

Beursvennootschap NV Leleux Associated Brokers SA Société de bourse

Leleux Press Review as of Wednesday September 19th 2001

Evolution of some major indices

price on (d - 1)	noms	price on 18/09/01	return on (d-1)	return on 29/12/00	return on max.	return on min.
2503,02	BEL 20	2495,23	(-)0,311%	(-)17,50%	(-)32,23%	0,00%
4234,55	DAX Xetra	4194,85	(-)0,938%	(-)34,80%	(-)47,99%	1,92%
8920,70	DJII 30	8903,40	(-)0,194%	(-)17,48%	(-)24,05%	0,00%
1579,55	Nasdaq comp	1555,08	(-)1,549%	(-)37,09%	(-)69,20%	0,00%
4015,46	CAC 40	3970,18	(-)1,128%	(-)33,01%	(-)42,65%	1,55%
4898,90	FT-100	4848,70	(-)1,025%	(-)22,08%	(-)30,04%	2,16%
9504,41	Nikkei 225	9679,88	1,846%	(-)29,78%	(-)57,29%	1,85%
440,06	AEX	441,20	0,259%	(-)30,80%	(-)37,11%	3,45%
3225,91	DJ Stoxx 50	3213,57	(-)0,383%	(-)29,51%	(-)38,00%	3,72%
286,75	Or	286,35	(-)0,139%	4,95%	(-)42,53%	13,11%
0,92	Euro en \$	0,9231	0,337%	(-)1,71%	(-)22,13%	11,81%
4,613%	Taux 10 ans USD	4,697%	1,821%	(-)7,70%	(-)32,32%	1,82%
4,793%	Taux 10 ans Euro	4,817%	0,501%	(-)0,76%	(-)14,62%	32,34%
1,340%	Taux 10 JPY	1,355%	1,119%	(-)16,62%	(-)30,69%	84,35%
28,29	\$/baril	27,63	(-)2,333%	25,71%	(-)25,71%	183,09%

Biggest Movers

price on (d - 1)		price on 18/9/01	return on (d-1)	return on 29/12/00	return on max.
BEL 20					
25,50	INTERBREW	26,98	5,804%	(-)27,317%	(-)29,186%
221,10	ELECTRABEL	226,00	2,216%	(-)6,146%	(-)46,190%
12,70	AGFA-GEVAERT	12,69	(-)0,079%	(-)50,020%	(-)56,481%
35,00	BARCO NEW	33,70	(-)3,714%	(-)57,822%	(-)77,756%
157,30	D'IETEREN	150,00	(-)4,641%	(-)36,007%	(-)69,136%
44,87	COLRUYT	42,50	(-)5,282%	(-)9,574%	(-)42,953%
2 = +	0	18 = -			
DJII					
44,0000	WAL -MART	46,2300	5,068%	(-)12,979%	(-)61,192%
17,5200	AM. T & T	18,3000	4,452%	6,087%	(-)75,539%
47,5000	UTD TECHNO	49,0700	3,305%	(-)37,590%	(-)42,189%
19,2500	DISNEY	18,4000	(-)4,416%	(-)36,415%	(-)87,979%
35,8000	BOEING	33,1400	(-)7,430%	(-)49,788%	(-)55,776%
30,2500	AM. EXPRESS	27,3800	(-)9,488%	(-)50,162%	(-)56,764%
13 +	0	17 = -			
CAC 40					
28,57	ACCOR	30,00	5,005%	(-)32,811%	(-)41,176%
10,50	EQUANT	11,00	4,762%	(-)59,854%	(-)91,466%
56,35	CAP GEMINI	58,25	3,372%	(-)66,271%	(-)83,357%

26,89	ALSTOM	25,40	(-)5,541%	(-)6,204%	(-)28,852%
120,90	PINAULT-PR RED	113,80	(-)5,873%	(-)49,624%	(-)56,565%
12,22	EADS	11,05	(-)9,574%	(-)53,688%	(-)55,551%
12 = +	1 = 0	27 = -			

Business news at a glance

Our sources are the following :

Bloomberg (B), The Nihon Keizai Shimbun Edition (Nikkei), Financial Times Information (FT ou AFX),
Les Echos (E), L'Echo (EB), De Tijd (T) and Vie Financière (VF)

Economic Overview

Attention please

U.S., Europe, Asia Agencies Probe Pre-Attack Trades

Washington, Sept. 18 (Bloomberg) -- The Chicago Board Options Exchange, the biggest U.S. options market, said it is probing unusual options trading before terrorist attacks that flattened New York's World Trade Center and damaged the Pentagon. The exchange joins securities regulators in the U.S., Europe and Asia that say they are investigating whether terrorists raised money through insider trading on their advance knowledge of the attacks. Bloomberg data shows that trading in so-called put options, which rise in value when stock prices fall, surged in airlines UAL Corp. and AMR Corp. in the days before terrorists crashed hijacked United and American jets into the center's twin towers and the Pentagon. "The CBOE is conducting an investigation of trading prior to the news event," said CBOE spokeswoman Lynne Howard. She declined to provide more detail or say what options are being examined. Shares in Morgan Stanley Dean Witter & Co., which occupied 22 floors of the 110-story 2 World Trade Center, experienced pre-attack trading of some options that was more than 25 times the usual volume. "We've heard those reports about terrorist involvement in our markets," U.S. Securities and Exchange Commission Chairman Harvey Pitt said in a statement. "Our enforcement division has been looking into a variety of market actions that could be linked to these terrible acts including the subjects of the rumors."

International Coordination

Securities regulators from around the world gathered yesterday on a conference call to discuss efforts to investigate possible terrorist insider-trading, said Sabine Reimer, spokeswoman for BaWe, the German regulator. "We wanted to exchange information concerning trading before the attack in the U.S. last Tuesday," Reimer said. The call was organized by the Madrid-based International Organization of Securities Commissions, she said. "We usually hold conference calls among regulators once a year." The erratic nature of options trading may make it difficult to establish a link between higher-than-average activity and the terrorism attacks, analysts said. "You shouldn't jump to a conclusion, but it's a conclusion that's easy to make," said Marco Van Diesen, head of the derivatives trading desk at Van Lanschot NV in the Netherlands, speaking of the volume of option trades in UAL and AMR.

German Investigation

Deutsche Boerse AG spokesman Frank Hartmann said that exchange and German regulators are examining trading in stocks, options, and futures before the Sept. 11 attack. On Sept. 6 and Sept. 7, trading almost doubled the average for the past six months in shares of Munich Re, the biggest reinsurer. Initial spot checks had found nothing irregular, Hartmann said. Jean-Claude Trichet, governor of the Banque de France, said today that investigations into trading must be carried out "to know what really happened, to be wary of rumors." "We're in a world where everything is possible and we must believe the facts -- the proven acts," he said in an interview with Europe 1 radio. One day before two American Airlines jets were hijacked and crashed, 1,535 contracts changed hands on options that let investors profit if AMR stock falls below \$30 per share before Oct. 20. That was almost five times the total number of those October \$30 put options traded before Sept. 10, according to Bloomberg data. AMR shares fell \$11.70 yesterday to \$18.

Trading Records

Those 1,535 contracts were worth \$1.6 million at yesterday's closing price compared with \$337,700 at the end of trading on Sept. 10, according to Bloomberg data. A contract represents options for 100 shares. Similarly, October \$30 put options for UAL soared, with 2,000 contracts traded on Sept. 6, three trading days before the attack. A total of 27 contracts had traded previously. UAL shares fell \$13.32 yesterday to \$17.50. The 2,000 contracts were valued at \$2.4 million today, compared with \$180,000 on Sept. 6. Stocks of airlines, insurers and investment banks already had been declining for months because of concerns about slowing economies and falling stock markets around the world. On Sept. 10, the day before the attacks, AMR was down 25 percent from the start of the year, UAL was down 22 percent and

Morgan Stanley shares were down 42 percent since Feb. 1. Trading records may help show whether Osama bin Laden or other terrorists were behind high-volume trading in airline, brokerage, and insurance stocks or options, and may help securities regulators trace a money trail to some of those responsible for the attacks at the World Trade Center.

European Regulators

"It's a matter of great interest to intelligence. To the extent we find this evidence, we shouldn't just focus on it as proof of insider trading but as evidence of a desire to commit murder and terrorism," said Columbia University law professor John Coffee. In addition to Germany, European regulators in France, Italy, Spain and the U.K. are examining trading around the dates of the attacks for irregularities, spokespeople said. Japan's Securities and Exchange Surveillance Commission is probing futures trade in Tokyo and Osaka, SESC officials said. On the Osaka Securities Exchange, 8,826 Nikkei-225 December futures contracts changed hands on Sept. 10, compared with a daily average of 1,151 contracts in the previous week, according to Bloomberg data. Hong Kong's stock exchange and the market regulator are also checking for unusual trading activities. Banking regulators told lenders to check suspicious accounts for any connections with alleged terrorist Osama bin Laden. Surging Options At Morgan Stanley, trading in October \$45 put options jumped to 2,157 contracts between Sept. 6 and Sept. 10, almost 27 times a previous daily average of 27 contracts. Morgan Stanley shares yesterday fell \$6.40 to \$42.50.

Other brokerage and insurance companies where options trading surged include: -- Citigroup Inc., which has estimated that its Travelers insurance unit may pay \$500 million in claims from the World Trade Center attack. It had a jump in trading of October options that profit if shares fall below \$40 apiece. Almost 14,000 of those options contracts were traded from Sept. 6 to Sept. 10 -- about 45 times the previous daily average. Citigroup shares fell \$2.85 yesterday to \$39.60. -- Bear Stearns & Cos., where investors traded 3,979 contracts from Sept. 6 to Sept. 10 on September options that profit if shares fall below \$50. The previous average volume for those options was 22 contracts. Bear Stearns shares fell \$3.79 on Monday to \$46.45. -- Marsh & McLennan Cos., the biggest insurance brokerage, which had 1,700 employees working in the World Trade Center. Traders on Sept. 10 exchanged 1,209 contracts on options that profit if company shares fall below \$90 through the third week of September. Previously, 13 contracts had traded on an average day. Marsh & McLennan shares fell \$2.50 yesterday to \$84.50.

