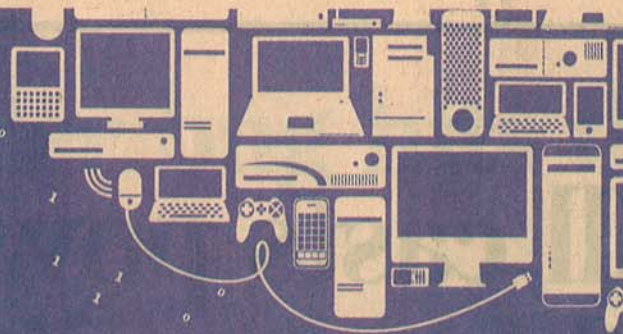


iCloud computing

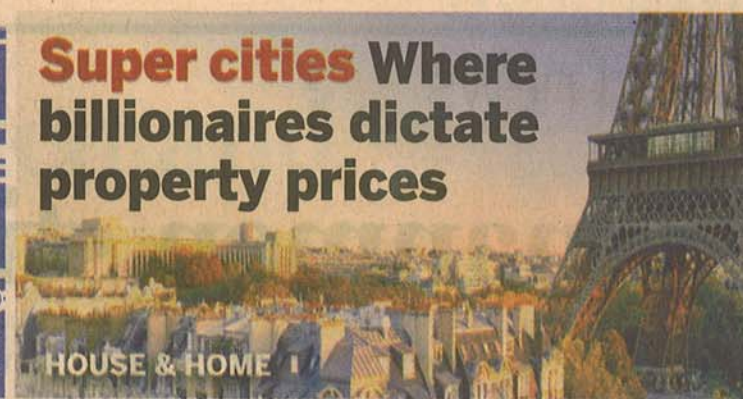
Apple's ambitions to shake up how you manage your media

ANALYSIS PAGE 5



Super cities Where billionaires dictate property prices

HOUSE & HOME 1



FT WEEKEND

Plus Interview with Arundhati Roy, novelist and fierce critic of India

USA \$2.50 Canada C\$3.00

FINANCIAL TIMES | Saturday June 4 / Sunday June 5 2011 | USA

World Business Newspaper

Jobs data stoke US recovery fears

54,000 rise in payrolls far less than forecasts
Unemployment rate increases to 9.1 per cent

By Robin Harding in Washington and Shannon Bond and Michael Mackenzie in New York

The US added just 54,000 jobs in May, confirming fears that the recovery of the world's largest economy has stalled.

The rise in payrolls was far smaller than the 165,000 forecast by economists in a Bloomberg poll, and also well below this year's average monthly gain of 182,000. The unemployment rate rose by a 10th of a percentage point to 9.1 per cent.

Job creation was weak in May, threatening President Barack Obama's re-election prospects next year.

"Fundamentally it just shows that the economy doesn't have the ability to sustain momentum because we're in the work-out period after a crisis," said Steven Ricchiuto, chief economist at Mizuho Securities in New York.

The data will raise fears of a double-dip recession, although it is more likely that the economy will continue to grow at an anaemic pace.

"If we get a report like this next month then people are going to be very concerned," said David Semmens, US economist at Standard Chartered in New York. "There is no real

leading indicator that points to any turnaround."

Part of the decline may reflect disruption to supply chains caused by the Japanese tsunami in March. While manufacturing employment fell by 5,000 in the first decline since October, parts shortages would be more likely to lead to fewer shifts than to outright lay-offs.

The recent rise in oil and food prices - and the resulting damage to consumption and business confidence - is a more

"If we get a report like people are going to be very concerned"

David Semmens, Standard Chartered

likely explanation for Friday's weak job numbers.

Private sector employment rose by 83,000, but that was offset by a 29,000 decline in government payrolls as budget cuts bit. Service industries recorded the largest employment gains in May, adding 80,000 jobs. Retailers shed 8,500 positions.

"Our economy is not creating enough jobs, and Democrats' binge of taxing, spending, borrowing and over-regulating is a big part of the reason why," said John Boehner, the Republi-

can speaker of the House of Representatives.

Austan Goolsbee, chairman of the president's Council of Economic Advisers, said there were "always bumps on the road to recovery", adding that the data were "a reflection of some serious headwinds" from the past six months.

Mr Ricchiuto said that the Federal Reserve has "painted itself into a corner" by expressing concerns about further quantitative easing. Any more fiscal stimulus, he added, would be inconceivable if not accompanied by strong economic growth.

In the wake of the jobs data, stocks and commodities fell, the dollar weakened and the Treasury yield dropped again.

