

Trade Review by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Comment
CANCELLED DEALS			
\$2 bn. plus	Taiwan from U.K./others	Taiwan Power Company announced indefinite postponement of Taiwan's 7th and 8th nuclear electric plants. This means cancellation of \$140 mn. contract to NEI of U.K. for turbines and cancellation of bidding on nuclear systems and constructions.	Taiwan was world's last active nuclear contract competition, following Mexican cancellations.
UPDATE			
\$15 bn.	U.S.S.R./ Western Europe	West German banks formally signed in Leningrad agreement to provide \$1.6 bn. credits for building 3,500-mile natural gas pipeline from Siberia to Western Europe. West German govt. will guarantee 85% of credits, lent for 8 years at 7.8% interest. Credits will finance German pumping equipment and services, \$1.1 bn. of which have already been ordered from companies including Telefunken and AEG, which is near bankruptcy. Pipe is being financed separately. Reagan admin. has sought to block pipeline, first by banning use of U.S.-made or -licensed components, then by demanding 12.25% minimum interest rate.	Europeans breaking with U.S. on both counts. Italy's Nuovo Pignone will deliver to Soviets the first 2 of 19 25,000 MW turbine pumps, completed using GE blades. U.K. will also flout embargo, Prime Minister Thatcher announced. Soviets are preparing to make the blades themselves.
NEW DEALS			
\$11 mn.	Mexico from U.S.A.	Education Secretariat is receiving from Prime Computer of Natick, Mass., a system to decentralize processing of teacher payrolls to the 31 state capitals. Package includes a Prime 550-II computer and several terminals for each state, plus a Prime 750 in Mexico City to monitor pay process. System will be installed by August.	Delays of up to 6 months in teacher salary payments have helped Jesuit agents use teachers to fuel insurgency around Mexico. Will computers end this security problem?
	Guyana/Brazil	Letter of intent signed by energy ministers includes preferential export of oil from Guyana's Takutu River fields to Brazil. There is no road across 460 km. of jungle from Tukutu to Atlantic coast of Guyana, but oil could readily be barged down-river to Brazilian Amazon region, which already refines and consumes imported oil. Takutu oil discovered by Home Oil of Canada risk contract drilling. Guyanese told Brazilian officials Home Oil estimates 1 mn. bpd output from the new field, which compares with 1.4 mn. bpd total current production of Venezuela.	Takutu field is in Essequibo region disputed between Venezuela and Guyana, which hopes that Brazilian involvement will deter any Venezuelan military action.
\$1 bn. plus	Saudi Arabia	2 Disneyland-type centers will be built near Jeddah and Riyadh. Each will have monorail, 100 stores, 15 cafeterias, 30 fast-food shops, racetrack, zoo, yacht club, artificial islands, etc.	
\$21 mn.	Saudi Arabia from India	3 silver recovery refineries will be set up in Riyadh, Damman and Jeddah by Saudi entrepreneur Abdulla Alial Amoud. Royal Corp. of New Delhi, India, is supplying equipment, know-how, and management.	Each refinery will extract 75 kg. silver/day from development solutions used in x-ray and photo studios.