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INTELLIGENCE INSTITUTE / RESEARCH SERIES

GLOBAL ECONOMY & INDUSTRY RESEARCH · 2026 / 01

Corporate Exits and Industrial Reallocation under Global Economic Pressure

Survival Constraints, Cross-Border Reorganization and the Search for Market Vacancies

TAIWHA RESEARCH INTELLIGENCE / GLOBAL ECONOMIC RESTRUCTURING

Economic growth and corporate exits can occur at the same time. The question is not simply which firms leave, but which needs persist, who absorbs them, and where viable entry may still be possible.

Research cut-off 28 October 2026

EXECUTIVE OVERVIEW

Executive summary

The global economy is not in a single, uniform recession. Shifts in growth, costs, financing and technology are reallocating pressure across regions and sectors. Corporate exit is only one possible outcome.

In the IMF's October 2026 World Economic Outlook, global real growth is projected at 3.1% in 2026 and 3.4% in 2027. These aggregate numbers are compatible with corporate contraction. Some technology supply chains, manufacturing locations and service models continue to expand, while other firms lose operating headroom through low margins, rigid fixed costs, slow collections or tighter financing. Both patterns can appear in the same economy, even within the same industry. [1]

This study compares 54 economies, 22 sectoral mechanisms, four listed-company financial anchors and ten historical cases. The focus is on survival thresholds, business exits, asset reallocation and the transfer of customer demand. It does not estimate a global corporate failure probability or infer individual company exits directly from national GDP.

54
Economies reviewed · c.91.7% of 2024 world nominal GDP*

4
Listed financial anchors · operating and liquidity sensitivity tests

22
Market-entry candidates and negative screens · no verified accessible-market estimate

*The GDP coverage estimate uses the 53 economies with a 2024 WDI nominal GDP value; Taiwan is excluded from that calculation. It measures economic scale, not the share of firms, employment or business exits covered. [3]

Principal findings

First, exit trends are not synchronized. Business bankruptcy filings rose in the United States through September 2026, while the rolling corporate insolvency rate fell in England and Wales and the share of Australian companies first entering external administration also declined. The definitions differ, but the evidence does not support a narrative of uniform global corporate liquidation. [4] [5] [6]

Second, the disappearance of a legal entity does not necessarily interrupt the underlying service. Cases including General Motors, Hertz, LATAM and Silicon Valley Bank show how assets, customers and operations can continue through restructuring or transfer. [22] [24] [27]

Third, the transfer of demand is not itself an investable opportunity. Project completion, specialist maintenance, supplier switching and reliable supply deserve investigation, but accessible revenues and margins remain unverified. Excess steel capacity is also evidence against some undifferentiated expansion proposals. [12] [13]

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Evidence window: primarily 2005–2026. Incomplete 2026 series are distinguished as observations, estimates or institutional forecasts. Firm-level financial sensitivities use public accounts and explicitly stated parameters.

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01 / GLOBAL BASELINE

Global conditions and regional differences

> Aggregate growth does not imply that financial and operating pressure is evenly distributed. Costs, AI-related investment and funding conditions can push regions in opposite directions.

Global output continues to grow in 2026, but growth varies substantially by region and sector. The IMF's October World Economic Outlook projects 3.1% global growth in 2026, against the World Bank's June projection of 2.5%. The forecasts differ in publication date and assumptions and should not simply be averaged. [1] [2]

The October IMF WEO provides the principal macroeconomic reference, cross-checked against World Bank and other sources. The 54 economies are grouped into 12 research subdivisions for comparative purposes, not because each subdivision shares a single economic cycle.

