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Economic Intelligence Weekly

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ECONOMIC INTELLIGENCE WEEKLY

7 August 1974

INDUSTRIAL NATIONS

Britain's Labor Government last week announced plans to nationalize most of the shipbuilding, ship repairing, and marine engineering industries. This action reinforced the Labor Party's commitment to increased state control of industry and further discouraged private investors.

Italy has dropped its year-old price controls on industrial goods but will continue a price freeze on seven basic food categories, including bread and fresh meat. The current program probably will be unable to prevent an acceleration in inflation. Because of rising wages and raw material prices earlier this year, consumer prices are likely to increase at an annual rate of 25% during the remainder of 1974.

The EC and the 20-Nation Arab League last week agreed to establish a permanent commission to deal with the problems of long-term economic cooperation. The commission, whose exact structure remains to be worked out, is expected to hold its first meeting in November.

Slowdown in West German Export Boom; Export volume fell 1% in the second quarter, the first quarterly decline since 1972. (See page 6.)

Canada: Interest in Uranium Enrichment Plants; Two consortia are making feasibility studies for the construction of gaseous diffusion plants. (See page 3.)

AGRICULTURE

Canada clamped new import quotas on live cattle and fresh and frozen beef from the United States and other meat producing countries at a heated Cabinet session last

week. The quotas, imposed without consulting the United States, will sharply reduce US beef exports.

Soviet Grain Loss in the New Lands; Drought cuts crop by 8 million tons. (See page 4.)

EC Beef Sale to the USSR Confirmed; Shipments from a 50,000-ton sale of French beef have already begun, and trade sources report a second 50,000-ton sale. (See page 6.)

Yugoslavia's Food Directorate has announced that the wheat crop will top 5.4 million tons, compared with 4.7 million tons in 1973. As a result, wheat imports are expected to decline from 800,000 tons in FY 1974 to 150,000 tons in FY 1975.

East Germany: Self-Sufficiency in Nitrogen Fertilizer; A large new complex under construction at Piesteritz, being built with US and other foreign technology, should make the GDR self-sufficient in nitrogen fertilizer by 1976. (See page 6.)

Impact of EC Beef Ban on Latin American Exporters; Argentina stands to lose as much as \$300 million in export earnings this year. (See page 8.)

USSR: Purchases of Ammonia Plants Mushroom; A \$220 million order for four French ammonia plants is the latest move in the Soviet drive to expand fertilizer capacity in 1976-80. (See page 8.)

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FINANCIAL MARKETS

Japan's Finance Ministry last week moved unsuccessfully to ease downward pressure on the yen. The dollar continued to appreciate relative to the yen, breaking through the 300 level for the first time since late January.

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In Europe, the dollar closed mixed for the week in slow trading. Gold declined \$4 an ounce in a volatile market.

METALS MARKETS

Copper, Lead, and Zinc Prices were down from their July highs at the end of last week because of profit-taking. Copper prices on the LME fell to 82.6 cents after having risen to 92.8 cents on 29 July on news of Anaconda's lower output and continuing wage negotiations involving other US copper companies. Lead and zinc dropped 2 and 7 cents a pound, respectively, to 24.9 cents and 47.9 cents a pound. (See Metals Chart, page A-3 in Economic Indicators Section.)

DEVELOPING NATIONS

Saudi Arabia: Manpower Bottleneck; The domestic modernization program will raise the already high demand for foreign labor. (See page 1.)

Venezuela: Iron Ore Nationalization Comes Closer; US firms probably will retain a role in production and marketing. (See page 1.)

Jamaica: Further Bauxite Demands; The government now wants equity in the companies and the return of a sizable portion of the bauxite concessions. (See page 2.)

Burma's Deputy Prime Minister, U Lwin, intends to press US officials for \$80 million or more of aid during his visit to Washington in early October. His shopping list will include food and other consumer goods needed to prevent a recurrence of the June rioting over shortages and high prices.

PUBLICATIONS OF INTEREST

Prospects for Multinational Enterprise in Latin America
(See page 8.)

The Economic Situation in South Vietnam, July 1974
(See page 8.)

COMPARATIVE INDICATORS

Recent Data Concerning Internal Economic Activities
(See page A-1.)

Recent Data Concerning External Economic Activities
(See page A-2.)

Metal Prices (See page A-3.)

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Articles

VENEZUELA: IRON ORE NATIONALIZATION COMES CLOSER

Caracas has announced plans to assume complete ownership of Venezuela's iron ore mines by December 1974.

The present concessionaires, subsidiaries of US Steel and Bethlehem Steel, probably will retain production and marketing functions under government-administered service contracts. Negotiations on compensation and the companies' future role are already under way because both sides are anxious to maintain a steady flow of ore. Compensation based on depreciated book value probably will be accepted by the companies to assure their continued access to Venezuelan ore, which makes up about one-third of US iron ore imports and 11% of US consumption.

To prepare for the changeover, the government has established commissions to study the future administration of the mines and legal aspects of the nationalization. Caracas wants to avoid disruption of production and expansion programs during the takeover and recognizes the need for foreign technical and managerial assistance at least for the next two to three years. In addition, the government needs long-term help in carrying out its plan for the rapid expansion of steelmaking capacity.

Caracas may encounter labor problems as a result of the nationalization move. Workers are concerned that nationalization might bring cuts in their high wages and disrupt fringe benefits such as subsidized commissaries, schools, and hospitals. labor unrest represents the greatest threat to the uninterrupted flow of iron ore to the United States.

