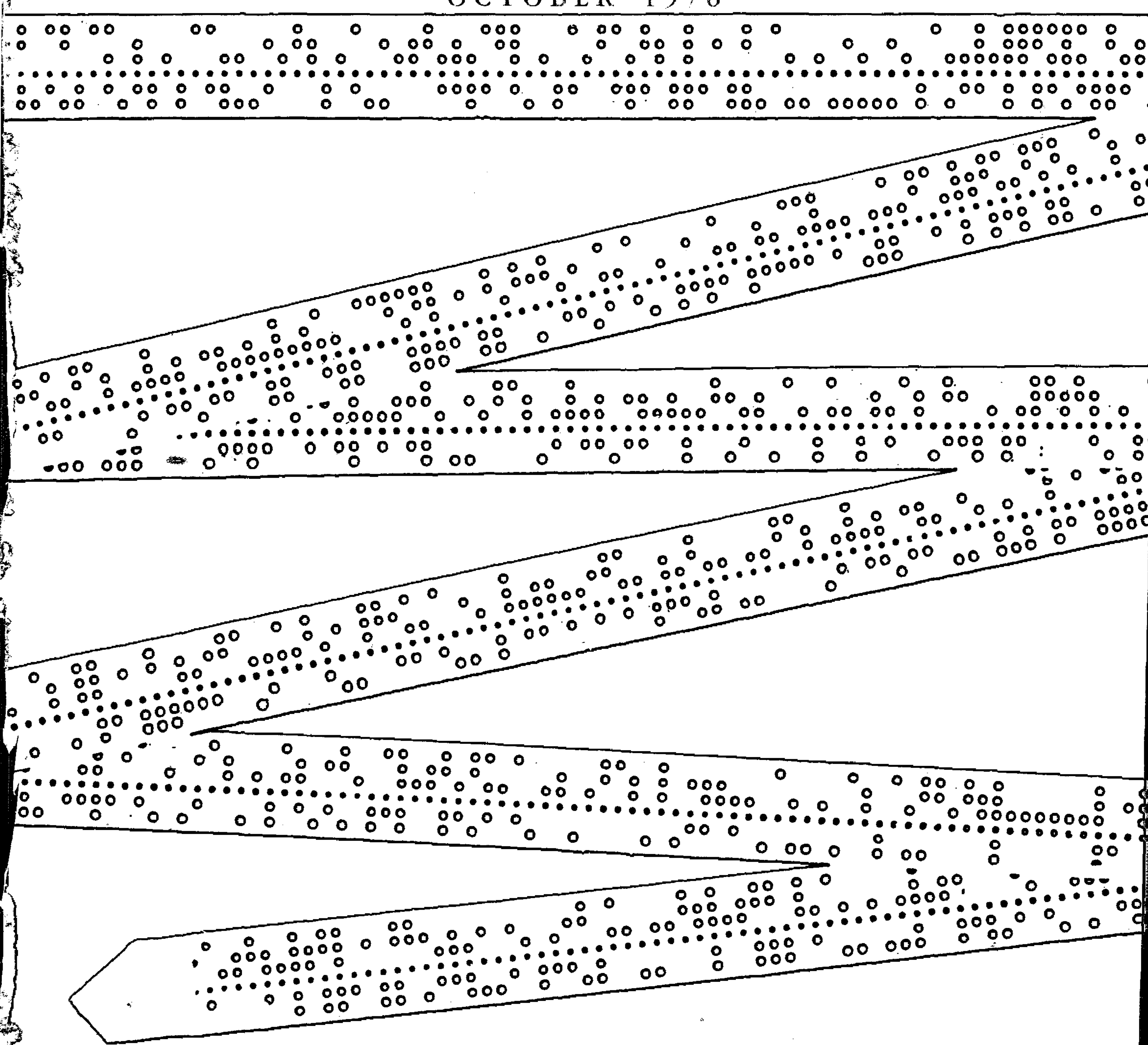
ECONOMIC INFORMATION ON ARGENTINA

MINISTRY OF ECONOMY
COORDINATION AND ECONOMIC PLANNING SECRETARIAT

Nº 65

OCTOBER 1976



ARGENTINE STATISTICS

POPULATION

Population: 25,384,000

Average annual rates per one thousand inhabitants:

Increase	13.4
Birth rate	21.8
Death rate	8.8
Life expectation at birth	68.2
Males	65.2
Females	71.4

Percentage by sex, nationality and residence, of total population:

Male pop.	49.6
Argentine	90.5
Urban pop.	79.0
Female	50.4
Foreign	9.5
Rural	21.0

Illiteracy, ages ten and over:

	Percent over pop. in each group
Male	6.3
Women	7.7

Number of cities as per distribution of urban population in 1970.

Scale	Cities
Greater Buenos Aires *	1
From 1,000,000 to 500,000	3
499,999 to 100,000	11
99,999 to 50,000	14
49,999 to 25,000	25
Total	54

Population density: 8.4 per km².

(*) Includes Federal Capital (pop: 2,972,453) and districts in Greater Buenos Aires (pop: 5,380,447).

AREA

Total area	4,027,024 km²
Continental land	2,791,810 km²
In Antarctic continent	1,231,064 km²
Intercontinental southerly islands	4,150 km²
Total continental coastline	4,497 km

Total length of frontiers (km) with Chile: 5,308; Brazil: 1,132; Bolivia: 742; Paraguay: 1,699; Uruguay: 495.

Natural and other grazing land, which may also be otherwise cultivated	137,100,000 Hs
General cultivated area	29,800,000 Hs
Area of forest woodland and natural forest	63,300,000 Hs
Non-farming areas (mountains, hills, lakes, etc.)	49,000,000 Hs

SOURCES: As basic sources, use has been made of the annual statistics published by the Central Bank of the Argentine Republic (BCRA) and the Economic Report by the Ministry of Economy. Data have also been obtained from: National Statistics and Census Institute (INDEC), Economic Commission for Latin America (ECLA), Economic Information Centre (CIDIE) and Inter-American Centre for Promotion of Exports (CIPE). No mention has been made of the source in each particular case due to the illustrative purpose of the present work.

NATIONAL PRODUCT AND EXPENDITURE *

	1973 (mill $)	1975 (mill $)
Gross domestic product	363,087	381,654
Gross domestic investment	70,302	68,137
Private consumption	282,068	312,299
Gross domestic product, per capita		1,840

ILLUSTRATIVE DATA

		1975
Gross Domestic Product, per capita	u$s	1,840
Total exports	mill u$s	2,961.3
Total imports	mill u$s	3,946.5
Automotives		3,126,000
TV sets		4,100,000
Radio sets		9,000,000
Cinemas		1,700
Theatres (Federal Capital only)		60
Museums		130
Newspapers		179
Total daily circulation		
Telephones		1,840,000
Commercial airfields		75
Total energy output	mill kwts	24,554.0

AGRICULTURAL SECTOR

Production volume in thou. tons	1959/60	1974/75
Wheat	5,837.0	5,970.0
Maize	4,108.0	7,700.0
Linseed	825.0	380.7
Rice	190.0	351.0
Grain sorghum	609.0	4,830.0
Sunflower	802.0	732.0
Sugar cane	10,089.0	16,000.0
Grapes for wine-making	1,996.4	3,100.0
Cotton	281.0	541.0
Tobacco	41.3	97.8
Tea	25.9	130.0
Oranges	484.0	783.0
Apples	431.0	608.0
Pears	112.8	97.2
Wool	192.0	155.0
Fish	100.0	277.6
Beef meat	1,892.8	2,448.0
Cattle, as at June 30, 1974		
Beef cattle (thous. head)	43,509	56,300 *
Sheep (thous. head)	43,457	34,830 *

INDUSTRIAL SECTOR

Production volume		1960	1975
Petroleum	Thous. m³	10,152.9	22,979.5
Mineral coal (for sale)	Thous. tn.	119,7	502.1
Wine	Thous. hectol.	15,826.0	21,400.0
Sugar	Thous. tn.	782.4	1,270.3
Sulphuric Acid	Thous. tn.	132.0	226.5 *
Portland cement	Thous. tn.	2,613.8	5,464.5
Pig iron	Thous. tn.	180.7	1,037.8
Crude steel	Thous. tn.	300.0	2,269.7
Finished rolled iron	Thous. tn.	773.1	2,899.3
Quebracho extract	Thous. tn.	126.3	67.6
Iceboxes	Units	225,875	239.7 *
Automotive vehicles	Units	89,338	240,049
Tractors	Units	20,229	19,120
TV sets	Units	125,000	282.0 *
Cellulose pulp	Thous. tn.	73.3	321.0 *
Paper and cardboard	Thous. tn.	290.8	750.0 *
Motor petrol	Thous. m³	2,635.3	5,186.1 *
Gas oil	Thous. m³	759.2	5,544.0 *
Diesel oil	Thous. m³	1,106.3	731.5 *
Electric power (1)	Thous. kWh	7,863	24,754.2 *

(*) The Argentine monetary unit is the peso ($ — arg. pesos). The current value of one u$s dollar is $ 250.00 on the free market exchange.

(1) Public utilities power stations.

CONTENTS

Nº 65 – OCTOBER 1976

	Page
Prospects for the Argentine Economy	2
Results obtained by the Economic Programme implemented by the Argentine Government, March 24 through August 24, 1976	4
Power output. Increased sales for Industrial Production	12
YPF. Bids for Primary and Secondary Oil Recuperation	13
Submarine exploration platform «General Enrique Mosconi»	14
Steel production target for SOMISA is 4 million ton	16
Loan from the World Bank for new electrical works by SEGBA	19
Argentine National Bank. Its Foreign trade policy	20
Area sown to wheat	22
Latin American Bank acceptances floated in New York	23
Industrial Concern for Integrated Processing of Milk	24
Mendoza. Closure of the «Agua del Toro» Dam	29
Non - traditional exports	30
Exports of Mobile Hospital Units	31
The Zárate - Brazo Largo rail and highway complex	32
LAFTA. Export of manufactures of industrial origin to LAFTA countries	34
Ample prospects for grain sorghum	37
Zanella Hnos. & Co. S. A. Additional expansion	38
IKOFA'76: Argentine meat products at the International Food Industries Fair held in Western Germany	41
Research and production of basic drugs	42
Stocks and exports of tobacco (at 30 April 1976)	44
Argentine - Israeli trade	47

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Prospects

·:·)r the Argentine Economy

The recession which had set in 1975 hindered the expansion of economic activity during 1976. Nevertheless, attention must be called to the fact that the production capacity of the country has remained unimpaired. The groundwork is therefore set for a recovery at medium term.

This recovery is warranted by prospects in the agricultural sector, in which a positive change for the better is contemplated. This sector being the main factor in foreign currency earnings (it accounts for slightly over 80 per cent of total) the lines along which it develops will be fundamental for improving the foreign debts situation.

The agricultural sector is actually the hub of economic activity. Effects of revival in this field will extend to the foodstuffs industry, and will also induce expansion in the production of farming equipment (tractors, agricultural machinery; parts, other inputs; silos, fertilizers, etc.).

At the same time, exports have been given vigorous backing. They are one of the main anti-recession elements in the program, and at the same time contribute to a steady inflow of foreign currency. This will in turn allow for an increase in imports which, by supplementing the local production of goods, will stand for growth in the production of industrial consumer goods as well as in exports.

Infrastructure projects: energy communications, etc., are already under way. The will favourably influence the rest of the economy and in 1977 will particularly step-up oil development projects and other productive sectors using fossil-fuels as inputs. They are the petrochemical, plastic and other industries, part of whose output is devoted to exports.

Together with a revival of economy activity, steps taken in the area of taxation and financial reorganization (indexing tax dues, tax modifications, taxes as a deterrent to speculatory transactions, administrative rationalization of the fiscal deficit, etc.) will facilitate a reordering and flow of resources to productive investment. This, together with the success attendant on control of inflation warrant the reversal from a situation of lack of investment which has consistently been holding down the growth of the economy since 1975.

Restraint in bank-note issue, a reduction in fiscal deficit, elimination of excess personnel in the civil service and the recession pattern prevailing in the economy will depress overall consumption. Additional pressure on prices will thus be avoided and efforts will be made in favour of increased exports tending to improve foreign currency income.

The limited wage-raise recently granted aims at keeping down consumption to levels consistent with the goal of achieving reduced prices. Furthermore, it is sought to avoid an additional monetary impact which might rekindle the high inflation rates withstood by Argentina. The avoidance of a socially unacceptable drop in real salary beyond reasonable levels is simultaneously taken into consideration.

From a strictly monetary viewpoint the goal in the present policy —as inferred from preceding statements— is to achieve a monetary expansion compatible with a rapid drop in the inflation rate.

In this context it is hoped to strengthen the financial system instituted, and attract savings from the community addressed at achieving a greater volume of economic activity within a framework of gradual reduction of the price-rise once adjustments in the productive structure have become operational. To this end, a condition tending to channel savings towards an institutionalised system involving realistic rates of interest will be sought. Within this pattern the reorganization of a financial system decentralizing bank deposits and strengthening monetary control by the Central Bank is presently under consideration.

Concerning foreign exchange, steps adopted tend to adjust transactions to actual conditions prevailing in Argentina; for instance, exchange rates in foreign currency for exports and imports have been adjusted. In both cases the aim is to obtain rapid improvement in the monetary reserves situation, so as to successfully meet foreign payment commitments. From this there will follow improved foreign currency rates to facilitate placing of Argentine products in markets that are very competitive as also to increase revenue from this source.

As to imports, the adjustment of exchange rates will lead to realistic cost appraisals which will discourage importation of commodities for purposes of stockpiling.

Concerning the Treasury, the disequilibrium envisaged for 1976 is close to 5.9 percent of Gross Domestic Product, which reflects an important reduction in real terms. This will stem from an increase in current income, reckoned at 6 percent of GDP, and a real drop in expenditure which will be 12.7 percent of GDP.

An active fiscal policy is being implemented as to income and expenditure. Concerning the latter, a significant reduction of its real level is sought. For this, steps to adapt rationalization of personnel particularly in state-owned companies and in the province administrations have been enforced. In regard of public works, a list of priorities has to be drawn up in order to carry out first those to which greater interest attaches.

In reference to revenue a tax reform has been provided for, so as to avoid deterioration in the value of main tax levies. One of the aims contemplated is to reduce the time-lag in collection of taxes and to discourage delayed tax returns through the indexation of tax dues. Concerning provincial revenue and State utilities, reimbursement of taxes on lucrative transactions and up-dating charges for publics services, respectively, is also taken into account.

It should be borne in mind that complete results of fiscal measures adopted will only become fully apparent next year. Yet in 1976 already a gradual reduction of the fiscal deficit may readily be seen from an increase in revenue while at the same time expenditure, also reckoned in real terms, has been cut down. The monetary impact of the fiscal deficit will have thus been severely reduced.

RESULTS OBTAINED BY THE ECONOMIC PROGRAMME IMPLEMENTED BY THE ARGENTINE GOVERNMENT, MARCH 24 THROUGH AUGUST 24, 1976.

I. FOREIGN SECTOR

Situation at 24-3-76	Measures adopted	Results	Prospects
Virtual default on external payments. Freely disposable foreign reserves at Central Bank US$ 10.5 mil.	1. — Deferment of immediate dues.	Default on payments averted. Also avoided were industrial production stoppages along with attendant unemployment.	Inflow of foreign currency from crop export-sales, and international credit aid will allow for elimination of foreign sector bottleneck during remainder of 1976; 1977. Effective growth of the economy thus facilitated.
Inadequacy of exchange rates.	2. — Periodic adjustment of mixed exchange rate, and of taxes on foreign trade.	Significantly favourable response from exports sector. Attendant foreign currency inflow.	Favorable trade balance for 1976. Same expected for 1977.
Legal barriers a handicap to smooth inflow of capital.	3. — Foreign Investments Law enacted.		Foreign capital inflow to effectively supplement local capital, and thus step up production through investment.

Situation at 24-3-76	Measures adopted	Results	Prospects
Widespread lack of confidence by international markets.	4. — Loans, deferment of immediate dues negotiated in various capital markets.	Measures adopted by Economy Ministry gained wide support; generated favourable expectations. Image of country prevalent in financial circles up to 24/3/76 reverted.	
Record debt levels, minimum cash reserves, only slightly favourable balance in foreign trade.	Steps 1, 2, 3, 4 above, apart from results detailed therein, also achieved the following:	—Trade balance superavit in first quarter 1976 was US$ 411.9 m, as against US$ 663.0 m deficit in first semester 1975. —Short-term foreign debt cut down by over US$ 640 m. —Central Bank cash reserves increased by over US$ 700 m.	

II. — Prices

Situation at 24-3-76	Measures adopted	Results	Prospects
Black market prices; supply shortages; distorsion in relative prices and hyperinflation conditions prevalent.	5. — Elimination of price controls.	Disappearance of black market and speculation. Normal levels of supply achieved. Businesses allowed reasonable margins of profit as a means to inducing investment.	Starting July, signs of revival in productive investment were observed. Continuation of tendency, with gradual

ECONOMIC PROGRAM RESULTS (cont.)

Situation at 24-3-76	Measures adopted	Results	Prospects
		Inflation was drastically reduced from 37.6 % in March to between 2.7 % and 5.5 % (seasonally adjusted index) per month. Expectations of high inflation reverted.	reduction in annual rate of inflation. In May, rate was 777.6 %; in August, 396.1 %.

III. — Fiscal and Monetary Policy

Situation at 24-3-76	Measures adopted	Results	Prospects
Budget deficit completely out of control. Inadequate tax legislation.	6. — As regards revenue and taxing, the following steps were implemented: —Up-dating of credits accruing to the State (law 21,281). —Capital gains tax (law 21,284). —Tax on transfer of shares, securities, debentures, etc. (law 21,280). —Net assets tax (law 21,282).		New measures adopted will facilitate increased collection and management of Budget deficit.

