

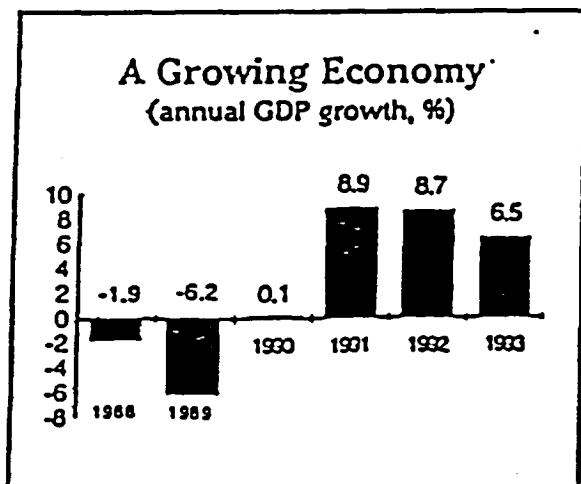
The main instruments are a comprehensive structural reform of the public sector, the privatization of state-owned companies and the re-creation of competitive markets to promote efficient resource allocation and to integrate Argentina in the world economy.

In the economic climate of the past, an excessive proportion of the business activity was diverted from production. In the new environment, this has created enormous opportunities in a wide range of activities.

REVITALIZING THE ECONOMY

The Argentine economy has entered a new era of significant economic recovery, with a dramatic fall in inflation, surging production, and rising investment. The gross domestic product soared 8.9 percent in 1991, 8.7 percent in 1992 and 6.5 percent in 1993. Future annual economic growth is expected to continue at high levels between five and seven percent.

Inflation in consumer prices has fallen from 5000 percent in 1989 to 7.4 percent in 1993 and will continue to fall. From April 1991 to December 1992, industrial production rose 50 percent. Investment is also surging in response to the new environment. Capital goods imports in 1992 were four times the level of 1989 and gross fixed investment rose 25 percent in 1991 and 31 percent in 1992.



<u>PERIOD</u>	<u>ANNUAL INFLATION RATE</u> %
1989	4,923.3
1990	1,343.9
1991	84.0
1992	17.5
1993	7.4