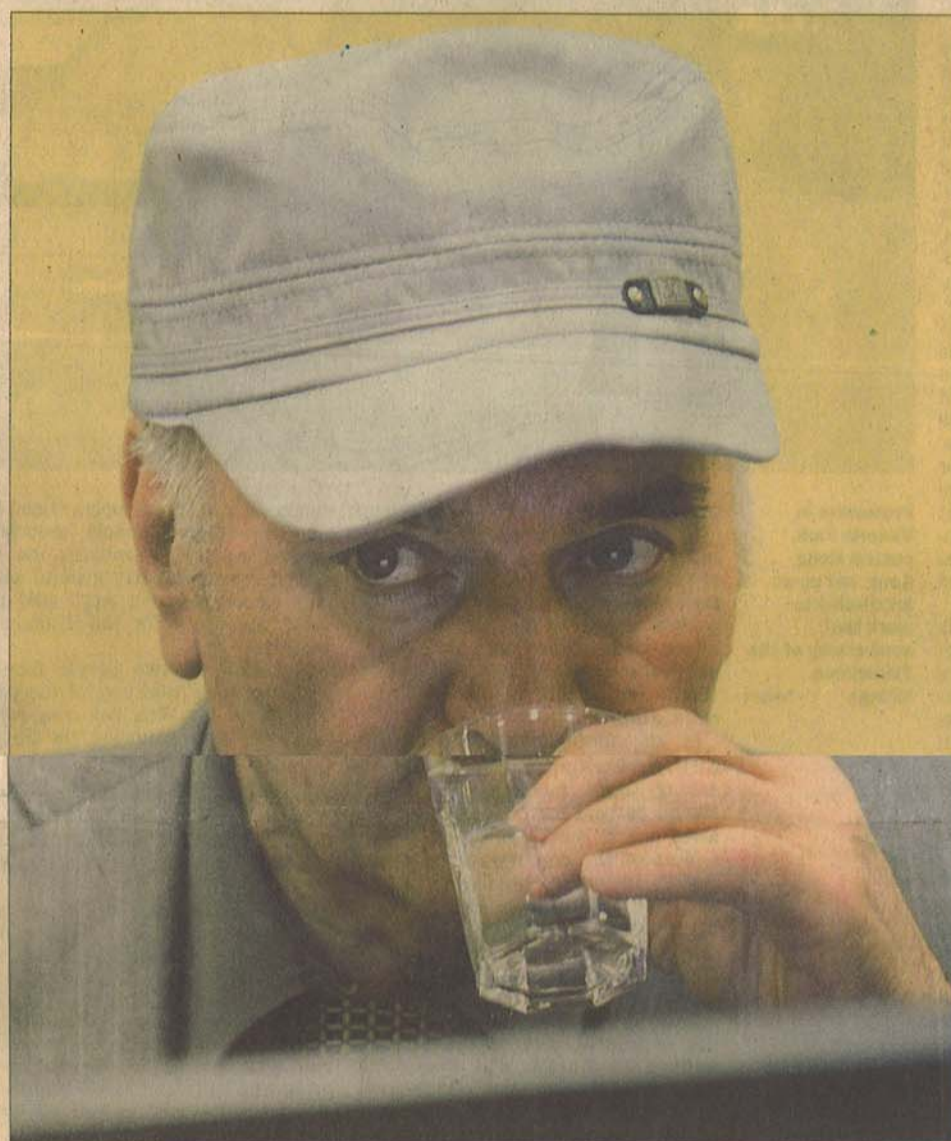
In New York, the S&P 500 had its fifth straight weekly fall, down 1 per cent on the day. The dollar declined 0.8 per cent on a trade-weighted basis.

The yield on 10-year Treasury notes was down 4 basis points at 2.99 per cent.

Crude oil eased towards \$100 a barrel while gold rose above \$1,540 an ounce, shy of last month's record of \$1,563.

White House brave face, Page 2
Editorial Comment, Page 6
Robin Harding, Page 7
Markets, Pages 11 & 12
www.ft.com/gavindavies

Defiant Mladic refuses to enter plea



At his court appearance in The Hague, Ratko Mladic, the ex-Bosnian Serb commander, refused to enter a plea to what he called 'obnoxious' genocide and war crimes charges Report, Page 4

News Briefing

Oil price
Nymex front month (\$ per barrel)
115



Crude see-saws around \$100 mark, Page 12

Trade row tycoon dies
Israeli billionaire Sammy Ofer, focus of a dispute over alleged deals with Iran, has died. Page 4

Tiananmen shadow
China is re-evaluating its response to events 22 years ago. Page 2

Nomura bonus blow
Japan's bank has cut bonuses for its top

End a disastrous war
Why the global war on drugs has failed. Martin Wolf, Page 5

Man in the News
Fifa's Sepp Blatter is a master at facing down crises. Page 7

FT Award
Charles Clover, Moscow bureau chief, has received a Martha Gellhorn Special Award for Journalism for his reporting into Russia's far-right gangs.

