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## FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 7.28.2009

Wall Street Journal: "Traders Blamed for Oil Spike ... The Commodity Futures Trading Commission plans to issue a report next month suggesting speculators played a significant role in driving wild swings in oil prices -- a reversal of an earlier CFTC position that augurs intensifying scrutiny on investors."

Wall Street Journal: "U.S. Effort to Modify Mortgages Falter ... An Obama administration effort to reduce home foreclosures by lowering the mortgage payments of struggling borrowers before they fall behind is failing to help as many people as expected."

Wall Street Journal: "Revamp Could Hurt Central Bank, Warns Head of Philadelphia Fed ... Charles Plosser, president of the Federal Reserve Bank of Philadelphia, expressed reservations about the Obama administration's plans for rewriting the nation's financial regulations, saying it could leave the Fed with an ill-defined role as bank regulator and make it less effective at its main job of fighting inflation."

New York Times: "Politicians Accused of Meddling in Bank Rules ... Accounting rules did not cause the financial crisis, and they still allow banks to overstate the value of their assets, an international group composed of current and former regulators and corporate officials said in a report to be released Tuesday."

New York Times, Editorial: "A \$2.2 Trillion Temptation ... The nation's public employees have a very large pool of money - about \$2.2 trillion - that must be invested wisely to cover their retirement. So it makes sense that anybody who wants to help invest that money - and make the fabulous profits that go along with such assistance - should not be writing campaign checks to state treasurers or comptrollers or other officials who manage the funds."

Washington Post: "Small Banks at Center of Overhaul Debate ... While the country's biggest banks have taken much of the blame for the economic crisis, the fate of the Obama administration's efforts to overhaul regulation of the financial industry could rest in the hands of thousands of small local banks, which have remained out of the national spotlight."

Washington Post: "Executive Testifies on Senators' Mortgages ... The Senate ethics committee has interviewed a former Countrywide Financial executive who testified under oath that Sens. Christopher J. Dodd (D-Conn.) and Kent Conrad (D-N.D.) were aware that they were accessing a special program to give below-market-rate mortgages to the powerful and famous when he arranged their loans, according to the executive's attorneys."

USA Today: "SEC makes rule on 'naked' short-selling permanent ... Federal regulators on Monday made permanent an emergency rule aimed at reducing abusive short selling, put in at the height of last fall's market turmoil."

USA Today: "Americans rate Fed worst among 9 key agencies ... The share of Americans who think the Federal Reserve is doing an excellent to good job has sunk even as chairman Ben Bernanke has taken unprecedented steps to try to prevent a financial catastrophe, according to a new poll released Monday."

Politico: "From under TARP, banks add lobbying ... After a decline in lobbying activity during the first quarter of this year, the major recipients of cash from the Troubled Asset Relief Program - TARP - have stepped up their spending as drafts of a new financial regulatory system have begun to take shape, according to the second-quarter lobbying disclosure reports released last week."

The Hill: "Frank to lobbyists: Don't block reform ... Rep. Barney Frank (D-Mass.) expects Congress to pass wide-ranging legislation to revamp the financial system before the end of the year and warned financial companies not to resist the overhaul outright."