

## Trade Review

Cost	Principals	Project/Nature of Deal	Financing	Comment
<b>NEW DEALS</b>				
600 mn.	Spain from U.S.	International Harvester will invest \$200 mn. in a new tractor engine plant in Spain and \$400 mn. in buying into EN-ASA truck builders, whose vehicles IH will distribute worldwide.		Final deal to be signed in September.
122 mn.	Iraq and Somalia from England	Massey-Ferguson has received orders for 6,000 two-wheel drive tractors for Iraq and 660 four-wheel drive tractors for Somalia, all to be built in England.		
76 mn.	Iran from Hungary	Hungary has signed separate deals selling transformers and steel wire to Iranian concerns.		
60 mn.		Lord Carrington offered southern Brazilian coal companies £25 mn. credits for purchase of British coal machinery. Carrington made offer at end of his week-long visit to Brazil.		Brazil plans to spend \$5 bn. to up production of its high-ash coal.
4.5 mn.	Australia from Spain	Spanish govt. steelworks ENSIDESA will invest in 5 percent share of Oaky Creek coking coal consortium. Spain reportedly chose Australia over nearer U.S., Canada, and Colombia because of superior rail and port facilities.		
4.3 mn.	Jamaica/Cuba	Two-way \$4.3 mn. trade credit lines opened, renewable after one year.		Note small size.
	China from Britain	Pilkington will build 4,500 ton/week sheet glass factory in China.	Eisenberg group	Said to be biggest joint venture with West.
	France/U.S.	Mack announced it will assemble Renault industrial vehicles in the U.S. and sell Renault cars there, while Renault will make major usage of Mack components in Europe. Renault is controlled by the French government.		Renault is gradually buying 20 percent of Mack.
<b>CANCELLED DEALS</b>				
	Japan/Europe	Three trading houses associated with major Japanese steel firms are pulling out of European steel fabricating ventures which they set up in the early 1970s to process and market sheet steel imported from Japan. The Japanese say that oil price increases have effected ocean freight costs so much that Japanese steel costs \$50 per ton more than local steel in Europe. Marubeni, Sumitomo and Mitsubishi are selling their European fabricating interests to steel companies in Belgium, Holland and West Germany, respectively.		