Yemen's president injured during attack on palace as turmoil escalates

Explosion sparks fears of all-out civil war

By Noah Browning in Dubai and Roula Khalaf in London

Yemen's President Ali Abdullah Saleh was injured in an attack on his palace as his struggle to remain in power took an increasingly violent turn following four months of peaceful pro-democracy protests.

Explosions at the presidential palace in the capital Sana'a on Friday wounded other top officials and killed three presidential guards. Mr Saleh was reported to have been slightly injured, and cancelled a press conference. The attack came just after Mr Saleh's loyalists had bombed the residence of Hamid al-Ahmar, a leading businessman and opposition figure.

As Yemen, the Arab world's poorest country and one of its

most fragile, seemed to be on the brink of civil war, another Arab uprising, in Syria, also intensified. Syrian forces shot and killed more than 30 protesters in the city of Hama, on a day of raging protests against the regime of Bashar al-Assad.

The violence in Yemen was the latest escalation in Mr Saleh's campaign to hang on to the presidency after he broke a promise to sign an agreement to step down. The deal had been brokered by Yemen's Gulf Arab neighbours who were seeking to avoid chaos in a country that is home to the most active branch of al-Qaeda.

Instead of a smooth transition, Mr Saleh's forces have been fighting tribesmen loyal to Sadeq al-Ahmar and his brother Hamid, leaders of the country's most powerful tribe, the Hashid, over the past 10 days.

Abdul Ghani al-Iryani, a political analyst, warned that the

palace attack had given Mr Saleh the excuse he had been seeking for a big retaliation. "Yemen will now likely face an all-out conflict," he said.

The government said the Ahmars were responsible for the attack and described it as an



On alert: soldiers at a protest site in Sana'a on Friday

attempted coup that would be confronted with "all necessary measures".

The Ahmars insisted they had not been involved. Their allies said they have been trying to avoid being dragged into a civil war they believe Mr Saleh is now intent on provoking in order to stay in power.

As tensions soared in the capital, gun battles erupted between Mr Saleh's army and tribesmen protecting protesters in the central city of Taiz, where a sit-in camp that had stood for four months was stormed and burnt by government forces this week.

Tanks belonging to Yemen's Republican Guard, controlled by Mr Saleh's son, repeatedly shelled parts of the city, according to witnesses, while rebels over-ran key neighbourhoods and seized several armoured vehicles from the military.

30 killed in protests, Page 4

WALMART SUPERCENTER

Walmart signals share buy-back

Walmart is to buy back \$15bn of its own shares as it seeks to improve returns to investors, a decision that is likely to have the side-effect of lifting the stake of its founder's family to more than 50 per cent. The world's largest retailer made the announcement against a background of poor sales growth in the US.

Report, Page 8

Subscribe now
In print and online
Tel: 1 800 628 8088
www.ft.com/subsusa

© THE FINANCIAL TIMES LIMITED 2011 No: 37,635

Printed in London, Liverpool, Dublin, Frankfurt, Brussels, Stockholm, Milan, Madrid, New York, Chicago, Los Angeles, San Francisco, Dallas, Atlanta, Orlando, Washington DC, Tokyo, Hong Kong, Singapore, Seoul, Abu Dhabi, Sydney, Johannesburg



World Markets

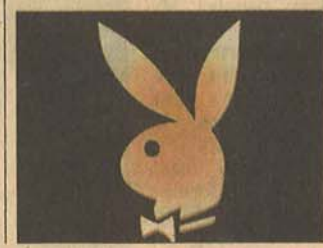
STOCK MARKETS	Jun 3	prev	%chg
S&P 500	1300.16	1312.94	-0.97
Nasdaq Comp	2732.78	2773.31	-1.46
Dow Jones Ind	12151.26	12248.55	-0.79
FTSEurofirst 300	1111.51	1115.92	-0.40
Euro Stoxx 50	2789.11	2782.57	+0.24
FTSE 100	5855.01	5847.92	+0.12
FTSE All-Share UK	3058.58	3054.98	+0.12
CAC 40	3890.68	3889.87	+0.02
Xetra Dax	7109.03	7074.12	+0.49
Nikkei	9492.21	9555.04	-0.66
Hang Seng	22949.56	23253.84	-1.31
FTSE All World \$	223.9	224.72	-0.36