Situation at 24-3-76	Measures adopted	Results	Prospects
	—Modifications introduced in tax on capital (law 21,285). —Changes introduced in income tax (law 21,286). —Tax on corporate capital (law 21,287). —Rationalization of VAT (law 21,376).		
Underpriced public services.	Furthermore: —Moderate adjustments were gradually introduced in public service rates and tariffs. —Emergency taxes were implemented: special automotive tax, federal tax on sales of agricultural commodities, etc.	Reduction of public services deficit; followed by reduction in inflationary pressure, and consequently in currency issue.	Aimed at reducing deficit and bringing it under control (5.6 % of GDP, as against close to double that rate in 1975).
Uncontrolled and inappropriate appointments to civil service posts.	—Closer tax control. Enforcement of Civil Service Redundancy Law.	Revenue-expenditure gap reduced. Rate of current Treasury income increased with respect to total expenditure (from 20.7 % in March to near 42.4 % in August).	
Speculation.	—New investment opportunities in financial market.	Within a framework of controlled inflation rates, emergence of increased opportunities for investment (e.g. Treasury bills), thus eliminating alternatives such as National Adjustable Bonds or foreign currencies Parallel exchange market practically eliminated.	

ECONOMIC PROGRAM RESULTS (cont.)

Situation at 24-3-76	Measures adopted	Results	Prospects
Total monetary and financial disequilibrium. Inflationary rates of currency issue. Arbitrary channeling of resources. Prevailing speculatory conditions offset all measures adopted.	7. — Fiscal and monetary steps enabled public sector to cease being main factor (via fiscal deficit) in monetary issue. Absorption of excess liquidity in private sector through Treasury Bills.	Elimination of inflationary trends in the economy. Reorganization of financial markets, making for efficient channelling of capital resources.	
	Control of inflation, which allowed for positive real interest rates.	Genuine incentive for investors.	
	Increase of National Development Bank capital.	Ability to warrant foreign credit lines.	
	Priority of investment credit over routine operations of same Bank.	Step-up of investments promotion function of Bank.	
	Promotion of credits for sowings, silos and rural mechanization.	Stimulation of farming and agroindustry.	
	New systems to attract private savings, directed at financing housing plans (issue of «housing bonds»).	Financial mechanisms for economic reactivation.	
	Expansion of private credit, including the purchase of cars.		

IV. Production sector

Situation at 24-3-76	Measures adopted	Results	Prospects
Distorsion in supply of meat.	8. — Cuotas for slaughter of cattle eliminated.	Competition between packing-house companies revived.	
Underinvestment in rental house building.	9. — New legislation on urban rentals enacted.		Investment directed at construction of housing.
Housing plans were based on inflationary financing.	10. — Issue of Housing Bonds (cédulas hipotecarias) authorized (law 21.362).	Significant preference in favour of this savings system, implying a vote of confidence in the Administration.	Will facilitate execution of genuinely financed housing plans.
Absence of regional decentralization policy.	11. — Tax benefits for business located in Chubut, Santa Cruz and Tierra del Fuego (decree nº 1.239).		Will stimulate economic activity in the interior.
Overall reduction in purchasing power.	12. — Credit lines to individuals for repair and/or purchase of housing; and for purchase of cars.		Will foster demand in the building and car industries.
Recession in industrial sector since III quarter 1975.	13. — Implementation of steps tending to solve crisis in automotive industry: —Individual credit as above. —Reduction of VAT on purchase of automotive vehicles.		

ECONOMIC PROGRAM RESULTS (cont.)

Situation at 24-3-76	Measures adopted	Results	Prospects
	14. — Implementation of preferential exchange rates.	A shutdown of automotive plants, along with mass unemployment, was averted. Job occupation was preserved and dismissal of personnel avoided. Car sales have improved lately. Automobile sales improved of late.	Gradual recovery in this industry.
	—Credit plans for pre and post-financing of car (whole or parts) export sales up to 90 % of exports.		
	—Tax reduction on imports included in compensated trade with LAFTA member countries.		
	Also established was:		
	—Entrepreneur commitment to preserve employment levels, plus bonus payments to compensate for wage losses due to shorter number of working days.		
Liquidation of livestock herds.	15 — Implementation of tax deductions to induce livestock raisers to increase their number of female cattle.	Liquidation of breeding was cut down.	Preservation of number of head in cattle herds, aimed at adequately meeting demand from European market when latter recovers.

Situation at 24-3-76	Measures adopted	Results	Prospects
High inflation, which downgraded incentive loans.	16 — Reduction of interest rates for middle and long-term loans granted by the National Development Bank.		Will foster development projects in areas seen as top priority. Will also be effective to supplement and incentivate future investment.
Virtual breakdown of telephone system.	17 — Telephone system reactivation plan (amounting US$ 70,000m).		Aimed at solving telephone deficit.
Decapitalization of highway system.	18. — Plan for reviving highway network building and repairs (to be carried out by Vialidad Nacional).	World Bank loan value of US$ 100m have been obtained.	
Energy development stopped.	19. — Plan to revive energy production and expand facilities (electricity/gas/oil).	For electrical subsector foreign loans value of US$ 125m obtained (World Bank). For the continuation of the Austral trunk gas pipeline, aid worth US$ 87m was obtained from IDB. In the oil sector, a first tender was issued, with effects mainly on Plan for secondary reactivation.	
Run-away deficit in railroad system.	20. — Railway Reactivation Plan: Concentrating on trunk lines, elimination of uneconomic branch lines, and laying down side-tracks to manufacturing areas, directed at increasing haulage with greater rolling-stock availability. Railroad station sheds to be adapted for grain storage. Industrial deposits to be built in rail-station areas.		Will allow Argentine Railways to secure long distance haulage (cement, steel products, etc.), in improved competitive conditions as regards automotive road haulage.

Increased Sales of Primary Products for Industry

That the policy on energy of the present Administration is beginning to show positive results is revealed by figures corresponding to the first six months it has been in office. In this sector not only has the declining trend in production, particularly oil, been halted, but some indexes reveal a positive reversal as for instance in electric power production.

Such a favourable development can be accounted for by the greater order and discipline which now prevails in industry.

A quick survey of figures corresponding to July indicates that the decline in petroleum and coal output flattened out in July. For instance, it was in July this year that oil output reached 60,900 cu.m/day, as against 60,100 in the previous month.

The volume of coal mined was also higher in July: 62,100 tons. During the first semester this year, coal production had grown by 37.8 percent.

The same applies to natural gas, which in July was 762.2 million cu.m, 4.2 % higher than the preceding month and 11.4 % higher than July 1975.

Such a recovery is also evinced by the volume of crude processed, and by sales of oil derivatives.

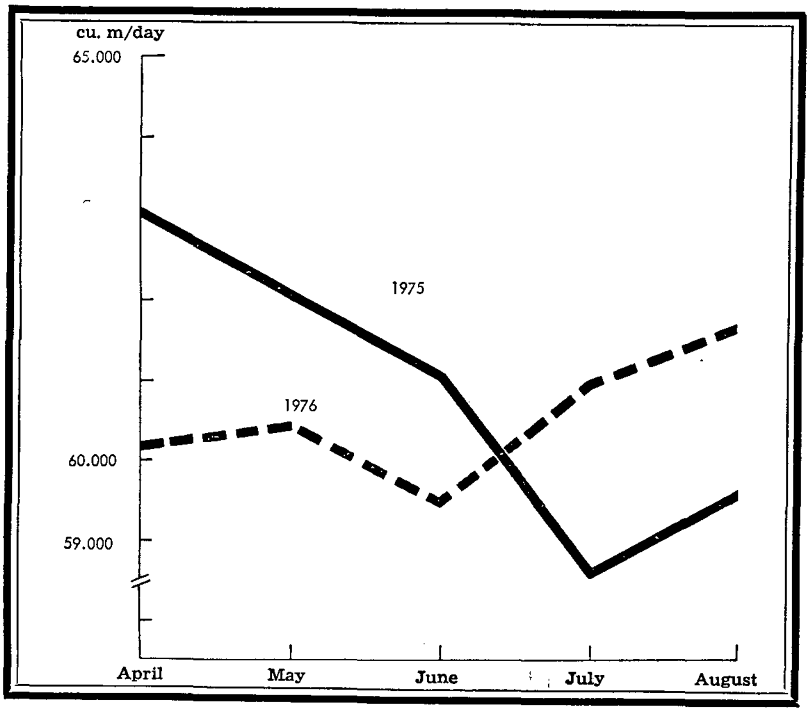
As from April, processing of crude increased gradually from 67,400 cu.m/day to 71,800 cu.m in July. Production in August was 3.39 % higher than in the same month 1975, and rose 0.85 % above July this year.

It is significant that these new levels obtained in the output of crude are not due to the development of new oilfields or the purchase of new equipment, but that they are the result of the dedication of YPF personnel to their work, particularly in operations at the oilfields.

These increased yields were obtained in spite of the unfavourable climatic conditions

PETROLEUM: DAILY AVERAGE OUTPUT PER MONTH

(1975 - 1976)



prevailing in the Tierra del Fuego area.

In the case of gasoline, sales increased from 13,380 cu.m/day in April to 15,530 cu.m/day in July.

As to fuel oil a peak yield was recorded in June: 22,890 tn/day as against 20,364 tn/day in April.

The above picture would be incomplete if we did not point out that all three fuels: gasoline, gas oil and fuel oil to a major extent serve industrial production.

As regards electric power supplies —another highly significant index in the economic process— the falling tendency preveiling until May this year flattened out, and marked the start of an upward trend, which was 4.8 % in June and 4.6 % in July as compared to same months in 1975. In July last total generation of electric power was 2,171,907 mwh, as against 2,076,874 mwh, for the comparative month in 1975.

YPF

Bids for Primary and Secondary Oil Recuperation

References and background information submitted by various firms contending for public tenders Nº 1042 to 1050/76 for contracts for primary development and secondary recovery in several oilfields were opened at YPF (the State oil company) in September last.

Success of the tenders issued is attested by the number of presentations submitted, which confirm the interest of numerous companies in participating in the above operations in nine areas for which tenders were issued.

For this first selection of firms for operations in the different areas under consideration, submissions were as follows:

Public tender - Name of Oilfield	Number of bids
L. P. Nº 1.042/76 Centenario	10
L. P. Nº 1.043/76 25 de Mayo - Medanito	11
L. P. Nº 1.044/76 Medianera	29
L. P. Nº 1.045/76 Neuquén del Medio	20
L. P. Nº 1.046/76 Cañadón Seco	11
L. P. Nº 1.047/76 Meseta Espinosa	21
L. P. Nº 1.048/76 El Cordón	20
L. P. Nº 1.049/76 Piedra Clavada	27
L. P. Nº 1.050/76 Refugio Tupungato	13

SUBMARINE EXPLORATION PLATFORM

"GENERAL ENRIQUE MOSCONI"

As a result of bids called for drilling exploration wells in «Marina Uno» field of the Colorado River Basin through the use of the semi-submersible «General Enrique Mosconi» platform purchased by Yacimientos Petrolíferos Fiscales (the State owned oil-fields company), the pertinent contract was signed by Y.P.F. and the group composed by A.T.A., Walon Bridas SAPIC and Forex Neptune [1].

The platform, which in the accompanying picture is shown undergoing tests at sea, will begin operations towards the close of this year in the area mentioned above.

Such a contract constitutes a further step in the execution of governmental oil policies. It is also the first time that offshore exploration is carried out with equipment belonging to Yacimientos Petrolíferos Fiscales.

[1] See our issue Nº 64.

San Sebastián-Cóndor

EXTENSION OF THE AUSTRAL GAS PIPELINE

PROYECT LINKING AUSTRAL PIPELINE WITH GENERAL CERRI PLANT

REFERENCES:

- ● Existing Compressor Plant.
- O Existing Compressor Plant, to be expanded.
- ◆ Compressor Plant to be installed.
- — Gas-duct to be built.
- — Existing gas-duct.

Isla Grande in Tierra del Fuego, in the southernmost tip of Argentina, has rich gas-fields which are soon to be connected to the gas distribution network in the mainland. Two hundred and five kilometres of pipeline will be laid between San Sebastián and Cóndor, fortyfive kilometres of it under the waters flowing through the Strait of Magellan.

The objectives are to carry out exploration and subsequently exploit gas reserves in the Austral basin, specifically the gas fields located at San Sebastián, Cañadón Alfa, Cañadón Beta and Cañadón Piedras. The cost of such works is estimated to be slightly over 217 million dollars.

Gas reserves from Tierra del Fuego will not only make for greater energy availability in peripheral ranges of influence, but will even reach the densely populated and industrial areas of Buenos Aires City. Once finished, the entire system of gasducts will have accomplished interconnection.

The new gas-pipeline, known as «San Sebastián-El Cóndor» will link the gas-fields from the Y.P.F. Treatment Plant located in San Sebastián (Tierra del Fuego) with the bridgehead of the Austral gasduct accross the mouth of the Strait of Magellan.

The potential transportation capacity of the new gasduct will be 10 million cubic meters per day once the San Sebastián-El Cóndor and other indispensable and supplementary works are executed. Included in the latter are the Compressor Plant at San Julián and the expansion of existing facilities at Pico Truncado and General Cerri. At the terminal stretch of the pipeline, capacity will have increased to 18 million cubic m/day, with the aid of intermediary compressor plants.

By means of a submarine pipeline, output at Isla Grande will reach the ethane and liquid gas manufacturing plant being built at General Cerri, in the neighbourhood of Bahía Blanca. Prior to this it will be necessary to increase the transportation capacity of the duct connecting Cerro Redondo with the above mentioned plant.

The works

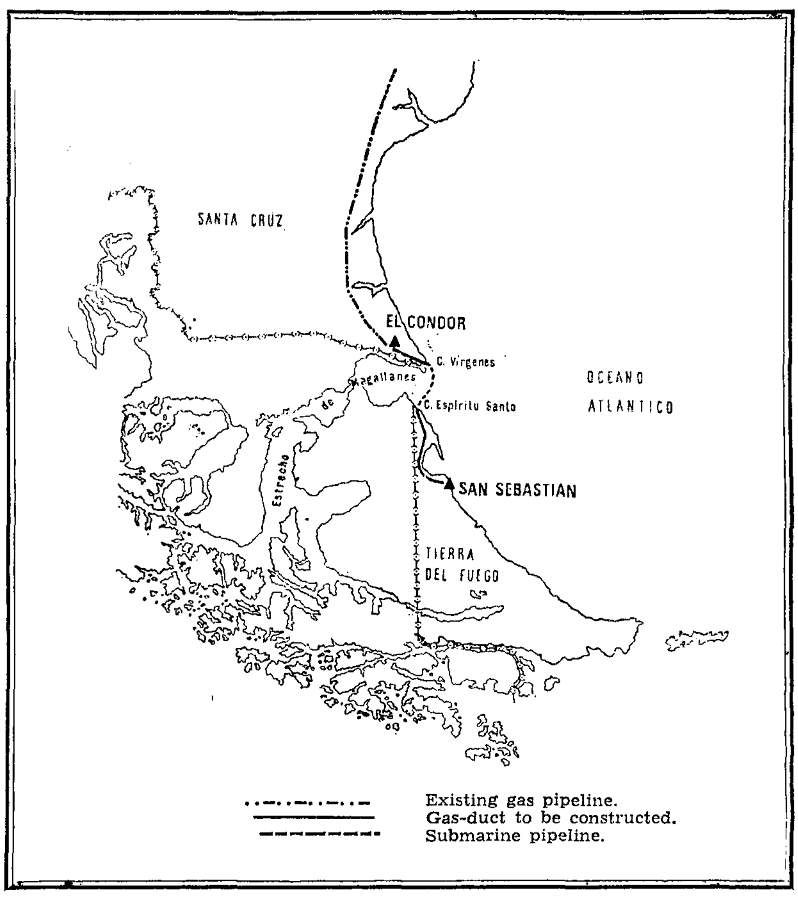
Laying of approximately 205 km of overland pipeline are envisaged by the project, whereas 45 km will be laid from Cape Sancti Spiritu (Tierra del Fuego) to Cape Virgins (Santa Cruz), under the Magellan Strait.

As to the overland sections of pipeline, one — 120 km long — will connect the Tierra del Fuego fields with the submarine section, and the other will receive output from this section up to El Cóndor, where it is to be linked up with the El Cóndor-Pico Truncado gasduct. Preliminary work to laying the pipelines is due to start in November.

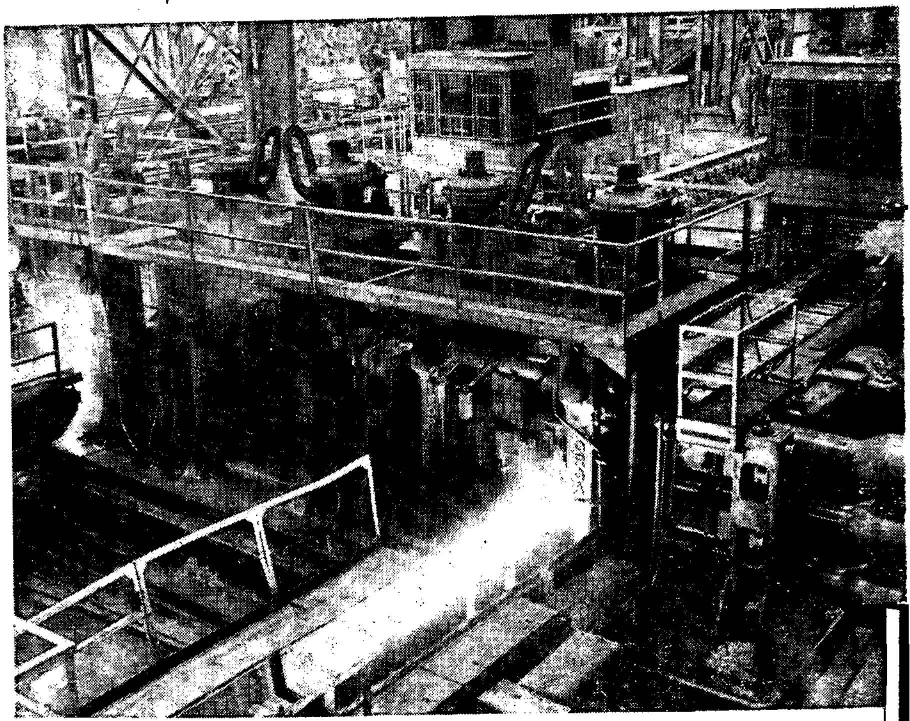
As to financing, an 87 million dollar loan was granted the State Gas Board utility by the Interamerican Development Bank. The rest of the investment required will be taken care of with funds from the Board itself and from the National Energy Fund.

