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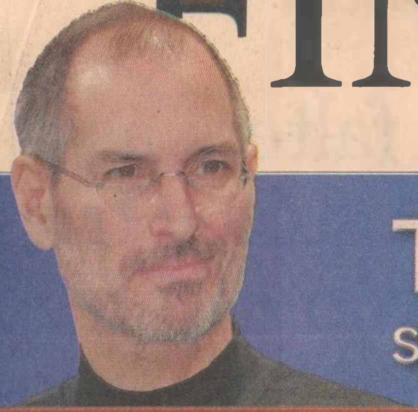

The magician of Cupertino

Steve Jobs, co-founder of Apple, 1955–2011

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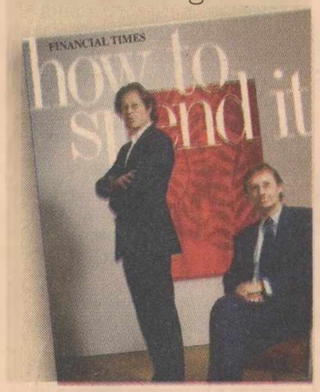
TODAY IN
HOW TO SPEND IT

Art and the deal
Revving up the new Porsche 911 GT3 RS, talking art with Arpad Busson **plus** statement winter coats and Xavier Rolet's award-winning wines



News Briefing

Tributes to Apple's Steve Jobs flood in
Tributes to Steve Jobs, 56, co-founder of Apple, swept the globe, while investors reacted calmly to the news of his death. Apple shares were up 1 per cent in midday trading in New York. **Page 13; Disruptive visionary, Page 7; Lex, Page 12; Apple after Steve Jobs, Page 16; www.ft.com/techhub**

EU blow for US airlines
Non-European airlines can be required to pay for their carbon pollution in the EU, an adviser to the bloc's top court has found – a setback to US carriers' legal challenge. **Page 6**

Obama rails at Wall St
The anti-Wall Street protests "express the frustration" of ordinary Americans angry that bankers are still fighting regulatory reforms, President Barack Obama said. **Page 2**

Dexia stock suspended
The break-up of ailing Franco-Belgian bank Dexia, shares in which were suspended having lost 17 per cent more, took shape as it said that it was in talks to sell its Luxembourg unit. **Page 13; Lex, Page 12**

Extension of methods to calm markets ● UK surprises with £75bn plan

ECB raids policy cupboard

By Ralph Atkins in Berlin and Norma Cohen in London

Europe's central banks have escalated their use of unconventional policy weapons in a bid to calm nervous financial markets and prevent the continent's economies from sliding into recession.

The European Central Bank announced a further extension of its policy of providing unlimited liquidity to eurozone banks on Thursday, saying it would include 12-month loans this month and 13-month loans from December that will bridge two crucial year-end periods when banks are keen to show strong financial figures. It also unveiled a €40bn ($54bn) programme to buy so-called covered bonds – ultra-safe investments issued by banks.

But at what was the last monetary policy meeting chaired by Jean-Claude Trichet, the ECB's governing council was divided over whether to cut rates as well. In the end, it left the main policy rate unchanged at 1.5 per cent – and left open the possibility that the first act of Italy's Mario Draghi would be to oversee a loosening of monetary policy after he takes over as ECB president on November 1.

Separately, the Bank of England surprised markets by unveiling plans to provide further monetary stimulus to the UK economy faster and on a greater scale than had been expected. The Bank's monetary policy committee voted to increase its stock purchases of gilts by £75bn ($115bn) to £275bn over the next four months, reviewing the effects periodically.

Explaining its decision, the Bank made clear that its concerns were twofold. "Vulnerabilities associated with the indebtedness of some euro-area sovereigns and banks" threatened to spill over into the UK, it said. But homegrown woes were also mounting.

"The Bank of England has arguably been bolder and taken a greater risk. The ECB did more what was expected – and may have to do more," said Erik Nielsen, chief economist at UniCredit.

Jean-Claude Trichet, European Central Bank president, chaired his last monetary policy meeting yesterday Reuters

'The Bank of England has arguably been bolder and taken a greater risk'

Economists have pencilled in ECB rate cuts for November or December

In Berlin, where the ECB was meeting for one of its twice-yearly gatherings outside its home city of Frankfurt, Mr Trichet confirmed interest rate cuts were likely in coming months by warning again of "intensified downside risks" to growth. He also dropped previous references to monetary policy remaining "accommodative," or supporting of growth.

Economists have pencilled in ECB interest rate cuts for November or December.

Mr Trichet reiterated calls for banks "to do all that is necessary" to shore up their balance sheets, taking advantage of government support measures or via Europe's new bail-out fund, the European financial stability facility. However, he refused to speculate on the total amount of additional capital required by banks.

The move by Europe's leaders towards a co-ordinated recapitalisation gained momentum on Thursday when José Manuel Barroso, president of the European Commission, said he would unveil his own plan for a Europe-wide bank rescue as soon as next week. His move makes it more likely the issue will be taken up at a summit of EU leaders in two weeks.

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www.ft.com/gavyndavies

Soros fails to quash insider trading conviction

By Sam Jones in London and Stanley Pignal in Brussels

George Soros, the billionaire hedge fund manager, has lost a case at the European Court of Human Rights to have his criminal conviction for insider dealing quashed.

The failed appeal at the Strasbourg-based court is the latest twist in a nine-year battle by the 81-year-old Mr Soros to clear his name following his conviction in France in 2002.

The French criminal case hinged on trades that the Hungary-born investor had executed 14 years earlier in the stock of Société Générale that reaped his hedge fund, the Quantum Fund, $2.9m in profits.

Mr Soros was found by the 2002 court to have had inside knowledge about the intentions of a group of super-wealthy French investors – the "golden granddads" – to bid for the bank. Although the bid failed, Mr Soros's fund profited by buying shares before – and selling after – the group's intentions became public. Mr Soros was fined €2.2m ($2.9m), later reduced to €940,507 on appeal.

Mr Soros had based his initial appeal to Strasbourg on an argument that French insider-trading laws in the late 1980s were too vague for him to know that he was in breach of them.

In its decision, the ECHR conceded that "the wording of the statutes was not always precise" but said that Mr Soros, as a "famous institutional investor . . . could not have been unaware that his decision to invest . . . entailed the risk that he might be committing the offence of insider trading".

Mr Soros's lawyers lamented the ECHR's close decision, pointing out that even the former French market regulator, the Commission des Opérations de Bourse, had found France's insider trading laws too ill-defined to warrant a civil case.