CURRENCIES	Jun 3	prev	Jun 3	prev
\$ per €	1.457	1.444	€ per \$	0.686
£ per €	1.636	1.633	€ per £	0.611
¥ per €	0.890	0.884	€ per ¥	1.123
¥ per \$	80.5	80.9	¥ per \$	117.3
¥ per £	131.8	132.1	£ index	79.0
£ index	76.9	77.3	€ index	97.68
€ index	97.68	97.20	Sfr per €	1.218
Sfr per €	1.218	1.218	Sfr per £	1.368

INTEREST RATES	price	yield	chg
US Gov 10 yr	101.08	3.00	-0.03
UK Gov 10 yr	103.73	3.28	0.03
Ger Gov 10 yr	101.65	3.06	0.03
Jpn Gov 10 yr	100.58	1.14	-0.01
US Gov 30 yr	102.36	4.24	-0.02
Ger Gov 2 yr	100.07	1.71	0.04

On FT.com today

Ageing Playboy
Lex looks at a brand with staying power
www.ft.com/lexvideo



TIMELESS STYLE
EXCEPTIONAL PRICES
LIMITED TIME

THE SALE
JUNE 7TH
9:30AM

TURNBULL & ASSER
SHIRTMAKERS AND CLOTHIERS

42 E. 57TH ST. NEW YORK CITY, NY 10022. TEL: 1 877 887 6285
TURNBULLANDASSER.COM

PEARSON

California dreaming

The modern, minimalist style of west coast pool houses is in demand around the world. Nathan Brooker reports

It's easy to see why people from cooler climates envy the sun-kissed Californian coast. David Hockney's crystalline pool paintings of the late 1960s capture the atmosphere perfectly with their clean lines and cloudless skies. You could daydream yourself into the scene: a long summer afternoon, a chilled glass of Californian white in hand and a sapphire swimming pool before you. At the heart of it all is the perfect, Californian-style pool house.

Just such a dream is being realised by architectural and interior designers in the US, and increasingly modern, minimalist pool houses like Min Day's design in Palo Alto, California are becoming sought after around the world.

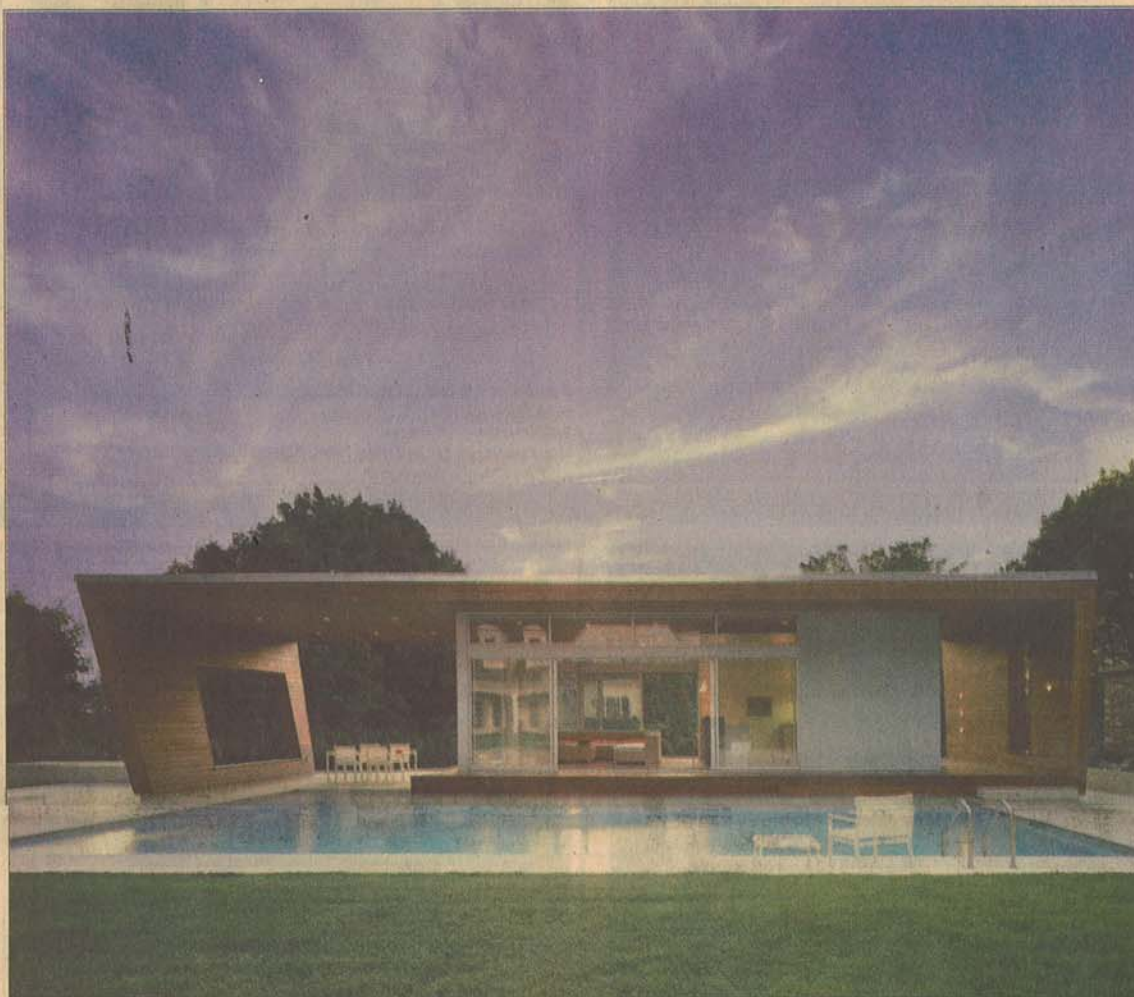
The two main themes in west coast pool house design are simplicity and multifunctionality. The simple geometry of the pool house in Palo Alto very much epitomises this architectural trend, with its

