

# Business Today

ISSUE NO. 529

WEDNESDAY 02 April 2008

MSE (daily change)	BOV (weekly change)	HSBC (weekly change)	Lombard (weekly change)	GO (weekly change)
-0.2% 4640.53	2.804% 5.500	0.227% 4.415	0.000% 13.000	0.000% 3.010

prices in euro



Julian Jaeger  
page 10

## Diesel price-hike to rock the market – Reggie Fava

David Darmanin

Six months after government signed a voluntary agreement with individual importers on product pricing, the agreed period stabilising consumer prices elapsed on Monday.

This has inevitably sprouted a level of concern among industrialists, claiming that the market will soon be witnessing a general price-

hike, especially now that Enemalta announced a surge in the price of diesel.

"The latest increase in the price of diesel announced yesterday will set the example for others to follow suit," pharmaceutical importer and former Chamber of Commerce president Reginald Fava warned.

"But this is what happens when you suppress prices for a period of time –

instead of seeing a gradual increase in prices over the past six months we will now end up faced with a sudden price-hike. This is a natural reaction."

When interviewed on TVM programme Reporter last November, Fava was highly critical of the voluntary price stability agreements signed with government, describing them as "unacceptable" and warning that such initiatives will only lead

to "an explosion in prices" once the agreed price-stability period elapses.

Contacted by Business Today, yesterday Fava explained that in a free market economy "price-hikes are never capricious, as it is competition that sets them – but prices for certain products will have to go up. Malta depends on importation, so really and truly there is nothing we can do about the situation." ▶ page 5

## MIA CEO excludes reduction in airport landing charges

Charlot Zahra

Malta International Airport (MIA) Chief Executive Julian Jaeger, who was appointed in his post at the beginning of the year, excluded a reduction in the Maltese airport's landing charges.

Speaking in a wide-ranging interview with Business Today, Jaeger defended the airline charges, which had been described as "excessive" by some of the operators in the aviation business.

He said: "I don't know to which benchmarks you are referring, but for instance we have very low landing charges.

"For an airline to land a Boeing 737 or an Airbus A-320, which are the most common aircraft at MIA with an average 170-seat capacity, it pays less than €300. And this is highly appreciated by all the legacy carriers, including Air Malta.

"I agree that at €15.73, our passenger service charge is not cheap. However, a passenger pays an average €200 for a ticket back and forth, and only 7% of that amount goes to MIA.

"The charges that are applied for the services we provide are re-invested in new or improved facilities and any cuts in charges would jeopardize investment in growth and increased capacity," Jaeger told Business Today. ▶ page 3

## Grand Harbour Marina registers record revenues

David Darmanin

The first year of Grand Harbour Marina's (GHM) management takeover by Camper & Nicholsons has Monday proved a remarkable improvement in financial performance.

The approved financial statement for the period ending 31 December 2007 published on Monday confirmed a turnover that has more than trebled over the previous year.

The directors are proposing

a net dividend of €2 million - equivalent to €0.20 per ordinary share.

Registering a revenue of Lm4,789,267 compared to Lm1,520,808 of the previous year, GHM declared that profits after tax this year show Lm1,675,032 compared to Lm318,552 for the period ending 31 December 2006.

Earnings per share for 2007 was of Lm0.17 compared to Lm0.03 cents for the year ending 31 December 2006. ▶ page 5



## Zimbabwe waits



Opposition supporters cheer as Morgan Tsvangirai, leader of the main opposition party in Zimbabwe yesterday said that according to the results they collected throughout the country he had won the presidency and was waiting for the confirmation from the Zimbabwe Electoral Commission

## World Business Highlights

### Stocks in U.S. Rise, Led by Banks in Best Start to 2nd Quarter in 70 Years

The U.S. stock market posted its best start to a second quarter in 70 years after Lehman Brothers Holdings Inc. and UBS AG said they are raising \$19 billion to replenish capital, spurring speculation that banks can weather further credit losses.

### Lehman Rises After \$4 Billion Stock Sale Reassures Investors About Capital

Lehman Brothers Holdings Inc., the fourth-largest U.S. securities firm, rose the most in two weeks in New York trading after raising \$4 billion from a stock sale aimed at quelling speculation it's short of capital.

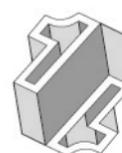
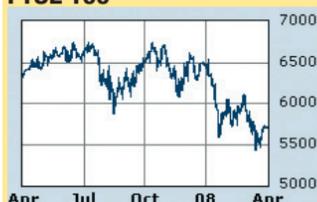
### UBS Says Ospel Will Resign After \$11.9 Billion Loss; Bank Plans Stock Sale

UBS AG, battered by the biggest writedowns from the collapse of the U.S. subprime mortgage market, reported a 12 billion-franc (\$11.9 billion) first-quarter loss and said Chairman Marcel Ospel will step down.

### Manufacturing in U.S. Contracts Less Than Forecast, Helped by Export Gains

Manufacturing in the U.S. contracted less than forecast in March, easing concern that slower consumer spending and business investment will cause a deeper economic slump.

### FTSE 100



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