

# **Bond Case Briefs**

*Municipal Finance Law Since 1971*

---

## **Puerto Rico Bonds Soar, Pointing to Hope for Restructuring.**

### **A deal would clear one of the largest obstacles to emergence from the bankruptcy court protection**

Puerto Rico bond prices soared Monday after the federal oversight board that runs the U.S. territory's finances released a revised fiscal plan that raises expectations for disaster funding and economic growth.

Prices of Puerto Rico's benchmark general obligation bond due 2035 jumped 10% to about 60 cents on the dollar, according to data from the Municipal Securities Rulemaking Board, reflecting higher expectations for bondholder recoveries.

Improving economic expectations have set the stage for a potential compromise with the hedge funds that hold much of the island's \$13 billion general obligation, or GO, bonds and have formed a unified group to negotiate a restructuring with the government and oversight board. A deal would clear one of the largest obstacles to Puerto Rico's emergence from the bankruptcy court protection it entered in May 2017.

[Continue reading.](#)

### **The Wall Street Journal**

By Matt Wirz

Updated Oct. 22, 2018 5:47 p.m. ET