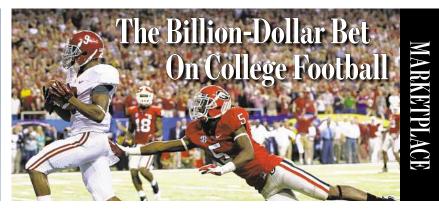


Why Downsizing May Not Save Your Retirement

A SPECIAL REPORT



THE WALL STREET JOURNAL

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Last week: DJIA 13155.13 ▲ 129.55 1.0% NASDAQ 2978.04 ▼ 1.1% NIKKEI 9527.39 ▲ 0.9% STOXX 600 279.17 ▲ 1.2% 10-YR. TREASURY ▼ 6/32, yield 1.627% **OIL** \$85.93 **▼** \$2.98 **EURO** \$1.2926 **YEN** 82.49

What's News-

Business & Finance

Regulators are stepping up scrutiny of suspected manipulation by banks of the euro interbank offered rate, a lesser known cousin of Libor, the scandal-plagued lending benchmark. A1

- **■** Spending by consumers, which has been a rare pillar of U.S. economic strength in recent months, is showing signs of weakening. A1
- port is bringing renewed attention to the pay levels of high-earning senior managers at Fannie and Freddie. A8 ■ China's new leader, Xi Jin-

■ An inspector general's re-

- ping, appeared to signal a commitment to further liberalizing the nation's economy in a weekend visit to Shenzhen. A17
- **China reported** weak foreign trade figures for November, showing that its economy still faces external risks. A17
- **Robert Parker plans** to phase out the print version of Wine Advocate, step down as editor in chief and bring in Singapore-based investors. B1
- REITs are closing out another strong year, but some fund managers say that they are getting less appealing even as their popularity grows. C1
- Wanxiang America, a Chinese-owned auto-parts firm, won the bidding for A123 Systems, the governmentbacked battery maker. **B2**
- AIG disclosed plans to sell an initial 80.1% stake in its aircraft leasing business to a group of Chinese financial-services firms for \$4.23 billion. C3
- Ingersoll-Rand is expected to unveil a plan to spin off its security-technology business as part of a compromise reached with Peltz's Trian. B2
- Small banks are making a last-ditch attempt to persuade Congress to extend a crisis-era blanket guarantee on nearly \$1.5 trillion in deposits. **C1**
- Hostess said it used wages that were supposed to help fund employee pensions for the company's operations as it sank toward bankruptcy. C1

World-Wide

■ Obama and Boehner met Sunday for budget talks. The discussion between the president and speaker was their first face-to-face meeting in weeks. The coming week could prove pivotal as the year-end deadline nears to avert the fiscal cliff of rising taxes and spending cuts. A small but growing number of Republicans say there is a political advantage for the GOP to agree to tax increases for top earners. A4

GOP leaders are proposing a change in calculating costof-living increases as a way to slow federal spending.

- Venezuela's Chávez said his cancer had returned and for the first time named a successor, suggesting the president's disease could be terminal. A1
- A U.S. commando was killed when special forces raided a Taliban hideout in Afghanistan and rescued an American kidnapped outside Kabul. A9
- **■** Egypt's Morsi dismissed rivals' demands to delay a vote this week on an Islamistleaning draft constitution, leading to fresh protests. A9
- Syria's civil war spilled over into Lebanon, as clashes in Tripoli between Assad supporters and backers left four people dead. A17
- North Korea said scientists were considering delaying a rocket launch scheduled for this month for unspecified reasons. A17
- South Africans prayed for Mandela's health after the anti-apartheid leader and former president was admitted to a hospital. A17
- Italy's front-runner to succeed Monti as prime minister pledged to uphold EU economic commitments and not dismantle overhauls. A12
- Romanian voters backed a left-leaning coalition led by the prime minister in parliamentary elections. A14
- Voters in Ghana elected the presidential incumbent from the West African country's impoverished north. A14

Consumer Spending Wobbles

Job Worries, 'Fiscal Cliff' Uncertainty Threaten a Key Engine for U.S. Economy

By Ben Casselman

rare pillar of economic strength in recent months, is showing signs of weakening. American consumers helped

U.S. consumer spending, a

carry the economy through a spring slowdown and appeared to power a summer resurgence in growth. But in recent weeks government data have shown spending was slower over the summer than previously believed, and it has started off the

an even weaker footing.