ASIA

Korea, New Zealand Central Banks Cut Interest Rates (Update2) By Seyoon Kim Seoul, Sept. 19 (Bloomberg) -- Korea and New Zealand cut interest rates by half a point, joining central banks across Asia, Europe and the U.S. to bolster consumer and investor confidence. The Bank of Korea's benchmark overnight call rate is now at a record low 4 percent. New Zealand's official cash rate is at 5.25 percent after Governor Don Brash announced the first half-point cut since the rate was introduced in March 1999. Brash and Bank of Korea Governor Chon Chol Hwan are attempting to buoy domestic demand as they face falling exports to the U.S. in the wake of last week's terrorist attacks. Exports make up 50 percent of the Korean economy and 30 percent of New Zealand production. The U.S. is the biggest and second-largest market respectively for each country. "There's a possibility that the economic slowdown could be more serious and prolonged as exports continue to fall, especially after the U.S. terror attack," Chon said. "We needed to act quickly to reduce any uncertainties in the markets." It's the first time the Bank of Korea has cut rates between scheduled monthly meetings. Today's moves follow the U.S. Federal Reserve's half-point cut and resulting reductions by central banks in Europe, Canada, England, Japan, Taiwan and Hong Kong. Australia has ruled out cutting rates yet.

Retailers Welcome Cut

Korea's rate cut may help boost consumer spending at retailers like Hyundai Department Store Co. "For us, a rate cut is like hitting two birds with one stone. Customers will increase their spending while we can cut expenditure on interest payment," said Jeong Jin Yun, a manager at Korea's second-largest department store chain. The Bank of Korea expects growth to slow to 3.8 percent this year from last year's 8.8 percent, according to its latest forecasts, made before last week's attacks, which destroyed New York's World Trade Center and damaged the Pentagon, killing thousands. The bank said in a statement today that forecast may be missed. It also said it will expand lending to companies through commercial banks by 2 trillion won (\$1.54 billion) and cut its company lending rate to 2.5 percent from 3 percent. "The decision is more than a welcome to us. We can look for cost-savings and more aggressively set up sales plans," said Hyundai's Jeong. Hyundai, which has 12 department stores nationwide, plans to open one more store next year. The company's borrowing is likely to increase to 370 billion won from 320 billion at the end of last year, Jeong said. The rate cut comes a day after the government said it will pump as much as 6.8 trillion won into local stock markets, aiming to stem a 14 percent slide in the benchmark KOSPI index the past week. The KOSPI rose 1.3 percent in early trade, led by Korea Telecom Corp., banks and brokers.

New Zealand 'Timely'

New Zealand's cut, reducing the cash rate to its lowest since January last year, also was made between scheduled reviews and surprised economists, who expected the central bank to announce a quarter-point move when it meets Oct. 3. It last cut rates by a quarter point on May 15. "It's a timely and appropriate move in sympathy with what central banks around the world are doing," said Brent Waldron, chief financial officer at Warehouse Group Ltd., New Zealand's largest retailer. "It certainly will help to forestall any nervousness that might have been around." The Swiss National Bank, the Danish central bank, the Bank of Canada, Sweden's Riksbank, Taiwan's Central Bank of China and the Hong Kong Monetary Authority all lowered their benchmark interest rates a half percentage point since the Fed moved. The Bank of England yesterday lowered rates a quarter-point and the Bank of Japan cut its mostly symbolic discount rate 15 basis points to 0.10 percent and said it would pump more money into the world's second-biggest economy. Yesterday, though, Reserve Bank of Australia Governor Ian Macfarlane said there was nothing "urgent" about cutting rates in that country.

Market Reaction

"It seems more likely now that the current slowdown in the world economy will worsen," New Zealand's Brash said in a statement. "New Zealand's short-term economic outlook will be adversely affected." New Zealand bank bills rallied, driving the three-year yield to a six-month low, after the central bank move. The implied yield on the December 90-day bank bill futures contract dropped 19 basis points to 5.22 percent; the New Zealand dollar, or Kiwi, has fallen to 41.1 U.S. cents from 41.3 U.S. cents before the announcement. "It was clearly a surprise," said Stephen Toplis, an economist at Bank of New Zealand Ltd. "My immediate view is that it was unnecessary to move before October, that a couple of weeks would have made no difference."

BEF

Reynders : moins de 2% de croissance en 2001

Le ministre belge des Finances et président de l'Eurogroupe, Didier Reynders, a estimé "peu probable" que la croissance dans la zone euro pour 2001 atteigne les 2%. "Atteindre une croissance de 2% aurait pu être possible si les événements du 11 septembre dernier n'avaient pas eu lieu", a déclaré mardi le ministre belge des Finances et président de l'Eurogroupe, Didier Reynders lors d'une conférence à la Banque nationale de Belgique. (EB)

EUR

European Inflation Slows for Third Month in August to 2.7%

Brussels, Sept. 18 (Bloomberg) -- European inflation slowed for the third month in August, leaving the door open for more interest-rate reductions amid concern the terrorist attacks in the U.S. may tip the world economy into recession. Prices in the 12 countries using the euro were unchanged in August, the European Union's statistics office said. Prices rose 2.7 percent from a year earlier, slowing from a 2.8 percent pace in July. The European Central Bank lowered its main interest rate by a half-point to 3.75 percent yesterday, joining the U.S. Federal Reserve in an effort to restore consumer and business confidence. The likely decline in inflation toward the ECB's 2 percent target may pave the way for more reductions, analysts said. "There's room for more cuts after this," said Estefania Ponte, an economist at Beta Capital in Madrid. "Rates have been lower here before, and the economy can slow more." The economic expansion in Europe slowed to 0.1 percent in the second quarter, the weakest pace in more than four years. The U.S. economy grew 0.2 percent, its slowest pace in eight years. The destruction of the World Trade Center has created "increased uncertainty about the further developments in the U.S." and the world, ECB council member Klaus Liescher said today in Vienna. He called the rate cut "appropriate" because slower growth suggests inflation may slow further.

Duisenberg Optimistic

The ECB had resisted paring rates because inflation has surpassed its target for 15 months, rising as high as 3.4 percent in May. President Wim Duisenberg forecast last week that inflation will dip under 2 percent in the first half of 2002. Inflation is falling because of declining energy prices. The cost of a barrel of crude oil fell 11 percent in June and 3 percent in July, allowing refiners to cut the price of gasoline and other energy products. Energy prices fell 0.9 percent in August and rose 2.1 percent in the year, today's report showed. Retailers also said strong competition is restraining prices rise. German retailers including Kaufring AG and Spar Handels-AG are reducing the number of jobs amid sluggish consumer spending. "Competition in Germany is leaving hardly any scope for retailers to raise prices," said Hubertus Pellengahr, spokesman for the German retailers association. "We hope that prices will stay at least stable," and not fall, he said.

Export Woes

Slowing growth in the U.S. has trimmed demand for European products in the world's largest economy. Exports from the countries using the euro fell 1.2 percent in the second quarter from the first. The U.S. buys 14 percent of Europe's exports. "One can't be against a little boost if the economy needs a hand to resist the slowdown," said Gerard Mestrallet, chief executive of Paris-based Suez SA, the world's second-

largest water company. France had the lowest annual inflation, at 2 percent, and the Netherlands had the highest, at 5.2 percent. Inflation was 2.6 percent in Germany and 2.8 percent in Italy. Consumer prices in the 15-country EU, which includes non-euro users Denmark, Sweden, and the U.K., rose 0.1 percent in August and 2.6 percent from a year earlier.

GBP

U.K. Inflation Rose to 2.6% in August, Above Target

London, Sept. 18 (Bloomberg) -- U.K. consumer prices grew at their fastest rate in more than two years in August, as the cost of goods and services ranging from food to summer vacations went up. Retail prices excluding mortgage interest payments, the Bank of England's main gauge of inflation, rose 2.6 percent in August from a year ago, passing the bank's 2.5 percent target, National Statistics said. "People are still spending," said Julie Hullis, the manager of the Crockery Barn, a housewares retailer in Suffolk. "Sometimes we have to put the prices up, and people say, 'that's that,' if they want it, they buy it." The figures probably won't have a decisive influence on the Bank of England's next interest rate decision. The central bank is focused on preventing an economic slowdown after last week's terrorist attacks in the U.S. threatened confidence worldwide. The bank declined to cut its benchmark rate yesterday, after the Federal Reserve, the European Central Bank, and the Swiss, Canadian and Swedish central banks all lowered key rates half a point. They moved as stock markets opened in the U.S. for the first time since the attacks on Sept. 11. The Dow Jones Industrial Average eventually closed down more than 7 percent. "They would have known these numbers yesterday and it could be the reason they didn't move," said Ross Walker, an economist at the Royal Bank of Scotland Plc. "But these moves are more about boosting confidence. We expect a rate cut from the Bank of England today, and if they're going to go a half point is more likely than a quarter." Cut Expected Investors also expected the Bank of England to follow suit and lower its benchmark rate, now 5 percent -- if not today, then at its next meeting, which ends Oct. 4. Yields on December interest rate futures fell to 4.37 percent yesterday from 4.72 percent on Sept. 10, the day before the attacks. The yield was little changed after the inflation report, at 4.34 percent. "The Bank of England already is tolerating overly strong consumer demand, and it still cut rates in August," Brian Hilliard, an economist with Societe Generale, said before the report. "They are looking over the hill to what the impact on world trade will be." The benchmark measure of inflation rose 0.4 percent from July. Economists had expected a monthly gain of 0.1 percent and a 2.4 percent annual increase. In July, the measure fell 0.6 percent and rose 2.2 percent for the year. Last month's gain was the fastest since March 1999, when it reached 2.7 percent, the last time it exceeded the bank's target. All Rise A broader measure of retail price growth that includes interest payments rose 0.4 percent in August and 2.1 percent from a year ago. That compares with July's decline of 0.6 percent, when annual growth was 1.6 percent. Economists predicted gains of 0.1 percent and 1.7 percent for the year. Leisure services, which includes entertainment and domestic and foreign vacations, rose 6.6 percent from a year ago, up from 6.5 percent the month before. Housing costs, which include rent and maintenance, rose 2.3 percent from a year ago. Fuel and light costs also went up 2.3 percent. Seasonal food costs rose 10 percent from a year ago. That compares with 6.6 percent growth in the year through July. Non-seasonal food prices rose 2.4 percent from a year ago after growing 2.2 percent in the year through July. Britain's economy was slowing even before last week's attacks. Exports to the U.S., which took 16 percent of U.K. goods last year, declined 13 percent between July and February. Industrial production fell in July at its quickest annual pace since the Britain's last recession ended in 1991. Growth in the U.K. slowed to 2.1 percent in the second quarter from a year ago from 2.7 percent in the first. The bank's response to the slowdown -- trimming interest rates -- has stimulated consumer spending. Retail sales growth accelerated to 6.3 percent the year through August from 6.1 percent the month before. Even so, trade groups and shop owners complain the growth came at the expense of lower prices. "There is no evidence of a worrying inflationary trend," Bill Moyes, the director general of the British Retail Consortium, said earlier this month when the group said shop prices fell between July and August. "Consumer sales remain healthy rather than out of control."

