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DIRECTORATE OF INTELLIGENCE

International Financial Situation Report #37
14 February 1985

Summary

The 11-nation Cartagena Group met in Santo Domingo on 4-8 February. The ministerial-level sessions, held on the final two days, produced a moderately-phrased document called the Declaration of Santo Domingo. The Latin foreign and economic ministers opted, at this point in time, to avoid a confrontation with industrial countries. The declaration simply reiterated the Cartagena Group's desire for a dialogue between debtor and creditor countries and warns of serious regional instability if the request for a dialogue is ignored. Other developments in recent weeks include:

- o Mexico publicly announced new austerity measures last week that we believe were designed to gain agreement with the IMF for the 1985 economic program. An IMF team is currently in Mexico City to try to work out final details of the agreement.

[Redacted]

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- o The resurgence of inflation in December and January is testing Buenos Aires' ability to comply with its IMF program.

[Redacted]

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- o The Philippines failed to meet the yearend 1984 reserve money target of its IMF-supported adjustment program. Most recent indications are that this will cause the IMF to withhold disbursement of the second tranche of the standby, which is scheduled to be released in March.

- o Chilean officials have stated that they are nearing completion of a new IMF standby arrangement, [Redacted] and Santiago claims it will obtain a \$500 million, three-year World Bank structural adjustment loan in April. We believe approval of the two loans may not occur until later this year.

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NOTE: THE NEXT REPORT WILL BE PUBLISHED ON 21 MARCH 1985

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This situation report was prepared by analysts of the Intelligence Directorate. Comments are welcome and may be addressed to the Situation Report Coordinator, [Redacted]

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KEY ISSUEThe Cartagena Group Avoids Confrontation

The 11-nation Cartagena Group met in Santo Domingo on 4-8 February. The ministerial-level sessions, held on the final two days, produced a moderately-phrased document called the Declaration of Santo Domingo. (See the annex for an outline of the declaration.) The Latin foreign and economic ministers opted, at this point in time, to avoid confronting industrial governments with an immediate invitation to a political dialogue on debt. According to Embassy reporting, the final text of the declaration was milder than the draft prepared at the 4-6 February technical level meeting. The earlier draft called for invitation of a direct political dialogue and was more critical of industrial country economic policies. The declaration simply reiterates the Cartagena Group's desire for a dialogue between debtor and creditor countries and warns of serious regional instability if their request for a dialogue is ignored. It also calls for the same favorable terms received by Mexico, Ecuador, and Brazil to be extended to all other Latin debtors. [redacted]

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The Declaration of Santo Domingo indicates that the Latin American nations now intend to make a concerted diplomatic effort to get industrial countries involved in a dialogue with them. Their plan of action includes:

- o presenting a group position at the IMF/IBRD committee meetings;
- o talking with principal creditor countries to formalize an invitation to a dialogue on debt later in the year;
- o sending their proposals to the countries attending the Bonn Summit in May; and
- o attracting international public attention to their problems.

The Cartagena Group is planning to meet again following the IMF/IBRD committee meetings. [redacted]

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DEVELOPMENTS IN MAJOR COUNTRIESMexico

Mexico publicly announced new austerity measures last week that we believe were designed to gain agreement with the IMF for the 1985 economic program. Plans call for

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[redacted]
selling 236 state companies, freezing government employment, and cutting 1985 public spending by \$465 million — about one percent of budgeted outlays — but specifics were not announced. The administration also said it will increase use of tariffs to regulate imports. [redacted] after three months of negotiations, the IMF rejected in January Mexico's economic plans for this year and asked Mexico City to come up with a tougher program to cut the budget and reduce inflation. An IMF team is currently in Mexico City to try to work out final details of the agreement. [redacted]

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The new steps probably will be sufficient to reach an agreement with the IMF, but we do not expect even the modest measures announced last week to be fully implemented. [redacted]

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[redacted] powerful unions are likely to fight closures of any large state-owned operations. [redacted]

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[redacted]

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After a meeting of the Mexican Economic Cabinet early this month, Mexico released the following preliminary macroeconomic data for 1984.

- o GDP rose by nearly 3 percent.
- o The public-sector deficit was equal to about 6.9 percent of GDP.
- o The current account balance was in surplus by about \$3.5 billion.
- o International reserves totaled about \$8.5 billion.

