

Financial Daily Dose 9.15.2020 | Top Story: Citi Faces Federal Risk-Management Inquiry, Resumes Job Cuts

Federal authorities are prepping to “reprimand Citigroup Inc. for failing to improve its risk-management systems—an expansive set of technology and procedures designed to detect problematic transactions, risky trades and anything else that could harm the bank.” That “expected re-buke” was apparently part of the bank’s move to hasten the departure of CEO Michael Corbat in favor of successor Jane Fraser – WSJ and Bloomberg

Citi is also resuming job cuts, “joining rivals such as Wells Fargo & Co in ending an earlier pledge to pause staff reductions during the coronavirus pandemic” – Bloomberg and FNLondon

It’s Apple Day again, folks. Tim Cook & Co. are rolling out a spate of non-iPhone product updates today, including new high and low-end Watches and an enhanced iPad Air – Bloomberg and WSJ and MarketWatch and Mashable

The SEC has opened an investigation into electric and hydrogen-powered truck maker Nikola just days after short-seller Hindenburg Research released a research report calling the company an “intricate fraud” that “overstated the capabilities of its earliest test trucks” – Bloomberg and MarketWatch

A new Facebook whistleblower, former employee Sophie Zhang, said that despite the ‘book’s public comments “herald[ing] improvements to its fight against disinformation in the United States,” company execs have “ignored or were slow to react to her repeated warnings about” inauthentic activity on the service – NYTimes and HuffPost and BuzzFeed-News

Verizon is buying prepaid cellphone services provider TracFone in a deal “worth up to \$7 billion in cash and stock.” TracFone is a unit of Mexico’s America Movil SAB and has roughly 21 million prepaid customers under the brands TracFone, StraightTalk, and Net10 – WSJ

The latest on Brexit, where PM Boris Johnson is marching ahead with plans to unilaterally rewrite “provisions of a treaty relating to Northern Ireland” despite that move’s admitted illegality and a growing rebellion from his own Tory party – NYTimes and Marketplace

A court-appointed monitor has signed off on VW's work in fulfilling "the conditions of a 2017 plea bargain stemming from its use of illegal software to evade emissions regulations." The monitor's report affirms that the German automaker has made good on its "promise to reform its corporate culture" in the wake of the scandal (and the DOJ plea deal) – NYTimes

Amazon announced plans on Monday to hire upwards of 100,000 new full and part-time workers in the U.S. and Canada, a number that would put the 'zon's non-seasonal workforce total at roughly 1 million – WSJ and MarketWatch and Marketplace

More on a potential deal between TikTok parent ByteDance and Oracle, including ByteDance's calculation that it needed the deal to assure its future success now that the "days of fast internet fortunes and meteoric digital growth in its home market may be coming to an end" – NYTimes and MarketWatch and Law360

And the national security review to which the U.S. is planning to subject the tie-up – WSJ and MarketWatch

Anthony Zakel, the newly named inspector general of the U.S. International Development Finance Corp., confirmed this week that his office is reviewing the planned \$765 million loan to Eastman Kodak to produce generic drug ingredients – WSJ

BNSF Railway, one of the "largest operating units" of parent company Berkshire Hathaway, has named Kathryn Farmer as its new CEO. Farmer, a 28-year company vet, becomes the "first female CEO of a major railway operator in North America" – WSJ

Since travel these days has been pandemicked, let's join the Times for this dispatch from Salvador in the Brazilian state of Bahia—a city the writer Jorge Amado called "almost as mysterious as the green sea" – NYTimes

Stay safe,
MDR