This gasduct, the first of its kind in South America and also outstanding in the world, will provide the consumer market with sufficiently abundant gas supplies to eventually substitute natural gas for liquid fuels.

As reported by Y.P.F., proven reserves in the continental zone of Tierra del Fuego at the close of 1974 were 34,351.6 x 10^6 cu. metres.



THE STEEL PRODUCTION TARGET FOR SOMISA IS 4 MILLION TON



Billet entering first box of rolling train for rails and profiles

An important centre for steel production in Argentina, the General Savio steel mill, is located at scarcely 232 kilometres from Buenos Aires, on the right hand margin of the Paraná River.

This industrial complex, belonging to SOMISA (Sociedad Mixta Siderurgia Argentina, Avda. Belgrano 1613, Buenos Aires), has been erected on a site of 886 ha of which the plant proper uses up 572 hectares.

Because of its geographic location, at a place known as Punta Argerich (Ramallo, province of Buenos Aires) only 7 kilometres away from the city of San Nicolás de los Arroyos, the plant occupies an ideal site for operation and for quick and efficient distribution to major consumption centres located in the industrial belt sorrounding Greater Buenos Aires, and particularly the cities of Cordoba and Rosario, respectively located in the provinces of Cordoba and Santa Fe.

A network of highways, waterways and railway lines ensure easy access to the required raw materials, and at the same time facilitate delivery of production output.

The value of goods produced by this steel complex can be measured by the amount of savings effected in foreign currency. Since this complex was commissioned in 1960, through to 1975, Argentina would have had to spend 4.200 million dollars to secure an equivalent amount of goods to those that SOMISA has manufactured during the same period.

In the purchase of raw materials, SOMISA spent 3.000 million dollars in that same interval. Still, those 15 years of production have contributed with savings amounting to 1.200 million dollars in foreign currency. Curiously enough, this latter figure is equivalent to investments made by SOMISA in plant and equipment, which are aimed at obtaining its present productive capacity of 2,5 million annual tons of products.

PRODUCTION

Products manufactured in the different sections of the General Savio plant are as follows: fine coke, raw pitch, raw bencene, ammonium sulphate, blast furnace slag, billets, carbon steel flats, steel billet, rails, structural profiles, steel slabs, steel plates (hot and cold-rolled), electrolitic tin plate, basic pig-iron for semi-integrated steel mills and hematite pig-iron for foundry.

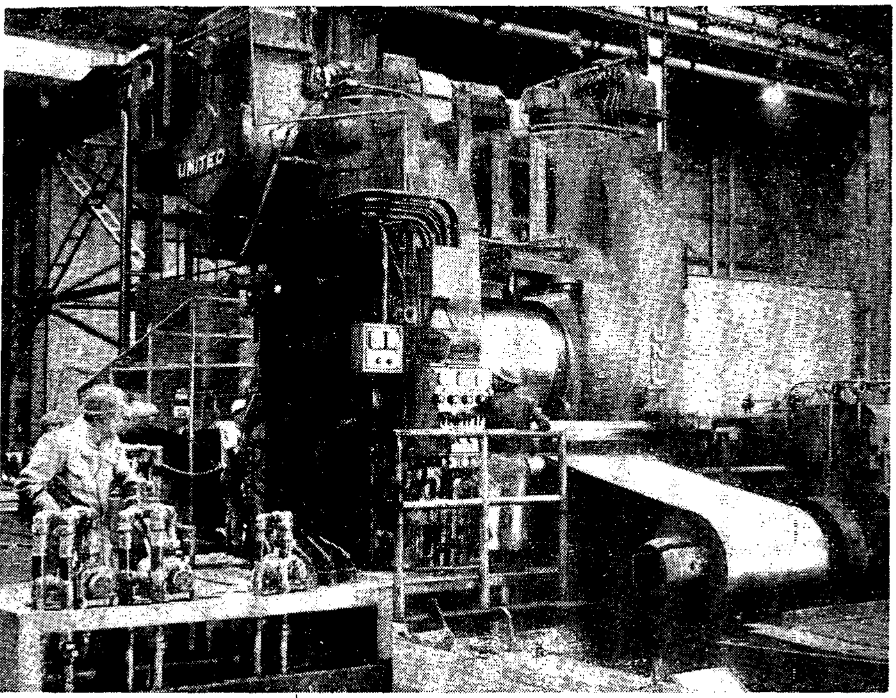
The civil works for production of 2,5 million annual tons having now been completed, SOMISA is further expanding its plant facilities, aimed at a 4 million ton production output. To this end, additions to its present equipment are: a puddle-train for 1,5 million ton; a thick-plate 500.000 ton rolling mill for manufacturing marine plate, as also for poliducts and gasducts; a sinter plant; a third converter in the L. D. steel mill, as well as various modifications introduced. SOMISA is investing in this project 411 million dollars, plus an additional 82.800 million argentine pesos (US$ 331.200.000).

OVERALL CYCLE

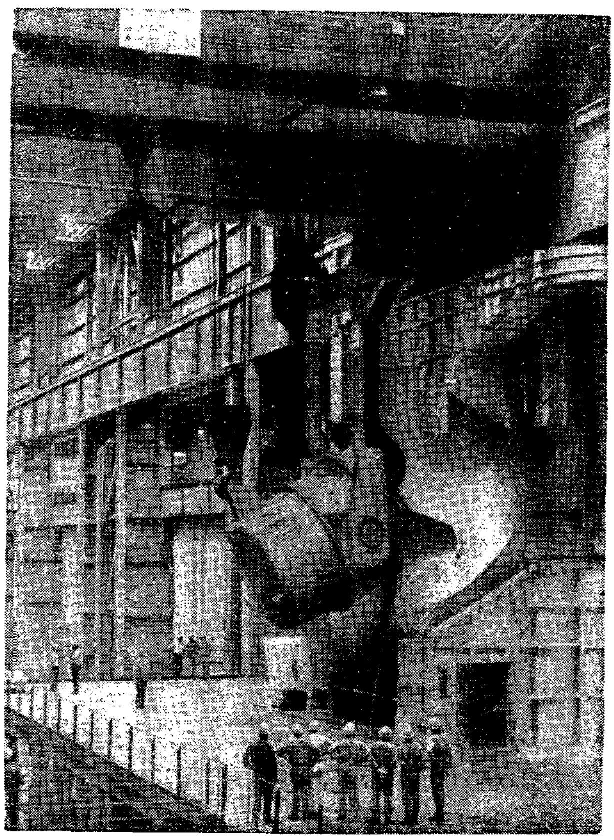
The SOMISA General Savio plant is actually an integrated-cycle steel complex (the first of its kind set up in Argentina). Total personel employed is 12.667 including managers, graduate and non-graduate technicians, administrative employees, supervisors and workers. Its port facilities comprise both a mineral and a commercial wharf, a sinter plant, two blast furnaces, a Siemens Martin steel mill and an L. D. mill for continuous melting, rolling and supplementary services which produce rolled steel in the form of billets, structural profiles, etc.

LD STEEL MILL

The General Savio plant has a new LD steel mill, the most advanced of its kind in the world today. Its two basic converters, of 1.700.000 ton annual capacity, are designed to effect 10.000 melts per year. Its infrastructure is planned to include a third converter, and supplementary to it, a calcination plaut. Everything included, it extends over a covered surface of 23.500 sq. metres, total building being 688.000 cu. metres.



Cold-rolling is a basic process in production by this integrated steel mill complex



The LD mill at the General Savio SOMISA plant is the most advanced of is kind in the world today. A ladle containing liquid pig-iron is shown pouring its contents into one of the basic convertors

SIEMENS MARTIN STEEL MILL

This section covers 30.940 sq. metres of ground and is composed of five furnaces of 235 ton melting capacity each. Main facilities are sheds for fusion, melting and preparation of molds and raw materials.

CONTINUOUS MELTING

The sector for continuous melting takes up a covered space of 15.800 sq. metres. In it, liquid steel coming from the LD converters is melted to billets. This sector comprises two six-line machines, four ladle-carrying cars of 265 ton capacity, extractor and straightening machines, automatic shearing machines with oxiprane blowtorches, threadingbar storing systems, quick change systems for melting troughs, roller tables and cooling troughs.

BLAST FURNACES Nos. 1 AND 2

Blast furnace Nº 1 in the complex is a self-bearing structure 70,14 m. high while Nº 2, held by four columns, is 82 metres. Nº 1 has a 1.399 cu. metre volume and a melting pot of a diameter of 8.99 ms, while Nº 2 is 19.9 cu. metres and 9.75 m., respectively. The former has 20 outlets and the second 27. Daily production capacity is 2.350 and 3.600 tons of pig-iron, respectively.

RAILS AND PROFILES

Facilities comprise 32.950 sq. m., divided in the following sectors: continuous reheating furnace, burning coke-gas or fuel-oil, with a 60 ton p/hour capacity; rail laminator composed of three boxes, two trios of 813x1.727 and 1.219 mm, and a duo of 673x1.651 and 1.143 mm diameter and interchangeable cylinder length; four table slabs, lateral displacement rocking headlocks; saws for hot-shearing of rolled products; brand-stamping machines; cooling troughs; automatic and continuous finishing equipment (straightening, shearing and milling for storage and dispatching.

SALES

During the last fiscal year (July 1975-June 1976), the value of output by this integrated steel complex rose to 208.000.000 dollars, thus ranking fifth with respect to companies of greater sales in Argentina, in spite of the fact that, for short term reasons, sales of rolled products and pig-iron for the same period fell from 150.000 to 98.000 monthly tons, on average.

SERVICES

Two hundred and sixty-four hectares out of a total 836 owned by the steel plant were devoted to building a modern residential quarter for its personnel. This zone has 1.000 lodging units for single employees, a first rate hotel with 120 rooms (Colonial Hotel), a community centre, sports fields for football, tennis, golf, basket-ball, church, schools, kindergarten schools, parks and open spaces.

Continuous technical training for personnel is provided, and in specific cases training takes place abroad.

YEARLY PRODUCTION CAPACITY

Coke: 1.540.000 ton.

Blast furnaces Nº 1 and Nº 2: 2.110.100 tons of pig-iron

Siemens Martin steel plant: 1.140.000 tons.

LD Steel plant: 1.700.000 tons.

Continuous melt: 1.250.000 tons.

Basic rolling: 1.050.000 tons of thick plate and 130.000 ton of billet.

Continuous train of billet: 200.000 ton.

Hot-plate rolling: 200.000 ton.

Cold rolling: 570.000 ton.

Cold finishing and tin plate: 110.000 ton.

PRODUCTION OF PLATE AND STRIPS, COLD ROLLED			PRODUCTION OF PLATE AND STRIPS, HOT-ROLLED			PIG-IRON PRODUCTION			STEEL PRODUCTION			PRODUCTION OF STEEL BILLETS AND FLATS		
	THOUS. TON.			THOUS. TON.			THOUS. TON.			THOUS. TON.			THOUS. TON.	
	TOTAL FOR COUNTRY	SOMISA		TOTAL FOR COUNTRY	SOMISA		TOTAL FOR COUNTRY	SOMISA		TOTAL FOR COUNTRY	SOMISA		TOTAL FOR COUNTRY	SOMISA
1960	26	—	1960	97	—	1960	181	127	1960	277	—	1960	146	—
1961	27	—	1961	115	—	1961	393	325	1961	444	131	1961	156	92
1962	13	—	1962	113	25	1962	396	363	1962	643	353	1962	408	222
1963	71	58	1963	269	173	1963	424	383	1963	899	511	1963	451	209
1964	235	220	1964	476	374	1964	589	547	1964	1280	746	2964	556	322
1965	294	279	1965	567	468	1965	653	590	1965	1349	769	1965	824	515
1966	240	230	1966	466	402	1966	520	454	1966	1266	722	1966	897	988
1967	268	256	1967	540	483	1967	601	523	1967	1328	746	1967	715	400
1968	298	283	1968	707	625	1968	574	465	1968	1556	846	1968	894	509
1969	391	348	1969	834	776	1969	588	473	1969	1690	892	1969	1045	555
1970	496	335	1970	753	686	1970	810	712	1970	1822	919	1970	1138	580
1971	789	346	1971	780	688	1971	857	751	1971	1894	945	1971	1210	674
1972	884	284	1972	709	588	1972	849	749	1972	2165	928	1972	1470	680
1973	876	392	1973	847	759	1973	804	701	1973	2205	918	1973	1478	620
1974	858	382	1974	780	677	1974	1070	932	1974	2356	1161	1974	1428	611
1975	785	425	1975	800	715	1975	1038	961	1975	2230	1116	1975	1446	665

LOAN FROM THE WORLD BANK FOR NEW ELECTRICAL WORKS BY SEGBA

In September last, a loan for 115 million dollars was granted by the International Bank for Reconstruction and Finance to SEGBA, the Greater Buenos Aires Electrical Services utility.

This is the fourth credit to be granted this utility by the World Bank, and covers part of the works under SEGBA Project IV to be executed during the period 1977-1980 for transmission and distribution of electric power. The project includes installations related to the Salto Grande hydroelectrical power complex, as also to other major energy works which are being developed in the rest of the country, in view of increasing power supplies to Greater Buenos Aires.

The above credit is directed at financing the purchase of materials and equipment, total worth of which has been estimated at 495 million dollars. The balance between the above loan and this latter amount is to be met by SEGBA as well as by private banking institutions. Action by the last named may be attributed to endorsement of the Project implicit in the World Bank loan.

Execution of the project will account for an increase in the total value of orders to be placed with the Argentine electromechanics industry which is estimated at 40 percent over current demand.

The main works for transmission and distribution of power related to the SEGBA IV project will include the following:

A) **SUB-STATION AND TRANSFORMATION CENTRES**

Three transformer sub-stations: 500.000/220.000 volt, 3.200 megavoltAmpere.
Three transformer sub-stations: 220.000/132.000 volt, 1.800 megavoltAmpere.
Twenty transformer sub-stations: 132.000 volt/medium tension (33.000 and 13.200 volt), 1.600 megavoltAmpere.
Four thousand transformer centres: medium tension (33.000 and 13.200 volt)/low tension (380-220 volt), 750 megavoltAmpere.

B) **HIGH, MEDIUM AND LOW TENSION NETWORKS**

550 kilometres of high tension lines and cables (500.000, 220.000 and 132.000 volt).
2.200 kilometres of medium tension lines and cables (33.000 and 13.200 volt).
5.000 kilometres of low tension lines and cables (380 and 220 volt).

C) **SPECIAL AND COMMUNICATIONS EQUIPMENT**

Argentine National Bank

FOREIGN TRADE POLICY

Within the framework of patterns laid down by the economic governmental authority, management of the Argentine National Bank sees to it that operations in its foreign trade division are continually guided by rules of administrative efficiency and profitability, addressed at providing better service to the community.

Along these lines, the Bank maintains it policy of expanding services abroad, which is illustrated by the inauguration of a branch-house in London. It will thus enter in the arena of international finance and business.

Such participation is reaffirmed by the possibilities of integrating into major foreign banking institutions and other organizations operating internationally, so as to participate financially in loans oriented towards promoting dynamic activities in the country.

Consistent with this, the Bank is now an associate of the Euro-Latin-american Bank Ltd. (Eulabank), domiciled in London. The President and Vice-president of the Argentine National Bank have been appointed Director and deputy-Director, respectively, in this new international banking organization.

The branch-house of the Argentine National Bank in New York, although only recently founded, has now become an important foreign source of financing for the Bank as well as for other governmental institutions in regard of their import and export operations. In an effort to profit fully from its possibilities, the Bank has extended operations and now offers credit lines for financing foreign trade operations, apart from carrying out normal business with Argentine commercial banks and other agencies, of the Bank operating in Brazil, Uruguay, Paraguay and Bolivia.

In keeping with this policy, the same credit lines have been made available to thirty-two important banks in Buenos Aires, as well as other banking institutions in Bolivia. Possibilities of granting open credit lines to Latin-american banks are currently under study. Business relationship with such banks would serve the purpose of securing increased participation in international transactions within the Latin- american hemisphere.

So as to accomplish this objective, major importance has been granted to the participation by several representations of the National Bank in the Americas. Preference is given to this task in close connection with the branch-house granting such credits.

Lastly, in the domestic field of operations the Bank will continue to give support to exports. Procedures for this are being improved, not only at the Bank headquarters, but also in other areas of the Republic that have been authorized to operate independently in foreign trade, thus contributing —as has been customary for years in the Bank— to improving the foreign trade balance.

BRANCH HOUSES

I) IN THE UNITED STATES OF AMERICA:

NEW YORK. - 299 Park Avenue - NY. 10017 - Tel.: 754-0235/36/37/38 - Telex: 0111-66315 - 0112-237337/38.

II) AGENCIES

BOLIVIA:

LA PAZ. - Av. Camacho 1355 - Telex: 3560018 - Tel.: 42-225.

SANTA CRUZ DE LA SIERRA. - Sucre 29/43 - Telex: 5617 - Tel.: 2-2191.

TARIJA. - Casilla de Corero 1328 - Bernardo Trigo 725 esq. Lamadrid - Telex: vía La Paz - Tel.: 3319 y 2219.

BRAZIL:

RIO DE JANEIRO. - Rua da Alfandega 19 - Telex: 31667 - Tel.: 221-1570.

SAN PABLO. Largo de Sao Francisco 26 - Telex: 21731 - Tel.: 35-8802.

PARAGUAY:

ASUNCION. - Palma esq. Chile - Telex 157 - Tel.: 4-7433.

URUGUAY:

MONTEVIDEO. - Juan C. Gómez 1372 - Telex: 781 - Tel.: 9-9911/14.