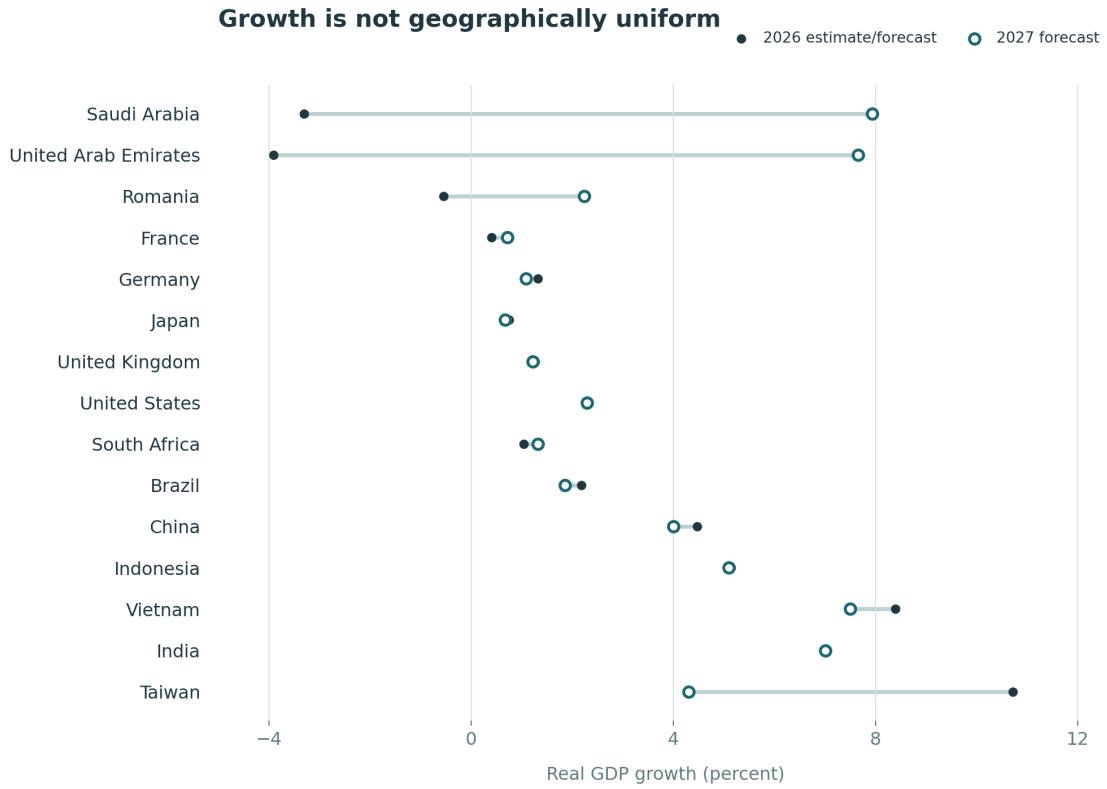


FIGURE 01 Real GDP growth estimates and forecasts for 15 economies in 2026 and 2027. Source: IMF World Economic Outlook, October 2026. Neither year is presented as a completed full-year observation. [1]

The chart juxtaposes relatively fast growth in India and selected Southeast Asian economies with moderate growth in major European and North American economies and sharp annual swings among some Gulf oil exporters. These forecasts describe the macroeconomic setting; firm-level risk still depends on costs, credit and actual orders.

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From growth rates to firm-level constraints

Macroeconomic pressure reaches firms through contribution margins, fixed expenses, cash collection and maturing obligations. Similar national GDP growth can coexist with sharply different outcomes because of import costs, customer concentration and financing structures.

01 / REGIONAL ATLAS

Principal regional pressures and research priorities

10 ECONOMIC AREAS

01 North America

Funding conditions, commercial real estate, technology investment and North American manufacturing chains

> Debt maturities, supply-chain orders, project power availability and rules of origin

02 Western & Northern Europe

Energy costs, manufacturing transition, fiscal and demand divergence

> Plant-level costs, order books, closure of capacity and product certification

03 Central & Eastern Europe

European supply-chain adjustment and gaps in wages and productivity

> Customer relocation, local value added and durability of subsidies

04 East Asia

Property-sector balance sheets, technology supply chains and demographics

> Actual collections, technology export orders, inventories and credit quality

05 South & Southeast Asia

Reorganization of service tasks, manufacturing localization and low-utilization risk

> Factory production and sales, supplier agreements and prices per task

06 Latin America

Commodity prices, currencies, financing and logistics infrastructure

> Export volumes, currency of financing, warehousing and trade contracts

07 Middle East & North Africa

Energy-production constraints, public financing, shipping routes and payment risk

> Deliverable production and transport capacity, insurance and trade settlement

08 Sub-Saharan Africa

Electricity, foreign exchange, debt and buyers' ability to pay

> Electricity loads, payment security and access to capital

09 Oceania

Construction, housing, resources and business financing

> Project collections, the registered-company denominator and external administration rates

10 Russia & Ukraine

Sanctions, war losses, special fiscal mechanisms and reconstruction

> Permits, lawful payments, procurement finance, insurance and delivery

Synthesized from the regional evidence map. These are research hypotheses to verify, not a ranking of regional risk.

Indicators differ in observation dates, coverage and economic meaning. The study therefore avoids collapsing GDP, inflation, credit and investment into an arbitrary composite risk score, and instead compares interpretable transmission mechanisms.

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02 / BUSINESS EXIT MEASURES

Definitions and recent signals of business exit

> Company deregistration, court filings and external administration are different legal events. Exit counts, exit rates, the corporate population and the loss of economic activity cannot be used interchangeably.

