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## Mortgage Crisis takes toll on Wall Street Workers

The mortgage banking sector is expected to be hard hit by layoffs before year's end. In fact, some firms are already making the announcements.

Morgan Stanley is doing it. So is Bear Stearns, UBS, Merrill Lynch, Lehman Brothers, and many other investment firms.

Because of the mortgage credit crisis, they're laying off employees by the hundreds and thousands.

Michael Santoli of Barron's Magazine says, "Somewhere in the 50,000 range nationwide maybe half of those in the New York area based on financial companies.

The announced and impending layoffs raise some questions, such as which jobs are most at risk and which ones are safe.

And what is the potential impact on the overall economy.

"I think we have seen a lot of the effect already. These layoffs are incremental negative but I think we have the good luck of starting for very good low unemployment," said Santoli.

For the short run, there are expected to be fewer jobs for real estate agents, in the home furnishings and appliance businesses and in home construction.

And some Wall Street jobs may move east.

**"And what this means for some of the senior people laid off they need to reinvent themselves and to that effect a lot of them are going to Asia where synchronization is in its infancy," said Gustavo Dolfino, president of the Whiterock Group which is a search firm that specialized in financial services.**

**Dolfino says those jobs in greatest jeopardy are in structured finance and mortgages.**

Year -end bonuses are also likely to take a hit at some firms. Some luxury merchants admit that could impact on their own year-end rally.

While the mortgage and credit sectors have imploded, wealth and asset management units are exploding.

Companies are searching for people to fill those jobs.