CITIGROUP TO CUT 4,500

The banking industry is taking on another round of layoffs. Only this time instead of a mass exodus from Wall Street the cuts are coming for the London-based offices of investment bankers who work for Citigroup. The positions to be lost will be primarily in the areas of advisory, equities and fixed income investment positions, which really is not surprising when you look at the trends in finical sector layoffs. What is surprising is the number of people who are about to be out of a job. The company is looking to cut roughly 4,500 positions that they have labeled as redundant from branches all over the world. While we do not have exact numbers on how many people will be cut from specific locations, we do have some information on general areas. Hundreds of jobs are expected to be cut from locations in the Middle East, Africa, and Europe. Luckily the people who are facing the layoffs know a bit more than the media at large. The bank has already begun to warn members of at risk departments or projects. While currently only some of the warnings have gone out, the rest of the soon to be affected employees should be notified by the end of the week. Workers in the equity division are expected to be hit particularly hard by the release of staff. That division will be notified about which projects are at risk and which are not today and on Thursday. Workers in the foreign exchange division are also expected to hear about their at risk teams and projects on those days. The banks official statement on the matter was a little cold, it did not even express regret to the people who are going to be out of a job "As part of our ongoing efforts to control expenses, we are making targeted headcount reductions in certain businesses and functions across Citi," a spokesman for the bank told a reporter for Reuters. These losses will represent about 2 percent of the overall amount of employees that CitiGroup has worldwide. The grand total is about 267,000 people employed worldwide by the banking group. Though, if the current economic situation continues to be poor the company may continue with further waves of layoffs in the next year. This layoff plan in the brainchild of Vikram Pandit , the Chief Executive of Citi. Pandit implied that the largest cuts are to be expected over the next couple of quarters, which does not give hope that these will be the only workers to lose their jobs. Still, these layoffs are modest when compared to other firms, which have cut up to 10 percent of their staff in a single wave of layoffs. The layoffs are expected to cost the bank about $400-million in severance and other related expenses. Interestingly enough the CitiGroupd was able to report a higher than expected quarterly earning, when compared to last years third quarter. Like most major banks however the concerns over the situation in Europe is spurring on the job cuts we are seeing right now.