

INTERNATIONAL MONETARY FUND



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## Uruguay—Statistical Annex

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INTERNATIONAL MONETARY FUND

URUGUAY

Statistical Annex

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Main Economic and Financial Indicators

Social and demographic indicators

Area	176,320 sq. kilometers
Population (mid-1994)	3.17 million
Annual rate of population increase (1980-92)	0.6 percent
Crude birth rate (1992)	17 per 1,000
Crude death rate (1992)	10 per 1,000
Infant mortality (1992)	20 per 1,000 live births
Population per physician (1991)	304
Population per hospital bed (1990)	221
Urban population with access to safe water (1990)	95 percent
Rural population with access to safe water (1990)	100 percent
Energy consumption per capita (1992)	642 kilograms of oil equivalent
Per capita protein intake (1989)	79 grams per day
Per capita intake of calories (1989)	2,791 per day
Primary school enrollment (1992)	110 percent
Unemployment rate (end-1994)	9.1 percent

GDP (1994)

Ur\$78.5 billion  
US\$15.6 billion

GDP per capita (1994)

US\$4,915

	1991	1992	1993	Prel. 1994
<u>Ratios to GDP</u>				
Exports of goods and nonfactor services	22.2	21.6	19.6	20.7
Imports of goods and nonfactor services	19.8	21.2	21.0	22.2
Current account of the balance of payments	0.4	-1.0	-2.6	-2.5
Central administration revenues	18.3	18.9	19.0	19.5
Central administration expenditure	17.9	18.1	20.0	21.8
Public sector savings (including losses of official banks)	2.3	4.0	3.1	2.6
Nonfinancial public sector overall surplus or deficit (-)	1.2	2.0	-1.0	-2.5
Financial public sector balance	-2.9	-1.9	-0.9	-0.7
Combined public sector balance	-1.7	0.1	-1.9	-3.2
External public debt (end of period) 1/	35.3	31.4	29.0	27.1
Total external debt (end of period) 1/	43.1	40.9	38.6	35.0
Total debt service ratio (in percent of exports of goods and nonfactor services) 2/	52.4	25.3	29.7	23.5
Public interest payments (in percent of exports of goods and nonfactor services) 2/	13.5	10.3	11.3	8.2
National saving	13.9	12.3	11.4	11.4
Gross domestic investment	13.5	13.3	14.0	13.9
Money and quasi-money in domestic currency (banking system, end of period)	11.7	10.2	10.9	9.4

Annual changes in selected economic indicators

Real GDP per capita	2.6	7.3	1.9	4.6
Real GDP	3.2	7.9	2.5	5.1
GDP at current prices	107.2	76.9	48.1	47.8
Domestic expenditures (at current prices)	113.5	81.1	50.2	48.4
Investment	155.0	74.4	56.0	46.6
Consumption	108.1	82.2	49.3	48.7
GDP deflator	100.7	64.0	44.4	40.7
Wholesale prices (annual average)	87.6	58.3	33.4	34.2
Consumer prices (annual average)	101.8	68.5	54.1	44.7
Consumer prices (end of period)	81.3	58.9	52.9	44.1
Central administration revenues	117.0	82.3	49.3	51.5
Central administration expenditure	112.1	78.4	62.5	60.8
Central administration current expenditure	116.3	78.7	58.6	59.6
Money and quasi-money in domestic currency (M-2)	77.3	53.7	52.6	33.7
Money (M-1)	95.5	70.1	58.4	39.6
Quasi-money	58.4	32.6	43.1	23.0
Money and quasi-money in domestic and foreign currency (M-3) 3/	78.2	45.6	35.6	38.1
Real M-2	-2.2	-3.3	-0.2	-7.2

<u>Annual changes in selected economic indicators (continued)</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>Prel. 1994</u>
		<u>(Percent)</u>		
Merchandise exports (f.o.b., in U.S. dollars)	-5.2	6.1	-3.4	16.3
Merchandise imports (c.i.f., in U.S. dollars)	21.9	25.0	13.7	19.2
Total external debt (in U.S. dollars)	-7.5	11.9	7.0	5.0
External public debt (in U.S. dollars)	-7.8	5.1	4.7	7.9
Terms of trade (deterioration -)	-0.2	0.2	-3.6	3.1
Nominal effective exchange rate (depreciation -)	-13.3	-1.2	31.3	36.6
Real effective exchange rate (depreciation -)	14.1	7.0	17.2	5.5

<u>Central administration finances</u>	<u>(Millions of Uruguayan pesos)</u>			
Revenue	3,714	6,771	10,110	15,320
Current expenditure	3,291	5,881	9,344	14,910
Current account	423	890	766	410
Overall balance	77	285	-537	-1,796
External financing 4/	357	697	697	1,256

<u>Balance of payments</u>	<u>(Millions of U.S. dollars)</u>			
Merchandise exports (f.o.b.)	1,605	1,703	1,645	1,913
Merchandise imports (c.i.f.)	1,637	2,045	2,326	2,772
Investment income (net)	-232	-187	-193	-196
Other services and transfers (net)	307	414	521	659
Current account balance	42	-115	-353	-396
Public sector capital (net) 5/	-562	114	190	430
Private sector capital (net), including errors and omissions	282	129	423	192
Overall balance (deficit -)	-237	128	259	226
Valuation adjustment 6/	9	133	31	--
Change in official net reserves (increase -)	228	-261	-290	-226

<u>International reserve position and external debt</u>	<u>(Millions of U.S. dollars, end of period)</u>			
Central Bank international reserves (gross) 7/	1,247	1,209	1,402	1,680
(in months of imports)	6.1	5.0	5.1	5.5
Banking system international reserves (net) 8/	2,731	2,878	2,788	3,060
Total external debt 2/	4,328	4,845	5,185	5,442
Public external debt	3,543	3,725	3,899	4,209

<u>IMF data (as of April 30, 1995)</u>		
Article VIII status		
Intervention currency and rate	U.S. dollar at Ur\$6.060 per U.S. dollar	
Quota		SDR 225.3 million
Fund holdings of new Uruguayan pesos		SDR 229.3 million
As percent of quota		101.8 percent
Reserve position in Fund		SDR 15.4 million
As percent of quota		6.8 percent
Total Fund credit		SDR 19.4 million
From Fund resources		
Credit tranche purchases (including SBA)		SDR 19.4 million
From supplementary and enlarged access resources		
Stand-by purchases		--
Special Drawing Rights Department		
Cumulative SDR allocation		SDR 50.0 million
Net acquisition or utilization (-) of SDRs		--
Holdings of SDRs		SDR 1.0 million
Share of profits from gold sales		US\$10.9 million

- 1/ Excluding reserve liabilities of the Central Bank and foreign currency deposits by nonresidents.
- 2/ On public and publicly guaranteed debt; excludes foreign currency deposits of nonresidents, reserve liabilities of the Central Bank, and short-term amortization.
- 3/ Includes foreign currency deposits of residents and nonresidents; foreign currency deposits converted at the end-of-period exchange rate.
- 4/ Refers to central government. Includes all foreign-currency denominated liabilities of the Government.
- 5/ Figures for 1991 include the use of reserves for the buyback of commercial bank debt.
- 6/ Includes an adjustment to allow for the difference between the price at which gold is bought or sold and the price at which it is valued for reserve purposes.
- 7/ Gold valued at market prices.
- 8/ Gold valued at US\$291.89 per troy ounce.
- 9/ Includes private suppliers' credit and excludes reserve liabilities of the commercial banks and deposits of nonresidents.



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## Pension Reform

### 1. Introduction

The reform of the social security system is the most important structural issue facing Uruguay. Large social security outlays have led to high rates of payroll taxes and large transfers from the Central Government, which has encouraged tax evasion and reduced the availability of resources for other essential public outlays, such as investment and other social services. Moreover, the fast growth of social security outlays has threatened the solvency of the public finances, undermined confidence, and discouraged private investment.

The current administration, with the support of the main opposition party, is planning to submit legislation to Congress shortly for a fundamental reform of the pension system that targets a slowing of pension outlays. The reform would be based on a thorough revision of the current pay-as-you-go (PAYG) public pension system and the establishment of a second tier based on capitalized pension funds.

### 2. Characteristics of the current system

Uruguay's mandatory PAYG public social security system is one of the most comprehensive of Latin America. Currently, the social security system comprises the Social Security Bank (BPS), which covers 88 percent of all retirees; the military and police pension funds, which cover 9 percent of all retirees; and three employee-run pension plans (bank employees, professionals and notaries), which cover the remaining 3 percent of retirees.

In 1994, social security expenditure of the public sector (excluding the employee run pension plans) was equivalent to about 16 percent of GDP. Total social security pensions are estimated at about 13 percent of GDP; by way of comparison, pension outlays average 9 percent of GDP in the OECD countries. In the BPS, outlays on retirement, old age, disability and survivors pensions represented 11 1/3 percent of GDP, while pension outlays of the military and police pension funds were about 1 1/2 percent of GDP. BPS expenditures on health services, unemployment compensation and maternity and family allowances represented 2 1/2 percent of GDP and administrative expenditures represented somewhat less than 1 percent of GDP.

Participation in the social security system is high: 69 percent of the labor force contributes, while about 18 1/2 percent of the population currently qualifies for a pension (compared with 13 percent in the 1950s and 16 1/2 percent of the population that is currently 60 years old or older).

In 1993, the ratio of contributions to pensions was 1.9, compared to an average of 3.3 in industrial countries. <sup>1/</sup>

Social security expenditures relative to GDP expanded rapidly in the past fifty years as a result of the rapid growth of the number of beneficiaries and increased benefits. The increase in the number of beneficiaries reflected the rising life expectancy of the population combined with relatively low retirement ages (55 years for men and 50 years for women before 1979 and 60 years for men and 55 years for women since 1979); the possibility that individuals can receive more than one pension (currently there are on average five pensions for every four pensioners); and weak administration (in particular, with regard to the requirement to prove that the individual has contributed for 30 years to the social security system). <sup>2/</sup> As a result, the number of pensions increased by about 6 1/2 percent a year in the 1940s and the 1950s, about 3 1/2 percent a year in the 1960s and the 1970s, and about 1 1/4 percent a year since the early 1980s (by way of comparison, the overall population grew on average by less than 3/4 percent a year in the last five decades). The slowdown since the 1980s of the growth in the number of pensions was aided by the increase in minimum retirement ages in 1979.

The high level of the system's expenditure also is explained by the relatively high replacement ratio and recent increases in real outlays reflecting the shortening of the indexation period of pensions to past wages since 1989 and the strong increase in real wages in recent years. As a result, pensions in real terms increased by around 50 percent during 1990-94, after declining by about 35 percent during 1982-89 when inflation accelerated.

On the revenue side, the system is funded through a 38 percent tax on wages, of which 20 1/2 percentage points are paid by employers (Table 1), and treasury transfers. Wage contributions yield somewhat less than 8 percent of GDP, while treasury transfers amount to a little over 8 percent of GDP (of which a fifth is the Government's contribution as employer, a third is earmarked value added tax revenue and the rest is unearmarked transfers from the Central Administration).

Evasion of social security contributions is estimated at about one-third of potential revenues or 2 1/2 percentage points of GDP, half of which corresponds to under-reporting of wages to the BPS and half to undeclared earnings. Evasion reflects high contribution rates, the poor administration

<sup>1/</sup> The ratio of contributors to pensioners was 1.1 in the military pension fund, 1.2 in the police pension fund, 2.0 in the BPS and 3.2 in the three employee-run pension funds.

<sup>2/</sup> A particularly acute problem arises from the use of declarations by witnesses in lieu of documentary proof to determine eligibility to social security benefits. This problem is more serious in the rural areas, where currently about 50 percent of workers retire without documentary proof of contributions.

of collections, and the weak link between individual contributions and benefits (arising from lax enforcement of existing requirements for pension eligibility and the limited number of years of earnings used to calculate pensions).

### 3. The proposed system

The reform of the social security system proposed by the authorities would aim at reducing benefits, improving the administration of contributions, and lowering employer contribution rates. The proposed reform only would alter the benefits of future retirees and would be mandatory for individuals that retire after end-1996 (those retiring before then could opt for either the current or the proposed systems). The reform only would cover individuals affiliated with the BPS, but subsequently would be extended to the rest of the labor force.

The proposed reform aims at setting up a mixed system: the first tier would be given by the reformed public PAYG pension system, while the second tier would be given by the operation of complementary capitalization funds. Eligibility to participate in the capitalization funds would depend on the individual's age and level of earnings. The public PAYG pension system would provide a basic pension, and individuals who contribute to the capitalized pension system would derive a complementary pension. The PAYG system would be financed by all employer contributions and by the share of employee contributions that is not transferred to the capitalization funds. The transition to the new system would need to provide for the strengthening of the public finances to compensate for the loss of employee contributions that would be diverted to the capitalization funds. Also, a regulatory framework for private pension administrators would have to be established.

The first tier of the envisaged reform would include measures to reduce the growth of benefits and improve administration in the public PAYG system. To control the growth of benefits, eligibility requirements for retirement pensions would be tightened as follows:

1. The retirement age for women will be increased from its current level of 55 years to 60 years gradually over a period of ten years.
2. The definition of the pensionable base would be changed gradually from average earnings of the last three years to either the average earnings of the last 20 years of contributions, or the average of the last 10 years of contributions as long as it does not exceed the average of the 20 years of highest earnings by over 5 percent.
3. The wage replacement ratio would be reduced substantially for individuals retiring early (Table 2). The wage replacement ratio would be determined as follows: 50 percent of the pensionable base when reaching 60 years of age and 30 years of contributions (currently, the replacement ratio is 60 percent for men and 65 percent for women), plus 1/2 percent of the pensionable base for each year over 30 years of contributions (with a maximum of 5 percent of the pensionable base),

plus 3 percent of the pensionable base for each year that retirement is postponed after 60 years of age (with a maximum of 30 percent of the pensionable base). The maximum wage replacement ratio cannot exceed 85 percent of the pensionable base.

The age requirement to qualify for old age pensions would be set at 70 years of age for men and women (currently it is 65 years for women and 70 for men) and the required number of years of contributions would be raised from 10 to 15. <sup>1/</sup> A minimum pension would be available to individuals reaching 70 years of age who have not contributed to the BPS for 15 years or more. Disability pensions would be reduced from 70 percent to 65 percent of the pensionable base and eligibility criteria would be tightened.

The reform also envisages measures to improve the PAYG system's administration, including the establishment of individual accounts and enhanced controls on eligibility procedures. The establishment of individual contribution accounts would help link individual contributions and benefits. This link, in combination with the lengthening of the period of actual contributions used to determine the pensionable base, would be expected to reduce substantially both evasion levels and the growth of pension outlays.

The reform of the public PAYG system would prepare the ground for the second tier of the reform, involving the establishment of capitalization funds financed through a portion of individual contributions. Eligibility to the capitalization funds would depend on the individual's age and earnings.

Individuals that will be 40 years or younger at end-1996 and whose earnings are Ur\$5,000 <sup>2/</sup> (approximately US\$825 at the corresponding exchange rate) a month or less would be allowed to remain under the current PAYG system or switch to the capitalized system. Those who switch would have one-half of their personal contributions (or 6 1/2 percent of the wage) invested in capitalization funds and would receive a pension based on the capitalized value of their contributions to the funds plus 75 percent of the pension to which they would have been entitled had they remained in the PAYG system. Individuals with earnings up to Ur\$5,000 a month but older than 40 years at end-1996 would have to remain under the public PAYG system.

Individuals that will be younger than 40 years at end-1996 and whose earnings are between Ur\$5,000 and Ur\$15,000 (approximately US\$2,500) a month must channel to the capitalization funds the entirety of their personal contributions (13 percent of the wage) on the excess of their earnings over

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<sup>1/</sup> The old age pension would be equal to 55 percent of the pensionable base plus 1 percent of the pensionable base for each year of contributions exceeding 15 years, and cannot exceed 69 percent of the pensionable base.

<sup>2/</sup> All amounts in this and the next two paragraphs are expressed in pesos of April 1995.

Ur\$5,000. Individuals earning between Ur\$5,000 and Ur\$15,000 a month but that will be older than 40 years at end-1996 could opt to invest in the capitalization funds their personal contributions on earnings over Ur\$5,000 a month.

Finally, all individuals would be free to opt between investing or not in capitalized pension funds their personal contributions on earnings higher than Ur\$15,000 a month.

Savings in the capitalized pension fund system would be administered by public or private pension fund administrators, who would not be allowed to undertake any other activities. Private pension fund administrators would not be permitted to be established, however, until a public pension fund administrator has been set up. Pension fund administrators would be supervised by the Central Bank.

#### 4. Implications of the reform

It is projected that in the absence of pension reform, the financial imbalances of the BPS would continue to widen in the medium- and long-run. Total BPS outlays would increase from around 14 3/4 percent of GDP in 1995 to 15 percent of GDP in 2000 and to around 16 3/4 percent of GDP by 2035. The increase in pension outlays mainly would reflect (1) the gradual replacement of older pensions--the value of which was eroded by inflation--by new indexed pensions and (2) increasing life expectancy. As total contributions to the BPS would remain fairly constant as a proportion of GDP, transfers from the Central Administration to cover the deficit of the BPS would need to increase gradually from 6 1/2 percent of GDP in 1995 to over 8 1/2 percent of GDP in 2035 (Table 3, panel A).

Assuming that the reform of the social security system outlined above is implemented in 1995-96, BPS expenditures would fall to 13 percent of GDP in 2000 <sup>1/</sup> and to 10 percent of GDP by 2035. At the same time, implementation of the capitalization funds would lead to a transfer of contributions from the BPS to the new funds of around 3/4 percent of GDP a year in the long-term. Retirement pensions paid by the capitalization funds would begin after 2015 and would gradually increase to around 3/4 percent of GDP by 2035. Evasion of social security contributions would be expected to decline by around one third by the year 2000. Thus, as a result of the reform, transfers from the Treasury could fall to around 1 3/4 percent of GDP by 2035 (Table 3, panel B). Alternatively, the reform could be seen as creating space for reducing (or eliminating) employer social contribution rates in the long run.

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<sup>1/</sup> Despite a significant increase in pensions during 1995-96 as some workers are assumed to advance retirement in anticipation of the proposed changes to the PAYG system.

The authorities are considering extending the proposed reform in 1996 to curtail expenditure growth further and improve the efficiency of social security programs. Currently the proposed reform covers exclusively retirement pensions of the BPS, but the growth of expenditures of the military and police pension funds also would need to be curtailed. Efficiency gains in the provision of social security benefits paid to individuals prior to retirement (health subsidies, unemployment compensation, and maternity and family allowances) could be obtained by privatizing health services, limiting eligibility to unemployment compensation, and improving the targeting of maternity and family allowances.

Modifications to the proposed legislation may be needed to enhance the capitalized pension fund system's contribution to domestic saving and the development of local capital markets. In particular, the amount of personal contributions channeled to the capitalized pension funds may be too limited relative to the cost of administering these funds and the use of income thresholds may be administratively burdensome. At the same time, the prohibition on the establishment of private pension fund administrators until a public pension fund administrator has been set up could be unduly restrictive and may harm the transition to the new system.

