

FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 7.14.2009

Wall Street Journal: "U.S. in Talks to Rescue CIT ... U.S. government officials are in advanced talks about providing some sort of aid to CIT Group Inc., one of the country's primary lenders to small and midsize businesses, people familiar with the matter said."

Wall Street Journal: "U.K. to Go Slow on Bank Stakes ... The British government is set to keep the majority of its stakes in two of the country's largest banks for several years, although taxpayers could get a portion of their money back in coming months if things go well, officials said."

New York Times: "Geithner Tell Saudis That the U.S. Is on the Mend ... U.S. Treasury Secretary Timothy Geithner said on Tuesday he saw signs of confidence returning to the U.S. financial sector and pledged that the United States would pursue policies that preserve the dollar's value."

New York Times, Op-Ed: "Chutzpah on Steroids ... What is up with the banks and the rest of the financial industry? The people running this system remind me of gangsters who manage to walk out of the courthouse with a suspended sentence and can't wait to get back to their nefarious activities."

Washington Post: "As Large Banks Falter, Smaller Ones Move In ... As large banks continue to nurse their wounds -- many self-inflicted -- some of the Washington area's less exposed community bankers are using the financial chaos to draw in new business, even by pursuing new branch locations in the midst of the recession."

Los Angeles Times: "Ginnie Mae mortgage bonds enjoy a boom ... The Government National Mortgage Assn., which unlike Fannie Mae and Freddie Mac was never publicly traded, says it issued a record amount in mortgage-backed securities in June -- \$43.5 billion."

USA Today: "Steven Rattner leaving Obama's auto task force ... A former steelworkers union official is taking over the White House's automotive task force as the government shifts gears in its revamping of General Motors and Chrysler."

Reuters: "U.S. mulling mortgage aid for unemployed ... President Barack Obama is mulling new ways to delay foreclosure for jobless homeowners who are unable to keep up with monthly payments, an administration official said on Monday."

Reuters: "US SEC creates credit rater inspection squad ... Credit rating agencies, such as Standard & Poor's and Moody's (MCO.N), are now being targeted by a squad of examiners set up by the Securities and Exchange Commission and are subject to 'special' examinations."

BusinessWeek : "CIT: Not Too Big to Fail ... The lender's problems stem from high costs of borrowing, not bad loans. Critics say a prepackaged bankruptcy is the answer to its woes."

The Hill: "Democrats press legislation to ban 'insider' trading ... Democrats are moving forward with legislation to impose stricter rules on stock purchases by lawmakers and their aides as Washington considers rewriting regulatory rules for Wall Street."