Three sets of 2026 public data reveal substantial divergence. US federal courts recorded 27,054 business bankruptcy filings in the twelve months to 30 September 2026, up 12.5% from 24,039 a year earlier. In England and Wales, the rolling twelve-month company insolvency rate declined from 52.8 to 49.9 per 10,000 companies by the same month. In Australia, 14,153 companies first entered external administration in FY 2025/26, down from 14,722 the previous fiscal year; the ratio to registered companies fell from 0.41% to 0.38%. [4] [5] [6]

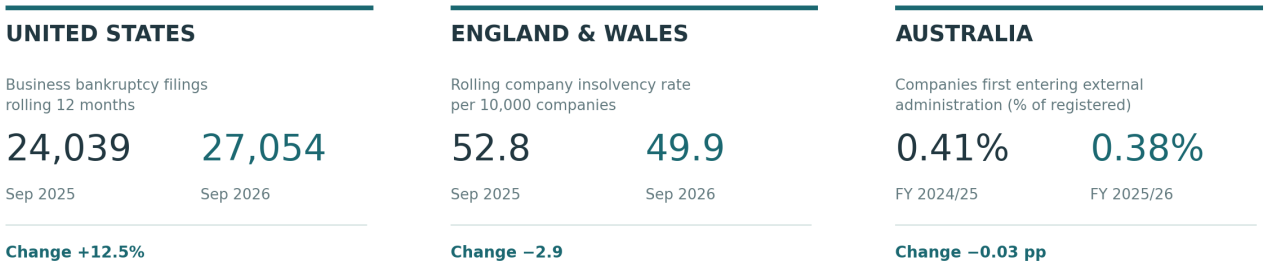


FIGURE 02 Three separate measures of business exit, each compared with its own prior period. Filing counts, corporate insolvency rates and fiscal-year shares cannot be aggregated. [4] [5] [6]

Different directions may reflect genuine operating conditions, but also new business formation, legal rules, policy buffers, group-company filings and administrative thresholds. UK statistics note that more than 250 connected property companies entered administration between March and August 2026, amplifying movements in a particular procedure. A simple year-on-year filing count can thus overstate the number of independent operating businesses affected. [5]

Eurostat's business registration and bankruptcy indices offer additional regional signals. Yet index construction, seasonal adjustment and industrial coverage differ from court-filing records. These series can motivate investigation; they cannot be added up into a global bankruptcy total. [7]

Seven economic forms of business exit

02 / EXIT TYPOLOGY 7 EXIT ROUTES

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01 Liquidation

WHAT HAPPENS TO ACTIVITY

Assets are sold, obligations interrupted or transferred

≠ All productive capacity permanently disappears

02 Voluntary closure / deregistration

WHAT HAPPENS TO ACTIVITY

An operator exits; demand may move to substitutes

≠ Operational failure or debt default is established

03 Mergers and acquisitions

WHAT HAPPENS TO ACTIVITY

Fewer legal entities; operations continue and concentration may rise

≠ A supply shortage necessarily widens

04 Capacity or business contraction

WHAT HAPPENS TO ACTIVITY

Customers, equipment and staff are reallocated by product line

≠ The entire group becomes insolvent

05 Relocation

WHAT HAPPENS TO ACTIVITY

The production site moves; ownership and capital may not

≠ All output is lost to the original economy

06 Debt restructuring and survival

WHAT HAPPENS TO ACTIVITY

Debt and equity claims change while contracts continue

≠ Former sales automatically become available to entrants

07 Technological or business-model substitution

WHAT HAPPENS TO ACTIVITY

The same need is served through a different cost structure

≠ Net employment, profits or prices must fall

The unit of comparison should extend beyond the number of incorporated firms. For industrial businesses, it must include continuing capacity, utilization, product lines and supply contracts; for services, customers, task volume and delivery obligations; and for banks, balance-sheet stocks, deposits, credit provision and fee-generating income. A legal exit may amount to economic liquidation, a transfer of ownership or continuity under institutional support.

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03 / CORPORATE SURVIVAL

Firm survival: profits, cash and solvency

> A firm may report positive operating profit yet face a cash shortfall because of working capital or refinancing. Conversely, an accounting loss does not imply immediate legal exit.

Operating-profit sensitivity depends on fixed expenses, unit contribution and revenue. If prices stay constant, variable costs move with sales volume and fixed costs do not adjust in the short run, the revenue decline at which EBIT reaches zero can be expressed as: break-even revenue decline = initial EBIT ÷ (initial revenue × assumed contribution margin). Contribution margin here is a marginal-cost assumption to be estimated, not the accounting gross margin reported in annual accounts.