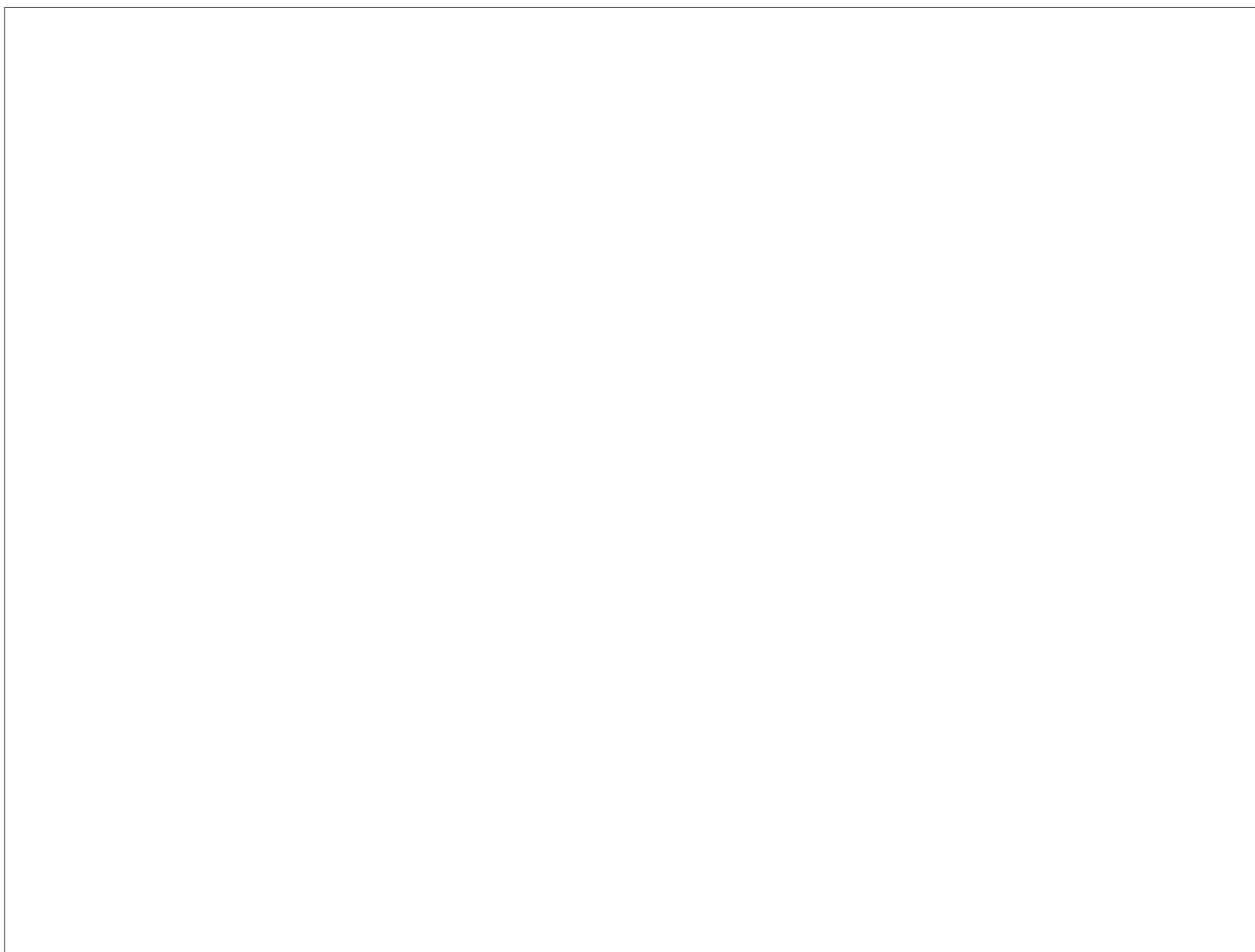
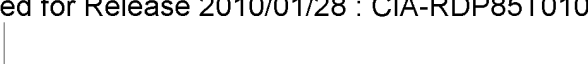
We believe that some of these statistics probably are overly optimistic. For example, [redacted] Mexico's GDP only rose about 2 percent and that the public-sector deficit is closer to 8.5 percent of GDP. Moreover, we expect international reserves to drop substantially as Mexico begins to draw on them to pay international lenders once the debt rescheduling agreement is signed. [redacted]

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Argentina

The resurgence of inflation in December and January is testing Buenos Aires' ability to comply with its IMF program. Although a formal Board review of Argentine performance is not due until late March or early April, an IMF team was in Buenos Aires last week seeking information about compliance through end-1984, the 1985 budget, and how the government plans to deal with inflation, according to the press. After dipping to 15 percent for the month of November, consumer inflation jumped to 19.7 percent in December and then accelerated further to 25.1 percent in January — 776 percent on a January 1985-to-January 1984 basis. The IMF target of cutting inflation to 300 percent for the period September 1984 through September 1985 is almost certainly unattainable. The loosening of price controls on manufactures and some easing of credit in January contributed to the increases, according to Embassy reporting. 

Buenos Aires gained a temporary victory when, within days of demanding a 25-percent wage increase for February, labor accepted the government proposal of a 14-percent increase. In return, business promised to raise prices only 12 percent this month and, according to the press, agreed not to lay off any workers during the next 30 days. Immediately following the agreement, however, metalworkers began a strike, and an automotive firm laid off 90 workers, according to the press. The US Embassy has serious doubts about the effectiveness of the agreement even over the short term. 



