

## US DUO WINS ECONOMICS NOBEL

STOCKHOLM - Two US researchers won the 2011 Nobel Economics Prize Monday for research on how different events affect economies and which could help find answers to the current crisis, the Nobel jury said.

Thomas Sargent and Christopher Sims, both 68, have developed methods that untangle "the causal relationship between economic policy and different macroeconomic variables, such as GDP, inflation, employment and investments," the Nobel jury said.

"Their combined work constitutes a solid foundation for modern macroeconomic analysis. It is hard to envisage today's research without this foundation," it added.

Economies are constantly affected by both anticipated events, like long term fiscal policy and shifts in monetary policies, and unanticipated events like sudden hikes in the price of oil or an unexpected drop in household consumption.

The laureates' work, carried out in the 1970s and 80s, provides methodologies that facilitate understanding of how both systemic policy shifts and so-called "shocks" affect the macroeconomy in the short and long run.

## Putin arrives in China after \$7bn deals

BEIJING - Russian Prime Minister Vladimir Putin arrived in Beijing Tuesday for talks with Chinese leaders, a day after his gas-rich nation signed deals worth over \$7 billion with the world's top energy consumer.

Putin is due to meet his Chinese counterpart Wen Jiabao and President Hu Jintao on his two-day visit - his first abroad since he announced plans last month to reclaim the Russian presidency.

China's foreign ministry said Tuesday the two countries had already signed 16 economic and trade agreements worth more than \$7 billion "in the fields of technology transfer, research and development and mineral development".

It gave no further details of the deals, which were signed at a summit Monday, held ahead of Putin's visit.

Observers say the Russian prime minister may lay out his foreign policy priorities for years to come during the trip.

## China currency bill set to clear US Senate

WASHINGTON - Defying Chinese anger and White House warnings, the US Senate was set Tuesday to approve legislation to punish China for alleged currency manipulation widely blamed here for costing American jobs.

The proposal, powered by a tide of US voter frustration at a sour economy and high unemployment ahead of November 2012 elections, envisions retaliatory duties on Chinese exports if the yuan's value is unfairly "misaligned."

The Democratic-held Senate was due to approve the measure after 5:30pm (2130GMT), shifting the spotlight to the Republican-led House of Representatives, where Speaker John Boehner has condemned the "dangerous" bill.

"You could start a trade war. And a trade war, given the economic uncertainty here and all around the world - it's just very dangerous, and we should not be engaged in this," Boehner said recently.

US President Barack Obama last week stopped well short of backing the legislation and worried it could violate World Trade Organization (WTO) rules even as he mounted an unsparing attack on China's trade policies.

"China has been very aggressive in gaming the trading system to its advantage and to the disadvantage of other countries, particularly the United States," he declared at a White House press conference.

Few in Washington dispute the charge that China keeps the yuan unfairly low against the dollar, giving its goods as much as a 30 percent edge over similar US products, widening the American trade deficit and costing jobs here.

But the measure's opponents warn that it risks sparking a trade war with China, and say a rise in the yuan will boost manufacturing and therefore jobs in countries such as Vietnam or Malaysia - not in the United States.

## Slovak PM ties EU debt rescue vote to confidence motion

BRATISLAVA - Slovak Prime Minister Iveta Radicova said Tuesday she would tie a key parliamentary vote on the eurozone's debt rescue fund to a vote of confidence in her coalition government later the same day.

"I announced to my coalition partners that I will tie today's vote on our future in Europe with a confidence vote," Radicova said in a decision that follows deadlocked talks in her four-party coalition on expanding the fund.

"It's unacceptable for a prime minister to allow the isolation of Slovakia," she told reporters after the liberal coalition Freedom and Solidarity party insisted it would torpedo the vote.

Parliament was to convene at 1300 local time (1100 GMT) for a session including the crucial vote.

## Europe has 'political will' on debt crisis: Merkel

HANOI - Europe has the "political will" to combat its debt crisis, German Chancellor Angela Merkel said in Vietnam on Tuesday, amid fears for the continent's banking sector and the wider global economy.

