



**AFTER A COVID HIATUS, ARE
COMPANIES FINALLY GOING
BANKRUPT?**

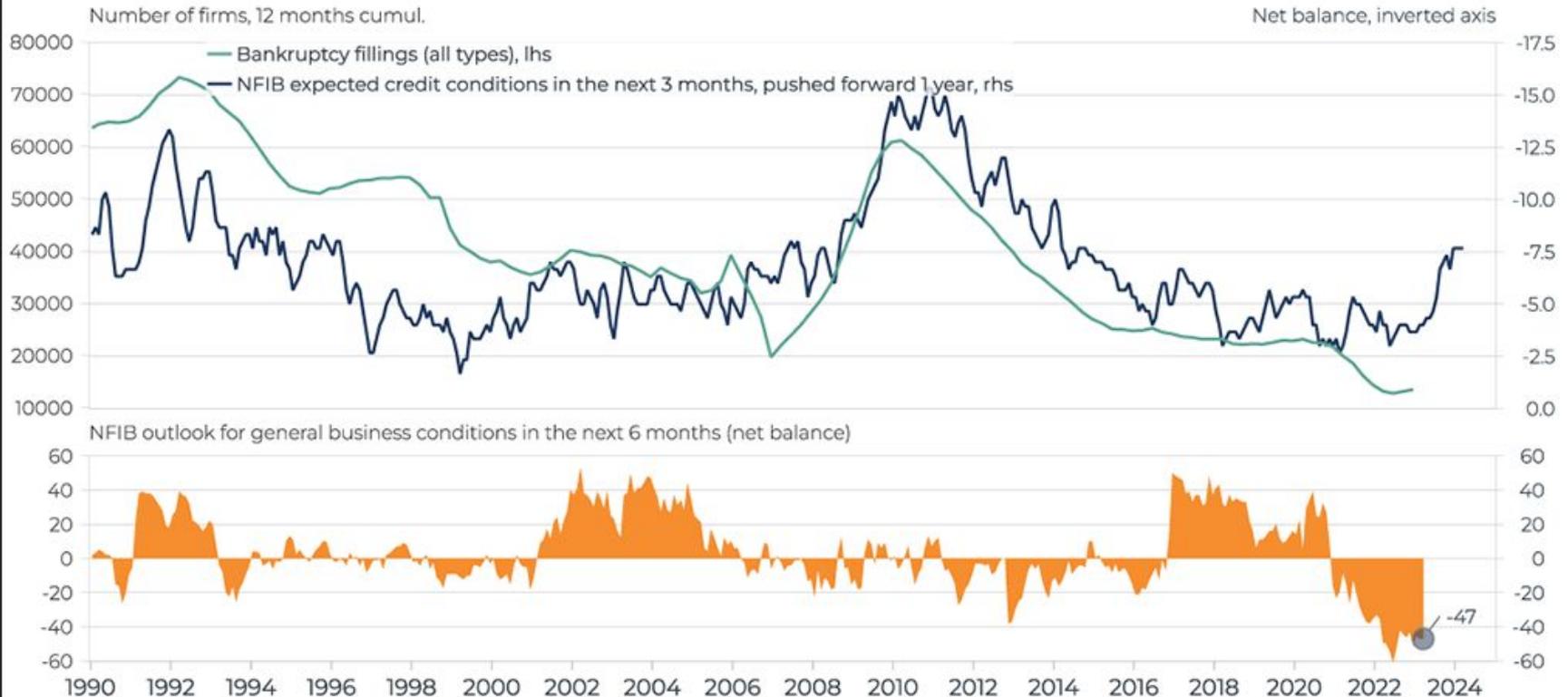
Agenda: Insolvencies

- State of play
- Delayed or just back to normal
- Tax office return
- Rough time frame for interest rates

