

## World Trade by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Financing	Comment
<b>NEW DEALS</b>				
\$245 mn.; \$100 mn.	Italy/Poland; Italy/ Czechoslovakia	Montedison, Italian state-run chemical co., has signed pact to exchange \$245 mn. chemical products with Polish counterpart (Ciech) over 5 years; Montedison signed separate \$100 mn. chemicals exchange deal with Czechoslovakia.		
\$210 mn.	U.S.S.R. from West Germany	Polystyrene plant contract won by Hoechst.		
\$157 mn.	Iraq from France	Thomson-CSF has won turnkey deal for 27 new electronic telephone exchanges with 315,000 lines. Follows contracts for electronics industry and radio stations reported <i>EIR</i> , Sept. 2 and Oct. 7.		Part may be made in new Iraqi electronics industry.
\$150 mn.	Brazil from Canada	Brazil has approved controversial Alcan 200,000 tpy aluminum hot rolling mill located in state of Rio.	\$80 mn. from Royal Bk. Canada; remainder from Brazil.	Follows Brazil blocking D. K. Ludwig's illegal sale of bauxite reserves to Alcoa.
\$126 mn.	Taiwan/U.S.A.	General Motors will own 45% of joint venture with 3 local machine producers to make heavy-duty trucks and buses.		Approved.
<b>CANCELLED DEALS</b>				
\$2.2 bn.	China from Japan/ West Germany/ U.S.A.	China has formally told Nippon Steel that 2nd phase of \$5 bn. Boashan steel complex will be indefinitely postponed. Involved are \$1.3 bn. blast furnace and related plant committed to Nippon and \$900 mn. in contracts already signed. These include \$500 mn. deal signed in June with Nippon, Schloemann-Siemag and Wean-United of Pittsburgh for cold steel rolling mill.	China miscalculated foreign exchange flows.	
\$180 mn.	China from Japan	Chemical plant.		
\$200 mn. per year	Brazil from China	Petrobras has cancelled 6-year contract for two 300,000-ton oil supercarriers with Chinese charter operator C.I. Tung. The Brazilian company charges Tung with bad faith in charging 150% above market price, in prematurely discontinuing contract and in having substandard labor conditions.	Tung illegally prediscounted whole contract at London bank.	Petrobras also seeks end to Y. K. Pao charters, shifting business to Arabs.