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**China may bail out Europe, another Black Hole in Greek finances and loads of money for Shell. All that and Police give a speeding ticket to a meteorite**

#### **BIG PROBLEMS AND A POSSIBLE LIFE LINE .....**

##### **CHINA DAILY**

##### **CHINESE BAILOUT FUNDING FOR EUROPE POSSIBLE**

China may offer rescue funds to Europe, Premier Wen Jiabao said after meeting German Chancellor Angela Merkel on Thursday. Wen said it was "urgent" to solve the European debt crisis, and China is willing to "involve itself more" in efforts to resolve Europe's debt issues through the International Monetary Fund, the European Financial Stability Facility and the European Stability Mechanism. The mechanism is a \$650 billion permanent bailout fund signed by 25 out of 27 European Union members on Monday. It will become operational in July to take over from the facility, a temporary fund that has so far been used to bail out Ireland and Portugal.

##### **DAILY TELEGRAPH**

##### **EUROZONE BAIL-OUT FUNDS NOT ENOUGH, WARNS OECD**

By Louise Armitstead

International debt inspectors believe they have found another €15bn (£12.5bn) black hole in Greece's public finances caused by the deepening recession. Officials calculated that to bring the country's debts to a sustainable level at 120pc of GDP the international community would need to find an extra €15bn, raising the prospect of a Greek default. It could leave the eurozone and the International Monetary Fund with the prospect of an even larger bail-out than the €130bn planned.

##### **GUARDIAN**

##### **BRUSSELS DISCOVERS NEW €15BN BLACK HOLE IN GREECE'S FINANCES**

By Larry Elliott, Katie Allen and Giles Tremlett

- Revelation raises pressure on stricken economy
- EU states to be asked for further financial help
- Ireland cuts growth forecast
- Spain demands banks raise €50bn in capital

Pressure on Greece's recession-stricken economy has intensified after international debt inspectors admitted an additional €15bn (£12.5bn) would be needed to fill a newly discovered black hole in the

## **ELSEWHERE IN THE NEWS .....**

### **FINANCIAL TIMES**

#### **GLENCORE AND XSTRATA CLOSE TO \$88BN DEAL**

By Javier Blas and Sylvia Pfeifer in London and Anousha Sakoui in New York

Glencore and Xstrata have launched merger talks to create a \$88bn commodities trading and mining giant with the financial muscle to sweep up some of its biggest rivals. The all-share merger, which could be formally announced as soon as Tuesday, would turn the natural resources industry worldwide on its head by combining the world's largest trading house with one of the biggest mining groups.

### **DAILY TELEGRAPH**

#### **INDEPENDENT SCOTLAND WOULD BE LADEN WITH DEBT, WARNS NIESR**

By Angela Monaghan

An independent Scotland would be heavily indebted and at increased risk of default, placing greater restrictions on economic and fiscal policy, a think tank has warned. The National Institute of Economic and Social Research said Scotland would have no insurance from fiscal risk sharing with the UK if it voted for independence.

### **THE I**

#### **BASKETBALL STRIKE COSTS COMPASS**

The 149-day strike by US basketball stars last autumn disrupted more than just the NBA season – Compass, the caterer, yesterday admitted the lockdown would cost it £30m this year. The firm, which is cooking at the O2 Arena, Wembley Arena, Wimbledon, ExCeL and Earls Court for this year's Olympics, had contracts at 21 of the 30 NBA stadiums.

### **THE SCOTSMAN**

#### **SHELL UNVEILS £19BN INVESTMENT AS OIL PRICES DRIVE 13% PROFIT HIKE**

By Martin Flanagan

Royal Dutch Shell yesterday unveiled ambitious investment and oil production targets and a commitment to dividend growth, as high oil prices helped fuel a 13 per cent jump in profits. Chief executive Peter Voser said the British/Dutch oil giant, which revealed output fell 3 per cent last year, will pump \$30 billion (£19bn) into 60 new projects and drilling options in the coming 12 months. It is a hefty rise from capital spending of \$24bn by the group last year.

### **DAILY EXPRESS**

#### **SHELL TARGETS GAS IN RAPID GROWTH PLANS**

By Andrew Johnson

Royal Dutch Shell yesterday said Europe needed to embrace new sources of gas if consumers here are to enjoy the revolution in lower prices enjoyed by those in the United States. Shell unveiled aggressive growth plans to boost production and cash flow with an emphasis on gas in the US, where prices have tumbled since the exploitation of huge reserves trapped as particles in rock – so-called shale gas – and Australia.

## **THE SUN**

### **I'VE CRACKED CHINA. OTHER BRITS CAN TOO RICE COOKER KING RICHARD LEADS WAY**

By Steve Hawkes, Business Editor

An entrepreneur who is selling rice cookers to the Chinese has urged Brits to take on the world. Richard Kaye made the call for our new "Best of British" campaign. Richard is showing start-ups the way through Fired Up — his firm in Huddersfield, West Yorks. It started off selling fireplaces, then saved Corby, the trouser press maker, and now runs a factory in China flogging rice cookers to the locals.

## **DAILY MAIL**

### **UK TO FALL BACK INTO RECESSION, WARNS THINK TANK**

Britain will plunge back into recession this winter as the eurozone 'muddles through', a leading economic think tank warned today. The UK economy will shrink by 0.1pc in 2012 and unemployment peak at 9.1pc or nearly three million, according to the National Institute of Economic and Social Research.

## **FURTHER AFIELD .....**

## **WASHINGTON POST**

### **MODEST GAINS FORECAST FOR JAN. JOBS REPORT**

By Peter Whoriskey, Published: February 2

With the government's monthly unemployment report expected on Friday, economists predicted it will show that the United States added about 150,000 jobs last month. The emphasis might be on modest. Although the nation's number of employed people has been on a stop-and-go rise for two years, it is still about 6 million short of what it was at the peak of the boom in 2007.

## **TIMES OF INDIA**

### **2G SCAM: ORDER PAVES WAY FOR POLICY CLARITY, SAY EXPERTS**

A Supreme Court judgement cancelling 122 2G licences granted during the tenure of A Raja paves the way for clear policies in the fast-growing sector, experts said. The judgement cancelling 122 2G licences granted during the tenure of former telecom minister Andimuthu Raja, paves the way for clear policies in the fast-growing sector and is likely to reassure investors, experts said. They say the huge Indian market and robust economic growth would attract investors.

## **AND FINALLY .....**

## **DAILY TELEGRAPH**

### **POLICE CAMERA SPOTS METEOR SOARING ACROSS SKY**

Rather than the usual speeding motorist, a police car dashboard camera in the US caught something slightly more unusual hurtling past - a bright light that aviation officials confirmed was a meteor. The bright light filmed falling across the night sky in the US state of Texas was caught on camera by a police car during a traffic stop on Wednesday night.