Table 1. Uruguay: Social Security Contributions in Private Sector Industrial and Commercial Activities 1/

(Percent of the wage)

	<u>Retirement Pensions</u>		<u>Health Insurance</u>		<u>Total Contributions</u>		Total
	Employer	Employee	Employer	Employee	Employer	Employee	
January 1980 2/	13.0	13.0	4.0	3.0	17.0	16.0	33.0
June 1980	10.0	10.0	4.0	3.0	14.0	13.0	27.0
January 1982	8.0	10.0	4.0	3.0	12.0	13.0	25.0
November 1982	10.0	13.0	4.0	3.0	14.0	16.0	30.0
October 1984	12.0	13.0	4.0	3.0	16.0	16.0	32.0
October 1989	13.0	13.0	4.0	3.0	17.0	16.0	33.0
March 1990	16.5	13.0	4.0	3.0	20.5	16.0	36.5
January 1992	16.5	13.0	5.0	3.0	21.5	16.0	37.5
January 1993	14.5	13.0	5.0	3.0	19.5	16.0	35.5

1/ Excludes the wage tax and the Employment Fund contribution. Currently, the wage tax amounts to 1 percent of the wage for the employer and 1 percent of the wage for the employee, and the Employment Fund contribution is 0.25 percent of the wage for the employee.

2/ The employee contribution for women was 12 percent. Employee contributions for men and women were unified as of June 1980.



Table 2. Uruguay: Wage Replacement Ratios <sup>1/</sup>

(Percent of pensionable base) <sup>2/</sup>

	Years of Earnings		
	30	35	40
<b>I. At 60 Years of Age</b>			
Men			
Current system	60.0	65.0	70.0
Proposed system	50.0	52.5	55.0
Women			
Current system	65.0	70.0	75.0
Proposed system	50.0	52.5	55.0
<b>II. At 65 Years of Age</b>			
Men			
Current system	60.0	65.0	75.0
Proposed system	65.0	67.5	70.0
Women			
Current system	65.0	80.0	80.0
Proposed system	65.0	67.5	70.0

Source: Uruguayan authorities.

<sup>1/</sup> The wage replacement ratio determines the retirement pension at the moment of retirement as a percentage of the pensionable base.

<sup>2/</sup> Currently, the pensionable base is the average reported earnings of the last three years prior to retirement; under the proposed reform, this period would be increased gradually to 20 years.

Table 3. Uruguay: Medium Term Projections of the Accounts of the Social Security Bank (BPS)

(Percent of GDP)

	1995	2000	2005	2010	2015	2020	2025	2030	2035
<b>A. Current System</b>									
<b>BPS expenditure</b>	<b>14.8</b>	<b>15.0</b>	<b>15.3</b>	<b>15.4</b>	<b>15.7</b>	<b>15.9</b>	<b>16.2</b>	<b>16.6</b>	<b>16.8</b>
Pensions	11.3	11.4	11.5	11.6	11.8	11.9	12.0	12.1	12.3
Other benefits	2.6	2.7	2.8	2.8	2.9	3.0	3.1	3.3	3.4
Other expenditure	0.9	0.9	1.0	1.0	1.0	1.0	1.1	1.1	1.2
<b>BPS revenue</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>
Private sector	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7
Employer contributions	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1
Employee contributions	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6
Other, excluding Treasury transfers	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
<b>Transfers from the Treasury</b>	<b>6.5</b>	<b>6.8</b>	<b>7.0</b>	<b>7.2</b>	<b>7.4</b>	<b>7.7</b>	<b>7.9</b>	<b>8.3</b>	<b>8.6</b>
<b>B. Reformed System</b>									
<b>BPS expenditures</b>	<b>14.8</b>	<b>13.0</b>	<b>12.6</b>	<b>12.5</b>	<b>11.5</b>	<b>11.2</b>	<b>10.8</b>	<b>10.4</b>	<b>10.0</b>
Pensions	11.3	10.0	9.6	9.7	8.9	8.6	8.2	7.8	7.4
Other benefits	2.6	2.2	2.2	2.1	2.0	2.0	2.0	2.0	2.0
Other expenditure	0.9	0.8	0.8	0.7	0.6	0.6	0.6	0.6	0.6
<b>BPS revenues</b>	<b>8.3</b>	<b>8.4</b>	<b>8.3</b>	<b>8.2</b>	<b>8.1</b>	<b>8.1</b>	<b>8.1</b>	<b>8.1</b>	<b>8.1</b>
Private sector	7.7	7.8	7.7	7.6	7.5	7.5	7.5	7.5	7.5
Employer contributions	4.1	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Employee contributions	3.6	3.3	3.2	3.1	3.0	3.0	3.0	3.0	3.0
Other, excluding Treasury transfers	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
<b>Transfer from the Treasury</b>	<b>6.5</b>	<b>4.6</b>	<b>4.3</b>	<b>4.3</b>	<b>3.4</b>	<b>3.0</b>	<b>2.7</b>	<b>2.3</b>	<b>1.8</b>
<b>Memorandum item</b>									
Pensions paid by capitalization funds	--	--	--	--	--	0.2	0.3	0.5	0.7

Source: Ministry of Finance; and Fund staff estimates.

### Measures of the Real Effective Exchange Rate

This appendix presents estimates of Uruguay's external competitiveness in the period 1985-94 based on the real effective exchange rate (REER). <sup>1/</sup> The results are summarized in Table 4 and Chart 1.

According to the Fund's Information Notice System (INS), by December 1994 Uruguay's REER had appreciated by 37 percent relative to its average level in 1985-89. However, the INS estimates, which are based on 1980-82 shares in external trade, do not take into account the faster growth of Uruguay's trade with Argentina and Brazil in recent years; these two countries now represent over half of Uruguay's trade in goods and nonfactor services, but their combined weight in the INS index is about one-third. Using the 1994 structure of partner country weights, the Uruguayan peso is estimated to have appreciated by less than 18 percent in this period.

The standard calculation of the REER does not consider changes in taxation and deregulation that affect the prices faced by exporters and importers. Using the updated trade weights and adjusting for net export taxation and the effects of deregulation on export activities, by December 1994 the real effective value of the peso for exporters had appreciated by 15 percent relative to its average level in 1985-89. The loss of competitiveness of Uruguayan exporters may still be overestimated because (1) the estimate of Uruguayan inflation used in calculating the REER was not adjusted for the rise in value added tax (VAT) rates and higher VAT collections stemming from improvements in tax administration, which affect consumer prices but do not affect directly exporters' costs; and (2) the effects of trade liberalization in Uruguay and its regional trading partners on exporters' prices and costs was not considered.

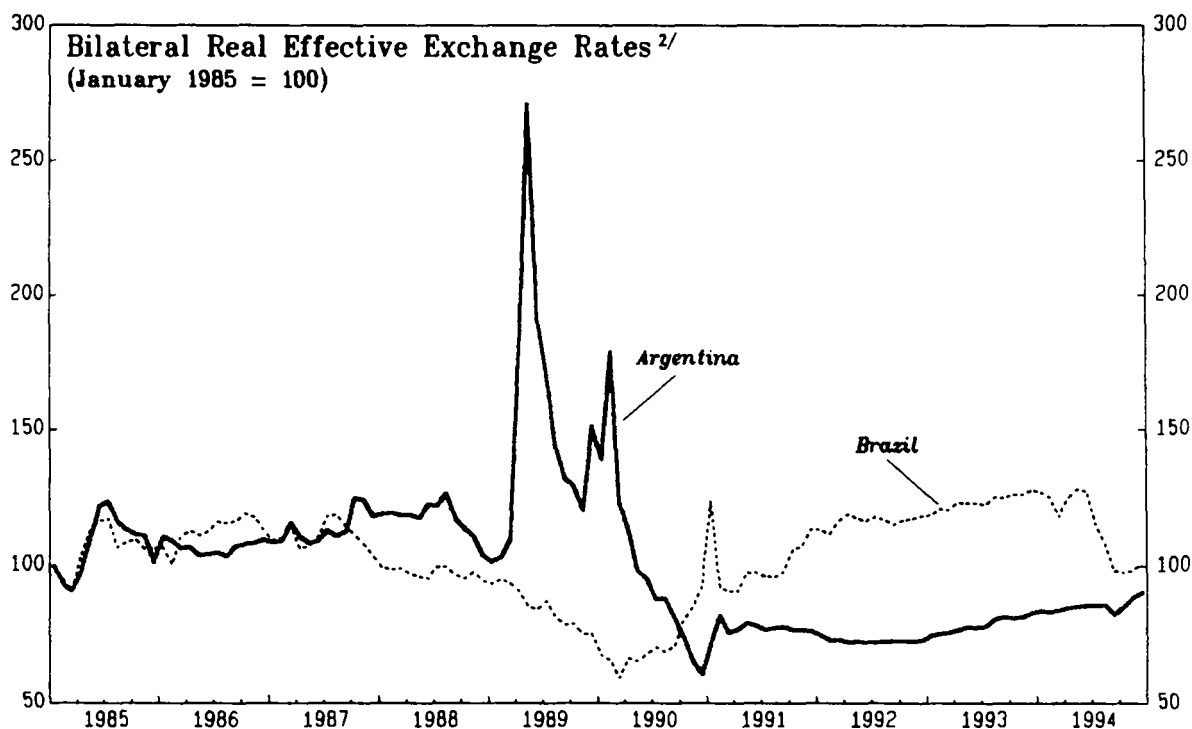
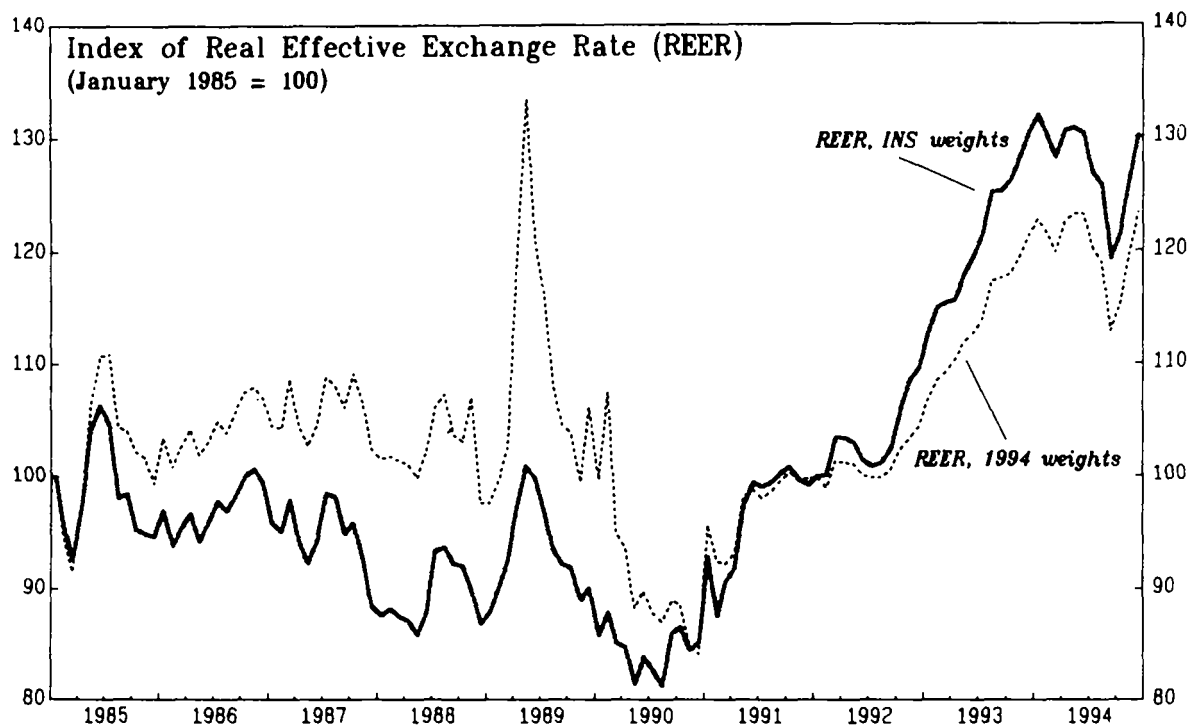
Using the updated trade weights and adjusting for reductions in import taxation and the effects of deregulation on import activities, by December 1994 the real effective value of the peso for importers had appreciated by 31 percent relative to its average for 1985-89. The higher real appreciation faced by importers and import-competing firms largely reflected the effects of the reduction of import tariff rates during the period, which were only slightly offset by deregulation.

Uruguay appears to have remained competitive vis-à-vis Argentina and Brazil in recent years. The bilateral REER indices show that by December 1994 the Uruguayan peso had depreciated in real effective terms by 24 percent against the Argentine peso and by 1 percent against the Brazilian real relative to the average levels in 1985-89. The real effective value of the

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<sup>1/</sup> The REER is defined as the ratio of domestic to foreign prices measured in a common currency.

URUGUAY  
REAL EFFECTIVE EXCHANGE RATES <sup>1/</sup>  
(Monthly data; January 1985 = 100)



Source: Fund staff estimates.

1/ An increase indicates appreciation.

2/ Bilateral effective exchange rate against the currency of the country indicated.

Uruguayan peso against the Argentine peso has appreciated slowly since 1992, after a strong depreciation in 1990-91. The real effective value of the Uruguayan peso relative to the Brazilian real appreciated slowly between 1991 and mid-1994, but has depreciated strongly since then.

Table 4. Uruguay: Measures of the Real Effective  
Exchange Rate (REER) 1/

	Average 1985-89	Average 1990-94	Average 1985-94	December 1994
<u>(Index numbers, January 1985=100)</u>				
1. REER, INS weights <u>2/</u>	94.7	106.5	100.6	130.1
2. REER, 1994 weights <u>3/</u>	104.7	104.7	104.7	123.3
3. Adjusted REER for exporters <u>4/</u>	102.9	103.8	103.8	118.4
4. Adjusted REER for importers <u>5/</u>	107.4	115.6	111.5	140.8
5. Bilateral REER with Argentina <u>6/</u>	119.0	82.8	100.9	90.5
6. Bilateral REER with Brazil <u>7/</u>	102.2	105.0	103.6	100.9

Table 4. Uruguay: Measures of the Real Effective Exchange Rate (REER) 1/ (Concluded)

	December 1994/ Avg. 1985-89	December 1994/ Avg. 1990-94	December 1994/ Avg. 1985-94
	(Percentage changes)		
1. REER, INS weights <u>2/</u>	37.4	22.1	29.3
2. REER, 1994 weights <u>3/</u>	17.7	17.8	17.8
3. Adjusted REER for exporters <u>4/</u>	15.1	14.1	14.6
4. Adjusted REER for importers <u>5/</u>	31.0	21.8	26.2
5. Bilateral REER with Argentina <u>6/</u>	-24.0	9.2	-10.4
6. Bilateral REER with Brazil <u>7/</u>	-1.3	-3.9	-2.6

Source: Information Notice System and Fund staff estimates.

1/ An increase in the REER indicates a real appreciation.

2/ The information Notice System (INS) calculations are based on 1980-82 merchandise trade weights.

3/ The 1994 weights are based on merchandise and nonfactor service trade flows.

4/ REER, 1994 weights, adjusted for export taxation and the effects of deregulation.

5/ REER, 1994 weights, adjusted for import taxation and the effects of deregulation.

6/ REER of the Uruguayan peso against the Argentine peso.

7/ REER of the Uruguayan peso against the Brazilian real.

Uruguay: Summary of Central Government Tax System as of December 31, 1994

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>1. <u>Taxes on net income and profits</u></p> <p>1.1. <u>Taxes on companies, corporations, and enterprises</u></p> <p>1.11 Industry and commerce income tax (<u>Impuesto a las Rentas de la Industria y Comercio</u> (IRIC)) Law 14100 of December 29, 1972, amended by Law 14252 of August 14, 1974; Law 14416 of August 20, 1975; Law 14948 of November 7, 1979; Law 15294 of June 23, 1982; Law 15425 of July 7, 1983; Law 15548 of May 9, 1984; Law 15567 of June 1, 1984; Law 15588 of July 4, 1984; Law 15651 of October 25, 1984; Law 15809 of April 8, 1986; Law 15903 of November 18, 1987; Law 15921; Law 15927 of December 17, 1987; Law 15928 of December 22, 1987; Law 15930; Law 15939 of December 28, 1987; Law 16002 of November 25, 1988; Law 16004 of November 28, 1988. Law 16072 of October 9, 1989; Law 16107 of March 31, 1990; Law 16134 of September 24, 1990; Law 16170 of December 28, 1990; Law 16213 of October 4, 1991; Law 16226 of October 29, 1991. Decree 237/82 of July 1982; Decree 69/87 of March 23, 1987; Decree 162/87 of April 2, 1987; Decree 191/87 of April 2, 1987; Decree 491/87 of August 31, 1987; Decree 603/87 of October 14, 1987; Decree 804/87 of December 31, 1987; Decree 322/88 of April 29, 1988; Decree 454/88</p>	<p>Annual tax payable by companies, enterprises, foundations, and sole proprietorships on net income from Uruguayan sources derived from industrial, commercial, and similar activities whether or not the income is distributed. Included in the concept of income are the capital gains from the sale of business assets, net proceeds of liquidation of a business, exchange profits, indemnization from insurance companies if a tax loss had been taken previously, and, in general, any accrued increase in net worth of a business other than that attributable to adjustment for inflation. The gain or loss which results from adjusting assets and liabilities for inflation is added to or subtracted from the net worth as described above. Royalties, dividends, and profits paid to residents abroad as well as technical assistance payments are taxable. Also taxable is income received by customsbrokers, real estate and exchange brokers, and import and export agents.</p> <p>As of January 1, 1991, this tax also is levied on autonomous entities and decentralized services in the Government's industrial and commercial domain, and a fixed monthly tax (IFE) is levied on enterprises (formerly exempted from this tax)</p>	<p>Income or capital gains resulting from trading with gold certificates issued by BMOU; income from activities covered by IMARO or IRA; income derived from foreign shipping and airline companies if Uruguayan companies obtain reciprocal treatment.</p> <p>Losses due to exchange rate variations incurred by firms that had contracted debt denominated in foreign currencies before November 26, 1982 can be deducted from operating profits in equal annual installments over a period of three, four, or five years. Firms falling under Law 14170 (industrial development) can deduct retained profits or dividends realized during the current year. Up to 40 percent of profits earmarked for investment in new machinery, profits earned in free trade zones, and profits derived from professional activity are deductible.</p> <p>Within limits, the salary paid for personal work performed by owners or partners of a business is deductible in arriving at net income. Also deductible, in addition to usual business expenses, are donations to public entities, loss carryovers up to three years, and foreign expenses if related to Uruguayan source income; most payments other than salaries to owners or partners of their families are not deductible.</p> <p>Income subject to the commissions tax (see 1.12) also is exempted.</p> <p>A 25 percent deduction is allowed for gifts to public schools in poor areas, and the remaining 75 percent is taken as payments on account.</p>	<p>30 percent maximum rate with individual rates to be set by the Executive Branch. Dividends or profits credited or paid to foreign companies or residents are subject to a maximum rate of 30 percent withholding if they get fiscal credit in their own country, which is taken as definite payment. For foreign companies operating in Uruguay the following rates are used to determine Uruguayan source of income: 2 to 10 percent of insurance premium depending on risk covered; 10 percent on fares and freight; 10 percent on remittances to news services. A tax of 30 percent is levied on proceeds accruing to companies involved in exploration for oil and on remittances to tape and film distributors.</p>



Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>of July 8, 1988; Decree 597/88 of September 2, 1988; Decree 604/88 of September 21, 1988; Decree 626/88 of October 5, 1988; Decree 792/88 of November 23, 1988; Decree 840/88 of December 14, 1988; Decree 841/88 of December 14, 1988; Decree 871/88 of December 2, 1988; Decree 931/88 of December 30, 1988; Decree 247/89 of May 24, 1989; Decree 381/89 of August 14, 1989; Decree 733/91 of December 30, 1991; Decree 162/92 of March 16, 1992; Decree 237/92 of June 1, 1992; Decree 140/93 of March 19, 1993; Decree 186/94 of May 3, 1994; Decree 245/94 of May 31, 1994; Decree 359/94 of August 16, 1994.</p>			
<p>1.12 Tax on commissions (<u>Impuesto a las Comisiones</u>) Law 16134 of September 24, 1990; Law 16430 of November 26, 1993. Decree 691/90 of December 21, 1990; Decree 729/91 of December 30, 1991.</p>	<p>Levied on the income of agents, brokers or trustees, middlemen, exchange brokers, foreign trade agents, customs dispatchers, auctioneers, stockbrokers, and persons engaged in similar activities. Taxpayers also subject to the IRIC pay this tax only if the commissions are their principal and regular source of income.</p>	<p>University professional, lottery contractors and subcontractors, bookmakers, and vendors of stamps and stamped paper are exempt from this tax</p>	<p>Rate set by the Executive up to a maximum of: 5 percent in 1991 7 percent since January 1, 1992 9 percent since January 1, 1993</p>

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>1.13 Tax on agricultural activities (IMAGRO) Law 14948 of November 7, 1979; Law 15239 of December 23, 1981; Law 15294 of June 23, 1982; Law 15646 of October 11, 1984; Law 15851 of December 24, 1984; Law 15903 of November 18, 1987; Law 15939; Law 16002 of November 25, 1988; Law 16107 of March 31, 1990; Law 16226 of October 29, 1991; Law 16462 of January 11, 1994; Decree 247/89 of May 24, 1989; Decree 531/91 of October 14, 1991.</p>	<p>The IMAGRO is a tax on the estimated (<i>figura</i>) net income per hectare. The tax base is the taxpayer's total income. In determining the taxpayers' income, the relationship between the value of production of each cadastral section and the value of the national average production will remain the same as that between production capacity in each cadastral section and national average production capacity. National average capacity for production of wool, beef, and lamb on the hoof is determined every three years. The value of national average production is determined on the basis of average prices paid to producers in the corresponding fiscal year. The IMAGRO tax was temporarily suspended and replaced by a tax (<i>delinquencia</i>) on traditional exports in January 1983, but it was reinstated as an option under the new agricultural income tax (IRA) in October 1984.</p>	<p>The estimated cost (<i>figura</i>) of average production per livestock hectare, which includes inputs, labor, depreciation, and administrative costs is determined yearly. Reinvestment in pastures also may be deducted for up to 20 percent of net income. Contingent deduction treatment is applied to fertilizers, phosphates, and labor hired in connection with their application; on seeds and work on new pastures; water and fencing; and feedlot reserves. An amount established by Executive Decree can be subtracted from the net estimated income or one salary for personal work done by owners or partners. Up to 40 percent of investment in agricultural machinery is deductible. Taxpayers with income corresponding to up to 200 hectares of land are not liable for IMAGRO. Taxpayers that pay IRA also are exempt from IMAGRO. Income derived from exploitation of forestry also is exempt.</p>	<p>Rate set by Executive Order with 30 percent maximum.</p>
<p>1.14 Tax on agricultural income (<i>Impuesto a los Rentas Agropecuarias</i> (IRA)) Law 15646 of October 11, 1984; Law 15851 of December 24, 1984; Law 15903 of November 18, 1987; Law 15939; Law 16012 of November 25, 1988; Law 16107 of March 31, 1990; Law 16134 of September 24, 1990; Law 16226 of October 29, 1991; Law 16462 of January 11, 1994. Decree 599/88 of September 21, 1988. Decree 931/88 of December 30, 1988; Decree 247/89 of May 24, 1989.</p>	<p>The IRA is a tax on net income from agricultural activities. Gross income includes receipts from the leasing of farm land and equipment and capital gains or losses on livestock, but excludes proceeds from the sale of farm real estate. Taxpayers can choose one of three available methods for the computation of capital gains or losses. IRA also taxes the income derived from rental of rural land, payable by individuals or legal entities holding title to land which has been rented during the tax year.</p>	<p>The law allows deductions for operating costs including rent paid on land, interest on farm debt, wage allowances for farmers, and depreciation on equipment used. Investments in grazing land, forestry, and wire fences also are deductible. Farmers producing less than a specified output may choose to be taxed through IMAGRO rather than through IRA. Taxation through IRA is compulsory for all other farmers. Up to 40 percent of investment in agricultural machinery is deductible. Income derived from the exploitation of forestry is exempt. A 25 percent deduction is allowed for gifts to public schools in poor areas, and the remaining 75 percent is taken as a payment on account.</p>	<p>30 percent.</p>

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>1.15 Tax on sale of unprocessed farm products (<u>Impuesto a la Enajenación de Bienes Agropecuarios</u> (IMEBA)) Law 15646 of October 11, 1984; Decree 524/84 of November 27, 1984; Law 15768 of September 13, 1985; Law 15851 of December 24, 1986; Law 15903 of November 18, 1987; Law 16,065 of October 6, 1989; Law 16226 of October 29, 1991; Law 16320 of November 6, 1992. Decree 404/88 of May 27, 1988. Decree 107/98 of February 21, 1990.</p>	<p>Tax on unprocessed farm products exported or sold to municipal governments, public entities, and companies liable for the corporate income tax. Tax is paid by producers on sale price of taxable goods (f.o.b. price in the case of exports). Revenues from it are treated as advances toward farmers' or societies' IRA, IMAGRO and TRIC liabilities. A surcharge of 0.2 percent on IMEBA, the proceeds of which are earmarked to improve rural housing conditions, was introduced in December 1986. The list of goods on which this tax alone is levied is extended to: milk, forestry products, pigs, poultry and other poultry products, honey, natural unprocessed exports of vegetable, fruit, and citrus products, flowers and seeds.</p>	<p>None.</p>	<p>Ovine wool: 3 percent. Ovine and bovine leather: 3 percent. Ovine and bovine livestock destined for slaughter or export: 3 percent Cereal, oilseed, crops, and sugar producing crops: 2 percent As of July 1, 1988, by Decree 404/88, the maximum rate was reduced to zero percent; however, the surcharge of 0.2 percent remained in effect, and was later increased by an additional 0.4 percent on all taxable products.</p>
<p>2. <u>Social Security contribution tax</u></p> <p>2.1 Employers' contributions (<u>Aporte Patronal</u>) Law 11496 of September 27, 1950; Law 12996 of November 28, 1961; Law 13559 of October 26, 1966; Law 13892 of October 19, 1970; Law 13893 of October 19, 1970; Law 14487 of July 22, 1975; Decree 761/976 of December 2, 1976; Law 14949 of November 7, 1979; Decree 60/980 of January 1, 1980; Executive Decree of June 25, 1980; Executive Decree of January 14, 1982; Law 15342 of October 1982.</p>	<p>Payable monthly by employers and all levels of government on basis of actual payroll. Payments are collected by a number of specialized funds, the most important of which are administered by the <u>Fondo de Previsión Social</u> under the Ministry of Labor, and which cover pensions of public sector employees (except the armed forces and police) and practically all private sector employees; family allowances (household and dependency allowances, and maternity and educational benefits); and medical costs.</p>	<p>None.</p>	<p>14.5 percent.</p>
<p>2.2 Employees' contributions (<u>Aporte Personal</u>) Law 11496 of September 27, 1950; Law 13426 of February 12, 1965; Law 13893 of October 19, 1970; Law 14407 of July 22, 1975; Law 14948 of November 7, 1979.</p>	<p>Payable monthly by employees, in public and private sectors. Contribution to pension funds is deducted from salary.</p>	<p>None.</p>	<p>13 percent.</p>

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates																								
3. Payroll taxes ( <u>Impuesto sobre Sueldos y Salarios</u> ) Law 13728 of December 17, 1968.	Payable monthly by employers (public and private) on basis of total nominal wages of employees contributing to retirement funds. Half of tax payments is deducted from total contributions (employers and employees) to corresponding retirement fund. Revenue is earmarked for National Housing Fund.	None.	2 percent.																								
4. <u>Taxes on property</u>																											
4.1 <u>Personal and corporate net wealth</u>																											
4.1.1 Wealth tax ( <u>Impuesto al Patrimonio</u> ) Law 13637 of December 21, 1967; Law 13892 of October 19, 1970; Law 14100 of December 29, 1972; Law 14252 of August 14, 1974; Law 14416 of August 20, 1975; Law 14948 of November 7, 1979; Law 15080 of November 21, 1980; Law 15294 of June 23, 1982; Law 15567 of June 1, 1984; Law 15767 of September 13, 1985; Law 15809 of April 8, 1986; Law 15851 of December 24, 1986; Law 15903 of November 18, 1987; Law 15921 of December 17, 1987; Law 15928 of December 22, 1987; Law 15931 of December 22, 1987; Law 15939 of December 28, 1987; Law 16002 of November 23, 1988; Law 16072 of October 9, 1989; Law 16170 of December 20, 1990; Law 16226 of October 29, 1991; Law 16398 of August 4, 1993; Law 16462 of January 11, 1994; Law 16470 of March 29, 1994. Title 7 of Decree 83/976 of February 12, 1976; Decree 72/977 of February 2, 1977; Decree 35/84 of January 18,	Annual tax payable on the domestic net wealth held by individuals, family units, legal entities, and undistributed estates. The tax is also payable by foreign legal entities, by anonymous deposit accounts in domestic legal entities with reference to that part of their capital held in bearer shares. Uruguayan citizens and domestic legal entities are taxed on their entire net wealth, including holdings abroad; others are taxed solely on net wealth situated or used in Uruguay. Advance payment of estimated tax is required. Corporations must declare assets abroad if they have liabilities abroad too.	For individuals, family units, and undistributed estates a tax-free minimum is set annually by Executive decree on the basis of price movements in the taxable year measured by the cost of living index; no exemption is granted to other taxpayers. Wealth held in form of government bonds, gold certificates issued by BNCU, or shares in cooperatives as well as shares of corporations quoted in the stock exchange is exempt, as are domestic deposits in foreign currency held by foreign domiciliaries. Certain forms of wealth are exempt from tax but must be included for purposes of calculating the rate progression: shares of corporations subject to the tax separately, shares of consumer cooperatives, bank deposits, and real property rented to the Government. Capital wealth, the income of which has not yet been realized, is exempt. Capital invested in forestry is exempt. Individuals and households cannot deduct liabilities abroad. As of 1993, the only deductible liabilities are the average monthly balances of debts contracted in the country with persons subject to the IMMA, provided that such debts can be calculated for that tax. Between December 31, 1993 and November 30, 1994 any real property for agricultural use is considered an exempt asset, excluding any improvements thereto. Between August 1, 1993 and December 31, 1993, personal and real property used in the industrial production cycle is exempted for those taxpayers with property that is not used for activities taxable by the IRIIC, IRA and ENAGRO.	For individuals, family units, and undistributed estates (since January 1, 1991):  Net wealth, Expressed as a Multiple of the Tax-Free Minimum <table><tr><th>More Than</th><th>But Not More Than</th><th>Tax Rate applicable to Bracket (In Percent)</th></tr><tr><td>0</td><td>1</td><td>0.7</td></tr><tr><td>1</td><td>2</td><td>1.1</td></tr><tr><td>2</td><td>4</td><td>1.4</td></tr><tr><td>4</td><td>6</td><td>1.9</td></tr><tr><td>6</td><td>9</td><td>2.2</td></tr><tr><td>9</td><td>14</td><td>2.7</td></tr><tr><td>14</td><td>--</td><td>3.0</td></tr></table> For nonpersonalized bank accounts, bonds and debentures, savings certificates and other bearer securities. 3.5  For taxable corporations operating as banks or finance companies 2.8  For other taxable corporations 2.0	More Than	But Not More Than	Tax Rate applicable to Bracket (In Percent)	0	1	0.7	1	2	1.1	2	4	1.4	4	6	1.9	6	9	2.2	9	14	2.7	14	--	3.0
More Than	But Not More Than	Tax Rate applicable to Bracket (In Percent)																									
0	1	0.7																									
1	2	1.1																									
2	4	1.4																									
4	6	1.9																									
6	9	2.2																									
9	14	2.7																									
14	--	3.0																									

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>4.11 1984; Decree 191/84 of April 7, 1984; Decree 192/84 of April 7, 1984; Decree 241/84 of April 20, 1984; Decree 317/84 of June 13, 1984; Decree 379/84 of July 23, 1984; Decree 380/84 of July 23, 1984; Decree 381/84 of July 23, 1984; Decree 547/84 of July 31, 1984; Decree 609/84 of September 10, 1984; Decree 774/84 of October 23, 1984; Decree 788/84 of October 25, 1984; Decree 830/84 of November 23, 1984; Decree 933 of December 30, 1984; Decree 934 of December 30, 1984; Decree 940 of December 30, 1984; Decree 227/87 of April 30, 1987; Decree 542/87 of September 16, 1987; Decree 792/87 of December 30, 1987; Decree 793/87 of December 30, 1987; Decree 323/88 of April 20, 1988; Decree 412/88 of June 8, 1988; Decree 432/88 of July 6, 1988; Decree 454 of July 8, 1988; Decree 400/88 of July 27, 1988; Decree 509/88 of August 10, 1988; Decree 597/88 of September 21, 1988; Decree 600/88 of September 21, 1988; Decree 775/88 of November 16, 1988; Decree 803/88 of December 29, 1988; Decree 918/88 of December 30, 1988; Decree 125/89 of March 29, 1989; Decree 247/89 of May 24, 1989; Decree 318/89 of July 5, 1989; Decree 381/89 of August 16, 1989; Decree 733/91 of December 30, 1991; Decree 103/92 of March 16, 1992; Decree 376/94 of August 24, 1994.</p>			

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
4.12 Corporate financial investment tax ( <u>Impuesto a las Sociedades Financieras de Inversión</u> ) Law 11073 of June 24, 1948; Law 12276 of February 10, 1956; Law 15342 of October 27, 1982; Law 15903 of November 18, 1987; Law 15928 of 1987; Law 15939 of 1987. Law 16170 of December 28, 1990; 16373 of May 21, 1993; Law 16426 of October 14, 1993; Title 8 of Decree 83/976 of February 12, 1976.	Tax payable by certain companies, the assets of which are formed by holdings of shares in other companies, bonds, and other portfolio holdings, most of which must be in foreign currency. The tax is annual and is based on the balance sheet asset value.	Liabilities abroad are deductible up to the value of assets abroad.	0.3 percent.
4.13 Tax on the establishment and capital increases of corporations ( <u>Impuesto a la constitución y aumento de capital de sociedades anónimas</u> ) Law 16060 of September 4, 1989; Law 16170 of December 28, 1990; Decree 381/89 of August 16, 1989; 164 of March 20, 1991.	This tax is levied on the establishment and capital increases of corporations.	Finance corporations, free zone companies, and some capital increases are exempted.	For establishment: 1 percent For capital increases up to 20 times the minimum capital of these companies: 1 percent For any additional amounts: 0.3 percent

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates												
5. <u>Taxes on transfers, goods and services</u>															
5.1 Specific internal tax ( <u>Impuesto Especifico Interno</u> (IMEI)). Law 14948 of November 7, 1979; Law 15031 of July 4, 1980; Law 15294 of June 1982; Special Law of December 23, 1983; Law 15809 of April 8, 1984; Law 15900 of November 1987; Law 15903 of November 1987; Law 15291 of November 1987; Law 15929 of December 22, 1987; Law 15939 of December 28, 1987; Law 16002 of November 25, 1988. Law 16097 of October 28, 1989; Law 16246 of April 8, 1992; Law 16320 of November 6, 1992. Decree 86/985 of February 26, 1985; Decree 353/987 of July 15, 1985; Decree 428/87 of August 18, 1987; Decree 541/87 of September 16, 1987; Decree 623/87 of October 23, 1987; Decree 779/87 of December 30, 1987; Decree 201/88 of February 23, 1988; Decree 202/88 of March 1, 1988; Decree 440/88 of June 29, 1988; Decree 452/88 of July 6, 1988; Decree 454/88 of July 8, 1988; Decree 528/88 of August 24, 1988; Decree 578/88 of September 14, 1988; Decree 597/88 of September 21, 1988; Decree 625/88 of October 3, 1988; Decree 849/88 of December 14, 1988; Decree 892/88 of December 28, 1988; Decree 893/88 of December 28, 1988. Decree 104/89 of March 8, 1989; Decree 194/89 of April 26, 1989; Decree 281/89 of June 14, 1989;	<p>On motor vehicle sales. Tax payable upon transfer of automobiles, trucks, and other road vehicles. The seller or importer is responsible for payments. Since 1991, the basis of tax is the presumed sale price before tax as indicated by assemblers and importers.</p> <p>On consumption, a tax payable by manufacturers or importers of alcoholic beverages, soft drinks, tobacco products, cosmetics, and perfumes. According to the article and circumstances, the tax may be payable at import, by monthly or quarterly return, or by affixing stamps or seals. The base is presumptive prices (<u>factor</u>) set every two months by the Government in accordance with sale price changes for these products.</p> <p>On petroleum products, the tax is set on the basis of their ex-refinery or ex-dock price. For most products, tax is withheld by the government refining monopoly (ANCAP). For oil related imports, payment of tax is made by private importer at time of import. Previously existing taxes for provinces, Energy Fund, and Central Government are consolidated. The tax fully substitutes for customs duties, value added tax, and other excises. A large portion of the revenue goes to an investment fund in the Ministry of Public Works; portions are also earmarked for the Energy Fund and the provincial budgets. The rates are applicable at 100 percent of stated value.</p> <p>On lubricants and greases applicable to the manufacturers' sale price, or to the c.i.f. Montevideo price in the case of imports. Payable by monthly return or at the moment of importation.</p> <p>On sales of electricity, the tax is withheld by the State Power Company (UTE).</p>	<p>Ambulances, diplomatic vehicles, and tractors used in agriculture or public works. Vehicles used by handicapped persons.</p> <p>Export sales are exempt. Shampoo, toothpaste, cologne, soap and other toilet articles are exempt. Goods and services sold in free zones are exempt from taxes.</p> <p>Petroleum products for use of armed forces and foreign and national ships and planes. Petroleum products sold by ANCAP to UTE.</p> <p>Purchases by foreign-flag ships and large domestic ships are exempt. Also exempt are purchases by the armed forces.</p>	<p>As of March 1, 1993: Rates range from 0-22 percent. A surtax is introduced ranging from 0-11 percent.</p> <table><tr><td>Alcoholic beverages</td><td>85 percent</td></tr><tr><td>Nonalcoholic beverages, a minimum of</td><td>10 percent</td></tr><tr><td>Fruit juices, mineral water, soft drinks</td><td>22 percent</td></tr><tr><td>Cosmetics, perfumes, toilet articles</td><td>20 percent</td></tr><tr><td>Cigars and cigarettes</td><td>70 percent</td></tr><tr><td>Tobacco</td><td>70 percent</td></tr></table> <p>133 percent on high-test gasoline. 123 percent on regular gasoline. 0 percent on unleaded gasoline. From 0 percent to 45 percent on kerosene, diesel oil, solvents, and other products.</p> <p>35 percent maximum rate. 15 percent on purchases by airlines and commercial aviation.</p> <p>10 percent.</p>	Alcoholic beverages	85 percent	Nonalcoholic beverages, a minimum of	10 percent	Fruit juices, mineral water, soft drinks	22 percent	Cosmetics, perfumes, toilet articles	20 percent	Cigars and cigarettes	70 percent	Tobacco	70 percent
Alcoholic beverages	85 percent														
Nonalcoholic beverages, a minimum of	10 percent														
Fruit juices, mineral water, soft drinks	22 percent														
Cosmetics, perfumes, toilet articles	20 percent														
Cigars and cigarettes	70 percent														
Tobacco	70 percent														

