

You Can Be Mittal's Tenant For 10,000 Pounds A Week



London: (IANS) July hasn't been a brilliant month for Lakshmi Niwas Mittal.

First the chairman and main owner of steelmaker ArcelorMittal was reported to have put his 'Summer Palace', an 11-bedroom mansion set

over an acre of land in north London, for rent.

Then his company reported losses for the third consecutive quarter.

Like his other neighbors on The Bishops Avenue in Hampstead locality, the Indian-born billionaire has reportedly struggled to sell his property in a climate of recession.

Mittal bought the house — it has 11 bedrooms, 12 bathrooms and six reception rooms, and a glass lift to a swimming pool — for 6.75 million pounds in 1996.

After moving to the plusher Kensington Palace Gardens in 2004, into a 15-bedroom house he bought for a record 57 million pounds, Mittal put the Summer Palace up for sale.

But, apparently unable to find a buyer for a home that is worth around 40 million pounds, Mittal — Britain's richest man — is now looking for tenants.

The rent won't suit everyone's pockets: Trevor Abrahmsohn of Glentree Estates, a company that has swung several deals on The Bishops Avenue, estimates that the Summer Palace could fetch 10,000 pounds a week.

"Post credit-crunch rents are down 20 percent but a long-term tenant could be willing to pay up to 10,000 pounds a week," the Daily Mail quoted him as saying Wednesday.

A source close to Mittal was quoted saying: "Mr Mittal has put a lot into the property and doesn't want a cheap sale. He's in no hurry."

Also Wednesday, ArcelorMittal, the world's largest steelmaker, reported its third consecutive quarterly loss.

The Luxembourg-based company said it posted a Q2 net loss of \$792 million.

But Mittal, 58, told the Financial Times that emerging economies were coming out of the downturn "reasonably quickly" and that stimulus spending in the US and Europe was having an impact.

FT Alphaville, the paper's daily news and commentary service, described the statement as "an unusually optimistic forecast".

US Recession May Be Easing, But Job Market Weak

Washington: (IANS) The American economy may be heading out of the woods with new government numbers showing signs of easing recession laying the groundwork for growth in the months ahead. But the job market still remains weak with working people haunted by fear of layoffs.

A Commerce Department report on gross domestic product (GDP) Friday shows America's steep economic downturn eased in the spring, with economic output shrinking at a 1 percent annual rate in the April-through-June period.

That compares with a 6.4 percent rate of decline at the beginning of the year, itself a downward revision from the 5.5 percent decline originally reported for the first quarter.

The improvement came about in part due to an 11 percent boost in federal government spending, along with a more modest decline in exports, down 7 percent, compared with a 30 percent drop in the first quarter.

But the report also points to one of the key threats to expansion as it shows that consumers, who account for about two-thirds of economic activity, are still in lockdown mode, reluctant to make purchases.

The job market remains weak, and even those who still have work are fearful of layoffs and stung by lost stock market and housing wealth. The

situation is underscored by a 1.2 percent drop in personal consumption expenditures in the second quarter, which occurred despite a tax cut.

New revisions to past data indicate that the economic output was weaker throughout the recession of the past 19 months than originally reported.

The Commerce Department had previously estimated that GDP, which captures the value of goods and services produced within US borders, rose 1.1 percent in 2008. That was revised down to 0.4 percent.

Meanwhile, the International Monetary Fund said Friday the sharp contraction in the US economy "seems to be ending" but recovery will be slow with risks

still looming from the weak labor and housing markets. In its annual report on the US economy prepared before release of US data, The IMF stuck to earlier forecasts that gross domestic product will shrink by 2.6 percent in 2009 and then rise by 0.8 percent in 2010.

"As a result of their increasingly strong and comprehensive policy measures, the sharp fall in economic output seems to be ending, and confidence in financial stability has strengthened," it said.

"Nevertheless, with financial strains still elevated, the recovery is likely to be gradual, and risks are tilted to the downside," it said.



India's IT, Outsourcing Revenues At \$63 Bn

New Delhi: (IANS) India's information technology and outsourcing industry is expected to grow over 7 percent this fiscal to log revenues of \$64 billion with much faster expansion within the domestic market, a leading industry group said.