Our Embassy reports that Argentine monetary authorities have tried to keep monetary indicators within IMF guidelines by increasing the daily rate of devaluation to prevent the peso from becoming overvalued and by raising deposit and lending rates to bring them closer to the January rate of inflation. Nevertheless, short-term real interest rates remain strongly negative. These actions and the wage pact suggest that Buenos Aires remains committed to its IMF program. Nonetheless, if inflation fails to slow in February, Alfonsin will be hard pressed to hold down wage demands and keep to budgetary targets, and he probably will suffer further erosion of public confidence.

[Redacted]

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REGIONAL SITUATIONS

Latin America

Among other Latin American countries, Chile is close to obtaining a new IMF standby arrangement, Peru has presented to IMF and US government officials a package of austerity measures in hopes of reopening credit lines and restructuring talks, Colombia is seeking \$1.2 billion in new money over two years, and reduced oil export revenues threaten Ecuador's compliance with its IMF program.

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Chile

Chilean officials have stated that they are nearing completion of an estimated \$500 million, three-year IMF standby arrangement, [Redacted] and Santiago claims it will obtain a \$500 million, three-year World Bank structural adjustment loan in April. We believe approval of the two loans may not occur until later this year. The US Embassy reports that commercial bank lending and debt rescheduling negotiations will follow the conclusion of the IMF and World Bank negotiations.

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[Redacted] Despite ongoing progress in talks with the IMF, World Bank, and commercial banks, we expect several months delay before Chile receives new credits from these institutions. In the interim, Santiago may increase short-term borrowing to prevent an economic slump.

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The IDB in early February voted to approve Santiago's request for a \$130 million economic recovery loan, according to press reports, despite a US abstention to protest Chile's renewal of its "state of siege." We believe the US action will heighten bankers' apprehension, making renewal of trade credits and new loan negotiations more difficult.

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Santiago successfully completed its 1983-84 IMF standby program but heightened its financial vulnerability for 1985 by drawing \$800 million in short-term credit to help cover a \$2 billion current account deficit in 1984. According to Embassy reporting, Chile's current account deficit worsened because the trade surplus slipped to \$280 million -- \$720 million less than anticipated. Economic growth helped boost imports while export revenues dropped due to low copper prices. Santiago predicts that the economy will grow by 4 percent this year, but we believe the government would require \$1 billion over current loan requests just to grow 2 percent.

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[Redacted]

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Peru

On 4 February, Finance Minister Garrido Lecca presented a package of austerity measures to IMF and US government officials in hopes of gaining support for Lima's efforts to reopen credit lines and refinance the 1984 foreign debt. The banks have deferred principal on the 1984 debt until the fourth quarter of 1985.

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[Redacted]

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The US Embassy believes that Lima hopes to secure enough financial support to get the government through the July presidential elections, and it concurs with the local IMF representative that this package is the best that can be expected from the Belaunde administration before it leaves office in July.

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Lima's difficulties in reaching an agreement with the IMF and the six-month de facto moratorium on interest payments have caused creditors to toughen their stance on new lending, and we doubt the new measures will change bankers' attitudes. We anticipate a clash between incumbent officials and bankers in the coming weeks that could force presidential candidates during the upcoming campaign to take positions that could limit the policy options of the successor government.

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Colombia

During meetings on 23-25 January with its consultative committee of creditor banks, Colombia requested \$1.2 billion over two years for energy project loans and increased trade credit lines, according to US Embassy and press reports.

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Embassy reporting indicate that bankers told Bogota that they would not provide new money without a formal IMF standby arrangement and that they would not increase credit lines beyond current levels. The government recently increased gasoline prices and bus fares to boost creditors' confidence, but this has not eased bankers' concern about Colombia's low level of foreign exchange reserves, which were equivalent to about 2.5 months of imports at yearend 1984. Moreover, the pending report of the IMF mission probably will be negative, since the congress has delayed until a special session in mid-March consideration of the large budget cuts necessary to reduce the fiscal deficit. We believe President Betancur will continue to try to avoid a politically-sensitive IMF agreement, but banks will remain firm in refusing to provide new lending without such an accord.

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Ecuador

As Ecuador waits for its 440 creditor banks to pledge \$200 million in new loans under its financial package, falling oil prices and reduced exports threaten the country's ability to maintain compliance with program targets.

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[Redacted]

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Falling oil exports — down 17 percent in the fourth quarter of 1984 — are dimming trade prospects and are reducing foreign exchange earnings, 70 percent of which are accounted for by oil exports. Ecuador's state-owned oil company is increasing sales on the spot market and offering discounts on contracts; nonetheless, Quito may still have to resort to devaluations to try to boost non-oil exports. Unless spending cuts are taken or oil income is replaced, Quito will be unable to achieve the budget surplus target of 3-percent of GDP called for this year in the new IMF agreement.

