

Business Today



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Interview:
Joe Grima

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In collaboration with:



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SPECIAL EDITION ON STMICROELECTRONICS AND THE WORLD TECHNOLOGICAL DOWNTURN

ARE WE FACING A CRISIS?

SEE PAGES 3, 5-9 AND 11

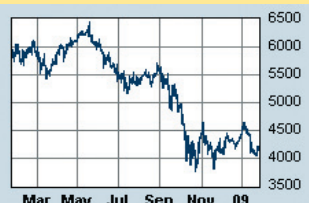
World Business Highlights

Citigroup Names Corbat to Run Bad Bank, Havens to Head Institutional Unit Citigroup Inc. Chief Executive Officer Vikram Pandit named brokerage head Michael Corbat to temporarily lead the cluster of businesses that the company is separating from its "core" banking operations.

Stocks in U.S. Rise on Earnings; Texas Instruments, Travelers Shares Gain U.S. stocks gained for a third day as companies from Texas Instruments Inc. to Travelers Cos. and Netflix Inc. posted better-than-estimated earnings, overshadowing declines in consumer confidence and home prices.

Fannie, Freddie Would Have to Cut Holdings to \$250 Billion Under Proposal Fannie Mae and Freddie Mac, the mortgage-finance companies under federal control, must cut their portfolios to \$250 billion each under rules proposed by the Federal Housing Finance Agency.

FTSE 100



Joe Grima calls for industrial strategy review

In an extensive interview with Business Today, former Labour Minister Joe Grima, who was assigned the industry portfolio in December 1981, called for a review of government's industrial strategy in the wake of the problems faced by STMicroelectronics and other manufacturers in Malta.

"In my view, government has to review the entire policy about costs. Here government is doing the opposite of what other governments across Europe are doing," Grima said.

Other European governments are incentivising industries in "some way or other" - there were some who removed VAT, while others removed other burdens, such as placing moratoria on bank payment by industry.

"On the other hand, our government

placed new burdens on industry at a time when the industry can afford them the least," Grima told Business Today.

"ST might be the first, and there may be others who have already spoken to the Prime Minister and told him they were closing down or going on a four-day week," he insisted.

Grima said that these were "all Government-induced problems that we should not have during such a time. On the other hand, government seems calm, and does not look so much concerned."

He also criticised the Prime Minister for saying that he had been negotiating with ST for the past two years. "I admire the patience of ST for stretching the negotiations so long. Others would have just shut down and moved elsewhere," he said. (Full interview on pages 8-9)

Markets

Security	Closing Prices in Euro Tue 20-Jan-09	Closing Prices in Euro Tue 27-Jan-09	% Change from previous wk
Bank of Valletta p.l.c.	2.994	2.700	-9.820%
HSBC Bank Malta p.l.c.	2.700	2.825	4.630%
Lombard Bank p.l.c.	3.000	3.000	0.000%
Middlesea Insurance p.l.c.	2.550	2.550	0.000%
Simonds Farsons Cisk p.l.c.	1.900	1.901	0.053%
GO p.l.c.	1.870	1.860	-0.535%
IHI p.l.c.	0.870	0.870	0.000%
Plaza Centres p.l.c.	1.730	1.680	-2.890%
FIMBank p.l.c. (US\$)	\$1.450	\$1.470	1.379%
Malta International Airport p.l.c.	2.490	2.500	0.402%
GlobalCapital p.l.c.	1.991	1.991	0.000%
Datatrak Holdings p.l.c.	0.190	0.190	0.000%
San Tumas Shareholdings p.l.c.	3.200	3.200	0.000%
Medserv p.l.c.	3.997	3.997	0.000%
Grand Harbour Marina p.l.c.	1.980	1.980	0.000%
6pm Holdings p.l.c. (GBP)	£0.700	£0.700	0.000%
Crimsonwing p.l.c.	0.497	0.497	0.000%
MaltaPost p.l.c.	0.820	0.820	0.000%
RS2 Software p.l.c.	0.799	0.799	0.000%



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