III) SUB-AGENCIES

PARAGUAY:

CONCEPCION. - Pte. Franco 890 esq. Libertad - Tel.: 231.

ENCARNACION. - Mariscal López esq. Mariscal Estigarribia - Tel.: 652.

PTE. STROESSNER. - Av. San Blas s/n. - Tel.: 523 y 574.

VILLARRICA. - Mariscal López esq. Cnel. Bogado - Tel.: 173.

IV) OFFICES

PARAGUAY:

LUQUE. - Fulgencio Yegros y Cerro Corá.

CORONEL BOGADO. - Cerro Corá casi esq. Brasil.

V) REPRESENTATIONS

COLOMBIA:

BOGOTA. - Carrera 7 Nº 38/53 of. 1003 - Telex: 44-576 - Tel.: 32-2614.

CHILE:

SANTIAGO. - Providencia 2251 - Telex: 258 - Tel. 46-5354 y 74-2832.

ECUADOR:

QUITO. - Calle Amazonas 353 - Telex: 3530012 - Tel.: 527-562.

SPAIN:

MADRID. - Av. del Generalísimo 64, 5º P. - Telex: 0112 - Tel.: 457/9701 - «Area 831-23749».

FRANCE:

PARIS. - Av. des Champs Elysées 90, 6º P. - Telex: 0112 - Tel.: 225-36-55 - «Area 842-66297».

UNITED KINGDOM:

LONDON. - Winchester House, 4th Floor, 77 London EX2N1HS - Tel.: (01) 588-2667/7 - Telex: 0112/0113 - «Area 851-887182/83».

ITALY:

MILAN. - Galeria del Corso 2, 6º P. - Telex: 843-68338/34130 - Tel.: 79-1504, 79-9656.

ROMA. - Due Macelli 73, of. 10 - Telex: 0112-0113 - Tel.: 679-1604/58 - «Area 843-68388».

MEXICO:

MEXICO D. F. - Pje. de la Reforma 234, Desp. 201, 2º piso - Telex: 17744214 - (Emb.) - Tel.: 5-11-71-40.

PERU:

LIMA. - Jr. Unión 264, of. 206/7 - Telex: 350336 - (Cab. Púb.) - Tel.: 27-4566.

VENEZUELA:

CARACAS. - Centro Capriles - Primera Mezanina, Plaza Venezuela - Telex: 011/0112/0113 - Tel.: 781-14-02 - «Area 395-21792».

Banco de la Nación Argentina. Main building.

AREA SOWN TO WHEAT

The 1976/77 Crop

Plowing and sowing in the greater part of the wheat bearing region were hampered by scanty rainfall during the sowing period. Nevertheless, the area sown to wheat for the 1976/77 cycle is estimated to be 7.000.000 hectares, a figure which exceeds that of preceding seasons.

In accordance with the above figure, the area currently sown is 22 % higher relative to the 1975/76 season; 36 % higher in relation to the 1971/72 - 1975/76 quinquennium, and 25 % in respect of the last decennium.

OVERALL STATISTICS

1966 TO 1977

Period	Cultivated area
Average	hectares
1971/72-1975/76	5.160.160
1966/67-1975/76	5.609.140
Cycle	
1966/67	6.291.200
1967/68	6.613.000
1968/69	6.679.500
1969/70	6.238.700
1970/71	4.468.200
1971/72	4.986.000
1972/73	5.627.000
1973/74	4.251.800
1974/75	5.183.000
1975/76 *	5.753.000
1976/77 *	7.000.000

(*) Preliminary.

LATIN AMERICAN BANK ACCEPTANCES FLOATED IN NEW YORK

With o view to placing Latin-american /LAFTA banking acceptances (ABLA) on the New York market on 22nd September last a meeting was held in the auditorium of the Federal Reserve Bank in New York.

The Central Bank of the Argentine Republic was represented by doctor Christian Zimmermann, vice-president of the Bank, and by señor Hector Firpo, Foreign Relations Manager.

Latin-american bank acceptances (ABLA) are documents issued over commercial transactions effected within the LAFTA area. They are distinct from other documents in the sense that, apart from being representative of the LAFTA market, their conversion, transference and reimbursement are warranted.

PAYMENTS SYSTEM IN FORCE

On 1st May 1966 a system of payments was agreed on the by central banks of LAFTA member countries. The main objective of this system was to implement effective monetary and financial cooperation and reciprocal credit so as to stimulate a substantial reduction in the use of convertible foreign currency for zonal payments; to reduce their cost and to exclude participation of extra-zonal banks in transactions among member countries.

This agile and effective procedure offers commercial participating banks complete security —stemming from a general authorization that the central banks of member countries of LAFTA have granted them— so that they can automatically be reimbursed on their transactions and thus avoid the need of issuing individual authorizations in each case.

Dealings among member countries benefit from multilateral compensation, between central banks, of bilateral balances occuring in accounts to which such operations belong, so that each bank is left with one single amount either to collect or pay, as the case may be, in order to cancel its operations with the remaining eleven institutions.

Clearing takes place every four months, the Banco Central de Reserva del Perú acting as banking agent for the system.

The conversion, transference and reimbursement of operations channelled through this mechanism are guaranteed by all the central banks involved, and are included in the corresponding mutual credit agreements.

LATIN-AMERICAN BANKING ACCEPTANCES

At the Third Meeting of the Commercial Banks of the Area, held in Montevideo in 1969, Argentina submitted the first outline of the project creating ABLA, and with the aid of Uruguay organized a working group in which all aspects related to the system were considered.

Necessity for instituting the system stemmed from the need of a good number of countries to have extra-zonal financing for the sums for which their central banks were apparently indebted, as a consequence of the aforementioned fourmonthly compensation taking place in Lima.

However, it must be pointed out that although the system of payments resulting from the mutual credit agreement helped to cut down intermediation by extra-zonal banking institutions, such intermediation was not completely eliminated.

It follows that a document was needed, warranted as above, which might provide extra-zonal investors with an effective tool, easy to manipulate, so as to solve the financial problems involved.

Starting 1969, all the central banks concerned had working groups fully study LAFTA acceptations. Such groups not only discussed plans among themselves, but also visited markets of bank acceptances in New York and London. At the same time, with financial help from IDB, a firm of lawyers was commissioned to study the system in depth, taking into consideration legal provisions in force in LAFTA countries as well as in New York.

In short, with the active participation of international extra-zonal capitals and through this system of Latin-american bank acceptances, the problems of zonal financing will have been solved.

INDUSTRIAL CONCERN FOR INTEGRATED MILK PROCESSING

OVER 400 DAIRY COOPS PROCESS MORE THAN 18.000 MILK PRODUCTS

Year 1938 marked the apex of a drive started by dairy-farmers in the provinces of Santa Fe and Córdoba to set up a consortium. Sixteen cooperatives involved in primary milk industrialization processes merged into one single coop and commissioned a plant of their own. They also took over responsability for marketing their own production.

Their first industrial plant started operations in 1940. Since then, SANCOR COOPERATIVAS UNIDAS LIMITADA (Lavalle 579, 6th floor, Buenos Aires) has incorporated other cooperatives, following which production has increased in keeping with the demand for processed dairy products. In view of this, SANCOR expanded further by including several processing plants located in areas particularly suited for dairy production.

At present the number of cooperatives composing SANCOR is 400. Its area of operation comprises the provinces of Santa Fe, Córdoba, Buenos Aires, Santiago del Estero, Chaco, Entre Ríos and San Luis.

At the beginning, SANCOR engaged in the production of butter. Early in the '60s it began to diversify, aiming at integral processing of milk, and planning for flexibility so as to be able to shift emphasis on commodities produced in accordance to changing market demands.

Sunchales (Prov. of Santa Fe) Central. It comprises the following sections: Dry Milk plant - Dairy - Transport - Central Laboratory - Casein mill - «Dulce de Leche» plant - Caseinate plant - Central stores.

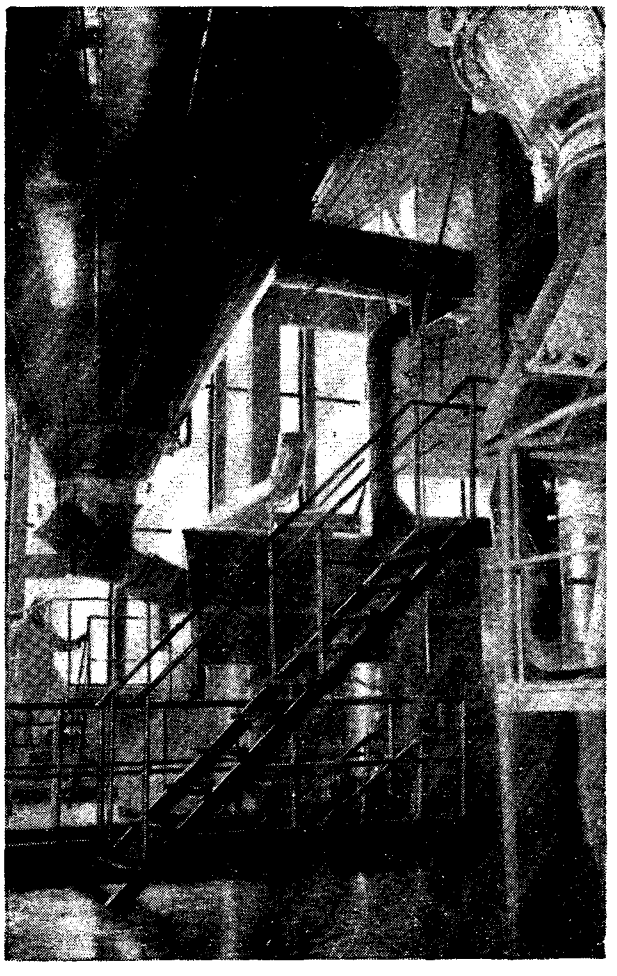
Its first dehydrator plant, which daily processes over 400.000 litres, is located in Sunchales, province of Santa Fe. Production of cheese has also expanded, both through higher production and by including new kinds of cheese. Main manufacturing plant facilities at Gálvez (Santa Fe) were enlarged in view of expanding cheese-ripening capacity for 3.500.000 kilos of cheese at a time.

Production of 'dulce de leche' also turned out growing volumes and secured a more even flow in output by means of a continuous production

The cooperative system was instrumental in bringing together dairy-men of long standing possessing high-level technology in the field. Some 18.000 medium-scale producers involved in this common undertaking integrated SANCOR's present capital by contributing during the last five years 8 percent of the value of their production output.

The pattern adopted by SANCOR for the whole industrial, commercial and administrative structure is keyed to dairy production and to improved utilization of milk and milk derivatives. The policy is to avoid the interference of alien interests which might negatively affect primary production.

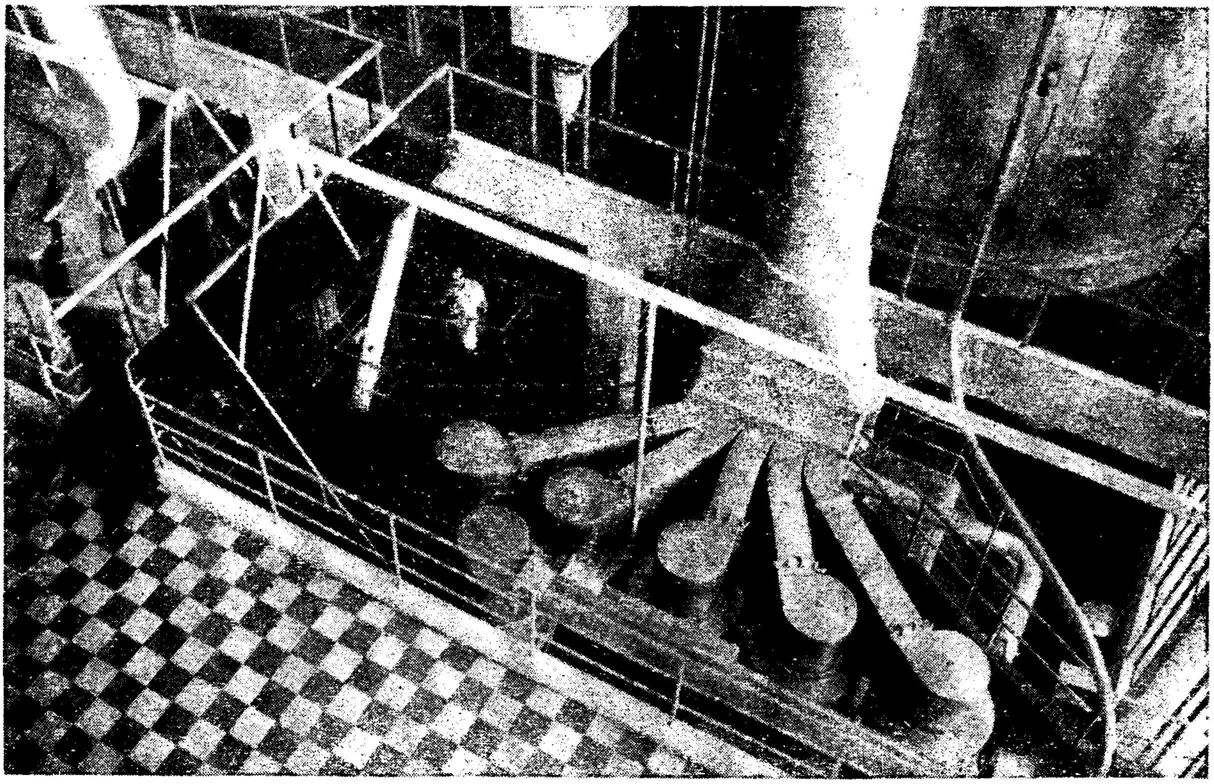
Spray equipment at Dry Milk plant, in Sunchales (Santa Fe)



system developed by SANCOR allowing for a daily production capacity of 35 tons.

Coming under the same plan are a pasteurization and an ice-cream plant in a Córdoba —the latter one of the most modern in Latinamerica, and the caseinate factory commissioned in 1970, with an overall capacity of 3 tons/day. The latter is also located at Sunchales.

The number of SANCOR plants operating different production lines is as follows: cream, 70; butter, 3; cheese, 37; pasteurization, with yoghurt and cream manufacturing facilities, 4; milk cooling plants, 16; dehydrating plants, 3; 'dulce de leche', 1; casein mill, 1; cheese-ripening deposits, 4; for processing cheese serum in the form of de-mineralized powder, 1; sodium, calcium caseinate, 1; ice-cream, 1.



Facilities for dry-milk processing (Sunchales)

MARKETING

SANCOR supplies the domestic market with a wide variety of quality products such as butter, cheese, 'dulce de leche', powdered milk, pasteurized milk, cream, yoghurt, ice-cream, casein, milk-serum powder and milk-serum powder mayonnaise. Through an intercooperative complementation agreement, SANCOR also markets a complete line of cold meats produced by INCOGA packing-house.

INTERNATIONAL MARKETS

Exports by SANCOR during the last fiscal years totalled 29,499,759.46 kilos and involved 36 different countries. The United States were the main buyer, followed by Perú.

TECHNOLOGY

Progress accomplished by this Cooperative in the field of dairy technology is illustrated by the introduction of a computer controlled artificial insemination process involving 67 insemination centres, a herd of 70 breeding cows and 240.000 calfs calved by the same.

Apart from such activities, at its affilliate farms SANCOR carries out advisory work on a variety of subjects related to dairy-farm management. To this end it operates 7 model dairy-farms for demonstration purposes.

A further undertaking lies in the field of animal health, through a program of cattle-disease prevention. This program has contributed to raise the quality of dairy milk production in Argentina.

«SANCOR» EXPORTS, BY COUNTRY AND YEAR — FISCAL YEAR 1/6/75 - 30/6/76

(kilogrammes)

Country	Casein	Cheese	Butter	Dry milk	Caseinate	Dulce de leche	Aggregate total
U.S.A.	6,418,500	564,760.40	—	—	—	—	6,983,260.00
Perú	63,900	365,421.18	—	4,709,000.00	—	—	5,138,321.18
Ecuador	2,000	—	—	—	—	—	2,000.00
México	274,000	527,803.35	—	—	—	—	801,803.35
Spain	415,000	—	—	—	50,000.00	—	465,000.00
Venezuela	13,500	72,511.00	—	—	—	—	86,011.00
U.K.	139,000	—	—	—	—	—	139,000.00
France	351,000	2,989.00	12,000.00	—	—	504.00	366,493.00
Brazil	50,000	1,793,736.70	—	1,000,000.00	—	24,915.00	2,868,651.70
Japan	130,000	—	—	—	—	—	130,000.00
Corea	12,000	—	—	—	—	—	12,000.00
South Africa	13,000	—	—	—	—	—	13,000.00
Holland	501,000	—	303,000.00	—	—	—	804,000.00
Germany	135,000	—	—	—	—	—	135,000.00
Italy	115,000	347,889.23	51,994.60	5,000.00	—	—	519,833.83
Belgium	40,000	—	497,078.00	—	—	—	537,078.00
El Salvador	1,000	—	—	—	—	—	1,000.00
Portugal	20,000	—	—	—	—	—	20,000.00
Canada	—	57,869.00	—	—	—	996.00	58,865.00
Australia	—	25,255.70	—	—	—	—	25,255.70
Switzerland	—	53,994.60	—	—	—	—	53,994.60
Canary Is.	—	9,985.20	570,292.00	—	—	—	580,277.20
Greece	—	86,939.80	—	—	—	—	86,939.80
Panama	—	1,997.20	—	—	—	—	1,997.20
Santo Domingo	—	1,253.90	—	—	—	—	1,253.90
Sirya	—	—	617,600.00	—	—	—	617,600.00
Dutch W. Indies	—	—	13,988.00	—	—	—	13,988.00
Turkey	—	—	1,490,218.00	—	—	—	1,490,218.00
Ivory Coast	—	—	4,992.00	—	—	—	4,992.00
Iran	—	—	1,285,595.60	—	—	—	1,285,595.60
Chile	—	—	108,564.00	—	1,000.00	—	109,564.00
Bolivia	—	—	—	74,996.00	—	—	74,996.00
Cuba	—	—	—	5,000,000.00	—	—	5,000,000.00
Paraguay	—	—	—	39,972.00	10,000.00	—	49,972.00
Israel	—	—	—	—	—	1,800.00	1,800.00
Morocco	—	—	999,998.00	—	—	—	999,998.00
TOTAL	8,713,900	3,912,406.26	5,955,270.20	10,828,968.00	61,000.00	28,215.00	29,499,759.46

SANCOR COOP. UNITAS LTD.: MAIN INDUSTRIAL PLANTS AND NAME AND DATE OF COMMISSION

Industrial plants:

	Year
Sunchales	1940
Brinkmann	1941
Gálvez	1947
Devoto	1944
San Justo	1956
Santa Fe	1965
Córdoba	1966
Santa Brígida	1973

Cheese processing plants:

	Year
Morteros	1967
Centeno	1968
San Guillermo	1966
Charlone	1969
Sardi	1974

Milk collecting, cooling, and cheese plants:

Moldes	1976
Ceres	1976

SANCOR DAIRY-PRODUCTS, 1966-75
(tons)

Year	Butter	Cheese	Dry milk	'Dulce de leche'	Casein
1966 ...	28,019	10,920	4,069	1,853	16,831
1967 ...	25,890	12,050	3,659	2,294	15,101
1968 ...	24,667	17,650	4,732	2,316	14,619
1969 ...	21,178	17,756	4,256	3,087	11,754
1970 ...	17,160	20,940	4,743	4,070	8,157
1971 ...	20,057	26,144	7,851	4,975	8,282
1972 ...	25,282	33,193	12,427	7,273	9,386
1973 ...	21,944	36,146	12,023	8,313	8,137
1974 ...	20,563	36,623	15,717	7,962	6,643
1975 ...	24,287	39,258	18,111	7,528	7,095

TOTAL MILK PRODUCTS CONSUMPTION IN ARGENTINA
(tons)

Year	Butter	Cheese	Dried milk	«Dulce de leche»	Casein
1970 ..	33.508	161.730	30.309	38.417	2.679
1971 ..	28.162	181.263	31.286	42.399	1.543
1972 ..	31.481	187.453	33.796	43.100	1.724
1973 ..	31.663	197.492	39.246	46.898	2.031
1974 ..	33.414	208.210	52.673	48.258	1.097
1975 (1)	34.299	212.589	56.887	49.047	4.809

NOTE: (1) Preliminary.

