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*Financials*

***PRICE MOVEMENTS:***

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| --- | --- | --- | --- |
| **Ticker** | **Closing Price 9/14/21** | **Closing Price 9/7/21** | **Δ from 9/7** |
| MA  CB | 345.80  181.28 | 344.71  181.77 | Up 0.32%  Down 0.27% |
| VIRT | 24.10 | 24.06 | Up 0.17% |
| C | 68.78 | 70.82 | Down 2.88% |
| MS | 101.91 | 104.18 | Down 2.18% |
| XLF | 37.50 | 37.84 | Down 0.90% |

***INDIVIDUAL HOLDINGS:***

**MA:** Mastercard announced the acquisition of leading cryptocurrency intelligence company CipherTrace on Thursday. With this acquisition, MC greatly enhanced its crypto-related capabilities by leveraging CipherTrace’s platform which offers banks and other financial institutions fraud monitoring and increased transparency. This acquisition is significant as cryptocurrencies and nonfungible tokens have increasingly grown in popularity as investments and payment methods, limited only by security and transparency issues that companies like CipherTrace are working to eliminate. This positive news contributed to MA’s slight growth this week. [Source](https://www.mastercard.com/news/press/2021/september/mastercard-acquires-ciphertrace-to-enhance-crypto-capabilities/)

**VIRT:** Virtu Financial stayed mostly out of the limelight last week, although VIRT trended upwards intraweek as SEC Chair Gary Gensler made no mention of a possible ban on payments for order flow at the Investor Advisory Committee held on Thursday. As regulations on payments for order flow would disrupt VIRT’s business model and potential profitability, Gensler’s omission of negative order flow remarks is very promising. This positive news helped VIRT trade up this week. [Source](https://thefly.com/landingPageNews.php?id=3369583&headline=HOOD;VIRT-Robinhood-Virtu-up-after-SEC-Chair-remarks-dont-mention-payment-for-order-flow1631199402)

**C:** Last week Citigroup greatly expanded its human capital through hiring a prominent leader from a competing institution. Harry Naysmith, Goldman Sachs’ former head of investment banking in Southeast Asia, was recently appointed as Vice Chairman of Banking, Capital Markets, and Advisory for Southeast Asia. The addition of Naysmith is promising as Citigroup looks to expand its IB presence in Asia through leveraging talent cultivated at its competitor Goldman Sachs. Although positive news, Citigroup traded down this week, likely due to profit taking. [Source](https://www.bloomberg.com/news/articles/2021-09-13/goldman-sachs-is-said-to-lose-top-southeast-asia-banker-to-citi)

**MS:** Morgan Stanley traded slightly down this week although positive news that the firm has raised over $3B to support a new fund betting on the global real estate market was announced on Thursday. The North Haven Real Estate Fund X Global LP was established to invest resources into the development and renovation of residential and industrial properties said to “fundamentally” offer promising returns “exacerbated by COVID”. The introduction of this fund is the latest chapter in MS’s commitment to increasing its alternatives platform, which has over $100B in AUM, over half of which are in real assets. MS’s significant focus and commitment to real assets is noteworthy as these investments offer diversification and inflation protection benefits on top of return. [Source](https://finance.yahoo.com/news/morgan-stanley-raises-3-1-040100956.html)

**CB:** No actionable news.

***INDUSTRY NEWS:***

**Interactive Brokers Launches Cryptocurrency Trading for Clients:** Interactive Brokers has expanded its offerings to include cryptocurrency trading, becoming one of the only major retail brokerages to enable clients to directly buy and sell cryptocurrencies for a small fee of just “0.12% - 0.18% of trade value”. Unlike its closest competitors Fidelity and Charles Swab who only offer users access to related funds such as crypto futures, Interactive Brokers elected to take a page out of Robinhood’s playbook by allowing direct investment access. This decision could not only give Interactive Brokers an edge over its competitors, but also spark other firms to follow suit. Although promising, market reception was slightly negative as shares fell by 0.5%. [Source](https://markets.businessinsider.com/news/currencies/cryptocurrency-trading-interactive-brokers-crypto-bitcoin-ether-retail-investors-2021-9)

**In a First, Amazon to Offer Wealth Management Service**: Amazon continued to increase its empire last week as it announced that its subsidiary Amazon Pay is partnering with Indian investment advisory startup Kuvera to provide wealth management services to 50 million customers in India. This offering comes off the heels of as similar offering by Google which intends to provide fixed deposits to Indian clients. Success in India could change the landscape of the current financial sector across the globe. [Source](https://timesofindia.indiatimes.com/business/india-business/in-a-first-amazon-to-offer-wealth-mgmt-service/articleshow/86021784.cms?&utm_source=newsletter&utm_medium=email&utm_campaign=newsletter&utm_term=null)

**Wells Fargo Fined $250 Million for Problems in Its Mortgage Business:** The OCC fined WFC $250M for its failure to make substantial progress toward addressing issues regarding its mortgages business. In 2018, the OCC mandated that Wells Fargo develop loan modification programs to help prevent customers from losing their homes which WFC has failed to sufficiently implement. In addition to the fine and negative press, the OCC also barred the bank from “acquiring mortgage servicing from other lenders”. This punishment may open the door for other institutions to increase mortgage market share. [Source](https://www.wsj.com/articles/wells-fargo-fined-250-million-for-problems-in-its-mortgage-business-11631223671?mod=lead_feature_below_a_pos1&utm_source=newsletter&utm_medium=email&utm_campaign=newsletter&utm_term=null)