

# This Week In Credit

## First Fallen Angel Of 2026

S&P Global  
Ratings

This report does not constitute a rating action.

Jan. 12, 2026

### Key Takeaways

- Rating activity was soft at the start of the year. Rating actions were on U.S.-based issuers, spread across nonfinancial sectors, and all but one involved speculative-grade issuers.
- Last week's downgrades included the year's first fallen angel: Hologic Inc., a medical device manufacturer. We downgraded Hologic to 'B+' from 'BBB-' following a take-private transaction.
- Two U.S.-based defaults were recorded. We downgraded Saks Global Enterprises LLC, a multi-brand luxury retailer, to 'SD' from 'CCC' due to a missed interest payment. Upstream Newco Inc., an outpatient rehabilitation services provider, was downgraded to 'D' from 'CCC' following the completion of a debt restructuring.

### Ratings performance trends

Arrows indicate week over week trend ↗ ↘

Positive ■

No change ■

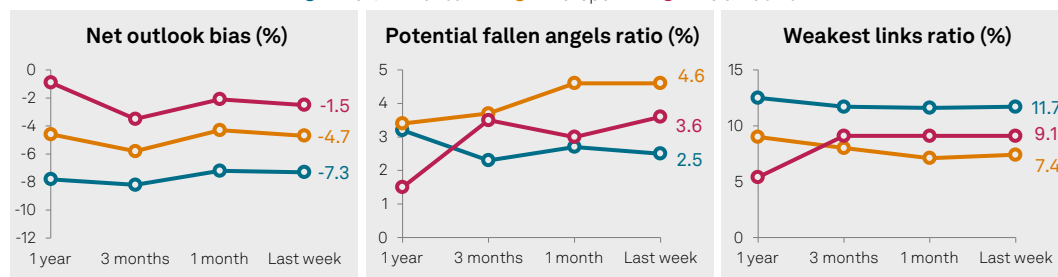
Negative ■

Rating actions				Rating transitions			
Upgrades	Downgrades	Positive OLCW changes	Negative OLCW changes	Rising stars	Fallen angels	Risky credits	Defaults
4 ↗	2 ↗	2 ↗	4 ↗	0 ↗	1 ↗	0 ↗	2 ↗

Industries most at risk			U.S. distress ratio (%)
Net outlook bias (%)	Potential fallen angels	Weakest links	
-24.4 Automotive ↗	9 Utilities ↗	41 Consumer products ↗	5.2 ↘

### Ratings at a glance

— North America — Europe — Asia-Pacific



Data as of Jan. 8, 2026. 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 Jan. 7, 2026](#), Jan. 8, 2026

[CreditWeek: How Will 2025's Ratings Performance Color The 2026 Picture?](#), Dec. 18, 2025

[Emerging Markets Monthly Highlights: Supportive Tailwinds, Bumps For Some](#), Dec. 17, 2025

