

Business in Brief

Iberia

Luggage charge

Spain's national airline, Iberia, will be charging for luggage carried in the hold from now on.

Passengers will be asked to pay an additional 50 or 60 euros for second and consecutive suitcases checked on board for those flying with the cheapest tourist fares on long haul flights. The price charged will depend on whether you pay online or at the airport. Charges start from March 1st and for the moment are on the second piece of luggage onwards, in comparison with the low cost airlines or those such as American Airlines who charge for every item.

Desalination plant

Drinking water

A new desalination plant is to be built off the coast of Guía de Isora.

Designed to provide drinking water to Guía de Isora and Santiago del Teide, the new plant will cost €16 million and provide 21,000 cubic metres of water a day. The allocation of the plant to the area is bound to cause some dissension given that a plant already built in Santiago del Teide is not in operation.

House prices

Buying a home

Those waiting for prices to fall further before buying their dream home may be wise to get a move on.

The latest survey by Pisos.com showed an increase in house prices over Spain of an average of 0.03 per cent in resale properties across the country. Castillo y León was the region with the highest price hike at 1.04 per cent increase followed by the Canaries at 0.91 per cent. Although slight, the increases are being seen as a firm change in tendencies. Price decreases continue to be seen in some regions such as Castilla La Mancha, Navarre, Aragón and the Basque country.

Credit cards

Last resort finance

Using your credit card as a way to pay for items month by month is very expensive, the APR is usually over 20 per cent and the possibility of getting yourself into a credit bind is very high.

Standard credit cards offer you two ways to pay, clear off the debt for purchases made at the end of the month with no interest charges or pay over an extended period with interest charges added. In addition there are credit cards which can only be used for monthly payment credit. Monthly payments can either be based on a fixed amount, normally not less than 18 euros, or a percentage of what is owed, generally with a minimum of three per cent. Obviously the smaller the amount you pay, the longer it will take you to pay it off and the more interest will be added to your account.

The rate of interest charged can vary tremendously. In a recent report by consumer's organisation OCU, they analysed 19 different credit cards and found rates from six per cent with the Visa Clásica of Inversis Banco to 26.82 per

cent with the Visa Clásica of Banco Santander and the Visa Cepsa of Citibank.

Over half the cards studied offer the possibility of paying the majority of the debt off at the end of the month whilst allowing a particularly large purchase to be paid monthly. The cost of putting one item aside for monthly payment tends to be a much cheaper option than the normal monthly payment system, 9.9 per cent as opposed to 22.42 per cent for example in the case of Vanco Popular-e's Visa Clásica. However you should look at the fine print. Some banks make extra charges for this type of operation, for example Citibank's Visa Cepsa charge five euros for each operation. If the purchase is only small the APR can be horrendous, if for example you decide to pay off 90 euros over three months under the special payment system the end APR is 80 per cent if you include this charge.

Only five of the cards investigated gave a three month

breathing period without interest (six months in the case of Caja Madrid's Pago Seis). However the credit may be free of interest but not of costs as there are additional charges to, "formalise" purchases which hikes up the APR, especially in small operations, with the exception of Unicaja's Mastercard which can only be used in a restricted group of establishments. For purchases of over 600 euros this type of card can be a good option.

All the cards in the report allow the cardholder to draw cash either by transfers to a current account or by using a cash machine. In addition to the interest charged on the amount in question you have to add the commission charged for the transfer. The most expensive is the Caja de Ahorros del Mediterráneo who charge four per cent of the amount transferred. Cash machines can be even more expensive with charges up to five per cent if you have to use a bank chain other than your own.

Most cards will simply block your operations when you reach your credit limit, others allow you to go a little over at the cost of a commission of up to four per cent of the amount overspent or a fixed charge which can be very high, for example Unicaja charge 20 euros.

Problems get worse if you hold more than one credit card and fall for the temptation to spend up to the limit on all of them. If you can't pay the monthly amount required they can charge you a commission for debt recovery of up to 35 euros and your overall debt will begin to be charged at overdue payment interest rates. If you can get back on track quickly you will probably be able to continue using your credit card without a problem, however if the debt persists the card will be cancelled and they will go to any extreme to recover the accumulated debt, interests and commissions. It

could well end with an embargo on your possessions and your name in a debtors list which will mean that you will not be considered for further loans, credit cards or mortgages from any bank or credit company.

How to make the most of your credit card

Ideally use your card on a 'pay all at the end of the month' basis.

Avoid the cards which oblige you to pay monthly and therefore get yourself into debt even if you don't need it.

Choose a card which will allow you to isolate specific purchases to pay off monthly. If your card doesn't allow this, buy whatever it is you want to buy, but put the card to one side until the purchase is fully paid off.

If you've got some extra cash in hand, make a full or partial early settlement of your credit card bill.

Don't use cash machines to take out money on credit.

Be satisfied with just one credit card. You will be better protected against fraudulent credit card use and the possibility of getting into debt over your head.

The full OCU comparison chart can be found at http://www.ocu.org/20100114/tarjetas-de-creacutecute-ditodinero-y-derechos-neordm-114-Attach_s479484.pdf.



Power FM schedule

Weekdays

08.00 Bigger Breakfast with Rick Porter
11.00 Big Fat Lunch with Val Richardson
14.00 Alex in the Afternoon with Alex Mcrae
14.00 (Weds) Rock 'n Roll Years with Dion
17.00 Drivetime with Fred Dudman
20.00 (Fri) Battle of the Bars with Katy Kennedy
23.00 Into the Midnight Hour with Maggie Porter
02.00 Early Hours - Virtual Power
05.00 Daybreak - Virtual Power

Saturdays

08.00 Breakfast Show with Gordon King
12.00 The Golden Oldies with Katy Kennedy
15.00 Saturday Scene with Pete Quilty
18.00 Saturday Night with Saturday Power
21.00 Love Show with Bernie Simmons
23.00 In the Midnight Hour with Virtual Power
02.00 Early Hours - Virtual Power
05.00 Daybreak - Virtual Power

Sundays

08.00 Breakfast Show with Gordon King
12.00 Sunday Roast with Katy Kennedy
15.00 Love in the Afternoon with Pete Quilty
18.00 Ex-Pat Show with Spencer James
21.00 BBC Top of the Pops
22.00 The Love Show with Bernie Simmons
02.00 Early Hours - Virtual Power
05.00 Daybreak - Virtual Power

EXCITING TIMES ARE AHEAD!
SEVEN ISLANDS, ONE STATION



RADIO ADVERTISING WORKS!
Power FM covers all seven islands!
Call us for a no hassle and friendly quotation any time on 679 402 402
Web: www.powerfmradio.com
E-mail: sales@powerfmradio.com
Studio: 9055 12345 SMS: 5533 Power