Now a range of factors, from high unemployment to the prospect of increased taxes due to the approaching "fiscal cliff," are threatening to sap consumers' spending power at a time when other sectors of the economy likely are too weak to pick up the slack.

President Barack Obama and House Speaker John Boehner met for one-on-one talks Sunday at the White House in a bid to

final three months of the year on hasten a resolution of the budget impasse, and the president's aides have left his schedule largely open this week so he has the flexibility to hold more meetings and events. Neither side would discuss the content of Sunday's conversation.

There were fewer signs of movement on Capitol Hill. Democrats say they are waiting for Republicans to agree to raise tax rate on the highest-earning households, and Republicans say they are waiting for Democrats

to agree to cuts in safety-net programs.

But Sunday, Sen. Bob Corker (R., Tenn.) joined a small but growing number of Republicans who say there is a political advantage for the GOP in agreeing to Mr. Obama's demand for tax increases for top earners, saying that will put the focus back on Please turn to page A6

- ♦ Both parties divided over GOP's idea for 'cliff'.....
- ♦ Obama, Boehner meet.....

Baby, It's Cold Outside



in Minneapolis, as a major winter storm was expected to drop nine to 15 inches of snow in the region.

Banking Industry Squirms Over European Rate Probe

By David Enrich

BRUSSELS—The scandal over banks' attempted manipulation of interest rates has mostly centered on the London interbank offered rate. But Libor's lesser known cousin, the euro interbank offered rate, or Euribor, is facing mounting attacks.

The European Union is expected soon to accuse multiple banks of attempted collusion in the setting of Euribor, according to people briefed on the probe. Barclays PLC has already acknowledged trying to rig the rate, and other banks are likely to be pressed by regulators in the U.S., U.K. and elsewhere into similar admissions, according to industry and regulatory officials.

The organization behind Euribor, the European Banking Federation, is waging a campaign to retain control of the rate, which serves as the basis for interest rates on trillions of dollars of financial products, everything from mortgages to corporate loans to derivatives. But making that case is complicated by the fact that EBF officials were long aware of potential shortcomings in how the rate is calculated but didn't take decisive action to address the weaknesses, according to people involved

in setting Euribor and internal EBF documents and

While Euribor has largely avoided the unfavorable spotlight shining on Libor since Barclays settled rate-rigging allegations in June, documents released by regulators and interviews with banking and regulatory officials point to widespread efforts by banks to inappropriately influence Euribor by submitting false data and collaborating with each

At least a dozen banks are under investigation, at least four of them for allegedly working with Barclays, according to disclosures by banks and regulators.

The EBF, a Brussels-based trade association, is trying to avoid the fate of the British Bankers' Association, which this fall was stripped of control of Libor by U.K. regulators. In meetings with policy makers, EBF officials are arguing that Euribor is more transparent than Libor and that they don't think the rate was manipulated. And they are offering to make potentially significant changes to how the rate is calculated and overseen in order to satisfy critics.

