

BULLETIN

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NORTH ASIA - L'ASIE DU NORD

JAPAN/JAPON

- Japan's GNP grew 2.2% in the first quarter of this year from the previous quarter. This translates to a seasonally adjusted annual rate of 9.1%. The growth is attributed to an expansion in personal consumption and a robust 6.6% rise in private sector capital investment.

- The Bank of Japan and the Deutsche Bundesbank have agreed to sell dollars outside Tokyo and Frankfurt in an effort to drive the US dollar lower, according to Japanese news reports.

- Interest rates on bank and postal deposits rose as part of the across-the-board interest rate hikes stemming from the recent rise in the official discount rate.

- The defence budget grew to 1.0042% of the country's GNP last fiscal year, but actual outlays fell to 0.988% defence officials said.

- Allowing for inflation, household spending in April dropped 0.7% from a year earlier to an average of Y299,415.

- Japan's money supply grew at an average year-on-year pace of 9.4% in May, the slowest growth in 25 months.

- Although Chief Cabinet Secretary Masajuro Shiokawa said Japan has no plans to impose sanctions on China for the crackdown on the pro-democracy movement, the Japanese Government intends to postpone, for the time being, both any talks over the third yen loan plan to China, which is to begin next year, and the dispatch of a delegation on development and research.

- Foreign Affairs Minister Mitsuzuka is to attend an international conference on Kampuchea in Paris on August 4, 1989. He is expected to express Japan's role in the reconstruction of Kampuchea.

- In preparation for the Paris Summit, Prime Minister Uno instructed Foreign, Finance, and International Trade and Industry Ministries to draw up a package of measures to expand imports including: removal in principle of tariffs on industrial products; easing of taxes and regulations to step up imports by private sector; and, expansion of government procurement.

- As part of a series, reporter Nagano described trends in Canadian construction and real estate business centering on Skydome knowhow which Canada hopes to market in Japan.

- Japan's top trade official urged the nation's major companies to increase their imports to help reduce Japan's huge global trade surpluses. Seiroku Kajiyama, Minister of International Trade and Industry, told representatives from 162 trading houses, manufacturers and other companies that Japan's imports of manufactured products last year rose 30% from the year before.

- Japan's first new nuclear plant since the 1986 Soviet Chernobyl disaster started operating in Hokkaido.

- Output of 1-megabit dynamic random access memory chips in Japan will rise a substantial 35% to 247.9 million chips in the second half this year, the Ministry of International Trade and Industry said.

CHINA/CHINE

- A National Round Table on China chaired by the Secretary of State for External Affairs was held in Ottawa on June 22. Academics, businessmen, as well as representatives of non-governmental organizations and the Chinese Canadian community provided Minister Clark and officials of the Department of External Affairs with their views on recent