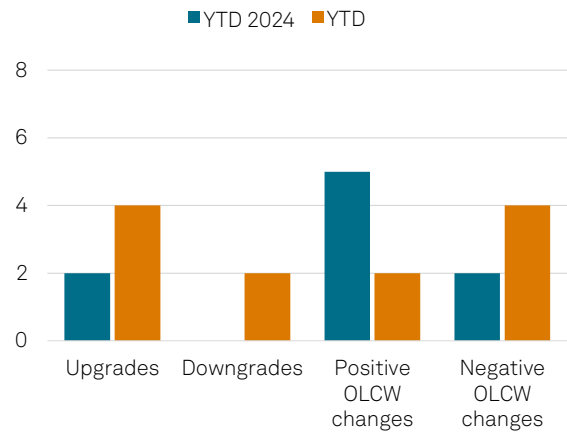
### Upcoming Webinars

[U.S. Corporate Health Care Outlook 2026 | S&P Global](#), Jan. 21, 2026

# Year To This Week

Chart 1

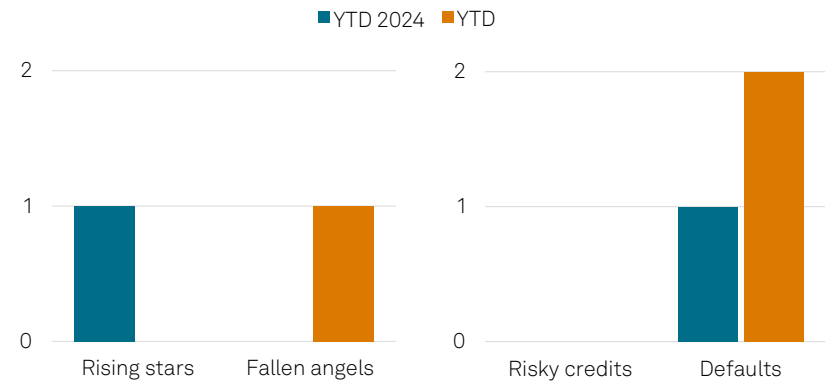
Rating actions  
Year-to-date total



Data as of Jan. 8, 2026 (2025 data is through Jan. 8).  
YTD--Year to date. OLCW--Outlook/CreditWatch.  
Source: S&P Global Ratings Credit Research & Insights.

Chart 2

Rating transitions  
Year-to-date total



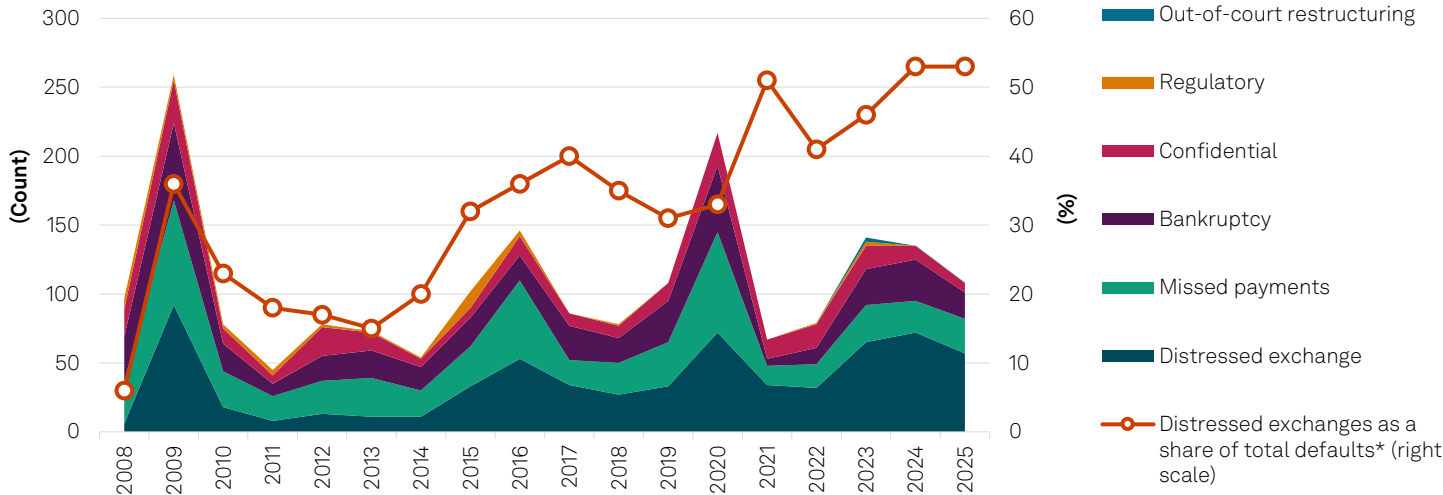
Data as of Jan. 8, 2026 (2025 data is through Jan. 8).  
YTD--Year to date.  
Source: S&P Global Ratings Credit Research & Insights.

# Chart Of The Week

Chart 3

Distressed exchanges remain the primary driver of global defaults

Year-to-date defaults reasoning



This chart was first published in "[Default, Transition, and Recovery: U.S. Corporate Defaults Fall To The Lowest Level Since February](#)" on Dec. 17, 2025. Data as of Nov. 30, 2025. Data has been updated to reflect confidential issuers. \*Distressed exchanges, share of defaults are for trailing three months. Source: S&P Global Ratings Credit Research & Insights.

