

Financial Daily Dose 9.3.2020 | Top Story: CBO Projects U.S. Nat'l Debt Will Nearly Eclipse GDP for First Time Since WWII

New figures from the Congressional Budget Office predict that U.S. government debt will, thanks to the pandemic recession, just about eclipse the size of the nation's GDP—a level not reached since just after World War II – CBO and WSJ and MarketWatch and NYTimes

Still, fiscal hawks be damned, the Dow again topped 29,000 and the S&P and Nasdaq both hit new records on Wednesday – WSJ and Bloomberg and MarketWatch

The SEC has opened a civil fraud investigation into upstart brokerage firm Robinhood (best known for the lockdown-driven popularity of its day trading app) over “its early failure to fully disclose its practice of selling clients' orders to high-speed trading firms” – WSJ

Economists are again predicting a dip in initial U.S. unemployment claims ahead of today's release of figures and tomorrow's jobs report. Last week didn't work out so well, and there's increased uncertainty this time around because today's data “will be calculated using a new methodology to adjust for seasonal factors” – WSJ and Bloomberg

It's barely back-to-school season, but struggling retailers are already bracing for a Covid-transformed holiday shopping season. From mall Santas to Black Friday promotions to plain-old foot traffic—this won't look anything like the late-year rush we're used to seeing – NYTimes

The Federal Circuit Court of Appeals has rejected a bid by Oracle Corp. “to order the Pentagon to restart its procurement process for the highly sought after \$10 billion cloud computing contract that was ultimately awarded to Microsoft over Amazon Web Services Inc. in October.” A three-judge panel found that Oracle wasn't prejudiced when the Dep't of Defense solicited bids for the program – Law360

Amtrak is furloughing more than 2,000 workers—nearly 10% of its workforce—in response to the “steep decline in ridership and revenue caused by the coronavirus pandemic.” The struggling passenger railroad agency is already dealing with a spate of systemic issues drawing “scrutiny from rail advocates and federal lawmakers” – NYTimes

And while we're talking rails, a Blackstone and Global Infrastructure Partners-led group of buyout investors has put together a fresh bid for railroad operator Kansas City Southern, which currently has a market cap of north of \$17 billion – WSJ and Bloomberg

United Airlines is the latest carrier to announce plans to lay off staff this fall, with more than 16,000 workers set to join the unemployment rolls in the coming weeks thanks to “a pandemic-driven slump in passenger demand” – WSJ

SoftBank is heading up a \$100 million investment in Biofourmis Pte, a Singapore-founded and Boston-based software startup “that predicts problems for patients with heart conditions” and uses AI “to provide personalized care” – Bloomberg

In the latest sign of the widespread impact of the virus, Australia announced this week that the country's officially entered a recession—the island nation's first in some three decades – NYTimes

Mashable's continuing its series on algorithms this week with this fascinating piece on not even “the relentless march of technology—with ever faster, better, smarter computers” can push beyond the 2-3 week weather prediction boundary. Just great stuff all around for us weather nerds out there – Mashable

We're off for a few days for the Labor Day holiday and hope you can find a nice [socially distant] way to celebrate the end of summer. We'll see you back here Tuesday morning.

Stay safe,
MDR