

## Large Corporate Bankruptcy Filings Continue to Decrease through First Half of 2022

Article By:

Cornerstone Research

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### Most industry groups saw bankruptcy filings decline from mid-2020 pandemic highs.

**New York**—Following the spike in large corporate bankruptcy filings triggered by the COVID-19 pandemic, filings in 2021 and the first half of 2022 fell to levels below historical averages, according to a Cornerstone Research report released today.

The report, [\*Trends in Large Corporate Bankruptcy and Financial Distress—Midyear 2022 Update\*](#), examines trends in Chapter 7 and Chapter 11 bankruptcy filings by companies with assets of \$100 million or higher. It finds that 70 large companies filed for bankruptcy in 2021, down significantly from 155 in 2020 and below the annual average of 78 filings since 2005. In the first half of 2022, only 20 large companies filed for bankruptcy, compared to midyear totals of 43 in 1H 2021 and 89 in 1H 2020. The 20 bankruptcies in 1H 2022 were the lowest midyear total since the second half of 2014.

“U.S. government stimulus programs, low borrowing rates, and high debt forbearance helped disrupt predictions of continued growth in the number of bankruptcy filings,” said [Nick Yavorsky](#), a report coauthor and Cornerstone Research principal. “Looking ahead, however, there are some concerns that increased corporate debt levels, rising interest rates and inflation, and a potential global recession may contribute to an increase in bankruptcy filings.”

In 2021, there were 20 “mega bankruptcies”—bankruptcy filings among companies with over \$1 billion in reported assets—a substantial decline from the 60 mega bankruptcy filings in 2020. The first half of 2022 saw four Chapter 11 mega bankruptcy filings, compared to nine in the first half of 2021 and at a pace significantly lower than the annual average of 22 filings in 2005–2021.

Most industry groups saw bankruptcy filings decrease in 2021 and the first half of 2022, including those industries with the highest number of filings following the pandemic’s onset: Mining, Oil, and Gas; Retail Trade; Manufacturing; and Services.

[Read the full report here.](#)

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