

[21375001]



The junk market , which mushroomed to \$ 200 billion from less than \$ 2 billion at the start of the decade , has been declining for months as issuers have stumbled under the weight of hefty interest payments .

[21375013]

The fragile market received its biggest jolt last month from Campeau Corp. , which created its U.S. retailing empire with more than \$ 3 billion in junk financing .

[21375015]

At that point , the junk market went into a tailspin as buyers disappeared and investors tried to sell .

[21375016]

In an interview , Mr. Joseph says his dinner discussion with the Prudential executives acknowledged problems for junk .

[21375017]

" What I thought I was saying is that the market is troubled but still viable and , appropriately enough , quite quality-conscious , which is not at all bad . " he says .

[21375018]

" Nobody 's been perfect in their credit judgments the past couple years , and we 're going to make sure our default rates are going to be in the acceptable parameters of the market . "

[21375020]

Unlike the New York Stock Exchange , where buyers and sellers are quickly matched , the junk market , where risky corporate loans are traded , is sometimes closed for repairs .

[21375021]

At closely held Deltec Securities Corp. , junk bond money managers Amy K. Minella and Hannah H. Strasser say the problems of the junk market go deeper than a temporary malaise .

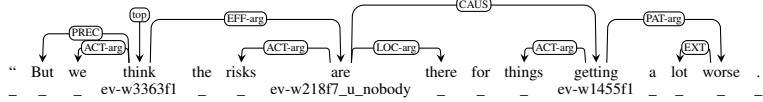
[21375022]

In recent months , they say , there has been heavy selling of junk bonds by some of the market 's traditional investors , while new buyers have n't materialized to replace them .

