

**BULLETIN**

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**NORTH ASIA - L'ASIE DU NORD**

**JAPAN/JAPON**

- Since May 1988, 62 foreign firms have won contracts for construction projects in Japan, mostly in resorts, urban and regional developments, and housing. Over 80% of the contracts went to US firms.

- A new air service agreement between the US and Japan will increase passenger and cargo service from 30-50% and will likely result in billions of dollars in revenue for the tourism industry.

- According to a MITI report, Japan is the 6th largest overseas investment market for the US in terms of outstanding direct investment and ranks 3rd on the basis of returns on its external investments.

- The Japan Socialist Party will send a mission to the USSR as a regular exchange with the Soviet Communist Party. The mission is expected to sound out the Soviets on the issue of the northern islands.

- Nippon Telegraph and Telephone (NTT) will accept a US request for substantial rate cuts for business calls.

- Japan's "big seven" nonferrous metal producers posted gains of from 2.4% to 227% in unconsolidated pretax profits in the first half of fiscal 1989 which ended in September.

- The Japan Automobile Importers' Association reported that fervent demand of imported cars in October put total sales at 13,294, up 26.7% from a year ago.

- Short-term interest rates on the Tokyo money market showed a sudden jump in Monday's trading, apparently in anticipation that the Bank of Japan will tighten its grip on credit.

- A senior MITI official called for further investigations into why prices of some Japanese-made and imported goods are higher in Japan than in other nations.

**CHINA/CHINE**

- According to an unconfirmed report by the China News Service in HK, Deng Xiaoping has stepped down from the chairmanship of the Central Military Commission and Jiang Zemin is to succeed him.

- According to a HK daily, at least two of three vacant seats will be filled by moderate technocrats during a plenary session of the party's Central Committee.

- China reported the discovery of oil in the Tarim basin, an area thought by Western oil companies to have production potential on the scale of Alaska or the North Sea.

- Japan's six major steel mills will begin joint export talks in Beijing with China National Metals and Minerals Import and Export Corp. for steel shipments in the first half of next year.

- According to a Chinese sports official in Tokyo, China is considering a bid for the 3rd Winter Asian Games.

- The PRC government has ordered an end to the purchase of real estate by foreigners, including Hong Kong people.

**TAIWAN**

- Elections in the Legislative Yuan, the Taiwan Provincial Assembly, and various City Councils will be held on Dec. 2. While the ruling Kuomintang (KMT) is expected to win, the main opposition Democratic Progressive Party (DPP) is likely to challenge the frontrunner.