Using BASF, Volkswagen, Maersk and Infosys as public financial anchors, the study tests how much revenue could fall before EBIT reaches zero under different contribution-margin assumptions. These are parameter sensitivities, not sales forecasts, and the accounting bases differ across companies. [8] [9] [10] [11]

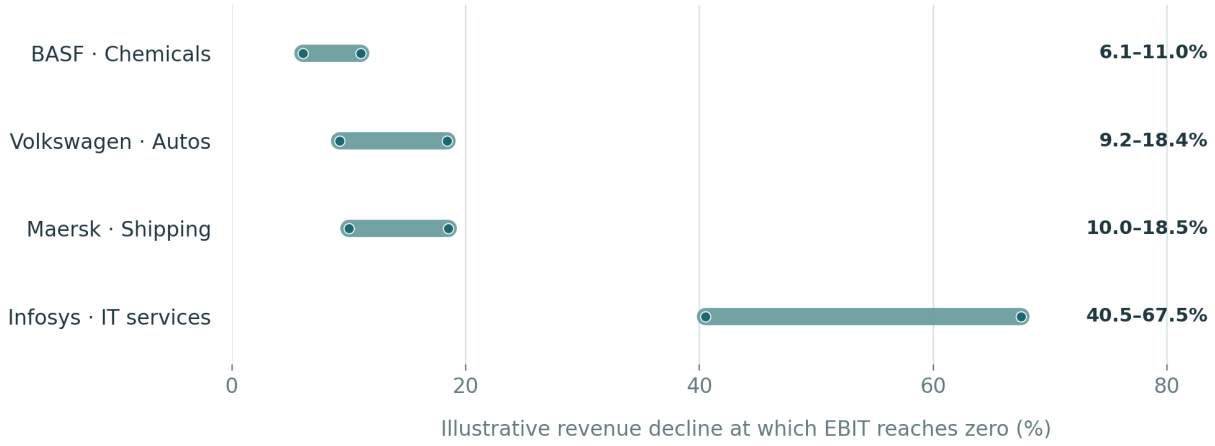


FIGURE 03 Illustrative revenue declines at which EBIT reaches zero for four public financial anchors. The ranges reflect assumed contribution margins, not default probabilities or statistical confidence intervals. [8] [9] [10] [11]

BASF reported 2025 revenue of €59.657 billion and EBIT of approximately €1.634 billion, leaving a relatively thin initial operating buffer. Infosys has a much larger illustrative revenue-decline threshold, but its exposure to technological substitution still depends on task volumes, service pricing and client budgets. The chart should not be read as a cross-industry credit rating. [8] [9]

Cash shortfalls and debt arrangements

An operating break-even point captures only part of the exit problem. Cash balances, capital expenditure, lease payments, collection periods, maturing debt and committed credit lines all affect the ability to survive stress. In the static BASF illustration, calculated available liquidity is €3.581 billion. With an additional 400-basis-point financing spread, partial repricing, only 40% refinancing of current borrowings and a 20-

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day collection delay, the model instead shows a €1.674 billion shortfall even with no revenue decline. This demonstrates the arithmetic sensitivity to funding and working-capital assumptions, not an actual BASF liquidity deficiency. Undrawn facilities, capex changes, disposals and policy support can alter the outcome.

BASF		Infosys		Maersk	
EUR million		USD million		USD million	
Reference	3,581	Reference	5,712	Reference	8,673
Funding stress	-1,674 Illustrative shortfall	Funding stress	4,607	Funding stress	4,937

FIGURE 04 Two assumed liquidity positions at zero revenue decline. Values use the reporting currency and units of each company and cannot be compared across groups as absolute amounts; these are not company cash forecasts. [8] [9] [10]

Financial ratios do not yield a bankruptcy timetable. Extensions of maturities, capital-spending reductions, asset disposals, creditor coordination and public assistance may all change the choices available to a stressed firm and who ultimately bears the cost.

> **A CRITICAL DISTINCTION**
>
> EBIT below zero is an operating-profit constraint; insufficient available cash to meet payments is a short-term liquidity constraint; negative accounting equity is not identical to legal insolvency. Actual exit also depends on creditor rights, courts, governance and policy. No single ratio replaces these distinctions.

04 / SECTOR MECHANISMS

Sector restructuring and its economic implications

> The meaningful unit of analysis is the region–sector–business-model combination. Expansion, plant closure, technological renewal and product-specific shortages can coexist within a sector.