TOTAL PRODUCTION OF SANCOR CHEESE, BY YEAR, 1960-75
(tons)

Year	Hard paste	Semi-hard paste (1)	Soft paste	Total
1960	2,736	1,580	1,633	5,949
1961	3,159	1,395	1,959	6,513
1962	3,424	1,185	2,058	6,667
1963	3,287	1,165	2,198	6,650
1964	3,648	2,041	1,803	7,492
1965	3,186	4,436	1,103	8,725
1966	4,418	5,338	1,164	10,920
1967	4,047	6,515	1,488	12,050
1968	5,666	7,806	4,178	17,650
1969	4,587	8,817	4,352	17,756
1970	5,061	9,683	6,196	20,940
1971	6,873	11,116	8,155	26,144
1972	10,265	13,757	9,171	33,193
1973	10,216	15,546	10,384	36,146
1974	10,316	16,457	9,850	36,623
1975	10,517	16,812	11,929	39,258

(1) Hard paste figures also include special cheese.

MENDOZA

CLOSURE OF THE "AGUA DEL TORO" DAM

Over the Diamante river, which flows through the centre of the Province of Mendoza 70 kilometres distant from the city of San Rafael, the bottom gallery of the Agua del Toro dam has been closed, and flooding of the dam begun.

Fundamental objectives of the dam are the control of floods, production of hydroelectric power and supplying water for the irrigation of 90.000 hectares. The ensuing lake, which might achieve maximum water level at the close of this year, will facilitate the erection of an important tourist attraction and recreational centre.

THE DAM

The Agua del Toro dam is of the double curve vault type and is built in simple concrete. Height is 128 metres, and length at the crown 325 metres. Capacity will be 378 cubic hectometres, and will cover 1.050 hectares.

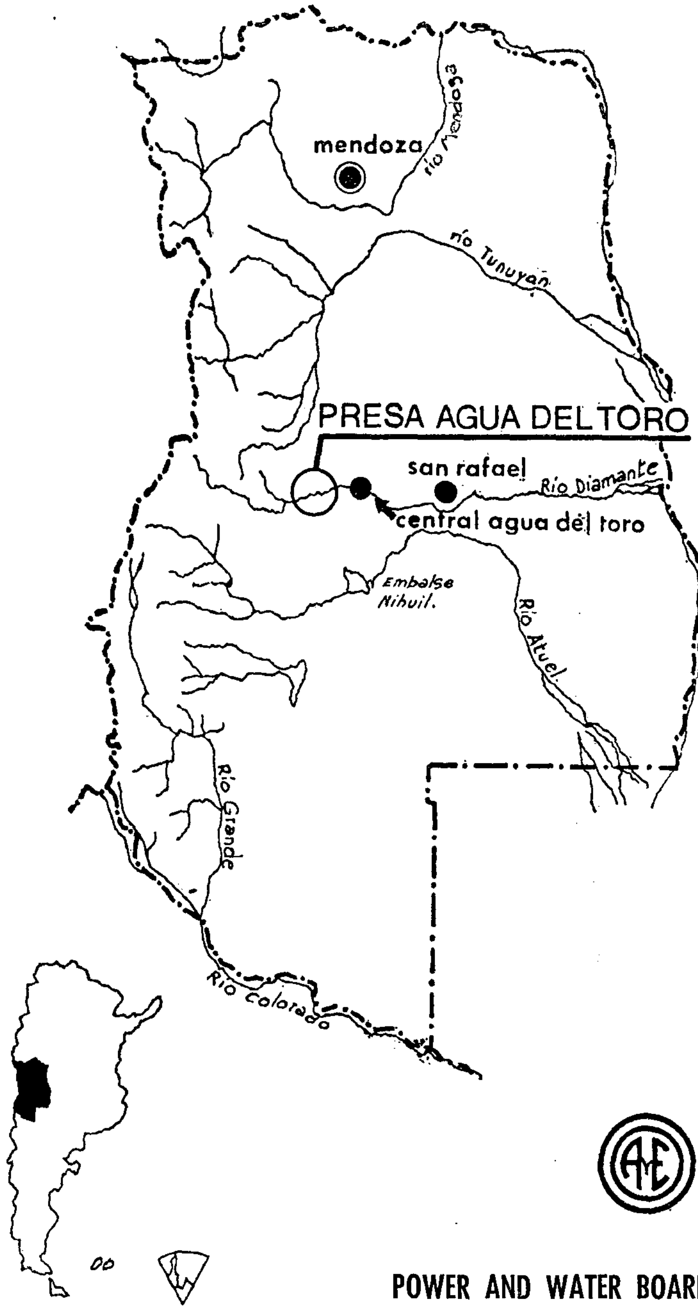
To-date 92 percent of the work has already been accomplished. It yet lacks finishing minor details in the road accross the crown which is to link up sections of national highroad No. 40. The spillway is also located at the upper level of the dam.

As of 31st March this year, US$ 2.881.000 have been invested in building the dam. This sum represents approximately 70 % of total cost.

HYDRAULIC POWER CENTRAL STATION

So as to profit from the water fall, a hydroelectrical power station, known as Central Hidráulica Agua del Toro, has been built 4 kilometres down-river. Installed capacity will be 130.000 kilowatts, and power-generating capacity 252.000.000 kilowatts/hour per year. This will help reinforce the interconnected electrical network of the Cuyo region.

LOCATION OF THE DAM



POWER AND WATER BOARD

non-traditional exports

LAWN - MOWERS

Eighteen lawn-mowers were shipped to Guayaquil (Ecuador) by CHARITO S.R.L. (address: Rivadavia 6889 - Buenos Aires).

THERMOMETRES

TWO-thousand five hundred thermometres for clinical use were exported by SUDAMFOS S.A. (D. Trabajo 5251, Buenos Aires) also to Guayaquil in Ecuador.

PRODUCTS FOR FOUNDRY

One hundred bags of foundry products were exported to Valparaíso (Chile) by FOSECO ARGENTINA S.R.L. (Cuyo 2520, Martínez (San Isidro), Prov. of Buenos Aires).

ONIX PRODUCTS

BARRACA ACHER ARGENTINA S.R.L. (Rivadavia 1715, Buenos Aires). Exported to Rotterdam (Holanda) 8 boxes of onix products. Another 54 boxes also containing such products were shipped to Hamburg, Germany.

TECHNOLOGICAL MATERIAL AND EQUIPMENT

Fifty-four boxes of technological materials and equipment were sent to Cuba by MEITER APARATOS S.A. (Córdoba 1417 - Buenos Aires). Another firm, Establecimientos Gele Electrom (Juramento 4031, Buenos Aires), also exported 15 boxes of said materials to the same destination.

DRIED PRUNES

62.950 kg of dried prunes were exported to Hamburg, Germany by JORGE BRULL S.A.C.I.F. (Florida 229, Buenos Aires). To Liverpool (England), 31.632 kg. of this same product were exported by Bestani S.A. I.C. (J. B. Justo 1480, Buenos Aires).

GOAT'S HAIR

73.000 kg. of goat's hair were exported by GUSTAVO LEERS S.A.I.C. (25 de Mayo 596, Buenos Aires), to the following countries: United Kingdom, Germany, Spain, Belgium and Italy.

BOND AND CARBON PAPER

226 rolls of carbon paper and 44 rolls of bond paper were exported to the United States of America. Manufacturers: CELULOSA ARGENTINA S.A. (Roque Sáenz Peña 938, Buenos Aires).

SEMI-AUTOMATIC CAL 22 PISTOLS

A cache of of 22 bore semi-automatic pistols was shipped to Helsinki (Finland) by BERSA S.A. (address: Las Heras 892, Ramos Mejía, province of Buenos Aires), Argentina.

FROZEN HARES

3.500 cartons containing frozen hares were shipped by VIZENTAL & CO. S.A.C.I.A. (San Martín 229, Buenos Aires), for Amberes, Belgium.

FISH SHOPS

VILLBER S.A., whose manufacturing plant is located on Ruta 9, Km 258 E.V., Constitución, Prov. of Santa Fe and sales office at Córdoba 6069/73, Buenos Aires, has shipped to Cuba over 750 fish shops. It should be noted that every week a new shop, selling around 1.500 ks a day, is opened. Apart from Cuba, VILLBER S.A. has also exported to other countries such as Panamá, Costa Rica, Perú, Bolivia, etcétera.

TOBACCO

Over 344.000 kg of tobacco have been exported to France by PICCARDO & CIA. LTD. S. A. (address: Defensa 1246, Buenos Aires).

MAGNESIUM HYDROXIDE

Five drums containing this product were shipped to Colonia, Uruguay, by FARMASA S.A., Libertador 6796, Buenos Aires.

GLASS TUMBLERS

CRISTALUX S.A. (address: Chacabuco 646, Buenos Aires), has shipped to Colonia (Uruguay), 838 boxes containing glass tumblers.

LENTILS

Exports to Capetown (South Africa) by BAIRES S.R.L. (Roque Sáenz Peña 651, Buenos Aires), were for 69.960 kg.

TOMATO EXTRACT

During the first semester this year 455.000 kg of tomato and 152.000 kg of tomato extract were shipped to Puerto Rico by COMPAÑIA ENVASADORA ARGENTINA S.A.I.C., Centenera 2644, Buenos Aires, Argentina.

FOOTBALLS, INCLUDING BLADDERS

One hundred footballs, bladders included, were shipped to Livorno (Italy) by ALBIN S.A., Maipú 471, Buenos Aires.

FOOTBALLS, INCLUDING BLADDERS

One hundred footballs and their corresponding bladders were exported by ALSAGUS S.R.L. (Arenales 1855, Buenos Aires). Destination: New York, USA/A.

PHOTOGRAPHY PAPER AND FILM

MINNESOTA (3M) ARGENTINA S.A.C.I.F.I.A. (Suipacha 664, Buenos Aires), exported to Tampico (México) 30 boxes containing photography paper and film.

Exports of Mobile Hospital Units

Mobile medical care units were exported to Venezuela by «Consortium of Manufacturers of Medical Aid Equipment» (COFADEMA), manufactured by Poliequipos CIIMS S.A. (Carcarañá, Province of Santa Fe).

The efforts of an important group of Argentine industrialists were instrumental in securing industrial advancement in the manufacture of equipment, instrument sets, facilities and goods for medical use. Advanced technologies were adapted to specific possibilities in the environment. In the span of three decades it has thus been possible to substitute a wide variety of products for imported ones, and in recent years even market them abroad in over 20 countries.

COFADEMA comprises 40 companies which have attained to an advanced technological level in the production of integral hospital equipment. Overall, its industrial plants cover 50.000 sq metres of ground.

This consortium is well fitted to develop a hospital project, from the stage of preliminary studies to start-up and initial operation of a hospital. It has taken part in international tenders, and in spite of it being founded only a few years back, is currently engaged in major negotiations for supplying hospital equipment to several public-service institutions in Bolivia, Cuba, Chile, Ecuador and Libya.

The purpose served by these mobile units is to solve various problems and fill widely differing needs, ranging from the more simple services like medical care, first aid, medical consultation, etc., to the more complex ones demanded by surgical teams, coronary units and intensive therapy.

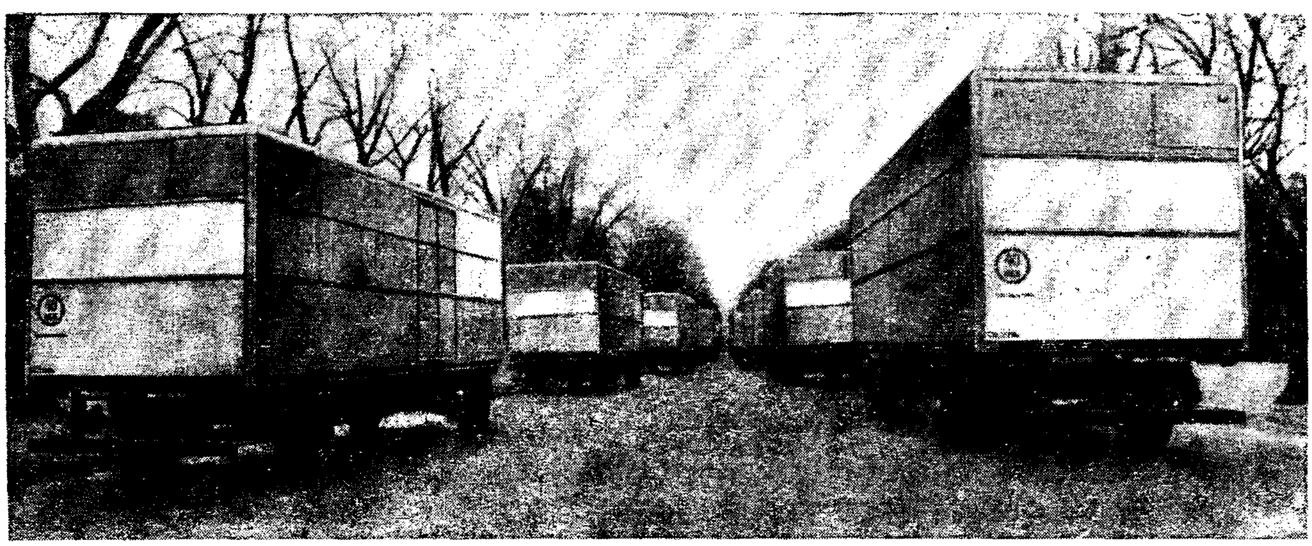
Such units are delivered fully equipped, and because they are module-built, provide maximum possibilities for alternative medical services.

By complementing the different units, a full hospital of up to 84 beds can be assembled, completely installed and commanding both general and technically specialized services.

The different types supplied adjust to the following objectives:

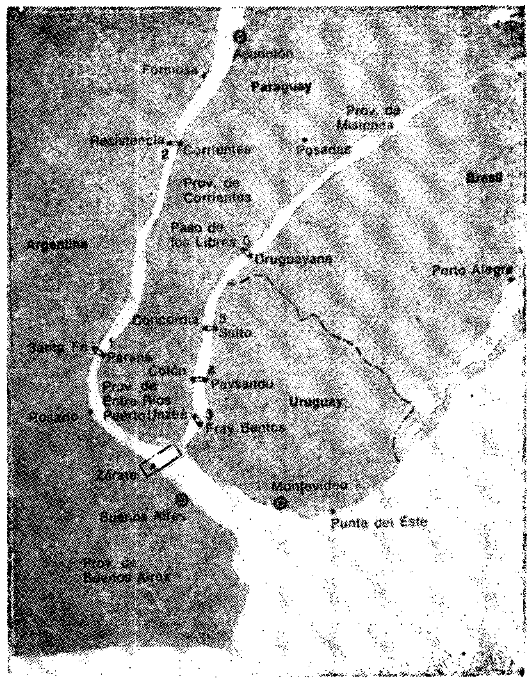
Medical aid to rural communities; preventive medicine in urban and rural population centres; health drives against epidemic or endemic diseases; sanitary emergencies, including natural catastrophes; and integral medical care of the population through temporary stay in stricken areas.

Units exported to Venezuela are 10 ms long and have the following consulting-room facilities: dental, with X-ray equipment; gynaecological, with colposcopy and up to-date instrument sets; for pediatrics, with sterilization facilities and bathroom. They are practically an aid centre for maternity-child care, also embracing a wide range of medical services such as patient examination, treatment, and odontological diagnosis; emergency pediatrics and clinical and gynaecology consulting-room adequately fitted to take care of childbirth and minor surgery emergency cases.



Bridge over the *Paraná de las Palmas river*

Location of road-railway complex



THE ZARATE-BRAZO LARGO RAIL AND HIGHWAY COMPLEX

From Zárate, 80 km distant from Buenos Aires, a ferry-boat service accross the Paraná River transports trucks, buses and cars up to Talavera Island, mid-way accross the Paraná river. Such vehicles then motor across the island down to the banks of the Paraná Guazú, again board rafts, and are ferried accross to Constanza in the province of Entre Ríos.