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SAUDI ARABIA: MANPOWER BOTTLENECK

Inadequate manpower sharply limits the ability of Saudi Arabia to spend its oil wealth on internal industrialization. Although he has not spoken out on the subject, King Faysal puts domestic modernization ahead of massive downstream investment in other countries. American experts returning from the July US-Saudi working group meetings confirm the immediate need for developing extensive manpower training programs.

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Manpower training will be a slow process. More than half of the 1.5 million labor force is nomadic or rural -- hard to train and often hard to hold on the job. Moreover, the population at large is only beginning to accept the kinds of skills and jobs required for economic development.

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[Redacted]

Less than 10% of the 250,000 workers entering the labor force in the next five years will have high school diplomas, and many vocational graduates are likely to have the wrong skills.

The Saudis may have trouble just getting a comprehensive training program off the ground.

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[Redacted]

Saudi Arabia will have to depend even more on foreign manpower in the next few years while awaiting progress in training its own nationals. Already the backbone of the industrial labor force, foreigners now make up at least 20% of all available manpower. The largest contingents are low-skilled workers from the Yemens and Oman. Non-Saudis reportedly hold 80% of the professional positions in the private sector and about 15% of the civil service jobs. Foreign professionals and skilled workers come mainly from Egypt, Syria, Jordan, Lebanon, and Palestine. Several thousand Americans and West Europeans work in the oil and other modern industries.

This dependence on foreigners will increase in the near term as the domestic industrialization program takes hold. Foreigners will be needed for the construction and operation of new industrial facilities and for the training of the Saudi work force. The manpower bottleneck will induce Saudi planners to emphasize capital intensive projects, money being no object.

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[Redacted]

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JAMAICA: FURTHER BAUXITE DEMANDS

On top of increasing taxes by 500% last spring, Jamaica is taking further measures to squeeze every dollar out of its sizable bauxite resources. The final phase of Kingston's renegotiation of bauxite contracts with a Canadian and five US aluminum companies -- expected to begin in September -- will deal with two key government demands:

- reversion to Jamaica of reserves exceeding 25 years of company needs and

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- acquisition of an equity in the Jamaican subsidiaries of the companies.

Both demands will be strongly resisted by the companies. The excess reserves could amount to as much as one-third to one-half of total Jamaican reserves of about 1 billion tons. The government thus far has offered to pay only the value of the surface rights of the land, presumably a fraction of the full value of the properties. On the equity participation issue, Prime Minister Manley has at times talked of demanding majority ownership in the subsidiaries. The government has not yet specified what shares it wants. The companies expect that Jamaica will settle initially for 10% or so, with provision for future increases.

Jamaica is already making plans for the exploitation of the assets to be acquired. Manley has agreed to supply half the alumina -- 215,000 tons annually -- required for a proposed 200,000-ton aluminum smelter. This plant is to be established in Trinidad jointly by the governments of Jamaica, Trinidad, and Guyana, which is to provide the remaining alumina needed. Last week, following a two-day visit by President Echeverria of Mexico, Kingston also announced plans to join Mexico in forming a joint company to produce alumina, aluminum, and fabricated aluminum products. Although no details of the scheme were provided, Jamaican-produced alumina presumably would be used to supply facilities to be located in Mexico.

Many obstacles stand in the path of the projects. Financing has yet to be found, and it will take several years for Jamaica to substantially expand alumina-production capacity.

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CANADA: INTEREST IN URANIUM ENRICHMENT PLANTS

Canada may become a major source of enriched uranium, as two consortia are pressing ahead with feasibility studies for the construction of gaseous diffusion plants.

SERU Nuclear of Canada, Ltd. -- an affiliate of the French Commissariat a l'Energie Atomique (CEA) -- signed an accord on 25 July with two Canadian development companies to study the feasibility of building an enrichment plant in Quebec, using French gaseous diffusion technology. CEA set a target date of December 1974 for completing the study, to be followed within three months by a firm proposal if the project is practicable.

A competing proposal has been under study since 1971 by the British Newfoundland Corporation (BRINCO), in association with West German and

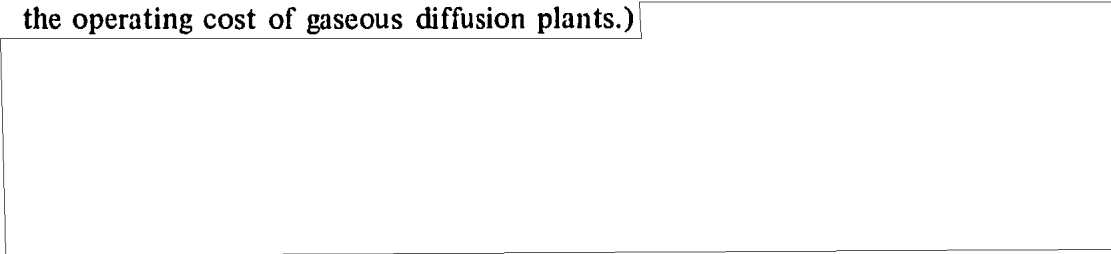
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Japanese firms. Ottawa asked the United States last May to provide BRINCO with sufficient economic and technical data to conduct a thorough feasibility study for a uranium enrichment plant. BRINCO has considered sites where cheap hydroelectric power is available -- in Quebec, Alberta, Newfoundland, and British Columbia. It hopes for approval of the project by 1976 in order to put a plant into operation by 1982, when the capacity of present US plants will be insufficient to meet Free World requirements.

A Canadian enrichment plant would be a private venture, subject to special government approval. Because Canadian nuclear powerplants use natural uranium as fuel, an enrichment plant initially would serve only the foreign market.