Property, construction and existing assets

China’s property adjustment illustrates how balance-sheet constraints interact with obligations to complete pre-sold projects. Developer cash collection, unfinished construction, presale liabilities and financing structures are interconnected, so distress at the parent company does not determine the completion status of every project. National commercial property sales were approximately RMB 8.39 trillion in 2025.

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That is background market turnover, not an accessible market left behind by exiting developers. When final demand is weak, new development may be unattractive; already financed completion works, legally clear maintenance obligations and assignable contracts are narrower opportunities to verify. [14]

Construction-related exits in the United Kingdom and Australia point to related but distinct pressures: fixed-price contracts, materials and labour costs, progress payments and warranties can overwhelm contractors before a project is finished. Insolvency counts reveal neither how many contracts are transferable nor whether an investor can assume them safely. Existing claims, defects liability, insurance and the ultimate payer all require review. [5] [6]

Chemicals, autos and traditional manufacturing

High energy costs in European manufacturing can coexist with production localization elsewhere. BASF's newly inaugurated integrated chemical complex in Zhanjiang, China, shows that cross-border expansion need not imply an equivalent shutdown in Germany. Evaluating the net effect requires product-level capacity, capital origin, existing plants, customer agreements and local value added. Chemicals also demand separation of commodity grades, which may be oversupplied, from specialized materials with costly customer qualification. [15]

Automotive restructuring involves model changes, factory closures, overseas assembly and aftermarket services. The closure of Audi's Brussels plant and new overseas capacity for Asian EV makers are distinct events; an undocumented transfer of orders between them should not be inferred. A new plant establishes available production capability, not its eventual utilization rate, unit economics, service fleet or cash return. [29] [21] [13]

Steel and the negative screen on new capacity

In some industries, the most useful finding is that exit should not be mistaken for a capacity-expansion opportunity. The OECD Steel Outlook 2026 projects global excess steel capacity rising from roughly 640 million tonnes in 2025 to about 745 million tonnes in 2028 against limited demand growth. The 2028 figure is an institutional forecast, not an observed future fact. Alongside current weak demand, it establishes a high evidentiary bar for undifferentiated new steel capacity. [12]

For shipping, by contrast, this package contains one group-level financial anchor and partial port-project evidence, but lacks a sector-wide fleet orderbook, freight-rate series and cash-flow analysis for new capacity. The supportable conclusion is that entry conditions for generic additional shipping capacity have not been demonstrated. Missing evidence should not be converted into a claim that all expansion must be unprofitable.

Services, AI and the distribution of productivity gains

AI initially affects service businesses through task structures and pricing, not through an observed firm-exit rate. The ILO–NASK occupational exposure study measures the potential exposure of work tasks; it does not observe firm adoption, net job losses or service-revenue declines. For Indian IT and global busi-

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ness services, investigation should focus on actual project pricing, workloads, delivery responsibilities, client in-house capabilities and the division of benefits among platforms, integrators and end customers. [16]

Technological substitution may increase overall output while undermining the price position of some labour-intensive delivery models. Alternatively, broad vendor price reductions may transfer much of the productivity benefit to clients instead of automation providers. The revenue and profit outcomes differ, and current customer contracts and task-level evidence are insufficient to distinguish them.

Infrastructure, pharmaceuticals and public services

Electricity, medicines and post-war reconstruction involve substantial social needs, but need is not the same as a funded contract. The World Bank, the Ukrainian government, the European Union and the United Nations estimate roughly US$587.7 billion of recovery and reconstruction needs over the decade following the end of 2025 in their RDNA5 assessment. This is a cross-sector estimate of need, not an appropriated budget or revenue accessible to new contractors. Tender rules, payment security, insurance, permits and on-site safety remain decisive. [17]

Similarly, unmet electricity needs in sub-Saharan Africa must be separated from commercially billable industrial and business loads. Improvements in South African grid reliability may reduce demand for certain emergency diesel-generation products. US drug-shortage records can identify continuity-of-supply problems, but a viable opportunity requires a particular product, quality approval, procurement price and supply agreement. [18] [19]

05 / HISTORICAL EVIDENCE

Historical exits and the continuity of demand

> Historical cases can test whether an explanation omits institutional and operational mechanisms. Selected retrospectively, however, they do not establish an ex-ante prediction hit rate.

The study traces ten historical cases across four different shock periods to compare operating pressure with eventual exit or survival. Cases and thresholds were selected retrospectively; they do not constitute a test of rules fixed before events unfolded.