US Bankruptcies (includes personal) are really, really low still

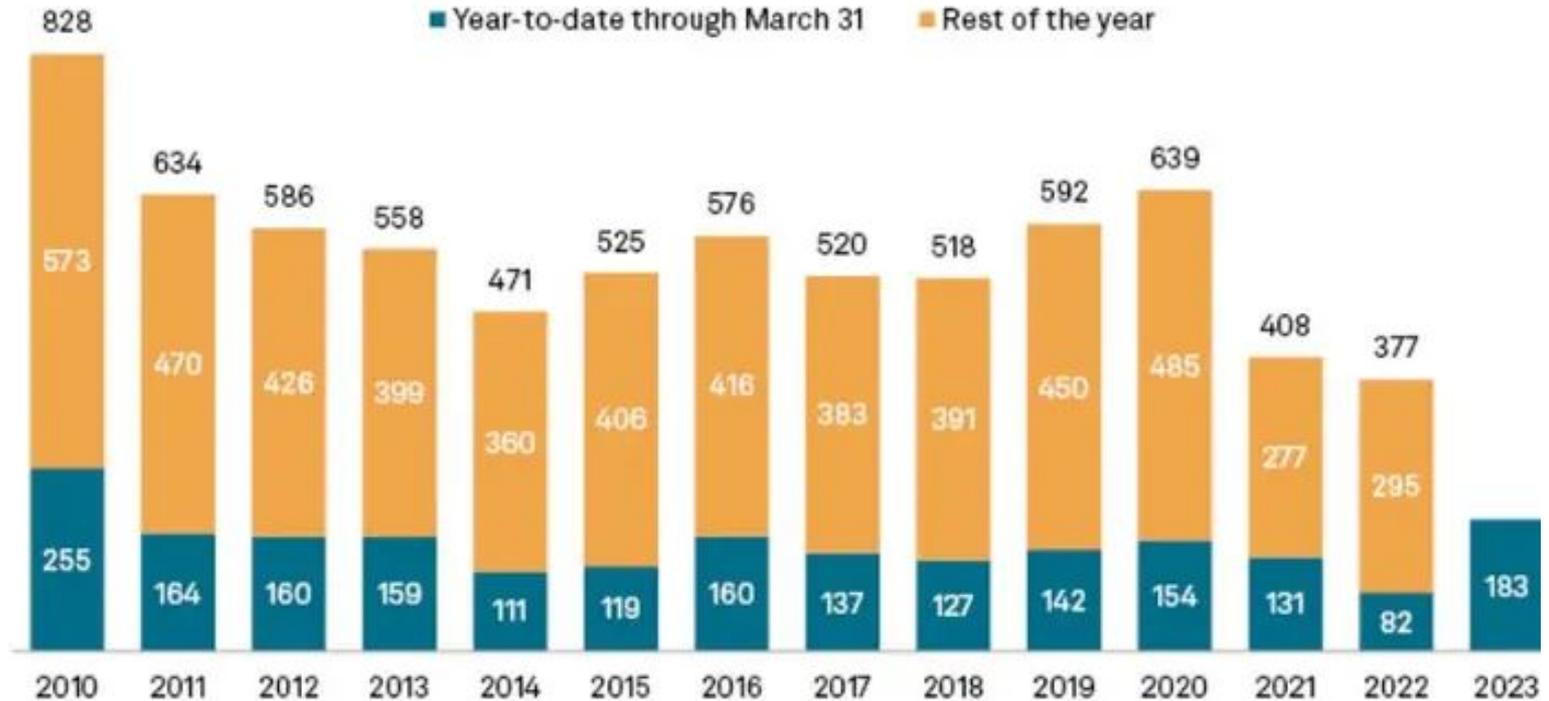
United States: Small business, credit perceptions and bankruptcies

Source: National Federation of Independent Business, U.S. Federal Courts



US Corporate Bankruptcies have started the year with a bang

US bankruptcy filings by year



Includes S&P Global Market Intelligence-covered US companies that announced a bankruptcy between Jan. 1, 2010, and Mar 31, 2023.

