

Trade Review by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Comment
NEW DEALS			
\$390 mn.	Kuwait from Japan	Kuwait has ordered a mammoth oil-fired electrical plant from Toshiba Corp. and Mitsui and Co. Plant will have 8 generators of 300 MW capacity each, to be on line between 1986 and 1988. Largest power-plant order ever clinched by Japan in terms of both capacity and value.	Contract will be paid in Kuwaiti dinars as work progresses.
\$100 mn.	Algeria from India	Algeria has hired the Airport Authority of India to design and build airports at Batna and Setif. The Indian state agency has been active on other such projects in Arab world; this is their biggest.	South-South cooperation.
\$30 mn.	Panama from U.S.A./Japan	Feasibility study for sea-level Panama Canal agreed to by the 3 countries. Present canal suffers from 65,000 dwt ship size limit, which excludes the supercarriers of up to 250,000 dwt, which are most cost-efficient way to move freight. Panama Canal, which has waiting list even with present depressed world trade, will be bottleneck to economic revival. U.S. expected to pay for study.	Several alternative canal sites in Panama and Colombia urgently need evaluation.
	Saudi Arabia from Japan	Japanese and Saudi govts. have agreed to build largest cancer center in developing world in Jiddah, Saudi Arabia. Japan will provide technical cooperation on preliminary design, but Saudis will have last word.	Japan previously helped organize the Saudi center for diagnosis of diseases of the alimentary canal.
	Spain from Japan	Spain's steel industry "rehabilitation" is being designed by Japanese producers. Daido Steel, Japan's largest special steelmaker, just signed a contract with Spanish govt. to consult on modernizing and reducing operating costs of the electric arc furnaces which produced almost 7 mn. tons last year. Kawasaki has been working on similar rehab plan for the integrated steel mill operations which produced another 6 mn. tons.	Spain is joining the European Community just as European steel industry is being triaged under Viscount Davignon's plan. Rehab plans apparently designed to permit survival of part of Spanish industry in small, competitive market.
\$40 mn.	Indonesia from South Korea	1,300 freight cars for carrying coal on Sumatra will be made in South Korea by Hyundai or Daewoo.	South Koreans underbid (by 30 percent) Japanese companies—which traditionally dominate Indonesian market.
\$6 mn.	U.S.S.R. from U.K.	Wilkinson Sword is opening a factory to make single and twin blade razors in Leningrad.	
CANCELLED DEALS			
\$780 mn.	Argentina from ?	YPF, Argentina's state-run oil company, has informed bidders that it is shelving all plans for expanding capacity of its 2 oil refineries. Lummis and Kellogg of U.S.A., JGC and C. Itoh of Japan and Davy of England were seeking the job.	Argentina is holding all growth plans in abeyance.