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- The Korean government is considering allowing foreign stock brokerage houses to set up locally incorporated firms in Seoul, float securities in the domestic financial market, and list stocks on the Korea Stock Exchange. Currently, foreign brokerage houses can establish branches or joint ventures with Korean firms.

## TAIWAN

- Taiwan Aerospace Corp., the first domestic high-tech aerospace company, was formally created on June 27 in Taipei. The Economic Affairs minister said the company's creation will lead to the development of a domestic aerospace industry in the next decade. TAC has a contract with McDonnell Douglas to manufacture fuselages and components.

- The Council for Economic Planning and Development reports that capital and technology-intensive products dominated Taiwan's exports to China in the first five months of this year.

- Taiwan is currently facing a drought, which has resulted in higher food prices, losses to farmers, and interruptions in electrical supply. A task force has been established by the cabinet to deal with the drought losses and to provide emergency relief loans to farmers.

- Xin Hua reports that by the end of 1990, over 2,000 Taiwan investors had spent a total of US\$ 2 billion in China.

- A government spokesperson announced that Taiwan will permit the importation of newspapers and movies from China under the principle of reciprocity.

## HONG KONG

- The largest inflow of foreign funds in four years to hit the HK Stock Exchange was attracted by the PRC-UK agreement to build a new airport. Nearly HK\$ 4 billion was generated, mostly in US and Japanese funds. According to the agreement, China will support

construction of the new airport, and Britain will consult China on important matters relating to the project.

- Estimates of job creation by the two year airport project vary from 2,000-20,000. Guangdong province is the likeliest source of unskilled and semi-skilled labourers.

- Trilateral talks on unification between Taiwan and China will be held in HK next month. Invited parties include officials from the local branch of Xin Hua news agency, China's de facto embassy in HK, and Taiwan experts in HK. Tao Pai-Chuan, policy advisor to Taiwan's presidential office and a member of the National Unification Council, called the meeting.

- Media sources state that New Zealand is clamping down on visa transits from HK. HK citizens are believed to use NZ as a stopover to gain residency in the US. New immigration rules for applicants in the investor category will be assessed on the basis of business skills. Applicants will be required to leave a minimum NZ\$ 500,000 in the country for 2 years.

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## ONGOING AND UPCOMING/ A VENIR

-Canada '91 - Cultural Activities (including: choral, symphonic, and chamber music; cinema; theatre; ballet; a book promotion; and, a variety of art exhibits), Tokyo & surrounding area, till July 31.

-Japan Stone Fair - July 11-14.

-Foodex, Osaka '91 - Sept.

-Mining Equipment Seminars - Beijing, Nanjing, Changsha, Sept. 1-5.

-Japan Food Service Show - Sept. 1-6.

-Tokyo International Gift Show - Sept. 3-5.

-Seoul Instrument '91 - Sept. 13-17.

-Software Mission/Tokyo and Software Show '91/Osaka - Sept. 29-Oct. 9.

-CENIT ASIA '91 - Info. Technologies - Hong Kong, Oct. 4-7.

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