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>5.1 Decree 576/89 of December 8, 1989; Decree 96/90 of February 21, 1990; Decree 420/90 of September 11, 1990; Decree 179/91 of April 2, 1991; Decree 433/91 of December 30, 1991; Decree 64/92 of February 14, 1992; Decree 218/92 of May 16, 1992; Decree 553/92 of November 12, 1992; Decree 320/93 of July 7, 1993; Decree 306/93 of November 24, 1993; Decree 81/94 of February 28, 1994; Decree 372/94 of August 23, 1994; Decree 377/94 of August 24, 1994; Decree 453/94 of October 6, 1994; Decree 539/94 of December 13, 1994; Decree 561/94 of December 22, 1994; Decree 566/94 of December 29, 1994.</p>			



Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>5.2 Value added tax (<u>Impuesto al Valor Agregado</u> (IVA)) Special Law 7 of December 23, 1983; Law 15584 of June 27, 1984; Law 15637 of October 25, 1984; Law 15767 of September 13, 1985; Law 15809 of April 8, 1986; Law 15851 of December 24, 1986; Law 16072 of October 9, 1989; Law 16107 of March 31, 1990; Law 16170 of December 28, 1990; Law 16205 of September 6, 1991; Law 16226 of October 29, 1991; Law 16246 of April 8, 1992; Law 16426 of October 14, 1993; Law 16462 of January 11, 1994. Decree 318/83 of September 8, 1983; Decree 493/84 of November 7, 1984; Decree 832/83 of December 31, 1983; Decree 12/86 of January 15, 1986; Decree 99/86 of February 13, 1986; Decree 111/86 of February 19, 1986; Decree 137/86 of March 5, 1986; Decree 209/86 of April 11, 1986; Decree 296/86 of April 11, 1986; Decree 241/86 of April 30, 1986; Decree 250/86 of April 30, 1986; Decree 317/86 of June 13, 1986; Decree 379/86 of July 23, 1986; Decree 380/86 of July 23, 1986; Decree 381/86 of July 23, 1986; Decree 547/86 of July 31, 1986; Decree 535/86 of August 8, 1986; Decree 549/86 of August 19, 1986; Decree 556/86; Decree 589/86 of September 2, 1986; Decree 609/86 of September 10, 1986; Decree 671/86; Decree 679/86; Decree 752/86 of November 12, 1986; Decree 774/86 of November 25, 1986; Decree 788/86 of November 26, 1986; Decree 809/86 of December 9, 1986; Decree 847/86 of December 17, 1986; Decree 939/86 of December 30, 1986; Decree 943/86</p>	<p>Tax payable monthly by importers, manufacturers, wholesalers, retailers, and others who sell goods or provide services. Taxpayers include state enterprises, commission agents, customs dealers, and private individuals when importing goods or provision of services within Uruguay or to the c.i.f. plus duties value of goods imported into Uruguay. Net tax payable is that due on gross receipts less a credit for the amounts of tax paid on purchases or imports. Tax is collected with 25 days' delay on average. Taxes are also collected on interest payments from bank loans used for private consumption; other bank operations are exempt. Municipal government activities, if competing with the private sector, are taxed.</p>	<p>Export sales are exempt as are sales of unprocessed agricultural products and many goods and services, such as cigarettes, transport, and petroleum products which are subject to special excises. Also exempt are the sale or rental of real estate, sales of books and magazines, fertilizers, and other inputs and machinery for agricultural use, beef, fish, milk, gold, foreign currency, and public debt bonds. Foreign registered boats used in Uruguay for sporting purposes are also exempt. Imports of crude oil and raw material installation, or transformation of shipyards, drydocks, platforms, floating cranes, and in all other construction for an exclusively nautical use are exempt. The State Electric Power Administration (UTE) is exempt from all value added taxes including those applied on imports. Water and medical services are not taxed. Unprocessed agricultural products are subject to a special regime whereby producers are eligible for tax credits but the collection of the tax is shifted to the subsequent stage in the production and processing chain.</p> <p>Also exempted are tobacco, cigars, cigarettes, and casualty, life, old age, disability, health, and personal injury insurance.</p> <p>As of May 1993 industrial enterprises receive a refund of this tax on imports or local purchases of machinery and equipment for industrial uses.</p>	<p>22 percent rate; 12 percent reduced rate for certain foodstuffs, medical products; 1 percent for imports of broadcasting equipment. The basic rate was 20 percent until November 1987 and 21 percent until April 1990.</p>

Tax	Nature of Tax	Exemptions and Deductions	Rates
5.2 of December 30, 1986; Decree 32/87; Decree 95/87; Decree 227/87; Decree 423/87; Decree 433/87; Decree 450/87; Decree 530/87; Decree 542/87; Decree 612/87; Decree 623/87; Decree 676/87; Decree 698/87 of November 20, 1987; Decree 772/87; Decree 173/88 of February 2, 1988; Decree 197/88 of February 24, 1988; Decree 201/88 of February 25, 1988; Decree 309/88; Decree 210/88 of July 2, 1988; Decree 322/88 of April 20, 1988; Decree 349/88 of May 4, 1988; Decree 368/88 of May 11, 1988; Decree 364/88 of May 11, 1988; Decree 378/88 of May 19, 1988; Decree 452/88 of July 6, 1988; Decree 454/88 of July 8, 1988; Decree 430/88; Decree 481/88 of July 27, 1988; Decree 493/88 of August 3, 1988; Decree 495/88 of August 3, 1988; Decree 509/88 of August 10, 1988; Decree 527/88 of August 24, 1988; Decree 528/88 of August 24, 1988; Decree 580/88; Decree 597/88 of September 21, 1988; Decree 625/88 of October 5, 1988; Decree 640/88; Decree 824/88 of December 6, 1988; Decree 849/88 of December 14, 1988; Decree 871/88 of December 21, 1988; Decree 63/89 of February 20, 1989; Decree 265/89 of June 6, 1989; Decree 39/90 of January 31, 1990; Decree 420/90 of September 11, 1990; Decree 733/90 of December 30, 1991; Decree 66/93 of February 14, 1994; Decree 104/92 of March 16, 1992; Decree 105/92 of March 16, 1992; Decree 115/92 of March 18, 1992; Decree 332/92 of July 16, 1992; Decree 333/92 of July 16, 1992; Decree 367/92 of August 4, 1992; Decree			

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
388/92 of August 17, 1992; Decree 411/92 of August 31, 1992; Decree 412/92 of August 31, 1992; Decree 598/92 of December 8, 1992; Decree 129/93 of January 1, 1993; Decree 227/93 of May 24, 1993; Decree 320/93 of July 7, 1993; Decree 461/93 of October 23, 1993; Decree 38/94 of February 1, 1994; Decree 186/94 of May 3, 1994; Decree 187/94 of May 3, 1994; Decree 354/94 of August 17, 1994; Decree 359/94 of August 16, 1994; Decree 364/94 of September 30, 1994; Decree 453/94 of October 6, 1994; Decree 539/94 of December 13, 1994; Decree 561/94 of December 22, 1994; Decree 566/94 of December 19, 1994.			
5.3 Auction sale tax ( <u>Impuesto a la Compraventa de Bienes Muebles en Remate Público</u> ) Law 13640 of December 26, 1967; Title 24 of Decree 83/976 of February 12, 1976.	Tax on the sale of goods at public auction, applicable to the auction price. The auctioneer, notary, commission agent, or other presiding official at the auction acts as withholding agent to collect the tax, which is to be borne equally by seller and buyer.	None.	0.2 percent.
5.4 Tax on insurance company receipts ( <u>Impuesto a Ingresos de las Compañías de Seguros</u> ) Law 13632 of December 1961; Title 17 of Decree 83/976 of February 12, 1976.	Tax on gross receipts of insurance companies and their agents or representatives from the writing of new or renewed insurance policies in favor of residents of Uruguay. Tax payable by monthly return.	Receipts from writing agricultural insurance policies are exempt.	Receipts of domestic companies: General: 5 percent Maritime insurance: 2 percent Life insurance: 0.5 percent Receipts of foreign companies: General: 7 percent Maritime insurance: 4 percent Life insurance: 2 percent Additional rate for fire insurance policies: 10 percent
5.5 Health Inspection Fund Tax ( <u>Impuesto para el Fondo de Inspección Sanitaria (FIS)</u> ) Law 15809 of April 8, 1984; Law 16226 of October 29, 1991; Law 16320 of November 1, 1992; Decree 289/89 of June 15, 1989; Decree 381/90 of August 22, 1990.	Levied on local sales and exports of different types of meat.		1 percent

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>6. <u>Taxes on international trade and transactions</u></p> <p>6.1 <u>Import duties</u></p> <p>6.11 Import duties (<u>Impuesto Aduanero Unico y Tasa de Mobilización de Bultos</u> (IMADUNI)) Law 14629 of May 1, 1977; Law 14684 of August 9, 1977; Law 15637 of October 23, 1984; Decree 7/978 of January 4, 1978; Decree 66/978 of February 1, 1978; Decree 165/978 of April 5, 1978; Decree 687/980 of December 24, 1980; Decree 24, 1980; Decree 279/981 of June 24, 1981; Decree 447/982 of December 27, 1982; Decree 479/982 of December 27, 1982; Decree 493/84 of November 7, 1984; Decree 222/1984 of April 23, 1986; Decree 356/991 of October 17, 1991; Decree 649/992 of December 28, 1992; Decree 152/993 of March 30, 1993; Decree 314/992 of July 6, 1993.</p>	<p>Customs duties are classified in accordance with the Brussels Nomenclature and consist of basic duties generally calculated as percentage of official customs valuation of imports. As a member of ALADI, Uruguay grants preferential rates of duty on certain imports from other ALADI countries. Uruguay also grants certain tariff concessions under the terms of GATT. Law 14629 created an <u>Impuesto Aduanero Unico</u> replacing with a single duty, plus a (TMB) fee for processing documents, all duties collected by customs. It is based on the c.o.f. value (as defined in the Brussels Agreement). IMADUNI took effect on January 1, 1978. A special regime applies to duty-free shops in the border towns of Rivera and Chuy.</p>	<p>Partial or total exemptions are granted to imports of raw materials and capital goods for agriculture and industry. Customs duties are refunded on imports of machinery and accessories necessary for establishing new industries or expanding existing plants, provided they are for the production of articles not produced in Uruguay.</p>	<p>The rates of IMADUNI are 0, 5, and 10 percent. (0, 0.35, and 1.1 percent in the case of imports from MERCOSUR partners). There is an additional fee of 1 percent (TMB) levied as the service charge on the c.i.f. import price of most imports.</p> <p>Oil imports are subject to a 4 percent tariff rate (0.44 percent in the case of imports from MERCOSUR partners).</p>

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>6.12 Import surcharges (<u>Recargos de Importación</u>) Law 12670 of December 17, 1959, as amended; Decree 125/977 of March 2, 1977; Decree 736/978 of December 26, 1978; Decree 687/980 of December 24, 1980; Decree 163/981 of April 8, 1981; Decree 479/982 of December 27, 1982; Decree 493/84 of November 7, 1984; Decree 556/991 of October 17, 1991; Decree 649/992 of December 28, 1992; Decree 152/993 of March 30, 1993; Decree 314/992 of July 6, 1993.</p>	<p>Payable at time of registration of import.</p>	<p>Extensive exemptions</p>	<p>Import surcharge rates are 6 percent on imports subject to <u>IMADUNI</u> rate of 8 percent, and 10 percent on all other imports (0.66 and 1.1 percent in the case of imports from MERCOSUR partners).</p>
<p>6.13 Consular fees (<u>Tasas Consulares</u>) Law 11924 of March 27, 1953; Law 12097 of December 11, 1953; Law 13318 of December 20, 1964; Law 13648 of December 26, 1967; Law 14392 of July 1, 1973; Decree 123 of February 28, 1973; Title 25 of Decree 83/976 of February 12, 1976; Decree 621/977 of November 8, 1977; Decree 279/981 of June 24, 1981; Decree 447/982 of December 27, 1982; Decree 479/982 of December 27, 1982; Decree 556/991 of October 17, 1991.</p>	<p>Payable on f.o.b. value of import and collected by the Bank of the Republic in national currency at the current exchange rate.</p>	<p>Extensive exemptions, including imports of raw sugar, coffee, fertilizers, and merchandise consigned to agencies of the Government of Uruguay.</p>	<p>Currently, 0 percent.</p>

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>6.14 Tax on traditional exports (<u>Retenciones sobre Exportaciones</u>) Law 15360 of December 24, 1982; Law 15646 of October 11, 1984; Decree 455/992 of September 30, 1992; Decree 249/94 of May 27, 1994; Decree 272/94 of June 10, 1994.</p>	<p>Payable on domestic currency value of traditional exports.</p>	<p>None.</p>	<p>5 percent on "cueros salados", "pickelados" and "wet blue".</p>
<p>7. <u>Other taxes</u></p> <p>7.1 Foreign currency sales tax (<u>Impuesto a la Venta de Moneda Extranjera (IVIME)</u>) Replaced on January 1, 1994 by the Foreign currency purchase tax (<u>Impuesto a la Compra de Moneda Extranjera (ICOME)</u>) Law 15584 of June 27, 1984; Law 15767 of September 13, 1985; Law 15983 of November 18, 1987; Law 16061 of September 18, 1989; Law 16462 of January 11, 1994; Decree 544/985 of October 9, 1983; Decree 258/84 of June 29, 1984; Decree 618/85 of November 13, 1985; Decree 66/88 of January 15, 1988; Decree 449/89 of September 27, 1989; 599/93 of December 31, 1993; Decree 63/94 of February 16, 1994; Decree 189/94 of March 15, 1994.</p>	<p>Levied on the purchase of foreign currencies by state entities.</p>	<p>0 percent rate for purchases by BNCU, BCU and BBU for their foreign exchange operations.</p>	<p>2 percent.</p>

Uruguay: Summary of Central Government Tax System as of December 31, 1994 (Continued)

Tax	Nature of Tax	Exemptions and Deductions	Rates
7.2 Tax on banks assets ( <u>Impuesto a las Activas Bancarias</u> (IMABA)) Law 15809 of April 8, 1986; Law 15851 of December 24, 1986; Law 15921 of December 17, 1987. Law 16072 of October 9, 1989; Law 16170 of December 28, 1990; Law 16237 of January 2, 1992. Decree 347/86 of July 7, 1986; Decree 791/87 of December 30, 1987; Decree 434/88 of July 3, 1988; Decree 834/88 of December 12, 1988. Decree 737/90 of December 31, 1990; Decree 733/91 of December 31, 1991; Decree 136/92 of March 31, 1992; Decree 490/93 of November 9, 1993; Decree 477/93 of October 29, 1993.	Tax on earning assets of commercial banks, including Banco de la República (BRU) and Mortgage Bank (BHU).	Loans to nonresidents, as well as doubtful and nonperforming credits, and holdings of domestic public debt.	Between 0.5 percent and 1.5 percent depending on the size and nature of the operation.
7.3 Property transfer tax ( <u>Impuesto a las Transmisiones Patrimoniales</u> (ITP)) Law 16107 of March 31, 1990; Law 16237 of January 2, 1992; Law 16462 January 11, 1994. Decree 171/91 of April 6, 1991; Decree 652/92 of December 29, 1992; Decree 483/93 of November 12, 1993; Decree 378/94 of August 24, 1994.	Levied on transfers of property located in the country.		As of January 1, 1993: Conveyer: 2 percent Beneficiary: 2 percent Other taxpayers except direct heirs and legatees of the conveyer: 4 percent Other heirs and legatees: 3 percent
7.4 Tax on forced sales ( <u>Impuesto a las Ventas Forzadas</u> ) Law 16, 320 of November 1, 1992. Decree 658/92 of December 30, 1992.	Levied on court-ordered auction sales of real and personal property throughout the country.		2 percent.

Table 5. Uruguay: Selected Economic and Financial Indicators

	1989	1990	1991	1992	1993	Prel. 1994
<u>(Percentage change)</u>						
<u>Output, prices, and wages</u>						
Real GDP	1.3	0.9	3.2	7.9	2.5	5.1
Nominal GDP	77.6	102.2	107.2	76.9	48.1	47.8
GDP deflator	75.3	100.4	100.7	64.0	44.4	40.7
Consumer prices (average)	80.4	112.5	101.8	68.5	54.1	44.7
(end of period)	89.2	129.0	81.3	58.9	52.9	44.1
Public sector wages (end of period)	82.6	85.0	94.4	50.9	70.2	42.8
Unemployment rate (percent, end of period)	8.6	9.7	8.3	8.3	7.6	9.1
<u>Monetary indicators 1/</u>						
Currency	68.4	98.8	102.6	67.5	62.2	43.3
M-1	68.1	112.5	95.5	70.1	58.4	39.6
M-2	57.8	88.0	77.3	53.6	54.2	32.0
M-4* 2/	100.3	113.9	84.3	52.3	41.0	41.6
Credit to the private sector 3/	71.9	89.4	70.0	63.7	47.4	42.0
<u>Interest rates (percent, average)</u>						
Foreign currency deposits	6.9	6.5	4.9	3.4	3.1	3.4
Foreign currency loans 4/	12.3	12.1	10.1	8.1	6.6	7.5
Domestic currency deposits	84.7	97.8	75.2	54.5	39.4	37.0
Domestic currency loans 4/	87.6	120.3	104.9	74.7	60.9	59.7
Open-market instruments in domestic currency 5/	91.4	104.7	72.1	62.9	48.2	44.7
<u>(In percent of GDP)</u>						
<u>Fiscal indicators</u>						
Nonfinancial public sector balance	-3.5	0.5	1.2	2.0	-1.0	-2.5
Total revenues 6/	23.0	27.7	29.9	31.0	30.8	31.3
Total expenditures	26.5	27.2	28.7	29.0	31.8	33.8
Cash balance of the intervened banks	-0.5	-0.3	-0.2	-0.1	--	--
Central bank quasi-fiscal balance	-3.4	-3.5	-2.2	-1.5	-0.8	-0.6
Cash balance of the Mortgage Bank	-0.4	-0.6	-0.5	-0.3	-0.1	-0.1
Combined public sector balance	-7.8	-4.0	-1.7	0.1	-1.9	-3.2
<u>Savings and investment</u>						
Gross domestic investment	11.3	11.0	13.5	13.3	14.0	13.9
Public 7/	3.8	4.0	4.0	3.9	5.0	5.8
Private 7/	7.5	7.0	9.5	9.4	9.0	8.1
Gross national savings	12.8	13.0	13.9	12.3	11.4	11.4
Public 8/	-4.0	0.1	2.4	4.0	3.1	2.6
Private	16.8	12.9	11.5	8.3	8.3	8.8
Foreign savings	-1.5	-2.0	-0.4	1.0	2.6	2.5
<u>(In millions of U.S. dollars)</u>						
<u>External indicators</u>						
Current account balance	122	170	42	-115	-353	-396
(as percent of GDP)	(1.5)	(2.0)	(0.4)	(-1.0)	(-2.6)	(-2.5)
Overall balance of payments	95	81	-237	128	260	226
(as percent of GDP)	(1.2)	(1.0)	(-2.4)	(1.1)	(1.9)	(1.5)
Public sector external debt	3,718	3,841	3,543	3,725	3,899	4,209
(as percent of GDP)	(46.5)	(46.0)	(35.3)	(31.4)	(29.0)	(27.1)
Gross official reserves						
(months of imports) 9/	(8.5)	(8.3)	(6.1)	(5.0)	(5.1)	(5.1)

Sources: Data provided by the Uruguayan authorities; and Fund staff estimates.

