

Title: A Former Goldman Sachs/Hedge Fund Guy Is the New U.K. Prime Minister

Author: disoriented_llama

Created 2022-10-25 15:10:47 UTC

Permalink: /r/TheGloryHodl/comments/yd774w/a_former_goldman_sachshedge_fund_guy_is_the_new/

Url: https://www.reddit.com/gallery/yd774w


11:10

wallstreetonparade.com

A Former Goldman Sachs/Hedge Fund Guy Is the New U.K. Prime Minister

By Pam Martens and Russ Martens: October 25, 2022 ~

The newly installed U.K. Prime Minister, Rishi Sunak, (the third PM in seven weeks) has scrubbed his Goldman Sachs and hedge fund career from his LinkedIn profile and [from his official government bio](#). But, unfortunately for Sunak, those careers have been assiduously chronicled in countless newspaper articles for more than a decade – and not in a good way.



Rishi Sunak, U.K. Prime Minister

Sunak worked as a junior analyst at Goldman Sachs from 2001 to 2004, where part of his research involved railways. He left Goldman to obtain his MBA at Stanford University, following which he joined TCI hedge fund in 2006 as a partner and worked there until 2009, when he left to co-found the hedge fund, Theleme Partners with Patrick Degorce. Sunak worked at Theleme Partners until 2014, when he moved into conservative politics in the U.K. That's a total of 13 years involvement in financial markets that Sunak wants to obliterate from his work history.

Those 13 years in finance include a number of controversial events. Chief among them was Sunak's direct involvement in activism against the board of the U.S. rail freight operator, CSX. The TCI hedge fund had secretly acquired a large stake in CSX along with another hedge fund, 3G Capital Partners, through the purchase of shares as well as total return equity swaps, a form of opaque derivatives that can be used to disguise a large share stake. (That same type of derivative was used by [Archegos Capital Management last year](#) to disguise its giant stake in ViacomCBS and other companies, blow itself up, and leave mega global banks nursing margin loan losses of more than \$10 billion.)

CSX was highly displeased with the hedge funds' sneaky activism and took the matter to federal court. The District Court for the Southern District of New York wrote that TCI had sought "to defend their secret accumulation of interests in CSX by invoking what they assert is the letter of the law. Much of their position in CSX was in the form of... a type of derivative that gave defendants substantially all of the indicia of stock ownership save the formal legal right to vote the shares. In consequence, they argue, they did not beneficially own the shares."

The case was appealed to the Second Circuit and TCI was allowed to elect four directors to the CSX Board. Shareholders, however, headed to the exits, sending the stock price down dramatically and delivering large losses to the hedge funds involved. TCI sold its stake and removed its representation from the board. A CSX shareholder, Deborah Donoghue, sued TCI and 3G Capital Partners. That [case was settled by TCI with a payment of \\$10 million to CSX and the payment of legal fees to plaintiff's attorneys](#).

ALE
You
Ente
Su
Imp
To n
your
not b
Wall
or pl
span
alert
in yo
or ac
you
How
in the
Dall
Rob
here
Fede
Scar
The
Loan
Stre
Beg
2019
the C
19 F
Chir
in th
Stro
that
Had
Inde
Outl
Med
this
Leav
Lifti

Sunak is married to Akshata Murty, the daughter of Indian billionaire Narayana Murthy, who is co-founder of the IT company Infosys. Management of her wealth has also cast a negative light on the couple. It was revealed earlier this year that she had saved millions of dollars a year in taxes on the dividends she received from her shares in Infosys by claiming "non-domiciled" status. The withering publicity forced Murty to say she would pay taxes in Britain on her overseas income. The couples' combined wealth is estimated at approximately \$800 million.

that
than
Chr
Bail
Text
Seri

Related Article:

January 23, 2020: [Goldman Sachs: The Vampire Squid's Alum Control Two Fed Banks, the U.S. Treasury, the European Central Bank and the Bank of England](#)



Bookmark the [permalink](#).

← **The Fed's Trading Scandal
Broadens into a Scandal with the
Mega Banks It "Regulates"**

© 2022 Wall Street On Parade. Wall Street On Parade ® is registered in the U.S. Patent and Trademark Office. WallStreetOnParade.com is a financial news website operated by Russ and Pam Martens to help the investing public better understand systemic corruption on Wall Street. Ms. Martens is a former Wall Street veteran with a background in journalism. Mr. Martens' career spanned four decades in printing and publishing management.