The results of the two feasibility studies probably will be favorable. Canada has large uranium and hydroelectric resources. (Electric power represents 70% of the operating cost of gaseous diffusion plants.)



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SOVIET GRAIN LOSS IN THE NEW LANDS

[redacted] hot and dry weather has killed a large share of the grain crop in three New Lands oblasts that were expected to account for 6% of Soviet production in 1974.

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The affected area -- Tselinograd and Pavlodar oblasts and Altay Kray, along the southern border of the New Lands -- contains about 10 million hectares of grain, primarily spring wheat. Above-average June rainfall had promised a good crop of almost 12 million tons. In the first half of July, however, scant rain fell in these areas during the critical heading stage, and temperatures were well above normal. Heavy rainfall and cooler weather during the third week in July were too late to save much of the crop. As a result, we estimate that 8 million tons of grain have been lost. This is about 4% of the total Soviet grain crop.

We intend to publish next week an updated estimate of this year's total grain output in the USSR, based on an analysis of weather and other data through July.

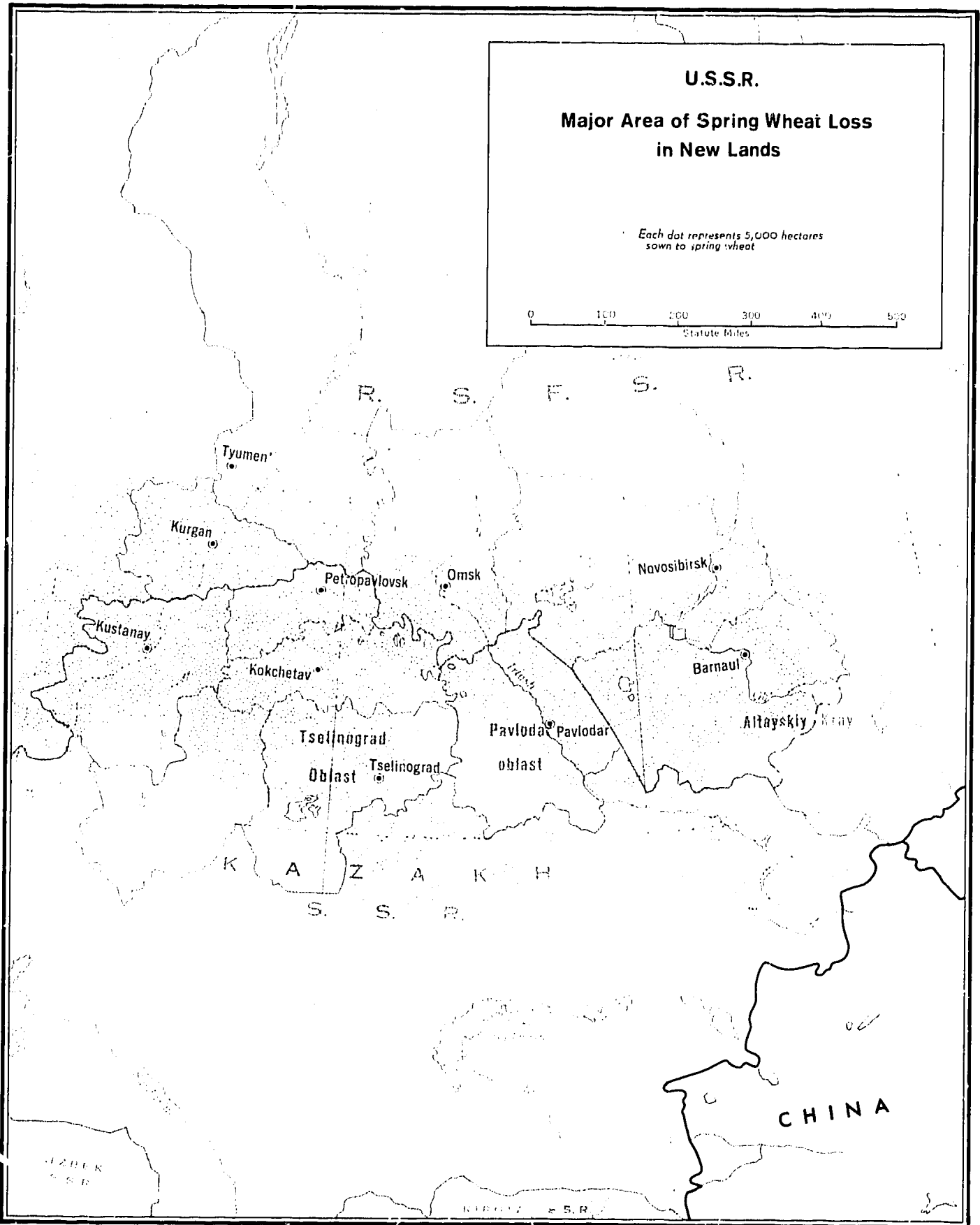
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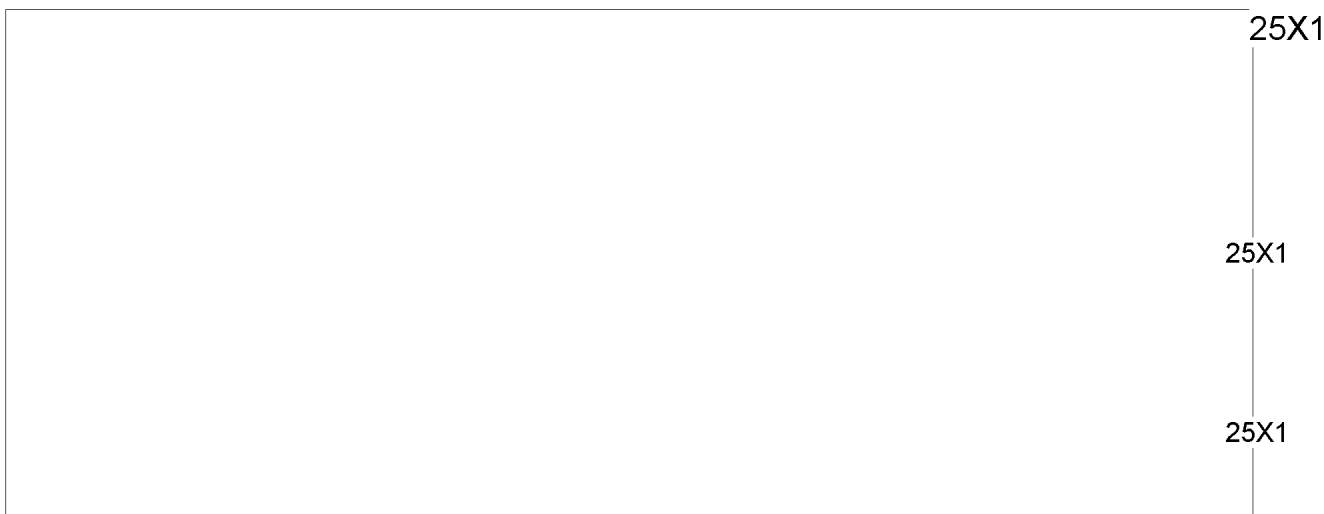


