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# Weekly pulse

*"FOR MOST INVESTORS, PERFORMANCE IS BETTER ACHIEVED WITH A TELESCOPE THAN A MICROSCOPE"*

## Yahoo CEO Carol Bartz Fired



Yahoo! chief executive Carol Bartz has been fired by the company's board, ending a two-year run marked by stagnating growth and a bitter rift with Chinese partner Alibaba.

Ms Bartz, in a short note sent to Yahoo employees from her iPad, said: "I am very sad to tell you that I've just been fired over the phone by Yahoo's Chairman of the Board. It has been my pleasure to work with all of you and I wish you only the best going forward."

Yahoo appointed chief financial officer Tim Morse as the interim chief executive officer, replacing Ms Bartz with immediate effect while Yahoo begins to search for a permanent replacement.

## CAG slams Reliance Industries gas deal

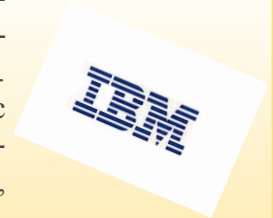
The Comptroller and Auditor General's (CAG) submitted its final audit report on Reliance Industries' (RIL) offshore KG-D6 gas fields expenditure. The report has found that Reliance violated the production sharing contract (PSC) in D6 block and accuses that the company hoarded the D6 exploration acreage in spite of the lack of rigs. It states that Reliance did not give away as much as 25% of total contract area of D6 block as was mandatory. It has also indicted the Directorate General of Hydrocarbons (DGH) which is considered the technical arm of the Oil Ministry for not stopping RIL Phase II work.



## Vodafone signs an extended outsourcing contract with IBM for \$1 billion



IBM renegotiated its outsourcing contract with Vodafone Essar in a deal estimated at around \$1 billion from a \$400-million, five-year outsourcing contract in 2007. IBM will now manage IT systems for Vodafone till 2017. Most of IBM's business is from India's domestic market including public and government sectors. IBM is now one of the top five technology companies in the country in terms of overall revenues, behind TCS, Infosys, Wipro, Cognizant and HCL.



For IBM, the challenge now is to increase profitability of these engagements, especially the ones signed with phone companies, which are squeezing costs to cope with falling per-user revenues.

## Govt lifts ban on wheat exports, prohibits onion exports

The decision to open wheat exports was taken by the empowered Group of Ministers (eGoM) on food, headed by Finance Minister Pranab Mukherjee in the wake of record production and storage problem.

"Wheat and non-basmati rice exports have been put under the Open General License (OGL)," Commerce and Industry Minister Anand Sharma said. However, the foodgrains exports would be subject to a quantitative restrictions of two million tonnes each.

## CAG slams Air India for Rs 200 crore loss

There seems to be more trouble for the government from its auditor. The Comptroller and Auditor General's (CAG) report on Air India has slammed the airline's management for a lack of foresight and said the decision to buy new aircraft caused a loss of Rs 200 crore. The report says the expansion plans of the national carrier were not based on due diligence, and that the new aircraft should have been bought in two phases. Air India has rejected the CAG's contention that 'defective contracts' led to losses, saying the new aircraft were intended to meet increased demand. The government also says all decisions to buy aircraft were cleared by an Empowered Group of Ministers (EGOM). The government has also defended its decision to buy 50 aircraft from Boeing saying this led to huge bulk discounts. The CAG, in its report, had observed that in this case 35 aircraft would have sufficed.

## VW-Porsche Merger Delayed



Volkswagen AG and Porsche Automobil Holding SE said they won't decide on their planned merger by the end of this year as initially planned, as ongoing legal issues in the U.S. and Germany due to alleged market manipulation at Porsche make it impossible to quantify the economic risks related to a deal.

An indication by the Stuttgart public prosecutors of the length of time needed for the preliminary investigations was among the factors that led to the decision.

In August 2009, Volkswagen and Porsche decided to forge a joint company, following which Volkswagen took a 49.9% stake in Porsche's core sports-car unit and acquired options to take over the remaining 50.1% stake at a later stage if the merger didn't work out as planned. Porsche's holding company would then remain a separate entity for the time being.

