

# Business Events in Review

Highlights in November 2014



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## November 1<sup>st</sup> to 9<sup>th</sup>

- Federal air-accident investigators began looking into what caused a space plane owned by **Virgin Galactic** to explode over the Mojave desert during a test flight, killing one pilot.
- Robert Hannigan, the head of Britain's GCHQ **intelligence agency**, called for more support from internet giants such as Google and Apple in gathering information about suspected terrorists.
- Haruhiko Kuroda, the governor of the **Bank of Japan**, strongly defended the massive expansion of the government's quantitative-easing measures, announced on October 31st.
- The trial of the most senior **Swiss banker** to be charged with helping Americans evade tax came to a swift end, when a jury in Florida took just over an hour to find him not guilty. Raoul Weil used to run the wealth-management division at UBS.
- **Alibaba** issued its first earnings report since making its stock market debut in September. The Chinese e-commerce company's revenue in the third quarter grew by more

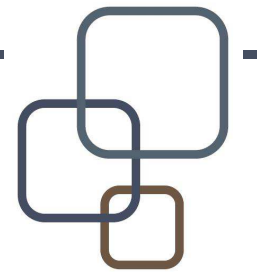
than half, to \$2.7 billion, from the same period last year, mostly because many more people in China are using mobile devices to shop.

- **Ryanair**, Europe's biggest low-cost airline, reported solid earnings for the latest quarter and raised the outlook for its annual profit. The butt of many jokes about poor airline service, Ryanair has refocused on attracting business passengers and overhauled its systems, reducing its online booking process from 17 to five clicks.

## November 10<sup>th</sup> to 16<sup>th</sup>

- Regulators in Britain, America and Switzerland fined six banks—HSBC, Royal Bank of Scotland, UBS, Bank of America, JPMorgan Chase and Citigroup—a total of \$4.3 billion for **manipulating foreign exchange markets**.
- **China** and **South Korea** signed a free-trade deal. The wide-ranging agreement covers 17 areas of commerce, although tariffs on cars and rice will remain.
- **India** and **America** came to an agreement on food security, an issue that had derailed the WTO's Trade Facilitation Agreement, a big multilateral trade deal.
- Alibaba reported record sales of \$9.3 billion on "**Singles Day**", easily beating last year's figure of \$5.8 billion. Singles Day is by far the biggest day of the year for online retailers. Jack Ma, boss of the e-commerce giant, said that 275m packages would be shipped from orders made on November 11th.





- **Hyundai** and **Kia** are to buy back 670 billion won (\$614m) of their shares. The sister Korean carmakers hope to pacify shareholders who are angry over Hyundai's plan to spend \$10 billion on land for its new headquarters in Seoul.
- **Yahoo** is to buy **Bright Roll**, a firm that targets video adverts, for \$640m. Yahoo's share of digital advertising has been shrinking and the firm hopes the acquisition will help it compete against YouTube, Google's successful online video service.
- Unilever, the maker of Hellmann's mayonnaise, is suing **Hampton Creek**, which produces Just Mayo, an egg-free version of the condiment.

#### November 17<sup>th</sup> to 23<sup>rd</sup>

- **Uber** became mired in a public-relations mess after one of its executives suggested that the firm should employ private investigators to dig up dirt on journalists who criticise it.



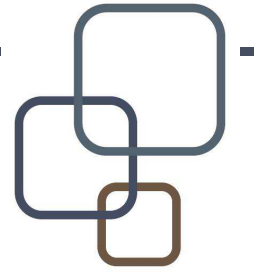
- **Nokia** surprised many tech observers by unveiling its first Android-powered tablet, the N1, marking its return to consumer electronics.
- Bill Ackman, an activist investor, and Valeant Pharmaceuticals saw their joint bid for **Allergan**, the maker of Botox, defeated by a \$66 billion rival offer from **Actavis**.
- **Baker Hughes** agreed to a friendly \$38 billion takeover from **Halliburton**, its bigger rival in the oilfield-services industry. Both

companies have their roots in the oil boom of the early 20th century.

- **Australia** signed a free - trade deal with **China**, its biggest trading partner. The agreement cuts tariffs for most Australian agricultural imports, including wine but excluding rice and sugar, into China and eases the rules for Chinese investment in Australia.
- Britain's House of Commons voted to end the 400-year-old requirement that **pub landlords** must buy their beer from the breweries that own their premises, allowing them instead to purchase their beer more cheaply on the market.
- A court in Mumbai ruled in favour of Royal Dutch Shell in its \$3 billion **tax dispute** with the Indian government. Shell was accused of avoiding tax when transferring shares from its Indian subsidiary.

#### November 24<sup>th</sup> to 30<sup>th</sup>

- **Apple's** stockmarket value passed \$700 billion for the first time. It became the world's most valuable listed company on record in August 2012 (Microsoft still holds the record in real terms)
- It emerged that **BT**, Britain's legacy fixed-line phone operator, is considering buying either EE or O2. It is seeking to return to the mobile-network market it left in 2001, when it sold Cellnet (which was subsequently rebranded as O2).
- **Aviva** confirmed that it had reached an agreement in principle to take over Friends Life in a £5.6 billion (\$8.8 billion) acquisition that would create Britain's biggest insurance, savings and asset-management business by number of customers.



- Ana Botín, who took over as **Santander's** executive chairman in September after the death of her father, Emilio Botín, started reorganising the Spanish bank's senior management. She removed the chief executive, who was appointed by her father, replaced him with the chief financial officer, and promoted allies.
- America's Food and Drug Administration finalised the details of new rules requiring **calorie information** to be listed on menus.

The final rules go further than the original proposals by extending the requirements to food sold in cinemas and amusement parks, and by including some alcoholic drinks.

- America's shoppers sharpened their elbows in preparation for the sales-fest over the **Thanksgiving weekend**. Twelve per cent of the respondents to a survey conducted by RetailMeNot confessed that they will probably be drunk when they hit the stores.

Thanksgiving  
Weekend Specials!