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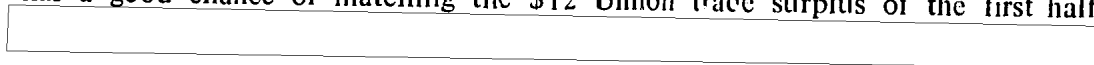
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Notes

**Slowdown in West German Export Boom**

Seasonally adjusted export volume fell by 15% in June, contributing to a sharp drop in the monthly trade surplus. For the second quarter of 1974 as a whole, volume was down 1%, compared with the previous period, the first quarterly decline since 1972. The value of exports nonetheless continued to rise, as prices turned up again. Because of the worldwide economic slowdown, prospects are for little growth in the volume of West German exports or imports in the second half. Since the terms of trade are unlikely to deteriorate further, West Germany has a good chance of matching the \$12 billion trade surplus of the first half.

**EC Beef Sale to the USSR Confirmed**

A sale to the USSR of 50,000 tons of French beef from EC stocks has been confirmed; nearly 10,000 tons has already been shipped. At 42 cents per pound, the sale brought in \$46 million and cost the EC Commission about the same amount in subsidies.

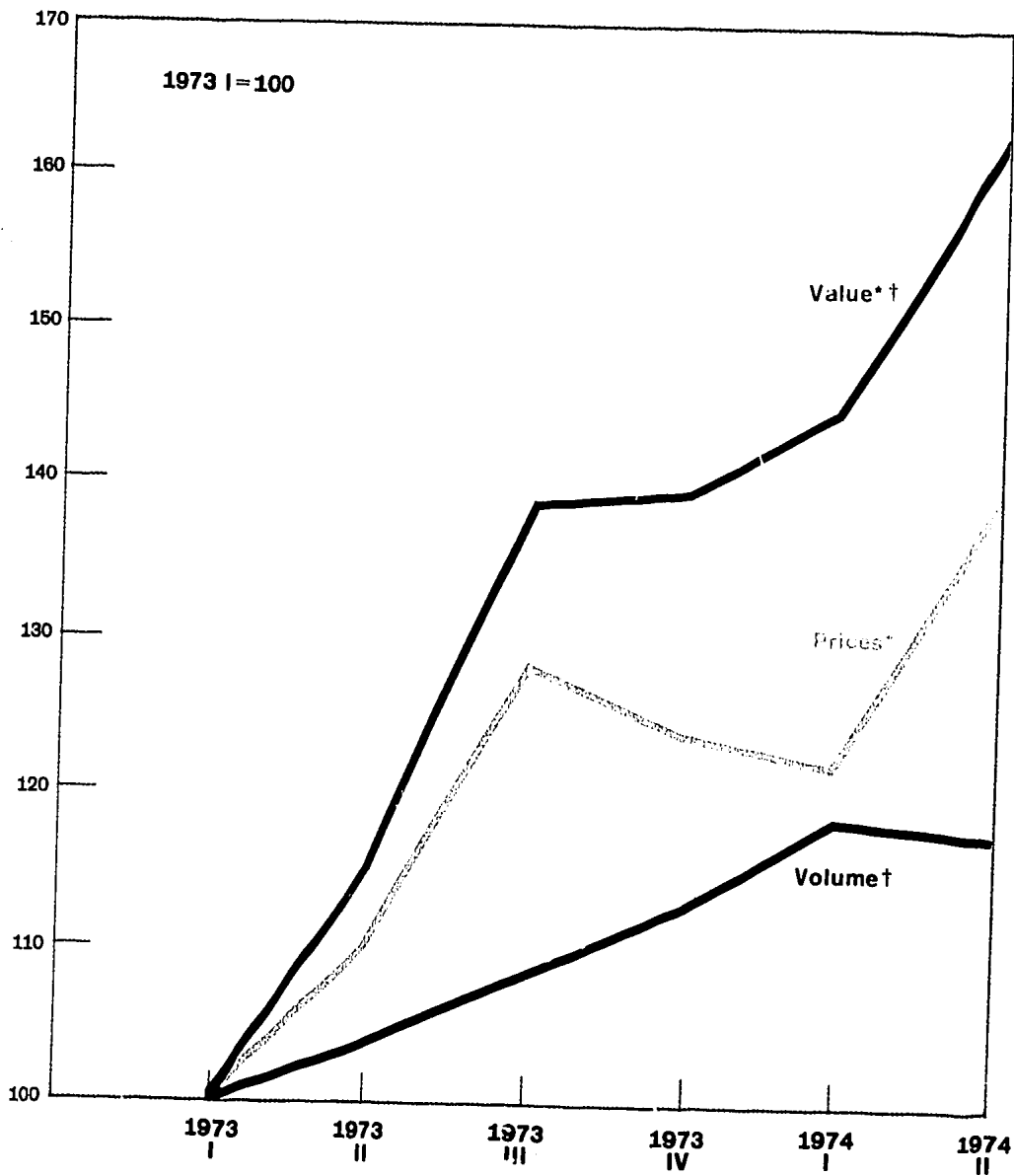
**East Germany: Self-Sufficiency in Nitrogen Fertilizer**

