

Financial Daily Dose 12.09.2019 | Top Story: States Begin Trial Today Challenging T-Mobile/Sprint Merger on Antitrust Grounds

Thirteen states and the District of Columbia are suing to block the \$26 billion plan to merge T-Mobile US Inc. and Sprint Corp. The trial is slated to begin today with state officials arguing the deal would create “a more staid market with prices higher than they would otherwise be” – WSJ

A new report from the Bank for International Settlements dives into the recent “mayhem” in the U.S. repo market and finds a disquieting structural problem “in this vital corner of finance.” The BIS’ analysis found that four big U.S. banks are largely to blame, in part because they now “hold more of their liquid assets in Treasuries relative to what they park at the Federal Reserve”—a situation exacerbated by hedge funds’ increasing use of repo to finance their investments – Bloomberg and MarketWatch

Machine-learning capabilities and robotic-process automation have led to the development of robots that can exercise judgment when performing various tasks. These robots are now being used to verify signatures on checks, assessing insurance claims, and detecting fraudulent paperwork – WSJ

Tech sector mergers are booming; most acquisition targets are ventures that develop software tools for big-data analytics, business intelligence, as well as blockchain and robotic-process automation – WSJ

Friday’s impressive jobs numbers in the U.S. did little, as it turns out, to make investors’ lives easier, as they and markets struggle with the mix of an improved short-term outlook and long-term uncertainty – Bloomberg and WSJ

Global television advertising continues to fall—4% in 2019—suggesting advertisers are following consumers and moving to the internet. U.S. TV ad sales are scheduled to have a temporary boost in 2020 with the Summer Olympics and presidential election, but the long-term decline will continue after the year is out – Bloomberg

Xerox alleges that a deal with HP could create “roughly \$2 billion in synergies” within two years. A recent presentation to HP’s shareholders goes further, stating that a merger would allow cross-selling and

a unified platform for clients. That could yield an estimated \$1 – 1.5 billion in revenue growth – Bloomberg

PG&E has reached a \$13.5 billion deal with the victims of California wildfires, with the money split among home and business owners, government agencies, and legal counsel – NYTimes and WSJ

China's recent drop in exports may be a significant factor pushing it towards a phase one trade deal with the U.S. – Bloomberg

Meanwhile, the December 15th threatened-tariff-hike deadline is looming large – WSJ

U.S. Congressman David Cicilline looks to modify antitrust laws to better protect consumers and limit the power of large technology companies like Facebook and Amazon – NYTimes

According to Uber, over 3,000 sexual assaults, nine murders, and 58 vehicle-related deaths occurred in the U.S. in 2018. Though not insubstantial figures, these events represent just .0002 percent of Uber's 1.3 billion rides in the U.S. last year – NYTimes

Two revolutionary treatments for sickle-cell disease have been developed, but they cost up to \$100, 000 per year and must be taken for life. This significant cost has sparked concern over the drugs availability to the 100,000 people living with the disease – NYTimes

-Juvian