

BULLETIN

NORTH ASIA - ASIE DU NORD

JAPAN/JAPON

- Nihon Keizai reports that the US will pressure Japan to review its laws and regulations for the securities industry in the SII follow up round this fall. Confidence in the industry has been affected by a triple scandal over market manipulation, rebates to corporate customers, and stockbrokers' ties to organized crime.

- Media sources maintain the Fair Trade Commission's new anti-monopoly guidelines will empower the FTC to order companies involved in antitrust practices through their "keiretsu" ties to sell their shares in those firms. The new guidelines are in accordance with Japanese commitments made during the SII talks.

- Japan has accepted US, Canadian and Soviet demands to end salmon fishing in the North Pacific from 1992. However, Japanese officials at the Washington meeting say Japan will not stop using drift and trawl nets.

- Quoting unnamed government sources, Yomiuri Shimbun reported that Tokyo will lift all remaining sanctions against South Africa and set up full diplomatic relations after the G-7 Summit later this month.

- Komatsu announced it will acquire 30% interest in Danly, a Chicago-based producer of metal stamping presses, automation equipment and other machinery. The new company, Danly-Komatsu L.P., will produce, market, and service both Danly and Komatsu presses in the US, Canada, and Mexico.

- The Japanese and French telecommunications ministers agreed on a joint program to develop technology to exchange HDTV programming.

- Nippon Steel and Sky Aluminum are jointly developing an aluminum alloy sheet for car bodies. Kyodo reports that Japanese

steelmakers are convinced that automakers will soon use aluminum as an auto body material to reduce vehicle weight.

- Kyocera, the world's largest maker of ceramic packages for microchips, said its US subsidiary Elco bought McKenzie Socket, which produces connectors for integrated circuits. Kyocera said it plans to integrate the two US subsidiaries into its chip packaging business.

CHINA/CHINE

- Xinhua reports that France is offering a concessional loan of US\$ 370 million to China for five major projects, the largest loan ever provided in Sino-French relations.

- The Chinese finance minister stated that last year the national deficit was Yuan 14 billion, Yuan 5.07 billion larger than the budgeted figure.

- PM Li Peng declared that China will stop buying Boeing aircraft if the US does not renew China's MFN status.

- The Ministry of Foreign Affairs denounced a report published in the Washington Post alleging that an Iranian agent is now "discussing with the Chinese representative in Peking on the purchase of China's nuclear arms technology."

- MFA announced that Vice Foreign Minister Liu will attend July's Paris conference on arms control in the Middle East. The MFA added that the prolonged absence of a settlement of the Middle East issue is the root cause of tension and the basic reason for the arms race in that region.