

NORTH ASIA - ASIE DU NORD

JAPAN/JAPON

- Mitsubishi will import on-line roll grinding (ORG) technology developed by Pohang Iron and Steel Co. of Korea (POSCO). The Korean and Japanese companies, however, will be joint patent holders for the technology since POSCO employed Mitsubishi's technology in developing ORG.
- NKK Corp. is postponing 20-30% of its planned US \$1.2 billion in capital improvements for National Steel in the U.S. NKK owns 70% of National Steel.
- The Federal Reserve's latest quarterly reports that U.S.-based Japanese banks increased their lending sixfold between 1984-89.
- The Social and Economic Congress of Japan stated in a "white paper" that the government should use foreign aid to increase job opportunities in developing countries, rather than dramatically increase foreign labour in Japan.
- Nissho Iwai has entered the aircraft lease-financing business by making deals with United, Northwest and Air Canada for US \$320 million worth of Boeing planes. Nissho Iwai is taking advantage of Japanese banks' disengagement from lease-financing in foreign markets due to excessive competition and reduced profit margins.
- Japanese officials have demanded and received a special meeting with the U.S. on metrics. The Japanese argue that the continued use of imperial measurements is an obstacle to U.S. industrial competitiveness and U.S.-Japan high tech cooperation.
- According to Foreign Ministry sources, Taro Nakayama will propose assistance to Vietnam, especially advice on market economies, when he visits the country from 10-14 June. Nakayama will be the first Japanese foreign minister to visit Vietnam since 1976.
- Five and a half weeks after leaving Kyushu, Japan's minesweeper flotilla began operations off Kuwait on Wednesday, 5 June.

KOREA/CORÉE

- The Electronics and Telecommunications Research Institute (ETRI) signed a CDN \$10 million technology transfer/joint development project with MPR Teltech Ltd of Vancouver on 25 May. ETRI will send 32 Korean engineers to Canada for a two-year period to work with MPR Teltech engineers in joint development of a new VSAT satellite communications system to be produced and marketed by Samsung, Goldstar and Hyundai.

- Korea suspended shipments of some steel products to the U.S. last month over a quota dispute. This latest trade issue surfaced in March when U.S. government officials called for bilateral working-level talks, pointing to Korea's breach of the antishift clause of its voluntary restraint agreement (VRA) with the U.S. as a result of a sharp increase of exports of three steel products in 1990. A working-level officials meeting held earlier last month failed to resolve the difference.

- Korea and Soviet Union formally signed an agreement on 5 June to activate the Korea-Soviet Scientific and Technological Cooperation Centre (KSSTCC). The centre, to be Seoul based, is to establish a technology information databank system, to play the role of a unique window for services on science and technology, and to perform joint research and development in advanced technologies and technology transfer to industries.

- North Korean leader Kim Il-Sung told Japanese newspaper that he hoped to visit Japan once bilateral relations were established. He also said that the North Korean Communist Party will hold its first congress since 1980.

- Violent street demonstrations were held in Seoul and Pusan on 2 June with 15,000 rioters in downtown Seoul.

CHINA/CHINE

- A Hong Kong Bank-led group has won the mandate to arrange a US \$48 million loan for a major Shanghai bridge. The deal is the first foreign borrowing ever made in China's name and the first mainland project with support from the Asian Development Bank since June 1989.

- According to the XINHUA news service, Premier Li Peng has stated that "China welcomes U.S. President Bush's recent wise decision to extend China's most favoured nation (MFN) trade status."

- P.M. Mulroney told Parliament on Tuesday 4 June that Canada's economic cooperation with China depended on China's progress on democratic rights.

- The heavy police security put in place in Beijing for the second anniversary of the Tiananmen crackdown was lifted Wednesday morning after a night without incident (AFP).

HONG KONG

- Hong Kong Bank share prices rose by 30 cents amid speculation that it is planning to sell its holding in Marine Midland Bank in the U.S. following an improved profit performance in the second quarter. A spokesman said there was no plan to sell.

- In a bid to cut inflation, Financial Secretary Sir Piers Jacobs has announced a package of counterinflationary measures including

a freezing of all planned increases in government fees and charges for the next nine months. With these measures, and a cutback in Tobacco duty, he hopes this will absorb the HK \$1.3 billion surplus he had budgeted for in this financial year.

- About 10,000 people - some estimate 50,000 - participated in a demonstration which wound its way through central HK to the New China News Agency to commemorate the 2nd anniversary of the Tiananmen Square massacre.

- HK and UK officials in their first day of talks in Washington D.C. met American resistance to the forced repatriation of Vietnamese Boat People despite the new surge of asylum seekers flooding into the territory.

CAMBODIA/CAMBODGE

- Cambodia's warring factions ended three days of talks in Jakarta on Tuesday 4 June with no concrete progress on nailing down details of a UN peace plan to end the 12-year-old conflict (AFP).

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