Merkel arrived in Hanoi fresh from weekend talks where she and French President Nicolas Sarkozy held a pivotal meeting aimed at calming Europe's economic storm.

Eurozone members "have the political will to overcome this public debt crisis", she told reporters after discussions with Vietnamese Prime Minister Nguyen Tan Dung, according to a translation of her remarks confirmed by the German embassy in Hanoi.

The eurozone drama has sent shivers across the world over concerns it could trigger a new global recession. US President Barack Obama called on Europeans to act fast to stem the crisis.

## Emirates NBD takes over troubled Dubai Bank

DUBAI - Emirates NBD Bank, the largest lender in the United Arab Emirates, has taken over the troubled Islamic lender Dubai Bank on orders of the ruler of Dubai, a government statement said on Tuesday.

"Sheikh Mohammad bin Rashed al-Maktoum, Vice President and Prime Minister of the UAE, in his capacity as the ruler of Dubai, has given orders that Emirates NBD take over Dubai Bank," the statement said.

It said the acquisition is in "line with Dubai government efforts to enhance the banking sector in the Emirate (of Dubai)," which was hit hard by the global financial crisis.

## Kuwait customs strike, threaten oil exports

KUWAIT CITY - Kuwaiti exports and imports were disrupted Monday as over 3,000 customs officers went on strike demanding better pay and threatening to halt oil exports, a trade union official said.

"The strike is total as all of the more than 3,000 customs employees have stopped work. We are on an indefinite strike until our demands are met," Fahhad al-Ajmi, board member of the customs trade union, said.

Work at the country's only airport was "partially affected" but there was a "complete halt to shipping and land freight," Ajmi said.

### THE AMERICAS

## Obama touts jobs bill as new maneuvering looms

WASHINGTON - President Barack Obama heads to electoral battlegrounds to tout his jobs bill Tuesday, as his campaign brain trust argues voters are warming to the plan, despite its doubtful prospects in Congress.

Obama will hold events in the key electoral state of Pennsylvania, a must-win for him in 2012, and in vital swing state Florida, as an amended version of his \$447 billion package faces a symbolic Senate vote.

The day will likely evolve into a new round of partisan posturing, as Republicans and Democrats, eyeing a date with voters next year, seek political advantage from a measure that has almost no chance of passing in full.

## Ecuador files \$500-million suit against Burlington

QUITO - Ecuador on Monday filed a pair of lawsuits worth more than \$500 million against US oil company Burlington Resources, prosecutors said.

### FACEBOOK HITS IPAD

SAN FRANCISCO - Facebook on Monday landed on the iPad, releasing software that lets members of the leading online social network connect on Apple's hot-selling tablet computers.

The release of an iPad application is part of a move by Facebook to stay in synch with modern lifestyles that revolve increasingly around Internet-linked wireless mobile gadgets.

"Many of you have been asking about Facebook for iPad," Facebook mobile engineer Leon Dubinsky said in a blog post. "It's finally here."

Features added to the Facebook iPad software include being able to chat with friends or watch high-resolution streaming video, according to the engineer.

The suits were filed with the International Center for Settlement of Investment Disputes, an autonomous part of the World Bank.

Burlington Resources was working in two oil blocs in Ecuador alongside France's Perenco in 2008, but halted operations after Ecuador demanded more compensation after the price of oil rose.

## Apple says iPhone 4S Sales over 1m in first day

WASHINGTON - Apple said Monday that pre-orders of the new model of its hit iPhone 4S topped one million units in the first 24 hours.

Worldwide advance orders for the iPhone 4S, said to be much faster than its predecessor and with improved video and photo capabilities, set a record for an Apple product, the company said.

"The first day pre-orders for iPhone 4S have been the most for any new product that Apple has ever launched," said Philip Schiller, Apple senior vice president, in a statement.

## BlackBerry outage hits Europe, Middle East, Africa

NEW YORK - The maker of the BlackBerry smartphone said Monday that all services had been restored to users in Europe, the Middle East and Africa after widespread service outages.

