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Jobs watch - or lack thereof

By Helen Thomas, Editor of Alphaville
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We're starting to keep a tally (with a hat tip to Bankers Ball, who started first.) The job loss stories are coming daily. But the good news, at least for those sitting in the City or Docklands, is the axe is falling first and most furiously in the US.

And, even better, the pain may be relatively short-lived, according to some recruitment experts. **Glenn Stevens**, UK-based managing director of **The Gerson Group**, an executive search group and strategic adviser, said overall about 15 per cent of losses in investment banking might be targeted at London, with the majority hitting New York.

"We've seen the worst," he said. "It's not over - there may be aftershocks - but by the end of the year most of the bad news will be behind us."

London and Europe-based bankers could benefit from the large banks' continued desire to grow the proportion of their revenues which come from outside the United States, while Asia is expected to emerge from the current pruning largely unscathed. Bear Stearns, for example, is thought to remain keen on expanding internationally despite its high-profile troubles at home.

Mr Stevens added that he expected losses to be contained to the fixed-income and mortgage-related divisions, while there were opportunities for those unlucky enough to get the chop. "For smart people who can reinvent themselves, there are plenty of funds looking for credit trained people to take advantage of all the distressed paper out there," he said, adding that "fund raising is an area where there is dearth of talent at the moment."

The bad news so far:

Bear Stearns - 240 jobs have gone from its US mortgage origination units, primarily in Virginia and Pennsylvania. Watch out for more tomorrow in the bank's update to investors. Update - CNBC on Wednesday reported that the bank was laying off a further 300 mortgage workers, according to Reuters.

Citi - as yet unclear - chief executive Chuck Prince is awaiting the outcome of an internal review before deciding on whether senior changes are required.

Credit Suisse - Total now 220. Investment banking will lose 170, mostly in New York [via AP]. That comes on top of the 150 jobs to go in the bank's mortgage-backed securities unit, many of which were mortgage staff outside New York but with some from the main trading floor.

Deutsche Bank - no word on job cuts in the bank's statement on Wednesday. But the IHT [via Banker's Ball] reported that Josef Ackermann said in an interview on German TV last month that the bank was scaling back hiring plans, and would probably not proceed with plans to hire 6 per cent more people.

HSBC - restructuring of US mortgage business with the loss of 750 jobs

Lehman - The biggest absolute number so far: more than 2,000 mortgage-related jobs. It initially closed its subprime mortgage unit, with a loss of 1,200 jobs, and said it would cut another 850 jobs as it restructures its mortgage business in the US, which would take the bulk of the losses, with smaller numbers shed in the UK and in Korea.

Merrill Lynch - job losses in the First Franklin mortgage origination business.

Morgan Stanley - 600 jobs to go in the global mortgage business, wiht 500 cut in the US, and about 90 lost in its UK subsidiary, Advantage.

UBS - The biggie for the City so far - 1,500 job cuts in investment banking concentrated on fixed income units in London and New York. The Telegraph initally reported that "the bulk" of those will hit London - yikes! - but don't panic, in a later story the paper said that about 350 were expected to come in the capital.