
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 6.25.2009

Wall Street Journal: "SEC Commissioners Talk Money Funds ... The Securities and Exchange Commission took steps to reduce the likelihood of runs on money-market mutual funds, but the commissioners' discord over some issues suggests a fundamental overhaul to the industry won't come easily."

Wall Street Journal, Editorial: "The Secret 'Friends of Angelo' ... Angelo Mozilo, the former Countrywide Financial CEO charged with fraud and insider trading by the Securities and Exchange Commission, had a lot of "friends." The Democratic leadership in Congress just doesn't want you to know their names -- or the details of their loans from Countrywide."

Financial Times: "ECB pumps €442bn into banking system ... The European Central Bank on Wednesday pumped hundreds of billions of euros in one-year loans into the eurozone's weakened banking system, making record amounts of emergency finance available in a bid to unlock credit markets and revive the region's economies."

Financial Times: "Banks rush to rescue of credit card trusts ... Record credit card losses are pushing big US banks to come to the rescue of off-balance sheet vehicles they use to transform hundreds of billions of dollars in consumer loans into securities sold to investors."

New York Times: "A.I.G. Gives Fed Stakes in 2 Units to Cut Debt ... The American International Group, the insurance giant bailed out by the federal government, announced Thursday that it had reached an agreement to reduce its debt with the Federal Reserve Bank of New York by \$25 billion."

New York Times: "G.O.P. to Paint Bernanke as Big Government Ally ... In a peculiar role reversal, Republican lawmakers are mounting a ferocious attack on the Republican chairman of the Federal Reserve, while Democrats are coming to his defense."

New York Times, Op-Ed: "Our Crisis of Regulation ... THE 88-page report issued by the Treasury Department last week proposes far-reaching changes in financial regulation. Unfortunately, the report is premature, overambitious and obsessed with reorganization. It is also afflicted by Roosevelt envy."

Washington Post: "New-Home Sales Drop Slightly, Push Down Prices ... New-home sales were stagnant last month, posting an unexpected decline as builders competed with a glut of foreclosures on the market and prices continued to fall, according to government data released yesterday."

Los Angeles Times: "House split over new consumer agency ... Democrats favor the proposed watchdog, but Republicans are against another layer of regulation."

USA Today: "Private equity firm's IPO plan on NYSE stalls ... There's at least one three-letter acronym that KKR can't seem to master: IPO. Stalling a two-year quest to launch an initial public offering on the New York Stock exchange, KKR Wednesday amended a backdoor plan to go public in Europe."

Washington Times: "Parties face off over Fed's tactics ... Congressional Democrats and Republicans offered starkly different assessments late Wednesday over whether the Federal Reserve exerted too much or too little pressure on Bank of America in its takeover of Merrill Lynch last December."

Reuters: "Lawmaker accuses Fed of "cover-up" in BofA deal ... The Federal Reserve sought to hide its involvement in Bank of America Corp's acquisition of Merrill Lynch as Merrill's financial condition worsened, the top Republican on the House Oversight and Government Reform Committee said on Wednesday."

MarketWatch: "AIG gets Fed clearance for international life IPOs ... American International Group on Thursday said it's received approval from the Federal Reserve Bank of New York to proceed with initial public offerings of two of its international divisions, a deal that will see taxpayers recoup \$25 billion of the money poured into the troubled insurer."

Politico: "Jim Bunning and Ron Paul: Fed trendsetters? ... Paul and Bunning - viewed by their colleagues as among the most eccentric members of Congress - were anti-Fed before anti-Fed was cool."