

Financial Daily Dose 7.30.2020 | Top Story: Fed Recommits to Covid Relief Efforts as US GDP Craters

As expected, the Fed left rates unchanged at near zero as the Open Market Committee broke on Wednesday but managed to buoy stocks by pledging to “keep supporting the United States economy as the pandemic continues to depress economic growth and sideline millions of workers” – NYTimes and WSJ and Bloomberg and MarketWatch and Marketplace

We’ll need all of that central bank help, too, especially in light of Q2 GDP numbers out today that are expected to show the figure falling “an annualized 34.8% in the second quarter, the most in records dating back to the 1940s, after the spread of Covid-19 prompted Americans to stay home and states to order widespread lockdowns” – Bloomberg and NYTimes and WSJ

A recap of Big Tech’s long-anticipated day of House testimony about their business practices, at which lawmakers roughed up the CEOs a bit but didn’t land any knockout punches – MarketWatch and Law360 and Bloomberg and NYTimes and WSJ

The federal government’s \$600 unemployment benefit supplement is set to expire on Friday, and Congress appears nowhere close to a plan for extending it. Here’s what that delay will mean for those it has helped most directly – NYTimes

Corporate CEOs, on the other hand . . . . Their pandemic experience (even with voluntary salary reductions, for some) has been a different beast altogether – NYTimes

Boeing has announced new plans for further cuts in plan production and jobs as the planemaker looks “for other ways to conserve cash as the coronavirus pandemic deepens its toll on the global aviation industry” – WSJ

GE’s feeling the industry pain, too, as the sharp fall in its jet-engine business contributed to a nearly \$2 billion quarterly loss for the conglomerate – WSJ and MarketWatch

A trio of states has sued the Office of the Comptroller of the Currency over “its valid-when-made rule, saying the recently promulgated rule would ‘dramatically expand’ federal preemption and be a boon to

predatory lenders seeking to skirt state interest rate caps” – Law360

Kodak’s monumental shift to drug production appears to have come with more than a little drama, including rampant trading well ahead of the official announcement of the move thanks, in part, to “tweets and news stories from television stations in Kodak’s hometown of Rochester, N.Y.,” some of which were “quickly deleted” – WSJ and MarketWatch

Today’s Wirecard drama has German asking for Russian assistance in tracking down former company exec Jan Marsalek, who effectively went missing in mid-June and is suspected of hiding out in Belarus or Russia, according to Der Spiegel – WSJ

Join me in revisiting the stunning (but small) portfolio of Mexican architect Luis Barragán—the creator of modern works that managed to recall traditional roots and colors while evoking both “magic and . . . surprise” – NYTimes

Stay safe,  
MDR