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Puerto Rico Bonds That Were Bought Up by Hedge Funds Slide to New Low.

Prices of bonds from Puerto Rico's record \$3.5 billion municipal junk offering in 2014 are tumbling to fresh lows. The general obligations due in 2035, many of which were bought by hedge funds when they were issued at 93 cents on the dollar, changed hands at an average of 61.9 cents Tuesday in trades of more than \$1 million, with smaller lots sold for as little as 58.4 cents. The territory's decision last week to use bankruptcy-like powers granted by Congress has cast doubt on how much of their investment bondholders will recoup.

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by William Selway

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