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[Redacted]

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Bolivia

Although some advisory committee banks want Bolivia declared in default, the committee will attempt again to persuade La Paz to resume interest payments, according to Embassy [redacted]

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Meanwhile, Argentina plans to cut in half its cash payments to La Paz for natural gas this year, according to the US Embassy. Argentine gas payments have supplied nearly half of Bolivia's foreign exchange in the last two years, and in our view this sharp drop almost assures that Bolivia will not resume its debt payments before the Siles administration steps aside in August. [redacted]

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Dominican Republic

After more than a year of contentious negotiations, President Blanco recently announced new austerity measures aimed at securing a \$65-70 million IMF standby arrangement. A new standby could be signed as early as late March or early April, allowing Santo Domingo to reschedule its foreign debt and gain access to much-needed new lending. The measures include unification of the exchange rate and hefty export surcharges. The exchange rate adjustment, however, has caused price hikes for many basic commodities. Although there has been some backlash, the popular reaction so far has been less violent than last April when similar price increases sparked riots that left over 60 dead. Nevertheless, to soften the impact of these new measures, the President announced plans to increase the minimum wage by 20 percent and pledged to continue subsidies for some food and medicine. [redacted]

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Eastern Europe

In Eastern Europe, Yugoslavia and its commercial bank creditors are continuing negotiations on a multi-year rescheduling, an upcoming Paris Club meeting on Poland may be cancelled unless the Poles clear up some arrearages, and a \$150 million loan is being syndicated for East Germany. [redacted]

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Yugoslavia

In late January, Yugoslav Deputy Foreign Affairs Secretary Loncar met with ambassadors of the sixteen "Friends of Yugoslavia" countries to exhort them to "take a positive step" towards some form of multi-year rescheduling. Loncar asserted that Yugoslavia's bank creditors are insisting on strict comparability between bank and government rescheduling arrangements. He implied that the multi-year rescheduling Yugoslavia hopes to conclude soon with the banks would not be possible if governments continue to reject such an arrangement. [redacted]

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According to Embassy reporting, Belgrade apparently called the meeting because it believed that some governments were wavering in their opposition to a multi-year rescheduling. Loncar may have deliberately overstated the banks' position on comparability of treatment between creditors in hopes of weakening the governments' resistance to a multi-year arrangement. [redacted] however, commercial creditors are not insisting that the government rescheduling be identical to that offered by the banks. Yugoslavia also has been keeping a watchful eye on Brazil's

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rescheduling negotiations, believing that a multi-year precedent may be established that will help Belgrade press its case. [redacted]

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Despite Belgrade's efforts, key Western governments have reiterated to US Embassies their opposition to a multi-year rescheduling for Yugoslavia in 1985. A late-March meeting of the Paris club has been scheduled on condition that Yugoslavia first agree to a 1985 standby arrangement with the IMF, which is currently negotiating with Belgrade. In our judgment, the Fund is likely to take a firm stand on attainment of positive real interest rates; this may lead to difficult talks with the Fund, which might delay final agreement with official and commercial creditors. [redacted]

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Poland

Paris Club chairman Trichet has warned the Poles that the meeting scheduled for 5-6 March will be cancelled unless Warsaw makes payments on \$124 million in arrearages from the 1981 rescheduling agreement that were due in January at the initialing of the agreement to reschedule 1982-84 debt repayments, according to Embassy reporting. The United States, West Germany, and France so far have not received their payments, and it is not known if Poland has repaid other creditor countries. Warsaw had agreed to repay 30 percent of its 1981 arrearages, including late charges due as of 31 December 1983 at the time of the initialing. The Poles already paid 20 percent of these arrearages — \$80 million — when Paris Club negotiations were resumed last year and have promised to repay the remaining 50 percent — \$208 million — when the 1982-84 agreement is signed. [redacted]

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According to press reports, an IMF team arrived in Warsaw on 7 February to begin talks with government officials on Poland's application to join the Fund. Polish officials believe that IMF membership is attainable within six months, but Fund officials suggest formal action will not take place until six months or more after detailed information on prices, subsidies, and exchange and interest rates has been supplied to the Fund. The IMF does not anticipate a decision on Warsaw's application before the Fund's annual meeting next September. [redacted]

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East Germany

According to press reports, three major US banks — Bank of America, Citibank, and Manufacturers Hanover — as well as the Bank of Tokyo are putting together a \$150 million loan to East Germany's foreign trade bank. [redacted]

