
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 7.13.2009

Washington Post: "Fed to Offer Prognosis on Rest of Year ... This week, we find out just how bad Federal Reserve leaders expect the economy to be for the remainder of 2009, and how long they think a recovery could take."

Wall Street Journal, Opinion: "Don't Shoot the Speculators ... Speculators don't get much respect. Short sellers last year were blamed for their trades warning about the credit crisis, and commodities traders are now accused of causing higher oil prices. Even when traders are later proven right -- maybe especially when they're proven right -- we blame them for delivering the bad news."

New York Times: "Unresolved Questions After Hearing With Geithner ... The issues were arcane and technical, but the hearing drew an extraordinary turnout: 110 members of Congress, many of whom waited three hours to ask questions for five minutes."

New York Times: "For Goldman, a Swift Return to Lofty Profits ... Most of Wall Street, and America, is still waiting for an economic recovery. Then there is Goldman Sachs."

New York Times, Editorial: "Borrowers Bled Dry ... State legislatures unknowingly legalized loan sharking when they exempted short-term, "payday" lenders from usury laws that generally capped interest rates at about 36 percent. The lenders, which now charge interest of 400 percent or more, got the exemption by arguing that small loans that were paid off quickly would help families through emergencies and keep them out of long-term debt."

USA Today: "Geithner defends stimulus, calls for derivatives regulation ... Despite persistently high unemployment, Treasury Secretary Timothy Geithner said Friday the Obama administration's plan to stimulate the U.S. economy by spending billions of dollars on construction and other local projects is on the "expected path."

Los Angeles Times: "U.S. and Swiss governments ask for delay in UBS banking secrecy hearings ... They indicate they are seeking a settlement in the high-stakes case, which involves an IRS effort to identify thousands of suspected U.S. tax evaders."

Los Angeles Times: "Many underwater homeowners are deliberately walking away from mortgages ... A study finds that 26% of the defaults across the country are calculated economic decisions to bail out of loans by borrowers who could afford to make the monthly payments."

Bloomberg: "Bank of America Said to Balk at Paying Fee to U.S. for Backstop ... Bank of America Corp. is trying to avoid paying billions of dollars in fees to U.S. taxpayers for guarantees against losses at Merrill Lynch & Co., saying the rescue agreement was never signed and the funding never used."

Bloomberg: "CIT Group Says Its Failure Risks Demise of Customers ... CIT Group Inc., the century-old lender that hasn't been able to persuade the government to back its debt sales, says its demise would put 760 manufacturing clients at risk of failure and "precipitate a crisis" for as many as 300,000 retailers."