

### News Recap

#### Deutsche Bahn CEO Richard Lutz steps down

In a surprising move that highlights the depth of Germany's rail crisis, Deutsche Bahn CEO Richard Lutz will step down earlier than planned, ending a tenure marked by losses, delays, and growing political pressure. Although his contract was set to run until 2027, the government and supervisory board agreed on an early departure, and the search for his successor has already begun.

During Lutz's leadership, punctuality in long-distance services dropped from nearly 79% in 2017 to just 62.5% last year, while financial losses mounted. Years of underinvestment and outdated infrastructure added to the problems, turning operational challenges into a political issue and fueling calls for a fresh start at the top of the state-owned rail company.

To manage the transition, Deutsche Bahn has hired a headhunter firm tasked with presenting candidates for the CEO position by the end of September. Lutz will remain in a caretaker role until a successor is appointed. Transport Minister Patrick Schnieder welcomed the change as a vital step toward restoring confidence, though experts warn that without broader reforms to streamline operations and modernize infrastructure, a new face alone will not solve the company's deep-rooted issues.

The upcoming leadership decision is seen as a critical test for both Deutsche Bahn and the government. Success could mark the beginning of a long-awaited modernization of Germany's railways, while failure would risk further eroding public trust in one of the country's most important infrastructure providers. *(Source: Handelsblatt, Manager Magazin, Tagesschau)*

#### Potential alliance between Mercedes-Benz and BMW

Mercedes-Benz and BMW, long considered fierce competitors, are reportedly in negotiations to form a strategic engine supply partnership. Talks are underway that could see BMW's four-cylinder engines powering Mercedes models starting in 2027.

The spark for such an alliance is rooted in current market realities. Mercedes faces slumping electric vehicle (EV) sales and strategic misfires in hybrid technology development. Its own 1.5 liter engine project in China, while implemented in the CLA-class

mild hybrid, lacks suitability for plug-in hybrids and raises political risks in markets like the U.S.

BMW, in contrast, offers a ready-made solution: the B48 2.0 liter turbocharged engine, already Euro 7-compliant, hybrid-compatible, and built for versatile packaging. Produced at BMW's Steyr plant in Austria, where over one million engines rolled off the line in 2024, this powertrain could fill gaps in Mercedes' lineup while enabling significant cost savings and accelerating time-to-market.

Under the proposed agreement, Mercedes models ranging from compact SUVs like the GLA and GLB to sedans like the C- and E-Class could receive BMW's B48 engines. Alongside Austrian production, joint manufacturing in the U.S. is also on the table, serving as a hedge against tariffs and reinforcing flexibility in major markets.

Historically, such an arrangement between two direct luxury rivals would have been unthinkable. Yet, as the costs and complexities of developing new internal combustion and hybrid technologies rise, collaborations of this nature are becoming increasingly pragmatic. Analysts note that automakers, including Mercedes, are scaling back electric ambitions in favor of hybrid strategies that boost margins and maintain customer appeal.

If realized, the BMW-Mercedes engine pact would not only fill a powertrain gap for Mercedes but also represent a defining moment in automotive strategy.

*(Source: Reuters)*

## N26 Co-Founder Valentin Stalf steps down as CEO

Valentin Stalf, co-founder and co-CEO of the German neobank N26, has announced he will step down from his operational role. He plans to move to the supervisory board after a six-month transition phase. His decision comes at a time of increasing regulatory pressure from BaFin, Germany's financial authority, which recently criticized N26's risk management and issued a formal warning. Stalf's co-founder Maximilian Tayenthal will continue in his role as co-CEO for now. However, there are rumors that Marcus Mosen, the current chairman of the supervisory board, could take on a CEO position during the transition. This leadership change also reflects ongoing discussions with investors, who may ask the founders to give up their special voting rights in return for a more balanced governance structure and adjusted return expectations. The goal is to improve leadership stability and strengthen trust in the bank's management, especially after past criticisms by regulators. Stalf emphasized that he wants to focus

more on his private investments while staying close to N26 as a long-term advisor.  
(Source: *Financial Times*, *Capital*, *WirtschaftsWoche*)

