

ASTANA (RIA Novosti) — The Nabucco pipeline project will be promising if it pumps Iranian natural gas, former German chancellor Gerhard Schroeder ...

LONDON/NEW YORK (Reuters) — Morgan Stanley (MS.N) is outrunning archrival Goldman Sachs (GS.N) as 2009's busiest adviser on mergers ...

PITTSBURGH, U.S. (CNN) — Leaders of the G-20 economic summit were to announce Friday that the group will become the new permanent council ...

## Iran-Turkey investment summit in Istanbul

**Tehran Times Economic Desk**  
**TABRIZ** — Istanbul is scheduled to hold a conference on Iran-Turkey investment opportunities on the 5th and 6th of October.

The director of East Azarbaijan province's Economic and Financial Affairs Department, Reza Hosseini told the Mehr News Agency that the conference will be held to acquaint Iranian and Turkish investors with the economic, political, social, and cultural atmosphere of the other country as well as potentials for bilateral investment.

Hosseini added: "Packaging, wood and MDF, food, textiles, agriculture, tourism, downstream petrochemicals, steel, car parts, home appliance, bags, shoes, and leather industries are some of the fields to be reviewed in the conference."

Hosseini expressed hope that the meet would pave the way to increase trade between the two countries from the current \$5 billion to \$20 billion.

He pointed out that high-ranking officials of the two countries and the province including the Iranian minister of economy, the ambassador in Ankara, head of the consul in Istanbul, the governor of Eastern Azerbaijan and other economic along with political officials will speak at the conference.

## Tehran, Minsk economic conference

**Tehran Times Economic Desk**  
**TEHRAN** — A conference on promoting Iran and Belarus economic capacities was held on September 24 in Minsk.

Islamic Republic of Iran Broadcasting (IRIB) reported over 45 companies from Iran and dozens of Belarusian companies reviewed ways for expanding economic cooperation, investment opportunities and joint manufacturing.

In this regard, the President of the Iran Chamber of Commerce Industries and Mines Mohammad Nahavandian said negotiations for creating a free trade zone between the two countries were underway.

He stated that if the agreement is reached and customs tariffs are removed, doors will be opened for Iranian goods to enter Belarus and move on to the huge Belarusian, Russian and Kazakh markets.

Belarus and Iran have been pursuing closer economic ties in recent years. According to Iranian President Mahmoud Ahmadinejad, "the two countries enjoy close cooperation in various areas of transportation, energy, industry, economy and trade."

## Iranian traders council set up in Aktau

**Tehran Times Economic Desk**  
**DUSHANBE** — Iranian traders based in Aktau port in Kazakhstan have set up a council to streamline the export of Iranian non-oil goods to Central Asia, IRNA quoted Iran's Consul General to Aktau Alireza Mortazavi on Friday.

Aktau is a city in Kazakhstan's Mangyshlak Peninsula and the country's only seaport on the Caspian Sea. It is the capital of Mangystau Province in western Kazakhstan.

# Asian stocks decline on Nomura's share sale, U.S. home report



Asian stocks dropped, dragging the MSCI Asia Pacific Index to its first weekly decline in three, after Nomura Holdings Inc. announced a record \$5.6 billion share offering and sales of existing U.S. homes unexpectedly declined.

Nomura, Japan's largest brokerage, tumbled 16 percent in Tokyo. Mitsubishi UFJ Financial Group Inc., the nation's biggest publicly traded bank, slid 5.4 percent. Toyota Motor Corp., which gets 31 percent of its sales in North America, dropped 2.6 percent. The dollar and yen rose against the euro as some investors sought haven amid speculation Group of 20 leaders will agree to regulate riskier investments.

The MSCI Asia Pacific Index fell 0.7 percent to 117.77 as of 7:20 p.m. in Tokyo. The gauge dropped 0.5 percent this week. It has surged 67 percent from a five-year low on March 9 on speculation improved global growth will boost corporate earnings.

"I wouldn't be surprised if we'd seen the

peak of the market for this year because the economic news isn't going to improve very much," investor Marc Faber, who publishes the Gloom, Boom & Doom report, said in an interview with Bloomberg Television in Hong Kong today.

Japan's Nikkei 225 Stock Average slumped 2.6 percent, while South Korea's Kospi retreated 0.1 percent. Australia's S&P/ASX 200 Index gained 0.3 percent, with Australia & New Zealand Banking Group Ltd. rising 1.3 percent after agreeing to its biggest acquisition since 2003.