1/ See Table 34 or definitions of monetary aggregates.

2/ Foreign currency deposits valued at end-of-period exchange rates.

3/ Flows of credit in foreign currency valued at end-of-period exchange rates.

4/ Prime rate.

5/ Until the third quarter of 1993, interest rate on central bank bills (Letras de Regulación Monetaria); thereafter, interest rate on peso-denominated treasury bills used in open market operations by the Central Bank.

6/ Includes the current account surplus of state enterprises.

7/ Includes changes in inventories.

8/ Nonfinancial public sector savings plus operating losses of the financial public sector.

9/ Number of months of imports of goods and services.



Table 6. Uruguay: Output and Expenditure in Constant 1983 Prices  
(Annual percentage change)

	1989	1990	1991	1992	1993	Prel. 1994
<u>Gross domestic product</u>	<u>1.3</u>	<u>0.9</u>	<u>3.2</u>	<u>7.9</u>	<u>2.5</u>	<u>5.1</u>
<u>Domestic expenditure</u>	<u>-1.0</u>	<u>-2.4</u>	<u>7.6</u>	<u>12.4</u>	<u>6.6</u>	<u>9.2</u>
Consumption	0.1	-2.7	5.0	12.5	6.4	9.1
General government	1.6	2.0	1.1	1.5	0.9	4.5
Private sector	-0.2	-3.6	5.8	14.7	7.4	9.8
Gross domestic investment	-9.2	0.2	28.8	11.7	7.9	9.9
Of which:						
fixed capital formation	-0.5	-10.9	24.2	18.2	10.3	4.0
public sector	7.7	-32.5	50.9	-10.7	23.5	-2.2
private sector	-5.2	3.1	12.9	34.7	5.3	6.7

Source: Central Bank of Uruguay.

Table 7. Uruguay: Savings and Investment  
(As percent of GDP at current market prices)

	1989	1990	1991	1992	1993	Prel. 1994
<u>Gross domestic investment</u>	<u>11.3</u>	<u>11.0</u>	<u>13.5</u>	<u>13.3</u>	<u>14.0</u>	<u>13.9</u>
Fixed capital formation	11.6	10.8	11.9	12.5	13.3	13.1
Public sector	4.3	3.1	4.1	3.4	4.2	3.2
Private sector	7.2	7.7	7.8	9.0	9.1	9.2
Changes in stocks	-0.3	0.2	1.6	0.8	0.8	0.8
<u>Gross national savings</u>	<u>12.8</u>	<u>13.0</u>	<u>13.9</u>	<u>12.3</u>	<u>11.4</u>	<u>11.4</u>
Public sector 1/	-4.0	0.1	2.4	4.0	3.1	2.6
Private sector	16.8	12.9	11.5	8.3	8.3	8.8
<u>External savings - deficit of the current account of the balance of payments</u>	<u>-1.5</u>	<u>-2.0</u>	<u>-0.4</u>	<u>1.0</u>	<u>2.6</u>	<u>2.5</u>
Net capital flows	-0.3	-1.1	-2.8	2.1	4.5	4.0
Public	2.0	0.3	-5.6	1.0	1.4	2.8
Private	-2.3	-1.3	2.8	1.1	3.1	1.2

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ Includes operating losses of the Central Bank, the Mortgage Bank, and the intervened banks.

Table 8. Uruguay: National Accounts

(In millions of Uruguayan pesos)

	1989	1990	1991	1992	1993	Pre1. 1994
<u>Domestic expenditure</u>	<u>4,536</u>	<u>9,193</u>	<u>19,630</u>	<u>35,548</u>	<u>53,393</u>	<u>79,254</u>
<u>Consumption</u>	<u>3,990</u>	<u>8,120</u>	<u>16,895</u>	<u>30,778</u>	<u>45,952</u>	<u>68,342</u>
General government	647	1,362	2,731	4,477	7,121	10,554
Private	3,343	6,758	14,164	26,300	38,831	57,789
<u>Gross domestic investment</u>	<u>546</u>	<u>1,073</u>	<u>2,735</u>	<u>4,770</u>	<u>7,441</u>	<u>10,912</u>
<u>Fixed capital formation</u>	<u>560</u>	<u>1,055</u>	<u>2,418</u>	<u>4,469</u>	<u>7,039</u>	<u>10,307</u>
Public sector	209	300	837	1,229	2,229	3,078
Construction	185	257	617	956	1,736	2,380
Machinery and equipment	24	43	220	273	493	698
Private sector	351	755	1,581	3,241	4,810	7,229
Construction	166	367	819	1,708	2,845	4,457
Land improvements	10	18	52	73	115	153
Machinery and equipment	175	370	709	1,460	1,850	2,619
Changes in inventories	-14	18	317	300	403	604
<u>Balance of trade and nonfactor services</u>	<u>304</u>	<u>591</u>	<u>641</u>	<u>320</u>	<u>-276</u>	<u>-737</u>
Exports of goods and nonfactor services	1,232	2,559	4,679	7,965	11,276	16,823
Imports of goods and nonfactor services	-928	-1,968	-4,038	-7,645	-11,552	-17,560
<u>Gross domestic product at market prices</u>	<u>4,839</u>	<u>9,784</u>	<u>20,271</u>	<u>35,868</u>	<u>53,117</u>	<u>78,517</u>

Source: Central Bank of Uruguay.

Table 9. Uruguay: National Accounts at Constant Prices

(In millions of Uruguayan pesos at 1983 prices)

	1989	1990	1991	1992	1993	Prel. 1994
<u>Domestic expenditure</u>	<u>205.0</u>	<u>200.2</u>	<u>215.4</u>	<u>242.1</u>	<u>258.2</u>	<u>281.9</u>
<u>Consumption</u>	<u>183.2</u>	<u>178.3</u>	<u>187.2</u>	<u>210.6</u>	<u>224.2</u>	<u>244.6</u>
General government	29.5	30.1	30.4	30.9	31.1	32.6
Private	153.7	148.2	156.8	179.8	193.0	212.0
<u>Gross domestic investment</u>	<u>21.8</u>	<u>21.9</u>	<u>28.2</u>	<u>31.5</u>	<u>34.0</u>	<u>37.3</u>
Fixed capital formation	22.2	19.7	24.5	29.0	32.0	33.2
Public sector	8.7	5.9	8.9	7.9	9.8	9.6
Construction	7.6	4.9	5.8	5.7	7.1	6.6
Machinery and equipment	1.2	1.0	3.1	2.2	2.7	3.0
Private sector	13.4	13.8	15.6	21.0	22.2	23.7
Construction	6.3	6.6	7.3	9.4	10.7	11.5
Land improvements	0.5	0.4	0.7	0.7	0.7	0.7
Machinery and equipment	6.6	6.8	7.6	10.9	10.8	11.5
Changes in inventories	-0.3	2.1	3.7	2.5	2.0	4.1
<u>Balance of trade and nonfactor services</u>	<u>4.5</u>	<u>11.2</u>	<u>2.8</u>	<u>-6.8</u>	<u>-16.9</u>	<u>-28.4</u>
Exports of goods and nonfactor services	57.8	65.1	66.8	73.4	78.3	84.2
Imports of goods and nonfactor services	-53.3	-53.9	-64.0	-80.2	-95.2	-112.6
<u>Gross domestic product at market prices</u>	<u>209.5</u>	<u>211.3</u>	<u>218.1</u>	<u>235.3</u>	<u>241.3</u>	<u>253.5</u>

Source: Central Bank of Uruguay.

Table 10. Uruguay: Gross Domestic Product by Origin

	1989	1990	1991	1992	1993	Prel. 1994
(In millions of Uruguayan pesos at 1983 prices)						
<b>GDP at market prices</b>	<b>209.5</b>	<b>211.3</b>	<b>218.1</b>	<b>235.3</b>	<b>241.3</b>	<b>253.5</b>
Primary activities	23.9	24.0	24.5	27.5	26.1	27.3
Agriculture, livestock, and forestry	23.6	23.7	24.2	27.2	25.8	26.9
Fishing	0.3	0.3	0.4	0.3	0.3	0.3
Secondary activities	62.4	60.6	60.9	62.8	59.1	60.9
Manufacturing 1/	55.9	55.0	54.8	55.7	50.8	52.4
Construction	6.5	5.6	6.1	7.1	8.3	8.5
Services	133.0	136.0	139.4	147.8	155.0	160.6
Commerce	24.3	24.3	26.4	29.9	34.9	38.6
Transport and communications	14.6	14.7	16.0	18.0	19.9	22.1
Utilities	6.7	7.5	8.1	9.3	9.2	8.9
Finance, insurance and real estate	50.0	51.2	50.4	51.1	51.3	51.7
Other services 2/	37.4	38.4	38.5	39.4	39.7	39.3
Adjustment 3/	-9.9	-9.3	-6.7	-2.7	1.0	4.8
(In percent)						
<b>GDP at market prices</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Primary activities	11.4	11.4	11.2	11.7	10.8	10.8
Agriculture, livestock, and forestry	11.3	11.2	11.1	11.5	10.7	10.6
Fishing	0.2	0.1	0.2	0.1	0.1	0.1
Secondary activities	29.8	28.7	27.9	26.7	24.5	24.0
Manufacturing 1/	26.7	26.0	25.1	23.7	21.1	20.7
Construction	3.1	2.6	2.8	3.0	3.5	3.4
Services	63.5	64.4	63.9	62.8	64.2	63.3
Commerce	11.6	11.5	12.1	12.7	14.5	15.2
Transport and communications	7.0	6.9	7.3	7.6	8.3	8.7
Utilities	3.2	3.5	3.7	4.0	3.8	3.5
Finance, insurance and real estate	23.9	24.2	23.1	21.7	21.3	20.4
Other services 2/	17.9	18.2	17.6	16.8	16.5	15.5
Adjustment 3/	-4.7	-4.4	-3.1	-1.1	0.4	1.9
(Percent change)						
<b>GDP (at market prices)</b>	<b>1.3</b>	<b>0.9</b>	<b>3.2</b>	<b>7.9</b>	<b>2.5</b>	<b>5.1</b>
Primary activities	3.5	0.3	2.2	12.1	-5.1	4.5
Agriculture, livestock, and forestry	3.2	0.5	1.9	12.4	-5.1	4.5
Fishing	23.7	-14.8	25.4	-11.8	-1.0	4.0
Secondary activities	0.1	-2.9	0.6	3.0	-5.8	3.0
Manufacturing 1/	-0.2	-1.6	-0.4	1.6	-8.8	3.1
Construction	2.2	-14.5	10.1	15.7	17.8	2.4
Services	2.9	2.3	2.5	6.0	4.9	3.6
Commerce, restaurants, and hotels	-0.9	0.2	8.4	13.5	16.5	10.7
Transport and communications	8.4	0.6	9.3	12.2	10.8	10.8
Utilities	-9.9	11.6	8.8	15.1	-1.5	-3.6
Finance, insurance, and real estate	6.0	2.3	-1.5	1.3	0.4	0.8
Other services 2/	1.9	2.6	0.2	2.5	0.8	-1.1

Source: Central Bank of Uruguay.

1/ Includes mining and quarrying.

2/ Includes commercial and personal services.

3/ Subtracts imputed earnings of financial intermediaries and adds import duties.

Table 11. Uruguay: Agricultural and Livestock Production <sup>1/</sup>  
(Percentage change)

	1989	1990	1991	1992	1993	Prel. 1994
<b>Total agriculture and livestock</b>	<b>3.2</b>	<b>0.5</b>	<b>1.9</b>	<b>12.4</b>	<b>-5.1</b>	<b>4.5</b>
<b>Agricultural products</b>	<b>6.4</b>	<b>-7.6</b>	<b>3.2</b>	<b>14.1</b>	<b>-10.0</b>	<b>8.1</b>
Cereals	18.6	-11.3	-3.3	32.8	-12.0	12.4
Of which: wheat	31.3	-20.4	-52.1	62.5	3.6	28.6
corn	74.4	17.5	-0.5	4.1	-28.2	12.3
rice	-3.4	-4.1	30.0	18.9	0.5	0.5
Oilseed crops	5.6	-1.5	27.8	-23.3	11.2	30.1
Sugarbeet and sugarcane	20.2	-11.3	-1.7	-30.4	-44.5	-27.8
Potatoes	19.7	-4.8	17.5	-12.7	-21.1	5.5
Wine grapes	27.8	-9.0	-4.0	24.5	-21.6	-8.1
Other	-6.1	0.9	7.0	9.2	1.3	0.6
<b>Livestock products</b>	<b>-1.7</b>	<b>6.7</b>	<b>0.6</b>	<b>5.6</b>	<b>2.6</b>	<b>2.9</b>
Beef	-20.4	27.5	2.7	16.8	4.8	7.4
Other livestock	7.1	16.8	6.4	-23.4	-8.9	...
Wool	10.7	-2.8	-10.3	4.1	2.3	-4.6
Milk	2.2	2.4	2.6	7.7	3.9	6.4
Other	4.1	6.7	0.6	-4.0	--	...

Source: Central Bank of Uruguay.

<sup>1/</sup> Calendar year estimates.

Table 12. Uruguay: Selected Data on Acreage, Production, and Yield of Agricultural Products

(Production in thousand metric tons; acreage in thousand hectares;  
yield in metric tons per hectare)

	1988/89	1989/90	1990/91	1991/92	1992/93	Prel. 1993/94
<b>Cereals</b>						
<b>Wheat</b>						
Acreage	177.5	227.9	224.6	116.3	148.0	213.8
Production	413.6	542.4	415.7	187.5	340.9	342.5
Yield	2.330	2.380	1.851	1.613	2.303	1.602
<b>Corn</b>						
Acreage	76.3	60.7	69.5	74.1	65.3	51.0
Production	60.2	112.3	123.7	120.8	128.3	83.2
Yield	0.788	1.851	1.781	1.629	1.964	1.629
<b>Rice</b>						
Acreage	95.2	78.1	103.1	122.7	130.0	134.3
Production	537.2	347.3	492.6	602.8	650.0	620.1
Yield	5.645	4.447	4.777	4.759	5.200	4.616
<b>Barley</b>						
Acreage	84.4	90.6	70.8	82.5	124.4	88.1
Production	203.8	202.6	133.1	138.4	306.9	129.0
Yield	2.415	2.235	1.879	1.678	2.467	1.465
<b>Sorghum</b>						
Acreage	38.1	26.2	28.4	47.4	40.5	25.7
Production	78.9	59.4	90.2	136.6	129.5	63.1
Yield	2.069	2.268	3.174	2.882	3.195	2.452
<b>Oilseeds and industrial crops</b>						
<b>Linseed</b>						
Acreage	1.6	1.8	4.2	6.6	2.7	2.5
Production	1.6	1.0	3.4	6.0	2.4	2.1
Yield	0.950	0.592	0.809	0.909	0.878	0.850
<b>Sunflower seed</b>						
Acreage	66.1	58.7	55.0	62.5	57.6	60.8
Production	48.4	28.7	56.9	60.0	52.4	61.6
Yield	0.732	0.489	1.035	0.986	0.910	1.012
<b>Sugarbeet</b>						
Acreage	4.0	4.3	3.8	4.7	0.9	...
Production	141.8	208.5	114.3	155.6	32.0	...
Yield	35.834	48.123	30.419	33.394	36.754	...
<b>Soybeans</b>						
Acreage	55.0	28.5	15.0	9.2	8.8	12.0
Production	38.5	37.0	18.0	15.5	17.5	22.5
Yield	0.700	1.298	1.200	1.685	1.989	1.875
<b>Sugarcane</b>						
Acreage	10.2	10.3	10.8	9.5	6.6	..
Production	598.8	682.8	583.1	545.3	303.6	...
Yield	58.466	66.574	53.444	57.547	45.847	...

Sources: Central Bank of Uruguay; and Ministry of Agriculture and Fishing.

Table 13. Uruguay: Production and Exports of Wool 1/

(In thousands of metric tons)

	1988/89	1989/90	1990/91	1991/92	1992/93	Prel. 1993/94
<u>Export availability</u>	80.9	96.1	83.7	57.8	42.4	43.9
Stocks as of October	1.2	2.8	-6.9	-23.6	-48.5	-49.0
Clip estimates	82.7	96.3	93.6	84.4	89.9	89.9
Estimated domestic consumption	3.0	3.0	3.0	3.0	3.0	3.0
<u>Exports</u>	<u>78.1</u>	<u>103.0</u>	<u>107.3</u>	<u>106.3</u>	<u>91.4</u>	<u>115.0</u>
October-December	18.6	19.7	23.5	26.4	24.3	33.5
January-September	59.5	83.3	83.8	79.9	67.1	81.5
<u>Estimated stock carried forward 2/</u>	<u>2.8</u>	<u>-6.9</u>	<u>-23.6</u>	<u>-48.5</u>	<u>-49.0</u>	<u>-71.1</u>

Source: Central Bank of Uruguay.

1/ Greasy wool equivalent.

2/ The negative values since 1989/90 possibly reflect an error in the original estimated stock, cumulative errors in the flows, or unregistered border trade in wool.



Table 14. Uruguay: Fishing Production and Exports

	Tonnage Caught	Exports	
		Tons	Millions of US\$
1989	121,886	59,385	59.6
1990	88,936	47,914	60.8
1991	143,804	67,012	101.6
1992	115,383	69,231	87.3
1993	113,320	65,728	73.5
1994 (Prel.)	120,616	63,931	74.2
First quarter	29,063	12,952	13.7
Second quarter	29,329	14,737	17.8
Third quarter	31,902	19,069	20.2
Fourth quarter	30,322	17,173	22.5

Source: Central Bank of Uruguay.

Table 15. Uruguay: Production and Consumption of Beef

	Production		Exports (Metric tons)	Consumption (Metric tons)
	Av. Weight (Kgs/Head)	Heads (Thousands)		
1989	463	1,870	172,048	191,943
1990	490	1,559	185,454	149,098
1991	502	1,260	108,985	187,461
1992	506	1,334	109,828	218,789
1993	445	1,377	96,601	213,062
1994 (Prel.)	482	...	146,209	215,190
First quarter	496	...	27,468	...
Second quarter	493	...	41,347	...
Third quarter	466	...	41,665	...
Fourth quarter	471	...	35,729	...

Source: Central Bank of Uruguay.