A large new complex under construction at Piesteritz should make the GDR self-sufficient in nitrogen fertilizer by 1976. In July, trial runs of the first urea plant began. The complex, the largest current investment project of the East German chemical industry, will consist of two 1,360-ton-per-day ammonia plants and three

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Trends in West German Exports



* In terms of US \$.
† Seasonally adjusted.

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urea plants producing more than one million tons a year (about 480,000 tons of nitrogen). The ammonia plants will use US technology and Japanese equipment; the urea plants are being built by Czechoslovakia using Dutch technology. East Germany imported 238,000 tons of nitrogen in 1972 and increased imports, by perhaps 20%, in 1973. [REDACTED]

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USSR: Purchases of Ammonia Plants Mushroom

A \$220 million order for 4 ammonia plants from France announced in early August brings Soviet purchases since the fall of 1973 to at least 12. Meanwhile, the USSR is negotiating for 4 more plants, this time from Japan. The Japanese plants would add about 1.8 million tons in capacity to the 5.5 million-ton capacity of the 12 plants already contracted for. This capacity, which would come into operation in 1976-80 in support of the Soviet fertilizer program, would by itself exceed the 4.2 million-ton increment in ammonia production planned for 1971-75. Further additions will come from domestically supplied plants and, possibly, plants purchased from Czechoslovakia. [REDACTED]

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Impact of EC Beef Ban on Latin American Exporters

The EC ban on beef imports is cutting deeply into Latin American exports to EC countries, which totaled about \$600 million last year. Argentina stands to lose as much as \$300 million in export earnings. Shipments for the first half of this year declined 50%, compared with the same period in 1973. Brazil, Paraguay, and Uruguay also are being hit hard, setting off a frantic search for alternative markets. The four countries have formally protested the ban and have approached Australian, East European, and other producers to consider forming a producers' group to stabilize trade and prices. [REDACTED]

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Publications of Interest

Prospects for Multinational Enterprise in Latin America

(ER IM 74-11, August 1974, [REDACTED])

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This memorandum delineates the substantial economic and political influence of multinational corporations in Latin American countries. Many governments in the area are now moving to neutralize this influence, largely by taking over MNC investments. To retain an important presence in Latin America, the companies will have to accommodate further to the desires of host governments and adopt more flexible ways of doing business.

The Economic Situation in South Vietnam, July 1974

(ER IR 74-20, July 1974, [REDACTED])

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The July monthly discusses (1) Saigon's latest set of economic reforms, (2) continued inflation, (3) rice production outlook and crop diversification efforts, and (4) scrap metal exports.

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INTERNAL ECONOMIC INDICATORS

GNP*

Constant Market Prices

	Percent Change from Previous		Average Annual Growth Rate Since		
	Latest Quarter	1970	1 Year Earlier	3 Months Earlier	1970
	74 II	74 I	73 IV	74 I	73 IV
United States	-0.3	3.6	-1.1	-1.2	
Japan	-5.0	5.8	-3.6	-18.6	
West Germany	1.2	3.5	1.5	5.0	
France	1.8	5.8	5.7	7.3	
United Kingdom	-3.5	1.9	-4.4	-13.3	
Italy	73 IV	1.9	3.7	5.3	7.7
Canada	74 I	1.7	5.4	3.0	7.0

WHOLESALE PRICES

Industrial¹

	Percent Change from Previous		Average Annual Growth Rate Since		
	Latest Month	1970	1 Year Earlier	3 Months Earlier	1970
	Jun 74	Jun 74	May 74	Jun 74	May 74
United States	2.1	8.8	21.9	35.4	
Japan	1.3	11.2	35.3	11.2	
West Germany	1.2	7.1	14.4	16.6	
France	-1.0	12.8	34.3	13.0	
United Kingdom	2.1	10.9	24.5	35.8	
Italy	May 74	0.7	14.5	43.0	35.6
Canada	Apr 74	2.6	11.1	23.0	34.6

INDUSTRIAL PRODUCTION*

	Percent Change from Previous		Average Annual Growth Rate Since		
	Latest Month	1970	1 Year Earlier	3 Months Earlier**	1970
	Jun 74	Jun 74	May 74	Jun 74	May 74
United States	0	4.6	-0.1	2.4	
Japan	-2.5	6.6	-0.9	-7.1	
West Germany	1.1	3.5	0	-0.7	
France	May 74	2.4	6.1	2.4	-1.1
United Kingdom	May 74	-1.1	2.2	0.2	22.4
Italy	Apr 74	2.2	5.7	13.7	6.6
Canada	May 74	-0.5	6.2	2.6	2.5

