



Senators have criticized Goldman Sachs Group Inc. for profiting from the housing collapse. And Congress is considering legislation to curb Wall Street risk-taking, including the use of financial instruments known as derivatives and of leverage, or methods that amplify returns.

According to The Journal's analysis of congressional disclosures, investment accounts of 13 members of Congress or their spouses show bearish bets made in 2008 via exchange-traded funds—portfolios that trade like stocks and mirror an index. These funds were leveraged; they used derivatives and other techniques to magnify the daily moves of the index they track.

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