

World Trade by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Comment
NEW DEALS			
\$180 mn.	Canada from U.K.	Imperial Chemical Industries is building a 373,000 tpy ammonia plant in Courtright, Ontario. ICI will bring in its British technology and use Canadian natural gas to make feedstock for Canadian fertilizer.	ICI, like many British companies, is shifting investments out of Britain, whose economy has been destroyed by Thatcherism, to seemingly greener pastures in America.
\$247 mn.	U.S.A. from U.K.	British Oxygen is building a plant to make carbon graphite electrodes on a greenfield site in Ridgeville, S.C. Will increase electrode output of its U.S. subsidiary, Airco, by 20% when completed and 50% in late 80s. Electrodes are used in electric arc steel furnaces. BOC is also building its first plant to produce needle coke, the base material for carbon graphite, near Houston.	Airco claims it needs up-stream control because coke producers discriminate in favor of its carbon graphite rival, Union Carbide.
\$40 mn.	Romania/U.S.A.	Dow Chemical expects that its chemical barter agreement with Romania will result in \$40 mn. trade this year. Romanians take many Dow products in exchange for "chemical products related to Dow operations," but not revealed by Dow Chemical Europe.	Romania has several such barter agreements.
\$80 mn.	Italy/Mexico	Montedison has signed a contract with Pemex in which the Italian company will take Mexican crude oil, process it and return the chemicals produced to Mexico. Mexico will receive 100,000 tpy of polyethylene, polypropylene, butadene, and other petrochemicals Mexico now imports, for an estimated value of \$80 mn. Contract is for one year, but will probably be renewed so long as Mexican petrochemical needs outstrip its capacity. Montedison has been taking 20,000 bpd Pemex crude since Oct. for delivery to its Montedipe petrochemical subsidiary, which with Montepolimeri are the two arms in this deal.	First time developing oil producer has made this type deal. Goes far beyond Libya's deal with Italy to refine and return its oil. Italy's state petrochemical industry is being reorganized by Armand Hammer, but it's not clear if he's involved with this deal.
\$210 mn.	West Germany/various	Urenco, the Anglo-Dutch-German uranium enrichment consortium, will begin construction this spring of its German plant, which will be enriching 400 tpy of uranium when completed in 1986 with a potential of 1,000 tpy, should market expand. Urenco has already sold the entire 2,000 tpy enrichment capacity it will have on line in 1987 from plants in the 3 member countries, but is not building surplus capacity.	West Germany now has half its enrichment done by Soviets and half by U.S.A. With plant completion, each will enrich about 1/3.
\$68 mn.	Hong Kong from Japan	Hongkong & Shanghai's new 44-story bank headquarters will be assembled from 139 modular office units made in Japan. Its prime contractors, a consortium of Hitachi, Mitsubishi Electric and Toshiba Electric have signed a letter of intent with a Mitsubishi-Takenaka Komuten consortium for building the modules. Takenaka will design them; Mitsubishi will build them; and MHT Consort will attach them to the bare beams of the building. Each module will come with pre-installed air-conditioning and plumbing.	Modular method cuts 1 yr. from construction time; minimizes disruption of Hong Kong's crowded streets; and gives HongShang better quarters from which to manage international narcotics banking.
	Paraguay from South Africa/Switzerland	Construction of 148 km. road across Paraguayan flood plain awarded to partnership of Concor of South Africa and Swiss subsidiary of Skanska Cementgjuteriet of Sweden. Road follows Paraguay River north from Concepcion and into interior.	Road will give all-yr. access to areas now dependent on air transport. South African presence in Paraguay may interest geopoliticians.