

## MAJOR JOB LOSSES AT JPMORGAN



News of job losses are everywhere and especially in the big corporations. JPMorgan is one of the nation's biggest banks but even it cannot hide from the troubled economy. The bank reported of their cautiousness but in return it still has ended with monetary and job losses. Wall Street is not looking good for banks because people just are not willing to high gambles on stocks anymore. Customers are still using cash the most with a small percentage still taking out loans. The executive of the bank, James Dimon, has other plans and that is to keep plunging forward and trim where necessary. He also wants to expand and reach out where they can in the banking field. Dimon states that *"Our shareholders should rest assured that we are being extremely cautious while navigating through this challenging economic environment," Mr Dimon said in a prepared statement. "All things considered, we believe the firm's returns were reasonable given the current environment."* It is no secret that the bank has suffered some losses but there is no need for shareholders to panic either. The bank is also handling their issues in the European countries where the financial economy has really taken a toll. *"JPMorgan reported a profit of \$US4.26 billion, or \$US1.02 a share, down from \$US4.42bn, or \$US1.01, a year earlier. The latest quarter included the 5-cent benefit from a debt accounting move, but still beat the US91 cents a share analysts polled by Thomson Reuters expected."* *"Revenue edged up to \$US24.37bn, topping the \$US23.4bn expected."* *"The quarter's results weren't enough to offset broader economic concerns and shares slid 5.8 per cent to \$US31.29 after rallying 8 per cent this week heading into the earnings release."* Customers are still attracted to business aspects of JPMorgan. The customers are still taking out loans, dealing with their checking accounts and spending in other ways. The world of banking has not stopped for this bank. Although things do not seem to be getting better rapidly, they are still getting better. Fees seem to be rising but other profits are still increasing. Those profits are coming from areas like mortgage rates and other revenue. Investment is a large concern only because it is so unpredictable in this economy. Investments fell 31% thanks to equity. The bank is taking precautions but not cost saving measures. Executives say that most recent quarters are supposed to mimic past quarters which is kind of scary. Growths are happening all over the place in the JPMorgan banking industry. However, these growths are not always consistent. *"Some of the strongest loan growth came in the commercial-banking unit, where loans rose 9 per cent, but liabilities in that unit, which includes deposits, leapt 31 per cent to a record high."* Seeing this kind of growth is great but sometimes a bank can still make a mistake. Although shares were still falling JPMorgan decided to purchase \$US4.4bn in stock. This was a huge mistake on their part and Dimon admits he should have waited.