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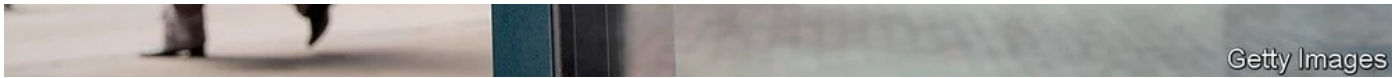
May 8th 2021 edition

Farce and furious

# Why foreign banks' forays on Wall Street have gone wrong—again

The litany of setbacks is probably not over





May 8th 2021



THE IMPLOSION of Archegos Capital, a New York-based investment firm, in April splashed egg on many faces. Banks that had lent it vast sums to bet on volatile stocks have revealed over \$10bn in related losses in recent weeks. America's leading investment banks, barring Morgan Stanley, were largely absent from the big casualties, though. Instead the grim league table featured foreign champions. Most notable, because of its huge loss of \$5.4bn, was Credit Suisse, a Swiss bank; also among them were UBS, its compatriot, and Nomura and Mitsubishi UFJ Financial Group, two Japanese banks.

This humiliation is the latest in a long series of foreigners' setbacks on Wall Street. That they would covet its spoils is understandable. Much of American economic activity is funded through capital markets, in contrast to Asia and

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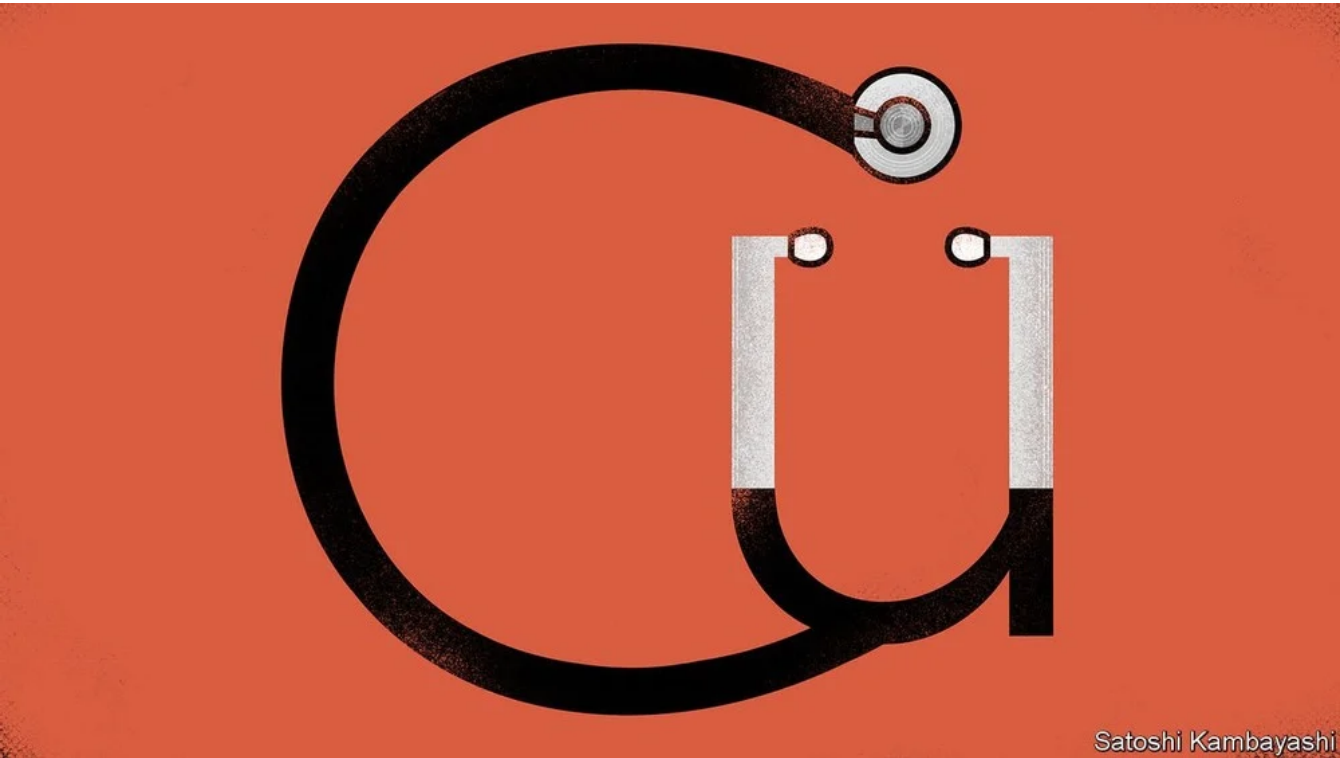
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