CONSUMER PRICES

	Percent Change from Previous		Average Annual Growth Rate Since		
	Latest Month	1970	1 Year Earlier	3 Months Earlier	1970
	Jun 74	Jun 74	May 74	Jun 74	May 74
United States	1.0	6.1	11.1	11.7	
Japan	0.3	11.3	23.1	15.7	
West Germany	0.4	6.3	6.9	6.5	
France	Jun 74	1.1	8.0	13.8	16.9
United Kingdom	May 74	1.4	10.5	16.9	25.3
Italy	Jun 74	1.3	9.5	16.6	16.9
Canada	Jun 74	1.3	6.5	11.4	15.5

RETAIL SALES*

Current Prices

	Percent Change from Previous		Average Annual Growth Rate Since		
	Latest Month	1970	1 Year Earlier	3 Months Earlier**	1970
	Jun 74	Jun 74	Mar 74	Apr 74	Mar 74
United States	-0.7	9.2	7.6	10.7	
Japan	-4.8	11.1	6.6	-1.8	
West Germany	-1.3	8.2	5.6	14.6	
France	Apr 74	-3.1	6.1	15.0	5.5
United Kingdom	Mar 74	1.3	12.0	9.4	6.5
Italy	Dec 73	3.0	17.2	25.5	47.0
Canada	Apr 74	0.3	11.3	10.1	19.3

MONEY SUPPLY*

	Percent Change from Previous		Average Annual Growth Rate Since		
	Latest Month	1970	1 Year Earlier	3 Months Earlier**	1970
	Jun 74	Jun 74	Apr 74	Apr 74	Feb 74
United States	0.1	6.8	5.8	10.7	
Japan	-0.6	17.4	10.5	16.7	
West Germany	0.3	9.1	0.4	9.5	
France	Feb 74	-0.3	11.9	9.0	14.9
United Kingdom	May 74	-0.2	9.1	2.5	4.7
Italy	Dec 73	2.6	21.2	17.9	22.1
Canada	May 74	1.3	13.9	13.3	20.3

MONEY-MARKET RATES

	Representative Rates	Percent Rate of Interest			
		Latest Date	1 Year Earlier	3 Months Earlier	1 Month Earlier
		Jul 31	Jul 24	Jul 31	Jul 31
United States	Dealer-placed finance paper	11.50	8.13	9.00	9.00
Japan	Call money	13.00	7.50	12.00	12.63
West Germany	Interbank loans (3 Months)	9.20	14.13	9.16	9.60
France	Call money	13.63	8.38	12.75	14.50
United Kingdom	Sterling interbank loan (3 mo)	13.32	11.50	13.50	13.27
Canada	Finance paper	11.53	7.55	11.50	11.00
Euro-Dollars	Three-month deposits	13.31	11.35	11.53	13.41

*Seasonally adjusted.
**Average for latest 3 months compared with average for previous 3 months.

7 August 1974
Office of Economic Research/CIA

Note: US data provided by US government agencies

EXTERNAL ECONOMIC INDICATORS

EXPORTS*

f.o.b.

	Latest Month	Cumulative			Percent Change
		Million US \$		1973	
		1974	1974		
United States	Jun 74	8,357	40,808	32,110	45.1
Japan	Jun 74	4,030	24,810	10,800	47.5
West Germany	Jun 74	0,577	43,043	20,813	44.4
France	Jun 74	4,091	22,251	10,918	31.5
United Kingdom	Jun 74	3,280	17,111	13,613	25.7
Italy	Jun 74	2,300	13,315	9,401	41.6
Canada	May 74	2,802	12,812	10,077	28.9

EXPORT PRICES

US \$

	Latest Month	Percent Change from Previous		Average Annual Growth Rate Since		
		Month	Month	1970	1 Year Earlier	3 Months Earlier
		United States	Jun 74	3.1	11.8	28.0
Japan	May 74	2.2	17.2	35.9	30.2	
West Germany	Apr 74	5.1	15.1	27.0	102.3	
France	Mar 74	0.2	13.1	12.8	8.7	
United Kingdom	Mar 74	7.2	11.0	19.4	49.6	
Italy	Jan 74	-1.2	10.0	19.1	-9.8	
Canada	Mar 74	7.2	14.2	41.3	80.1	

IMPORTS*

f.o.b.

	Latest Month	Cumulative			Percent Change
		Million US \$		1973	
		1974	1974		
United States	Jun 74	8,022	40,871	33,058	41.8
Japan	Jun 74	4,058	28,204	14,190	84.7
West Germany	Jun 74	5,041	30,714	23,330	31.7
France	Jun 74	4,173	24,031	16,303	47.4
United Kingdom	Jun 74	4,422	23,234	15,498	49.9
Italy	Jun 74	2,854	17,308	10,672	62.2
Canada	May 74	2,835	12,198	9,220	32.0

EXPORT PRICES

National Currency

	Latest Month	Percent Change from Previous		Average Annual Growth Rate Since		
		Month	Month	1970	1 Year Earlier	3 Months Earlier
		United States	Jun 74	3.1	11.8	28.0
Japan	May 74	2.6	9.7	42.8	14.0	
West Germany	Apr 74	1.3	4.4	13.0	31.9	
France	Mar 74	3.4	8.8	20.2	32.7	
United Kingdom	Mar 74	4.2	11.8	20.4	44.5	
Italy	Jan 74	4.9	10.9	31.3	52.2	
Canada	Mar 74	6.6	11.9	37.8	66.8	