03 / HISTORICAL CASEFILES

Operating pressure and subsequent continuity of supply

6 COMPARATIVE CASES

		PRE-EXIT PRESSURE / SIGNAL	WHAT FOLLOWED / OUTCOME
01	**General Motors (2009)**	Automotive and other operating cash flows of –US$13.1bn in 2008	Operating assets moved to a new GM after Chapter 11. A change in the legal company did not eliminate all car supply. [22]

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02	**Ford (2009)**	PRE-EXIT PRESSURE / SIGNAL Automotive operating cash flow of – US$12.44bn in 2008	WHAT FOLLOWED / OUTCOME Continued operating despite severe stress. A shared sector shock did not produce identical outcomes. [23]
03	**Petrobras (2015)**	PRE-EXIT PRESSURE / SIGNAL A net accounting loss coexisted with positive operating cash flow	WHAT FOLLOWED / OUTCOME Operations continued after capex and portfolio changes; a loss was not immediate cash exhaustion.
04	**Hertz & LATAM (2020)**	PRE-EXIT PRESSURE / SIGNAL Pandemic restrictions sharply reduced travel services	WHAT FOLLOWED / OUTCOME Both entered and later exited restructuring; recovered demand could still be supplied by original businesses. [27]
05	**Silicon Valley Bank (2023)**	PRE-EXIT PRESSURE / SIGNAL A severe mismatch between deposit liabilities and the value of long-duration assets	WHAT FOLLOWED / OUTCOME Receivership transferred deposits and loans to a successor; a stock of assets is not new market revenue. [24] [25]
06	**Uniper (2022)**	PRE-EXIT PRESSURE / SIGNAL Energy procurement costs and operating pressures changed rapidly	WHAT FOLLOWED / OUTCOME Public capital and institutional measures shifted the survival boundary; this was not unconstrained market exit. [26]

Different business and accounting measures are shown to compare mechanisms, not to rank relative failure risk.

The contrast between General Motors and Ford shows that similar industry pressure can produce different outcomes when liquidity preparation, assets, public intervention and creditor arrangements differ. Assigning both firms the same failure probability solely from cash-flow pressure would omit these institutional variables. [22] [23]

Silicon Valley Bank highlights the stability of funding sources; Petrobras shows that accounting losses can coexist with positive operating cash flow. Funding liquidity and accounting profitability should be analysed separately, not collapsed into one survival score. [24] [25]

Demand may persist while the original firm, a successor or an established competitor continues to serve it. Ten cases reveal several modes of continuity, but do not support a future global failure rate or an ex-post “prediction accuracy” statistic.

06 / CROSS-BORDER REALLOCATION

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Cross-border relocation of capacity and activity

> The origin of capital, the origin of technological capability, the location of production and the destination of sales are four different economic geographies.

The evidence catalogue records thirteen directional cross-border relationships and one Mexican domestic-consolidation counterexample. They range from new plants and replication of technology capabilities to actual goods trade, proposed port investment and production transfers. Because the links lack comparable value-added weights, neither the number of links nor the projects themselves are added into a league table of net winners.

04 / INDUSTRIAL FLOWS

Selected evidence of cross-border change

7 OBSERVED LINKS

01 **BASF · German capital → Zhanjiang, China**

New integrated site inaugurated in 2026

Production capacity and capital arrived; this does not prove an equivalent German reduction or establish investment returns. [15]

02 **TSMC · capital and know-how → Arizona, US / Kumamoto, Japan**

Production milestones reported

Geographic replication of capability does not prove a net reduction in Taiwan's output. [20]

03 **TSMC → Dresden, Germany**

Construction stage as of the research cut-off

This cannot be counted as already operating production in 2026. [20]

04 **BYD and other Chinese EV makers → Thailand, Indonesia, Brazil**

Some factories operational; others have available capacity

Supports the localization trend. Supplier opportunities and profitability still require actual sales, utilization and contracts. [21] [13]

05 **India, UK, South Korea → California, US**

Observed trade flows in fuel supply

Existing channels may absorb needs; incomplete bilateral prices and quantities do not establish an unserved shortfall. [30]

06 **APM port projects → Vietnam and Brazil**

Agreements or construction in progress

Committed investment, tendering, operations and realized returns must be documented separately.

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07 **Nissan · Mexican plants**

Consolidation within Mexico

Relocating production inside one country is not an international industry transfer. [28]

A cross-border factory may serve local demand, shorten transport routes or diversify supply-chain risk, with or without closure of older capacity. Its net contribution depends on imported equipment and inputs, subsidies, profit repatriation, actual yields and incremental orders.

The next step is a country-by-product-by-time panel of prices and volumes to track order transfer, combined with domestic value added, capacity utilization and public fiscal costs. Counts of investment announcements or plants alone are not sufficient.