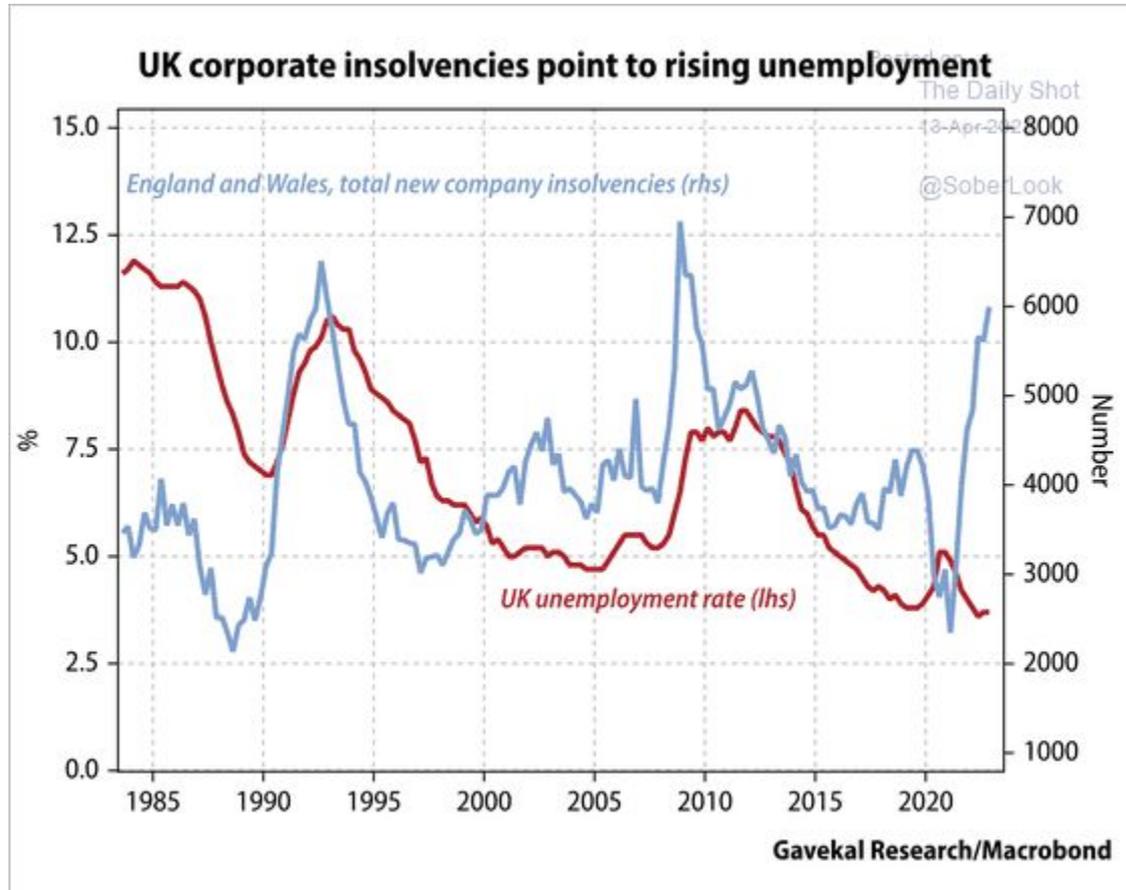
Choose themes to screen from your portfolio away from (i.e. remove stocks)

Climate Change 	War 	Human Rights 	Health 
Vices 	Animal Rights 	Religion 	Asset Class 
Thematic 			

