

Financial Daily Dose 2.11.2020 | Top Story: DOJ Indicts Four from Chinese Army Over 2017 Equifax Cyberattack

The DOJ has announced charges against four members of China's military related to the 2017 cyberattack on credit-reporting agency Equifax, the breach that revealed "trade secrets and the personal data of about 145 million Americans." The indictment places the Equifax episode in a broader scheme by the Chinese army and intelligence services to steal data in order to combine it with artificial intelligence "to better target American intelligence officers and other officials" – NYTimes and WSJ and Marketplace and Law360

Still stinging from the Pentagon's awarding of the \$10 billion JEDI cloud-computing contract to Microsoft, Amazon has requested depositions of top administration officials, including the President and Defense Secretary Mark Esper, "arguing that hearing from them is essential to determining if they intervened against the internet company when the Pentagon awarded" the contract to its competitor – NYTimes and WSJ and MarketWatch

Troubled by a recent FTC antitrust challenge, Schick parent company Edgewell Personal Care has abandoned its proposed \$1.37 billion deal to buy "upstart rival Harry's Inc." Edgewell shares rose dramatically on the news, as investors had been "wary of the deal due to the multiple Edgewell had agreed to pay for Harry's, a company that was growing quickly but losing money" – WSJ and Bloomberg and Law360

Meanwhile, T-Mobile could be getting much better news later today on its \$26.5 billion takeover of Sprint. SDNY Judge Victor Marrero is expected to rule as early as later today on a "state-led lawsuit that sought to block the industry-altering wireless deal" – Bloomberg and NYTimes and WSJ and MarketWatch

Fed Chair Powell begins two days on the Hill later this morning, starting with the House Financial Services Committee. Questions concerning global stability in the wake of the coronavirus outbreak, the Fed's balance sheet, and the central bank's 2% inflation target are likely to come his way – WSJ and Bloomberg

Uber and Postmates have lost their early bid to derail enforcement of a new California law that "makes it harder for workers to be classified as independent contractors," with U.S. District Judge Dolly Gee

finding that “the state’s need to police misclassification outweighs any harm to the companies” – Law360 and NYTimes

An early accounting of the White House’s new budget proposal reveals predictions of economic growth that far exceed most economists’ projections – NYTimes

Here’s what else is in there – WSJ and Bloomberg and Law360

Xerox has upped its bid to buy HP Inc. to \$24/share and announced it would “launch a public takeover bid early next month.” The new play for HP sweetens its offer from last November by \$2/share—a price HP had rejected as “too low” while questioning Xerox’s ability to finance any such deal – WSJ

In November, as we covered here, the SEC announced a series of proposals aimed at “rein[ing] in proxy advisory firms” and making it “harder for investors to get their petitions on corporate ballots.” As such measures would hit uncomfortably close to home for an activist icon like, well, Carl Icahn, we weren’t surprised to see big Carl take pen to paper late last week in opposition to the overhaul – Bloomberg

All of fintech is anxiously tracking Varo’s progress in its “quest to take on traditional banks.” The news this week that it’s received FDIC approval to use federal deposit insurance is a “significant step” for the startup and the fintech industry more broadly, as it marks one of the few cases in which the agency “has given a fintech firm the ability to provide insured deposits” – WSJ

The cybertruck + BTTF = the Musk-happy mashup for all of us 80s kids out there – Mashable

MDR