Table 16. Uruguay: Manufacturing Output  
(Percentage change)

	1989	1990	1991	1992	1993	Prel. 1994
<u>Total manufacturing output 1/</u>	<u>-0.2</u>	<u>-1.5</u>	<u>-0.5</u>	<u>1.5</u>	<u>-9.0</u>	<u>3.1</u>
Of which:						
food processing	3.9	-0.7	1.0	4.0	-6.6	8.1
electrical machinery	-10.0	-7.9	-25.5	11.7	-8.9	1.2
transportation equipment	-13.6	2.9	8.6	-10.9	-3.7	36.8
petroleum derivatives	-1.6	6.8	1.7	-10.4	-67.0 2/	-93.3 2/
textiles	-4.3	3.6	7.5	0.8	-10.1	-1.0
chemicals	-4.1	-0.4	-5.2	-3.9	-4.4	5.4
beverages	6.1	0.8	-0.2	8.7	2.6	0.2

Source: Central Bank of Uruguay.

1/ Excludes mining and quarrying.

2/ Reflects the closure of the oil refinery for refurbishment.

Table 17. Uruguay: Index of Manufacturing Production

(Physical output: quarterly average 1983=100)

	1992	1993	Prel. 1994	1993				1994 (Prel.)			
				I	II	III	IV	I	II	III	IV
Food	107.1	100.0	108.2	95.0	101.3	98.7	105.1	99.5	109.1	105.3	118.7
Beverages	128.1	131.5	131.7	144.9	118.3	109.8	152.8	139.5	113.7	113.9	159.5
Tobacco	148.2	135.1	134.7	144.3	111.5	129.2	155.3	127.1	135.1	124.4	152.1
Textiles	143.6	129.2	127.9	131.5	132.1	126.5	126.5	116.6	146.4	131.7	116.8
Clothing	102.2	97.6	93.6	77.5	111.1	102.2	99.7	74.9	114.0	100.4	85.2
Leather and leather products	68.4	62.0	74.4	63.2	64.5	58.1	62.5	64.1	76.6	77.7	79.3
Shoes	116.0	119.4	135.2	101.6	137.3	106.6	132.0	120.3	166.6	107.2	146.7
Paper and paper products	156.6	150.4	167.1	120.6	148.8	169.3	162.8	175.5	169.2	148.3	175.2
Printing	108.8	111.4	106.2	95.2	106.8	116.6	126.9	107.0	113.1	102.3	102.5
Chemicals	137.9	131.8	138.9	119.7	131.0	145.3	131.3	108.4	132.8	161.1	153.5
Oil refining	96.6	31.9	2.1	104.8	19.8	3.1	--	1.8	2.2	1.4	3.2
Rubber	142.9	140.0	146.3	97.3	147.6	143.7	171.5	108.1	152.9	163.3	161.9
Plastics	128.3	104.6	112.5	102.6	105.6	91.1	119.3	89.7	104.4	117.6	138.5
Clay and porcelain	500.6	463.4	499.5	481.9	474.2	436.5	461.0	460.2	487.5	477.3	573.0
Glass	121.6	169.8	100.8	182.5	186.8	159.9	149.9	89.3	78.5	111.7	123.8
Other nonmetallic mineral products	107.0	115.8	122.0	114.2	116.2	113.0	120.0	121.4	119.3	116.0	131.3
Metallics	117.2	101.2	95.5	88.2	115.0	95.6	106.0	82.5	97.9	101.4	100.3
Machinery and metallic products	123.4	109.1	119.3	113.9	121.1	102.9	98.8	107.6	123.9	127.5	118.2
Machinery and electric products	153.3	139.6	141.3	116.6	146.5	144.3	151.1	52.1	142.7	200.0	170.3
Transportation materials	326.1	314.2	429.7	211.5	211.9	490.2	343.1	260.9	477.6	521.6	458.5
Other manufacturing	101.2	90.2	93.8	89.6	88.7	90.1	92.4	80.4	95.7	97.4	101.7
<b>Total</b>	<b>124.3</b>	<b>113.2</b>	<b>116.7</b>	<b>113.5</b>	<b>110.9</b>	<b>111.9</b>	<b>116.4</b>	<b>102.9</b>	<b>118.6</b>	<b>118.9</b>	<b>126.3</b>

Source: Central Bank of Uruguay.

Table 18. Uruguay: Output and Output per Hour in Manufacturing  
(Percentage change over corresponding period of previous year)

	Manufacturing Output	Hours Worked	Output per Hour
1988	-3.3	-6.0	2.9
1989	-1.5	-0.2	-1.4
1990	-0.2	-5.7	5.9
1991	0.8	-5.4	6.6
1992	-0.5	-9.2	9.6
1993	-11.7	-13.1	1.5
1994	1.9	-5.8	8.1
<u>1989</u>			
1st quarter	-4.9	-4.5	-0.5
2nd quarter	7.7	5.4	2.2
3rd quarter	-7.0	-0.2	-6.8
4th quarter	-1.4	-1.6	0.2
<u>1990</u>			
1st quarter	1.1	2.8	-1.6
2nd quarter	-7.6	-11.3	4.1
3rd quarter	5.4	-7.4	13.7
4th quarter	1.0	-5.8	7.2
<u>1991</u>			
1st quarter	0.1	-9.8	11.0
2nd quarter	-1.0	-0.8	-0.2
3rd quarter	3.3	-3.3	6.9
4th quarter	0.8	-7.6	9.1
<u>1992</u>			
1st quarter	4.0	-5.8	10.3
2nd quarter	5.6	-8.8	15.8
3rd quarter	-4.6	-12.6	9.2
4th quarter	-6.5	-9.6	3.4
<u>1993 (Prel.)</u>			
1st quarter	-2.7	-9.8	7.9
2nd quarter	-16.1	-14.9	-1.4
3rd quarter	-16.6	-13.2	-3.9
4th quarter	-10.9	-14.2	3.8
<u>1994 (Prel.)</u>			
1st quarter	-16.4	-7.9	-9.3
2nd quarter	6.8	-6.3	14.0
3rd quarter	9.1	-4.9	14.7
4th quarter	8.8	-4.0	13.4

Source: Central Bank of Uruguay.

Table 19. Uruguay: Labor Force and Employment 1/  
(As a percentage of population 14 years of age and older)

	Labor Force			Employment		
	Male	Female	Total	Male	Female	Total
<u>1988</u>						
First half	75.5	47.2	59.9	70.5	41.0	54.2
Second half	75.2	45.2	58.7	69.9	40.1	53.6
<u>1989</u>						
First half	75.5	47.1	59.8	70.6	41.8	54.7
Second half	74.8	47.1	59.5	69.9	41.9	54.4
<u>1990</u>						
First half	74.6	48.3	60.0	69.7	42.6	54.7
Second half	74.4	46.5	59.1	68.5	41.0	53.4
<u>1991</u>						
First half	73.6	46.7	58.8	68.1	40.9	53.2
Second half	75.0	48.2	60.2	69.9	43.3	55.3
<u>1992</u>						
First half	73.2	47.5	59.0	68.1	41.4	53.2
Second half	73.4	49.3	60.0	68.8	44.0	55.0
<u>1993</u>						
First half	73.4	48.0	59.2	68.7	42.3	54.0
Second half	72.0	48.1	58.7	67.5	43.1	54.1
<u>1994</u>						
First half	73.8	48.0	59.7	68.8	42.8	54.6
Second half (prel.)	75.6	49.8	61.4	70.2	43.3	55.3

Source: General Directorate of Statistics.

1/ For Montevideo.

Table 20. Uruguay: Unemployment Rate <sup>1/</sup>  
(As a percentage of the labor force)

	Male	Female	Total
<u>1987</u>			
First half	6.7	13.0	9.5
Second half	6.9	12.1	9.1
<u>1988</u>			
First half	6.7	13.1	9.7
Second half	6.6	11.4	8.8
<u>1989</u>			
First half	6.5	11.2	8.5
Second half	6.6	11.1	8.6
<u>1990</u>			
First half	6.7	11.7	8.9
Second half	8.0	11.9	9.7
<u>1991</u>			
First half	7.5	12.4	9.6
Second half	6.7	10.2	8.3
<u>1992</u>			
First half	7.1	13.0	9.7
Second half	6.3	10.7	8.3
<u>1993</u>			
First half	6.4	11.9	8.9
Second half	6.3	10.0	8.0
<u>1994</u>			
First half	6.7	10.9	8.5
Second half (prel.)	7.2	13.0	9.8

Source: General Directorate of Statistics.

<sup>1/</sup> For Montevideo.

Table 21. Uruguay: Price Movements

(Annual percentage change) 1/

	1989	1990	1991	1992	1993	1994
<hr/>						
<u>Consumer prices</u>						
Food	82.7	132.8	68.8	52.1	53.4	42.9
Housing	93.3	110.2	90.2	64.6	62.1	50.0
Clothing	93.6	130.8	94.2	58.3	35.9	30.8
<u>Total</u>	<u>89.2</u>	<u>129.0</u>	<u>81.5</u>	<u>58.9</u>	<u>52.9</u>	<u>44.1</u>
<hr/>						
<u>Wholesale prices</u>						
Manufactures	84.1	127.0	68.7	44.3	34.7	35.0
Agricultural products	69.7	98.7	67.9	58.1	21.4	60.0
<u>Total</u>	<u>80.7</u>	<u>120.7</u>	<u>68.6</u>	<u>46.8</u>	<u>31.1</u>	<u>41.1</u>

Source: General Directorate of Statistics.

1/ End of period indices.

Table 22. Uruguay: Public Utility and Petroleum Prices

	<u>Electricity</u>							
	House- hold	Indus- trial	Water	Natural Gas	Montevideo Transport	Regular Gasoline	Gas Oil	Fuel Oil
<b>I. Percentage Change During Period</b>								
1988	68	67	56	40	62	41	41	60
1989	99	99	80	94	99	98	98	98
1990	99	103	111	141	106	143	144	142
1991	65	65	120	69	90	43	43	63
1992	51	50	64	37	56	36	15	23
1993	61	67	77	44	43	38	27	4
1994	64	55	57	35	58	38	38	8
<b>1992</b>								
January	7	8	16	--	--	15	--	--
March	10	10	--	12	--	10	9	10
April	--	--	--	--	17	--	--	--
May	5	5	7	7	4	7	7	7
June	--	--	--	--	3	--	--	--
July	4	5	14	9	--	10	10	10
August	--	--	--	--	12	--	--	--
September	--	--	16	--	3	--	--	--
October	9	8	--	6	--	5	5	5
November	--	--	--	--	-3	--	-15	-15
December	7	6	--	--	11	--	--	--
<b>1993</b>								
January	--	--	11	--	4	--	--	--
February	13	16	--	7	--	--	--	--
March	--	--	--	4	1	3	3	--
April	6	8	--	--	15	--	--	--
May	--	--	18	7	--	--	--	--
June	10	9	--	--	--	8	3	3
July	--	--	16	8	--	7	5	--
August	6	6	--	--	19	--	--	--
September	--	--	18	5	--	3	1	1
October	8	7	--	2	--	4	4	--
November	--	--	--	--	--	--	--	--
December	8	8	--	6	8	7	8	--
<b>1994</b>								
January	--	11	20	--	--	--	--	--
February	11	--	--	--	--	--	--	--
March	--	--	--	6	--	--	--	--
April	6	8	--	--	9	9	9	--
May	--	--	11	9	--	--	--	--
June	7	7	--	--	--	10	9	--
July	--	6	5	6	--	--	--	--
August	6	--	--	--	9	--	--	--
September	10	--	12	9	1	7	8	--
October	5	7	--	--	--	--	--	--
November	--	--	--	--	--	--	--	--
December	6	7	--	--	22	8	8	8
<b>II. End of Period Index Deflated by Cost of Living (1983=100)</b>								
1988	103.4	113.5	138.1	84.5	97.6	74.3	83.2	90.4
1989	108.9	119.4	131.5	86.6	102.7	77.6	87.1	94.4
1990	94.4	105.9	121.5	91.5	92.4	82.3	93.0	99.7
<b>1991</b>								
March	92.1	103.5	122.8	88.4	80.7	78.4	78.7	95.1
June	94.6	106.4	160.7	90.1	84.5	76.3	76.8	92.3
September	96.2	108.0	164.5	84.7	86.4	66.7	71.2	87.6
December	85.9	96.4	146.9	85.2	96.5	65.0	73.1	89.6
<b>1992</b>								
March	88.3	99.3	147.9	82.8	84.1	71.4	69.6	85.8
June	82.9	93.2	141.5	79.1	94.0	68.3	66.5	82.1
September	76.3	86.1	164.6	75.8	95.5	65.8	64.1	79.3
December	81.6	91.1	151.2	73.5	94.7	63.5	52.9	69.6
<b>1993</b>								
March	82.5	94.7	150.5	73.1	89.0	59.0	49.0	62.4
June	84.3	97.9	156.0	68.7	90.1	56.2	44.5	56.8
September	80.3	93.4	190.8	70.1	96.5	55.9	42.5	51.6
December	85.9	99.9	175.3	69.4	96.0	57.3	43.9	47.4
<b>1994</b>								
March	88.1	102.5	194.9	68.4	89.0	53.2	40.7	44.0
June	91.7	107.9	197.6	68.4	88.6	58.0	44.3	40.2
September	96.9	104.3	211.9	72.2	88.3	56.3	43.3	36.5
December	97.4	107.3	190.8	65.0	97.2	54.8	42.2	35.5

Source: Central Bank of Uruguay.



Table 23. Uruguay: Wage Developments

(Percentage change over the corresponding period the previous year)

	Public Sector		Private Sector			Overall Wage Index	
	Nominal	Real <sup>1/</sup>	Nominal	Real <sup>1/</sup>	In US\$	Nominal	Real <sup>1/</sup>
1989	74.2	-3.6	84.6	1.9	9.4	80.3	-0.4
1990	90.9	-9.3	97.6	-6.0	2.1	94.9	-7.3
1991	104.8	0.3	116.7	6.1	25.3	112.0	3.8
1992	66.2	-0.7	74.9	4.0	17.1	71.6	2.2
1993	66.2	7.4	59.0	3.3	22.1	61.7	4.8
1994	45.6	0.6	46.3	1.2	14.6	46.1	1.0
<b>1989</b>							
1st quarter	68.1	-3.2	71.2	-1.5	6.9	69.9	-2.2
2nd quarter	67.9	-6.8	80.3	-0.2	10.3	75.1	-2.9
3rd quarter	76.6	-2.3	90.6	5.5	11.3	84.6	2.1
4th quarter	81.1	-1.9	91.6	3.9	9.0	87.3	1.5
<b>1990</b>							
1st quarter	80.4	-6.5	96.6	2.0	6.6	89.9	-1.5
2nd quarter	95.8	-4.0	93.7	-4.7	-2.0	94.5	-4.4
3rd quarter	92.2	-11.1	95.7	-9.3	0.2	94.3	-10.0
4th quarter	93.2	-15.3	102.3	-11.8	3.7	98.7	-13.2
<b>1991</b>							
1st quarter	114.9	-4.7	120.0	-2.5	14.6	118.0	-3.3
2nd quarter	108.6	-1.8	122.3	4.7	27.0	116.8	2.1
3rd quarter	101.6	0.7	123.0	11.2	32.7	114.3	6.9
4th quarter	98.8	7.8	106.2	12.0	27.2	103.4	10.4
<b>1992</b>							
1st quarter	87.2	5.3	82.0	2.5	17.4	84.0	3.6
2nd quarter	75.0	0.9	87.2	7.9	21.7	82.3	5.2
3rd quarter	61.0	-3.3	73.4	4.1	15.8	68.7	1.3
4th quarter	50.9	-5.9	63.0	1.7	14.0	58.5	-1.1
<b>1993</b>							
1st quarter	60.5	2.5	66.1	6.0	21.7	64.0	4.6
2nd quarter	65.3	6.6	55.6	0.4	18.9	59.2	2.7
3rd quarter	67.8	9.3	57.6	2.6	22.7	61.3	5.0
4th quarter	70.0	11.9	58.3	4.2	25.0	62.3	6.9
<b>1994</b>							
1st quarter	49.7	0.1	50.8	0.8	18.9	50.4	0.5
2nd quarter	45.6	0.7	49.4	3.3	18.1	47.9	2.3
3rd quarter	45.1	2.3	45.0	2.3	12.4	45.1	2.3
4th quarter	43.0	-0.7	41.9	-1.4	9.9	42.3	-1.1

Sources: Central Bank of Uruguay; and Fund staff estimates.

<sup>1/</sup> Deflated by the consumer price index.

Table 24. Uruguay: Summary Operations of the Public Sector

(In percent of GDP)

	1989	1990	1991	1992	1993	Prel. 1994
<u>General government current</u>						
<u>account balance</u>	-0.7	2.1	2.4	2.8	1.4	1.0
Revenue	22.0	25.3	27.1	27.9	28.2	28.9
Current expenditure	22.7	23.2	24.7	25.1	26.8	27.8
 Public enterprises current						
<u>account balance</u>	1.0	2.4	2.8	3.1	2.6	2.3
Nonfinancial public sector						
<u>capital expenditure</u>	3.8	4.0	4.0	3.9	5.0	5.8
<u>Nonfinancial public sector</u>						
<u>overall balance 1/</u>	-3.5	0.5	1.2	2.0	-1.0	-2.5
Central administration	-3.4	--	0.4	0.8	-1.0	-2.3
Autonomous agencies 2/	--	--	--	--	--	--
Social security	--	--	--	--	-0.3 3/	0.1
Local governments 4/	--	-0.1	0.1	0.2	--	--
Public enterprises	-0.2	0.5	0.7	1.1	0.3	-0.3
 <u>Financing</u>	3.5	-0.5	-1.2	-2.0	1.0	2.5
Dollar-denominated bonds and bills	1.6	1.6	0.4	0.7	0.5	0.8
Foreign loans (net)	0.8	0.5	0.7	0.8	0.6	0.9
Domestic financial system	0.6	-1.8	-3.1	-3.9	0.4	--
Adjustments 5/	0.5	-0.2	-0.8	0.4	-0.4	-0.2
Other financing	--	-0.6	1.6	--	-0.2	0.9
 <u>Operating losses of the</u>						
<u>financial public sector (-)</u>	-4.3	-4.5	-2.2	-1.2	-0.2	-0.7
Intervened banks 6/	-0.5 7/	-0.3	-0.2	-0.1	--	--
Mortgage Bank (BHU)	-0.4 7/	-0.6	-0.5	-0.3	-0.1	-0.1
Central Bank (BCU)	-3.4	-3.5	-2.2	-1.5	-0.8	-0.6
 <u>Combined overall balance</u>	-7.8	-4.0	-1.7	0.1	-1.2	-3.2
 <u>Memorandum item</u>						
Public sector saving 8/	-4.0	0.1	2.4	4.0	3.1	2.6

Sources: Tables 28 and 32.

1/ After receipts from (and transfers to) the rest of the public sector.

2/ National Colonization Institute only.

3/ Includes expenditure of Ur\$156 million of retroactive payments to the military and police pension plans.

4/ Montevideo only.

5/ These adjustments are partly for changes in the financial position of public entities that are not included in the above-the-line consolidated nonfinancial public sector.

6/ Operating losses of the commercial banks intervened by the Central Bank in 1985. In the period through 1989, these losses were covered by the Bank of the Republic; until 1988, they were not included in the combined public sector deficit.

