

Eurozone unemployment rises, while inflation eases

The total number of people out of work in the Eurozone has recently hit almost 18.5 million people

Spain is suffering most as 25.8 percent of the workforce are without a job. For young Spaniards — those under 25 — the unemployment rate is a staggering 54.2 percent.

In the past year the percentage in the 17 countries that now make up the Eurozone has risen from 10.3 to 11.6.

Joaquin Galletero, one of Spain's 5.78 million jobless, explained his predicament, "My wife is unemployed as well. We tried to set up a business but that didn't work out, so we had to close it and we ended up both unemployed. So the situation is unbearable because now we're starting to owe money to the banks and we haven't been able to pay our mortgage."

Fewer people in work means they are spending less so Eurozone inflation eased, as expected.

It was up 2.5 percent year-on-year, down from 2.6 percent in

September. There was also slower growth of energy prices, which increased 7.8 percent year-on-year in October, but more slowly than in September, when they were up 9.1 percent year-on-year.

Fabian Zuleeg, Chief Economist at the European Policy Centre doesn't see things turning around soon.

He noted, "They had a growth problem when the crisis hit, and now we have on top of the general growth problems we have the programmes, the austerity programmes, the reform programmes and these are also hitting the economy; so they mean lower growth and lower growth means more unemployment."

Economists expect the European Central Bank to cut interest rates once more before the end of the year, to support the slowing economy which is likely to have sank into a recession in the third quarter.



People queue in front of a public labour office in Berlin

New Titian goes on show in Spain

A newly attributed painting by Titian has gone on display in Spain

Curators at the Prado Museum in Madrid claim the painting of St. John the Baptist, found in a Spanish church, was painted by the Italian master. The painting, which resided in a church in Almeria for more than 120 years, was originally believed to be a copy. The artwork, which has undergone extensive restoration, will be exhibited at Spain's National Museum until early next February.

It will be shown alongside Titian's two other known versions of John the Baptist, loaned from the Accademia Gallery in Venice and the monastery at the former royal palace of El Escorial, near Madrid. The newly attributed work, found in the parish church of Nuestra Senora del Carmen in Cantoria, Southern Spain, first came to the attention of art expert Miguel Falomir — curator of the current exhibition — while he was researching a catalogue to accompany the Prado's 2003 Titian exhibition. Mr. Falomir proposed that the painting could be a copy of Titian's 'lost' John the Baptist painting.

In 2007, the museum undertook an extensive examination of the painting, previously attributed to 'an anonymous Madrid School artist of the 17th Century', and came to the conclusion that it was an original work by Titian.

Fuel rationed as winter storms follow Superstorm Sandy

Petrol rationing is being expanded in parts of the north-eastern USA devastated by Superstorm Sandy

The region has now been hit by winter snowstorms sending temperatures plummeting and cutting power in up to 300,000 homes and businesses. Long queues are forming as motorists attempt to buy fuel not just for their cars but for generators so they can heat their homes.

"Only 25 percent of our gas stations, we estimate, are open", said New York Mayor Michael Bloomberg. "Drivers are still facing long lines, frustrations are only growing and it now appears that there will be shortages for possibly another couple of weeks. The best way we think to cut down on the lines and help customers buy gas faster, to help gas stations stay open longer and to reduce the potential for disorder, is to alternate the days that drivers can purchase gas."

It is estimated that the economic bill for Superstorm



After Sandy, weather tests New York residents

Sandy will be around \$50bn. That figure looks like increasing as the bitter cold, rain and snow add to the misery, preventing more people from getting to work.

"It's pretty cold, man, pretty cold," said one resident wiping snow off his car. "There's no fuel for the generator so I'm going to try and get fuel today, see if I can warm up

the house a little bit."

Since Sandy struck on October 29th, electricity companies have been working round the clock to restore power, but heavy snow settling on cables is causing fresh outages. The Governor of New York Andrew Cuomo says the disaster has exposed serious flaws in the structure of utility companies.

Recession continues to bite

Spain fell deeper into recession in the third quarter of 2012, new figures show

The news is likely to pile further pressure on Prime Minister Mariano Rajoy's government as it seeks to revive the country's lacklustre economy. Consumer prices also jumped

by 3.5 percent. Spanish GDP has now dropped for the fifth time in succession, falling 0.3 percent in the third quarter of this year.

It adds to evidence the Eurozone's fourth largest economy is trapped in a 'stagflationary' spiral of shrinking growth, high inflation and high unemploy-

ment. Recent budget measures aim to cut the public deficit by 60bn Euros by the end of 2014. For the moment, however, the cuts appear to be backfiring, denting investment and killing consumer spending. Prime Minister Rajoy has so far resisted calls for Spain to ask for a bailout, leading to civil unrest.

Latest numbers bring more hopes of recovery

China has reported encouraging economic data, indicating that growth in the world's second-largest economy may be rebounding

Industrial production, retail sales and fixed-asset investment all rose more than expected in October, from a year earlier. Meanwhile, the inflation rate fell, giving room to policymakers to employ stimulus measures to support growth. The numbers come as China's growth rate has hit a three-year low. Factory output rose 9.6 percent, while retail sales jumped 14.5 percent, indicating that domestic demand was holding up.

The growth in domestic consumption is key for China's economy, as demand for



Chinese women work in a textile factory

its exports — one of the biggest drivers of its growth until 2008 — has taken a back seat amid a slowdown in its main markets of the US, Europe and Japan. Prompted by a decline in foreign sales and continued slowdown in its economy, China's policymakers have

taken various steps to boost its domestic consumption this year. The government has cut interest rates twice since June and also lowered the amount of money that banks need to keep in reserve on three occasions in the last few months to boost lending.