At present, a huge metal bridge structure —part of the road-railway complex Zárate-Brazo Largo— rises over the Paraná de las Palmas river and its environs.

Complete civil works comprise two bridges of similar characteristics spanning both rivers. Together with their viaduct accesses, they compose the main element of the overland communications system linking up with the Argentine mesopotamian region.

This complex, an outstanding piece of engineering in construction of bridges for mixed road and railway traffic will also contribute to bringing about a coordinate and adequate development among different regions in the country.

This mesopotamian region, comprising the provinces of Entre Ríos, Corrientes and Misiones, is linked to the rest of the country through the «Hernandarias» subfluvial tunnel, which connects Santa Fe and Paraná, capital city of Entre Ríos and the «General Belgrano» bridge which joins the provinces of Chaco and Corrientes. The economy of this mesopotamian region is grounded on its agricultural, forestry and livestock —particularly poultry— resources.

Production for direct consumption or for industrial processing will be facilitated when this road railway complex is commisioned.

From economic projections it may be inferred that once the works are completed industrial installations in this region will have increased. This expansion will allow for the self-supply of needs and also for surplus production for exports.

Business has also evidenced an interest in setting up plants for processing pulp from products and subproducts of the lumber industry.

Once livestock production substantially increases, problems of structure will be solved and land which is at present lying idle will come under cultivation.

As regards railway, the Zárate-Brazo Largo complex if basic for developing the «General Urquiza» line of Argentine Railways Co., if we bear in mind that out of a total 3.500 km of line belonging to this railway 3.000 km run through the Mesopotamia. It must be borne in mind that half the annual freight currently transported must perforce cross the Paraná river by raft, as was mentioned earlier. But when the complex becomes operational road length to be traveled will be shorter by 50 kms, and time involved will be up to five hours less for passenger trains and more than seven hours less for freight trains. There will also be a substantial improvement in car rotation, and the very slow procedure of loading and unloading on ferryboats will have been done away with.

WORKS

Through tenders issued by the Road and Highways Bureau, Techint-Albano was awarded contracts for the construction of two main bridges, together with their corresponding access viaducts. The latter are being built following blueprints drawn up by the aforementioned Bureau, whereas for the main bridges plans presented by the above named consortium were adopted.

On August 10 last, mounting of the huge metal structure over the Paraná de las Palmas river was completed. As of that date 100 percent of bearing-piles and bridge-heads; more than 90 % of cables, beams, panel-boards, sidewalks and cross-beams and concrete production, and more than 45 % of steel cables for stays and metal structures had been terminated.

For the completion of the works, a fixed schedule has been set. During January one of elevated highroad lanes on Talavera Island will have undergone completion. It will be approximately 16 kms long and will link up with No. 12 highroad in Entre Ríos. Termination of the bridge over the Paraná de las Palmas river is scheduled for February; for April: completion of all embankment work; and for end-November, the bridge over the Paraná Guazú river.

Span of the bridges is 550 metres long, central clearance 330 metres and side clearance 100 metres. Crossing will take place 50 metres above water level, and will not hinder navigation of large vessels. The highroad across the bridge is a four-lane one, to which the railroad must be added.

The main bearing-piles are 120 m high. They have a hollow, regular, variable section, and are conformed by two antennas joined by a concrete beam, at a lower-than-bridge level, and by a metal cross on top. The highroad has two double 7.50 metres wide lanes; two 1.30 ms wide sidewalks, and a central cordon of 0.50 width and 1,435 m gage.

The complex will be a component of the group of civil works spanning the Paraná and Uruguay rivers at different places, intended to provide a major expansion to international communications between Argentina, Brazil, Paraguay and Uruguay.

Lastly, it should be stressed that this project, in view of its technical features and size, is on a par with top-ranking qualifications in the field of bridge engineering.

EXPORTS TO LAFTA MEMBER COUNTRIES OF COMMODITIES OF INDUSTRIAL ORIGIN

Highly processed industrial Argentine goods find their major outlet in LAFTA. In 1975 and 1976, 64.6 and 58.3 percent of total export sales of goods manufactured in Argentina were shipped to LAFTA member countries. Such products accounted for 58.2 and 48.4 percent of total manufactures sold within the area. It should be noted that industrial goods account for one fifth of Argentine foreign currency income deriving from exports.

Main buyers are Brazil and Chile. Together they account for 50 percent of total exports of this kind. In 1974 and 1975 Brazil accounted for 32.1 and 21.0 percent, respectively, of such exports; whereas Chile accounted for 20.3 and 24.8 percent during the same period.

Machinery, vehicles and steel products were the main commodities shipped.

PERCENT PARTICIPATION OF ARGENTINE EXPORTS TO LAFTA OVER TOTAL 1974/75 EXPORTS, BREAKDOWN BY TYPE OF MANUFACTURE

Exports to:	Primary products	Manufactures of agric. origin	Manufactures of ind. origin	Total
		1974 (In us$ thou.)		
LAFTA	208,991	179,510	540,837	929,338
Other countries	1,853,138	851.166	297,060	3,001,364
Total	2,062,129	1,030,676	837,897	3,930,702
		Percentage		
LAFTA	10.1	17.4	64.6	23.6
Other countries	89.9	82.6	35.4	76.4
Total	100.0	100.0	100.0	100.0
		1975 (In us$ thou.)		
LAFTA	289,308	100,160	366,044	755,512
Other countries	1,330,619	613,405	261,728	2,205,752
Total	1,619,927	713,565	627,772	2,961,264
		Percentage		
LAFTA	17.8	14.0	58.3	25.5
Other countries	82.2	86.0	41.7	74.5
Total	100.0	100.0	100.0	100.0

Source: Prepared by the «Dirección Nacional de Programación y Control Comercial Exterior».

ARGENTINE EXPORTS TO LAFTA MEMBER COUNTRIES

JAN/APRIL 1976 (us$ thou.)

Country	Total	Products: primary	Agric. manuf.	Indu·t. manuf.
Bolivia	11,094	90	2,654	8,350
Brazil	138,839	107,723	10,012	21,100
Colombia	5,789	222	2,213	3,353
Chile	42,480	24,966	3,514	14,000
Ecuador	1,454	—	307	1,147
México	18,273	8,051	2,622	7,599
Paraguay	7,232	2,196	744	4,292
Perú	21,813	12,624	3,100	6,089
Uruguay	16,603	257	1,562	14,784
Venezuela	5,895	442	1,404	4,049
LAFTA total	269,472	156,576	28,132	84,763

Source: Prepared by the Dirección Nacional de Programación y Control Comercial Exterior on the basis of data supplied by INDEC.

ARGENTINE EXPORTS TO LAFTA MEMBER COUNTRIES, 1975
(us$ thou.)

		Total			Negotiated products				Non-negotiated products			
Country	Total	Primary	Agric. manuf.	Ind. manuf.	Total	Primary	Agric. manuf.	Ind. manuf.	Total	Primary	Agric. manuf.	Ind. manuf.
Bolivia	63,798	4,034	20,206	39,558	2,480	1,244	—	1,236	61,318	2,790	20,206	38,322
Brazil	213,487	97,009	39,511	76,967	163,703	96,338	25,914	41,451	49,784	671	13,597	35,516
Colombia	16,316	642	3,558	12,116	3,377	287	1,356	1,734	12,939	355	2,202	10,382
Chile	130,642	27,524	12,423	90,695	37,891	18,539	6,769	12,583	92,751	8,985	5,654	78,112
Ecuador	11,388	21	1,851	9,516	7.048	11	340	6,697	4,340	10	1,511	2,819
México	178,543	143,725	6,127	28,691	23,365	375	5,002	17,988	155,178	143,350	1,125	10,703
Paraguay	37,269	10,362	4,681	22,226	7,650	364	1,483	5,803	29,619	9,998	3,198	16,423
Perú	29,575	1,496	4,028	24,051	10,705	1,212	3,265	6,228	18,870	284	763	17,823
Uruguay	40,840	2,150	3,782	34,908	13,192	1,161	1,132	10,899	27,648	989	2,650	24,009
Venezuela	33,654	2,345	3,993	27,316	6,566	1,488	2,345	2,733	27,088	857	1,648	24,583
LAFTA total ..	755,512	289,308	100,160	366,044	275,977	121,019	47,606	107,352	479,535	168,289	52,554	258,692

Source: Prepared by the «Dirección Nacional de Programación y Control Comercial Exterior» on the basis of data supplied by INDEC.

ARGENTINE EXPORTS TO LAFTA MEMBER COUNTRIES, 1975
Percent participation of each country over LAFTA total

Country	Total: Total	Total: Primary	Total: Agric. orig.	Total: Ind. orig.	Negotiated products: Total	Negotiated products: Primary	Negotiated products: Agric. orig.	Negotiated products: Ind. orig.	Non-negotiated products: Total	Non-negotiated products: Primary	Non-negotiated products: Agric. orig.	Non-negotiated products: Ind. orig.
Bolivia	8,4	1,4	20,2	10,8	0,9	1,0	—	1,2	12,8	1,7	38,4	14,8
Brazil	28,3	33,5	39,4	21,0	59,3	79,6	54,4	38,6	10,4	0,4	25,9	13,7
Colombia	2,2	0,2	3,6	3,3	1,2	0,3	2,9	1,6	2,7	0,2	4,2	4,0
Chile	17,3	9,5	12,4	24,8	13,7	15,3	14,2	11,7	19,3	5,3	10,8	30,2
Ecuador	1,5	0,0	1,8	2,6	2,6	0,0	0,7	6,2	0,9	0,0	2,9	1,1
México	23,6	49,7	6,1	7,8	8,5	0,3	10,5	16,8	32,4	85,2	2,1	4,2
Paraguay	4,9	3,6	4,7	6,1	2,7	0,3	3,1	5,4	6,2	5,9	6,1	6,3
Perú	3,9	0,5	4,0	6,0	3,9	1,0	6,9	5,8	3,9	0,2	1,5	6,9
Uruguay	5,4	0,8	3,8	9,5	4,8	1,0	2,4	10,2	5,8	0,6	5,0	9,3
Venezuela	4,5	0,8	4,0	7,5	2,4	1,2	4,9	2,5	5,6	0,5	3,1	9,5
LAFTA total .	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0

Source: Prepared by the «Dirección Nacional de Programación y Control Comercial Exterior» on the basis of data supplied by INDEC.

ARGENTINE EXPORTS TO LAFTA MEMBER COUNTRIES, 1974
(us$ thou.)

Country	Total: Total	Total: Primary	Total: Agric. manuf.	Total: Ind. manuf.	Negotiated products: Total	Negotiated products: Primary	Negotiated products: Agric. manuf.	Negotiated products: Ind. manuf.	Non-negotiated products: Total	Non-negotiated products: Primary	Non-negotiated products: Agric. manuf.	Non-negotiated products: Ind. manuf.
Bolivia	69,066	2,619	21,854	44,593	2,517	1,107	—	1,410	66,549	1,512	21,854	43,183
Brazil	340,555	114,204	52,536	173,815	234,970	107,884	41,930	85,156	105,585	6,320	10,606	88,659
Colombia	31,609	975	7,520	23,114	7,034	433	2,816	3,785	24,575	542	4,704	19,329
Chile	191,283	31,879	49,327	110,077	65,336	22,149	19,494	23,693	125,947	9,730	29,833	86,384
Ecuador	18,195	122	4,778	13,295	6,975	97	370	6,508	11,220	25	4,408	6,787
México	48,555	12,004	8,348	28,203	25,857	786	6,919	18,152	22,698	11,218	1,429	10,051
Paraguay	51,567	9,854	9,045	32,668	12,291	253	757	11,281	39,276	9,601	8,288	21,387
Perú	37,435	7,952	3,796	25,687	9,086	1,741	2,263	5,082	28,349	6,211	1,533	20,605
Uruguay	79,736	16,893	13,164	49,679	21,865	1,325	4,253	16,287	57,871	15,568	8,911	33,392
Venezuela	61,337	12,489	9,142	39,706	8,491	2,347	2,302	3,842	52,846	10,142	6,840	35,864
LAFTA total ..	929,338	208,991	179,510	540,837	394,422	138,122	81,104	175,196	534,916	70,869	98,406	365,641

Scurce: Prepared by the «Dirección Nacional de Programación y Control Comercial Exterior» on the basis of data supplied by INDEC.

ARGENTINE EXPORTS TO LAFTA MEMBER COUNTRIES, 1974
Percent participation by each country over LAFTA total

Country	Total: Total	Total: Primary	Total: Agric. orig.	Total: Ind. orig.	Negotiated products: Total	Negotiated products: Primary	Negotiated products: Agric. orig.	Negotiated products: Ind. orig.	Non-negotiated products: Total	Non-negotiated products: Primary	Non-negotiated products: Agric. orig.	Non-negotiated products: Ind. orig.
Bolivia	7,4	1,2	12,2	8,2	0,6	0,8	—	0,8	12,4	2,1	22,1	11,8
Brasil	36,6	54,6	29,3	32,1	59,6	78,0	51,7	48,6	19,7	8,9	10,8	24,2
Colombia	3,4	0,5	4,2	4,3	1,8	0,3	3,5	2,2	4,6	0,8	4,8	5,3
Chile	20,6	15,2	27,5	20,3	16,5	16,0	24,1	13,5	23,5	13,7	30,2	23,6
Ecuador	2,0	0,1	2,7	2,5	1,8	0,1	0,5	3,7	2,1	0,1	4,5	1,9
México	5,2	5,7	4,6	5,2	6,6	0,6	8,5	10,4	4,2	15,8	1,5	2,8
Paraguay	5,5	4,7	5,0	6,0	3,1	0,2	0,9	6,4	7,3	13,5	8,4	5,9
Perú	4,0	3,8	2,1	4,7	2,3	1,3	2,8	2,9	5,3	8,8	1,6	5,6
Uruguay	8,6	8,1	7,3	9,2	5,5	1,0	5,2	9,3	10,8	22,0	9,1	9,1
Venezuela	6,6	6,0	5,1	7,3	2,1	1,7	2,8	2,2	10,0	14,3	7,0	9,8
Total ALALC ..	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0

Source: Prepared by the «Dirección Nacional de Programación y Control Comercial Exterior» on the basis of data supplied by INDEC.

AMPLE PROSPECTS FOR GRAIN SORGHUM

Within the Western Hemisphere, Argentina is the country in which, in relative terms, grain sorghum has taken on greatest importance. Although the total crop in the United States exceeds by far the Argentine harvest of this grain, in relation to the volume of maize and wheat — the two most importante grain crops in the West and Argentina — sorghum represents only 10 % in the States, whereas in Argentina volume is equivalent to 35 %: a figure which confirms its importance in relation to other corps.

DEVELOPMENT

In Argentina, cultivation of sorghum is relatively new. Expansion dates from the 50s and is therefore slightly over 20 years old. Yet in this short lapse of time it has increased spectacularly. In the last two or three years the acreage sown to this crop has been of the order of 3 million hectares. At present it ranks third in importance among annual crops, and should the trend of the last two or three quinquenniums be kept up, before another decade elapses grain-sorghum will be on a par with maize and wheat.

It is also possible that this crop may continue to expand in future, if it be considered that it can thrive in a considerably vast area, including zones considered as sub-humid and semi-arid comprised in the pampas and northwestern regions of Argentina. In brief, the country has a major potential of soil suitable for this crop.

EXPORTS

A high percentage of the sorghum harvest is sold to foreign markets. In 1970/74, average yearly sales abroad were two million anual tons, which represent 45 % of total harvest in the same period; that is to say, a volume slightly lower to that sold for domestic consumption. In the United States, on the other hand, home consumption considerably exceeded exports for a comparable period, and amounted to less than 30 percent of harvest.

During the last five years, Argentina has exported grain sorghum to forty-five countries, a fact which reflects its ample acceptance, as well as the diversification of external markets for this crop. Among buyers Japan is by far the most important. In recent years purchases from this country have represented close to 50 percent of exports. Other significant buyers are Belgium, Spain, India and Portugal.

PROSPECTS

From a production view point, prospects for grain sorghum in Argentina are vast. And as seen from standpoints of domestic and foreign demand, to which great importance attaches, possibilities are equally promising, particularly as regards the latter. Although its value as forage in slightly inferior, grain sorghum is a good substitute for maize in nearly all kinds of animal feed. Proportions in its use to a certain extent depend almost exclusively on price relationship. Apart from which it can also substitute maize as an industrial, basic commodity, and be included among the latter together with fermentation types (alcohol, etc.), as well as with those processed in humid milling (starch, glucose).

Its ability to substitute for maize justifies the elasticity of its demand: in other words, demand can easily be increased by effecting only a slight reduction in the relative price of other forage grains, particularly maize.

In short, grain sorghum takes an important place in Argentine agriculture, a place which it is highly probable will expand considerably in the next five or ten years, up to the point of ranking level with the two great traditional crops: maize and wheat.

ZANELLA Hnos. & Co. S.A.

ADDITIONAL EXPANSION

As a corporation, Zanella Hnos. & Co. S.A. began operations in 1938. But its establishment as such is only the culmination of long years of steady work by its founders in the field of metallurgy.

Actually this company has been the first in Argentina —presumably also in Latin-America— to produce motorcycles. While maintaining its current manufactures, particularly car parts ordered by automotive plants, it has gradually converted its own plant and equipment to include the manufacture of terminal products of its own make. This conversion has been carried out gradually, and at present, in view of widespread demand from domestic and foreign markets both, Zanella has for the second time expanded its production facilities.

Zanella is an Argentine company founded on Argentine capital. Shares traded in the Buenos Aires Stock Exchange stand for approximately 15 percent of capital; the remaining 85 % is held by the mayority group of shareholders, by the National Development and by the Savings and Insurance banks, respectively.

PRODUCTION

Production by this firm currently covers the following items;

— Motor-vehicles (motor-scooters, motorcycles, cyclemotors and motorvans). The complete unit, engine included, is produced.

