

group (NYSE:C), JPMorgan Chase (NYSE:JPM), Bank of America (NYSE:BAC), Merck (NYSE:MRK), Qwest

U.S. lenders, criticized for being too reckless in the past and too stingy in the present, have been sitting on as much as \$1.29 trillion in cash, equal to a record 98 cents for every dollar of existing business loans. Citigroup (NYSE:C) \$193 billion in cash and deposits with other banks as of Dec. 31 stood at \$1.15 for each dollar of existing corporate loans, which totaled \$167 billion, according to data compiled by Bloomberg. That's double the ratio in June 2008, when cash totaled \$113 billion against \$222 billion of corporate loans at Citigroup, which ranks third in the U.S. by assets. **JPMorgan Chase (NYSE:JPM)**, ranked second and based in New York, showed a ratio of \$1.08 as of September, the date of its most recent report to the Securities and Exchange Commission of its commercial loan totals. At **Bank of America (NYSE:BAC)** the biggest U.S. lender, cash and deposits at other banks tripled to \$146 billion, or 64 cents for each dollar of commercial loans at the Charlotte, North Carolina-based bank. ?*Bloomberg*

Merck (NYSE:MRK) said its fourth-quarter profit nearly tripled to \$6.49 billion, or \$2.35 a share, mainly due to the purchase of Schering-Plough, but also as a result of higher sales of some key Merck products, including vaccines. Sales for the quarter grew by 66% to \$10.09 billion. Adjusted earnings were 79 cents per share, a penny below estimates. Shares jumped 2.8% in premarket trading. In other news, Qwest Communications (NYSE:Q) said Tuesday its fourth-quarter net income fell some 40% to \$108 million, or 6 cents a share, but excluding charges, was inline with estimates. Operating revenue fell nearly 10% to about \$3 billion. Shares advanced 1.8% before the bell. ?*Daily Finance*

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U.K. annual consumer price inflation rose sharply in January, prompting Bank of England head Mervyn King to write a letter to Chancellor of Exchequer Alistair Darling explaining why it is now over one full percentage point above the 2% target

rate, data showed Tuesday. The Office for National Statistics said consumer price inflation rose 3.5% from a year earlier in January. That was the highest rate since November 2008. The monthly decline of 0.2% between December and January, however, was the smallest decline since records began, reflecting the return of the Value Added Tax rate to 17.5%. ?*The Wall Street Journal*

Global fund managers moved out of equities and into cash and bonds during February as they lowered their risk profiles, according to a monthly survey from Bank of America's Merrill Lynch unit. A net total of 33% of fund managers in the survey said that they were overweight equities, down from a net overweight of 52% recorded in the previous month. By contrast, the percentage of respondents who said they were overweight in cash rose to 12%, up from 8% in January, while those with underweight positions in bonds dropped to 39%, from 49% two months ago. - *MarketWatch*