

Financial Daily Dose 10.7.2020 | Top Story: White House Sows Confusion on Stimulus as Fed Chair Urges Fiscal Action

Here's a fun little exercise. Pull up a chart of yesterday's market activity, and see if you can pinpoint the exact moment the White House announced to the world that it was pulling support for another Covid stimulus bill before the election. Betcha you can piece it together – Bloomberg and NYTimes and WSJ and MarketWatch and Marketplace

All this, even as Fed Chair Powell made his case in “blunt” terms mere hours earlier that Congress and the White House should “go big” with stimulus measures in order to ease the economic pain that a “once-in-a-century pandemic . . . has inflicted . . . on millions of households.” Powell specifically warned that “Too little support would lead to a weak recovery, creating unnecessary hardship for households and businesses” – NYTimes and Bloomberg and WSJ and Marketplace

We'll be watching today to see what the results of an apparent late-in-the-day about face from the White House on the prospect of some additional financial relief in the near term – Bloomberg and NYTimes and WSJ

A new report from House Democrats after a 15-month investigation accuses Apple, Amazon, Facebook, and Google of “abus[ing] their monopoly power” (comparing them to the “oil barons and railroad tycoons” of an earlier era) and calls for “the most sweeping set of changes to antitrust laws in half a century.” The probe represents the “most significant government effort to check the world's largest tech companies since the government sued Microsoft for antitrust violations in the 1990s” – NYTimes and Bloomberg and MarketWatch and Law360

Minutes from the Fed's September meeting drop today, and central bank-watchers expect they'll “shed light on how . . . officials are wrestling with applying their new policy framework to an economy battered by the coronavirus pandemic” – WSJ

General Electric revealed in a securities filing this week that it is the recipient of a Wells notice (as of Sept. 30, signifying a potential SEC civil enforcement action) over the conglomerate's “accounting for a legacy insurance business, adding a fresh hurdle to efforts to turn around the once-mighty manufacturer” – WSJ and Bloomberg and MarketWatch

The U.S. trade deficit rose nearly 6% in August to \$67.1 billion, “its highest monthly level since 2006, as American imports outpaced exports” – NYTimes

Because the global economic and political climate is just too quiet these days, buckle up for the EU’s coming move to refuse to offer concessions to the UK before next week’s Brexit deadline, “betting that [Boris Johnson] won’t make good on threats to walk away from trade negotiations if he doesn’t get what he wants” – Bloomberg

The White House is out with proposed changes to the H-1B visa program for high-skilled foreign workers. Under the new plan, employers would have to “pay H-1B workers significantly higher wages, narrow the types of degrees that could qualify an applicant, and shorten the length of visas for certain contract workers” – WSJ and MarketWatch and Law360 and NYTimes

Boy, it’s good to be Howard. Like \$120M/year good – Bloomberg

Need a fall cocktail and have had JUST ABOUT ENOUGH of that GD pumpkin spice? These apple-cider-based potables are for you – NYTimes

Stay safe,
MDR