Many users had reported not being able to receive or send email, use instant messaging or browse the Internet, though the problems did not appear to be the same for each user, or affect all users.

Canada-based Research In Motion (RIM), the maker of BlackBerry, said in a statement late Monday that all services had been restored and apologized again for any inconvenience.

## Netflix keeps DVD-by-mail, streaming on 1 website

NEW YORK - Netflix said Monday it will keep its DVD-by-mail and Internet streaming services on one website for US subscribers, abandoning plans announced last month to completely separate the services.

But Netflix did not change the new pricing announced for the two services, which upset some subscribers and reportedly led to numerous cancellations.

"US members will continue to use one website, one account and one password for their movie and TV watching enjoyment," the company said in a statement.

## American Airlines cuts capacity over economic woes

WASHINGTON - American Airlines has decided to cut its flight capacity by three percent this year and retire up to 11 Boeing 757 planes in 2012, in part because of the lingering economic malaise.

"While our advance bookings are generally in line with last year, we are taking these additional steps in light of the uncertain economic environment," its chief commercial officer Virasb Vahidi said in a statement Monday.

Vahidi said the decision was also driven by fuel costs and additional pilot retirements expected in the fourth quarter of this year.

### EUROPE

## Greece hit by new strikes

ATHENS - New strikes hit Greece on Tuesday as the government finalized talks with its EU-IMF creditors on additional spending cuts to secure payment of a bankruptcy-saving loan.

Civil servants blocked the entrance to several ministries, teachers and municipal staff walked out and a key refinery began a protest shutdown ahead of a general strike on October 19.

Hospital workers and prison guards will go on strike later this week while Greece's tax collectors and bank workers plan stoppages next week with lawyers also threatening to join the fray.

## MARKET DATA

### WALL STREET INDEXES

#### Monday close

Dow Jones Industrials	11433.18	+330.06
S&P 500	1194.89	+39.43
Amex Index	2141.04	+46.74
NASD Composite	2566.05	+86.70
NMS Composite	1198.33	+40.71
Value Line Geometric	315.75	+11.63
Value Line Arithmetic	2537.69	+94.12
Russell 2,000	684.90	+28.69

### 60 MOST ACTIVE US STOCKS

Prices as of	Mon	Oct	10	17	37	37
AT&T Inc	NY	29.17				+ .73
Alcatel Luc	NY	2.73				+ .14
Alcoa	NY	10.09				+ .38
Apple Inc	NA	388.81				+19.01
Appl dMatl	NA	11.01				+ .30
BkofAm	NY	6.28				+ .38
BostonSci	NY	5.70				+ .08
CardiumTh	AM	.42				+ .29
Cisco	NA	17.09				+ .43
Citigrps	NY	26.49				+1.86
Cleawire	NY	1.27				- .12
CompPrdS	NY	28.42				+8.04
Dell Inc	NA	16.10				+ .82
DrSCBRs	NY	41.42				-6.25
DirFnr rs	NY	54.77				-9.04
DrxFnBul	NY	11.89				+1.48
DrxSCBul	NY	38.45				+4.42
ExxonMbl	NY	76.28				+2.72
FifthThrd	NY	10.97				+ .39
FordM	NY	11.21				+ .52
FMCG s	NY	36.03				+2.02
GenElec	NY	16.14				+ .64
GoldStr g	AM	1.99				+ .10
GrtBasG g	AM	1.58				+ .06
HewlettP	NY	25.74				+ .86
HuntBnk	NA	5.25				+ .29
iShBraz	NY	56.15				+2.11
iShChi na25	NY	32.69				+1.65
iShEMkts	NY	38.07				+1.63
iS Eafe	NY	50.85				+1.87
iShR2K	NY	68.37				+2.87
Intel	NA	22.88				+ .59
JPMorgCh	NY	32.30				+1.60
LV Sands	NY	44.61				+2.99
Level 3	NY	1.72				+ .03
MGM Rsts	NY	9.59				+ .58
MicronT	NA	5.16				+ .21
Microsoft	NA	26.94				+ .69
MorgStan	NY	15.29				+1.05
Netflix	NA	111.62				-5.59
NewsCpA	NA	16.93				+ .68
NA Pall g	AM	2.64				+ .18
Nvidia	NA	14.78				+ .63
Oracle	NA	30.97				+1.06
Pfizer	NY	18.92				+ .48
PwShs 00Q	NY	55.94				+1.87
PrUSHS&P	NY	22.61				-1.57
Regl onsFn	NY	3.60				+ .20
RschMotn	NY	23.23				- .13
S&P500ETF	NY	119.58				+3.87
Siri usXM	NY	1.65				+ .13
SprintNex	NY	2.22				- .19
SPDR Fncl	NY	12.44				+ .61
SP Inds	NY	31.40				+1.06
SupEnrgy	NY	23.63				-3.78
VantageDri	AM	1.28				+ .07
Wells Fargo	NY	26.13				+1.59
Xerox	NY	7.48				+ .31
YRC rsh	NA	.05				- .01
Yahoo	NA	15.84				+ .37

