FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 12.03.2009

Wall Street Journal: "Bernanke Defends Fed Actions in Confirmation Hearing ... Federal Reserve Chairman Ben Bernanke Thursday defended the way the U.S. central bank fought against the economy's meltdown, telling senators the Fed must remain effective and independent."

Wall Street Journal: "ECB Plots Exit Strategy From Quantitative-Easing Measures ... European Central Bank President Jean-Claude Trichet announced small steps toward very gradually withdrawing the extraordinary liquidity programs put in place to combat the credit crunch while ensuring that banks can raise as much funds as needed as it plots a course back to normality while Europe's economy slowly returns to health."

Wall Street Journal: "Fed Survey Points to Subdued Recovery ... The U.S. economy "improved modestly" since early October, the Federal Reserve said Wednesday, with consumer spending picking up but commercial real estate weakening."

Wall Street Journal: "The Bernanke Record ... Federal Reserve Chairman Ben Bernanke faces his Senate renomination hearing today, amid signs that the confirmation skids are greased."

Washington Post: "Bank of America to repay U.S. ... Bank of America said Wednesday that it would repay $45 billion in taxpayer aid that helped the company survive the financial crisis, a step that would terminate the federal pay restrictions that have inhibited its search for a new chief executive."

Washington Post: "Financial regulatory package heads to House ... A key congressional committee approved the final pieces of sweeping legislation Wednesday to overhaul the nation's financial regulatory system, setting the stage for a vote in the House of Representatives next week on one of President Obama's top priorities."

Washington Post: "Be fair to Bernanke ... When the Senate Banking Committee welcomes Federal Reserve Chairman Ben Bernanke for his confirmation hearing today, the questioning is sure to be sharp, yet another chapter in the unceasing second-guessing of the government's handling of the Wall Street meltdown."

NY Times: "Bernanke Defends Fed in Confirmation Hearing ... Under fire from Democrats and Republicans alike, Ben S. Bernanke defended his record Thursday as chairman of the Federal Reserve as well as that of the central bank itself as he began what is likely to be a contentious hearing on his nomination for another term."

LA Times: "Bernanke claims tools, will to reel in stimulus ... Making a case for a second term as head of the Federal Reserve, Ben Bernanke said today that he has the tools and the political backbone necessary to reel in massive economic support once the recovery is firmly rooted."

LA Times: "25.6% of U.S. households use conventional banks little or not at all ... More than a quarter of American households have limited or no interaction with conventional banks, making it more difficult for those families to establish credit, according to the first-ever federal survey of how consumers use financial services."

LA Times: "Bernanke confirmation hearing likely to be contentious ... Federal Reserve Chairman Ben S. Bernanke may be heavily favored to win Senate confirmation for a second term, but he faces a far tougher challenge in trying to beat back efforts by angry lawmakers to curb the Fed's independence as an arbiter of economic policy."

LA Times: "BofA gets U.S. approval to repay its $45-billion TARP debt in full ... Bank of America Corp. has received government permission to pay back $45 billion in taxpayer aid that helped the company survive the financial crisis, a step that would terminate the federal pay restrictions that have inhibited its search for a new chief."

USA Today: "Confirmation hearing: Bernanke claims he can reel in stimulus ... Testifying at his confirmation hearing for a second term as head of the Federal Reserve, Ben Bernanke said Thursday that he has the tools and the political backbone needed to reel in massive economic support once the recovery is firmly rooted."

USA Today: "Bank of America to repay $45B in TARP bailout money ... Bank of America (BAC) said Wednesday that it will repay the $45 billion in bailout money it received from the federal government, signaling the improved health of the nation's largest bank after last year's financial meltdown."

USA Today: "Geithner: $700B bailout program will end soon ... Treasury Secretary Timothy Geithner affirmed Wednesday the administration's intent to end the $700 billion financial bailout program soon."

The Washington Times: "Bernanke reconfirmation to Fed seen assured ... Federal Reserve Chairman Ben S. Bernanke, who has received bipartisan condemnation from Capitol Hill for his handling of the economy, is likely to get an earful from senators during his reconfirmation hearing Thursday."

The Hill: "Key Democrats back Ben Bernanke for second term as Fed chairman ... Sen. Chris Dodd (D-Conn.) and other Senate Democrats on Thursday strongly backed Federal Reserve Chairman Ben Bernanke's nomination for a second term."

The Hill: "Frank expects no changes to Fed bill ... Rep. Barney Frank (D-Mass.) on Wednesday indicated he doesn't expect changes on the House floor to a measure that would increase scrutiny of the Federal Reserve."