

Business Today

WEDNESDAY 12 November 2008 - ISSUE NO. 558


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Marco Frik

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Shipyards projected sale revenue a state secret

David Darmanin

In an attempt to explain why revenue projections from the Shipyards privatisation have been omitted from Budget 2009, the Finance Ministry has raised further questions.

"These projections have been left out for one simple reason," a Ministry official told Business Today. "We don't want to show our hand to prospective investors."

Since last week, many have questioned the reasons why Finance Minister Tonio Fenech opted out from revealing how much government is expected to make or lose from the Shipyards' privatisation, especially when one takes into account that the €100 million owed to the state by the shipyards do not feature either.

Since revenue or losses generated from this sale are expected to significantly affect the country's economic performance next year, many could only guess why such crucial information has not been made public.

A Business Today reader calling

in said: "It's obvious, government wants to give its electorate a surprise when the money from the sale comes in. Since it is technically unplanned for, this money would help Fenech show the electorate that he wasn't far off from his ambitious budget projections. There is a clear political motivation."

Some went as far as doubting whether there are any prospective investors at all for the Shipyards, while others claimed that the value at which the company is sold may not even make up for its debts, and the end result would effectively feature as a loss.

"None of this," said the Ministry spokesperson when informed about such speculations. "We don't want to prejudice the process, so we can get the best deal."

With the Finance Minister still laying out his projections on other deals, such as the privatisation of the Msida Marina, many are now asking why he opted to prejudice one deal and not the other.

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BOV, HSBC ANNOUNCE CUT IN INTEREST RATES page 4

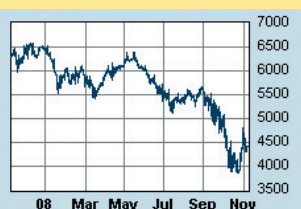
World Business Highlights

GM Skid Accelerates as Pelosi Calls for Congress to Pass Automaker Rescue General Motors Corp. fell for a fifth day in New York trading as House Speaker Nancy Pelosi urged Congress to pass an emergency rescue package for the ailing U.S. auto industry.

Fannie, Freddie to Modify Mortgages, Stepping Up Bid to Limit Foreclosures Fannie Mae and Freddie Mac, the largest U.S. mortgage-finance companies, will accelerate anti-foreclosure efforts by streamlining loan modifications to lower monthly payments for more struggling homeowners.

Stocks in U.S. Drop on Concern Economy Is Worsening; GM, Tyco Shares Slide U.S. stocks dropped for a second day as a deteriorating outlook for American industry and oil's drop below \$59 a barrel signaled the economic slump may deepen.

FTSE 100



Unions team up against rise in utility bills

Karl Schembri

In a historic and unprecedented show of unity, all of Malta's trade unions will team up this Friday to protest against government's announced reform in utility tariffs.

Announcing the decision yesterday, the leaders of the General Workers' Union and Union Haddiema Maghqudin flanked by other unionists heralded the news as "a historic moment" and "a milestone" in Maltese trade

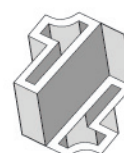
unionism that could pave the way for further cooperation.

Both union leaders said there were no preconditions in the talks between them to hold one demonstration, and the day was only moved to Friday as the UHM leader will be abroad on Thursday.

"You are living a historic moment in the trade union sector," said GWU Secretary General Tony Zarb at a hastily called press conference held. ▶ page 3

Markets

Security	Closing Prices in Euro Tue 04-Nov-08	Closing Prices in Euro Tue 11-Nov-08	% Change from previous wk
Bank of Valletta p.l.c.	3.440	3.599	4.622%
HSBC Bank Malta p.l.c.	2.899	2.923	0.828%
Lombard Bank p.l.c.	2.948	2.948	0.000%
Middlesea Insurance p.l.c.	2.697	2.697	0.000%
Simonds Farsons Cisk p.l.c.	2.630	2.630	0.000%
GO p.l.c.	1.900	1.900	0.000%
International Hotel Inv. p.l.c.	0.950	0.910	-4.211%
Plaza Centres p.l.c.	1.730	1.730	0.000%
FIMBank p.l.c. (US\$)	\$1.500	\$1.385	-7.667%
Malta International Airport p.l.c.	2.500	2.500	0.000%
GlobalCapital p.l.c.	1.991	1.991	0.000%
Datatrak Holdings p.l.c.	0.290	0.300	3.448%
San Tumas Shareholdings p.l.c.	3.100	3.100	0.000%
Medserv p.l.c.	3.997	3.997	0.000%
Grand Harbour Marina p.l.c.	2.100	2.000	-4.762%
6pm Holdings p.l.c. (GBP)	£0.700	£0.700	0.000%
Crimsonwing p.l.c.	0.498	0.497	-0.201%
MaltaPost p.l.c.	0.790	0.710	-10.127%
RS2 Software p.l.c.	0.750	0.750	0.000%



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