Human Rights

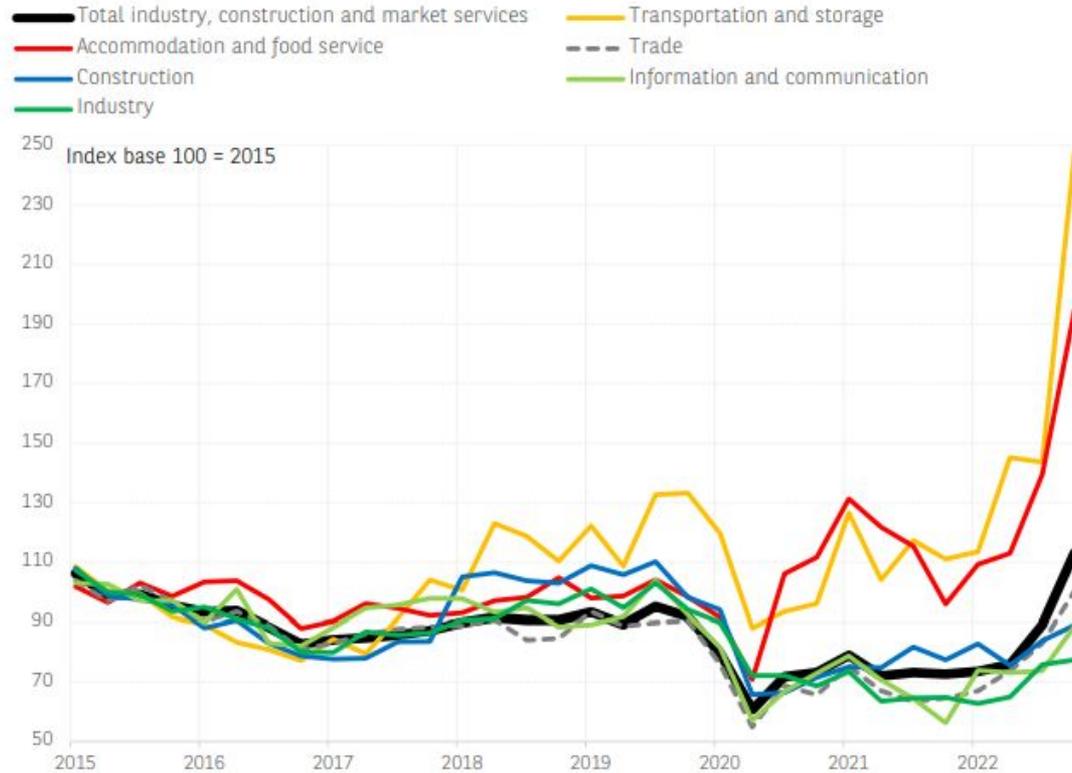
- No Undemocratic Countries [?](#)
- No Economically Repressed Countries (Worst Offenders) [?](#)
- No Economically Repressed Countries (Any) [?](#)
- No Morally Repressed Countries (Worst Offenders) [?](#)
- No Morally Repressed Countries (Any) [?](#)
- No Immigration Detention [?](#)
- No Jails [?](#)
- Lack of Gender Diversity (Worst Offenders) [?](#)
- Lack of Gender Diversity [?](#)