Bank of England Cuts Rate by Quarter Point, Following Fed

London, Sept. 18 (Bloomberg) -- The Bank of England cut its key interest rate by a quarter point to 4.75 percent, the lowest level in 40 years, joining the U.S. Federal Reserve and European Central Bank in an attempt to prop up the world economy. Yesterday, the Fed, European Central Bank, Bank of Canada, Swiss National Bank and Swedish central bank cut benchmark interest rates by half a point each, after last week's attacks on the U.S. threatened to push the world economy into recession. The Danish central bank today lowered its main rate by a half point. "There's incredible resolve around the world" to underpin the economy, and central banks will provide support to financial markets, said Paul Rayner, who oversees 500 million pounds (\$732 million) in bonds at Societe Generale Asset Management. The destruction of the World Trade Center on Sept. 11 caused the FT-SE 100 Index to fall 6 percent, and the index is still down 4 percent since the attack. The yield on two-year government bonds has declined by a third of a percentage point in a week, to 4.49 percent -- a level not seen since the 1992 recession. The Bank of

England has trimmed rates five times this year, by a total of 1.25 percentage points, to revive growth in Europe's second-largest economy. U.K. GDP is likely to grow 2 percent this year, down from 3 percent in 2000, the IMF predicts. U.S. stocks plummeted Monday on the first day of trading since the attack on Sept. 11. The assault raised concerns that the U.S. economy, already faltering, would slide into recession. The Dow Jones Industrial Average dropped 7.13 percent, the Nasdaq Composite Index declined 6.83 percent, and the Standard & Poor's 500 Index fell 4.92 percent.

Joint Action

Today's move was the first time the Bank of England changed rates between scheduled meetings since it gained independence in May 1997. The reduction took the U.K.'s benchmark securities repurchase rate to the lowest it's been since May 1960. The Federal Reserve yesterday trimmed its benchmark rate to 3 percent, the lowest U.S. rates have been since January 1994, and the eighth reduction this year. The ECB followed the Fed two hours later, reducing its main rate by half a point to 3.75 percent. The reduction was the third this year by the ECB, and the first between scheduled meetings since the central bank took over monetary policy for the 12 nations sharing the euro in January 1999. The Bank of England's goal is to keep inflation within a percentage point either side of 2.5 percent. Inflation was at 2.6 percent in August, a report today showed.

USD

U.S. August Consumer Prices Rise 0.1%; Core Up 0.2%

Washington, Sept. 18 (Bloomberg) -- U.S. consumer prices increased in August, led by higher costs for medical care and housing, government figures showed. Energy costs, which declined, may rise in coming months after last week's terrorist attack. The consumer price index rose 0.1 percent last month after July's 0.3 percent decrease, which was the biggest drop since April 1986, the Labor Department said. The core CPI, which excludes volatile food and energy costs, rose 0.2 percent for a second straight month. The slowing economy and competition are forcing companies like Handspring Inc., a maker of handheld computers, to lower prices to entice shoppers. Still, any increase in energy prices stemming from the terrorist attacks may squeeze profits of corporations that have been cutting prices to boost demand. "The U.S. economy is very weak, so retailers have very little pricing power," said Sal Guatieri, senior economist at Bank of Montreal/Harris Bank in Toronto. "Inflation is likely to fall than rise in the months ahead" as the global economy slows, he said. Analysts surveyed by Bloomberg News had expected overall consumer prices to rise 0.2 percent and the index excluding food and energy to increase 0.2 percent. Tame prices have allowed Federal Reserve policy makers to respond to an economy that grew in the second quarter at the slowest rate in eight years. Yesterday, central bankers reduced the overnight bank lending rate a half percentage point to 3 percent, the lowest since February 1994. "Even before the tragic events of last week, employment, production, and business spending remained weak, and last week's events have the potential to damp spending further," the Fed said in a statement.

Terrorist Attacks

The attacks destroyed the World Trade Center in the heart of New York's financial district, killing thousands, and disrupted business coast-to-coast. The hijacking of four jetliners and destruction of U.S. targets threatens to erode consumer confidence that is already being sapped by increased unemployment. So far this year, the CPI is rising at a 2.5 percent annual pace, compared with a 3.5 percent pace in the same period last year. The core rate is running at a 2.9 percent pace, compared with a 2.6 percent rate through August of last year. In a separate report, the Labor Department said average weekly earnings adjusted for inflation rose 0.3 percent in August after rising 0.2 percent in July. The U.S. has experienced the slowest 12 months of economic growth since the last recession, and it's expected to worsen following the attack. The economy cooled to a 0.2 percent rate in the second quarter. It was the fourth quarter in a row that growth was below 2 percent, which hasn't happened since the 1990-1991 recession.

Energy Costs

Energy costs pushed down the index of consumer prices in August. Energy prices, which account for about a tenth of the index, fell 1.9 percent in August after falling 5.6 percent. Gasoline costs dropped 2.4 percent in July after an 11 percent decrease. Still, prices at the pump may start to increase. Last Wednesday, retail gas prices rose an average 1.2 cents, or 0.8 percent, to \$1.541 a gallon, according to the American Automobile Association, a motorists group based in Heathrow, Florida. Prices rose in most cities, with increases of up to 18 cents in some places and declines in a few. Exxon Mobil Corp., BP Plc and Chevron Corp. issued statements last week saying they would try to keep from raising prices at the stations they own and operate. Exxon, the largest oil company, also urged customers to maintain "normal buying habits." Housing costs, which include some energy costs and account for one-third of the index, increased 0.3 percent in August after no change in July. The costs of shelter and lodging away from home increased last month.

Medical Care

Medical care costs increased 0.5 percent last month after a 0.1 percent rise the month before. Hospital services, prescription drug and physicians' services increased in August. Still, prices of other goods are tame. Clothing costs fell 0.6 percent for a second straight month. They haven't increased in five months. Discounters like Wal-Mart Stores Inc. offered unusually steep price cuts as consumer confidence dropped a four-month low in August. Department stores and apparel chains offered coupons and preseason specials on fall goods to boost demand. In July, apparel prices fell 0.6 percent. Computer costs plunged 5.1 percent last month following a 1.7 percent decline in July. Handspring cut prices on most of its products to spur demand, reduce inventory and fight off rivals, after making reductions three months ago. Four of five Visor computer models were reduced. The biggest price cut was to Visor Edge, lowered 25 percent to \$299 from \$399, the company said in a statement. Computer prices are down 29.6 percent from August of last year.

Air Fares

Air fares declined 1.8 percent in August. Many airlines had reduced fares this year to lure customers as companies scale back on business travel. Food prices, which account for about a fifth of the index, rose 0.2 percent in August after rising 0.3 percent the month before. August's increase was led by chicken, dairy products and vegetables. The CPI is the government's broadest gauge of costs for goods and services. About 55 percent of the CPI covers prices consumers pay for services, ranging from medical visits to airline fares and movie tickets. Goods, including food, clothing, autos and appliances, make up the rest. New car and light truck prices fell 0.2 in August after showing no change in July. Industrywide, incentives are having less drawing power on consumers, said Art Spinella, an analyst at CNW Marketing Research in Bandon, Oregon. Total incentives for August, including both rebates directly from automakers and money that dealers have to offer price reductions, rose only about \$2 to \$4,029 a vehicle, Spinella estimated. Prices for tobacco and items such as cigarettes declined 3.8 percent in August, the biggest drop since a 5.2 percent plunge in September 1993.

Stock Exchanges

ASIA

Asian Stocks: Japan Rises, Led By Mizuho, Banks; H.K. Advances

Tokyo, Sept. 19 (Bloomberg) -- Japanese stocks rose, led by Mizuho Holdings Inc. and other banks, after the Bank of Japan said it will pump money into the economy, backing efforts by other central banks to boost consumer confidence. Tokyo Electric Power Co. and Seven-Eleven Japan Co. also rose as concerns about a war between the U.S. and Afghanistan following last week's terrorist attacks prompted investors to switch from exporters to companies that rely on domestic sales. The Nikkei 225 stock average rose 292.02, or 3 percent, to 9971.90, after rising as high as 10,061.10. The broader Topix Index gained 2.7 percent to 1040.21. "The BOJ and other central banks' efforts are certainly going to do something to help calm the market," said Naohiko Sasaki, who helps manage \$3 billion in Japanese equities at Kokusai Asset Management Co. "Until we know the impact of the U.S.' war, investors are going to put their money into safe havens" such as domestic-demand related stocks and drugmakers. In other markets, Taiwan's TWSE Index rose 0.2 percent after falling as much as 2.9 percent after government funds bought shares as trading resumed for the first time this week. China Mobile (Hong Kong) Ltd. and other telecommunications companies lifted the Hang Seng Index 1.6 percent on hopes their industry will be less affected by the fall-out from the attacks. Korea's KOSPI rose 0.4 percent after the Bank of Korea cut interest rates by half a point to a record low of 4 percent. Japan's Mizuho, the largest bank by assets, jumped 9.9 percent to 522,000 yen. Sumitomo Mitsui Banking Corp., the second-largest, advanced 7.8 percent to 1035 yen. The Bank of Japan said it will lower its mostly symbolic discount rate, which it charges banks, to 0.10 percent from 0.25 percent, as well as hold its target for commercial bank deposits above 6 trillion yen "for the time being." As a result, investors picked up domestic-demand oriented companies such as retailers and utility companies. Seven-Eleven Japan, the nation's largest convenience store chain, surged 11 percent to 4680 yen. Tokyo Electric Power, Asia's largest power producer, rose 3.5 percent to 3240 yen. Optimism that the government may cut capital gains taxes on stocks to encourage more stock purchases also supported shares. A committee appointed by Prime Minister Junichiro Koizumi recommended the tax be cut to 20 percent from 26 percent.

