

Financial Daily Dose 1.28.2020 | Top Story: Markets Tumble as Fears Spread Over Coronavirus Epidemic

A mounting death toll (over 106 and counting) and fears of a coronavirus pandemic sent markets tumbling early on Monday and kicked off a selloff that continued all day – NYTimes and MarketWatch and WSJ and Bloomberg

General Motors announced that it will pour \$2.2 billion into an underused Detroit manufacturing facility so it can “build a series of electric and self-driving vehicles, eventually employing 2,000 people.” GM expects to start building electric pickups at the location by late 2021 – MarketWatch and NYTimes

Britain won't ban Huawei from building parts of its 5G network, a blow to the US's maximum pressure campaign against the Chinese tech giant. The White House has been lobbying the UK and other nations to reject Huawei based on national security reasons – NYTimes and WSJ and Bloomberg

Under Armour's fortunes have taken a dramatic turn in recent years. The sports apparel company once considered a potential Nike-killer has foundered, “hurt by slumping sales and unflattering revelations about its corporate culture,” leaving investors and competitors alike asking if the company can “successfully redefine itself and once again win over consumers, or whether the company's best days are behind it” – NYTimes

A study released Monday by the UK's Financial Conduct Authority suggests that high-frequency traders make some \$5 billion each year through “latency arbitrage”—a “controversial practice . . . in which ultrafast traders seek to react to fresh, market-moving information more quickly than others can” – WSJ

NY AG Letitia James and the FTC have teamed up to file new charges against convicted pharma bro Martin Shkreli and Vyera Pharmaceuticals (formerly Turing Pharma) for allegedly violating antitrust laws when they “jacked up the price of a crucial drug by 4,000% overnight in 2015” – Bloomberg and Law360 and WSJ

The White House has announced plans to expand “tariffs on foreign steel and aluminum” by focusing on products derived from the metals

like “nails, tacks, staples, cables, certain types of wire, and bumpers and other parts for cars and tractors”—ostensibly in an effort to target nations attempting to circumvent the sizeable tariffs on foreign steel and aluminum imposed in 2018 – NYTimes

Aerospace parts supplier Arconic has threatened potential job cuts later this year as a result of Boeing halting production of the 737 Max. Arconic said it expects to lose \$400 million in sales this year as fallout from the 737 Max crashes continues to spread – WSJ

Some background on the shocking news from last week that the Saudi Crown Prince’s WhatsApp account may have played a role in the hack of Jeff Bezos’ cell phone. It’s all about a planned partnership between the kingdom and Amazon that went very south very quickly – WSJ

The latest global economic scare (outside of viruses) is bubbling up in the form of a “synchronized housing slowdown,” with housing markets around the world growing at their slowest rate since the Great Recession and sparking fears of underlying economic struggles – WSJ

In a Friday ruling, the National Labor Relations Board held that Countrywide Financial’s “illegal mandatory arbitration agreement” from a decade ago “unlawfully restricted workers’ ability to avail themselves of the agency’s legal processes” – Law360

Leave it to ze Germans to give a station wagon supercar chops. Audi’s new Avant will add a decidedly aggressive aspect to those trips to hockey practice – Bloomberg

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