TWO DISTINCT MEASURES

Geographic absorption means a location gains or continues economic activity. Net gain must also account for displaced local firms, imported inputs, fiscal subsidies, repatriated returns and other costs. The evidence can trace selected directional links, but cannot yet quantify the net result.

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07 / MARKET VACANCIES

How market vacancies emerge and when entry is viable

> An exit is a starting point for investigation, not a revenue pool awaiting new entrants. The survival of demand, incumbent absorption and the feasibility of entry determine whether a vacancy is economically meaningful.

The turnover of an exiting firm cannot be equated with the market available to a new entrant. Demand may disappear or be absorbed by incumbents, while licensing, product quality, finance and customer relationships may constrain entry. The diagram sets out five successive tests.

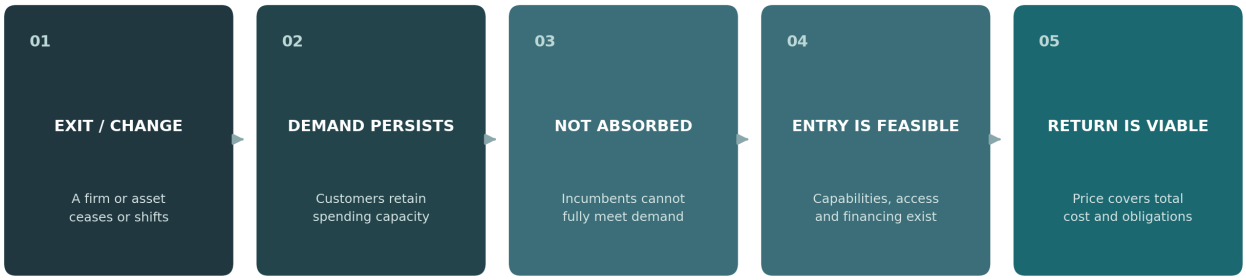


FIGURE 05 Five tests for an economically meaningful market vacancy. This is a screening mechanism, not a measured conversion rate or market-size estimate.

None of the 22 candidate and counterexample screens includes comparable, verified data on accessible revenue and prospective operating margin. This study therefore presents questions for validation, entry conditions and disconfirming evidence, rather than manufacturing figures for missing contracts or prices.

05 / MARKET VACANCY DOSSIERS

Priority candidates and minimum verification requirements

7 RESEARCH CANDIDATES

01 China · property completion and existing assets

POTENTIAL RESIDUAL DEMAND

Completion of presold projects and maintenance of existing facilities

FIRST-HAND VERIFICATION

A specific project with secured payments and clear creditor, title and construction obligations [14]

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02 Europe · specialist chemicals and maintenance

POTENTIAL RESIDUAL DEMAND

Supply of qualified materials and continuity at ageing installations

FIRST-HAND VERIFICATION

Product qualifications, binding orders and full environmental-liability costs [15]

03 Operating semiconductor fabs · utilities and maintenance

POTENTIAL RESIDUAL DEMAND

Water, power, process gases, maintenance, process support and qualification

FIRST-HAND VERIFICATION

Actual supplier lists, procurement budgets and quality thresholds [20]

04 India / global enterprise · AI process governance

POTENTIAL RESIDUAL DEMAND

Auditable task delivery, accountability and migration services

FIRST-HAND VERIFICATION

Real client hours, error costs, savings and project budgets [16]

05 United States · dependable medicines supply

POTENTIAL RESIDUAL DEMAND

Continuity of approved quality and supply for specific products

FIRST-HAND VERIFICATION

Approvals, quality record, durable purchasing agreement and achievable price [19]

06 Africa · creditworthy commercial power

POTENTIAL RESIDUAL DEMAND

Reliable electricity provision and maintenance

FIRST-HAND VERIFICATION

Signed PPA, payment security, equipment funding and FX exposure

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07 Ukraine · funded project rehabilitation

POTENTIAL RESIDUAL DEMAND

Executable works, equipment supply and infrastructure rehabilitation

FIRST-HAND VERIFICATION

Actual tenders, budgets, insurance, payments and site security [17]

Selected by feasibility of evidence collection, not by expected returns. Market sizes, operating margins and deal probabilities are not established in this study.

Negative findings retained

First, excess capacity in generic steel weighs against undifferentiated additions. Second, overseas EV plants and localized components cannot be converted into external supplier orders merely from factory openings. Third, California already imports fuel from multiple countries; where existing channels absorb any disruption, there may be no independent supply vacancy. Fourth, a more reliable South African grid could reduce the legacy market for emergency diesel backup. [12] [13] [18] [30]

Other proposals remain unverified: migration services after a SaaS closure lack a specific shutdown event and authorized customers; sanctioned Russian supply chains lack direct primary evidence and are excluded from actionable opportunities; new shipping capacity is an open question because sector-level cash-flow evidence is missing, and should not be grouped with steel expansion where negative evidence is stronger.