### Public funds

Japan Airlines Corp. fell 7.6 percent as Prime Minister Yukio Hatoyama said public funds may be needed to support the carrier. Emeco Holdings Ltd., an Australian earthmoving company, tumbled 11 percent after ending takeover talks. New Zealand's Fisher & Paykel Appliances Holdings Ltd. slumped 12 percent on a loss forecast. Among gainers today,

Aiful Corp. surged 17 percent in Tokyo after Nikko Citigroup Ltd. upgraded the stock. Futures on the Standard & Poor's 500 Index rose 0.4 percent. The gauge dropped 1 percent yesterday after a report from the National Association of Realtors showed sales of existing U.S. homes dropped 2.7 percent last month, while economists had anticipated an increase. Separately, the Federal Reserve said it will cut the size of two programs meant to boost credit markets.

"Investors are feeling twitchy," said Shane Oliver, head of investment strategy at AMP Capital Investors Ltd., which manages \$78 billion.

"There's been some disappointing economic data and talk of exit strategies. The market worries that the withdrawal of stimulus will be premature, and that the recovery will be threatened when the punchbowl gets taken away."

(Source: Bloomberg)

## HSBC CEO to move to Asia to focus on emerging markets

HSBC Holdings Plc is moving Chief Executive Officer Michael Geoghegan to Hong Kong from London as Europe's biggest bank increases its focus on emerging markets.

HSBC will still be domiciled in the U.K. and has no plans to move, the bank said today in a statement. Chairman Stephen Green, Chief Financial Officer Douglas Flint and investment banking chief Stuart Gulliver, will remain based in London.

"There's a shift of gravity going from West to East," Green said on a conference call for journalists. "Nothing about the economic crisis changes that. If anything it's being accelerated."

HSBC, unlike U.K. rivals Lloyds Banking Group Plc and Royal Bank of Scotland Group Plc, has avoided a government bailout even after posting \$67 billion of provisions for bad loans in the past three and a half years. The bank is expanding in emerging markets and has closed consumer finance operations in the U.S., which contributed the most to losses.

Founded in Hong Kong and Shanghai 144 years ago, HSBC has hired advisers for a stock sale in Shanghai next year, people familiar with the matter said last month.

The bank got about 26 percent of net revenue from Hong Kong and the Asia-Pacific region last year, according to HSBC's financial reports. HSBC's business is focused on Hong Kong, which accounted for 15.3 percent of the group's assets, while the rest of Asia accounted for 9.9 percent.

### 'Proof of the pudding'

HSBC must increase investments in Asia and open more branches in the region if the moves announced today are to mean anything, said Arturo de Frias, a banking analyst at Evolution Securities Ltd. in London.

"The proof of the pudding is being able to grow the busi-

nesses and make sure the weighting of emerging market assets becomes the majority of the group, which is not the case now," said de Frias, who cut his recommendation on the bank's stock to "sell" on Sept. 8.

HSBC rose 10.3 pence, or 1.5 percent, to 713.7 pence as of 11:23 a.m. in London trading, compared with a 0.5 percent gain in the five-member FTSE 350 Banks Index.

The bank will continue to be resident in the U.K. for tax purposes and the Financial Services Authority will continue to be main regulator for HSBC.

"We will operate from two equally strategically important centers for the company," Green said in the statement. "There is absolutely no question of HSBC pulling away from London."

### 'Thumbs up'

Geoghegan, 55, also becomes chairman of Hongkong and Shanghai Banking Corp., succeeding Vincent Cheng on Feb. 1, and "will take responsibility for the evolution of group strategy," Green said. Hongkong and Shanghai Banking Corp. is HSBC's Hong Kong bank.

Sandy Flockhart becomes chairman of personal and commercial banking, reporting to Geoghegan in Hong Kong. Peter Wong succeeds Flockhart as CEO of Hongkong and Shanghai Banking Corp. Stuart Gulliver, takes the role of chairman of Europe and the Middle East, while continuing to manage HSBC's securities unit.

"HSBC's decision is a clear and timely thumbs up for Hong Kong as a stable, reliable and vibrant base for the banking industry in the wake of the global financial tsunami," Donald Tsang, chief executive of Hong Kong, said in a statement on the government's Web site.

(Source: Bloomberg)

## Toyota eyes China with new affordable 'family car'

**TOKYO (Forbes)** — Toyota Motor Corp. is counting on growth in China, and plans to introduce a cheap "family car" there that will likely sell in big numbers, an executive said Friday.

But Toyota has no ambitions to become No. 1 in the Chinese market, said Executive Vice President Yukitoshi Funo, who oversees emerging markets for the Japanese automaker.

"In big markets like China, the top maker should be domestic," he said. He had similar feelings about the U.S. market, where he said General Motors Co. and Ford Motor Co.

should retain top market shares.

