

World Trade by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Comment
NEW DEALS			
\$1.05 bn.	Italy/U.S.A.	Armand Hammer, head of Occidental Petroleum, signed a deal with bankrupt Italian state-owned ENI, setting up Enoxy. Enoxy will take over 56 ENI-owned chemical plants and 4 coal mines in U.S. owned by Oxy. Oxy will manage wholesale restructuring of Italian chemical industry, including plant closings, some modernization, and building of \$305 mn. new chemical plants and putting \$221 mn. into completing an ethylene plant.	Hammer looks to profit and political leverage in deals with Soviets, Libya, China, and other govts. having trouble getting capital or technology.
	France from Brazil	Solmer signed for 1.5 mn. tpy iron ore from Brazil's Carajas pit, which has 32 bn. tons of ore containing 44-54% iron. This gives Carajas firm long-term orders for 26.5 mn. tpy when comes on-stream in 1985. Half of orders from Japanese. Brazilians say Carajas can yield \$10 bn. mineral exports per year, following \$60 bn. start-up investments.	Brazil seeking remainder of \$3.4 bn. needed for first-phase iron-ore aspects. Good opportunity for equipment sales, if lots of concessional financing can be lined up behind them.
\$550 mn.	South Korea from Japan	Hyundai Motors, Korea's biggest auto producer, is investing \$550 mn. in new 300,000 car per year plant. Will use engine design and other technology from Mitsubishi.	Half the total of small front-wheel drive cars will be exported.
\$340 mn.	Malaysia from Japan	Malaysian govt. has selected Japanese consortium to build new 600,000 tpy steel mill. Nippon Steel is providing its new direct reduction process, overall engineering direction and the reduction plant. Mitsubishi Heavy Industries is building continuous casting unit, Chiyoda a gas generator and Daido the electric furnaces.	Plant will put out reduced iron and semi-finished steel for Malaysia market.
\$100 mn.	Malaysia from Japan/South Korea	Japanese companies led by Maeda will build rock-fill dam on Batang River in Borneo.	Power station will supply 92,000 kw.
\$300 mn.	Malaysia from France	Malaysia Heavy Industries has set joint venture with the French paper-maker Sogee for paper mill in Kota Bahru.	
	U.S.A./Japan	R&D for designing a new generation of oil drilling rigs under way in 3 "marriages" between Japanese and American firms: Kawasaki with Zapata; Nippon Kokan with Global Marine Development; Hitachi Shipbuilding with Friede & Goldman.	Joint high-tech reduces costs, development time, and trade friction.
	U.S.A. from Japan	Hitachi building color TV assembly plant in Anaheim, Calif., since demand outstrips 250,000 set/yr. capacity of its Compton plant.	
\$130 mn.	Thailand from Belgium	Electrolytic zinc smelter will be joint venture between Thai govt. and Mechim and Vieille Montagne of Belgium. 16 Thai banks financing; Sino-Thai Engineering getting big chunk of construction.	Project started 10 yrs. ago as U.S.-Thai venture.
UPDATE			
	China from U.S.A.	Reagan administration giving strong backing to Westinghouse bid against British competitors for nuclear reactors Hong Kong and Chinese interests want to build inside China. Consists of two 900-megawatt PWRs.	<i>Financial Times</i> reports U.S. officials tell Chinese that fact China has bomb will lessen U.S. inspection demands.