

Everything testifies to economic growth in reality

Japan's Government stuck to its assessment that the economy is slowly recovering but raised its view on exports, saying overseas shipments are showing signs of stabilising on a moderate pickup in the United States and some return in Asian demand

It said in a monthly report that the pace of decline in consumer prices has eased but Japan remains in mild deflation, a slight change from the previous report when it just said the economy was in mild deflation. "The economy is still picking up slowly, while difficulties continue to prevail due to the earthquake," the Cabinet Office said.

The Government's view is similar to that of the Bank of Japan, which said the economy is showing signs of picking up, while its Governor Masaaki Shirakawa offered an upbeat view on the outlook. The Government said the nation's exports are 'levelling off', upgrading its view for the first time since August. It previously said exports were weakening.

Japan posted its first trade surplus in five months in February after shipments to the US rose at their fastest annual pace in more than a year. With little or no rise in Japan's core consumer prices, the Government expects mild deflationary pres-



Workers guide containers being unloaded from a cargo ship

sure to continue, and sees achieving the Bank of Japan's 1 percent consumer inflation target as some way off. Japan's economic recovery is expected to take hold in the

coming months but there are risks from Europe's debt crisis, higher oil prices and concerns about the electricity supply.

Prime Minister Yoshi-

hiko Noda's administration is being buffeted by conflicting pressures over energy policy, with big businesses urging it to get nuclear reactors back on line and keep atomic pow-

er in the energy mix to keep the economy afloat, while many voters worry about safety after the Fukushima radiation crisis triggered by last year's disaster.

Is Eurozone bailout boost big enough?

Have Eurozone finance ministers done enough to strengthen Europe's emergency firewall? Efforts in Copenhagen saw leaders unveil a fund of 800bn Euros aimed at ring-fencing the bloc's most troubled economies.

The EU Commission had called for more money, around 1tr Euros, though that proved too big for Berlin. Germany's money master Wolfgang Schäuble, resisting the larger increase. The hope now, is that the long-awaited deal will pave the way for the IMF to add its own financial firepower, particularly when lingering doubts over the single currency's weakest members persist, notably Spain. Madrid recently announced an austerity package totalling 27bn Euros.

Spain's deficit reduction is urgent

Spanish Prime Minister Mariano Rajoy admits his country has a huge task ahead to get its finances back on track, but there is no alternative

Stepping up the rhetoric in support of painful austerity moves, Mr. Rajoy told the Parliament in Madrid that in a 'difficult and complicated situation' the spending cuts and higher taxes are less painful than a bailout. He said, "Spain urgently needs to reduce the public deficit in order to meet its targets with the European Union and in order to boost economic growth and job creation. Therefore we have to reduce the public deficit. So, instead of borrowing 90bn Euros, as we did in 2011, this year we will have to ask for 60bn and we will also have to reduce the deficit from 8.5 to 5.3 and the only way to do this is by reducing expenditure or increasing income."

The austerity measures have led to huge protests and are hitting the economy which officials expect to shrink 1.7 percent this year. Spain's health service and education system seem to be next in line for cuts. Economy Minister Luis de Guindos recently said the Government is considering 'reforms' to save an additional 10bn Euros.

Mr. Rajoy also unveiled a new anti-tax fraud plan which will prohibit payments of over 2,500 Euros in cash.



Indonesian Meteorology and Geophysics Agency

Tsunami alerts pass Indonesia quake test

Sirens wailed, warnings blared and police moved millions of people away from coastlines around the Indian Ocean as recent 8.6 magnitude earthquake off northern Indonesia sparked fears of another devastating tsunami

Damage was light and the big waves never came, unlike eight years ago when walls of water roared across the same ocean and ploughed into seaside communities in 13 countries without warning. Five people died in northern Indonesia, at least two from heart attacks.

The alerts and evacua-

tions mean a regional system passed a major test since the tsunami of 2004 that killed 230,000 people, including 170,000 in northern Indonesia alone. But luck helped avert disaster this time as much as the warning system, especially in Indonesia's Aceh province.

Made up of seismographic stations and deep-ocean sensors, the Indian Ocean Tsunami Warning System was activated in June 2006 after an agreement at a UN conference in Japan. When a quake hits, data is sent to the Pacific Tsunami Warning Centre in Hawaii and the Japan Meteorological Agency.

US sues Apple over e-book price fixing

Apple and two major publishers sued by US Government for allegedly conspiring to push up prices of e-books

The lawsuit filed in New York claims consumers are paying more for e-books after publishers, instead of retailers, set prices. Three other publishers have already settled their part in the claim.

The US Attorney Gen-

eral, Eric Holder, said as a result of the alleged conspiracy US consumers paid millions more for popular titles. "They entered into agreements to pay Apple a 30 percent commission on books sold through its 'iBook' store and that they promised through contracts including most favoured nation provisions that no other book retailer would



set a lower price," he added.

Apple's alleged conspiracy dates back to 2010 when it was launching its iPad and was seeking to break up Amazon's low-cost dominance in the digital book market. Apple denies doing anything illegal.

BMW revs up Q1 sales

BMW confirms its highest ever first quarter sales as the number of its cars being driven out of showrooms in March broke all previous records

Its three largest markets posted double-digit growth and overall group sales increased by 12 percent last month. BMW also reaffirmed its plans to grow faster than the market and achieve new record sales



Workers assemble German BMW luxury cars

for its BMW, Mini and Rolls-Royce brands.

China overtook the US as the group's largest single market in the first quarter, cementing its place as the biggest driver of growth for the premium car

industry.

The BMW brand held off rival Audi in their close race for the top spot in the industry with Mercedes-Benz a distant third in the first three months of 2012.