# Credit Market Conditions

Chart 4

North America 1-month Credit VIX

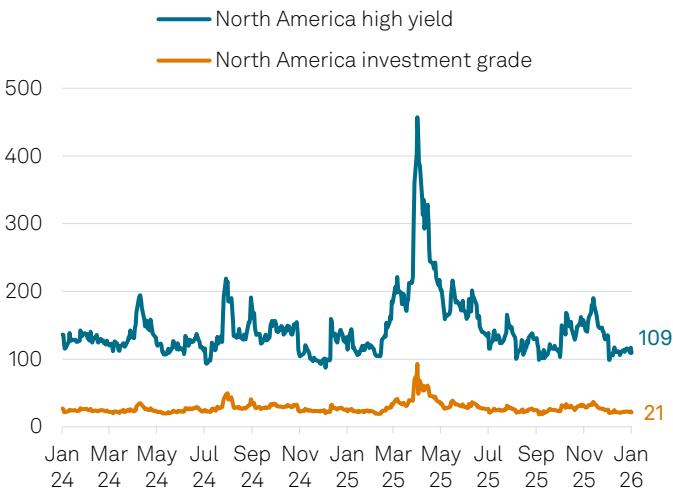
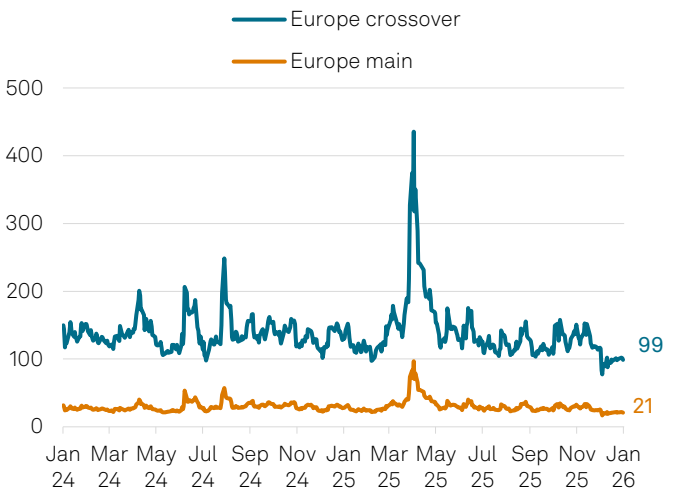


Chart 5

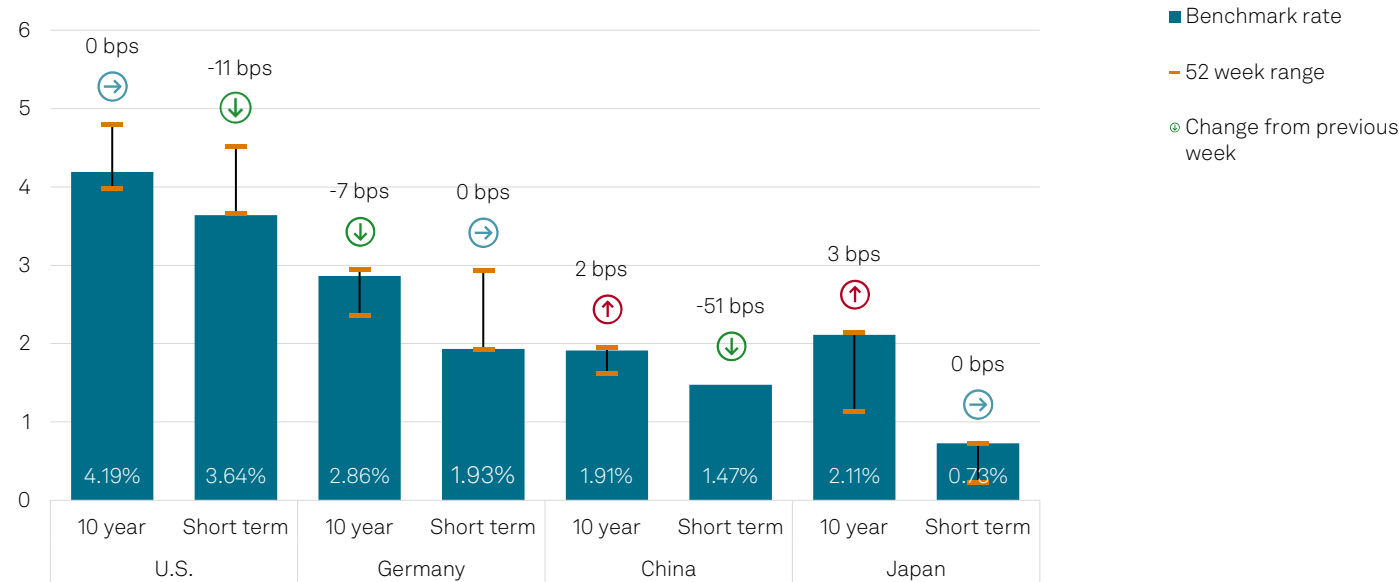
Europe 1-month Credit VIX



Data as of Jan. 8, 2026. 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 Jan. 8, 2026. 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

