
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 4.08.2009

Wall Street Journal: "U.S. to Offer Aid to Life Insurers ... The Treasury Department has decided to extend bailout funds to a number of struggling life-insurance companies, helping an industry that is a lynchpin of the U.S. financial system, people familiar with the matter said."

Wall Street Journal: "Moynihan's Power Play at BofA ... Brian Moynihan, the lawyer put in charge of Merrill Lynch & Co. after the ouster of John Thain, is emerging as right-hand man and potential successor to Bank of America Corp. Chief Executive Kenneth D. Lewis."

Wall Street Journal: "Real-Estate Industry Pushes Fed to Lengthen TALF Terms ... The real-estate industry is lobbying the Federal Reserve for modifications to a bailout program that the industry said may avert a wave of commercial-property defaults."

Wall Street Journal: "For Credit-Default Swaps, Today Comes the Fix-It ... The credit derivatives industry is about to find out whether it's possible to have an orderly "Big Bang."

New York Times: "Inspector to Audit A.I.G.'s Counterparty Payouts ... The inspector general of the government's financial bailout program said Tuesday it was looking into the \$62 billion paid to banks like Goldman Sachs and Deutsche Bank to settle trades they had with the American International Group, the giant insurance company that nearly collapsed last fall."

Reuters: "Toxic assets key to TARP's fate: Congress panel ... The U.S. government's huge financial rescue program may get the nation through the present economic crisis, but it likely won't be enough if the downturn is worse than expected, a congressional panel said on Tuesday."

Reuters: "US to delay bank test results for earnings-source ... The U.S. Treasury Department is planning to delay the release of any completed bank stress test results until after the first-quarter earnings season to avoid complicating stock market reaction, a source familiar with Treasury's discussions said on Tuesday."

Reuters: "Mortgage delinquencies soar in the U.S. ... More U.S. consumers are falling behind on their mortgages, an indication that the housing market has yet to hit bottom, a top credit bureau executive told Reuters."

ABC News: "Financial Crisis 'Far From Over,' Panel Says ... Though some economic measures are improving, the financial crisis "is far from over" and "appears to be taking root in the larger economy." This, despite the government's commitment to spend trillions of taxpayer dollars on a massive bailout of the financial system."

Associated Press: "SEC is floating options to limit short sales ... Federal regulators are floating several options for reining in the practice of short-selling stocks, as investors, corporations and lawmakers clamor for restrictions on moves they say gutted vulnerable companies and worsened the market's downward spiral."

Washington Post: "Bailed-Out Firms Clamber to Satisfy Say-on-Pay Proviso ... Nearly 400 companies that have accepted taxpayer funds are working to meet a new federal mandate that allows shareholders to vote on executive compensation packages at annual meetings this spring."

Washington Post: "SEC to Pursue Limits On Stock Short Sales ... The Securities and Exchange Commission today holds its first policymaking session of the year, and under political pressure plans to introduce several proposals to restrict the short-selling of stock that many economists, including those inside the agency, say are likely to have little effect."

Washington Post, Op-Ed: "Not Quite a Confession, But a Good Start ... For the past year, as the nation has engaged in a heated debate about how we got into the current financial mess and how we're going to get out of it, there's been one group noticeably missing from the conversation: leaders of the big Wall Street firms."

Bloomberg: "AIG's Bank Payments Probed by TARP Inspector General ... The Treasury's chief watchdog for the U.S. financial rescue program is probing whether American International Group Inc. paid more than necessary to banks including Goldman Sachs Group Inc. after the insurer's bailout."

Bloomberg: "Congressional Panel Suggests Firing Managers, Liquidating Banks ... A congressional panel overseeing the U.S. financial rescue suggested that getting rid of top executives and liquidating problem banks may be a better way to solve the economic crisis."

Investor's Business Daily, Editorial: "Cost Creep ... Budget analysts have raised their estimate of the \$700 billion federal bailout cost to taxpayers by \$167 billion, to a new total of \$356 billion. No surprise there. Washington always spends more than it says it will. ... The Congressional Budget Office originally projected the Troubled Asset Relief Program would cost taxpayers \$189 billion. That was in January. In a matter of weeks, the estimate grew by 88%."

The Hill: "Lawmakers renew fire on G. Sachs ... Financial giant Goldman Sachs, one of the biggest and best-connected firms on Wall Street, is coming under increasingly intense and bipartisan criticism on Capitol Hill."