Taiwan

Taiwan's TWSE Index gained 6.55 to 3781.17. Some banks rose as the government stabilization fund bought shares to boost investor confidence after the market plunged 12 percent last week, traders said. China Development Industrial Bank, the biggest lender by market value, rose 6.3 percent to NT\$20.30, after falling to a 52-week low earlier. Chinatrust Commercial Bank, the second-biggest lender by market value, rose 4.4 percent to NT\$19. Yesterday's interest rate reduction may help ease the burden of non-performing loans for lenders, though credit growth is unlikely to recover soon, said Michael Spencer, chief Asian economist at Deutsche Bank AG. Leaving the market mixed, Taiwan Semiconductor Manufacturing Co. fell 2.7 percent to NT\$54 after local investors dumped shares as they raised cash to pay for repairs to their properties after Typhoon Nari swept across the island.

Hong Kong

Hong Kong's Hang Seng Index 152.15 to 9460.05, ending a two-day, 3.6 percent decline. China Mobile, a unit of China's largest mobile telephone company, rose 5.7 percent to HK\$23.30. Hutchison Whampoa Ltd., Asia's biggest investor in European phone companies, rose 2.3 percent to HK\$54.75. They rose after Vodafone Group PLC gained

4.7 percent in London, Deutsche Telekom AG gained 1.6 percent, and AT&T Corp., the biggest U.S. long-distance phone company, added 4.5 percent. "People are expecting more long distance calls as they are likely to travel less now," said Kenneth Lau, an analyst at CSC Securities (H.K.) Ltd. "The Chinese phone companies will also be less affected by the terrorist attacks in the U.S. as almost all their revenue comes from the domestic economy." Airlines rose as concerns about high fuel costs eased. Crude oil prices fell almost 4 percent to \$27.70 a barrel on expectations of weaker demand from the U.S. Cathay Pacific Airways Ltd., Hong Kong's only long-haul airline, rose 5 percent to HK\$6.35. China Southern Airlines Co., China's largest carrier, rose 5 percent to HK\$1.47.

Korea

Korea's Kospi added 1.82 to 486.75. Construction shares gained as lower interest rates may reduce the cost of financing projects. Hyundai Engineering & Construction Co., Korea's largest contractor, rose 5.1 percent to 3200 won. Hyundai Development Co., the nation's largest apartment builder, added 2.6 percent to 5540 won. Daelim Industrial Co. gained 3.2 percent to 9940 won. Adding to the index's gains, Korea Telecom Corp. rose 3.2 percent to 43,550 won on expectation the government will sell a part of its stake in the company to domestic investors in January as part of its privatization plan. "Investors may shift their money from bond investments to equity purchases on such declining interest rates," said Kang Pyung To, who manages \$231 million at Kyobo Investment Trust Management Co. Kang said he's buying Korea Telecom shares.

EUR

Europe closes lower

Bank of England rate cut, U.S. stabilization fail to influence sentiment

NEW YORK (CNNfn) - Europe's major bourses closed lower Tuesday, lacking inspiration from a modest rate cut by the Bank of England and some stabilization in the U.S. markets. London's FTSE 100 lost 50 points to close 1 percent lower at 4,848.70, having earlier fallen over 2.2 percent to 4,772.2 as banks and drugs pulled blue chips into the red. France's CAC 40 closed 1.13 percent lower at 3,970.18 after recovering from an earlier session low of 3,891.32. In late trading, Frankfurt's electronically traded Xetra Dax lost 1.06 percent to 4,189.85. U.S. stocks early Tuesday took a modest step back up as investors, in the second day of assessing the economic fallout from last week's terrorist attack, sought value in technology issues. Britain's leading shares fell Tuesday but bounced off session lows after Wall Street put the brakes on a slide and turned higher. "Markets in Europe moved down after a turnaround in the U.S. markets. The good news was that the Bank of England cut interest rates at the same time other European bourses and the Bank of Japan joined in," said Khuram Chaudhry, equity strategist with Merrill Lynch in London. But the quarter-percentage-point interest rate cut by the Bank of England failed to breathe life into the UK market, which viewed the move as too little too late. On Monday, the European Central Bank surprised markets with a half-point interest rate cut, a few hours after an equal cut by the U.S. Federal Reserve earlier. Banks and drugs were the main FTSE losers, taking 23 and 18 points respectively off the index with HSBC, Lloyds and Royal Bank of Scotland slipping. "The markets are still very defensive in tone. Airlines are still being hit quite sharply. But we saw some renewed interest in some of the telecommunication names," Chaudhry said. Telecom stocks staged a late rally with Vodafone and British Communications closing over 4 percent higher. French shares were mired in red, but off session lows. Aerospace firm EADS continued its freefall, shedding another 10 percent amid worries its Airbus civil aviation unit could face fewer orders for new aircraft and potential cancellations as passengers grow fearful of flying after last week's air attacks. In the technology sector, comments by Computer Associates International that it expected last week's tragedy and its economic fallout to delay the sector's recovery, pushed chipmaker STMicroelectronics and software firm Dassault Systemes down 5 percent each. Banking shares like BNP Paribas and Societe Generale both also sagged more than 3 percent amid concerns that lower European rates will cut their interest margins. Germany's main airline, Lufthansa, took a hit while shares in KLM Royal Dutch Airlines dived 9.6 percent in Amsterdam in afternoon trading after it said it expects an operating loss for 2001 as a result of the U.S. attacks. Air France also shed value Tuesday in Paris.

USD

U.S. Stocks Fall; GE, American Express Shares Decline on Profit Concern

New York, Sept. 18 (Bloomberg) -- U.S. stocks extended yesterday's losses on concern the terrorist attack on the World Trade Center and Pentagon will push the economy into a recession. General Electric Co. and American Express Co. declined as investors speculated slower consumer spending and reduced air travel after the assault will crimp the companies' profits. "The stock market is going to be a tough place to make money in the near term," said Eric Thorne, who oversees \$2 billion at Bryn Mawr Trust Co., in Bryn Mawr, Pennsylvania. "The terrorism act and its effect on the economy will drive" share prices. The Standard & Poor's 500 Index fell 6.03, or 0.6 percent, to 1032.74. The Nasdaq Composite Index erased a 1.6 percent gain, falling 24.47, or 1.6 percent, to 1555.08, as semiconductor stocks dropped. The Dow Jones Industrial Average lost 17.30, or 0.2 percent, to 8903.40. More than three stocks fell for every two that rose on the Nasdaq Stock Market and the New York Stock Exchange. Even with the Jewish new year keeping some traders and investors at home, more than 1.6 billion shares changed hands on the Big Board, according to preliminary figures, the seventh-most on record. The NYSE had its busiest day yesterday as stock trading resumed after the attack.

GE, American Express Drop

General Electric, which makes aircraft engines and faces insurance losses from the destruction of New York's twin towers, fell \$1.30 to \$33.85. GE's chairman, Jeffrey Immelt, postponed until Friday an investor meeting scheduled for tomorrow that would have been his first since succeeding Jack Welch. Company executives are assessing the damage to GE's businesses, which also include broadcasting and aircraft leasing. American Express lost \$2.87, or 9.5 percent, to \$27.38 and has fallen 22 percent in the first two sessions since the attack. The largest travel agency said drops in travel-related and mutual-fund revenue will help push quarterly profit below forecasts. "I think people are very concerned about consumer spending, which has a big effect on American Express," said Bill Rutherford, who oversees \$100 million at Rutherford Asset Management in Portland, Oregon. "And GE has exposures in a number of areas." Honeywell International Inc. fell 99 cents to \$28.51, extending yesterday's 17 percent decline. The maker of aircraft instruments and controls reduced its third-quarter and full-year profit estimates and said it will cut 3,800 additional jobs as it loses airline-industry sales after last week's assault. Planemaker Boeing Co. dropped \$2.66, or 7.4 percent, to \$33.14, adding to an 18 percent loss yesterday.

Airlines Gain

Airline stocks pared some of yesterday's losses. Delta Air Lines Inc. rose \$2.29 to \$22.93; AMR Corp., parent of American Airlines, climbed \$2 to \$20; and UAL Corp., owner of United Airlines, jumped \$1.49 to \$18.99. The heads of a half-dozen airlines, including Don Carty of AMR and Jim Goodwin of UAL, met this morning with Transportation Secretary Norman Mineta. They are seeking as much as \$24 billion in government assistance and have raised the possibility that some companies will be forced into bankruptcy if they don't receive aid. The airlines considered most vulnerable to bankruptcy had smaller gains today. America West Holdings Corp. gained 30 cents to \$3.30 and is still down 62 percent since the attack. U.S. Airways Group Inc. rose 24 cents to \$5.81 and is down by half since the disaster. Investors continued to adjust their holdings based on new information, and new ideas, about how specific companies and industries might be affected by the terrorist attack.