(NY=NYSE; AM=AMEX; NA=NASDAQ)

### LONDON STOCK EXCHANGE

Prices at 09.58am	Tuesday	
Admiral Grp	1240.50	-5.50
Aviva	321.00	-8.38
BAE Systems	272.13	+1.75
BG	1302.50	-12.50
BP	402.38	-2.75
BT Grp	179.75	-2.13
Centrica	309.13	-1.75
GlaxoSmithKline	1385.25	-4.75
HSBC HLDGS	511.50	-7.63
Intl Cons Airli	161.63	-1.75
Intl Power	328.00	-1.50
M & S	327.50	-2.63
National Grid	640.25	-5.75
Pennon Grp	694.75	-4.25
Sainsbury	296.63	-1.75
Severn	1560.00	-11.00
SSE	1338.00	-11.00
Tate Lyle	622.50	-5.50
Tesco	407.88	-2.13
United Utilis	619.00	-3.00

### CLOSING WORLD STOCK INDEXES

	Oct 11	Oct 10
Hong Kong H-S	18141.59	17711.06
Singapore STI	2693.05	2668.30
Sydney All Ord	4288.80	4262.30
Tokyo Nikkei	8773.68	holiday
Amsterdam AEX	293.34	288.31
Brussels Bel-25	2179.74	2146.42
Frankfurt DAX	5847.29	5675.70
London FT-100	5399.00	5303.40
Mexico IPC	33547.14	33005.09
Milan MIB	16038.49	15529.00
New York DJ	11433.18	11103.12
Paris CAC-40	3161.47	3095.56
Toronto TSE-300	11588.36	11780.07
Zurich SMI	5718.56	5652.23

### NYMEX METALS AND ENERGY

	Oct	1669.60	+35.10
Gold:	Oct	31.944	+ .986
Silver:	Oct	1520.60	+31.60
Platinum:	Oct	3.3620	+ .0955
Copper:	Nov	2.9039	+ .0451
Crude Oil:	Nov	2.6953	+ .0477
Heating Oil:	Nov	3.541	+ .060
Nat Gas:	Nov		

### NEW YORK EXCHANGE RATES

	Mon	Fri
Australia (Dollar)	1.0021	1.0229
Britain (Pound)	\$1.5673	\$1.5553
Canada (Dollar)	1.0281	1.0394
China (Yuan)	6.3493	6.3760
Euro	\$1.3650	\$1.3388
Hong Kong (Dollar)	7.7815	7.7815
India (Rupee)	48.970	48.980
Japan (Yen)	76.69	76.82
Mexico (Peso)	13.2720	13.3060
Norway (Krone)	5.7012	5.8273
Russia (Ruble)	31.5315	32.1385
Singapore (Dollar)	1.2755	1.2971
So. Africa (Rand)	7.8484	7.9757
Switzerlnd (Franc)	.9035	.9266

### Shareholders agree Spanish banking takeover

MADRID - Spain's fifth biggest bank, Banco Popular, said Monday its takeover offer for smaller rival Banco Pastor has been accepted by the target bank's majority shareholders.