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Venezuela **Confronts** Twilight of Chávez Era

By José de Córdoba AND KEJAL VYAS

CARACAS-Venezuela is embarking on a period of deep political uncertainty after President Hugo Chávez announced over the weekend that his cancer had returned and for the first time named a successor, suggesting that his disease could be terminal and his 14-year-grip on power coming to an end. Mr. Chávez, in a televised ad-

dress late on Saturday, said he was returning to Cuba for emergency surgery in the coming days after malignant cells had reappeared in the same pelvic region where the socialist leader has been operated on at least twice and received multiple rounds of anticancer treatment since June 2011 He also publicly talked about

the end of his rule for the first time, saying that if "something were to occur to him," his supporters should back Vice President Nicolas Maduro, a former bus driver and union leader who many observers say has emerged as the most capable administrator and politician of Mr. Chávez's inner cir-

"Thankfully, this revolution doesn't just depend on one person," Mr. Chávez said, kissing a crucifix during his emotional 30minute address from the Miraflores presidential palace while surrounded by grim-faced aides.

The surprise announcement throws into doubt the future of Latin America's most prominent leader of the past 14 years and his self-styled Bolivarian Revolution in Venezuela, the country with the world's largest oil reserves. The former tank commander has been the region's most outspoken critic of Washington and capitalism for Please turn to page A14

◆ Chávez's choice for successor cemented alliances......

What's Ahead

MONDAY, DEC. 10

◆ European Union foreign ministers meet, with Syria on the agenda.

TUESDAY, DEC. 11

- ◆ The Commerce Department tallies the international balance of trade for October.
- ◆ Federal Reserve officials conclude a policy meeting, and Chairman Ben Bernanke

WEDNESDAY, DEC. 12

holds a news conference. ◆ The Treasury reports on the federal budget deficit

for November. THURSDAY, DEC. 13

◆ Data on retail sales and producer prices for November are due. The govern-

ment also posts figures on initial jobless claims for the latest week.

♦ EU leaders begin a twoday summit.

FRIDAY, DEC. 14

◆ The U.S. releases the consumer-price index and a report on industrial production for November.

SATURDAY, DEC. 15

◆ Egypt has scheduled a referendum on a draft constitution, but opposition parties are demanding a delay.

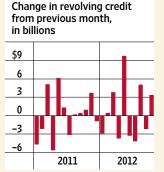
SUNDAY, DEC. 16

◆ Japan holds a general

For the week ahead in corporate news, see page B2.

Vital Signs

Source: Federal Reserve



◆ Americans ramped up their credit-card use in October. Revolving credit, which includes credit-card debt, rose a seasonally adjusted \$3.4 billion, or 4.7% at an annualized rate, from September to \$857.6 billion, the highest level since May. Overall consumer borrowing rose an annualized 6.2% in October to \$2.75 trillion. That suggests consumers are growing more willing to borrow for big-ticket items.

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Fan Hoping to See Rolling Stones In Slovenia Gets No Satisfaction

In 50 Years, Band Has Played 40 Countries, But Not His; Alternative: Chris Jagger

By Neil Shah

Even among the surprising number of Rolling Stones fans who have built museums or shrines to their favorite rock band, Slavko Franca stands out.

The 63-year-old collector has hitchhiked, driven, boated and flown to 48 shows around the world, accumulating everything from Stones coffee mugs and flip-flops to boxer shorts. But there is one

relic missing from Mr. Franca's museum: A ticket to a Stones show in his own country.

Mr. Franca is arguably the biggest Stones buff in Slovenia, a tiny country on Europe's edge the band has never visited in half a century of touring.

"They'll never come," Mr. Franca lamented one afternoon last month, before jetting to

London for the opening night of the Stones' five-gig 50th anniversary tour, which ends this week in Newark, N.J. "There are only two million inhabitants here. And they are not so much fans of the Rolling Stones."

The Stones grew out of the friendship of Mick Jagger and Keith Richards, classmates who met in a train station on the outskirts of London in the early 1960s and bonded over American blues records

Since then, the Stones have played 1,738 concerts in 40 countries, including 634 in the United Kingdom, 578 in the U.S. and 97 in Germany, according to data from Time Is On Our Side, a fan website. India has seen the Stones twice. But never Slovenia.

To fill the void, Mr. Franca, a retired ship engineer, operates Please turn to page A18

