

Over 100,000 paid subscribers for NYTimes.com

AFP, Washington  
The New York Times Co. released its first figures on Thursday since it began charging for full access to NYTimes.com, saying it has signed up more than 100,000 paid subscribers in three weeks.

While the Times Co. described the early numbers for digital subscribers to the newspaper's website as "encouraging," first quarter results for the media giant were less so and shares in the company fell sharply on Wall Street.

The Times Co., which includes the flagship New York Times, Boston Globe, International Herald Tribune, 15 other dailies and About.com, said net profit plunged 57.6 percent to \$5.4 million on continued print advertising weakness.

Revenue at the Times Co. fell 3.6 percent to \$566.5 million.

Print advertising revenue declined 7.5 percent in the quarter. Digital advertising revenue grew 4.5 percent to \$83.6 million and now accounts for 28 percent of total revenue at the Times Co., up from 25.6 percent a year ago.

The Times Co. said revenue at advice website About.com fell 10.2 percent to \$31.1 million, in part because of a change in Google's search algorithm.

Times Co. shares were down 5.59 percent to \$8.61 in mid-day trading on Wall Street.

# India targets lower deficit, higher farm output to tame prices

REUTERS, New Delhi

Stubbornly high inflation could be tamed through reducing its fiscal deficit and boosting farm output, deputy chairman of the Planning Commission Montek Singh Ahluwalia said, as mounting price pressures threaten to slow the economy.

Headline inflation surged to nearly 9 percent in March, far above forecasts, on higher fuel and manufacturing prices, prompting calls for aggressive rate hikes by the Reserve Bank of India.

"We identified that the revival of inflationary pressures is one of the weak points in the global economic situation and in our own situation," said Ahluwalia after the commission's meeting.

"The solution to that lies in having a proper fiscal balance. I have already said that we totally endorse bringing the fiscal deficit under control plus very good performance in agriculture," he said.

Ahluwalia, an influential adviser to Prime Minister Manmohan Singh, said he expects average annual inflation in the five years to end-March 2017 to be 5 percent.

The government aims to cut its fiscal deficit to 4.6 percent of GDP in the current fiscal year through March 2012 from 5.1 percent a year ago. Farm output is expected to grow at least 4 percent in 2011/12 from an estimated 5.6 percent growth in the previous fiscal year.

Prime Minister Singh on Thursday held a meeting of the Commission to set out India's



REUTERS

A vendor waits for customers at his vegetable and fruit shop at the wholesale market in Mumbai.

economic policy path for the five years to end-March 2017.

Analysts have been trimming their near-term growth forecasts for Asia's third-largest economy, citing high inflation and prospects of higher interest rates.

New Delhi expects the economy to grow at around 9 percent in the financial year that began on April 1. But private economists expect the economy to grow at a slower pace than an expected 8.6 percent expansion in the fiscal year that ended in March.

Goldman Sachs on Thursday

cut its India growth forecast to 7.8 percent from 8.7 percent for this fiscal year. The Wall Street bank raised its inflation forecast for the fiscal year that began this month to 7.5 percent from 6.7 percent.

"We now expect the Reserve Bank of India (RBI) to hike policy rates by another 125 bp (basis point) in 2011, significantly higher than market expectations," it added.

The RBI has raised its main lending rate eight times since March 2010 and is expected to deliver another hike of at least 25 bps in its May policy review

Fast-growing India is prone to inflation after years of underinvestment in everything from power and roads to agriculture and education, which creates capacity constraints that will take years to rectify and leave the economy vulnerable to shocks like a bad harvest or a spike in coal prices.

Singh asked the Commission to target 9-9.5 percent annual economic growth in the five years to March 2017, higher than an estimated 8.2 percent average annual growth between April 2007 and March 2012.

# Asian airlines to boom, Europe stagnate: IATA



REUTERS

An Air China airlines plane takes off behind a China Southern airlines plane at Beijing airport.

AFP, Paris

Airlines in the Asia-Pacific region will grow strongly in the next few years but air transport in Europe is likely to stagnate, the outgoing head of the International Air Transport Association (IATA) said on Friday.

IATA president Giovanni Bisignani told the La Tribune newspaper that "Europe is by far the biggest problem for the sector."

Bisignani blamed European governments for being more interested in raising taxes from the industry than in supporting growth and providing infrastructure, and also warned that the rising cost of fuel was a "disaster."

"The centre of gravity of air transportation is shifting towards Asia because of the growth of its economy but also because governments there are careful to take measures to develop the sector," he said.

Europe, I am pessimistic."

But "I am very optimistic when I look at the trend in the Asia-Pacific region, and the involvement of states in creating favourable conditions to help the growth of traffic."

Bisignani said that air transport in Europe was undermined by weak economic growth in the European area and also by the fact that air transportation was not "unfortunately a priority for European governments."