7/ Estimates.

8/ Nonfinancial public sector saving plus the operating losses of the financial public sector.

Table 25. Uruguay: Summary Operations of the Central Administration  
(In percent of GDP)

	1989	1990	1991	1992	1993	Prel. 1994
<b>Total revenue</b>	<b>15.3</b>	<b>17.5</b>	<b>18.3</b>	<b>18.9</b>	<b>19.0</b>	<b>19.5</b>
<b>Tax revenue</b>	<b>15.2</b>	<b>16.9</b>	<b>17.1</b>	<b>17.8</b>	<b>17.3</b>	<b>17.8</b>
Corporate income	1.0	1.3	1.4	1.8	2.1	2.6
Farm income	0.2	0.2	0.1	0.1	0.1	0.1
Wealth tax	0.8	0.9	0.6	0.9	0.8	0.8
General sales and VAT	7.0	7.4	7.7	8.0	8.2	8.2
Selective excises on goods	3.4	3.7	3.9	3.8	3.7	3.8
Import duties	1.9	2.3	2.1	1.8	1.3	1.3
Other	0.9	1.1	1.4	1.4	1.1	1.1
Nontax revenue	1.3	1.4	1.9	1.7	2.3	2.4
Adjustment <sup>1/</sup>	-1.2	-0.8	-0.6	-0.6	-0.6	-0.7
<b>Total expenditure</b>	<b>18.7</b>	<b>17.5</b>	<b>17.9</b>	<b>18.1</b>	<b>20.0</b>	<b>21.8</b>
<b>Current expenditure</b>	<b>16.3</b>	<b>15.5</b>	<b>16.2</b>	<b>16.4</b>	<b>17.6</b>	<b>19.0</b>
Wages and salaries	5.6	5.3	5.1	4.8	5.5	5.0
Transfers to social security <sup>2/</sup>	5.2	4.5	5.1	5.5	7.0	8.0
Other goods and services	2.3	2.6	2.8	3.0	2.5	3.1
Interest payments	1.9	1.8	1.7	1.4	1.4	1.3
Transfers and subsidies	1.3	1.3	1.6	1.7	1.2	1.6
Capital expenditure	2.3	2.0	1.7	1.7	2.5	2.8
<b>Overall balance</b>	<b>-3.4</b>	<b>--</b>	<b>0.4</b>	<b>0.8</b>	<b>-1.0</b>	<b>-2.3</b>
<b>Memorandum item</b>						
Current account balance	-1.0	1.9	2.1	2.5	1.4	0.5

Source: Table 29.

<sup>1/</sup> Mainly taxes paid with tax credit certificates for exports.

<sup>2/</sup> Includes employer contribution for central administration employees.

Table 26. Uruguay: Summary Operations of the Social Security System  
(In percent of GDP)

	1989	1990	1991	1992	1993	Prel. 1994
Current revenue (before transfers from the Central Administration)	5.8	6.8	7.6	7.8	7.9	7.8
Current expenditure	10.9	11.4	12.7	13.3	14.9	15.7
<u>Current account balance</u>	<u>-5.2</u>	<u>-4.5</u>	<u>-5.1</u>	<u>-5.5</u>	<u>-7.0</u>	<u>-7.9</u>
Capital expenditure	--	--	--	--	--	--
Transfers from the Central Administration <sup>1/</sup>	5.2	4.5	5.1	5.5	7.0	8.0
<u>Overall balance</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>0.1</u>

Source: Table 28.

<sup>1/</sup> Includes employer contributions for central administration employees.

Table 27. Uruguay: Summary Operations of the Public Enterprises

(In percent of GDP)

	1989	1990	1991	1992	1993	Prel. 1994
<u>Operating revenue</u>	<u>12.6</u>	<u>14.5</u>	<u>13.7</u>	<u>13.0</u>	<u>12.4</u>	<u>12.5</u>
ANCAP	6.3	7.2	6.5	5.6	4.8	4.5
ANTEL	1.9	2.3	2.3	2.3	2.6	2.7
UTE	2.9	3.5	3.2	3.4	3.3	3.5
Other	1.5	1.5	1.7	1.7	1.8	1.8
<u>Operating expenditure</u>	<u>8.5</u>	<u>8.5</u>	<u>6.9</u>	<u>6.3</u>	<u>6.3</u>	<u>6.2</u>
ANCAP	4.0	4.0	3.0	2.7	2.4	2.3
ANTEL	0.9	0.9	0.8	0.7	0.8	0.9
UTE	2.1	2.3	1.7	1.5	1.7	1.8
Other	1.5	1.3	1.4	1.4	1.3	1.3
<u>Operating balance 1/</u>	<u>4.1</u>	<u>6.0</u>	<u>6.8</u>	<u>6.7</u>	<u>6.2</u>	<u>6.3</u>
ANCAP	2.3	3.1	3.5	2.9	2.3	2.2
ANTEL	1.0	1.4	1.5	1.6	1.8	1.8
UTE	0.7	1.2	1.5	1.8	1.6	1.7
Other	--	0.3	0.3	0.3	0.5	0.6
<u>Net current transfers 2/</u>	<u>-3.1</u>	<u>-3.6</u>	<u>-4.0</u>	<u>-3.7</u>	<u>-3.5</u>	<u>-4.0</u>
ANCAP	-2.8	-3.1	-3.1	-2.6	-2.0	-2.1
ANTEL	-0.3	-0.4	-0.5	-0.8	-0.9	-0.8
UTE	-0.2	-0.2	-0.4	-0.4	-0.5	-0.8
Other	0.2	0.1	--	0.1	-0.1	-0.2
<u>Current account balance</u>	<u>1.0</u>	<u>2.4</u>	<u>2.8</u>	<u>3.1</u>	<u>2.6</u>	<u>2.3</u>
ANCAP	-0.5	--	0.3	0.3	0.3	0.1
ANTEL	0.8	1.0	1.0	0.9	0.9	0.9
UTE	0.5	1.0	1.2	1.4	1.1	0.9
Other	0.2	0.4	0.3	0.4	0.3	0.4
<u>Capital revenue</u>	<u>--</u>	<u>--</u>	<u>0.1</u>	<u>0.1</u>	<u>--</u>	<u>0.1</u>
<u>Capital expenditure</u>	<u>1.2</u>	<u>1.9</u>	<u>2.2</u>	<u>2.1</u>	<u>2.4</u>	<u>2.7</u>
ANCAP	-0.3	0.1	0.1	0.4	0.1	0.5
ANTEL	0.7	0.7	0.6	0.6	0.9	0.9
UTE	0.7	0.9	1.3	0.8	0.9	1.0
Other	0.1	0.1	0.2	0.2	0.4	0.3
<u>Overall balance</u>	<u>-0.2</u>	<u>0.5</u>	<u>0.7</u>	<u>1.1</u>	<u>0.3</u>	<u>-0.3</u>
ANCAP	-0.2	-0.1	0.2	-0.1	0.2	-0.4
ANTEL	0.1	0.3	0.4	0.2	--	0.1
UTE	-0.2	0.1	--	0.7	0.2	-0.1
Other	0.1	0.3	0.1	0.2	-0.1	--

Source: Table 31.

1/ Before net current transfers.

2/ Tax payments and net transfers from the Central Government.

Table 28. Uruguay: Nonfinancial Public Sector Operations

(In millions of Uruguayan pesos)

	1989	1990	1991	1992	1993	Prel. 1994
<b>I. Central Administration</b>						
Current revenue	741	1,712	3,714	6,771	10,110	15,320
Of which taxes from:						
autonomous agencies	--	--	--	--	--	--
public enterprises	138	321	725	1,204	1,567	2,610
Current expenditure	790	1,521	3,291	5,891	9,344	14,910
Of which transfers to:						
autonomous agencies	--	1	--	3	1	4
social security	251	443	1,034	1,981	3,723	6,258
public enterprises	19	34	43	118	63	64
<u>Current account surplus or deficit (-)</u>	<u>-49</u>	<u>190</u>	<u>423</u>	<u>880</u>	<u>766</u>	<u>410</u>
Capital expenditure	113	193	346	597	1,303	2,206
Of which transfers to:						
autonomous agencies	--	--	--	--	--	--
municipalities	1	--	7	--	--	--
public enterprises	2	2	21	23	--	18
<u>Overall surplus or deficit (-)</u>	<u>-162</u>	<u>-3</u>	<u>77</u>	<u>283</u>	<u>-537</u>	<u>-1,796</u>
<u>Financing 1/</u>	<u>162</u>	<u>3</u>	<u>-77</u>	<u>-283</u>	<u>537</u>	<u>1,796</u>
Foreign currency-denominated						
bonds and bills 2/	79	155	83	250	74	602
Foreign loans (net)	32	41	274	352	534	654
Other	52	-193	-435	-885	-71	541
<b>II. Autonomous Agencies 3/</b>						
Current revenue	2	3	6	10	21	27
Current expenditure	1	2	6	8	12	17
Net current transfers	--	1	-1	1	-1	1
Transfers from central administration	--	1	--	3	1	4
Tax payments (-)	--	--	--	--	--	--
Contributions to social security (-)	--	--	-1	-2	-2	-3
<u>Current account surplus or deficit (-)</u>	<u>--</u>	<u>2</u>	<u>--</u>	<u>3</u>	<u>8</u>	<u>11</u>
Capital transfers from						
Central Administration	--	--	--	--	--	--
Capital expenditure	1	--	--	--	6	5
<u>Overall surplus or deficit (-)</u>	<u>-1</u>	<u>1</u>	<u>--</u>	<u>3</u>	<u>2</u>	<u>6</u>
Internal financing (net)	1	-1	--	-3	-2	-6
Foreign loans (net)	--	--	--	--	--	--

Table 28. Uruguay: Nonfinancial Public Sector Operations (Continued)

(In millions of Uruguayan pesos)

	1989	1990	1991	1992	1993	Prel. 1994
<b>III. Social Security System</b>						
Current revenue	245	592	1,382	2,522	3,738	5,483
Current expenditure	529	1,111	2,577	4,776	7,906	12,312
Net current transfers	285	521	1,188	2,258	4,165	6,881
Contributions from Central Administration	251	443	1,034	1,981	3,723	6,155
Contributions from autonomous agencies	--	--	1	2	2	3
Contributions from municipalities	6	14	26	49	70	119
Contributions from public enterprises	28	64	128	226	370	605
<u>Current account surplus or deficit (-)</u>	<u>2</u>	<u>2</u>	<u>-7</u>	<u>5</u>	<u>-3</u>	<u>53</u>
Capital expenditure	1	--	--	--	--	--
<u>Overall surplus or deficit (-)</u>	<u>1</u>	<u>2</u>	<u>-7</u>	<u>5</u>	<u>-3</u>	<u>53</u>
Internal financing (net)	-1	-2	7	-5	3	-53
<b>IV. Central Government (IV = I + II + III)</b>						
Current revenue	1,022	2,384	5,256	9,579	14,308	21,553
Of which:						
transfers from municipalities	6	14	26	49	70	119
taxes from public enterprises	138	321	725	1,204	1,567	2,610
social security contributions from public enterprises	28	64	128	226	370	605
Current expenditure	1,069	2,190	4,840	8,691	13,537	20,977
Of which:						
transfers to public enterprises	19	34	43	118	63	64
<u>Current account surplus or deficit (-)</u>	<u>-47</u>	<u>194</u>	<u>417</u>	<u>888</u>	<u>771</u>	<u>577</u>
Capital expenditure	115	194	346	597	1,309	2,211
Of which:						
transfers to municipalities	1	--	7	--	--	--
transfers to public enterprises	2	2	21	23	--	18
<u>Overall surplus or deficit(-)</u>	<u>-162</u>	<u>1</u>	<u>70</u>	<u>291</u>	<u>-538</u>	<u>-1,635</u>
<u>Financing 1/</u>	<u>162</u>	<u>-1</u>	<u>-70</u>	<u>-291</u>	<u>538</u>	<u>1,635</u>
Foreign currency-denominated bonds and bills 2/	79	155	83	250	74	602
Foreign loans (net)	32	41	274	352	534	654
Other (net)	52	-196	-428	-893	-70	379

Table 28. Uruguay: Nonfinancial Public Sector Operations (Continued)

(In millions of Uruguayan pesos)

	1989	1990	1991	1992	1993	Prel. 1994
<b>V. Municipalities 4/</b>						
Current revenue	49	109	268	471	734	1,232
Current expenditure	30	78	180	353	564	878
Net current transfers	-6	-16	-17	-44	-62	-119
Contributions to social security (-)	-6	-14	-26	-49	-70	-119
Transfers from Central Government	--	-2	9	5	8	--
<u>Current account surplus or deficit (-)</u>	<u>14</u>	<u>15</u>	<u>71</u>	<u>73</u>	<u>108</u>	<u>235</u>
Capital transfers from Central Government	1	--	7	--	--	--
Capital expenditure	15	23	54	69	87	316
<u>Overall surplus or deficit (-)</u>	<u>--</u>	<u>-8</u>	<u>24</u>	<u>5</u>	<u>22</u>	<u>-81</u>
<b>Financing</b>	<b>--</b>	<b>8</b>	<b>-24</b>	<b>-5</b>	<b>-22</b>	<b>81</b>
Foreign loans (net)	5	2	--	--	--	28
Other (net)	-5	6	-24	-5	-22	53
<b>VI. General Government (VI = IV + V)</b>						
Current revenue	1,065	2,479	5,499	10,000	14,972	22,667
Of which:						
taxes from public enterprises	138	321	725	1,204	1,567	2,610
social security contributions						
from public enterprises	28	64	128	226	370	605
Current expenditure	1,099	2,269	5,011	9,039	14,249	21,855
Of which:						
transfers to public enterprises	19	34	43	118	63	64
military and police pension plans		--	--	--	156	--
<u>Current account surplus or deficit (-)</u>	<u>-33</u>	<u>209</u>	<u>488</u>	<u>961</u>	<u>723</u>	<u>812</u>
Capital expenditure	129	217	394	666	1,395	2,527
Of which:						
transfers to public enterprises	2	2	21	23	--	18
<u>Overall surplus or deficit (-)</u>	<u>-162</u>	<u>-7</u>	<u>94</u>	<u>295</u>	<u>-672</u>	<u>-1,715</u>
<b>Financing</b>	<b>162</b>	<b>7</b>	<b>-94</b>	<b>-295</b>	<b>672</b>	<b>1,715</b>
Foreign currency-denominated						
bonds and bills 2/	79	155	83	250	74	602
Foreign loans (net)	37	43	274	352	534	682
Other (net)	47	-191	-452	-897	64	432



Table 28. Uruguay: Nonfinancial Public Sector Operations (Concluded)

(In millions of Uruguayan pesos)

	1989	1990	1991	1992	1993	Prel. 1994
<b>VII. <u>Public Enterprises</u> 5/</b>						
Operating surplus or deficit (-)	196	583	1,381	2,411	3,279	4,961
Net current transfers	-148	-351	-810	-1,312	-1,875	-3,152
<u>Current account surplus or deficit (-)</u>	<u>48</u>	<u>232</u>	<u>571</u>	<u>1,099</u>	<u>1,404</u>	<u>1,809</u>
Capital receipts	2	2	21	23	22	78
Of which:						
transfers from Central Government	2	2	21	23	--	18
Capital expenditure	58	182	443	743	1,263	2,146
<u>Overall surplus or deficit (-)</u>	<u>-7</u>	<u>53</u>	<u>148</u>	<u>378</u>	<u>163</u>	<u>-259</u>
<u>Financing</u>	<u>7</u>	<u>-53</u>	<u>-148</u>	<u>-378</u>	<u>-163</u>	<u>259</u>
Foreign loans (net)	3	10	-125	23	8	41
Other (net)	4	-64	-23	-402	-171	219
<b>VIII. <u>Nonfinancial Public Sector (VIII = VI + VII)</u></b>						
<u>Current account surplus or deficit (-)</u>	<u>15</u>	<u>442</u>	<u>1,059</u>	<u>2,060</u>	<u>2,128</u>	<u>2,622</u>
Capital receipts	--	--	--	--	22	59
Capital expenditure	185	396	817	1,386	2,659	4,655
<u>Overall surplus or deficit 6/</u>	<u>-170</u>	<u>46</u>	<u>242</u>	<u>674</u>	<u>-510</u>	<u>-1,974</u>
<u>Financing 1/</u>	<u>170</u>	<u>-46</u>	<u>-242</u>	<u>-674</u>	<u>510</u>	<u>1,974</u>
Foreign currency-denominated						
bonds and bills 2/	79	155	83	250	74	602
Foreign loans (net)	40	54	149	375	542	722
Domestic financial system	27	-177	-628	-1,407	-130	34
Other internal financing (net)	24	-77	153	109	24	616
Of which:						
public entities excluded						
from above the line 7/	27	-8	-52	-66	-132	122
other (net)	-3	-69	205	174	156	494

Sources: Ministry of Economy and Finance; Office of Planning and Budget; Central Bank of Uruguay; and Fund staff estimates.

1/ In 1989, the annual flows of financing in foreign currency are converted at the average exchange rate of the year. Since 1990 these figures are obtained by converting the monthly financing flows in foreign currency at the average exchange rate of each month.

2/ Held by the nonbank private sector.

3/ Includes only the National Colonization Institute (INC). Data for 1994 are estimated.

4/ Includes only the Municipality of Montevideo. Data for the second semester of 1994 are estimated.

5/ Excludes operations of the Salto Grande electricity plant. Corresponds to the consolidation of Table 31.

6/ Above-the-line estimates excluding operations of Salto Grande, municipalities outside Montevideo, and autonomous agencies other than INC.

7/ Overall balance of other nonfinancial public sector entities excluded from the above the line including operations of Salto Grande, municipalities outside Montevideo and other autonomous agencies.

