

## World Trade by Mark Sonnenblick

| Cost                  | Principals                                   | Project/Nature of Deal  | Comment   |
|-----------------------|--|---|---|
| <b>NEW DEALS</b>      |  |   |   |
|                       | U.S.S.R. from U.S.A.                         | Present grain supply agreement extended for another year. Soviets will buy at least 6 mn. tons and guaranteed up to 8 mn. tons during year beginning Oct. 1. USDA officials say they welcome Soviets buying heavily in fall and seeking additional purchases next year.   | In addition, the U.S. still has offer for extra 6 mn. tons of corn and wheat, good until Sept. 30.                                  |
| \$590 mn.             | Iraq from Yugoslavia                         | Ivan Milutinovic-Pim will build the port city of Um Qasr for Iraq. Contract includes building 31 warehouses, 57 cranes, and related facilities.   |   |
| \$107 mn.             | Iraq/Jordan from West Germany                | MAN has won order for 400 trucks for convoys from Aqaba port in Jordan to Iraq.   | Needed while Iraqi ports repaired from war.   |
| \$153 mn.             | New Zealand from U.S.A.                      | The New Zealand Dairy Board bought 100,000 tons of butter from the U.S. Commodity Credit Corporation surplus stockpile. The butter, much of which is 3 years old, will be made into commercial-grade butter oil.  | N.Z. expected to use U.S. butter to cover for added N.Z. butter sold to Soviets.  |
|                       | India from Pakistan                          | State cotton boards of the two long-feuding neighbors reached agreement for Pakistan to supply India with 100,000 bales short- and medium-staple cotton during September. It makes up for Indian shortfall.   | India-Pakistan trade had been almost nil.   |
| \$490 mn.             | Saudi Arabia from South Korea                | Saudi National Guard has awarded a 2,288-house project to SAMHO.  | Guard has placed 5 orders worth \$2.2 bn. since May.  |
| \$200 mn.             | Turkey from Switzerland/West Germany         | Engineering for 900,000 ton capacity new silos in Turkey will be provided by Siloplanning consortium which is composed of Swiss Bank Corp. affiliate, Peters Windels Timm and Surbeck of Germany, and BMB of Turkey.  |   |
| \$320 mn.             | Abu Dhabi from U.S.A.                        | Chicago Bridge and Iron will build three 80,000 cubic m. LNG storage tanks, four 50,000 cubic m. LPG tanks and related plants at Abu Dhabi's new liquefaction plant in Persian Gulf.  | Being built on swamp to blast-proof specs.  |
| <b>UPDATE</b>         |  |   |   |
| \$1.2 bn.             | Peru from Brazil/U.S.S.R./France/Sweden/U.K. | Peru is negotiating with Norberto Odebrecht construction co. of Brazil an integrated project to divert river flows from the Amazon basin, under the Andes to Peru's arid Pacific coast. Project will also provide hydro power. Most interesting is the multinational aspect of project. Soviets already have Peruvian agreement for \$200 mn. worth of equipment. Odebrecht is seeking \$950 mn. construction orders to go equally to itself, Skanska (Sweden), and Tarmac (U.K.). Brazil and France would supply remaining \$50 mn. equipment. | All govts. involved have pledged low-interest financing; Soviets recently agreed to sharing such projects with Brazilian companies. |
| <b>CANCELED DEALS</b> |  |   |   |
| \$100 mn.             | Poland from U.K.                             | Cementation Intl. of England has broken contract to build skyscraper hotel in Warsaw because of \$700,000 in unpaid bills.  | Polish PAP news agency said U.K. had received \$50 mn.  |
|                       | Australia from Canada                        | Alcan has canned Bundabert aluminum smelter because of depressed aluminum market.   |   |