UK Corporate Bankruptcies are already booming



Same in European Union

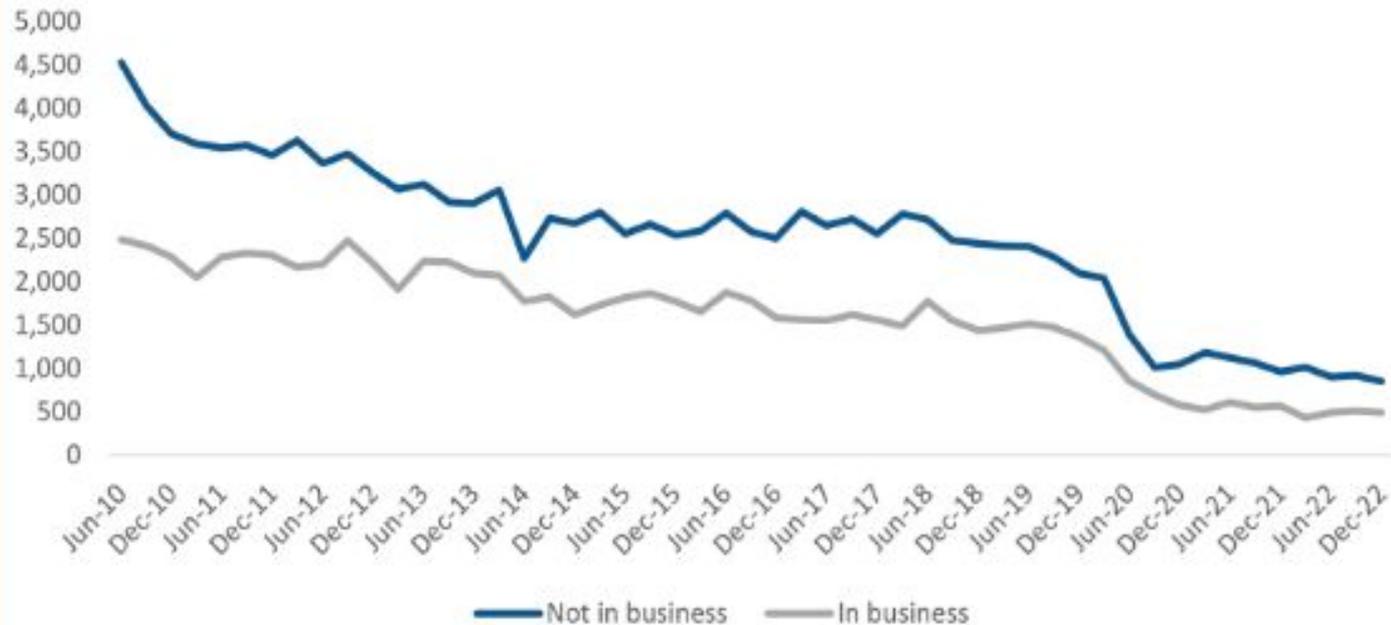
European Union: Sectorial breakdown of bankruptcies



