JEFFERIES & CO. TO CUT UP TO 11% OF STAFF

More bad news is coming for workers is the finical sector as another company is getting read to let go of staff in order to stay solvent. This time the company in question is Jefferies & Co. and they are getting ready to cut back on up to 11% of their total staff. For those of you who are not familiar with the name Jefferies & Co. the company describes itself as, "...a global securities and investment banking group, has served companies and their investors for nearly 50 years and operates in 30 cities around the world. We provide world-class investment banking, sales & trading, research and asset management to a diverse range of corporate clients, institutional investors and high net worth individuals. We are industry experts, specializing in aerospace & defense, business services, consumer energy, financial services, gaming & leisure, healthcare, industrials, maritime, media, real estate & lodging, technology and telecommunications, with a dedicated private equity coverage group." Basically what this means is that the company is a medium sized banking group. Like all banks they trade in risk in order to make a profit. This size adds to investor woes, as many people are starting to wonder if these types of institutions are going to be able to survive the general market instability that seems to be the hallmark of the last couple of years. When the company is contacted by members of the media the current answer is a stonewall, there is no official comment on the size of the layoffs to be had. The company has also yet to deny that there are any layoffs going on at their organization. The reasonable conclusion is that there are layoffs expected in the near future. So, then where did the 11% figure come from? That came from outside analysts, who are not too rosy about the future of the company on the whole. Many analysts are beginning to question whether or not the company will be able to remain independent in the long term. Some are speculating that merger with another large finical institution is coming around the corner, though it is not clear if these layoff numbers would be supplemented by such a merger, or if jobs would actually be spared. Currently, the fiscal picture for Jefferies & Co. is not looking good on the whole. The company's shares have shown a dramatic decline in the past year, with a loss of more than 50%. Though it is worth noting that not all of that is the fault of Jefferies & Co. and has more to do with general distrust in the market. The most pronounced of the declines came after the bankruptcy filing of MF Global back in November. As a matter of fact the shared have started to stabilize as investors have begun to realize that this company was not as highly leveraged. The stock prices also benefitted from some positive reports put out by analysts who showed that the company was not leveraged in a way that made them oversensitive to the risks of the marketplace.