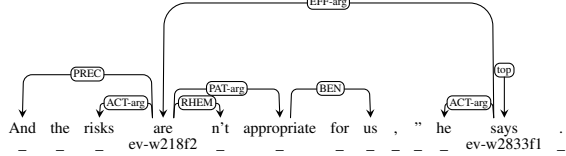
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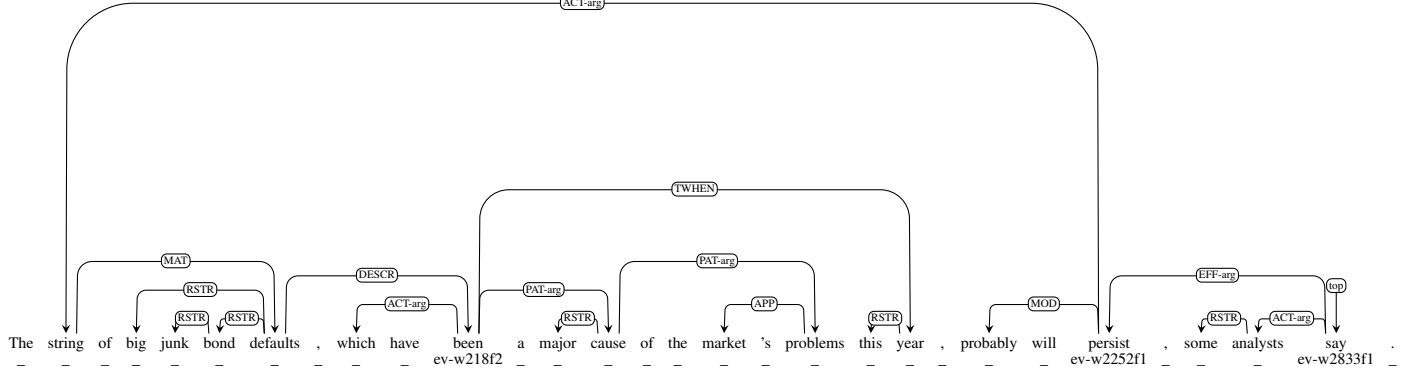
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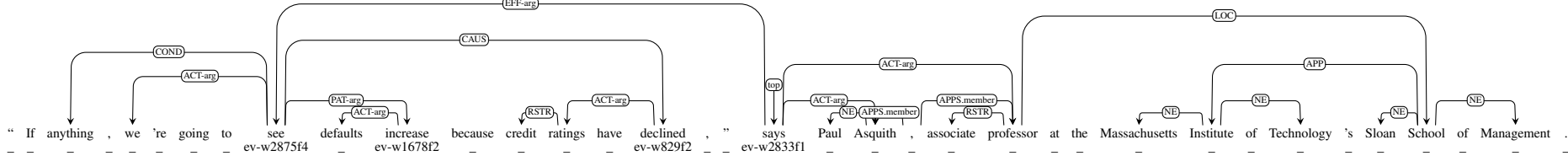
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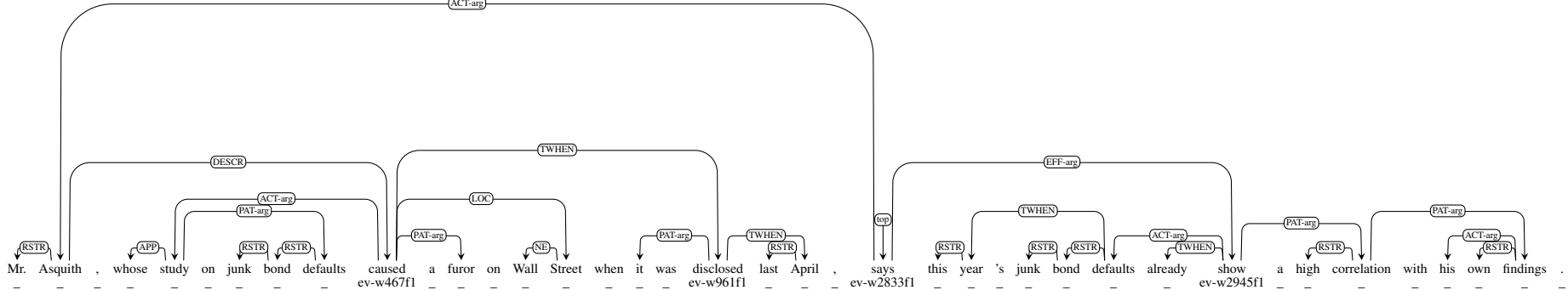
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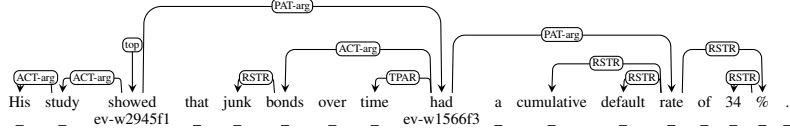
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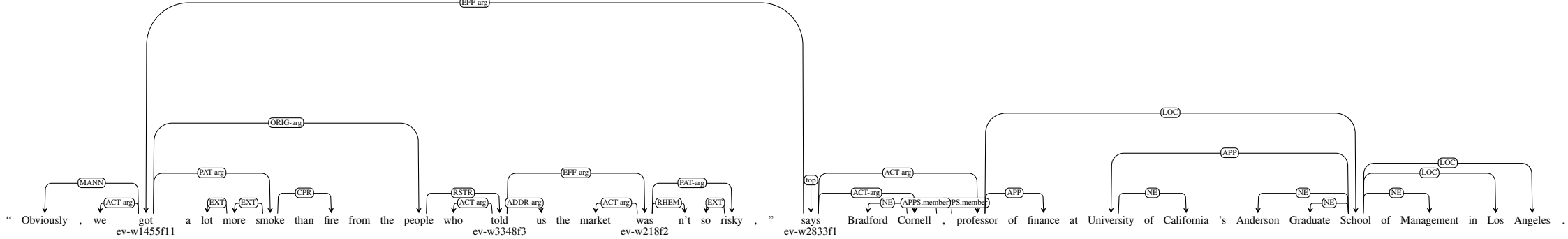
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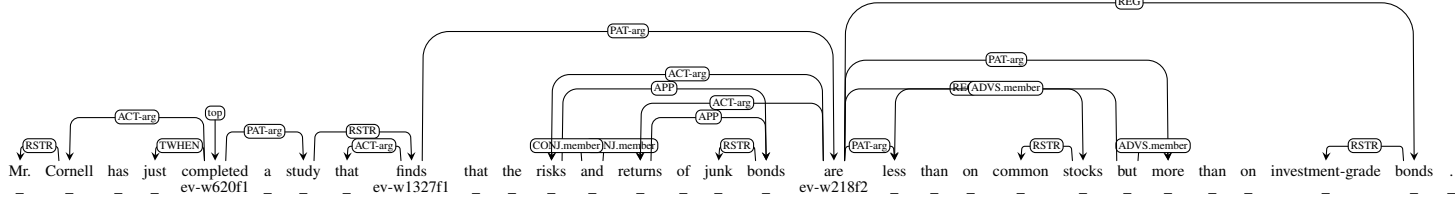
