

Trade Review by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Financing	Comment
NEW DEALS				
\$540 mn.	Argentina from Holland	A predominantly Dutch banking consortium led by AMRO Bank is financing purchase of Dutch capital goods and services for 2,000-km. natural gas pipeline being built by Dutch Bos Kalis group and Argentine partners. An additional \$300 mn. in Eurodollar financing needed to complete project is now being negotiated.	1.1 bn. florins by consortium led by AMRO and Lloyds.	Loan signed.
\$350 mn.	Portugal from U.S.	Portugal's national airline, TAP, has signed long-delayed deal for 3 Lockheed 1011 planes to replace aging Boeing fleet. TAP is favoring Europe's Airbus for medium-haul planes to be ordered next year.	\$60mn. for 10 yrs. at 8% from Exim Bank; \$90 mn. for 7 yrs. at $\frac{3}{8}$ to $\frac{5}{8}$ % over LIBOR by National Westminster-led consortium.	
UPDATE				
\$471 mn.	Brazil from France	Petrobras loan reported in <i>EIR</i> , Oct. 7.	\$250 mn. for 8 yrs. at 1.5% over LIBOR, by 5 French banks led by Paribas; \$221 mn. for 8 yrs., suppliers credits by French gov't. Coface for 20 yrs. with 10-yr. grace at 3.5% fixed interest.	Signed Oct. 24. 1.75% spread reported by <i>Financial Times</i> was a—perhaps intentional—misreport. FF 882 French Treasury credit is at exceptionally favorable terms.
\$430 mn.	Brazil from France	Financing for power station for Porto Primavera Dam power station being built by French and their Brazilian subsidiaries for CESP, the Sao Paulo State electric company. Reported in <i>EIR</i> , Nov. 4. These loans were first committed in 1976.	\$200 mn. loan headed by Societe Generale, probably at 1.5% over LIBOR; \$230 mn. supplier credit, probably at soft conditions comparable to Petrobras loan.	Signed Oct. 24.
\$1.1 bn.	Brazil from Japan	Brazilian Planning Minister Delfim Netto was in Japan last week hoping to close the following deals: <ul style="list-style-type: none"> • \$900 mn. for complete financing of 80,000 tpy aluminum plant (Albras-Alunorte) under scaled-down conditions; • \$100 mn. for Praja Mole port; • \$50 mn. for Petrobras oil exploration; • \$50 mn. for BNDE development bank for various industrial and agricultural projects; • technical and financial support for \$30 bn. Carajas multi-mineral project. 	<i>Yomiuri</i> says Japanese govt. has vetoed most of these loans.	Results of trip will be in next <i>EIR</i> .