

World Trade by Mark Sonnenblick

| Cost | Principals | Project/Nature of Deal | Comment |
|------------------|---------------------------------------|---|---|
| NEW DEALS | | | |
| \$58 mn. | Mexico from U.S.A. | Tubos de Acero de Mexico S.A. (TAMSA) has Exim-bank approval to buy U.S. equipment for steel plant to produce pipes for Mexico's oil and gas industry. Exim is providing at old 8.75% interest rate, rather than new 10.75% rate, since preliminary commitment was at lower rate. | TAMSA is run by Italian and Mexican interests implicated in the P-2 scandal. |
| | Mexico from Japan | Nissan will soon sign contract with Aguascalientes state for new factory making 360,000 to 400,000 auto engines per year. Nissan's Mexico plant now turns out 72,000 subcompact cars and trucks and 110,000 engines. | Nissan believes Mexican annual auto market will grow by another 800,000 units within 4-5 yrs; also fits world car plan. |
| | Mexico/U.K. | British Petroleum has formed joint venture with Frisco, one of Mexico's largest mining companies, to explore Frisco claims in Chihuahua and Durango states. BP providing financing and technical direction. | Frisco controlled by Bancomer, one of two largest Mexican banks. |
| | Italy/South Korea | Hyundai has signed deal with Italy's Italmimpianti to market Italmimpianti's blast-furnace technology in Far East, which has been Japanese turf. Though largely state-owned, Italmimpianti has reputation for bribery to obtain LDC contracts. | Also involved in P-2 scandal. |
| \$232 mn. | Yugoslavia from World Bank | World Bank lending \$80 mn. at 9.6% for financing 45 Yugoslav agro co-ops. Project involves increasing fruit and wine production by co-ops and funding for 3,000 farm families' cattle-raising. Yugoslav sources will finance remainder of project. | World Bank funding features "appropriate technology" like bio-mass plants and geo-thermal water use. |
| \$233 mn. | Saudi Arabia from Holland/South Korea | Dredging work expanding harbor of new petrochemical complex of Jubail will be done by Adriaan Volker, Bos Kalis and Dong-Ah. Dredged materials will provide 172 hectares landfill for tank farms. | Adriaan Volker dredged original Jubail harbor. |
| \$212 mn. | Egypt from France | SGETPI won contract for design and construction of port at Damiette on Mediterranean. | |
| \$50 mn. | Jordan from China | China Aero-Technology will build 1,523 unit housing project in Jordan, employing mainland Chinese workers. | China seeks foreign jobs for workers idled by collapse of growth program. |
| UPDATE | | | |
| \$40 mn. | U.S.S.R. from U.S.A. | Caterpillar Tractor has reportedly won Reagan approval for long-postponed sale of 100 huge pipe-laying machines to Soviet Union. Haig, Weinberger, and Pentagon have opposed deal despite Soviet statement that would not be used on Siberian-Western European gas pipe, which U.S. still opposes. Japanese and European deals with Soviets (reported here last week) apparently convinced Ed Meese that Japanese would fill Caterpillar order if blockade continued. | "Afghan" embargo is being made more "pragmatic," but approval still on case-by-case basis. |
| \$90 mn. | U.S.A. from Japan | Zen-Noh Grain Co. is building a large grain elevator in Louisiana. Zen-Noh is world's biggest cooperative; runs 57 feed mills in Japan. | Japanese moving closer to U.S. farmers to guarantee stable and cheaper food supplies. |