TRADE BALANCE*

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	Latest Month	Cumulative (Million US \$)			
		Million US \$		Change	
		1974	1973		
United States	Jun 74	-205	-263	-948	685
Japan	Jun 74	-21	-1,588	2,501	-4,089
West Germany	Jun 74	1,536	12,329	6,483	5,645
France	Jun 74	-82	-1,780	615	-2,395
United Kingdom	Jun 74	-1,141	-6,123	-1,885	-4,238
Italy	Jun 74	-554	-3,993	-1,271	-2,722
Canada	May 74	167	616	856	-242

IMPORT PRICES

National Currency

	Latest Month	Percent Change from Previous		Average Annual Growth Rate Since		
		Month	Month	1970	1 Year Earlier	3 Months Earlier
		United States	Jun 74	0	18.5	47.8
Japan	May 74	2.5	17.4	82.4	18.4	
West Germany	Apr 74	-0.6	5.9	23.3	19.4	
France	Mar 74	5.9	14.2	52.1	177.0	
United Kingdom	Mar 74	6.4	20.9	60.9	107.4	
Italy	Jan 74	10.8	19.6	65.5	125.4	
Canada	Mar 74	11.9	11.1	33.8	103.0	

BASIC BALANCE**

Current and Long-Term-Capital Transactions

	Latest Period	Cumulative (Million US \$)			
		Million US \$		Change	
		1973	1972		
United States*	74 I	2,065	2,065	-1,006	3,071
Japan	Jun 74	-1,190	-8,401	-4,373	-4,027
West Germany	Apr 74	860	3,253	917	2,336
France	73 IV	-431	-2,471	-369	-2,102
United Kingdom	73 IV	-1,394	-3,164	-1,954	-1,210
Italy	73 II	-336	639	971	-332
Canada	74 I	-195	-195	-191	-4

EXCHANGE RATES

Spot Rate
As of 2 August 74

	US \$ Per Unit	Percent Change from			
		Dec 66	18 Dec 1971	19 Mar 1973	26 Jul 1974
		Japan (Yen)	0.0033	20.41	2.31
West Germany (Deutsche Mark)	0.3887	54.61	25.27	9.77	-0.41
France (Franc)	0.2136	5.79	8.48	-3.09	-0.05
United Kingdom (Pound Sterling)	2.3845	-14.55	-8.49	-3.11	-0.33
Italy (Lira)	0.0016	-3.50	-10.17	-12.71	-0.90
Canada (Dollar)	1.0220	10.80	2.43	2.44	-0.24

OFFICIAL RESERVES

Billion US \$

	Latest Month	Billion US \$			
		Billion US \$		3 Months Earlier	
		Jun 1970	1 Year Earlier		
United States	Jun 74	14.9	14.5	12.9	14.6
Japan	Jun 74	13.4	4.1	15.2	12.4
West Germany	May 74	34.4	8.8	31.4	32.0
France	Jun 74	8.2	4.4	11.6	8.1
United Kingdom	Jun 74	6.7	2.8	7.0	6.4
Italy	May 74	5.5	4.7	6.2	5.4
Canada	Jun 74	6.1	4.3	6.0	6.1

TRADE-WEIGHTED EXCHANGE RATES***

As of 2 August 74

	Dec 66	Percent Change from		
		18 Dec 1971	19 Mar 1973	26 Jul 1974
		United States	-15.31	-6.03
Japan	10.35	-3.19	-14.99	-1.73
West Germany	30.38	13.42	8.40	0.05
France	-16.80	-3.45	-5.90	0.45
United Kingdom	-34.30	-20.13	-5.76	0.03
Italy	-25.72	-24.40	-17.48	-0.57
Canada	7.94	1.35	2.99	-0.07

*Seasonally adjusted.