Tons of Research

"There's a ton of multipage research reports floating around saying here's what you should see in particular sectors," said David Briggs, head of equity trading at Federated Investors Inc., which manages \$145 billion in Pittsburgh. In the travel industry, Sabre Holdings Corp. rose \$1.95 to \$25.25, as investors bet its 41 percent decline yesterday was overdone. Walt Disney Co., which may lose revenue at its theme parks if scared travelers stay home, fell for a second day, losing 85 cents to \$18.40. United Technologies Corp., a rival of General Electric in the aircraft-engine business, rose \$1.57 to \$49.07. Insurers Fall Standard & Poor's said it will review the credit ratings of 55 insurers and reinsurers, and their stocks continued to fall. "A significant number of these companies are not as well positioned to absorb these exposures and are likely to receive downgrades," S&P said. It also said "many" of the companies have adequate financial flexibility and will have their ratings affirmed. None of the insurers were specified. Among the biggest decliners were several small reinsurance providers. Ace Ltd. fell \$2.52 to \$25.99, PartnerRe Ltd. lost \$3.01 to \$34.10, and XL Capital Ltd. slid \$3.01 to \$68.60. American International Group Inc. fell 95 cents to \$70.05, and Chubb Corp. lost \$1 to \$62.05. Rutherford said he sold shares of AIG yesterday and will probably sell GE. He also sold Chico's FAS Inc., a women's clothing retailer, believing it will be hurt by a slowdown in consumer spending. Chico's fell \$3.20 to \$23, for a two-day, 31 percent drop. Makers of business software that tracks customer accounts fell, including PeopleSoft Inc., which shed \$4.49 to \$20.46, and Siebel Systems Inc., which dropped \$1.94 to \$14.77. PeopleSoft and Siebel were among the stocks leading the Nasdaq lower. Sales at the end of the quarter may fall short as customers delay purchases of their software following the terrorist strike, said Loomis Sayles & Co. analyst Tony Ursillo, whose firm manages \$65 billion. PeopleSoft and Siebel depend on completing sales at the end of the quarter because customers hold out for discounts.

Microsoft, Oracle, Immunex Gain

Among other software makers, Microsoft Corp. rose \$1.41, or 2.7 percent, to \$54.32, paring a 4 percent advance. Oracle Corp. gained 37 cents to \$11.38. Also among the Nasdaq's biggest gainers, Immunex Corp. climbed 90 cents to \$17.09. The drugmaker will be added to the S&P 500 after exchanges close Thursday, Standard & Poor's said. Addition to a major index usually boosts a stock because money managers who seek to duplicate the benchmark's performance must buy the shares. All seven stocks in the S&P 500 local telephone company group gained. Verizon Communications Inc. rose \$1.90 to \$51.70, SBC Communications Inc. climbed \$1.35 to \$45.65 and BellSouth Corp. advanced \$1.75 to \$41.25. Their profits are expected to hold up even in a slowing economy, analysts said. Long-distance providers such as AT&T Corp. and Sprint Corp. also climbed. AT&T rose 78 cents to \$18.30, and Sprint added 54 cents to \$22.13. "Regional Bell operating companies and a number of long-distance companies" were the favored "defensive" purchases today, said Matthew Johnson, head of trading at Lehman Brothers Inc.

Lehman in Jersey City

Lehman's trading operations have been moved across the Hudson River to Jersey City, New Jersey, where staff members can see their old offices at the World Financial Center, which was damaged in the attack and remains closed. Johnson said trading was running at 75 percent of capacity because of telecommunications problems. Lehman opened a \$35 million trading desk in the financial center the day before the attack on the twin towers across the street. "We have a view to downtown Manhattan, and we can see our building and the rubble," Johnson said. "But it's easy to be in our shoes. We got out." The Russell 2000 Index of smaller stocks fell 6.01, or 1.4 percent, to 411.66. The Wilshire 5000 Total Market Index, the broadest measure of U.S. shares, declined 74.38, or 0.8 percent, to 9516.31, reducing the market value of U.S. stocks by \$85.5 billion.

Exchange Rates

JPY

Japan Buys Dollars for Second Time to Stem Yen's Rise

Tokyo, Sept. 19 (Bloomberg) -- Japan bought U.S. dollars for the second time this week, stemming a rise in the yen that threatens to delay the second-biggest economy's recovery from recession. "Traditionally, exports have been a driving force for Japan's economy, and a pick-up is now crucial," said Yasukazu Shimizu, a senior economist at Aozora Bank. "A strong yen immediately hits Japan's major manufacturers, which are the core of the economy." The Bank of Japan, acting on behalf of the Ministry of Finance, stepped into the market as the dollar fell to 117.10 yen. The buying pushed the dollar to 118.11 yen. It was recently at 117.77 yen. The yen has risen 4 percent since last week's U.S. terrorist attacks. The move will help companies such as Bridgestone Corp. and Canon Inc., which are exposed to currency swings and had banked on a weaker yen. Bridgestone, which stands to lose 12 billion yen (\$100 million) in revenue for each one yen rise by the dollar, expects the dollar to average 118 yen this fiscal year. Sumitomo Rubber Industries Ltd., the nation's second-biggest tiremaker, expects the dollar will buy an average 120 yen this year. The company's group sales fall by 300 million yen for each one yen gain against the dollar. "The exchange rate makes a big difference on our sales," said Yoji Narita, a spokesman at Sumitomo Rubber. For Canon, each one yen move by the dollar may add or subtract 5.6 billion yen from group sales and 2.2 billion yen from current profit in the half year to December. The largest maker of office supplies is assuming the yen will average 120 to the dollar. "The intervention is favorable," said Canon spokesman Bunji Yano. "The exchange rate moving close to our base makes it easy for us to do our business. We hope (the government) will avoid the sharp fluctuations in the currency."

'Appropriate Action'

Japan bought dollars on Monday for the first time in 17 months, as the yen extended gains after terrorists destroyed the World Trade Center and damaged the Pentagon, sparking concern the world's biggest economy would slide into recession. "We today intervened in the currency market based on our stance that we will take appropriate action at the appropriate time," said Finance Minister Masajuro Shiokawa. Japan acted alone and is ready to sell more yen if needed, he said. Though Monday's action pushed the dollar as high as 118.27 yen from 116.65 yen, the Japanese currency resumed rising on concern the U.S. economy will take a bigger hit than initially estimated. Shiokawa today said the BOJ is willing to join forces with other central banks to slow the dollar's decline. A stronger yen reduces the value of Japanese exporters' overseas earnings when converted into yen. Shares in Toyota Motor Corp., which generates about 80 percent of its operating profit in the U.S., have fallen 13 percent since the attack, wiping about \$15 billion off its market value.

Blow to Economy

Government officials from Shiokawa to currency chief Haruhiko Kuroda have been saying for months they were prepared to sell yen to stop it rising. The yen's strength threatens to deal a further blow to Japan's economy, which shrank 0.8 percent in the second quarter and will probably shrink again this quarter, pushing it back into recession for the fourth time in little over a decade. With interest rates already close to zero and the government constrained from spending more by a debt load equal to about 130 percent of gross domestic product, policymakers have few options left to try to pull the economy out of an 11-year slump.

Money Left in Market

Bank of Japan Governor Masaru Hayami yesterday said the central bank has stopped mopping up the extra yen injected into markets when it buys dollars, effectively expanding the supply of money. Asked if the central bank had stopped mopping up the yen by selling bills and bonds to banks, Hayami said the BOJ made no distinction among funds in the market. "We will use all money, including funds used for intervention" in efforts to provide cash to the market, he said. That's the first time a BOJ official has acknowledged it is leaving the yen it has sold in the market. The BOJ yesterday cut its mostly symbolic discount rate, at which it lends directly to banks, to 0.10 percent from 0.25 percent, and said it will keep pumping more money into the economy.

USD

Dollar Weakens on Concern Recession, Stock Losses Are in Store

New York, Sept. 18 (Bloomberg) -- The dollar fell against the yen and Swiss franc for a fifth day in six as concern mounted that the world's largest economy will slide into recession and that U.S. stocks will decline further. The U.S. currency dropped to 117.38 yen, from 117.82 yesterday. It sank to 1.6018 Swiss francs from 1.6044, and was down 5.4 percent from before terrorists struck New York and Washington a week ago. The dollar traded at 92.42 U.S. cents per euro, little changed from 92.47 cents yesterday and within a cent of the six-month low of 93.31 cents reached yesterday. Traders said the dollar will be sold further if U.S. stocks sink again. Shares plunged yesterday in the first trading day since the attacks. The Dow Jones Industrial Average had its biggest-ever decline in points, losing 684.81, or 7.1 percent. The Nasdaq Composite Index dropped 6.8 percent, and the S&P 500 index declined 4.9 percent. "If stocks continue to fall, there'll be a flight back into the euro again," said Karl Halligan, chief trader at

the New York branch of CIC Bank, France's No. 5 bank. "The dollar will play very much off the equity markets in the U.S. today." The U.S. relies on foreign capital to sustain the dollar and the currency may decline if international investment dwindles, said Michael Lewis, a strategist at Deutsche Bank in London. Investors are also waiting to see what steps the U.S. will take in retaliation for last week's terrorist acts, said Steve Barrow, a strategist at Bear Stearns International Ltd. in London. The attacks, which destroyed the World Trade Center in New York and damaged the Pentagon in Washington, may lead to military reprisals that hamper economic growth, investors said. The U.S. economy expanded at its slowest pace in eight years in the second quarter, and the effect of the attacks on consumer confidence may cause a recession. `

Drawn-Out Campaign'

"The risk for the U.S. economy is clearly that this is a long, drawn-out campaign with no easy enemy to fight," said Tony Robinson, chief investment officer at Attica Asset Management in London, which has about \$200 million of assets. "We had changed our dollars into euros already, and, obviously, we're keeping that position now." Robinson expects the U.S. economy to contract during the third and fourth quarters. Major currencies have benefited as investors sought a haven for their money, analysts said. Investors typically keep their money at home in times of crisis, which may weigh on currencies of countries such as the U.S. that have current-account deficits. The dollar was little changed after a report showed U.S. consumer prices rose less than expected in August, leaving the Federal Reserve room to cut interest rates without accelerating inflation. Fed policy makers lowered the benchmark lending rate 50 basis points in an unscheduled decision yesterday, to 3 percent, to shore up investor and consumer confidence before U.S. stock markets opened for the first time since the attacks. The Fed had already cut rates seven times this year to spur the economy. The European Central Bank matched the Fed's move yesterday in a bid to spur growth, and central banks in the U.K., Canada, Switzerland, Japan, Sweden, Denmark, as well as Taiwan's Central Bank of China and the Hong Kong Monetary Authority, have also lowered borrowing costs.

