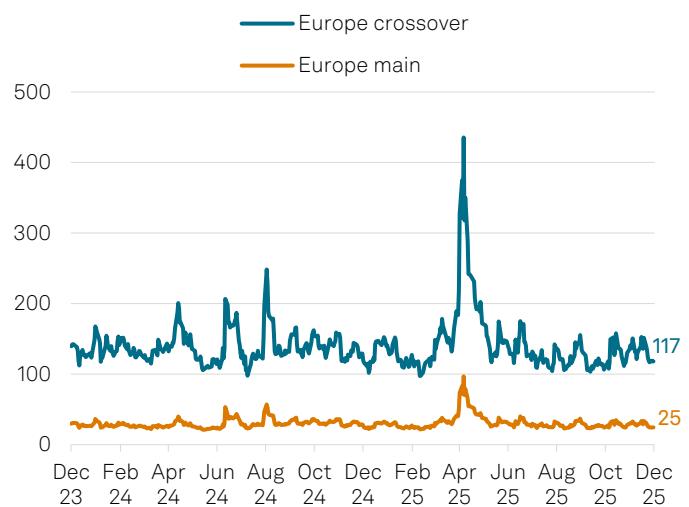
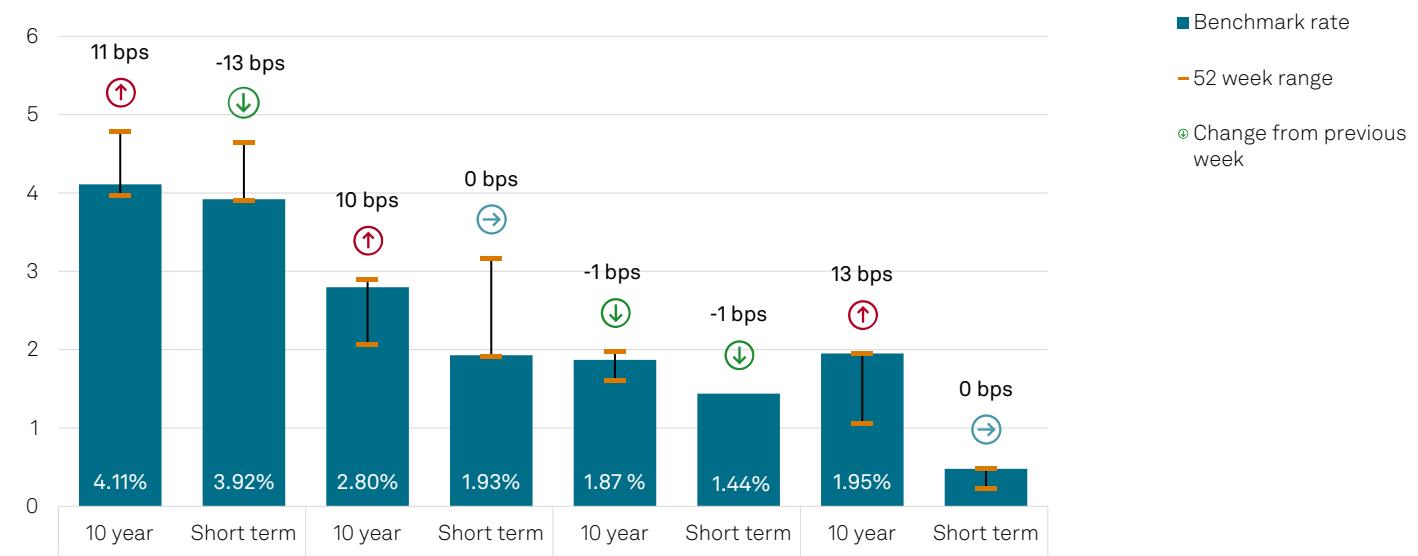


Chart 6

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.

This Week In Credit: Net Positive Rating Activity With Sector Divergence

Chart 7

Secondary market credit spreads

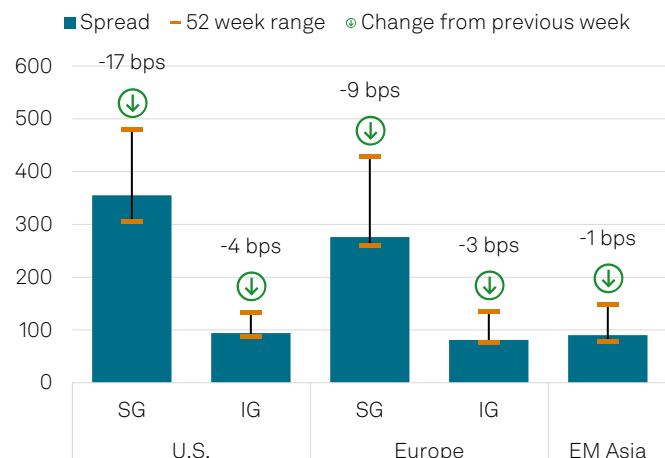
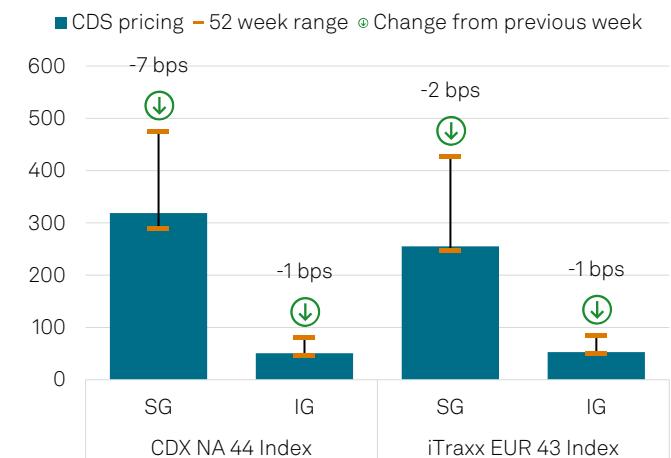


Chart 8

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 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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