

Business Today

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Interview:
Mario De Marco

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**Pre-budget document welcomed
with caution**

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**Editorial: Transport strike
– lessons to be learnt**

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World Business Highlights

Wachovia Reports Record \$8.9 Billion Loss, Slashes Payout, Cuts 6,350 Jobs Wachovia Corp., the U.S. bank that hired Treasury Undersecretary Robert Steel as chief executive officer two weeks ago, reported a record quarterly loss of \$8.9 billion, slashed the dividend and announced 6,350 job cuts. The stock slumped as much as 10 percent in New York trading.

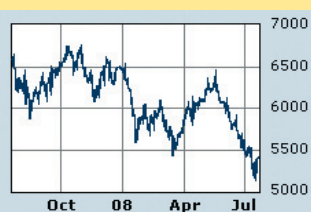
Fannie, Freddie Rescue May Cost Taxpayers \$25 Billion, Budget Office Says Treasury Secretary Henry Paulson's rescue package for Fannie Mae and Freddie Mac will probably cost \$25 billion, the Congressional Budget Office said.

Crude Oil Falls as Storm Forecast to Miss Gulf of Mexico Production Areas Crude oil fell to the lowest in more than six weeks on forecasts that a tropical storm in the Gulf of Mexico will miss oil fields and refineries, easing concern that supplies will be disrupted.

Assured Guaranty Plunges, Bond Risk Soars on Moody's Review for Downgrade Assured Guaranty Ltd. plunged and the cost to protect against a default by the bond insurer and Financial Security Assurance Holdings Ltd. rose to a record after Moody's Investors Service said it may cut their Aaa ratings.

UAL's United Airlines Boosts Planned Job Cuts to 7,000 as Fuel Costs Surge UAL Corp.'s United Airlines, the world's second-largest carrier, said it will cut more than 7,000 jobs by the end of 2009 to stem losses from record fuel bills.

FTSE 100



Inside

The Attractiveness of Malta for Foreign Investments

Last week, 72 executives of foreign owned companies based in Malta were invited by Ernst & Young to participate in a survey to identify what makes Malta attractive as an investment country.

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Dodge Citi

Like something out of the old American Wild West the Banking and Financial sector has had to endure an 'OK Corral' type shoot-out since the end of last year with much blood being spilt. But have the bullets now stopped being fired? Mark Lamb discusses.

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GO snatches Melita TV rights purchaser

Charlot Zahra

The move of the person who used to negotiate the TV rights for Melita Cable to arch-rival telecoms operator GO a few months ago has been kept hush-hush by both operators.

Business Today has learnt that Michele Dandria left Melita Cable last year after sixteen years at the company as programming and acquisition manager.

She has now joined GO as product manager TV, responsible for the

negotiation of TV rights for the competition. She is flanked by Jack Mizzi, GO's content manager, who is responsible for local sports acquisitions.

Dandria joined Melita way back in June 1991 when the cable company, had just started its operations in Malta and had not even started offering its services to customers.

When Business Today contacted Dandria for her comments about the matter, we were instead contacted by a GO spokesperson, who would

not confirm the move.

"She is not a public figure, therefore we will not disclose the terms and conditions of her employment," he told Business Today. He said it was "normal" for employees in the telecoms sector, like in any other activity, to switch from one company to the other.

Sources told Business Today that a "significant" number of employees had left Melita and joined GO after the arrival of the company's new majority shareholders, UK-

based equity firm GMT Group Communications Partners last year.

The impact of Dandria's move to GO on the sporting rights acquisition market is yet to be ascertained, however, it is known that GO have managed to eat away some of the TV rights which were held traditionally held by Melita, particularly the English FA Cup and the matches of the British national football team.

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BWA licences may be revoked, MCA warns

Charlot Zahra

The Malta Communications Authority (MCA) is not excluding suspending or revoking the licences of the broadband wireless access operators (BWA) for not having rolled out their services despite being given a licence to do so three years ago.

In 2007, Vodafone Malta Limited rolled out their broadband wireless access services according to their licence obligations. However, the other two BWA licence holders, Cellcom Limited and GO Mobile, have still not started the rollout of their respective services.

Asked by Business Today whether the MCA was contemplating the removal of the assignment of the frequency spectrum to the two companies and issue another call for applications for companies interested in offering the service, an MCA spokesperson said: "Both companies have now informed the MCA that they will endeavour to comply with their rollout obligations before their next rollout coverage date.

"If either of the said companies do not demonstrate that they are complying with their rollout obligations, the MCA may consider taking other measures in line with

the licence conditions which may include the suspension or revocation of the licence on the basis of serious and repeated breaches," the MCA spokesperson warned.

Asked what concrete action the MCA is taking to ensure that the two operators abided by the conditions of their respective licences, the MCA spokesperson said: "Following public consultation last year, a regulatory decision dated 18 October 2007 was taken to establish the mechanism and quantum of administrative fines to be imposed on licensees that failed to comply with their rollout-obligations. This decision was not contested.

"On the basis of this decision, daily fines are being imposed on Cellcom Limited and Mobisle Communications Limited," the authority's spokesperson told Business Today. "A daily administrative fine of €127.63c has been imposed, effective as from 1 August 2007, on both companies and fines are being paid. These fines are to run until such time as MCA is satisfied that the companies have complied with their respective obligations."

Finally, the MCA did not mince its words on its stance on the occupation of finite public frequency ▶ page 3



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Markets

Security	Closing Prices in Euro Tue 15-July-08	Closing Prices in Euro Tue 22-July-08	% Change from previous wk
Bank of Valletta p.l.c.	4.670	4.660	-0.214%
HSBC Bank Malta p.l.c.	3.800	3.830	0.789%
Lombard Bank p.l.c.	2.900	2.900	0.000%
Middlesea Insurance p.l.c.	3.340	3.340	0.000%
Simonds Farsons Cisk p.l.c.	2.800	2.830	1.071%
GO p.l.c.	2.598	2.500	-3.772%
International Hotel Investments p.l.c.	1.049	1.050	0.095%
Plaza Centres p.l.c.	1.730	1.730	0.000%
Malta International Airport p.l.c.	3.062	3.120	1.894%
GlobalCapital p.l.c.	2.500	2.500	0.000%
Datatrak Holdings p.l.c.	0.291	0.291	0.000%
San Tumas Shareholdings p.l.c.	2.562	2.562	0.000%
Medserv p.l.c.	3.990	3.990	0.000%
Grand Harbour Marina p.l.c.	2.100	2.250	7.143%
Crimsonwing p.l.c.	0.530	0.530	0.000%
MaltaPost p.l.c.	0.810	0.800	-1.235%
RS2 Software p.l.c.	0.815	0.815	0.000%