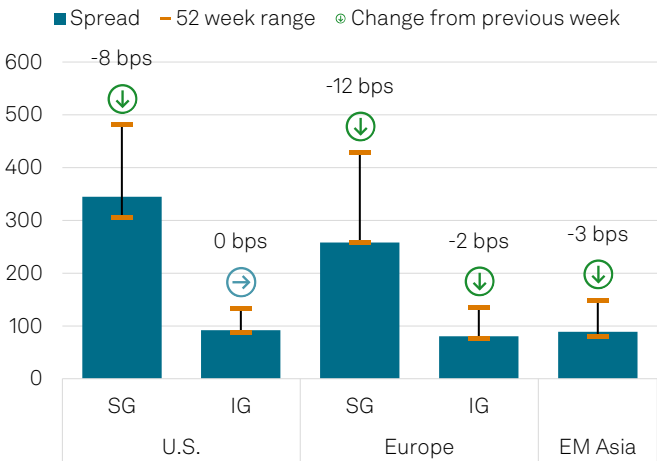
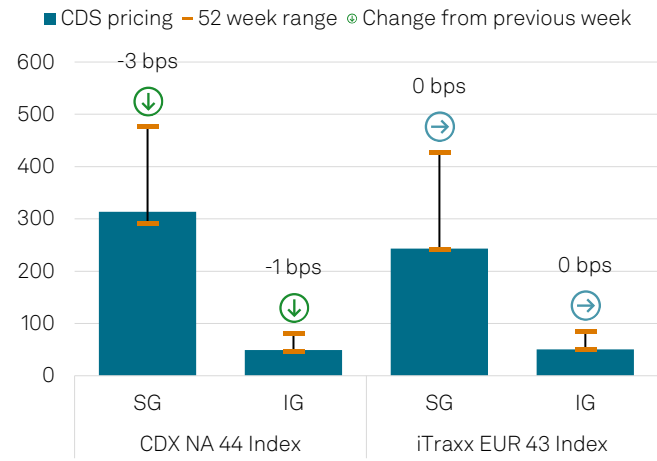


Chart 8

CDS pricing



Data as of Jan. 8, 2026. 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*s	From*	Debt volume (mil. \$)
Jan. 6, 2026	Downgrade	Hologic Inc.	Health care	U.S.	B+/Stable	BBB-/Watch Neg	15,699
Jan. 8, 2026	Upgrade	Graham Packaging Co. Inc.	Chemicals, packaging and environmental services	U.S.	B+/Stable	B/Positive	5,040
Jan. 7, 2026	Downgrade	Murphy Oil Corp.	Oil and gas	U.S.	BB/Stable	BB+/Negative	2,300
Jan. 6, 2026	Upgrade	Installed Building Products Inc.	Consumer products	U.S.	BB/Stable	BB-/Stable	1,298
Jan. 6, 2026	Upgrade	Topgolf Callaway Brands Corp.	Retail/restaurants	U.S.	BB-/Positive	B/Watch Pos	1,250
Jan. 5, 2026	Upgrade	Tegra118 Wealth Solutions Inc.	High technology	U.S.	B-/Stable	CCC+/Negative	855

Data as of Jan. 8, 2026. Note: Upgrades and downgrades totaled six last week. 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. \$)
Jan. 6, 2026	Downgrade	Hologic Inc.	Health care	U.S.	B+	BBB-	15,699

Data as of Jan. 8, 2026. 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
Jan. 7, 2026	Saks Global Enterprises LLC	Retail/restaurants	U.S.	SD	CCC	Missed payments
Jan. 7, 2026	Upstream Newco Inc.	Health care	U.S.	D	CCC	Distressed exchange

Data as of Jan. 8, 2026. 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 ratings 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 ratings on CreditWatch.

**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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