Their agreement effectively seals the all-share deal, worth a reported 1.36 billion euros (\$1.8bn), the latest step in the restructuring of Spain's financial sector following the collapse of a property bubble in 2008.

### Scania slashes production amid global slowdown

STOCKHOLM - Swedish truckmaker Scania said Monday it would cut its production by up to 15 percent starting next month due to a dent in demand caused by a global economic slowdown.

"Government financial problems in Europe and the US have now begun to affect economic activity and have led to hesitation among customers," the company explained in a statement, adding it was seeing "deceleration in Europe, but also a slower pace of order bookings from the Middle East."

### JOBS CAUSE OF DEATH RELEASED

SAN FRANCISCO - The official cause of death for beloved Apple co-founder Steve Jobs was made public on Monday as a private memorial was planned at the company's Silicon Valley headquarters for employees.

Local public health officials reportedly determined that Jobs was at home in the Northern California city of Palo Alto on October 5 when he stopped breathing, an underlying cause listed as a cancerous tumor in his pancreas.

No autopsy was conducted and Jobs was buried on Friday in a local, non-denominational cemetery, according to documents cited online. His occupation was listed in coroner's paperwork as "entrepreneur."

Jobs died at the age of 56 after battling cancer for several years.

Word also spread on Monday that Apple planned a tribute to Jobs on October 19 at a private event to be held at an outdoor amphitheater at the company's headquarters in Cupertino, California.

### New boss for German media group Bertelsmann

BERLIN - German media giant Bertelsmann said Monday it has appointed its current finance director to take over as chief executive, replacing Hartmut Ostrowski, who is stepping down for "personal reasons."

Thomas Rabe, 46, will be the new boss of the group from January 1, 2012, said Bertelsmann, which owns the broadcaster RTL.

"The changeover takes place amicably and by mutual consent," it said in a statement.

### ASIA PACIFIC

### Green, Aboriginal groups lash BHP mega-mine

SYDNEY - Eco-activists and Aboriginal groups Tuesday condemned Australia's approval of a mammoth BHP Billiton mining pit expansion, warning of an environmental and public health disaster if it goes ahead.

Canberra on Monday green-lighted BHP's plans to extend its Olympic Dam uranium, copper and gold project in South Australia state, a move officials say could create the world's largest open-pit mine.

Expected to create thousands of jobs and boost exports, the Olympic Dam expansion was slapped with more than 100 environmental conditions to protect native species, groundwater and vegetation.

## China takes oil, gas sales tax nationwide

BEIJING - China has said it will roll out a tax on crude oil and natural gas sales nationwide from next month as Beijing looks to save energy and cut emissions, while doubling the maximum levy on rare earth metals.

The tax on domestic sales of crude oil and natural gas, first trialled in the far-western Xinjiang region and later extended to nearby areas, will go national from November 1, China's State Council, or cabinet, said Monday.

The sales tax - currently ranging from five to 10 percent - will be widened to include other resources such as rare earths and coking coal, which is used largely in steel production, "when the conditions are ripe", the statement said.

## Honeywell, Sinochem unveil green China venture

NEW YORK - US industrial group Honeywell and China's Sinochem have agreed to form a 50-50 joint venture to make and sell energy-efficient foam insulation in China, the two companies announced Monday.

The joint venture will produce HFC-245fa, a non-ozone-depleting rigid foam blowing agent used in insulation for appliances, construction, transportation and other applications "where maximum energy efficiency is required," they said in a joint statement.

## Samsung: Android phone launch delayed 'for Jobs'

SEOUL - South Korea's Samsung Electronics said Monday it delayed the launch of a smartphone based on Google's latest Android operating system as a gesture of respect for legendary Apple co-founder Steve Jobs.

Samsung - the world's number two mobile phone maker - and Apple are at loggerheads in a series of patent lawsuits over the technology and design of smartphones and tablet computers.

The Korean company had been due to unveil a Galaxy Nexus smartphone using Google-backed Android software and designed to challenge Apple's market-leading iPhone at an event in San Diego on Tuesday.