Oil

Saudi Arabia Says OPEC to Keep Current Price Targets (Update1) By Le-Min Lim Shanghai, Sept. 19 (Bloomberg) -- Saudi Arabia, the largest oil producer, said OPEC will maintain its \$22 to \$28 a barrel price target and will ensure oil supply despite concern terrorist attacks may lead to a fall in shipments from the Middle East. "Those who are concerned that the recent World Trade Center attack would disrupt supplies should be assured that OPEC will not allow that to happen," Ali al-Naimi, the Saudi oil minister, said in an interview. "We will make up shortages in supplies wherever they happen and for whatever reason." U.S. President George W. Bush has declared war on terrorists and said he wants the prime suspect in the attacks on the World Trade Center and the Pentagon, Osama bin Laden, "dead or alive." The United Nations Security Council told Afghanistan's Taliban rulers to hand over bin Laden. Crude oil for October delivery yesterday fell \$1.11, or 3.9 percent, to \$27.70 a barrel on the New York Mercantile Exchange, the second floor-trading session since last week's terrorist attacks shut U.S. markets. Crude fell on expectation demand will slow and amid speculation OPEC may lower its price target.

Production

The Organization of Petroleum Exporting Countries, which pumps two-fifths of the world's oil, has been cutting its production quotas to keep the price of its oil between \$22 and \$28 a barrel. On Monday, its benchmark index of the so-called OPEC basket of seven crude oil types was at \$26.62 a barrel. Including its latest cut, which began at the start of this month, the group's members have agreed this year to trim daily production by 3.5 million barrels, or about 4.5 percent of world demand. OPEC members will meet in Vienna on Sept. 26 and have yet to decide on any changes in oil production, al-Naimi said. Oil prices fell almost \$2 a barrel in the past few days, showing the rally immediately after the World Trade Center attack was purely speculative, al-Naimi said. Saudi Arabia, the largest producer in OPEC, plans to maintain spare production capacity of 2 million barrels a day, he said. Crude oil for October delivery reached \$29.98 a barrel in a shortened electronic trading session in New York Friday. It recently traded at \$27.80.

Company News

Accor

Accor : bénéfice net en hausse de 14% et profit warning

Le groupe d'hôtellerie et de services aux entreprises Accor a annoncé mercredi une hausse de 14,3% de son bénéfice net, part du groupe, au premier semestre 2001 à 224 millions d'euros, contre 196 millions EUR un an plus tôt. Le résultat brut d'exploitation a progressé de 12,8% à 960 millions EUR, contre 851

millions EUR un an plus tôt, a-t-il précisé dans un communiqué. Accor a indiqué que les attentats du 11 septembre dernier aux Etats-Unis, "compte tenu de leurs conséquences psychologiques fortes, auront d'ici la fin de l'année, un impact défavorable sur les activités liées au tourisme international". "Sans que cela ait aujourd'hui une valeur de prévision, l'année 2001 pourrait se traduire par un résultat avant impôt voisin de celui de 2000. le bénéfice par action pourrait également être du même ordre que celui de l'an passé", a-t-il estimé. Avant les événements du 11 septembre, les dernières prévisions du groupe pour 2001 portaient sur une progression de 10% du résultat avant impôt et de 15% du résultat net. (EB)

Boeing

Boeing to Eliminate Up to 30,000 Jobs; Forecasts Cut

Chicago, Sept. 19 (Bloomberg) -- Boeing Co. will slash as many as 30,000 jobs, or 15 percent of its workforce, as last week's terrorist attacks threaten to bankrupt airlines and slow the world's economy. The biggest maker of commercial jetliners said it expects to deliver about 500 planes this year, down from an earlier estimate of 538, and around 400 next year compared with its forecast of at least 510. Boeing said deliveries will fall again in 2003. The 20 percent decline in production is equal to \$6 billion in sales and makes it more likely Boeing's earnings will drop next year, analysts said. Boeing Chairman Phil Condit had been pushing the company into new businesses such as satellites and in-flight Internet services, in part to lessen the effect of swings in the economy and an already slowing aircraft market. "This dashes hopes for a soft landing and foils the company's plans for a consistent string of profitable results," said Richard Aboulafia, director of aircraft consulting at the Teal Group in Fairfax, Virginia. Boeing's largest customers include AMR Corp.'s American Airlines, Delta Air Lines Inc. and Continental Airlines Inc., which have said they may run out of cash this year and are seeking \$24 billion in government aid. Industry losses this year are now forecast to exceed 1992's record \$4.8 billion. "If the airlines don't stay financially viable, we have an even bigger problem," said Alan Mulally, chief executive of Boeing's jetliner business. "We're assuming that one way or another, the airlines will find a way to stay alive." Carriers have slashed schedules much as 23 percent and cut more than 28,000 jobs since last week's attacks. Boeing said its delivery reductions are in line with the airline industry's cutbacks in scheduled flights. Airbus SAS, the only other maker of large commercial jetliners, is also lowering its production goals. The planemaker may deliver as few as 350 jetliners in 2003, down from an initial goal of more than 450, BAE Systems Plc, a 20 percent shareholder in the planemaker, said last week.

Tough Decisions

Boeing, which moved its headquarters to Chicago from Seattle this month, employed 95,200 in its jetliner business as of March, the majority in the Puget Sound region surrounding Seattle. The company employs 199,000 overall. The job reductions are expected to be completed by the end of 2002. "We are making tough business decisions," Condit said in a statement. The Federal Reserve cut its overnight bank lending rate half a percentage point to 3 percent yesterday and Fed Chairman Alan Greenspan will meet with lawmakers tomorrow to discuss how to help the economy avoid recession. Almost \$591 billion of value in U.S. stocks was erased yesterday, the first day of trading since the toppling of the World Trade Center, according to the Wilshire 5000 Total Market Index, the market's broadest indicator. Boeing's shares tumbled 18 percent when trading resumed after the four-day halt. The stock dropped \$2.66, or 7.4 percent, to \$33.14 today. It's down 42 percent in the past year. Boeing, the second-largest U.S. defense contractor, gets 40 percent of sales from non-jetliner businesses such as military aircraft, satellites, missiles, flight maps and maintenance software. The company said it's working with the government on improving air transport safety and security. Second-quarter profit rose 23 percent as sales rose and the company stemmed losses at its space and communications unit, which makes rockets and satellites. After stumbling with production bottlenecks in the late 1990s, Boeing had beat analysts' earnings expectations for 11 straight quarters.

Commerzbank

Commerzbank Says It May Eliminate 10% of Workforce

Frankfurt, Sept. 18 (Bloomberg) -- Commerzbank AG, Germany's fourth-biggest bank, said it's considering slashing as much as 10 percent of its workforce, or 4,000 jobs, as the country's banks try to reduce expenses amid declining profits. "We're standing in front of a mountain of costs and job cuts will be part of reducing that," said Peter Pietsch, a Commerzbank spokesman, in an interview. While no decisions have been made yet, "10 percent of staff would be a conceivable size," he said. Deutsche Bank AG and Dresdner Bank AG, Commerzbank's bigger rivals, also have said they're looking to eliminate jobs after earnings slumps in the first half. Dresdner, owned by Allianz AG, plans to trim another 1,300 jobs, adding to the 6,500 positions it's already paring, Die Welt reported. "Many banks have over invested in their equity business," said Lorenzo Carcano, who helps manage \$9.2 billion at Bankhaus Metzler in Frankfurt. "That's life threatening in times like these." Shares of Commerzbank fell as much as 3.6 percent to 19.3 euros and Deutsche Bank declined as much as 3.9 percent to 56.34 euros. Allianz shares rose as much as 2.1 percent. Banks, insurers and securities firms are stepping up cost-cutting efforts on concern last Tuesday's terrorist attacks in the U.S. may trigger a war, worsening a global

economic slowdown, analysts said. Credit Suisse Group, for instance, has said it's planning more restructuring steps at its investment banking unit. Allianz is cutting 1,500 jobs in Dresdner's Dresdner Kleinwort Wasserstein securities subsidiary.

Earnings Slump

Deutsche Bank yesterday said it's working on "considerable cost savings measures across all units." The reductions at Europe's biggest bank may include the elimination of 15,000 jobs, Die Welt reported. The Frankfurt-based company has so far announced plans to axe about 2,600 jobs. "Deutsche Bank doesn't plan any further job cuts for the time being," said Daniela Elvers, a company spokeswoman. She said the report the bank may slash 15,000 jobs is "pure speculation." Earnings at Deutsche Bank fell 35 percent in the first half as reserves for bad loans almost tripled and it wrote down investments. Chief Executive Rolf Breuer has said net income will decline this year "if markets don't rebound." Deutsche Bank has said it wants to save more than 1.5 billion euros through 2003 by slashing jobs and cutting back on marketing and information technology. Analysts have said the bank may aim at savings closer to 2 billion euros in that period. HypoVereinsbank, the No. 2 German bank, has said it's planning to eliminate more than 5,500 jobs through 2004, bringing the number of announced job cuts among the three biggest German banks to about 15,000. That's before additional reductions that may be announced later today by Dresdner. Dresdner spokeswoman Claudia Bresgen declined to comment.