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[redacted] US banks were excluded from last year's \$400 million syndication and have been interested in increasing lending to East Germany after years of skepticism about East Berlin's creditworthiness. We expect the East Germans to return occasionally to the medium-term credit markets this year, mainly to refinance maturing debt. [redacted]

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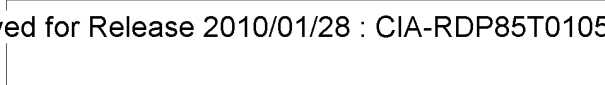
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Western Europe

In Western Europe, The IMF continues to be optimistic about Turkey's economic prospects, and Portugal has increased the amount of a new loan facility it is marketing and has negotiated better terms. [redacted]

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Turkey

The IMF remains generally optimistic about Turkey's economic prospects, according to Embassy reporting. Fund representatives are particularly impressed by the new attitude of Turkish officials, who they claim are attempting to meet the policy objectives of the standby program as well as the quantitative targets. IMF officials say that the Fund would have no problem in agreeing to a new standby arrangement for 1985. Turkish press reports indicate that Turkey will seek a new standby in 1985 for about \$250 million, although Ankara apparently has not made a final decision.

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The IMF is especially upbeat about Turkey's balance-of-payments prospects. According to Embassy reporting, Fund officials believe that improper recording of certain transportation revenues and a portion of worker remittances overstated the current account deficit in 1984 by as much as \$400 million. Adjustments for these errors would reduce the 1984 deficit to \$1.4 billion, down from \$2.1 billion in 1983. They remain concerned, however, by inflation and the high public-sector deficit, which is estimated to be \$2 billion in 1984, or about 4 percent of GNP. The main problem, according to the IMF, is insufficient tax revenues. Fund officials thus view the introduction of the value-added tax this past January as a positive -- albeit politically unpopular -- move.

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Portugal

Lisbon has increased the amount of a loan facility it is marketing from \$300 million to \$500 million and has negotiated better terms, according to press reports. The eight-year credit is divided into two parts; one half is a syndicated loan that carries an interest rate of 0.625 percentage point above LIBOR, and the other half is a revolving standby facility -- priced at 0.375 percentage point above LIBOR if drawn -- that allows Portugal to issue Euronotes and advances. By comparison, last month's seven-year credit for the state-owned electricity company was split into a fixed-rate tranche set at 13.35 percent and a floating-rate tranche set at 0.75 percentage point above the Oslo interbank offered rate for the first three years and 0.875 percentage point afterwards. We believe that loan's heavy oversubscription reflected both the attractive terms and the dramatic improvement in Portugal's current account deficit last year. If the current account deficit rises from \$600 million to \$1 billion this year as the government expects, Lisbon probably will not seek any further jumbo deals.

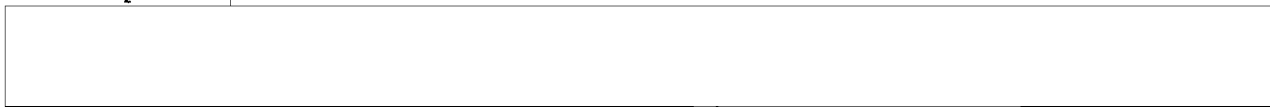
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Asia

Philippines

The Philippines failed to meet the yearend 1984 reserve money target of its IMF-supported adjustment program. Philippine Central Bank figures indicate reserves of almost 35 million pesos were held as of 31 December 1984, well above the target of 32 million pesos.

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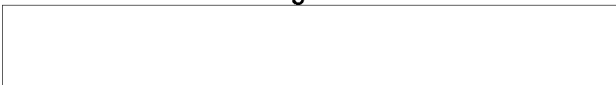


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According to Embassy reporting, the IMF is also concerned that the exchange rate is too high and is working against the objectives of the program. The peso has appreciated dramatically over the past few months from a low of 20.5 pesos per dollar in November to 18.2 pesos per dollar in late January. While committed to a free float by their adjustment program, the Central Bank intervened to halt the peso's appreciation by resuming its US dollar

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purchases. [redacted]

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[redacted] Since Philippine businessmen borrowed when the peso was weaker, they are disinclined to pay back now that the peso is stronger. [redacted]

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The final details of the rescheduling package, which includes \$925 million in new money, appear to have been worked out. According to Embassy reporting, remaining issues to be resolved include the degree of Saudi participation and a Central Bank dispute over the extent of its guarantees. According to press reports, Prime Minister Virata now predicts the package will be signed on 26 February. The IMF has delayed its formal review until the package is in place; as a result the second tranche, if released, will be delayed until May. [redacted]

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In an unusual move, the Philippines' donor nations established an ad hoc committee to monitor implementation of economic policy reforms. Organized to monitor economic reform, this committee could become quite important if future disbursements of assistance are tied to the Philippines' economic reform. According to Embassy reporting, the IMF was pleased that the donors, in particular the United States, held back on their pledges to signal their concerns. [redacted]