— super-automatic dish-washers, for domestic use;

— metal booths for public telephones;

— car parts.

MOTOR-VEHICLES

The product engineering and the technology applied in manufacturing motor-vehicles are partly of the own firm and partly due to technical cooperation from F.B. Minarelli, of Bologna, Italy.

Models currently being produced, including motor, are 48 cc, 125 cc, and 180 cc. Between them, they supply as much as 80-85 percent of local market demand. In addition to this, a new 125 cc motorcycle model is now ready to be launched on the market. It will be powered by a 15 HP engine instead of its present 6.5 HP one, and will be fitted with a 5-speed, instead of four, gear box. Presentation of this new model will rank this firm on a par with others operating around the world.

Also contemplated is a 200 cc model, 24 HP true power, to cater to demands of a considerable number of motorcycle enthusiasts. The production is also envisaged of a 48 automatic clutch model suitable for driving in crowded city traffic.

Following on new investments, it is expected that this firm will increase its production fourfold by 1978.

Noteworthy is the fact that integration with Argentine manufactured components is 98 percent.

DISH-WASHING MACHINES

Estimated demand for dish-washing machines is from 5 to 6 thousand units per year. For the design and production of this article the firm drew on its own experience in precision mechanics, and also relied on technical advice from the italian firm Zoppas. Engineering for the product was done at the pertinent department in the company. Locally produced components for this article are 93 percent of total.

TELEPHONE BOOTHS

Booths for public telephones are manufactured by joint agreement with SIAP S.A. a firm wich secured a contract from ENTEL, the State-owned telephone company, for supplies of this commodity.

CAR PARTS

Production in this line caters to terminal automotive manufacturing plants such as Fiat Concord, Safrar (licensed by Peugeot), General Motors Argentina, Citroën Argentina, and others.

PLANT FACILITIES

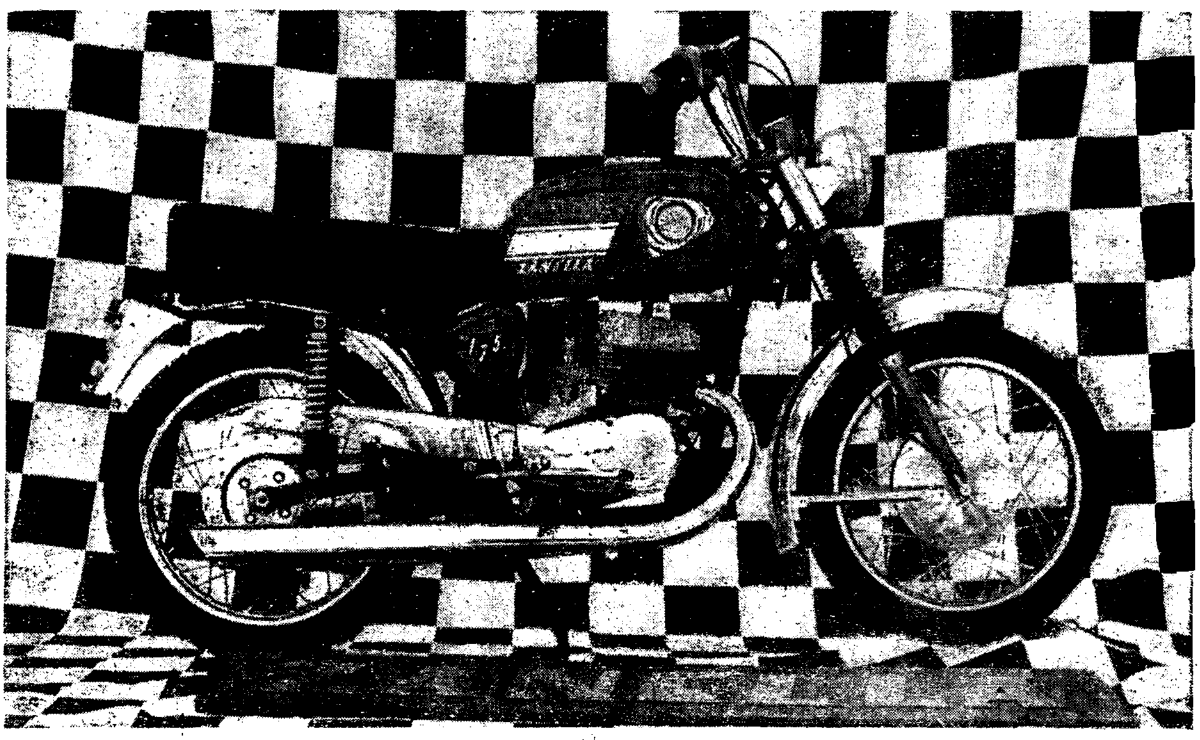
Production is carried out at three different plants, all located in Caseros (Province of Buenos Aires). The plants are fitted with modern machinery and equipment, to which continual additions are made as per latest advances in technology. Altogether, they cover 14.500 sq metres of ground. Personnel is 540: 400 workers, 65 administrative employees and 75 technician and higher-level staff.

EXPORTS

When it started operating 15 years ago, Zanella took advantage of fiscal support provided for exports and directed its efforts at gaining access to foreign markets. Exports began in 1961, worth only 7,700 dollars then but by 1974 and 1975 they were already in excess of one million dollars. Its record single sale was for 1.000 motorcycles to the United States.

Widely accepted dish-washing machine

175 cc Zanella motorcycle



EXPORTS PER YEAR; AGGREGATE TOTAL. 1961-76

Year	US$ F.O.B.
1961	7,700
1962	59,900
1963	206,400
1964	109,400
1965	65,200
1966	162,100
1967	192,100
1968	106,100
1969	135,000
1970	256,500
1971	404,300
1972	639,100
1973	742,700
1974	1,006,200
1975	1,076,100
1976 (lst. semester)	792,522
Total	5,841,494

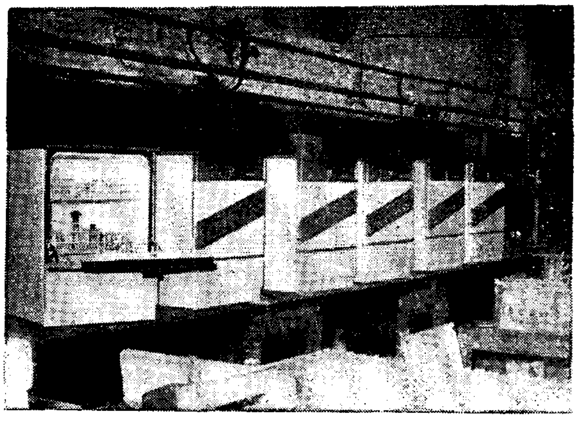
Exports consist mainly of dishwashers and motors for motor-vehicles. Break-down by products is as follows:

1. DISHWASHERS: Exported to Brazil and Mexico.
   Units exported at 30/6/76 15,006
   US$ F.O.B. 668,974
2. MOTORS FOR MOTOR-VEHICLES: to Uruguay and Brazil.
   Units exported at 30/6/76 13,710
   US$ F.O.B. 1,530,322
3. MOTOR VEHICLES: To Bolivia, Chile, Ecuador, Paraguay, Peru, Venezuela and the United States of America.
   Units exported at 30/6/76 3,823
   US$ F.O.B. 990,000
4. SPARES AND MISCELLANEOUS
   US$ F.O.B. 652,198

Motorcycle assembly shop

The company adopted a policy of preserving a sound relationship with markets gained. This resulted in a continuity of accounts and in consistent prospects. On the basis of orders already placed it is estimated that during fiscal year July 1976/77 total exports may exceed the two million dollar mark.

Shop for rectification



Quality control section

Argentine Meat Products at the International Food Industries Fair held in Western Germany

The possibility of placing its primary products in the greatest possible number of markets, and the attendant commercial advantages following on such action, warrant Argentina's frequent participation in qualified international exhibits.

The success of this policy is shown by the commercial repercussions following on its participation at the International Fair of Food Industries —IKOFA '76— held recently in Munich. Out of a number of stands put up by Argentina, the one exhibiting livestock products attracted numerous importers from several countries who were clearly interested in imports of frozen chicken and eggs.

Also apparent was the possibility of gaining access to new markets for the sale of significant amounts of canned meat products.

Specifically catering to the needs of entrepreneurs and businessmen at IKOFA '76, the National Meat Board exhibited a stand designed to highlight meat exports. Emphasis was placed on livestock products with considerable added value, on canned meat and cooked foods.

The stand presented by the Board covered 100 sq metres. It was supplemented by other Argentine stands put up by the National Grain Board as well as by private exporters. The overall picture provided was representative of foreign trade possibilities of Argentina.

Interest by Federal Germany on mutton cuts and offals, which were exhibited for the first time at this Fair, was apparent.

The National Meat Board stand also served to illustrate the quality and purity of Argentine products, all of them submitted to severe sanitary control. Visitors to the stand were given information on the prestige and sales volume attained by such products in different world markets.

The stand included a display of ice-boxes containing packed frozen products. An audiovisual projector system informed spectators on standards attained by Argentina on technology as applied to meat carcasses. Visitors had the opportunity of trying some of the products and were provided with information on the commercial aspects of the meat industry.

An idea of the importance of the Argentine presentation at this Fair —taking place every two years— may be gleaned from the announcement made by the Undersecretary for Food, Agriculture and Forestry of Federal Germany who, on visiting the Argentine stand, declared that Germany will be ready to renew its meat purchases starting 1977, once stockpiles built up by the increased slaughter of cattle due to the European drought have been liquidated.

RESEARCH AND PRODUCTION OF BASIC DRUGS

Part of the fermentation section of the chemical plant at Laboratorios Bagó.

Laboratorios Bagó (address: Bernardo de Irigoyen 248, Buenos Aires, Argentina) began producing chemopharmaceutical drugs and medicinal products in April 1934. The firm is principally concerned with advancing Argentine technology and research.

The first bulk imports of penicillin to Argentina were undertaken by this firm in 1946. A year later it established a research and development centre for the purpose of maintaining itself informed on latest developments in therapeutics. Thus, its scientists have attended various international meetings: the Panamerican Congress on Pharmacy and Biochemistry (São Paulo), Meeting on Antibiotics and Chemotherapeutics (Buenos Aires), Latin-american Congress on Chemistry (Caracas) and others.

Bagó operates two industrial plants. One is devoted to the production of medicines, to quality control and to pharmaceutical techniques, and is located in La Plata (province of Buenos Aires). The other, Centro Industrial City Bell, belonging to the Chemistry and Technology Division, is devoted to the production of synthetic drugs, fermentation drugs, and those processed by combined technology, such as semisynthetic penicillins. On the basis of its past record in research and production, Bagó emerges as comprehensive basic chemopharmaceutical industry.

The industrial complex at City Bell (province of Buenos Aires) is divided into two major centres: one concerned with production and technology and the other with research and development.

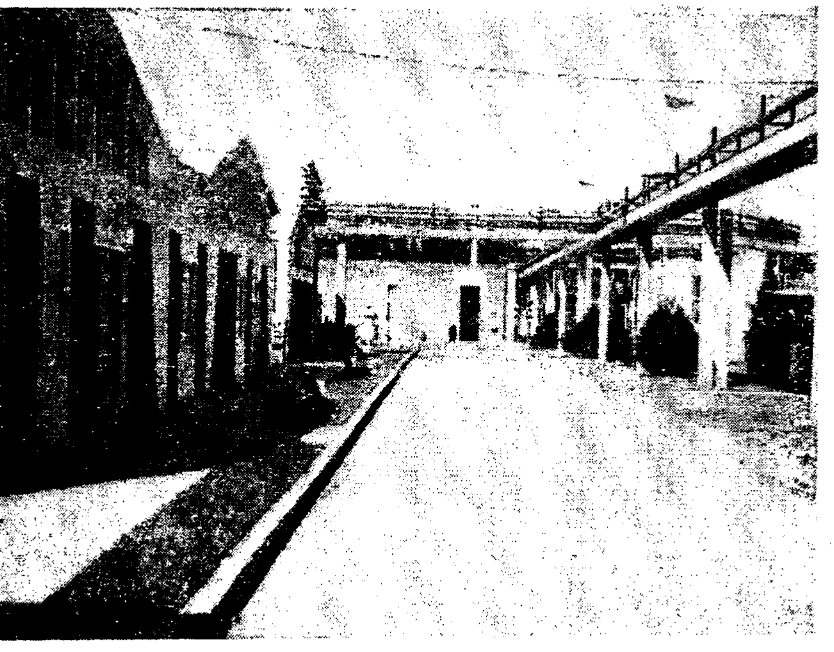
Basic drugs, particularly such antibiotics as semi-synthetic penicillins, are produced in the first of these centres, which is also concerned with evolving new technologies for optimum output. The second centre does experimental research, testing and application of new processes at pilot and experimental levels, as well as pharmaceutical and microbiological research.

The establishment of a plant for the production of raw materials aims at meeting not only the needs of the company itself, but also demands by the domestic and international markets. Technology for the plant was entirely designed by the «Laboratorios Bagó» technical staff, and equipment installed was 80 percent locally manufactured. The remaining 20 percent was imported.

The company was able to compose a team of outstanding specialists, in some cases by securing the return of Argentine technicians who had settled abroad because of better work opportunities. Total working force is now over 1,500, of which nearly 350 are professionals and technicians from several disciplines. At present, Laboratorios Bagó produces the following extensive line of basic drugs and pharmaceutical raw materials.

ANTIBIOTICS

Ampicillin trihydrate, Anhydrous ampicillin, Sterile anhydrous ampicillin, Sodium ampicillin, Sterile sodium ampicillin, Benzathine ampicillin, Sterile benzathine ampicillin, Sodium cloxacillin, Sterile sodium cloxacillin, Sodium dicloxacillin, Sterile sodium dicloxacillin, Potassium hetacillin, Acid hetacillin, Sodium metampicillin, Benzathine penicillin G, Pivampicillin and Amoxicillin.



View of the side entrance to the chemical plant.

VITAMINS

Hydrox-cobalamin and Cyanocobalamin.

DELAYED ACTION SALTS (Bagó trademark)

Amphetamine dibudinate, Chlordiazepoxide dibudinate, Desipramine dibudinate, Dicyclomine dibudinate, Medazepan dibudinate, Noscapine dibudinate, Procaine dibudinate, Propranolol dibudinate, Tetracaine dibudinate, Vitamin B1 dibudinate and Vitamin B6 dibudinate.

OTHER DRUGS

Niflumic acid, Dextrofurfenorex, Clobenzorex, Calcium gluconate, Potassium gluconate, Tetramisole, Levamisole, Phthalylsulfathiazole and Phosphamisole.

LOCAL MARKET

Since 1971, Bagó Laboratories has ranked first in sales volume among its competitors. Output of medicinal products, which was 1,5 million units/month in 1972, climbed to over 2 million in 1976. Similarly, the manufacture of leiofilised products rose from 300,000 to 800,000 units/month during the same period.

In a market served by over 300 laboratories, Bagó currently accounts for 5.2 percent of total sales. Main sales lines are antibiotics, vitamin complexes, analgesics decongestants and anti-infection products, and a varied line of medicinal products as well.

EXPORTS

The company began exporting in 1967, when medicines were sold to Paraguay, Uruguay, Bolivia and other countries. Since 1968, sales have grown steadily, and new markets such as Brazil, Colombia, Chile, Spain, Mexico, Panama, Peru, Portugal and Uruguay have opened their gates to shipments of basic drugs and semiprocessed products. Ecuador, Guatemala, Nicaragua and Paraguay, apart from human medicinal products, also purchase veterinary products. Between 1969 and 1975, a period in which the international market was awarded priority by expansion plans of this company, exports rose from 45,000 to 2,000,000 dollars. Regular sales were also made to the United States and to some European countries such as Italy, Germany, Denmark and the United Kingdom.

Increased production, the addition of new products and the technological development attained by BAGO account for its high standing in foreign markets and its ability to compete as an exporter with major world-market suppliers.

In view of the technological standards and degree of development attained, Bagó is now in a position to export technology for independent drug producing by other countries as well as to supply consulting services and personnel training.

New areas have thus been laid open for an Argentine enterprise to cooperate with countries that are relatively less developed in this field, thereby contributing to their achieving self-development in accordance with their own local needs.

STOCKS AND EXPORTS OF TOBACCO

AT 30 APRIL 1976

Total stocks in the different tobacco growing areas in Argentina at April 30 this year was 60,513,771 kilograms.

Breakdown by provinces was as follows: SALTA, 18,594,437 kilogrammes; JUJUY, 23,358,869 kg; CHACO, 1,066,175 kg; MISIONES, 706,595 kg; CORRIENTES, 11,060,095 kg; SANTA FE, 134,007 kg; TUCUMAN, 5,501,590 kg.

Stocks by types of tobacco and commercial classes are illustrated in the following chart.