CEO's Challenge

Commerzbank last week said it plans to increase cost-cutting efforts after breaking off merger talks with UniCredito Italiano SpA. Commerzbank had about 40,000 employees in Germany and abroad at the end of June, and already has a hiring freeze in place. Commerzbank Chief Executive Klaus-Peter Mueller last month said the company will lower costs by 240 million euros this year week by stopping new hiring, scrapping some information-technology projects and closing 150 branches. In the second quarter, Commerzbank's costs rose 16 percent to 1.48 billion euros. That marked the sixth straight quarter that expenses rose by 15 percent or more. "All German banks have a cost problem, and as revenues keep falling, jobs will have to go," said Dieter Hein, an analyst at Credit Lyonnais in Frankfurt. He rates Commerzbank shares "reduce" and Deutsche Bank shares "add." To help lower costs, Commerzbank, Deutsche Bank and Dresdner are in talks to merge their mortgage banks. A combination may be announced as early as this month, Die Welt reported.

Dresdner Bank AG

Dresdner to Axe 1,300 Jobs; Commerzbank May Cut 4,000

Frankfurt, Sept. 18 (Bloomberg) -- Dresdner Bank AG, the third-largest German bank, plans to slash another 1,300 jobs, as slumping profits force the country's lenders to step up cost cutting. Commerzbank AG said it may eliminate 4,000 more jobs. "All big German banks have a cost problem," said Michael Haid, an analyst at Sal. Oppenheim. Banks in Europe's largest market are shedding more than 15,000 jobs and plan to shut about 950 branches. The retrenchment follows five years of growth when Deutsche Bank AG and Commerzbank increased their workforce by more than 30 percent. Dresdner Chief Executive Bernd Fahrholz said the company needs to lower costs to "strengthen our earnings potential" after reporting a 51 percent second-quarter drop in pretax profit. The company, acquired in July by German insurer Allianz AG for \$20.7 billion, earlier announced plans to slash 6,500 positions. Commerzbank, Germany's fourth-largest bank, said it may eliminate 10 percent of staff. "We're standing in front of a mountain of costs and job cuts will be part of reducing that," said Peter Pietsch, a Commerzbank spokesman, in an interview. Allianz shares rose as much as 4.4 percent to 238.50 euros (\$220.05), after losing almost half its market value this year. Commerzbank's stock declined as much as 5 percent to 19.01 euros.

Falling Markets

Dresdner, Commerzbank, Deutsche Bank and HypoVereinsbank AG are trying to reduce costs as stock markets continue to fall. The Dow Jones Europe Stoxx Index is down almost 29 percent this year. At Dresdner, costs increased 18.6 percent in the first half. Commerzbank's expenses were up 17.8 percent in the same period. The 1,300 job eliminations at Dresdner add to 1,500 investment banking job reductions announced last month and the 5,000 that Fahrholz announced last year. "Allianz is trying to rid itself quickly of the businesses it isn't interested in," said Alexander Plenk, an analyst at Bankgesellschaft Berlin AG. He said mortgage banking and transaction banking are two such units. Frankfurt-based Dresdner said the latest restructuring will reduce expenses by 15 percent through 2003 and result in annual savings of 1.3 billion euros (\$1.2 billion). Dresdner said it will more than double charges for all the job cuts to about 700 million euros from the 300 million euros already set aside. The bank said it has eliminated about 2,300 jobs of the 7,800 announced.

Evidence of Action'

Commerzbank last week said it plans to increase cost-cutting efforts after breaking off merger talks with UniCredito Italiano SpA. Commerzbank had about 40,000 employees at the end of June, and already has

a hiring freeze in place. Commerzbank increased its number of employees by 33 percent between the end of 1996 and the end of 2000 as it hired staff to build an investment bank from scratch. "Extensive job cuts would be expensive and would take at least one year to feed through as savings," said Ian Centis, an analyst at BNP Paribas. Chief Executive Klaus-Peter Mueller is showing "evidence of action, but it's not yet good news." Deutsche Bank yesterday said it's working on "considerable cost savings measures across all units." The reductions at Europe's biggest bank may include the elimination of 15,000 jobs, Die Welt reported. The Frankfurt-based company has so far announced plans to axe about 2,600 jobs. Like Commerzbank, Deutsche has increased its workforce by more than 30 percent since December 1996. "Deutsche Bank doesn't plan any further job cuts for the time being," said Daniela Elvers, a company spokeswoman. She said the report the bank may slash 15,000 jobs is "pure speculation." HypoVereinsbank, the No. 2 German bank, has said it will eliminate more than 5,500 jobs through 2004. And there may be more to come in Germany, investors said. "I wouldn't be surprised about even more job cuts if markets don't rebound," said Lorenzo Carcano, who helps manage about 10 billion euros at Bankhaus Metzler in Frankfurt.

Fortis

Fortis : l'impact direct des attentats limité à 20 millions EUR

Les conséquences à long terme sont impossibles à évaluer pour l'instant, a estimé le groupe belgo-néerlandais. Le groupe belgo-néerlandais de bancassurance Fortis a assuré ce mercredi que l'impact direct des attentats de la semaine dernière sur ses opérations aux Etats-Unis, suite aux polices liées à cette catastrophe et à l'évolution du cours de change USD/EUR, sera inférieur à 20 millions d'euros. Les terribles événements de la semaine dernière ont eu un impact négatif sur les marchés financiers et pourraient avoir des conséquences à long terme sur l'économie. L'impact réel et à long terme de ces événements est impossible à évaluer à l'heure actuelle, a encore précisé Fortis. (EB)

General Electric

GE Immelt Will Meet With Investors Amid Turmoil

Fairfield, Connecticut, Sept. 18 (Bloomberg) -- General Electric Co.'s Jeff Immelt postponed his first investor and analyst meeting as chairman while dealing with losses in insurance and advertising, and the prospect of a crippled airline industry after last week's terrorist attacks. The shares of the largest company by market value fell 11 percent yesterday, the biggest drop since the stock market crash of October 1987, amid concern the economy may lapse into recession. The company, which was already seeing a slowdown at its plastics, appliances and broadcasting units, may be hurt on new fronts such as aircraft engines and leasing. "GE is taking it on the chin," said David Brady, a money manager at Stein Roe & Farnham Inc., which owns GE shares. The company's reinsurance unit provided coverage on the World Trade Center and the four hijacked jetliners that crashed. General Electric on Friday estimated that \$400 million in losses at the business would cut profit by about 4 cents a share. Immelt didn't say whether more losses are possible. "We are providing the best estimates we can make at this time," he said in a statement. Immelt was scheduled to meet with investors and analysts tomorrow, for the first time since officially taking over from Jack Welch on Sept. 7. The meeting was pushed back to Friday in New York. General Electric shares fell 33 cents to \$34.82 in late morning trading. Several analysts cut their profit estimates for this year to an 11 percent per-share rise, and some trimmed 2002 forecasts as well.

Airlines Debilitated

"There is concern mainly because GE is a big manufacturer and servicer of aircraft engines, and the airlines are grinding close to a halt," said John Inch, an analyst at Bear, Stearns & Co. who rates GE a "buy" and owns the shares. GE Aircraft engines generated \$10.8 billion of the company's \$130 billion in sales last year. Rival jet-engine maker United Technologies Corp. said fourth-quarter profit may be about a third lower than forecasts because of the disruptions to the airline industry. U.S. airlines sought \$24 billion in government aid to help avoid bankruptcy. General Electric, the largest company by market value, is the biggest maker of medical-imaging machines and turbines for power plants. NBC television generated \$6.7 billion of last year's sales. Investors realized an average annual return of 24 percent during Welch's two decades as chief executive. Welch helped sustain 26 consecutive years of quarterly profit growth and increased Fairfield, Connecticut-based General Electric's market value to more than \$400 billion from less than \$15 billion. The company was already cutting costs at its units closely tied to economic swings, including plastics, appliances, NBC, and lighting, including what analysts estimate will eventually be about 15,000 jobs. While GE hasn't specified a number, cuts in the locomotive and NBC units had already been announced. It's too early to tell how aircraft-leasing and consumer-related businesses might be affected or for how long, analysts said.

Plane Leasing

Net income will be about 33 cents a share in the third quarter, the company said. That's 4 cents less than the average estimate of analysts surveyed by Thomson Financial/First Call. "Am I lowering my earnings estimates? Yeah. But GE is one of the companies I have to worry about least because they are the most

prepared," said Brian James, an analyst with Loomis Sayles & Co. in Boston, which owns GE shares. GE Capital Aviation Services is one of the biggest lessors of aircraft, with the planes serving as the asset backing lease agreements. The company doesn't break out results for the business, instead reporting it as part of the GE Capital finance unit. The assets have long lives and can be leased as long as three decades, the Wall Street Journal reported the head of the business, Henry Hubschman, as saying yesterday. He doesn't expect the business to be hurt by the problems in the aircraft industry, the paper said.

Capital

General Electric's variety of businesses will help it balance better than other industrial companies, analysts said. United Technologies and Honeywell International Inc., for example, each have about half their business tied to aerospace. United Technologies dropped \$18.70 to \$47.50, while Honeywell fell \$6.20 to \$29.50. GE Capital, the biggest non-bank finance company, will be helped, by the Federal Reserve rate's cut in overnight lending rates to 3 percent, investors said. GE Capital typically accounts for more than 40 percent of the company's profit and revenue. "The cost of money just got a whole lot cheaper," said Thomas Mahowald, an analyst at American Express Financial Advisors in Minneapolis, which owns GE shares. The finance arm sold \$2 billion in one-year notes yesterday, answering money market managers demand to buy short-term debt with high credit ratings in the wake of the terrorist attack.

Honeywell Intl

Honeywell Intl Cuts More Jobs, 3rd-Qtr, 2001 Profit Forecast

Township, New Jersey, Sept. 18 (Bloomberg) -- Honeywell International Inc. won't meet analysts' profit estimates for the third-quarter and full year and plans to cut more jobs to lower costs because it expects to lose airline-industry sales following last week's terrorist attacks. Honeywell, which makes avionics, or the electronic brains of aircraft, said profit from continuing operations will be 43 cents to 45 cents a share. It had been expected to earn 53 cents, the average estimate of analysts polled by Thomson Financial/First Call. Full-year profit will be \$2 to \$2.10 a share; the First Call estimate was \$2.20. With Larry Bossidy back as chairman following the company's failure to be acquired by General Electric Co., will eliminate more than 12,000 jobs this year, including 8,200 positions already gone or set for elimination, spokesman Thomas Crane said. The company said it thinks its cost-savings initiatives will save another \$500 million in 2002. Sales tied to commercial aircraft account for about 15 percent of total revenue. Honeywell's automated-control business, the world's biggest, will help make up for lost sales in commercial aerospace, Bossidy said in the statement. Shares of the Morris Township, New Jersey-based company fell 70 cents to \$28.80 in early trading.