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Africa/Middle East

Among African countries, Morocco is seeking a Paris Club rescheduling of its debt owed to official sources, Algeria obtained a \$600 million syndicated loan on favorable terms, and Senegal reached agreement with the IMF on a standby arrangement and with the Paris Club on a rescheduling of official debt. [redacted]

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Morocco

According to Embassy reporting, Morocco has suspended almost all payments to official creditors and has asked the Paris Club for a rescheduling of its official debt. The same source indicates that Moroccan financial officials believe that this notification relieves Morocco of its debt servicing responsibilities until a new rescheduling agreement is signed. The Moroccans may be hoping that the Paris Club will set the consolidation period to begin 1 January 1985, which would incorporate all of the suspended payments. We believe the Paris Club is more likely to treat the suspended payments as arrearages, which would be rescheduled under much harsher terms. Before the Paris Club will agree to any rescheduling, Morocco must reach a new agreement with the IMF, and we believe that is unlikely to occur before March. [redacted]

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Algeria

Algeria's \$600 million syndicated loan was signed in Paris on 24 January. The loan, which was coordinated by the Arab Banking Corporation, was oversubscribed and was increased from the initial offer of \$500 million. According to press reports, the Algerians had requested an increase of \$200 million, but the lead managers indicated that the terms of the loan — 0.5 percentage point above LIBOR for the first five years and 0.375 percentage point for the last three years — were too narrow to warrant such a large increase at the last moment. The drawdown will be over a one-year period, and repayments will be made in seven equal semi-annual installments following the five-year grace period. These terms are the best ever offered to Algeria on a large Eurocurrency loan. Sixty banks make up the syndicate, including six US banks which account for approximately \$90 million of the loan. Proceeds of the credit will be used to finance large development projects under Algeria's current five-year plan. [redacted]

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[REDACTED]

Senegal

The IMF approved a new \$75 million, 18-month standby arrangement for Senegal. The basic objectives of the new adjustment program are to reduce Senegal's current account deficit and to reduce the level and cost of state intervention in agriculture. In addition, Senegal met with its official creditors in Paris on 18 January. According to press reports, Western creditor governments agreed to reschedule about \$85 million of Senegal's debt repayments falling due over the next 18 months. According to Embassy reporting, the agreement calls for rescheduling of 95 percent of the principal and interest falling due between 1 January 1985 and 30 June 1986 over 9 years, including a four-year grace period. Ninety percent of end-1984 principal and interest arrearages were also rescheduled over eight years, including three years of grace. [REDACTED]

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Annex
The Declaration of Santo Domingo

- I. **Cartagena Group New Considerations**
 - A. **Recent debt negotiation terms should be extended to other nations**
 - B. **Debt negotiations must be broadened**
 - 1. **Bank debt restructurings are not enough**
 - 2. **Need co-responsibility of debtors and creditors**
 - C. **Stringent adjustment programs result in reductions of living standards**
 - 1. **Unemployment grows and economic growth declines**
 - 2. **Social tensions have reached critical levels**
 - D. **External factors are not helping Latin nations**
 - 1. **Economic recovery has not extended to Latin America**
 - a. **OECD protectionism is growing**
 - b. **Trade and finance has been restricted**
 - 2. **Transfer of resources has become negative in the region**
 - 3. **Interest rates could rise again**
- II. **Political Dialogue**
 - A. **Latins reiterated urgent need for a political framework for debt**
 - 1. **Creditor countries must overcome reservations**
 - 2. **A solution is not possible without a dialogue**
 - 3. **Ignoring a dialogue risks regional instability**
 - B. **Cartagena Group will begin concerted diplomatic initiatives for a dialogue**
 - 1. **A joint position will be presented at the April IMF/IBRD meetings**
 - 2. **Group will approach creditors to discuss the invitation to dialogue**
 - 3. **They will send proposals to countries attending Bonn Summit**
 - 4. **They will draw the attention of international public to their problems**
 - 5. **They state that a dialogue must go beyond debt restructurings**
- III. **Follow-up Action**
 - A. **Cartagena Group is planning to meet after April IMF/IBRD meetings**
 - B. **Uruguay is now the interim secretary of the group**

Trade Trends in Key Debtor Countries
 Million US Dollars at a Seasonally Adjusted Annual Rate