He said that during a crisis for the sector arising from volcanic ash spread from Iceland last year there had been "no consensus between governments."

He observed: "Only taxes on companies and their passengers seem to interest them... And while there is a wave of taxes, there is no action on structural measures which, in terms of infrastructure, would enable companies to be competitive in a market environment."

He gave the example of a single European air space which had been promised since the 1990s but was "still a dream."

By contrast, he forecast that the Asia-Pacific region would account for 30.0 percent of global traffic in three years' time from 26.0 percent now and that North America would account for 23.0 percent.

He also held that a system for the exchange of carbon emissions quotas for the sector in 2012 would be difficult to set up because of opposition from the United States, Russia, Japan, China and Australia.

"We are ready to accept such a system on condition that it apply across the world under the aegis of the International Civil Aviation Organization," he said.

Bisignani also expressed concern about the rise of the price of fuel, declaring it to be "a disaster."

In June, Bisignani hands over the IATA presidency to Tony Tyler, the former head of Cathay Pacific airline.

# Car production disrupted until Nov or Dec: Toyota

AP, Tokyo

Toyota's global car production, disrupted by parts shortages from Japan's earthquake and tsunami, won't return to normal until November or December - imperiling its spot as the world's top-selling automaker.

President Akio Toyoda apologized to customers for the delays due to the March 11 disasters that damaged suppliers in northeastern Japan, affecting automakers around the world.

"To all the customers who made the decision to buy a vehicle made by us, I sincerely apologize for the enormous delay in delivery," Toyoda said at a news conference in Tokyo.

Toyota Motor Corp. earlier said it has suffered a production loss of 260,000 cars. Earlier this week, it resumed car production at all of its plants in Japan for the first time since the quake, but the factories are running at half capacity due to the parts shortages. Japanese manufacturers are also grappling with power shortages.

Aftershocks from the magnitude 9.0 quake have slowed progress, Toyoda said. "We've seen some of the recovery work set back to square one many, many times," he said. The setbacks could cost Toyota its top position in the global auto industry.

Last year, Toyota sold 8.42 million vehicles, barely keeping its lead over a resurgent General Motors Co., which sold 8.39 million. Given Toyota's production woes, GM could reclaim the title of world's largest automaker

# Gold soars to record in sixth straight session

REUTERS, Singapore

Spot gold surged to a lifetime high on Friday in thin holiday trade, hitting a record for a sixth consecutive session on a weak dollar and factors ranging from geopolitical uncertainty to inflation concerns.

Silver also raced to its loftiest in 31 years, notching the milestone for a seventh straight day and outstripping gold's weekly gains by a huge margin.

The ongoing euro zone sovereign debt crisis, unrest in the Middle East and North Africa, rising global inflation, and most recently worries over the fiscal stability of the United States have fueled the record-breaking rally in these precious metals.

Spot gold rose to a record of \$1,512.50 an ounce, before easing to \$1,507.69 by 4:53 a.m. EST, on track for a weekly gain of 1.5 percent -- its sixth consecutive week of gains.

Spot silver hit \$46.69 an ounce, its highest since 1980, on course for a weekly rise of 8.4 percent, its biggest weekly increase in two months.

Silver has gained 51 percent so far this year, and gold 6 percent. This compares with a corresponding 1 percent rise in the London Metal Exchange price of copper, the bellwether of the industrial metals complex.

Supporting precious metals, the dollar was languishing near a three-year low against a basket of currencies, and could take a run at the all-time low hit in 2008, pressured by record low interest rates

and the crushing weight of the US budget deficit.

So long as the overall environment stays supportive and the dollar remains weak, gold is expected to retain its strength. Price of bullion is seen to rise to \$1,700 an ounce by 2015, analysts polled by Reuters said in a poll.

However, a correction might be on the horizon after the recent rapid ascent, traders and analysts said.

"Gold is likely to consolidate around the \$1,500-level next week," said Li Ning, an analyst at Shanghai CIFCO Futures. "The angle of the recent rally is very sharp, and we are bound to see some correction in the near term."

Spot gold has rallied more than \$50, or 4 percent, in the past eight sessions. The Relative Strength Index, or RSI, rose to nearly 75, a level unseen since October last year, suggesting the market has been heavily overbought.

The RSI on spot silver climbed close to near 89, its highest since April 1987.

The gold market may have topped out, and now is the time to sell while there are still people willing to buy, said Barry Schwartz, vice president and portfolio manager at Toronto-based wealth manager Baskin Financial Services.

However, Shanghai CIFCO's Li said gold has more steam to run on and expected prices to peak at \$1,550 by the end of the second quarter, buoyed by the Middle East unrest, sovereign debt concerns on both sides of the Atlantic and inflation worries.



A goldsmith displays gold bangles in his jewellery shop in Istanbul on Friday.