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MSE (daily change)	BOV (weekly change)	HSBC (weekly change)	GO (weekly change)
-0.22% 4878.73	-0.417% 3.580	0% 1.970	0% 1.370

40 days €
COUNTDOWN TO THE EURO

Tony Cassar
INTERVIEW page 10

BritishJet to stop flying in May

Charlot Zahra

BritishJet, Malta's first low-cost airline launched more than two years ago, will be stopping its airline operations as from 1 May next year after its parent company, Malta Bargain Holidays, reached an agreement with the national airline which will see the latter becoming Malta Bargain Holidays's exclusive aircraft transport provider.

As a result of this deal, which was announced last Thursday in a joint statement by Malta Bargain Holidays and Air Malta, the national airline will be

expanding considerably its operations to the United Kingdom (UK), gaining around 60,000 passengers that until now flew on BritishJet.

Asked by BusinessToday what has led Bargain Holidays to reach an agreement with Air Malta to carry its tourists rather than continue operating its own airline after only two years of operation, given the airline had won significant share of the UK-Malta route, Robby Borg, Malta Bargain Holidays' Managing Director said:



"For three years I tried to add another aircraft but the Maltese market is very small - we and Air Malta had flights departing Malta at 08.10 to Gatwick and on many occasions we had half a flight

each. "Therefore it was not economically practical and it was morally unacceptable when 2 aircrafts burn 18 tons of fuel each for a return flight to London when

one can put all passengers on one flight.

"Air Malta gave me a very good deal so it was a commercial decision as it was in the interest of both companies," he said. ▶ page 3

Malta Stock Exchange: A down day for the banking stocks - page 17

Datatrak registers loss in first half

Datatrak Holdings plc, listed on the alternative listings of the Malta Stock Exchange, registered a decrease in turnover compared to the previous financial year.

The interim results published recently show the company registering a loss before tax of Lm55,00. This is off the mark from the profit before tax of Lm52,000 registered this time last year.

The Directors explained in their statement that there was an increase in the amortization charge, in wages and salaries, marketing and finance

costs. It must be noted that new loans were utilised by Datatrak Solutions and the listed company Datatrak Holdings. Market analysts will note that finance costs incurred in the first half of 2007 will repeat themselves in the latter part of the financial year.

The Directors did mention a list of sales initiatives that the group is undertaking. An impatient market reacted negatively following these results, an indication that certain investors have had enough of waiting for their investments to give them fruitful returns. Datatrak's

shareholders have never reaped a dividend.

The report states that the directors have signed a number of non-exclusive channel sales agreements in Italy and one of the subsidiaries. Dispatch IT is undergoing a major technology reoperation leading to beta testing, which will lead to another saleable product. Whether more income shall be registered by year's end is not being mentioned. Yet, the directors are confident of the promising prospects and improved performance for local sales. ▶ page 5

Manufacturing

"The challenge for Toly to remain in Malta is to find the right balance with China. We know that we cannot compete with China on labour costs. So in Malta, we have to focus on creativity and innovation"

- Andy Gatesy



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The Queen in Malta



Prime Minister Lawrence Gonzi and his wife Kate greeting Queen Elizabeth II and Prince Philip at the entrance of the Upper Barrakka in Valletta soon after their arrival. The Queen is in Malta for a brief two-day private visit to celebrate her silver wedding anniversary prior to continuing her journey towards Uganda where she will preside over the Commonwealth summit.

World Business Highlights

Freddie Mac Posts Record \$2.02 Billion Loss, Seeks Capital as Shares Slump
Freddie Mac, the second-biggest buyer of U.S. mortgages, posted its largest-ever loss and said it may cut its dividend and raise capital to weather "significant deterioration" in the housing market. The stock plunged as much as 35 percent.

Stocks in U.S. Advance; Hewlett-Packard, IBM, Apple, Nordstrom Shares Gain
U.S. stocks rose, rebounding from three-month lows, after earnings and forecasts at Hewlett-Packard Co. exceeded analysts' estimates.

U.S. Housing Starts Unexpectedly Climb; Permits Drop to Lowest Since 1993
Housing starts in the U.S. unexpectedly rose in October as a jump in work on condominium projects outstripped the weakest construction of single-family homes in 16 years.

Target Earnings Trail Analysts' Estimates; \$10 Billion Buyback Is Planned
Target Corp., the second-largest U.S. discount chain, posted an unexpected decline in quarterly profit after consumers grappling with higher housing and gasoline expenses cut back on spending.

FTSE 100



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