

# Business Today



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## Impending rate cut paves way for €95m stock issue

The €95 million bond issue by the government has coincided with an impending interest rate cut tomorrow by the European Central Bank.

Observers say the issue of €70 million in government stocks, together with an over-allotment option of €25 million, coincides with yet another cut in interest rates which the governors of Europe's central banks might be contemplating.

"The government offer has a good coupon as things stand now since the recent cuts in interest rates, but the offer is all the more attractive if Thursday marks yet another interest rate cut," one financial services executive commented.

Additionally, a repatriation scheme of monies deposited abroad in 2007 also releases the funds kept by government in the coming weeks.

The Special Registration Scheme 2007 was launched by the Ministry of Finance in April 2007 to entice Maltese depositors to repatriate monies in foreign accounts.

The scheme provided individuals residing in Malta with an opportunity to regularise their

position in respect of holdings and income not declared for taxation purposes. Their monies were held for two years in government accounts to accrue interest before being released back to holders.

"Although quite early in the year for government to be issuing stocks to the public, the issue coincides perfectly with the interest rate cut and the release of the registration assets to be re-invested in these stocks," an executive who spoke to this newspaper said.

The government stocks come with a 3.6 per cent coupon for maturity in 2013 and a 5 per cent coupon for maturity in 2021.

The issue closes at 5pm, Wednesday 11 March for applications by any single and joint applications not exceeding €100,000 per person and at 12pm (noon) on Friday 13 March for sealed bids.

Application forms may be obtained from and lodged at all members of the Malta Stock Exchange and other authorised investment service providers or from the Treasury website on [www.treasury.gov.mt](http://www.treasury.gov.mt).



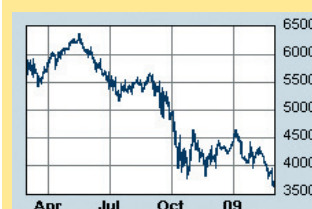
### World Business Highlights

**AIG's Bailout Made Bernanke 'More Angry' Than Any Other Episode in Crisis** Federal Reserve Chairman Ben S. Bernanke said American International Group Inc. operated like a hedge fund and having to rescue the insurer made him "more angry" than any other episode during the financial crisis.

**Federal Reserve Eliminates Executive-Compensation Limits for TALF Sponsors** The Federal Reserve and U.S. Treasury eliminated executive-compensation limits for sponsors of asset-backed securities accepted under a new \$1 trillion program, indicating the rules may have hampered efforts to start the plan.

**Geithner Says U.S. Financial-System Rescue May Cost More Than \$700 Billion** Treasury Secretary Timothy Geithner said the U.S. bank rescue program may cost more than the \$700 billion Congress approved, and he pledged to crack down on companies and individuals who try to avoid paying taxes.

#### FTSE 100



## GO and Bell Net in possible merger

Charlot Zahra

The market for Internet Service Providers (ISPs) in Malta is set to be further consolidated with the proposed merger of yet another ISP with quad band player GO plc.

In fact, Business Today has learnt that Bell Net Limited, which has been operating as an ISP since 2003 covering mostly the corporate sector, is currently in discussions with rival GO in order to transfer its ISP business to GO.

If the deal goes through, GO will acquire a substantial slice of the business market that Bell Net has

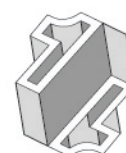
been serving since its inception.

In fact, Bell Net has been the ISP of choice for the majority of the lucrative e-gaming business in view of the fact that from the beginning, it had international connectivity both with GO and Vodafone, thus offering full redundancy in case of a failure of the connectivity of either GO or Vodafone.

Full redundancy was crucial for e-gaming companies, enabling them to offer a round-the-clock service during all days of the week, since gaming is an impulse-based activity. **▶ page 3**

### Markets

Security	Closing Prices in Euro Tue 24-Feb-09	Closing Prices in Euro Tue 03-March-09	% Change from previous wk
Bank of Valletta p.l.c.	2.033	2.210	8.706%
HSBC Bank Malta p.l.c.	2.240	2.220	-0.893%
Lombard Bank p.l.c.	2.460	2.480	0.813%
Middlesea Insurance p.l.c.	2.575	2.575	0.000%
Simonds Farsons Cisk p.l.c.	1.900	1.890	-0.526%
GO p.l.c.	1.684	1.500	-10.926%
IHI p.l.c.	0.850	0.850	0.000%
Plaza Centres p.l.c.	1.679	1.700	1.251%
FIMBank p.l.c. (US\$)	\$1,490	\$1,490	0.000%
Malta International Airport p.l.c.	2.450	2.370	-3.265%
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)	£0.590	£0.590	0.000%
Crimsonwing p.l.c.	0.469	0.469	0.000%
MaltaPost p.l.c.	0.790	0.759	-3.924%
RS2 Software p.l.c.	0.789	0.750	-4.943%



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