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**What's News**

*Business and Finance*

*World-Wide*

**PERSONAL INCOME** increased a moderate 0.6% last month to \$1.829 trillion annually after rising 0.3% in January. More robust growth had been expected in February because of sizable employment gains. The small increase could contribute to continued lackluster gains in retail sales, which would retard economic growth.

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A federal debt limit increase wasn't considered in the Senate, making it likely the Treasury will have to postpone tomorrow's auction of \$2.88 billion of two-year notes. The Senate is expected to consider a bill tomorrow raising the limit.

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**AT&T** reported a 9% rise in profit for the three months ended Feb. 28 to \$1.3 billion, or \$1.89 a share, on an 11% increase in revenue to \$10.7 billion.

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Savers with small accounts would be able to earn higher interest under a proposal by the U.S. League of Savings Associations. It suggested lowering to \$100 from \$1,000 the minimum deposits for longer-term savings certificates, those with maturities of one year or more.

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The wage and price council nearly completed its work on issuing anti-inflation guidelines, expanding their

**THE U.S. AGREED** to a \$5 billion aid plan to cement an Egyptian-Israeli treaty.

Under a plan worked out in Washington by Defense Secretary Brown and Israeli Defense Minister Ezer Weizman, U.S. military aid to Israel will rise \$3 billion over the next three years. The grants and loans will help Israel relocate two air bases and other facilities when it turns over the Sinai to Egypt. Military assistance to Egypt will increase as much as \$2 billion, with specifics to be worked out later. Weizman also met with Egyptian Defense Minister Kamal Hasan Ali on details of the Sinai withdrawal. They were unable to agree on a final schedule, but both expressed confidence that the treaty will be signed next week.

*The aid boost will help Israel deal with what it sees as a growing threat from Iraq, which has been receiving modern Soviet weaponry, and Syria.*

In Israel, the cabinet approved the treaty and sent it to parliament, which is expected to ratify it tomorrow. Prime Minister Begin avoided a clash with hardline ministers by agreeing to set up a committee to determine Israeli policy in negotiations on Palestinian self-rule.

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**IRAN STRUGGLED** to quell a Kurdish rebellion in the west.

The new revolutionary regime negotiated a cease-fire with Kurdish tribesmen, who want to set up an autonomous region, after a day of battles that left at least 170 people dead. The tribesmen reportedly overran the military outpost at Sanandaj, 250 miles west of Tehran, then seized the police headquarters and radio and television stations. It wasn't clear what sparked the fighting. Some reports said local Shiite Moslem leaders handed out arms and ammunition to the populace, but denied weapons to the Kurds,