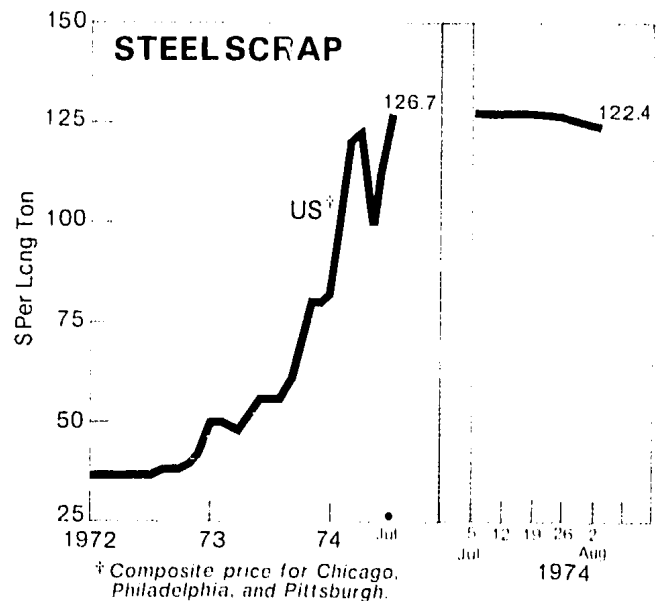
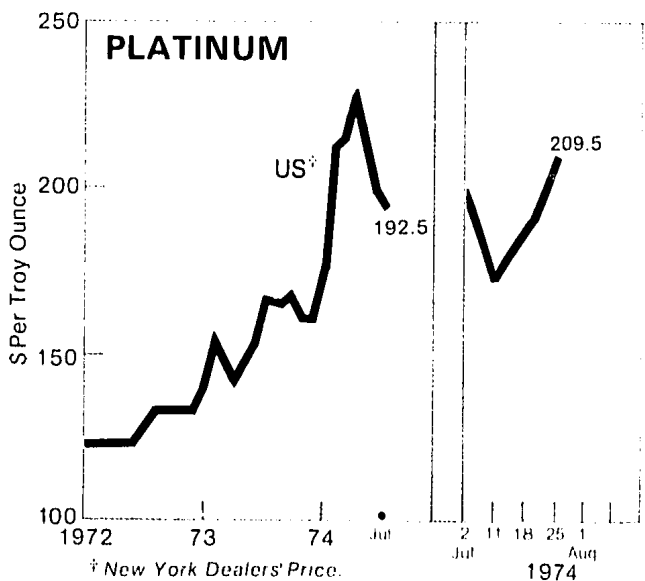
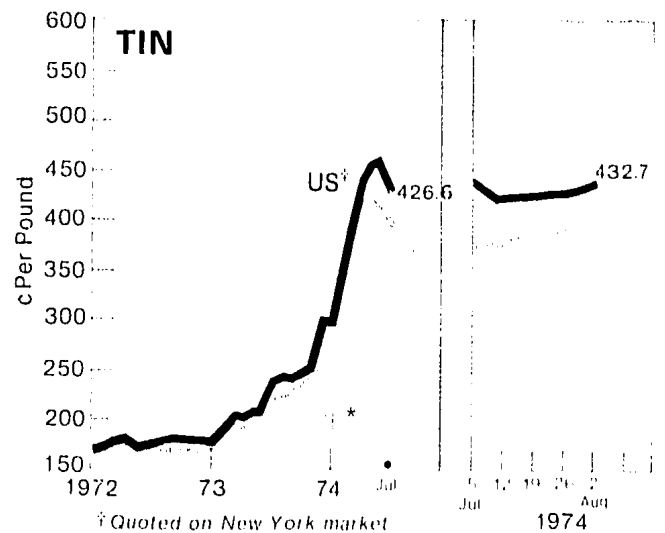
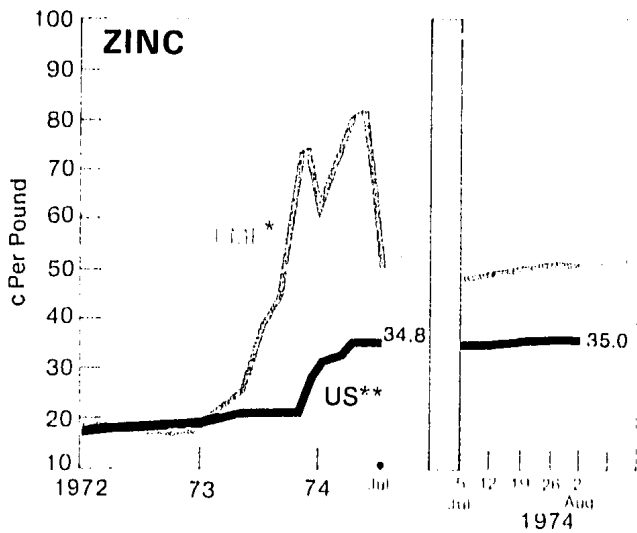
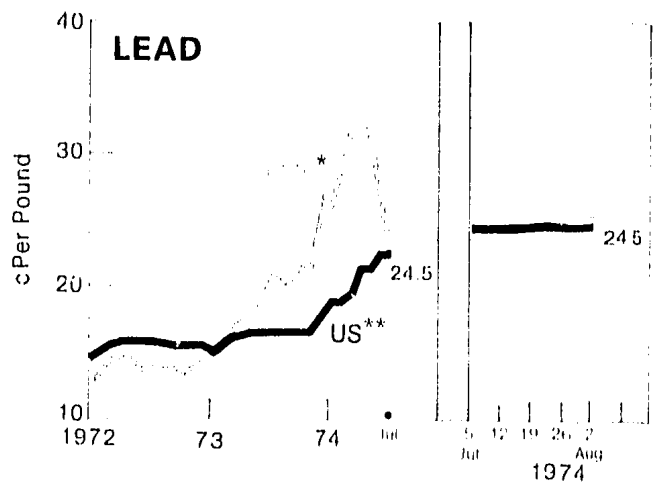
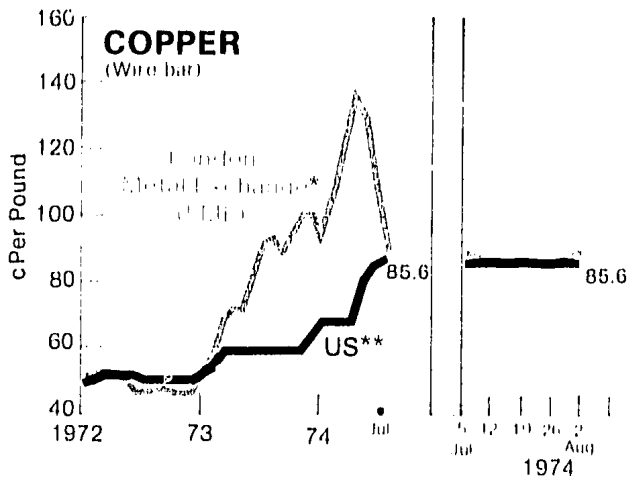
**Converted into US dollars at current market rates of exchange.

7 August 1974

***Weighting is based on each listed country's trade with 16 other industrialized countries to reflect the competitive impact of exchange-rate variations among the major currencies.

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METAL PRICES



*Approximates world market price; frequently used by major world producers and traders, although only small quantities of these metals are actually traded.
 **Producers' price; covers most primary metal sold in the United States