Who captures the profit pool?

After supply adjusts, profits may accrue to acquirers with cheaper capital, certified specialist providers, integrators with established contracts, data and platform owners, or end customers through lower prices. In a distressed acquisition, any discount may be offset by environmental remediation, pensions, leases, warranties and working-capital obligations. Buying a distressed asset cheaply is not a standalone business model apart from its liabilities and customers' continued willingness to pay.

Further research should start with specific contracts rather than broad sector opportunity claims: who pays, whether the agreement is transferable, what performance liabilities attach and how cheaply incumbents can absorb demand. A small, verifiable contract can be more decision-useful than a large need estimate that cannot be connected to buyers.

08 / CONCLUSIONS AND NEXT EVIDENCE

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Conclusions and priorities for further evidence

> This study establishes important mechanism boundaries, but does not estimate failure probabilities, global net gains from industrial relocation or the size of addressable market vacancies.

Available evidence does not support synchronized global corporate liquidation. A more useful interpretation is that financing costs, energy and technology investment, and industrial policy are changing operating conditions unevenly and thereby redirecting pressures and resources.

At company level, survival assessment must consider fixed costs, contribution margins, collections and debt terms. The four listed-company experiments illustrate mechanisms only; the next step requires representative small-business data containing actual survival and exit outcomes.

At sector level, announced investment must be connected to operating capacity, order destinations and domestic value added to distinguish geographical relocation from net economic gains. Entry research should first establish unmet paid demand and the legal and operational conditions for assuming contracts.

06 / RESEARCH AGENDA

Priority evidence for the next research phase

4 EVIDENCE GAPS

01

Corporate exit denominator

EVIDENCE REQUIRED

Registered and active firms, deduplicated groups, legal form of exit and sector

WHAT IT WOULD ESTABLISH

Comparable incidence rates rather than changes in raw counts

02

SME financial data

EVIDENCE REQUIRED

Sector cost structure, credit facilities, receivables, actual maturities and failure cases

WHAT IT WOULD ESTABLISH

Calibrated real-world survival thresholds and conditional default risk

03

Customer demand and bids

EVIDENCE REQUIRED

Customer and order transfers, actual prices and incumbent utilization, plus verified quotes, delivery and collection records

WHAT IT WOULD ESTABLISH

Whether paid demand is unserved and can sustain viable unit economics

04

Cross-border value added

EVIDENCE REQUIRED

Product-level bilateral quantities and prices, local inputs, subsidies and repatriated profits

WHAT IT WOULD ESTABLISH

Separation of geographical relocation from net regional gain

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APPENDIX / SOURCES & METHODS

Sources and research methods

Scope and treatment of evidence

The research cut-off is 28 October 2026. The macroeconomic comparison spans 54 economies and available historical series from 2005 to 2026. IMF growth estimates and forecasts for 2026 and 2027 provide the regional backdrop. The research subdivisions are comparative constructs, not official statistical regions. Complete 2026 observations were not yet available, and some economies report on fiscal years. The financial analysis uses disclosed accounts for four large listed groups together with explicit parameters; the sample is not representative of firms overall.

The sources include the IMF, World Bank, Eurostat, US federal courts, the UK Insolvency Service, ASIC, OECD, IEA, ILO and public corporate disclosures. Differences in statistical units, observation dates and legal definitions are retained. Forecasts from different institutions are not mechanically averaged. US filing data were editorially updated using the 22 October 2026 release covering the twelve months to September; the remaining models and evidence retain the original research cut-off.

Models and interpretation

The study uses an operating-profit break-even threshold, a conditional liquidity bridge, checks on the transfer of demand and retrospective historical cases to examine mechanisms. Additional funding spreads, refinancing and collection delays in the model are static sensitivity parameters, not probability-weighted future paths. The research has not estimated a complete transmission from national GDP to sector revenue and individual exits. A cash shortfall does not establish legal default, and the calculations are not company forecasts. Historical cases were purposively selected after the events and do not establish out-of-sample accuracy.

A verified market vacancy requires transaction-level evidence of demand, absorption, access, prices and delivery costs. The present study lacks a globally comparable bankruptcy denominator, representative SME failure data, comparable international input-output weights, customer-level transfer data and verified accessible market estimates. These gaps bound what can be concluded; they are not filled with simulated observations.

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