Source: Eurostat

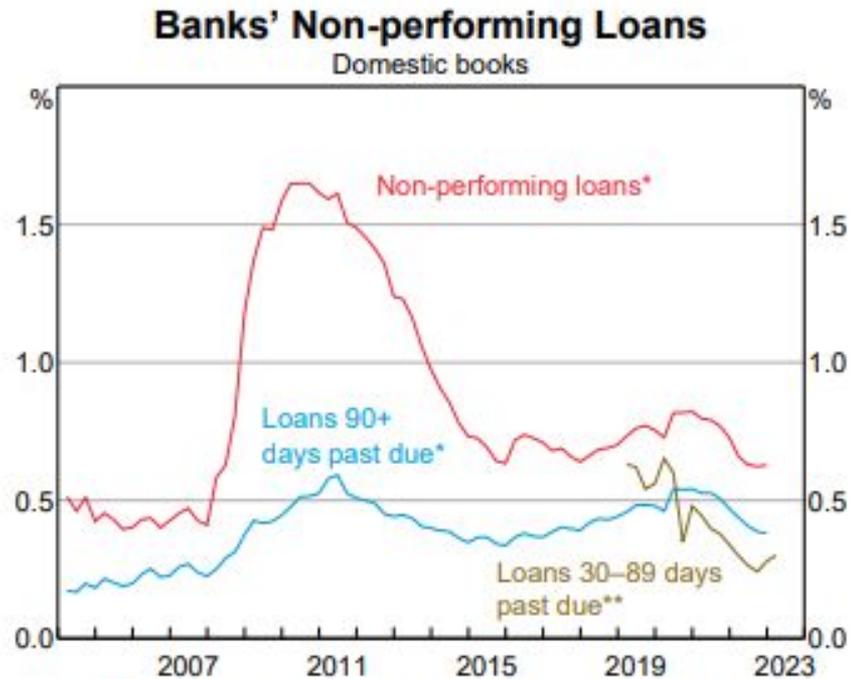
Not in Australia as at December

Business related bankruptcies



36.8%
bankruptcies
involved in a
business

Not in Australia according to banks

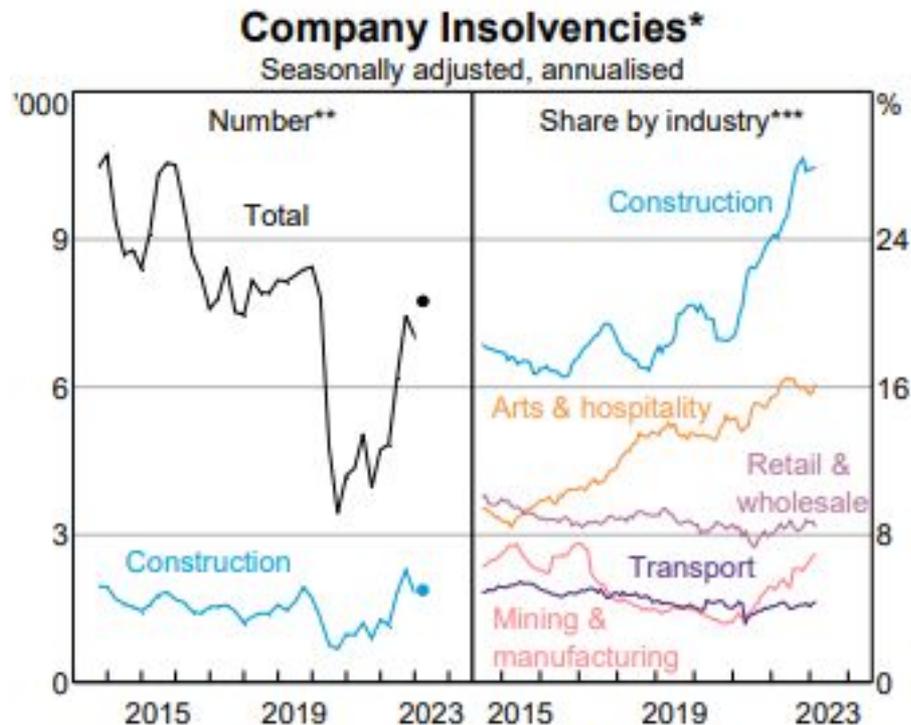


* A loan is classed as non-performing if an outstanding repayment is more than 90 days past due, or the loan is insufficiently collateralised.

** Loans with an outstanding repayment 30-89 days past due. February 2023 data is used for the most recent observation for loans 30-89 days past due.

Sources: APRA; RBA

Not in Australia according to banks



* New external administrations and controller appointments.

** The dots are March quarter estimates based on monthly observations for January and February 2023.

*** 12-month rolling basis; selected industries.

Sources: ASIC; RBA

Quality Stocks Value Stocks Growth Stocks Oil & Gas Stocks Gold Stocks Agribusiness Large Technology Stocks Cloud Computing Stocks Robotics/Artificial Intelligence Video Gaming Cybersecurity Clean Energy Defensives Battery Supply Chain Nuclear Power Defense Contractors Travel Luxury Goods Logistics Global Communication Services Global Consumer Discretionary Global Consumer Staples Global Energy Global Financials Global Health Care Global Industrials Global Information Technology Global Materials Global Real Estate Global Utilities 

Globally, the debt looks riskier than usual

Share of Debt Held by Firms with Interest Coverage Ratio Less than 2*



* Series represent two calendar year moving averages for private and public non-financial corporations in Canada, Japan, New Zealand, the United Kingdom, the United States and 18 euro area countries.

** Firms are non-financial corporations grouped into size percentiles by total assets.

Viewer question of the week:

What signs are you seeing of bankruptcies?

Drop your answers in the comments

Investment Outlook

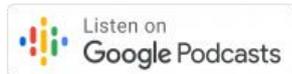
- **Asset Allocation:** DXY, EUR or gold? Bonds and cash. Commods at risk despite China. AUD property bottom?
- **Factor allocation:** quality, defensives, avoid growth and value
- **Sector allocation:** Avoid A-REITS, non-banks, discretionary, superfunds, materials. Long staples, healthcare, utilities

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