	Annual		Quarterly						1984			Comment	
	1982	1983	83I	83II	83III	83IV	84I	84II	84III	Jul	Aug		Sep
Argentina													
Exports	7,620	7,840	7,650	7,300	7,690	9,150	8,430	8,490	8,780	8,070	8,800	9,480	Trade surplus for all of 1984 could reach \$4 billion.
Imports	5,340	4,500	4,420	4,830	4,720	4,070	3,940	4,460	4,940	5,390	4,750	4,670	
Balance	2,280	3,340	3,230	2,470	2,970	5,080	4,490	4,030	3,840	2,680	4,050	4,810	
Brazil													
Exports	20,170	21,900	20,850	22,730	22,210	21,620	25,380	27,700	27,640	29,080	27,450	26,390	Exports of industrial goods rose 37 percent in the first 10 months of 1984.
Imports	21,070	16,840	17,760	16,400	16,210	17,010	14,840	15,310	15,400	15,180	15,940	15,070	
Balance	-900	5,060	3,090	6,330	6,000	4,610	10,540	12,390	12,240	13,900	11,510	11,320	
Chile													
Exports	3,820	3,840	3,680	4,000	3,960	3,710	3,880	4,100	3,330	3,450	3,280	3,270	
Imports	3,530	2,970	3,040	2,850	2,880	3,110	3,470	3,510	3,520	3,620	3,600	3,320	
Balance	290	870	640	1,150	1,080	600	410	590	-190	-170	-320	-50	
Colombia													
Exports	3,020	3,000	2,900	2,820	3,120	3,180	3,370	3,540	2,880	3,130	2,760	2,750	
Imports	5,480	4,960	5,310	5,180	4,660	4,760	4,480	4,700	4,780	5,370	4,520	4,440	
Balance	-2,460	-1,960	-2,410	-2,360	-1,540	-1,580	-1,110	-1,160	-1,900	-2,240	-1,760	-1,690	
Ecuador													
Exports	2,140	2,200	2,290	2,270	2,050	2,190	2,360	2,560	2,800	2,610	2,640	3,140	GOE expects to report a trade surplus of \$1.14 billion for 1984.
Imports	1,990	1,460	1,490	1,440	1,340	1,610	1,800	1,580	1,660	1,320	2,150	1,490	
Balance	150	740	800	830	710	580	560	980	1,140	1,290	490	1,650	
Indonesia													
Exports	21,130	21,200	18,370	20,460	22,280	23,420	21,990	20,210	18,830	20,450	17,590	18,450	
Imports	19,900	19,740	22,880	18,070	19,620	18,410	17,940	20,370	19,900	19,350	20,130	20,230	
Balance	1,230	1,460	-4,510	2,390	2,660	5,010	4,050	-160	-1,070	-1,100	-2,540	-1,780	
Malaysia													
Exports	12,030	14,130	12,690	13,870	14,310	15,560	15,470	16,560	17,220	17,120	17,600	16,930	
Imports	12,390	13,200	13,140	12,960	13,500	13,200	13,390	14,510	14,510	14,040	15,310	14,170	
Balance	-360	930	-450	910	810	2,360	2,080	2,050	2,710	3,080	2,290	2,760	
Mexico													
Exports	21,210	21,700	20,250	21,570	22,180	22,640	25,030	23,030	22,840	22,660	23,000	22,850	Exports of manufactures rose 29 percent in the first seven months of 1984.
Imports	15,130	8,020	6,600	8,920	8,040	8,440	9,580	9,090	10,800	10,260	10,480	11,660	
Balance	6,080	13,680	13,650	12,650	14,140	14,200	15,450	13,940	12,040	12,400	12,520	11,190	
Morocco													
Exports	2,060	2,010	1,990	2,060	2,010	1,970	2,270	2,060	2,170	2,260	2,660	1,590	
Imports	4,310	3,590	3,690	3,460	3,770	3,490	3,900	3,980	3,940	4,290	3,790	3,750	
Balance	-2,250	-1,580	-1,700	-1,400	-1,760	-1,520	-1,630	-1,920	-1,770	-2,030	-1,130	-2,160	

Trade Trends in Key Debtor Countries - (continued)
 Million US Dollars at a Seasonally Adjusted Annual Rate