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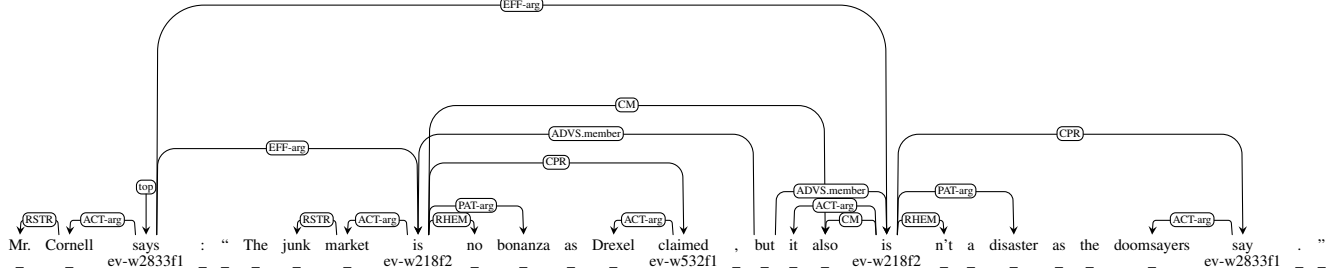
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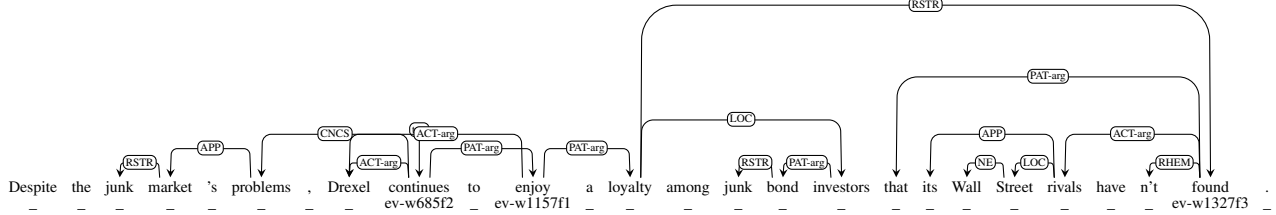
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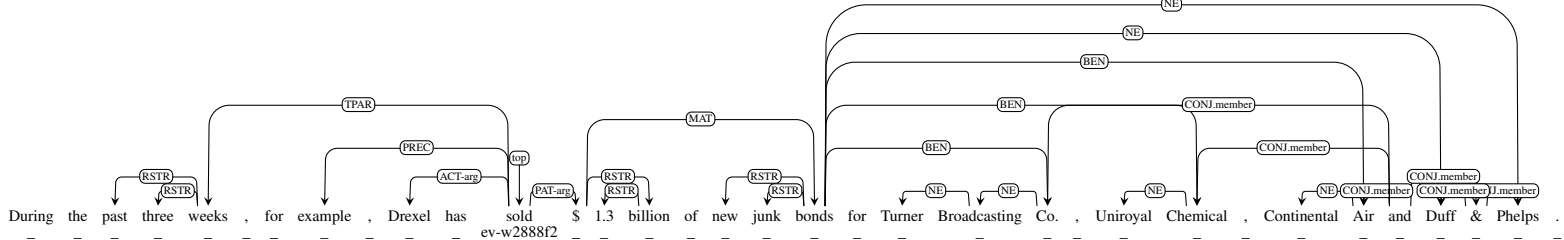
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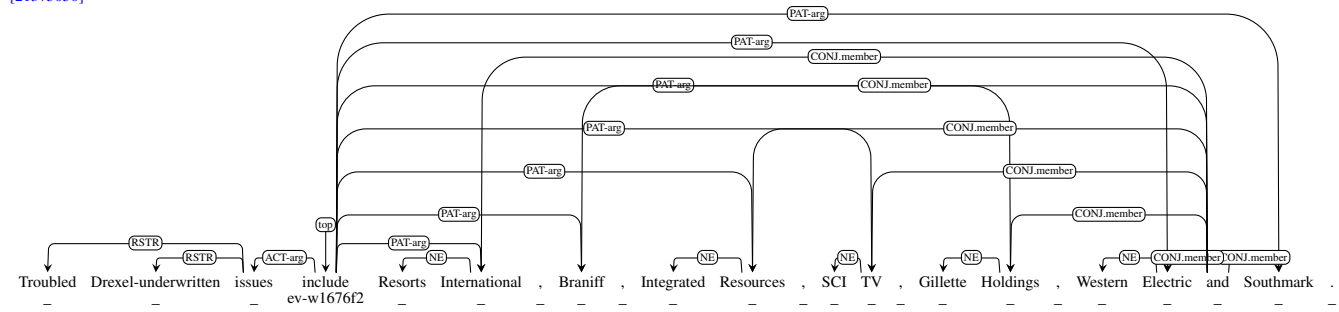
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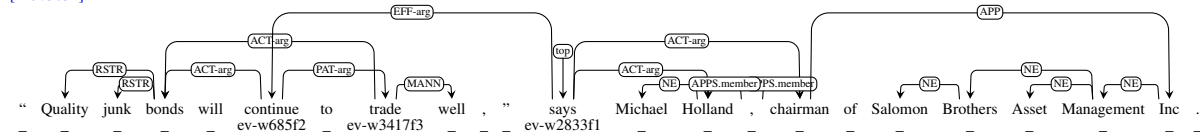
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