KLM

KLM Sees Operating Loss in Fiscal Year, Cuts Capacity

Amsterdam, Sept. 18 (Bloomberg) -- KLM Royal Dutch Airlines NV said it expects a full-year loss before interest and taxes, and will reduce seating capacity further because of the slump in passenger demand after last week's terrorist attacks in the U.S. Europe's No. 4 airline said it's "currently impossible" to estimate the "magnitude of our full-year operating loss." KLM shares fell as much as 11 percent, bringing the decline since last week's attacks to as much as 31 percent. KLM, British Airways Plc and rivals were facing their first decline in passenger traffic in almost a decade before hijacked airlines were used to destroy the World Trade Center and damage the Pentagon. Now they may cut capacity by as much as 15 percent to deal with the fall in demand, analysts said. "It's the airlines who were in trouble before these events that need to worry," said Andrew Lobbenberg, an analyst at J.P. Morgan "In the short term, European airlines will be trying to survive rather than coming up with a grand strategic plan." KLM, Alitalia SpA, Swissair Group and Sabena SA are among the most vulnerable carriers, analysts said. British Airways, Europe's largest carrier, is expected by analysts to announce job and seating cuts, and Deutsche Lufthansa AG, Europe's No. 2, has started to slash U.S. routes. European carriers have lost \$6.4 billion, or 28 percent, of their market value since the attacks. Yesterday U.S. carriers, in the first day of trading since the attacks, lost \$12.2 billion, or 35 percent, of their market value. Overall, carriers across the globe have lost \$26 billion, or 29 percent, of their value.

Airline Shares

"Right now, it's hands off" airline stocks, said Lorenzo Carcano, a fund manager at Bankhaus Metzler who helps manage some 10 billion euros (\$9.2 billion) in stocks and bonds, including Lufthansa shares. "The insecurity we have now will last for months, not only some weeks. People are flying less and companies have said they're canceling or cutting back on travel." KLM's Chief Executive Leo van Wijk has "talked about" capacity cuts of 10 percent, said Frank Houben, a company spokesman. KLM will probably announce cuts next week, he said. KLM was already suffering more than rivals in the economic slowdown, with the number of passengers using its Amsterdam to fly on to other destinations slowing. The airline had previously said it would cut capacity by 3 percent from October. "Air travelers will shortly change their flying behavior," said Geert-Jan Hoppers, an analyst at SNS Securities, who lowered

his full-year earnings estimates for KLM to a loss of 81 euro cents from a profit of 21 cents. For the fiscal year ended in March, KLM had an operating profit of 23 million euros, down 77 percent from the year earlier.

Alitalia `Measures'

Alitalia SpA, the Italian national carrier, said yesterday a committee will meet Friday to discuss "extraordinary measures" to offset the impact of last week's attacks on its business. The carrier didn't elaborate on what steps might be taken. The airline is considering cutting between 3,000 and 4,000 jobs, or as much as a sixth of its workforce, *Il Sole/24 Ore* reported earlier, citing no one. It will report a loss for 2001 that is 300 billion lire (\$143 million) larger than the loss expected before last week's attacks, the paper said. Belgium's unprofitable airline Sabena SA yesterday said it could collapse in months without drastic action. Before last week's attacks, Sabena had planned to cut 1,600 jobs, or 12 percent of its workforce, in a bid for survival. Even with the reorganization planned so far, Sabena could be pushed into bankruptcy as the attacks last week in the U.S. cripple confidence in air travel worldwide, some analysts said. In the U.S., AMR Corp.'s American Airlines, UAL Corp.'s United Airlines, Continental Airlines Inc. and Northwest Airlines Corp. all are planning 20 percent cuts in service after last week.

Sabena Cuts "It's a little ridiculous to talk 12 percent when the world is adjusting to a magnitude of 20 percent," said Sabena Chief Executive Christoph Mueller yesterday. "This is an emergency situation. If we do not act within the next two weeks, it will be useless to talk about a business plan." Virgin Atlantic Airways Ltd., the No. 8 airline on U.S.- Europe routes, said yesterday it's reducing activities by 20 percent, resulting in a cut of about 1,200 jobs as it reduces service in the trans-Atlantic market. It will also ground five of its Boeing Co. 747-200 jetliners and scrap services to Toronto and Chicago. Swissair Group, owner of Europe's fifth-biggest airline, is already cutting 1,300 jobs amid losses linked to unprofitable airline stakes. Even after British Airways fired 3,000 people last year and announced job cuts of 1,800 two weeks ago, analysts expect more cuts to follow.

Lufthansa Costs

Lufthansa "hasn't yet calculated the cost of last week's events," said Lufthansa spokeswoman Christine Ritz. She wouldn't comment on capacity or job cuts. Yesterday, Lufthansa dropped three round-trip flights to the U.S., including its only Washington-to-Berlin route. The German carrier will post a 2001 profit "clearly" less than 500 million euros after last week's attack, the *Boersen-Zeitung* said, citing unidentified sources close to the company. It had previously expected earnings of as much as 750 million euros. Analysts said that Air France SA, Europe's No. 3 carrier, is less likely than other carriers to cut jobs as it's 56 percent owned by the French state, which doesn't like job cuts, even at private companies.

Morgan Stanley

Morgan Stanley retarde d'un jour la publication de ses résultats

La banque d'affaires et maison de courtage américaine Morgan Stanley Dean Witter a retardé d'un jour la publication de ses résultats du 3e trimestre initialement prévus jeudi, en raison des funérailles de personnes tuées dans les attentats du 11 septembre. Morgan Stanley employait quelque 3.500 personnes dans les tours jumelles du World Trade Center détruites par des attaques de terroristes. (EB)

Usinor

Usinor: bénéfice net plus que divisé par sept

Le sidérurgiste français s'attend en outre à une perte d'exploitation au second semestre 2001. Le groupe sidérurgique français Usinor a enregistré au premier semestre 2001 un bénéfice net (part du groupe) de 67 millions d'euros, soit un montant plus que divisé par sept par rapport aux 490 millions EUR engrangés au premier semestre 2000, a-t-il annoncé mercredi dans un communiqué. Le résultat d'exploitation a été presque divisé par quatre, s'élevant à 198 millions EUR au premier semestre 2001 contre 719 millions EUR sur la même période de l'exercice précédent. Usinor attend une perte d'exploitation au second semestre 2001, at-il indiqué dans son communiqué. Le groupe a en outre jugé "impossible d'évaluer aujourd'hui les conséquences éventuelles sur l'évolution de son environnement" des attentats qui ont frappé les Etats-Unis la semaine dernière. (EB)

Van de Velde

Van de Velde wil franchisenetwerk uitbouwen

(Tijd) De Oostvlaamse lingerieproducent Van de Velde wil in Duitsland, Frankrijk en Italië een franchisenetwerk uitbouwen. Op deze manier wil Van de Velde liefst binnen de vijf jaar de totale omzet verdubbelen. In Frankrijk is Van de Velde trouwens niet langer kandidaat voor de overname van Lejaby. In Duitsland en Frankrijk samen wil Van de Velde de omzet met 2 miljard frank verhogen over een periode van vijf jaar. Voor het opbouwen van het franchisenetwerk zal de groep een aparte afdeling oprichten die mogelijk in een nieuwe dochter wordt ondergebracht. Volgend jaar zou aan het project 1 miljoen euro worden gependeed voor logistieke ondersteuning. Per winkel is een investering van 6 tot 8 miljoen frank nodig, maar dat zijn leningen aan de zelfstandige winkeluitbater in de beginfase. Alle winkels zullen de naam Marie Jo dragen. In een eerste fase wil Van de Velde een winkel per 100.000 inwoners, in een tweede fase een winkel per provinciested van 50.000 inwoners. Op termijn wil het bedrijf komen tot een honderd winkels in Frankrijk en Duitsland. Een eerste winkel is al geopend in Bonn. Wellicht volgen dit jaar nog 2 winkels in Hamburg. In Frankrijk zal ten vroegste begin volgend jaar een eerste winkel worden geopend. Italië is een

werk van langere adem. Van de Velde wil dergelijk netwerk niet in België of Nederland opstarten. " In ons land en bij onze Noorderburen hebben we al een uitgebreid distributienetwerk en we willen niet tegen onze eigen klanten concurreren", besluit Laureys. Van de Velde is trouwens geen kandidaat meer voor de overname van zijn Franse collega Lejaby. In augustus toonde Van de Velde nog interesse in een acquisitie van het fel geplaagde bedrijf, maar daar ziet de groep nu van af. Lejaby is in handen van het Amerikaanse Warnaco dat onder gerechtelijk akkoord werkt. "Er zijn te veel onzekere elementen en het bedrijf sleurt een hoge schuldenberg met zich mee", licht een voorzichtige Laureys toe. Van de Velde is in onderhandeling met de beursautoriteiten van Euronext voor toetreding tot het prime segment. Dit zei gedelegeerd bestuurder Luc Laureys dinsdag op een persconferentie. Hiemee wil de groep meer beleggers aantrekken. "We voldoen eigenlijk aan alle voorwaarden, behalve kwartaalrapportering, maar dat mag geen probleem zijn", stelt Laureys. Een naamsverandering van het hele bedrijf naar bv. het bekende lingieriemark van de groep Marie Jo ziet de topman niet zitten. Ook het nut van een liquiditeitsverstrekker trekt hij in twijfel. "Wel staat het inkopen van eigen aandelen op de agenda van de volgende algemene vergadering, maar er zijn geen concrete plannen", verduidelijkt Laureys.

Site: <http://www.leleux.be>

Responsible publisher: Denis Vanderborght e-mail: dvb@leleux.be