	Annual		Quarterly						1984			Comment	
	1982	1983	83I	83II	83III	83IV	84I	84II	84III	Jul	Aug		Sep
Nigeria													
Exports	16,560	11,590	8,430	12,860	13,140	11,870	16,400	13,770	12,010	12,920	11,620	11,490	Embassy reports income from oil exports estimated at \$10.9 billion for all 1984.
Imports	19,200	12,890	14,060	11,480	11,670	14,010	9,070	8,990	9,440	8,430	10,020	19,860	
Balance	-2,640	-1,300	-5,630	1,380	1,470	-2,140	7,330	4,780	2,570	4,490	1,600	1,630	
Peru													
Exports	3,260	3,020	2,740	3,240	3,270	2,760	3,190	3,150	3,180	3,330	3,110	3,080	GOP has established a board to oversee export promotion.
Imports	3,600	2,550	2,550	2,480	2,430	2,720	2,250	2,220	2,340	2,270	2,320	2,420	
Balance	-340	470	190	760	840	40	940	930	840	1,060	790	660	
Philippines													
Exports	4,970	4,890	4,690	4,800	4,940	5,100	5,070	5,170	5,810	5,570	5,930	5,930	GOP has established a board to oversee export promotion.
Imports	8,270	7,980	8,110	7,980	7,760	8,030	6,450	5,870	6,160	6,560	5,780	6,140	
Balance	-3,300	-3,090	-3,420	-3,180	-2,820	-2,930	-1,380	-700	-350	-990	150	-210	
South Korea													
Exports	21,850	24,440	21,370	23,850	25,050	26,920	28,270	29,030	27,850	28,660	28,150	26,740	GOP has approved legislation simplifying the export permit system.
Imports	24,250	26,190	25,180	23,640	25,910	29,910	30,170	31,850	31,160	32,230	32,920	28,330	
Balance	-2,400	-1,750	-3,810	210	-860	-2,990	-1,900	-2,820	-3,310	-3,570	-4,770	-1,590	
Thailand													
Exports	6,950	6,370	5,950	6,030	6,660	6,980	6,840	7,150	7,980	7,460	8,350	8,150	GOP has approved legislation simplifying the export permit system.
Imports	8,550	10,290	9,680	9,580	10,540	11,350	10,710	10,280	9,820	9,950	9,870	9,640	
Balance	-1,600	-3,920	-3,730	-3,550	-3,880	-4,370	-3,870	-3,130	-1,840	-2,490	-1,520	-1,490	
Venezuela													
Exports	17,570	15,380	15,120	16,000	15,900	14,660	15,010	17,540	14,950	17,240	13,580	14,040	GOP has approved legislation simplifying the export permit system.
Imports	14,580	7,360	9,110	6,100	6,370	7,740	7,930	8,390	8,720	8,140	9,020	8,980	
Balance	2,990	8,020	6,010	9,900	9,530	6,920	7,080	9,150	6,230	9,100	4,560	5,060	
Total													
Exports	164,360	163,510	148,970	163,860	168,770	171,730	182,960	184,060	178,270	184,010	176,520	174,280	
Imports	167,590	142,540	147,020	135,370	139,420	147,860	139,920	145,110	147,090	146,400	150,600	144,170	
Balance	-3,230	20,970	1,950	28,490	29,350	23,870	43,040	38,950	31,180	37,610	25,920	30,110	

Note: Exports f.o.b. and imports c.i.f. are on a customs basis and are derived from IMF International Financial Statistics and other sources.

Note on estimates: Numbers in bold are CIA estimates. Imports for Indonesia, Nigeria, and Venezuela are derived from trade partner data and updated monthly. The following figures are provisional - July through September exports for Indonesia, all estimates for Malaysia, Morocco, and Thailand.

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4	James W. Conrow	"	53	D/ALA	
5	Robert Cornell	"	54	Ch/ALA/SAD/R	
6	Charles Dallara	"	55	D/OEA	
7	Charles Schotta	"	56	D/EURA	
8	James A. Griffin	"	57	Ch/EURA/EE/EW	
9	Doug Mulholland	"	58	D/SOVA	
10	Manuel Johnson	"	59	D/NESA	
11	David Mulford	"	60	DD/OGI, D/OGI	
12	Christopher Hicks	"	61	Ch/OGI/SRD	
13	Sec. George Shultz	State	62	Ch/OGI/ISID	
14	Kenneth Dam	"	63	Ch/OGI/TNAD	
15	Morton I. Abramowitz	"	64	Ch/OGI/ECD	
16	Michael Armacost	"	65-66	Ch/OGI/ECD/FI	
17	Ralph Lindstrom	"	67	[] OGI/CO	25X1
18	W. Allen Wallis	"	68	CPAS/ISS/SA/DA	
19	Langhorne Motley	"	69	Ch/OGI/Pub []	25X1
20	Richard Burt	"	70-77	OGI/Pub	
21	Richard McCormack	"			
22	Chester Crocker	"			
23	Paul Wolfowitz	"			25X1
24	Richard Murphy	"			
25	J.C. Kornblum	"			
26	Byron Jackson	Commerce			
27	Lionel Olmer	"			
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30	Roger Robinson	NSC			
31	Douglas McMinn	"			
32	David Wigg	"			
33	Randall Fort	PFIAB			
34	Leo Cherne	PFIAB			
35	David Tarbell	OSD (ISA)			
36	DCI				
37	ExDir				
38	SA/DDCI				
39	DDI				
40	ADDI				
41	Ch/PES/DDI				
42	NIO Economics				
43	DDO				
44	Ch/DDO/EPDS				
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46	Ch/DDO/AF				
47	Ch/DDO/EA				
48	Ch/DDO/EUR				
49	Ch/DDO/LA				

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1 - Ch/ECD/T	
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