

World Trade by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Comment
NEW DEALS			
\$940 mn.	Cuba/Comecon	Multilateral agreement signed for East bloc to build 14 new sugar refineries and expand 40 existing ones by 1990. Soviets will build 11 of them, with many Comecon countries participating. <i>Neues Deutschland</i> says Cuba will pay through increased sugar exports to Eastern Europe.	Brazilian manufacturers trying to get a chunk of Cuban sugar-industry rebuilding, but blocked by military anti-communism.
	U.S.-Japan	Westinghouse and Mitsubishi Metal Corp. discussing joint refining of titanium and zirconium. Westinghouse wants to use its idle zirconium refinery in Utah, which could turn out 6,000 tpy of titanium sponge. Titanium refining now monopolized by 3 U.S. and 2 Japanese firms.	Mitsubishi currently imports zirconium alloy sleeves for nuclear fuel rods from Westinghouse.
	Japan from Indonesia	Japan Indonesia Oil Co. has signed agreement with Pertamina for the Indonesian state-run corporation to supply 100,000 bpd of crude oil, including some refined products for 20 yrs. 10-yr. agreement signed 1972 was first govt.-to-govt. oil import deal. The new long-term agreement has been modified to company-to-company format.	Japanese sources think this rare long-term deal has other ramifications, yet to surface.
	U.K. from Algeria	British Gas Corp. reportedly paid the high \$6.10 per mn. BTU price being asked by Algeria for the single boatload of liquefied natural gas bought from Algeria in January. The 600 mn. cu. ft. of LNG equalled less than 1% of one day U.K. gas consumption.	U.K. purchase aimed at encouraging Algeria in Algerian negotiations with Gaz de France, which has been paying \$4.35.
\$80 mn.	Saudi Arabia from U.S.A.	Chicago Bridge & Iron got subcontract for building storage tanks at the Yanbu refinery, being constructed by Mobil and Saudi govt.	Chiyoda of Japan is prime contractor.
\$120 mn.	Saudi Arabia from Brazil	Brazilian subsidiary of Dutch shipbuilding company Verolme received contract for 4 oil platforms from Aramco, controlled by Saudi govt. Brazil, one of Aramco's largest oil clients, has been pushing for reciprocal purchases.	Brazil's low-cost shipyards are turning out 1,300,000 DWT per year, mostly for Brazilian fleet.
\$14 mn.	Hungary from Japan	Sumitomo will build nitric-acid plant.	
\$10 mn.	U.S.A. from Japan	Takeda Chemical Industries, Japan's largest pharmaceutical company, will start construction soon on a small plant near Wilmington, N.C.	Takeda may build \$100 mn. plant at site later.
UPDATE			
\$205 mn.	Malaysia from Japan	Conditions revealed on financing for Malaysian urea fertilizer plant by Japanese govt. \$146 mn. in yens will be from Overseas Economic Cooperation Fund at 4% with repayments spread over 20 yrs., incl. 5 yrs. grace. Japan's Exim loaning additional \$59 mn. Plant in Sarawak will have 1,000 tpd ammonia and 1,500 tpd urea capacity. Project is part of package of joint projects pledged in 1977 by Prime Min. T. Fukuda to the Association of South East Asian Nations (ASEAN). The Malaysian fertilizer plant is owned by Asean Bintulu Fertilizer, in which Malaysian govt. and state oil co. have 60%; Indonesia, Thailand, and Philippines 13% each; and Singapore 1%.	Japan recently signed similar urea plant deal with Indonesia. These projects, put on ice after fall of Fukuda, have been revived recently.