

Trade Review

NEW DEALS				
Cost	Principals	Project/Nature of Deal	Financing	Comment
1.1 bn	Saudi Arabia/U.S.	Exxon and the Saudi government will build a joint-venture polyethylene plant at Jubail		Agreement signed
595 mn	Brazil from France	Loan for major projects, in which French-made equipment will play an important part. The projects include: a Porto Primavera dam, railroad electrification in São Paulo state, a commuter railroad in Belo Horizonte, and two ocean-going phosphate carriers.	595 mn. at 7.5-7.7 percent over 10 years with a 5 year grace period.	Signed. Largest financing agreement ever conducted between France and a foreign power.
280 mn	France/West Germany	Technical cooperation agreement under which two direct transmission television satellites will be launched into orbit. Messerschmitt Boelkow Blohm (MBB) is playing a major role in the satellite development		Agreement signed
270 mn	West Germany/East Germany	Improvement of road, rail, and canal links between West Germany and West Berlin		Accord signed
200 mn	Indonesia from Spain	Centurion SA, a Spanish engineering firm, will build a cement plant in West Java for Indocement, a group owned by the Indonesian entrepreneur Liem Sioe Liong	\$45 mn syndicated loan led by American Express at 1 $\frac{1}{8}$ over SIBOR (Singapore Interbank Offering Date); \$65.3 mn in credits from Spanish government bank	Contract awarded
96 mn	New Zealand from U.K.	Air New Zealand (government owned) will outfit its new fleet of 5 Boeing 747s with Rolls-Royce engines, not GE engines		
11.4 mn	Cuba from U.K.	Predominantly sugar equipment and spare parts	Export Credits Guarantee Department guarantee of \$11.4 mn. Morgan Grenfell credit	
UPDATE over \$135 mn	Spain from U.S.	Iberia Airlines will buy two Boeing 747 Jumbo jets, one McDonnell Douglas DC-10	\$135 mn. loan by London bank syndicate at $\frac{3}{8}$ percent over LIBOR; additional Eximbank bank credit expected	