

Document 0210

[20210001]

A bitter conflict with global implications has erupted between Nomura Securities Co. and Industrial Bank of Japan , two of the world 's most powerful financial companies .

[20210002]

The clash is a sign of a new toughness and divisiveness in Japan 's once-cozy financial circles .

[20210005]

What triggered the latest clash was a skirmish over the timing of a New Zealand government bond issue .

[20210007]

Unwilling to put up new money for New Zealand until those debts are repaid , most banks refused even to play administrative roles in the new financing , forcing an embarrassed Nomura to postpone it this week .

[20210008]

The dispute shows clearly the global power of Japan 's financial titans .

[20210009]

Aside from Nomura 's injured pride , the biggest victim so far has been the New Zealand government .

[20210010]

Barred by its budget law from making any new domestic bond issues , Wellington 's Debt Management Office had been casting abroad to raise the 3 billion New Zealand dollars ( US\$ 1.76 billion ) to NZ\$ 4 billion it needs to come up with by the end of its fiscal year next June 30 .

[20210011]

With Japan 's cash-flush banks aligned against it , though , raising money may be difficult .

[20210012]

Not only can they block Wellington from raising money in Japan , bankers here say , but as the largest underwriters in the Eurobond market , they might be able to scuttle borrowings there , too .

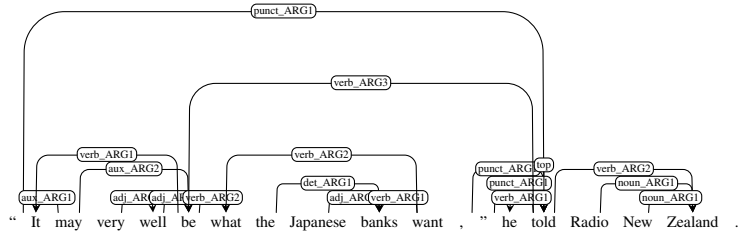
[20210013]

New Zealand 's finance minister , David Caygill , lashed out at such suggestions .

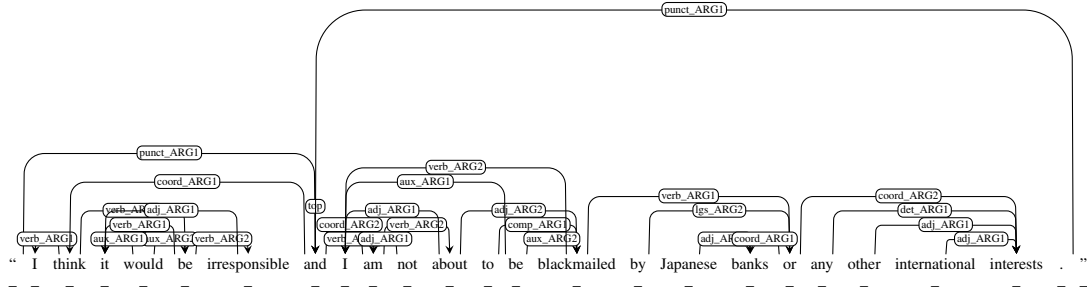
[20210014]

He told reporters in Wellington Tuesday that the government had n't guaranteed the loans to DFC New Zealand Ltd. , an investment bank 80%-owned by the National Provident Fund , and would n't bail it out .