Volkswagen's management board expects to present the result of this examination to the company's supervisory board by the end of this year.

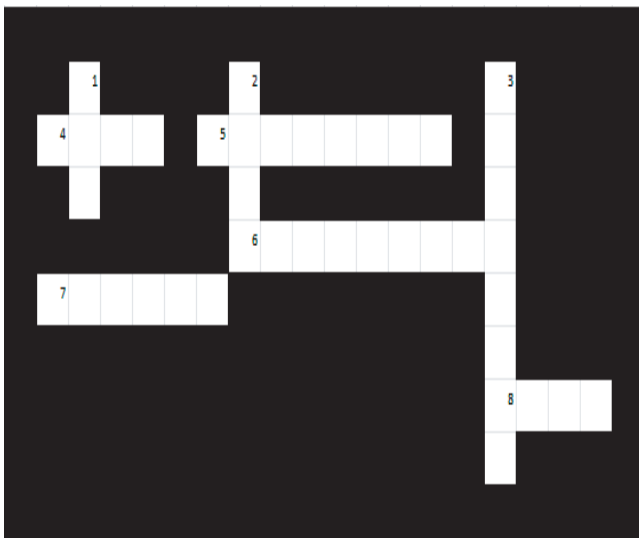
## Obama looks to spurt growth

Barack Obama called on Congress to pass a \$447 billion package of spending initiatives and tax cuts to boost economic growth, in what might be the White House's last chance to revive its political fortunes before the 2012 campaign kicks into high gear.










Among other measures, he also called for more than \$62 billion in spending to extend unemployment insurance benefits through 2012 and fund programs to alleviate long-term joblessness. He also proposed \$140 billion in infrastructure spending and aid to states.

### BRAIN SCRATCHER

FinX comes with yet another edition of crossword. First 3 correct entries will get their name featured on the Facebook page and the next Weekly Pulse.



## WEEKLY MARKET STATUS

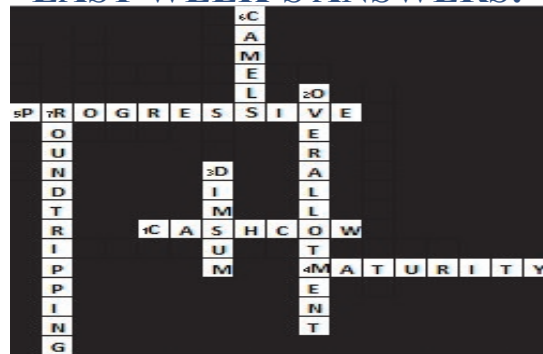
	SENSEX	16866.97 *	+45.51** (+0.27%)
	NIFTY	5059.45	+19.45 (+0.38%)
	DOW JONES	10,992.13	-248.13 (-2.20%)
	HANG SENG	19,866.63	-346.28 (-1.71%)
	FTSE	5,214.65	-77.35 (-1.46%)
	US\$	46.38	0.48 (1.04%)***
	EURO	64.48	-0.93 (-1.42%)
	GOLD MCX	27703	+76 (+0.27%)
	WTI CRUDE OIL (\$/barrel)	87.01	+0.36 (+0.41%)

\*CLOSING SPOT PRICES AS ON LAST FRIDAY i.e. 9/9/2011

\*\*RISE/FALL OVER WHOLE WEEK; FROM 2 to 9 Sep

\*\*\*NEGATIVE SIGN INDICATE STRENGTHENING OF RUPEE AGAINST \$/EURO

### LAST WEEK'S ANSWERS:



**We didn't receive a correct solution of the last crossword. BUCK UP GUYS !!**

#### ACROSS

- A stock which frequently goes up and down. (4)
- A sign which supposedly indicates that a security is reversing its path, and starting to rise instead of decline, but in actuality the security continues to decline after this signal is seen. (8)
- A bond not secured by specific assets. (9)
- Raising the price just before the finalisation of a deal (6)
- An act of transfer of insurance or reinsurance from an insurer to a reinsurer

#### DOWN

- An act of '?' or natural disaster (3)
- 1 ? = 100 pence (4)
- An investor who suffers heavy losses (8)