

ROUNDTABLE



US BANKRUPTCY

A tight credit market, reduced consumer spending and rising oil prices are fuelling an increase in US corporate bankruptcies. Almost all sectors are under pressure and many businesses are assessing turnaround options. Formal restructuring processes under Chapter 11 are being weighed against out of court solutions. Effective restructuring requires management of existing creditor arrangements, maintaining an efficient workforce and raising capital to fund the plan. A weakening economy has intensified these challenges, and the number of troubled companies is expected to increase in the coming months.

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