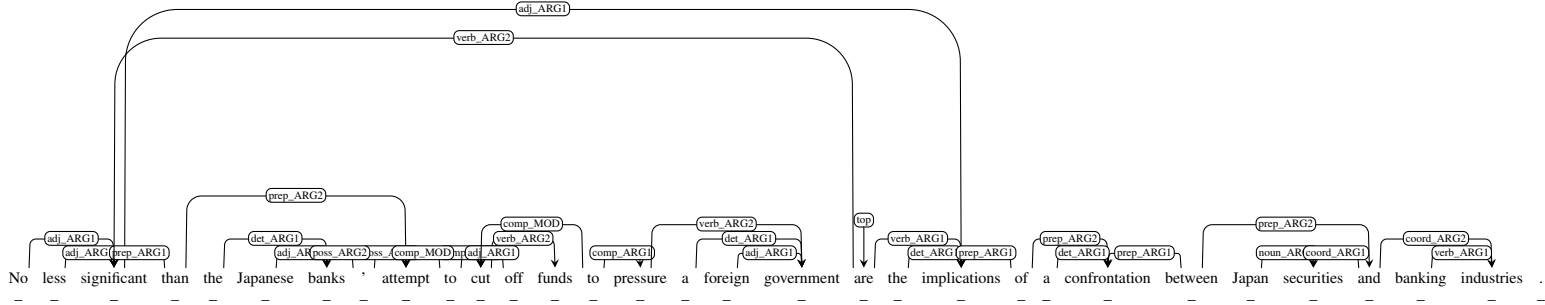
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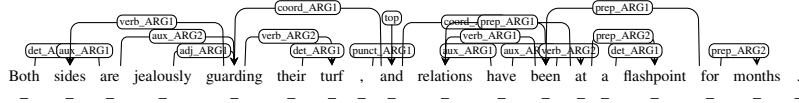
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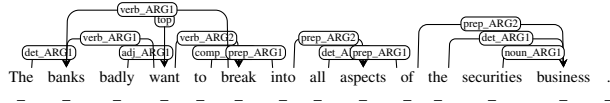
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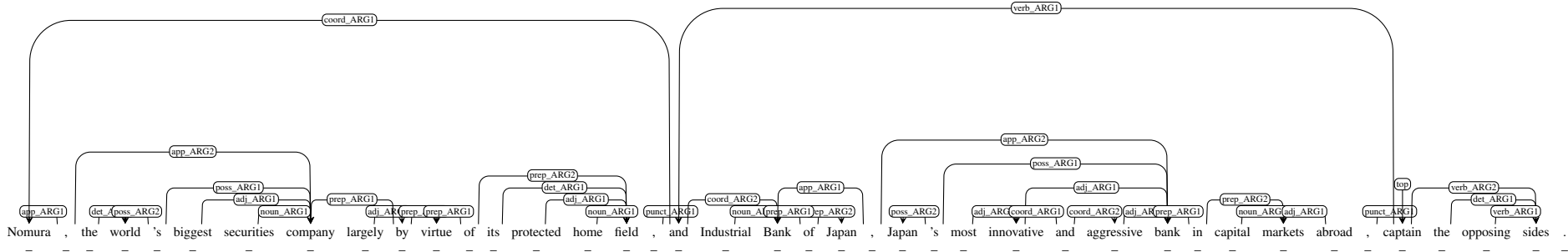
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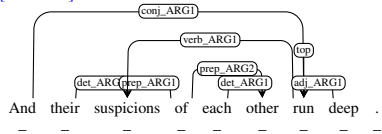
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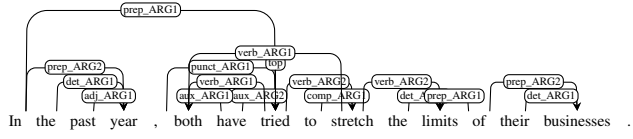
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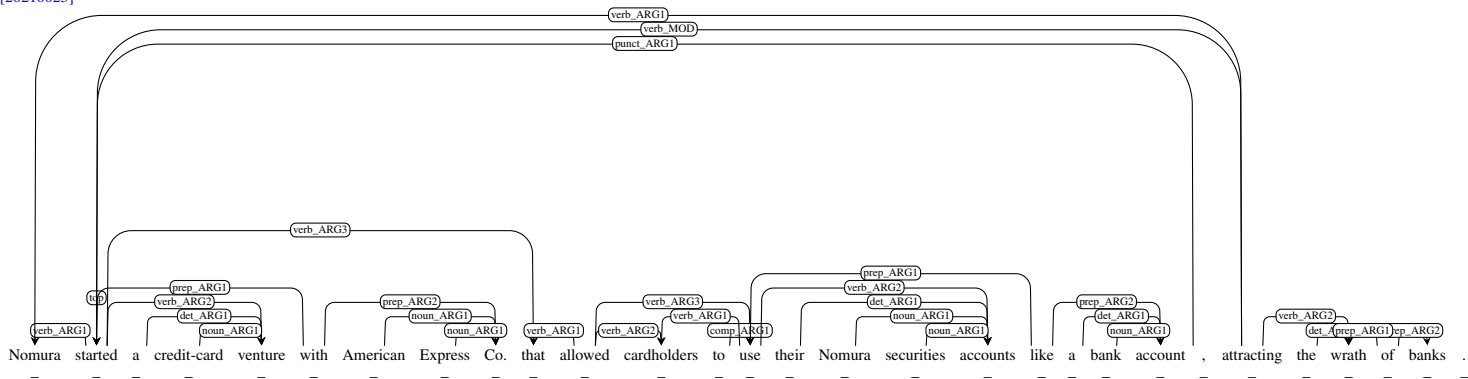
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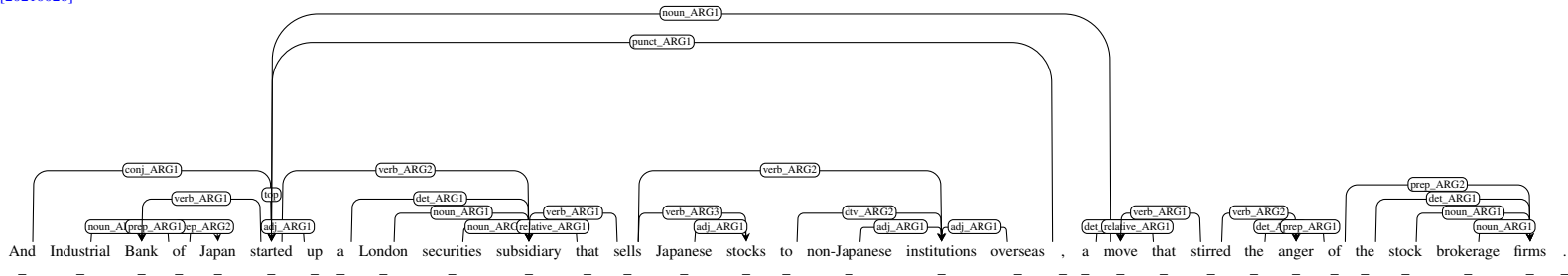
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[20210025]



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[20210027]