## PROMINENT INDIANS WARN OF THREATS TO GROWTH

NEW DELHI - Leading Indian businessmen, economists and judges have warned that the country's future prospects are threatened by "galloping corruption", a stagnant legal system and lack of reform.

In the latest sign of nervousness in India after years of rapid economic growth, the group of 14 influential figures wrote an open letter of complaint railing against the government's inability to tackle major problems.

The signatories, including the philanthropic founder of Wipro software giant Azim Premji, said that daily life in India was "vitiated by corruption in almost every sphere".

"Several antiquated laws require urgent overhaul to reflect contemporary realities," they said. "Land, judicial, electoral and police reforms are most urgently needed."

## MARKETS

### World stocks mixed

BANGKOK - Asian stocks surged Tuesday but shares in Europe hit a snag as hopes that the continent is ready to resolve its sovereign debt crisis once and for all began to fade.

European shares fell in early trading, as jittery markets awaited a vote by Slovakia's government to approve the expansion of the European Union's bailout fund for strapped governments. Slovakia is the only country out of 17 nations using the euro that has yet to approve the measure.

Britain's FTSE 100 fell 0.7 percent to 5,363.44. Germany's DAX lost 0.6 percent to 5,811.09 and France's CAC-40 slid 1 percent to 3,131.27.

Wall Street was also set to fall. Dow Jones industrial futures fell 0.4 percent to 11,325 and S&P futures dropped 0.5 percent to 1,185.10.

Asian shares ended the day higher, boosted by a pledge by European leaders over the weekend to protect the region's banks from the debt crisis - and by Beijing's move to buy shares of major Chinese lenders.

Japan's Nikkei rose 2 percent to close at 8,773.68. Hong Kong's Hang Seng shot up 2.4 percent to 18,141.59. South Korea's KOSPI rose 1.6 percent to 1,795.02, and Australia's S&P/ASX 200 added 0.6 percent to 4,227.60.

China's Shanghai Composite Index rose 0.2 percent to 2,348.52, a day after a government investment fund announced it had bought shares in major banks, helping to bolster the country's sagging stock market.

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The gains in Asia followed a strong rally on Wall Street on Monday. The Dow Jones industrial average soared 330 points, or 3 percent, its biggest one-day gain since Aug. 11. The Dow closed at 11,433.18 - the highest since Sept. 16. The Standard & Poor's 500 index rose 3.4 percent to 1,194.89, while the Nasdaq composite index rose 3.4 percent to 2,566.05.

### Oil prices above \$85

NEW YORK - Oil prices jumped 3 percent Monday as fears of another recession retreated.

Prices rose Monday after France and Germany agreed to put more capital into European banks. The move by the eurozone's two biggest nations helped ease concerns that major banks in Europe and elsewhere would be brought down by the region's debt crisis.

Benchmark crude rose \$2.43, or 3 percent, to end the day at \$85.41 per barrel in New York. Brent crude, which is used to price many international kinds of oil, rose \$3.07 to finish at \$108.95 in London.

In other energy trading, heating oil rose 4.51 cents to end at \$2.9039 per gallon and gasoline futures rose 4.77 cents to finish at \$2.6953 per gallon. Natural gas futures rose by 6 cents to end at \$3.541 per 1,000 cubic feet.

### Industrial metals rise

NEW YORK - Industrial metals rose Monday on optimism that Europe is making progress toward containing its debt crisis.

Copper for December delivery gained 94.5 cents, or 2.9 percent, to end at \$3.3680 a pound. January platinum jumped \$31.80, or 2.1 percent, to finish at \$1,525.10 an ounce and December palladium rose \$28.45, or 4.9 percent, to \$614.30 an ounce.

Precious metals also rose. Gold for December delivery rose \$35, or 2 percent, to \$1,670.80 an ounce. December silver gained 98.7 cents, or 3.2 percent, to close at \$31.980.

December wheat gained 4 cents to finish at \$6.1150 per bushel, December corn gained 5 cents to end at \$6.05 per bushel and November soybeans rose 19.25 cents to close at \$11.775 per bushel.