

## Macro Roundup Article

**Headline:** [Higher Cost of Capital Continues](#)

**Article Link:** <https://apolloacademy.com/higher-cost-of-capital-continues/>

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**Tweet:** [Torsten Sløk @apolloglobal](#) notes an uptick in bankruptcy filings since the start of the hiking cycle, consistent with his view that a default cycle is underway.

**Summary:** The Fed started raising rates in March 2022, and the effects are clear. Higher costs of capital have pushed more and more companies into bankruptcy. This is the idea behind raising rates: to slow the economy down with the ultimate goal of getting inflation back to 2%. Every day there are companies that cannot get new loans or refinance, and this trend higher in bankruptcies will continue as long as interest rates stay high. Related: [A Default Cycle Has Started and Most Global Economies Remain in Disequilibrium, Requiring Policy Action and Furman On Jobs Report](#)

**Primary Topic:** Business Cycle

**Topics:** Business Cycle, GDP, Op-Ed/Blog Post

**Permalink:** <https://www.edwardconard.com/macro-roundup/torsten-slok-apolloglobal-notes-an-uptick-in-bankruptcy-filings-since-the-start-of-the-hiking-cycle-consistent-with-his-view-that-a-default-cycle-is-underway?view=detail>

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