

Business Today



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Philip Fenech

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World Business Highlights

Volatility Hedge Funds Top Stocks, Bonds, Commodities

First Time Since '03 Hedge funds that profit from turbulence in the financial markets are beating stock, bond and commodity investments for the first time in five years.

BG Abandons Hostile \$10.9 Billion Bid for Origin

Deal BG Group Plc, the U.K.'s third-biggest oil and gas company, conceded defeat in its hostile bid for Origin Energy Ltd. after the Australian company attracted an investment of as much as \$8 billion from ConocoPhillips.

European Stocks Advance, Led by Daimler; U.S. Index Futures Little Changed

European stocks rose, extending the Dow Jones Euro Stoxx 50 Index's biggest rally since March, as lower oil prices boosted consumer companies. U.S. index futures were little changed, while Asian shares declined.

Fannie, Freddie 'House of Cards' Accounting Prompted Government Takeover

Mae and Freddie Mac used accounting rules that created a "house of cards" as the housing market descended into its worst slump since the Great Depression.

Resolution Plans \$1.8 Billion Share Sale to Buy Financial Company Assets

Resolution Ltd., the U.K. holding company run by insurance executive Clive Cowdery, plans a 1 billion-pound (\$1.8 billion) share sale in November to acquire assets of financial companies.

Oil Falls as Dollar Gains, Al-Naimi Says Supplies 'Balanced' With Demand

Crude oil fell in New York as the dollar rose against the euro and Saudi Arabia's oil minister said supplies are sufficient to meet demand.

Pending U.S. Home Resales Probably Fell in July as Mortgage Rates Climbed

Fewer Americans signed contracts in July to purchase previously owned homes, a sign that falling home prices aren't enough to bring buyers back into the market, economists said before a private report today.

FTSE 100



Atlas never spoke to us - Claudio Grech

Atlas Technology Group, a software applications company that had set up a support centre in Malta two years ago, recently abandoned its plans to pursue an expansion exercise in Mal-

ta after publicly declaring it would set up shop at SmartCity, where 600 people would be employed. The small-scale office it ran in Gzira until recent weeks has in fact been re-

located to North America.

But SmartCity dismissed this incident as non-controversial since Atlas Technology Group's prospective tenancy was "unknown"

to them.

At a 2006 press conference hosted by IT Minister Austin Gatt and former Head of Secretariat Claudio Grech, now CEO at **page 3** ▶

Ryanair passengers receive tax subsidy

David Darmanin

Ryanair's recent issue of 6 million tickets sold at €10 has eliminated Air Malta's chance of competing, as the Irish low cost carrier has not only knocked off prices on air fare, but also on moneys due to government in taxes, usually borne by the passengers.

When reserving airline tickets online, both Ryanair and Air Malta quote a breakdown of costs pertaining to air fare price, taxes and, in Air Malta's case, also fuel surcharge. Ryanair's policy on fuel surcharge is to absorb the cost itself rather than charge it directly onto

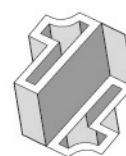
the customer as many other airlines do.

But even if Air Malta had to follow suit in absorbing fuel cost increases and offer flights for free to Bari, Pisa and Valencia from Malta for the next months, it would still not be in a position to compete with Ryanair when it comes to tax charges, including those due to the Maltese government.

The €23.29 departure tax imposed by the Maltese government until 1 November for instance, does not appear on Ryan Air's breakdown of costs for flights booked for 31 October or before. **page 3** ▶

Markets

Security	Closing Prices in Euro Tue 02-Sept-08	Closing Prices in Euro Tue 09-Sept-08	% Change from previous wk
Bank of Valletta p.l.c.	4.420	4.700	6.335%
HSBC Bank Malta p.l.c.	3.185	3.390	6.436%
Lombard Bank p.l.c.	2.970	3.050	2.694%
Middlesea Insurance p.l.c.	3.100	3.100	0.000%
Simonds Farsons Cisk p.l.c.	2.830	2.830	0.000%
GO p.l.c.	2.200	2.300	4.545%
International Hotel Investments p.l.c.	1.050	1.040	-0.952%
Plaza Centres p.l.c.	1.700	1.700	0.000%
Malta International Airport p.l.c.	2.950	2.950	0.000%
GlobalCapital p.l.c.	2.444	2.444	0.000%
Datatrak Holdings p.l.c.	0.290	0.290	0.000%
San Tumas Shareholdings p.l.c.	2.650	2.650	0.000%
Medserv p.l.c.	3.997	3.997	0.000%
Grand Harbour Marina p.l.c.	2.300	2.300	0.000%
Crimsonwing p.l.c.	0.519	0.510	-1.734%
MaltaPost p.l.c.	0.770	0.800	3.896%
RS2 Software p.l.c.	0.830	0.829	-0.120%



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FIMBank p.l.c.
7th Floor, The Plaza Commercial Centre
Bisazza Street, Sliema SLM 1640, Malta

www.fimbank.com
info@fimbank.com
T :: 2132 2100

FREEPHONE :: 800 73110

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