

Financial Daily Dose 10.8.2020 | Top Story: Feds fine Citi \$400M over “Longstanding” Governance Failures

Federal regulators—including the Federal Reserve and the OCC—have fined Citigroup \$400 million over “longstanding” failures in the areas of risk management, data governance, and internal controls. In addition to the fine, the OCC will require Citi to seek its approval before making even minor acquisitions of credit-card portfolios or non-bank companies – Law360 and WSJ and MarketWatch and Bloomberg

Prosecutors unveiled new price-fixing charges against six current and former chicken-industry execs on charges of an alleged conspiracy to fix prices from 2012 to 2019, “a longer period than the Justice Department previously had alleged” – WSJ

The White House’s move to halt broad Covid relief measure talks yesterday has spurred negotiators from the administration and Congress to take up topics including more targeted stimulus, including a potential “stand-alone bill for airline relief” – NYTimes and WSJ and Bloomberg

Some thoughts on what the lack of a comprehensive monetary aid package is likely to mean for an economy already in dire straits, including stalled job growth and mounting layoffs – NYTimes and Marketplace

And some specifics on the “groups left in limbo” by the stalled talks – NYTimes

In the midst of this aid vacuum, the Fed’s OMC meeting minutes showed officials considering “altering or increasing” the central bank’s bond-buying program “as a way to further bolster the economy’s slowing recovery from the Covid-19 pandemic” – Bloomberg

The Journal reports that London-based Centricus Asset Management Ltd. is making a “long-shot alternative bid” for TikTok while the app “remains caught in a standoff between the U.S. and China” – WSJ

As we expected, the White House’s late-night reversal on support for at least *some* stimulus measures had the intended effect on Wall Street – WSJ and MarketWatch

One of the focal points of the House’s recently unveiled Big Tech antitrust report is challenging Amazon’s commonly invoked stance that

“its share of total U.S. retail shopping is the most relevant way to understand its size,” noting that the ‘zon “functions as a gatekeeper for e-commerce” and “uses its size and platform to thwart competitors” – WSJ

In the face of a simmering tech cold war between the U.S. and China, Chinese fintech company Lufax Holding Ltd—one of the country’s largest in that field—is working on an American IPO that could come as soon as the end of the month – WSJ

Wells Fargo is cutting 700 commercial-banking jobs as a first step in “workforce reductions that could ultimately number in the tens of thousands” – Bloomberg

Finding yourself at home longer than you thought thanks to Covid? Need a line on that Herman Miller chair you’ve been coveting (or, say, 22,000 gallons of hand sanitizer)? You need to get some Executive Liquidation in your life – WSJ

Stay safe,

MDR