The National Association of Software and Service Companies (Nasscom) has forecast in its latest study that the software and outsourcing industry will log an export growth of 4-7 percent this fiscal to log \$48-50 billion in revenues.

Domestic revenues for the industry will, however, grow much faster at 15-18 percent to touch

\$13 billion, the industry lobby said in its annual survey on the sector.

In the previous fiscal, export revenues recorded a growth of 16.3 percent and clocked revenues of \$46.3 billion, up from \$40.4 billion, while the domestic segment grew 21 percent to \$11.4 billion from \$9.4 billion.

"While growth was synonymous with industry performance in the past decade, resilience and efficiency was the thrust in the year 2008-09," said Nasscom chairman Pramod Bhasin.

"In the face of a severe economic downturn in key markets, the industry was able to deliver a



Americans Now Want Indian, Chinese Cars: Survey



Washington: (IANS) Every fourth new car buyer in the US is now ready to buy the next vehicle from India or China, threatening to challenge the dominance of Japanese and Koreans in the American auto market, according to a new survey.

The "Opportunity for Chinese and Indian Brands in the USA" survey by AutoPacific shows that 15 percent of the new buyers would look at buying a car from China, while 11 percent would go for a car from India.

"As Hyundai and Kia have been on the American scene for decades now, it's surprising that consideration for Chinese and Indian brands would be about as strong as it is for the Korean brands," automotive research firm AutoPacific president George Peterson said.

"It appears that buyers in America are willing to give Chinese and Indian vehicles a chance right out of the box. Understanding these consumers will be critically important to the success of any newcomer," he said.

"Not only are a significant number of people willing to consider Chinese and Indian brands, this group consists of highly desirable buyers who would be coveted by any manufacturer," Peterson said.

The study shows those looking out for Chinese and Indian cars are likely to currently own Japanese and Korean brands, indicating that these brands may face a lot of competition from the new entrants.

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Boeing Shows Off P-8I Poseidon, India Is First Global Buyer

Washington: (IANS) India will be the first international customer of the Boeing P-8I Poseidon, a variant of the P-8A Poseidon, US Navy's newest maritime patrol and reconnaissance aircraft showcased by the Boeing Company.

Ceremonially rolled out recently at the Boeing facility in Renton, Washington, the P-8A, a derivative of the Next-Generation 737-800, is a long-range anti-submarine warfare, anti-surface warfare, intelligence, surveillance and reconnaissance aircraft capable of broad-area, maritime and littoral operations.

"The P-8A Poseidon will equip the US Navy with the most advanced multi-mission maritime

patrol and reconnaissance aircraft in the world," said Jim Albaugh, president and CEO of Boeing Integrated Defence Systems.

"The Poseidon is also the latest in a decades-long Boeing tradition of working closely with the Navy and other customers to deliver a wide range of platforms that meet their most critical mission requirements."

As the replacement for the US Navy's P-3C Orion aircraft, the P-8A will provide greater payload capacity, significant growth potential, unprecedented flexibility and interoperability, and advanced mission systems, software and communications, Albaugh added.

"The P-8A program is an outstanding example of evolutionary acquisition at work," said Capt. Mike Moran, US Navy maritime patrol and reconnaissance aircraft programme manager.

India is buying eight P-8I long-range maritime reconnaissance and anti-submarine warfare aircraft for the Indian navy at a total cost of \$2.1 billion with each aircraft costing about \$220 million. These aircraft would replace Indian Navy's aging Tupolev Tu-142M maritime surveillance turboprops.

Boeing will deliver the first P-8I to India by 2013 and the remaining seven by 2015. Interest has been expressed by many other countries, in-

cluding Australia and Italy.

The P-8A for the US Navy is built by a Boeing-led industry team that includes CFM International, Northrop Grumman, Raytheon, Spirit AeroSystems and GE Aviation.

The team currently is assembling and testing the first five P-8As as part of the programme's System Development and Demonstration contract, awarded in 2004.

The integrated Navy/Boeing team will begin formal flight testing of the P-8A later this year. The US Navy plans to purchase 117 P-8As, and initial operational capability is planned for 2013.