

Slasher street

The closing bell tolls for thousands of jobs

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EXCLUSIVE

On Wall Street the hatchet man cometh.

Deep-pocketed bankers and traders are bracing for what could be a fresh round of job cuts on the Street, concentrated in equities trading and investment banking, where firms are considering eliminating thousands of jobs in the coming weeks, The Post has learned.

[Barclays](#) Capital, Goldman Sachs, Bank of America, JPMorgan Chase and [Morgan Stanley](#) currently are among those financial institutions either weighing staff cuts or actually paring payroll as they struggle to rein in costs and eke out profits in a choppy market, sources told The Post.

The exact size of the layoffs across the industry could not be learned, but it's possible total jobs cuts could run into the thousands as firms assess the impact on their bottom lines of sweeping regulatory reform and a balky economic recovery.

Reps for the banks refused to comment on possible cuts.

As it stands, the Wall Street securities business in New York employs about 168,500 workers, according to the city's Independent Budget Office.

Barclays Capital, which has about 140,000 employees globally, is in the process of laying off staff that could result in significant headcount reductions by the end of the year, sources say. People with direct knowledge of the firm's business say about 50 staffers have been laid off from the firm's global equities sales and trading

unit so far.

"[Wall Street] is adjusting to a world in which you're going to have to generate higher margins," said Brad Hintz, bank analyst at Sanford Bernstein. "For many firms, it looks like that the trading world has changed and firms are resizing their trading."

Job cuts on Wall Street are always a delicate affair. Firms are loath to cut too deep or too soon, as it could result in being short-handed if a genuine rebound kicks in.

A reduction in headcount would come after many Wall Street firms beefed up in 2009 and 2010, adding some 28,000 employees with the belief that the financial crisis had subsided and happier days had returned.

In weighing layoffs, Wall Street firms are also attempting to factor in the impact of a new era of Wall Street regulatory reform ushered in by Dodd-Frank, where increased regulatory scrutiny is expected to eat into profits further.

Bank execs are said to be hoping to wait to see how details of hundreds of rules, introduced under Dodd-Frank, look before making any cuts.

But another round of mediocre profits in the second quarter, which ends in about three weeks, could force banks' hands.

Job cuts come as many firms are tackling increased costs and looking to cut employees who earn fat paychecks but aren't necessarily generating rich returns.

Indeed, Morgan Stanley CFO Ruth Porat said that the firm had trimmed 300 brokers who weren't seen as big producers from its army of 17,800 brokers and expected to make more cuts in the future. mark.decambre@nypost.com