

China's trade outlook worsens, Europe blamed

China's trade outlook for this year is worsening, the country's Commerce Ministry says

Beijing singled out problems in the European Union — China's biggest overseas market — as the core difficulty for exporters. China's exports to the EU slumped 16.2 percent in July from the same month last year. Overall export growth virtually stalled last month it was up just one percent on a year ago.

China aims to increase total trade by an average of 10 percent in 2012, but shipments have been volatile so far this year. A Commerce Ministry spokesman said, "With the European debt crisis spreading and the global economy recovering at a slower than expected pace, China's trade situation in the second half is expected to become more severe."

At the same time it was revealed foreign investment in China from Europe and from other Asian countries slipped. Beijing said that was only temporary and that multi-national companies remain confident about China's prospects.

Firms in the United States, Germany, Singapore and Japan appear to bear that out. Year-on-year data for July showed investment inflows from Germany jumped 27.1 percent to \$1bn, while those from Singapore surged 25 percent



Growth in Chinese auto sales slowed to 8.2 percent on-year in July

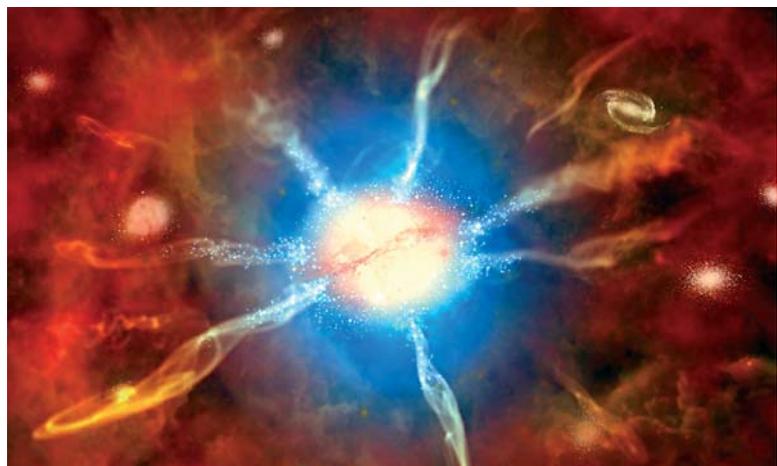
to \$4.4bn and commitments from Japan grew 19.1 percent to \$4.7bn. US inflows ticked one percent

higher to \$2bn.

China's economy expanded at its slowest pace in more than three

years in the second quarter, up 7.6 percent on 2011 as demand at home and abroad slackened.

Galaxy cluster's 'starburst' surprises astronomers



Galaxy that gives births to more stars in a day than ours does in a year

Astronomers have seen a huge galaxy cluster doing what until now was only theorised to happen: making new stars

Most galaxy clusters — the largest structures in the Universe — are 'red and dead', having long since produced all the stars they can make. But cluster formation should, according to theory, include a cooling phase, resulting in blue light from new stars.

Writing in *Nature*, researchers say they have seen evidence that the enormous Phoenix cluster makes 740 stars a year. In our own Milky Way, only one or two new stars are made each year.

The cluster, some seven billion light-years away, is formally called

SPT-CLJ2344-4243 but the researchers have renamed it for the constellation in which it lies. It contains the mass equivalent to about two and a half million billion Suns.

While astronomers are getting better at spotting these huge conglomerates of galaxies — the Planck space telescope has reported notable hauls of them — there is still much to learn about how they form and what goes on within them. Just as planets are thought to form by the eventual coalescence of matter that is around after star formation, galaxy clusters are believed to form through colossal galactic mergers — another event that sharp-eyed astronomers have managed to get a picture of, on more than one occasion.

US launches sweeping immigration reform

Undocumented immigrants are applying for the temporary right to live and work openly in the US, as a sweeping immigration policy reform takes effect

Up to 1.7 million people could be eligible for the programme, unveiled in June by President Barack Obama amid pressure from Hispanic voters.

Republicans say Mr. Obama has passed over Congress — and unemployed US citizens — with the programme. The Latino vote could be important in November's Presidential election. Most of the estimated 11.5 million undocumented immigrants in the US are from Latin America.

Illegal immigrants are getting their records in order as the Department of Homeland Security (DHS) starts accepting applications for the programme, which would allow

them to remain and work for at least two years. Long queues of migrants wanting to submit applications were seen outside immigration offices in parts of the US with large minority populations, such as the states of California and Texas.

In an internal document, DHS officials estimated 1.04 million people would apply in the first year. The Migration Policy Institute and the Pew Hispanic Centre have estimated as many as 1.7 million people could be eligible under the programme.

The administration's plan is to stop deporting many illegal immigrants who were brought to the US as children. To be eligible, immigrants must prove they arrived in the US before they turned 16, are 30 or younger, have been living here at least five years and are in school or graduated or served in the military. They also cannot have been convicted of certain crimes.



Brenda Robles waits in line to apply for deportation reprieve

UN aid chief says 2.5 million in Syria need help badly

Supplies as basic as bread are becoming increasingly scarce in Syria as violence rages

Every day, people jostle outside the only bakery still serving the town of Suran, north of Aleppo. On the ground in Syria, the UN's humanitarian chief said the situation for civilians had deteriorated since her previous visit in March.

"Over a million people have been uprooted and face destitution," Valerie Amos said in Damascus. "Perhaps a million more have urgent humanitarian needs due to the widening impact of the crisis on the economy and on people's livelihoods. Back in March, we estimated that a million people were in need of help. Now as many as 2.5 million are in need of assistance and we are working to update our plans and our funding requirements."

With growing needs for health care, shelter, food, water and sanitation, especially for the most vulnerable, Amos appealed for international donations.

Facebook shares faces fresh test as sales block ends

A deluge of Facebook shares is set to hit the market on Thursday as a lock-up period preventing sales by some company insiders comes to an end

The world's largest social media network went public in May in one of the most anticipated initial public offerings in years, with an initial sale of 421 million shares.

However, share prices spiraled downwards sharply and swiftly amid concerns about valuation and growth prospects. Facebook has shed almost \$50bn in value since its debut — more than the total valuation of computer maker Hewlett-Packard or coffee shop chain Starbucks.

Since then the status of social media stocks — such as Zynga and Groupon — as Wall Street darlings may have slumped but Facebook's big day will be on November 14th, when more than 1.2 billion shares will suddenly be available for trading.

The number of shares offered for sale may be muted because of the low price. Insiders could well hold on to them for now hoping for a recovery.

"If Facebook was trading at \$30, we would see a much larger effect from the lockup expiry. But at \$20? Not so much," said Steve Place, a founder of options analytics firm investingwithoptions.com in Mobile, Alabama.

Materials prepared with aid of information agencies