Daydream yourself into the scene: a long summer afternoon, a chilled glass of white and a sapphire pool

clear and practical use of metal and glass. The Hariri & Hariri-designed pool house in Wilton, Connecticut, may not be on the west coast, but certainly upholds many principles of the style, including its emphasis on flexibility. The structure is equally suited to wild parties and quiet relaxation.

Once you have your elegantly appointed pool house, one of the easiest ways to achieve this versatility is with the right choice of furniture. Designer Gisue Hariri says: "Keep it simple. Make sure the furniture is light enough so you can move it around." After all, "you want to enjoy your pool house, not be burdened by its maintenance and care," she says. Her design features lightweight, electrostatic powder-coated aluminium frames with white mesh fabric sourced from Janus et Cie, but similar designs are available from Italian design house, Kartell.

As with outdoor furniture, simplicity is the key to the interior design too. Archi-



Reflective Poolhouse (above) in Wilton, Connecticut, by architects Hariri & Hariri

Paul Warchol



Luminous Poolhouse (above) in Palo Alto, California, by architects Min Day, and the Bleakley Cabana poolhouse (left) by Bruce Bolander
Todd Hido/Edge Peps, Laura Hull

tecturally designed seating and cabinets fit trimly into designs such as the Bleakley Cabana by Bruce Bolander. Bars and cabinet fronts need to be elegant but, being in such close proximity to the pool, they must be weather-resistant too. For the Bleakley, Bolander opted for Trespa, an exterior-grade laminate. EB Min who, together with design partner Jeff Day, created the Palo Alto poolhouse, favoured treated Douglas fir and maple for the natural interior.

Inside seating often has a wicker-like feel, either in clean blocks like the Wilton's synthetic woven fibre from Janus et Cie, or graceful curves like the vintage designs chosen for the Bleakley Cabana by interior designer Jamie Bush. For the Bleakley, Bush opted for a jute rug from West Elm to add colour, definition and warmth to this outside space.

Accessories are less formal. Bright and patterned cushions accent the west coast's clear-cut designs perfectly, but again bear in mind the pool and the elements. The Wilton's cushions are treated, having durable, anti-microbial surfaces that resist soil, abrasion and UV light. They should remain pristine.

Bush takes a slightly different approach. His interior of the Bleakley mimics the furniture of the main house and is comprised of vintage products chosen to age gracefully. The colour scheme of the Bleakley matches certain rooms from their main house too – all part of Bush's attempt to create "a dialogue with the main living space."

And that is the aim of all great pool house designs and furnishings: to create a haven away from the everyday that is a comfortable, fun and functional space to relax in the sun or host sizzling barbecues.



Firepit
Globe fireplace
from £1,900
www.vauni.com



Chair Cabo chair
from Zuo Modern
Contemporary, \$300
www.zuomodern.com

Umbrella
Garden
umbrella with
aluminium
stand from
Janus et Cie,
\$2,049
www.janusetcie.com



Sofa From Janus et Cie's
'Pure' sofa line, \$3,570
www.janusetcie.com