TOBACCO STOCKS IN CROP AREAS AS AT 30 APRIL 1976
1975-76 HARVEST
COMMERCIAL CLASSIFICATION

Commercial types	First	Second	Third	Fourth	Fifth	Lots	Total kg.
AGGREG. TOTAL							60,513,771
SALTA							18,594,437
Virginia	9,365,582	1,800,305	18,077	4,009,438	1,188,912	41,976	13,924,290
SALTA	9,265,091	1,284,440	18,077	9,968,668	1.174,064	41,923	15,752,868
JUJUY	99,891	15,865	—	40,770	14,848	48	171,422
Burley	1,580,925	224,986	671,437	243,699	—	—	2,670,147
SALTA	1,526,004	224,614	669,454	242,508	—	—	2,682,575
JUJUY	4,021	372	1,983	1,196	—	—	7,572
JUJUY							23,358,869
Virginia	12,402,623	1,558,584	53,990	5,434,725	1,339,389	52,660	20,901,971
JUJUY	12,112,412	1,524,305	53,106	5,312,423	1,363,249	50,999	20,416,494
SALTA	290,211	34,279	884	122,302	36,140	661	485,477
Burley	1,022,388	238,353	731,050	406,188	—	4,648	2,456,898
JUJUY	849,462	187,687	634,979	406,188	—	4,648	2,082,964
SALTA	172,926	50,666	96,071	54,271	—	—	373,934
CHACO							1,066,175
Virginia	509,515	113,125	—	220,023	94,204	—	936,867
Criollo correntino	81,553	22,592	25,163	—	—	—	129,308
MISIONES							706,595
Virginia	245,033	59,623	3,972	136,199	121,829	295	566,951
Bahía	16,212	1,204	1,658	2,670	—	—	21,744
Burley	73,676	8,328	21,595	14,301	—	—	117,900
CORRIENTES							11,060,095
Criollo correntino	5,812,637	1,457,062	3,735,471	—	—	—	11,005,170
Bahía	23,810	8,855	12,908	9,352	—	—	54,925
SANTA FE							134,007
Burley	48,594	4,564	50,107	30,742	—	—	134,007
TUCUMAN							5,501,590
Virginia	10,066	3,035	—	8,565	810	—	22,476
Burley	4,749,517	245,372	444,958	39,267	—	—	5,479,114
TUCUMAN	4,549,147	233,094	425,069	36,370	—	—	5,243,680
CATAMARCA	200,370	12,278	19,089	2,897	—	—	235,434
CORDOBA							92,003
Oriental	13,424	44,015	24,880	9,684	—	—	92,003

Cumulative exports from January to April this year were 10,347,284 kg, for an fob value of 3,501,987 dollars.

The main buyers were France, for 6,957,338 kg, followed by the Federal German Republic, for 1,092,798 kg.

Smoking is an ingrained habit among Argentines. Preference lies with cigarettes, particularly mild Virginia.

In the month of April last consumption was 171,149,066 packets of cigarettes (20 cigarettes to each packet), of which total 135,525,401 were of the blonde type and 35,623,665 consisted of black, strong tobacco.

Concerning the price of each packet, figures show that smokers have a preference for medium priced cigarettes. Of the brands ranging in the middle third of the price bracket, 88,168,017 packets were sold, which is equivalent to slightly over fifty per cent of total.

TOTAL EXPORTS JANUARY-APRIL 1976

Commercial type	Destination	Net weight kg
AGGREGATE TOTAL:		10,347,284
IN LEAF:		9,753,161
Correntino	Spain	113,801
Correntino	USA	397,013
Correntino	France	3,511,437
Correntino	Holland	23,749
Misionero	Germany	158,504
Misionero	Algiers	125,154
Misionero	Belgium	14,831
Misionero	USA	984
Misionero	France	3,445,901
Misionero	Holland	328,352
Misionero	Uruguay	271,520
Misionero	Switzerland	20,117
Kentucky	Belgium	37,486
Virginia	Germany	1,092,798
Virginia	Austria	6
Virginia	Holland	1
Virginia	Uruguay	211,507
CLEAR OF STICKS:		274,801
Correntino	Portugal	91,168
Misionero	Belgium	15,061
Misionero	USA	9,767
Virginia	Belgium	80,005
Virginia	Ecuador	5,918
Virginia	USA	54
Virginia	Holland	51
Virginia	Puerto Rico	2
Virginia	Uruguay	72,775
STALK:		236,168
Virginia	Germany	236,143
Virginia	Holland	25
CUT:		83,153
Blond mixture	Bolivia	83,153
POWDER:		1
Virginia	Holland	1

ARGENTINE-ISRAELI TRADE

During 1975, Argentine exports to Israel totalled 21,136 tons, value of u$s 17,380,00. Imports, on the other hand, were 5,551 tons, value of u$s 3,227,000.

In the first five-month period this year, exports from Argentina to Israel reached 13,735 tons, value of u$s 9,444,000, while imports from Israel were 2,275 tons, value of u$s 1,900,000. According to these figures, it can be estimated that trade will show a favourable balance for Argentina of u$s 18,1 million.

As wide variety of products are exported to Israel. Apart from meat and offals, which are detailed below, the following products are currently exported:

Wool; quebracho (hardwood) extract; linseed oil; cow-hide leather rugs; birdseed; rice; plastic fibre, glass and wooden goods; cars; cars, excluding wheels; car parts and spares; sugar; sweets; onix ash-trays ophthalmic crystals; lollypops; marmelades and fruit preserves; canned peaches; electric lighters; mosquito spirals; artificial flowers, wood; furniture, wood; wood, plastic-fibre toys; lemon and grape-fruit concentrates; Argentine walnut; tables, gynaecology; leather saddles; elecric motors; moccasins, men; grinders; electrical systems parts, tomato paste; tomato peeling equipment; canned pears; table-ware plates; dental products; tomato purée; cheese, «reggianito»; time-card punching machines; spares for watches; tables, chairs; tea; gravy concentrate; turbogenerators (telephone material); glass, table ware; wines; mate, tea; others.

Beef, mutton and **fish** products exported to Israel are as follows:

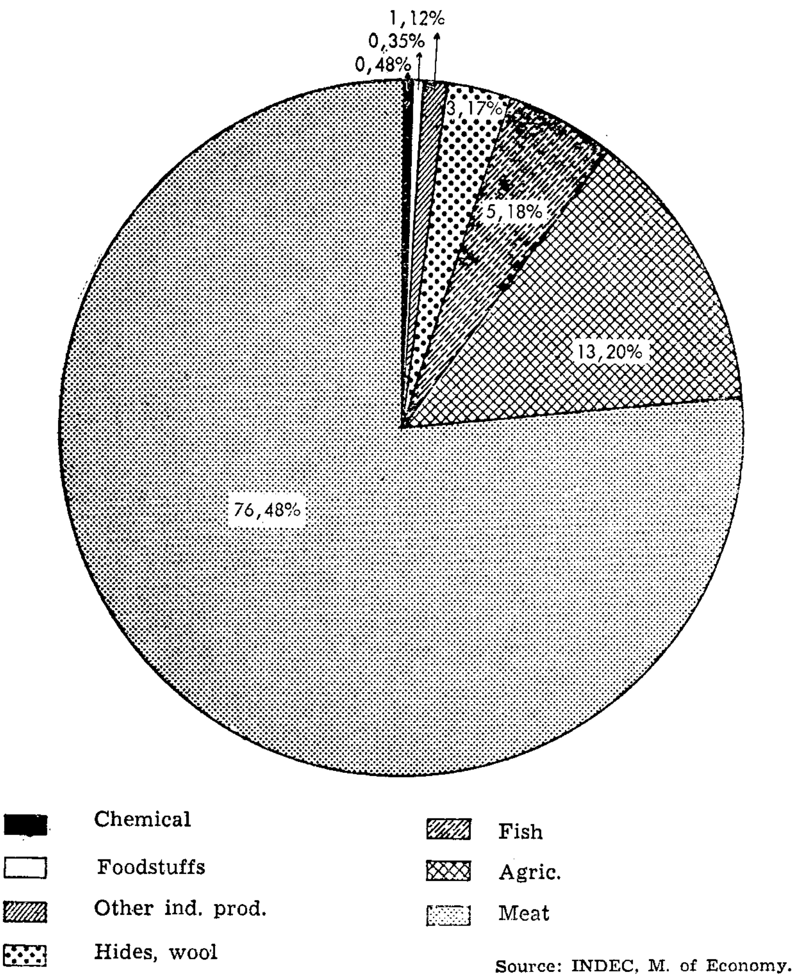
Beef: Loin steak, frozen; frozen beef meat, Kosher; roast beef, koscher; canned beef meat; canned beef meat, S/H; frozen beef meat, S/H Kosher; frozen ox-tail; frozen beef hearts; frozen beef liver; frozen beef liver, Kosher; frozen beef cuts, Kosher S/H; fleshed hides, pickled; salted frozen goulash, Kosher; salted frozen gouslah, Kosher S/H; frozen beef goulash, Kosher; frozen beef goulash, Kosher S/H; frozen beef liver; frozen beef liver, Kosher; frozen ox-tongue; frozen ox-tongue, Kosher; frozen beef offals, Kosher; beef tripe, frozen; frozen beef brains, Kosher; frozer fore-quarters, Kosher; frozen liver, Kosher; frozen tongues, Kosher; frozen beef brains, Kosher; bristle.

Mutton: frozen lamb; frozen lamb, Kosher; frozen mutton offals, Kosher; pickled sheepskins; dry hides.

Fish: codfish (abadejo) frozen; mackerel, in oil; croaker (corvina), frozen; Patagonian hake (merluza), fillet; Patagonian hake, frozen fillet; fish, frozen fillet; hake, frozen; fish, frozen; tunny, frozen.

Conversely, Argentina purchases from Israel the following: pharmaceutical products, veterinary drugs, insecticides and fungicides, weewillers and growth regulators, fertilizers, liquid bromine, sodium bromide, potassium, ammonium, ethylene di-bromide, pectin, PVC polymers, irrigation equipment and parts, hypodermic needles, saws, flower bulbs, special tyres and tubes, etcetera.

ARGENTINE EXPORTS TO ISRAEL, BY SECTORS (1975)

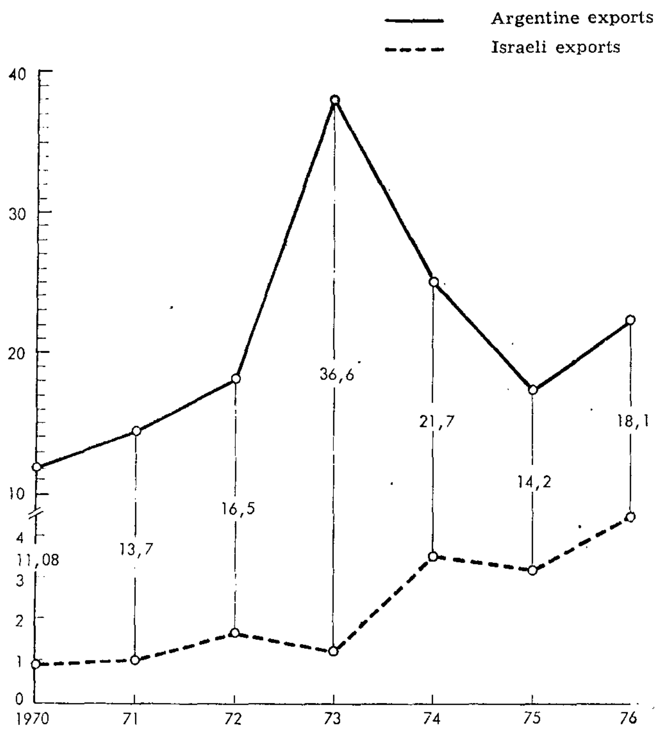


Source: INDEC, M. of Economy.

ARGENTINE-ISRAELI TRADE BALANCE

(1970-1976)

(MILLION DOLLARS)



Note: 1976 figures based on projection of Jan - May values.

ARGENTINE-ISRAELI TRADE 1975 AND 1976 (5 MONTHS)

MONTH	1975 EXPORTS tons	1975 EXPORTS US$ thou.	1975 IMPORTS tons	1975 IMPORTS US$ thou.	1976 EXPORTS tons	1976 EXPORTS US$ thou.	1976 IMPORTS tons	1976 IMPORTS US$ thou.
Jan.	2	11	198	348	2,315	793	248	174
Feb.	994	1,105	2,092	537	4,847	4,314	276	930
Mar.	920	557	128	339	904	411	64	245
Apr.	1,268	1,503	1,151	319	5,397	3,699	778	150
May	464	474	1,089	321	272	227	909	401
Jun.	3,163	2,781	274	278				
Jul.	350	345	302	379				
Aug.	817	548	124	322				
Sept.	1,672	1,401	10	43				
Oct.	4,686	4,465	51	107				
Nov.	4,541	3,382	111	156				
Dec.	2,259	807	21	78				
TOTAL 1975	21,136	17,380	5,551	3,227				
TOTAL Jan.-May 1976					13,735	9,444	2,275	1,900

Source: I.N.D.E.C.

ARGENTINE STATISTICS

EDUCATION AND CULTURE

(number of students)

	1971	1975
University	321,782	596,736
Secondary	1,007,537	1,243,058
Primary	3,671,451	3,805,454
Pre-primary	240,617	369,082
Para-systematic	357,545	436,594
TOTAL	5,598,932	6,450,924

TRANSPORT AND COMMUNICATIONS

		1975
Automotive vehicles	units	3,126,000
Road network		
Total	thou. km.	206.4
Paved		48.6
Railways		
Total length	km.	40,236
Passengers transported	mil.	436.5
Freight dispatched	mil. tn.	17.2
Merchant Fleet		
Gross registry	thou. GRT	342.7
Commercial Air Fleet		
Passengers transported	thou.	4,602.4
Internal traffic	thou.	2,709.1
International traffic	thou.	1,893.2
Telephones	thou.	1,840.0

TRADE BALANCE

(us$ million)

	1971	1972	1973	1974	1975
Imports	1,868.1	1,904.7	2,235.3	3,634.9	3,946.5
Exports	1,740.4	1,941.1	3,266.0	3,930.7	2,961.3
Balance	- 127.7	36.4	1,030.7	285.8	- 975.1

TOTAL ARGENTINE EXPORTS

(us$ million)

	1971	1972	1973	1974 *	1975 *
Total	1,740	1,941	3,266	3,930.7	2,961.3
Primary and industrial, customary	1,300	1,358	2,541	2,704.7	2,001.3
Industrial, non-customary	440	583	725	1,226.0	360.0

* Tentative figures.

GROSS DOMESTIC PRODUCT, BY SECTORS

SECTORS	us$ millions at 1973 prices			Structural percentage			Annual variation rates	
	1973	1974	1975	1973	1974	1975	1974	1975
Agriculture	47,519	50,953	50,332	14.2	14.3	14.4	7.2	- 1.2
Mining	4,669	4,765	4,559	1.4	1.3	1.3	2.1	- 4.3
Manufacturing industries	105,350	112,960	108,929	31.6	31.8	31.1	7.2	- 3.6
Construction	14,315	16,048	14,608	4.3	4.5	4.2	12.1	- 9.0
Sub-total	171,853	184,776	178,427	51.5	51.9	51.0	7.5	- 3.4
Electricity, gas and water	5,489	5,865	6,210	1.6	1.7	1.8	6.9	5.9
Transport and Communications	27,176	28,551	27,415	8.2	8.0	7.8	5.1	- 4.0
Trade	51,749	55,982	53,713	15.5	15.7	15.3	8.2	- 4.0
Financial	11,436	12,171	12,975	3.4	3.4	3.7	6.4	6.6
Community, social and individual services	66,012	68,420	72,038	19.8	19.3	20.5	3.6	5.3
Sub-total	161,864	170,989	172,354	48.5	48.1	49.1	5.6	0.8
Gross Domestic Product (at cost)	333,717	355,715	350,781	100.0	100.0	100.0	6.6	- 1.4

(*) The Argentine monetary unit is the peso ($ — arg. pesos). The current value of one u$s dollar is $ 250.00 on the free market exchange.

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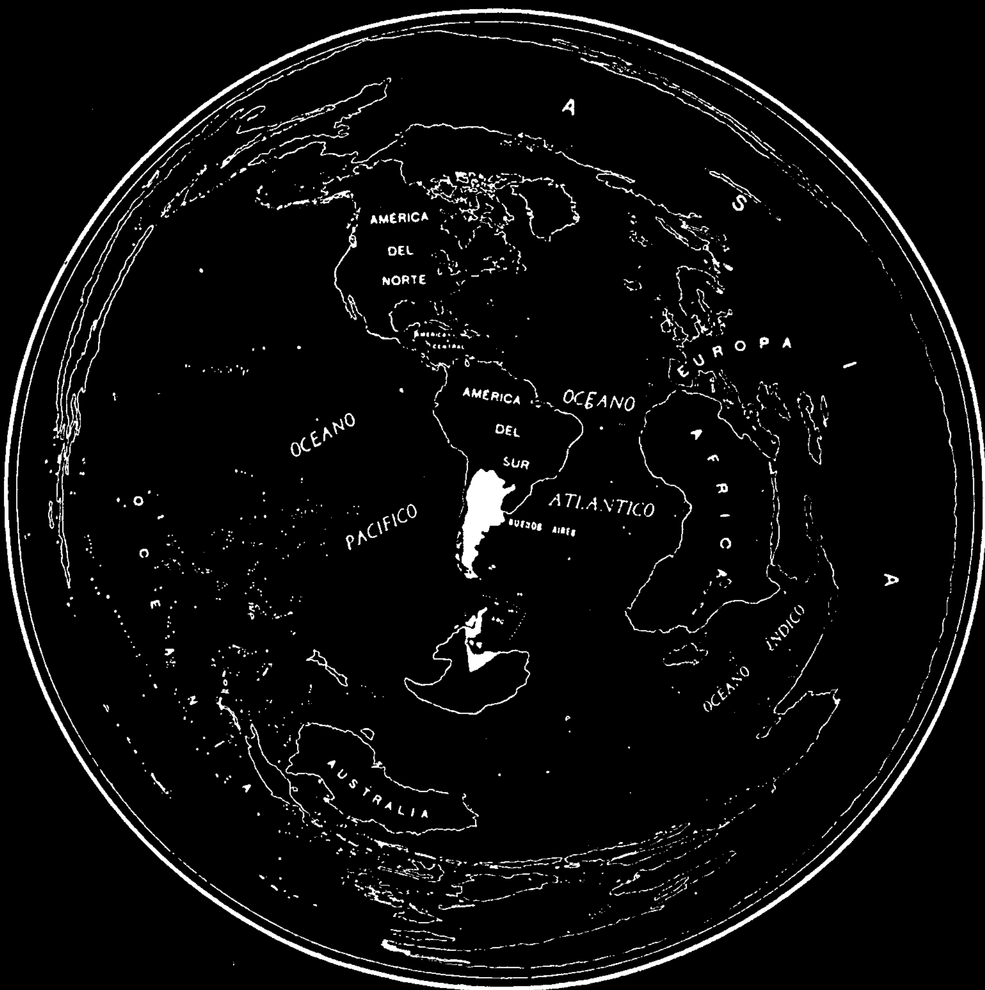

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