

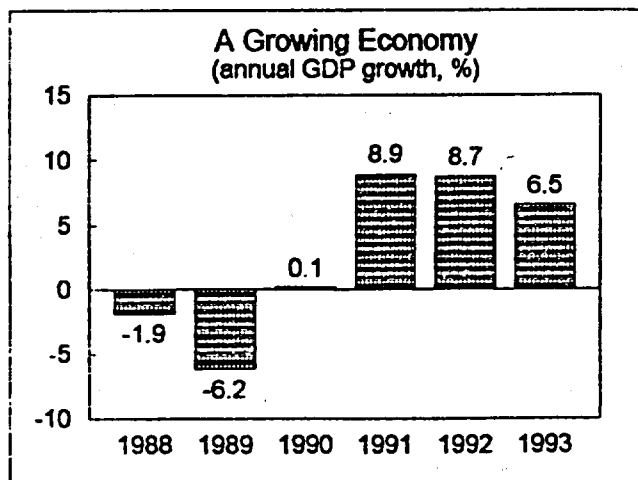
The main instruments are a comprehensive structural reform of the public sector, the privatization of state-owned companies and the re-creation of competitive markets to promote efficient resource allocation and to integrate Argentina in the world economy.

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 in a new era of significant economic recovery, with a dramatic fall of inflation, surging production, and rising investment.

- The rate of inflation in consumer prices has fallen from 5,000 % in 1989 to 7.4% in 1993 and 3.9% in 1994.
- The gross domestic product soared to 8.9% in 1991, 8.7% in 1992, 6.5% in 1993 and 7.4% during the first six months of 1994, to reach an estimated GDP of US\$ 270 billion that represented a GDP per capita of over US\$ 8,000. Future annual economic growth is expected to continue at high levels between five and seven percent.
- The rate of increase of investment during the last years was also high : 25% in 1991, 31% in 1992, 15.4% in 1993 and 28.8% during the first half of 1994, always compared with the previous corresponding period. Total investment for 1994 is expected to be close to 20% of GDP.



PERIOD	ANNUAL INFLATION RATE o/o
1989	4,923.3
1990	1,343.9
1991	84.0
1992	17.5
1993	7.4
1994	3.9