Funo did not explain this belief except to note Renault SA's dominance in France and Volkswagen AG in Germany. Toyota, the world's biggest automaker in global vehicle sales, holds top market share in Japan.

Volkswagen and General Motors vie for top market share in China but Funo said Chinese automakers are likely to get stronger and emerge No. 1. Funo stressed the sales potential of an entry-level car in China, comparing that to how Japanese had snatched up Toyota Corolla subcompacts during the nation's decades of modernization.



## ING sells Australia wealth jv for 1.1 billion euros

**AMSTERDAM/SYDNEY (Reuters)** — ING will sell its 51 percent stake in a wealth management joint venture to partner Australia and New Zealand Banking Group (ANZ) for 1.1 billion euros (\$1.6 billion) as the Dutch group slims down through asset sales.

ING Groep NV, which received 10 billion euros (\$14.7 billion) in state aid last October and a 22 billion euro government asset guarantee in January, is offloading assets to raise 6-8 billion euros as part of a global restructuring plan announced in April.

The deal announced on Friday is separate from the pending sale of ING's Asian and Swiss private banking assets, which sources have told Reuters is not likely until next month. That sale is expected to fetch slightly more than the ANZ deal.

ING said it would book a net profit of 300 million euros on the deal, which will also free up 900 million euros of capital.

ING shares opened up 0.6 percent. Since an intraday low of 7.75 euros on August 12, the day it reported first-half earnings, the stock is up about 44 percent. Among other factors, a number of analysts have raised their price targets sharply of late.

Analysts were not impressed with Friday's sale, though, with KBC Securities maintaining a "reduce" rating and SNS Securities saying the sale price, at 11 times normalized 2008 earnings, was at the low end of the valuation range for similar deals of late.

"We see the disposals in current market circumstances as a suboptimal (due to depressed earnings and multiples) reflected by ING's JV transaction multiple which is below other recent transaction multiples," SNS said in a research note.

### 'Control of their destiny'

ANZ shares touched a 16-month high and closed up 1.3 percent to A\$23.79, outpacing smaller gains on the broader market. AXJO, as investors welcomed the bank's latest acquisition. It is expected to add more than 3 percent to its earnings per share in the next few years.

"It puts (ANZ) in control of the destiny of their wealth management business in Australia and puts them on a more even footing with the other major banks in the country," said Jack Chemello, a fund manager with BT Investment Management.

The venture was established in 2002 and originally planned to expire in 2012, but ING's troubles in Europe sparked a review of its deal with ANZ.

"The global financial crisis has changed the world we live in, and ING became prepared to open discussions with us," ANZ Chief Executive Mike Smith told an analysts briefing. "We have taken the opportunity and executed on it."

Smith, who joined ANZ in 2007, wants to turn ANZ into a super-regional bank.

The joint venture, which had 2,700 employees, managed about A\$45 billion in assets and was the No.3 life insurer in Australia. ING said it will continue to focus on life insurance and retirement services products in Asia.

ING's exit is part of a growing trend of European and Western banks leaving Asian operations to focus on their domestic markets. Earlier this year, Aviva Plc sold its Australia wealth management business to National Australia Bank Ltd.

Bucking the trend, Swiss bank Julius Baer said on Friday it was ready to consider acquisitions, especially in Asia.

In fact, Julius Baer has been bidding on ING's private banking assets, though sources told Reuters on Thursday it was no longer in the running for the Asian assets.

ING Chief Executive Jan Hommen said in a statement the sale of the insurance and wealth management operations in Australia and New Zealand was part of a drive to simplify "and focus on fewer, strong franchises that form a coherent group."

Of Australia's big four banks, ANZ is considered to have the lightest local presence in Australia's booming wealth management market, estimated to be worth some A\$1.1 trillion (\$955.7 billion).

The ING deal is the biggest for ANZ since the purchase of National Bank of New Zealand six years ago.

Last month, ANZ paid \$550 million for some Asian assets of distressed U.K. lender Royal Bank of Scotland.

SECOND ANNOUNCEMENT



## IRANIAN OFFSHORE OIL COMPANY INVITATION FOR COMMON BID TENDER No. OF/114/88

Iranian Offshore Oil Company (IOOC) intends to Tender for "The Electrical Submersible Pumps Services" in Iranian Continental Shelf of the Persian Gulf and Oman Sea for Three (3) years.

The companies who have ability and are willing to participate in the Tender are requested to refer to IOOC website at: [WWW.IOOC.CO.IR](http://WWW.IOOC.CO.IR).