## Dow Jones hits record high after dovish Fed signals

On August 22, 2025, the Dow Jones Industrial Average climbed to a new all-time high of 45,631 points, briefly touching 45,757 during intraday trading. The surge was driven by remarks from Federal Reserve Chair Jerome Powell at the Jackson Hole Symposium, where he signaled that risks in the labor market and moderating inflation could justify a near-term rate cut. Markets interpreted his comments as a clear shift toward a more accommodative stance, boosting investor confidence after months of uncertainty about the Fed's policy direction.

The rally was broad-based, with industrials, financials, and consumer stocks advancing strongly. Analysts noted that the record underscores how sensitive equity markets remain to central bank communication. The optimism was further supported by recent data suggesting a cooling of inflationary pressures and resilient corporate earnings, which together reinforced expectations of a "soft landing" for the U.S. economy.

However, caution quickly resurfaced at the start of this week. On August 25, the Dow Jones slipped by around 0.3%, as investors reassessed the outlook ahead of upcoming labor market and inflation data. These indicators, along with corporate earnings releases from major players such as Nvidia, will likely determine whether the record high marks the start of a sustained rally or merely a short-lived spike. For now, the new milestone highlights the pivotal role of Fed policy signals in shaping global market sentiment. (Source: Reuters, AP, MarketWatch)

## M&A/VC News

### Thoma Bravo acquires Dayforce for \$12.3 billion

Thoma Bravo has announced plans to acquire HR software provider Dayforce (formerly Ceridian). The deal is valued at around US\$ 12.3 billion and is still in an early stage. Dayforce is a leading provider of cloud-based Human Capital Management solutions and competes with companies such as ADP, Paychex, and Workday. The acquisition aims to strengthen Dayforce's market position and support further growth, including the use of AI-driven features. Closing is expected in 2026. (Source: Reuters)

## Nexstar acquires Tegna for \$6.2 billion

Nexstar Media Group will acquire Tegna for 6.2 billion US dollars including net debt and transaction costs. Both boards unanimously approved the deal, which is subject to shareholder and regulatory approval and is expected to close in the second half of 2026. Nexstar operates over 200 television stations and networks such as The CW and NewsNation, while Tegna owns 64 local TV stations focused on regional news coverage. Together they will control 265 full power stations in 44 US states and Washington DC, reaching about 80 percent of US TV households and covering nine of the top ten markets. The purchase price is 22 US dollars per Tegna share. CEO Perry Sook projects annual revenue of over 8 billion US dollars and earnings of 2.6 billion US dollars for the combined entity, with an additional 300 million US dollars in expected cost savings within the first year after closing. *(Source: CBS News)*

## Reprise Cardiovascular raises \$61 million

Reprise Cardiovascular, a clinical stage medtech company focused on advanced fluid management for acute decompensated heart failure, has raised 61 million US dollars in a Series B financing round. The investment was led by Deerfield Management with participation from Arboretum Ventures, Lightstone Ventures, Sante Ventures, Genesis Capital, Rex Health Ventures, Cadence Capital and an unnamed strategic investor. The funding includes both equity and a debt facility and will be used to prepare for commercialization and to conduct the pivotal FASTR II clinical trial. The company's proprietary Reprise System delivers personalized fluid management therapy by combining continuous physiological monitoring with automated guidance to optimize diuretic dosing and fluid replenishment, aiming to reduce hospital stays and readmissions while protecting kidney function. The first patient has already been enrolled in the FASTR II study at Washington University School of Medicine in St Louis. The trial will compare the Reprise System to standard diuretic therapy in up to 400 patients across the United States and Europe and is intended to support future FDA approval. *(Source: MedTech Dive)*

## Outlook

### Earnings and key events

- 27.08.: Nvidia
- 28.08.: Dell Technologies
- 29.08.: Alibaba, BYD
- 03.09.: Hewlett Packard, Salesforce
- 05.09.: Kroger

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