Table 29. Uruguay: Operations of the Central Administration  
(In millions of Uruguayan pesos)

	1989	1990	1991	1992	1993	Pre1. 1994
<b>Total revenue</b>	<b>741</b>	<b>1,712</b>	<b>3,714</b>	<b>6,771</b>	<b>10,110</b>	<b>15,320</b>
<b>Tax revenue</b>	<b>738</b>	<b>1,653</b>	<b>3,469</b>	<b>6,372</b>	<b>9,193</b>	<b>13,947</b>
Taxes on net income and profits	58	145	303	690	1,193	2,073
Company taxes	47	126	279	650	1,138	2,017
Private enterprises	47	95	196	485	934	1,419
Public entities	--	21	82	166	204	598
Farm income	11	19	24	39	56	56
Taxes on property	38	89	128	307	399	589
Personal wealth	23	62	61	152	168	223
Corporate wealth	15	28	67	155	231	366
Taxes on goods and services	510	1,108	2,459	4,427	6,469	9,918
Value added tax	337	719	1,552	2,853	4,359	6,444
Excise taxes on goods	167	362	794	1,352	1,940	2,950
Other	6	26	112	221	170	524
Taxes on financial assets	16	31	77	138	218	245
Taxes on sales of foreign exchange	18	40	67	143	207	60
Taxes on foreign trade	98	240	436	668	706	1,062
Import duties	92	227	424	650	695	1,042
Export duties	6	13	12	17	11	20
<b>Nontax revenue 1/</b>	<b>62</b>	<b>134</b>	<b>376</b>	<b>626</b>	<b>1,217</b>	<b>1,902</b>
<b>Adjustment 2/</b>	<b>-38</b>	<b>-75</b>	<b>-131</b>	<b>-227</b>	<b>-300</b>	<b>-528</b>
<b>Total expenditure</b>	<b>904</b>	<b>1,715</b>	<b>3,637</b>	<b>6,487</b>	<b>10,647</b>	<b>17,116</b>
<b>Current expenditure</b>	<b>790</b>	<b>1,521</b>	<b>3,291</b>	<b>5,881</b>	<b>9,344</b>	<b>14,910</b>
Wages and salaries	273	518	1,029	1,705	2,900 3/	3,958
Other goods and services	113	255	571	1,091	1,309 3/	2,399
Contributions to social security	251	443	1,034	1,981	3,723	6,258
Transfers and subsidies	62	131	315	593	643	1,240
National Housing Fund 4/	2	5	10	31	--	--
Provincial governments	--	--	--	--	--	--
Public enterprises	11	40	64	102	49	69
From earmarked revenue	13	34	114	218	300	579
Export prefinancing	3	5	5	1	--	--
Transfers to BHU	14	29	53	63	85	40
Other transfers	18	18	69	176	209	556
Interest payments	91	175	342	510	769	1,055
<b>Current account surplus or deficit(-)</b>	<b>-49</b>	<b>190</b>	<b>423</b>	<b>890</b>	<b>766</b>	<b>410</b>
<b>Capital expenditure</b>	<b>113</b>	<b>193</b>	<b>346</b>	<b>606</b>	<b>1,303</b>	<b>2,206</b>
Domestic resources	83	154	294	503	923	1,470
Ministry of Finance	29	56	109	195	362	546
Ministry of Public Works	51	94	176	290	448	616
Other 4/	2	3	9	17	113	308
Foreign resources	31	39	52	103	380	736
<b>Overall surplus or deficit(-)</b>	<b>-162</b>	<b>-3</b>	<b>77</b>	<b>284</b>	<b>-537</b>	<b>-1,796</b>
<b>Financing 5/</b>	<b>162</b>	<b>3</b>	<b>-77</b>	<b>-284</b>	<b>537</b>	<b>1,796</b>
Central Bank (net)	38	-29	-511	-483	-221	-84
Foreign currency-denominated						
bonds and bills 6/	79	155	83	250	95	420
Foreign loans (net)	32	41	274	352	549	686
Other	15	-164	76	-403	114	774

Source: Ministry of Economy and Finance.

1/ Includes transfers from public enterprises and official banks.

2/ Mainly taxes paid with tax certificates for exports.

3/ Figures have been adjusted to include as wages and salaries certain wage payments reported in the official data as expenditure on goods and services.

4/ From 1989 to 1992, the accounts of the central administration reported the earmarked transfers to the National Housing Fund (FNV) independently of their actual use by the FNV. Since 1993, the accounts report only the amount actually invested by the FNV, as capital expenditure.

5/ In 1989 the annual flows of financing in foreign currency are converted at the average exchange rate of the year. Since 1990 these figures are obtained by converting the monthly financing flows in foreign currency at the average exchange rate of each month.

6/ Held by the nonbank private sector.

Table 30. Uruguay: Functional Classification of  
Central Government Expenditure

	1989	1990	1991	1992	Prel. 1993
<u>(In millions of Uruguayan pesos)</u>					
<u>Total expenditure</u>	<u>1.168</u>	<u>2.356</u>	<u>5.034</u>	<u>10.199</u>	<u>18.103</u>
General public services	133	273	541	1,006	1,575
Defense <u>1/</u>	74	147	326	814 <u>2/</u>	974
Education	98	185	368	673	1,188
Of which: universities and colleges	18	36	75	142	...
Health	74	137	296	566	862
Social Security and welfare	529	1,111	2,543	5,357	10,836
Housing	15	31	63	25	48
Other social services	15	25	45	46	139
Economic services	118	228	406	838	1,294
Unallocated and other purposes	113	219	445	873	1,187
Public debt interest	95	182	342	629	866
Other	18	37	103	244	321
<u>(In percent of total)</u>					
<u>Total expenditure</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
General public services	11.4	11.6	10.8	9.9	8.7
Defense	6.4	6.2	6.5	8.0	5.4
Education	8.4	7.9	7.3	6.6	6.6
Health	6.3	5.8	5.9	5.5	4.8
Social Security and welfare	45.2	47.1	50.5	52.5	59.9
Housing	1.3	1.3	1.3	0.2	0.3
Other social services	1.3	1.0	0.9	0.5	0.8
Economic services	10.1	9.7	8.1	8.2	7.1
Public debt interest	8.1	7.7	6.8	6.2	4.8
Other expenditure	1.5	1.6	2.1	2.4	1.8

Sources: Ministry of Economy; Office of Planning and Budget; and Fund staff estimates.

1/ Excludes extrabudgetary outlays.

2/ Includes 0.5 percent of GDP in retroactive transfers from the Treasury to the Military Pension Plan and extraordinary expenditures to outfit transport airplanes donated to the Uruguayan Air Force.

Table 31. Uruguay: Operations of the Public Enterprises

(In millions of Uruguayan pesos)

	1989	1990	1991	1992	1993	Prel. 1994
<b>I. State Telephone Company (ANTEL)</b>						
Operating revenue	91	220	471	838	1,370	2,103
Operating expenditure	41	84	158	255	431	699
<u>Operating surplus</u>	<u>50</u>	<u>137</u>	<u>312</u>	<u>583</u>	<u>939</u>	<u>1,405</u>
Net current transfers	-13	-41	-104	-270	-466	-659
Transfers from Central Government	--	--	--	--	--	--
Tax payments	-8	-17	-55	-209	-298	-392
Taxes on public entities	--	-12	-25	-20	-89	-129
Contributions to social security	-5	-12	-24	-41	-80	-138
<u>Current account surplus or deficit(-)</u>	<u>37</u>	<u>96</u>	<u>208</u>	<u>313</u>	<u>473</u>	<u>746</u>
Capital receipts	--	--	--	--	--	--
Capital expenditure	33	65	124	225	491	686
<u>Overall surplus or deficit(-)</u>	<u>3</u>	<u>31</u>	<u>84</u>	<u>88</u>	<u>-18</u>	<u>60</u>
<u>Financing</u>	<u>-3</u>	<u>-31</u>	<u>-84</u>	<u>-88</u>	<u>18</u>	<u>-60</u>
Foreign loans (net)	5	-1	-71	-55	25	-43
Other (net)	-8	-30	-13	-33	-7	-17
<b>II. State Power Company (UTE)</b>						
Operating revenue	138	338	652	1,205	1,748	2,735
Operating expenditure	104	221	342	542	900	1,394
<u>Operating surplus</u>	<u>34</u>	<u>118</u>	<u>310</u>	<u>663</u>	<u>848</u>	<u>1,341</u>
Net current transfers	-9	-21	-73	-156	-255	-630
Transfers from Central Government	--	--	--	--	--	--
Tax payments	--	--	--	-6	-69	-124
Taxes on public entities	--	--	-34	-80	-60	-303
Contributions to social security	-9	-21	-38	-70	-127	-203
<u>Current account surplus or deficit(-)</u>	<u>25</u>	<u>97</u>	<u>238</u>	<u>507</u>	<u>593</u>	<u>711</u>
Capital receipts	--	--	18	5	22	59
Capital expenditure	34	91	259	277	490	815
<u>Overall surplus or deficit(-)</u>	<u>-9</u>	<u>6</u>	<u>-4</u>	<u>235</u>	<u>125</u>	<u>-46</u>
<u>Financing</u>	<u>9</u>	<u>-6</u>	<u>4</u>	<u>-235</u>	<u>-125</u>	<u>46</u>
Foreign loans (net)	-15	-21	34	11	-70	-106
Other (net)	25	15	-30	-246	-55	152

Table 31. Uruguay: Operations of the Public Enterprises (Continued)

(In millions of Uruguayan pesos)

	1989	1990	1991	1992	1993	Prel. 1994
<b>III. Petroleum, Alcohol and Cement Company (AMCAP)</b>						
Operating revenue	307	700	1,314	2,010	2,526	3,542
Operating expenditure	196	396	613	965	1,278	1,786
<u>Operating surplus</u>	<u>111</u>	<u>304</u>	<u>701</u>	<u>1,046</u>	<u>1,247</u>	<u>1,757</u>
Net current transfers	-134	-302	-635	-923	-1,078	-1,661
Transfers from Central Government	--	--	--	--	--	--
Tax payments	-129	-282	-587	-804	-959	-1,411
Taxes on public entities	--	-9	-23	-81	-65	-153
Contributions to social security	-5	-12	-25	-38	-55	-98
<u>Current account surplus or deficit(-)</u>	<u>-23</u>	<u>2</u>	<u>66</u>	<u>123</u>	<u>169</u>	<u>95</u>
Capital receipts	--	--	--	--	--	--
Capital expenditure 1/	-15	14	24	156	64	385
<u>Overall surplus or deficit(-)</u>	<u>-8</u>	<u>-12</u>	<u>41</u>	<u>-33</u>	<u>105</u>	<u>-289</u>
<u>Financing</u>	<u>8</u>	<u>12</u>	<u>-41</u>	<u>33</u>	<u>-105</u>	<u>289</u>
Foreign loans (net)	16	46	-71	77	7	178
Other (net)	-8	-34	30	-44	-112	111
<b>IV. National Railways Company (AFE) 2/</b>						
Operating revenue	4	9	15	24	43	52
Operating expenditure	14	25	46	66	95	112
<u>Operating surplus</u>	<u>-10</u>	<u>-16</u>	<u>-31</u>	<u>-43</u>	<u>-52</u>	<u>-60</u>
Net current transfers	11	19	32	53	55	55
Transfers from Central Government	11	20	32	53	55	55
Tax payments	--	--	--	--	--	--
Taxes on public entities	--	--	--	--	--	--
Contributions to social security	--	-1	--	--	--	--
<u>Current account surplus or deficit(-)</u>	<u>1</u>	<u>3</u>	<u>1</u>	<u>10</u>	<u>3</u>	<u>-5</u>
Capital receipts	2	2	3	17	--	18
Capital expenditure	1	2	2	2	81	19
<u>Overall surplus or deficit(-)</u>	<u>1</u>	<u>3</u>	<u>2</u>	<u>26</u>	<u>-78</u>	<u>-6</u>
<u>Financing</u>	<u>-1</u>	<u>-3</u>	<u>-2</u>	<u>-26</u>	<u>78</u>	<u>6</u>
Foreign loans (net)	--	-2	-3	-5	69	2
Other (net)	-1	-1	1	-21	9	4

Table 31. Uruguay: Operations of the Public Enterprises (Continued)

(In millions of Uruguayan pesos)

	1989	1990	1991	1992	1993	Prel. 1994
<b>V. National Port Administration (ANP)</b>						
Operating revenue	23	48	90	154	211	310
Operating expenditure	16	28	61	127	141	212
<u>Operating surplus</u>	<u>7</u>	<u>20</u>	<u>30</u>	<u>27</u>	<u>71</u>	<u>98</u>
Net current transfers	-4	-9	-18	27	-45	-63
Transfers from Central Government	--	--	--	57	--	--
Tax payments	--	-1	-1	-3	-9	-9
Taxes on public entities	--	--	--	--	-5	-8
Contributions to social security	-4	-8	-16	-27	-32	-47
<u>Current account surplus or deficit (-)</u>	<u>3</u>	<u>11</u>	<u>12</u>	<u>54</u>	<u>26</u>	<u>35</u>
Capital receipts	--	--	--	--	--	--
Capital expenditure	--	--	1	9	6	15
<u>Overall surplus or deficit (-)</u>	<u>3</u>	<u>11</u>	<u>12</u>	<u>45</u>	<u>20</u>	<u>20</u>
<u>Financing</u>	<u>-3</u>	<u>-11</u>	<u>-12</u>	<u>-45</u>	<u>-20</u>	<u>-20</u>
Foreign loans (net)	-2	-5	-11	-8	-16	-7
Other (net)	-2	-6	-1	-38	-4	-13
<b>VI. Sanitary Works Company (OSE)</b>						
Operating revenue	28	59	150	278	485	812
Operating expenditure	21	40	94	158	277	405
<u>Operating surplus</u>	<u>6</u>	<u>19</u>	<u>56</u>	<u>120</u>	<u>208</u>	<u>406</u>
Net current transfers	-2	-4	-19	-45	-80	-106
Transfers from Central Government	3	5	--	--	2	2
Tax payments	--	-1	--	--	-14	-76
Taxes on public entities	--	--	--	--	--	--
Contributions to social security	-4	-9	-19	-45	-67	-112
<u>Current account surplus or deficit (-)</u>	<u>4</u>	<u>15</u>	<u>37</u>	<u>75</u>	<u>128</u>	<u>220</u>
Capital receipts	--	--	--	--	--	--
Capital expenditure	4	10	32	75	132	230
<u>Overall surplus or deficit (-)</u>	<u>--</u>	<u>5</u>	<u>5</u>	<u>--</u>	<u>-4</u>	<u>-10</u>
<u>Financing</u>	<u>--</u>	<u>-5</u>	<u>-5</u>	<u>--</u>	<u>4</u>	<u>10</u>
Foreign loans (net)	-1	-2	4	9	3	17
Other (net)	1	-2	-9	-9	1	-7

Table 31. Uruguay: Operations of the Public Enterprises (Concluded)

(In millions of Uruguayan pesos)

	1989	1990	1991	1992	1993	Pre1. 1994
<b>VII. <u>Uruguayan Airlines (PLUNA) 2/</u></b>						
Operating revenue	18	45	86	156	217	285
Operating expenditure	20	43	84	141	199	282
<u>Operating surplus</u>	<u>-2</u>	<u>2</u>	<u>2</u>	<u>16</u>	<u>18</u>	<u>3</u>
Net current transfers	4	7	7	1	-6	-3
Transfers from Central Government	5	8	11	8	6	7
Tax payments	--	--	--	-1	-1	-1
Taxes on public entities	--	--	--	--	--	--
Contributions to social security	-1	-1	-4	-6	-10	-9
<u>Current account surplus or deficit(-)</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>16</u>	<u>13</u>	<u>--</u>
Capital receipts	--	--	--	--	--	--
Capital expenditure	--	--	--	--	--	--
<u>Overall surplus or deficit(-)</u>	<u>2</u>	<u>2</u>	<u>8</u>	<u>16</u>	<u>13</u>	<u>--</u>
<u>Financing</u>	<u>-2</u>	<u>-9</u>	<u>-8</u>	<u>-16</u>	<u>-13</u>	<u>--</u>
Foreign loans (net)	1	-5	-8	-5	1	--
Other (net)	-2	-4	-1	-11	-14	--

Sources: Office of Planning and Budget; Central Bank of Uruguay; and Fund staff estimates.

1/ Includes changes in stocks.

2/ 1994 data are actual for January-June and estimated for the rest of the year.

Table 32. Uruguay: Summary Quasi-Fiscal Operations of the Central Bank

(In millions of Uruguayan pesos)

	1989	1990	1991	1992	1993	Prel. 1994
<u>Total deficit (-)</u>	<u>-164</u>	<u>-347</u>	<u>-446</u>	<u>-536</u>	<u>-443</u>	<u>-501</u>
<u>In foreign currency</u>	<u>-101</u>	<u>-187</u>	<u>-261</u>	<u>-232</u>	<u>-197</u>	<u>-145</u>
Expenditure	131	229	323	315	360	404
Of which: interest on foreign currency denominated debt	65	127	184	180	196	228
assistance to Mortgage Bank	8	--	--	--	--	--
Revenue	29	42	63	83	163	259
Of which: interest on foreign reserves	27	40	58	67	124	187
<u>In local currency</u>	<u>-63</u>	<u>-160</u>	<u>-186</u>	<u>-304</u>	<u>-246</u>	<u>-356</u>
Expenditure	71	169	205	329	298	391
Of which: interest on bills for monetary regulation	53	136	89	120	64	--
Revenue	8	9	19	25	52	35

Source: Central Bank of Uruguay.



Table 33. Uruguay: Employment in the Public Sector, 1990-94

(In thousands of employees)

	February 1990	Hirings	Separations	December 1994
Central administration	106.4	22.0	21.6	106.9
Of which:				
Ministry of Defense	34.5	0.5	1.1	33.9
Ministry of the Interior	25.5	9.6	9.9	25.2
Local administration	39.6	13.3	14.3	38.6
Official banks	10.3	1.2	1.6	9.8
Public enterprises	44.2	5.3	16.8	32.7
Education	56.0	4.9	3.1	57.9
Legislative	0.9	0.1	0.1	0.9
Judiciary power	3.6	0.6	0.6	3.7
BPS	6.4	0.8	1.6	5.5
<u>Total</u>	<u>327.4</u>	<u>58.4</u>	<u>70.8</u>	<u>315.0</u>

Source: National Office of the Civil Service.

Table 34. Selected Monetary and Credit Indicators

	December					Prel.
	1989	1990	1991	1992	1993	1994
(Percentage change with respect to a year ago)						
<u>Monetary aggregates 1/</u>						
Currency	68.4	98.8	102.6	67.5	62.2	43.3
M-1	68.1	112.5	95.5	70.1	58.4	39.6
M-2	57.8	88.0	77.3	53.6	54.2	32.0
M-3* 2/	97.9	111.6	85.0	55.5	40.6	42.2
M-3 2/	119.2	121.8	78.2	45.6	35.2	37.7
M-4* 2/	100.3	113.9	84.3	52.3	41.0	41.6
M-4 2/	118.7	123.0	78.8	45.4	36.0	38.0
<u>Credit aggregates 3/</u>						
Total banking system credit	71.7	84.1	59.1	60.8	48.3	41.5
Of which: private sector credit	71.9	89.4	70.0	63.7	47.4	42.0
<u>Real money holdings</u>						
M-1	-11.1	-7.2	7.7	7.1	3.6	-3.1
M-2	-16.6	-17.9	-2.3	-3.3	0.8	-8.4
M-3* 2/	4.6	-7.6	1.9	-2.1	-8.0	-1.3
M-3 2/	15.8	-3.2	-1.8	-8.4	-11.5	-4.5
M-4* 2/	5.9	-6.6	1.6	-4.1	-7.8	-1.7
M-4 2/	15.6	-2.6	-1.5	-8.5	-11.1	-4.2
(In percent)						
<u>Selected ratios</u>						
Monetary base to GDP 4/	7.0	6.7	5.8	5.7	5.4	5.9
Foreign currency deposits by residents to total banking system deposits	89.9	91.9	91.2	90.1	88.7	90.0
<u>Selected interest rates (12-month averages)</u>						
Foreign currency deposits 5/	6.9	6.5	4.9	3.4	3.1	3.4
Foreign currency loans 6/	12.3	12.1	10.1	8.1	6.6	7.5
Domestic currency deposits 5/	84.7	97.8	75.2	54.5	39.4	37.0
Domestic currency loans 6/	87.6	120.3	104.9	74.7	60.9	59.7
<u>Memorandum item</u>						
Consumer price inflation 7/	89.2	129.0	81.5	58.9	52.9	44.1

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ M-1 is defined as currency plus demand deposits; M-2 is defined as M-1 plus time and savings deposits in local currency; M-3\* is M-2 plus foreign currency deposits of residents; M-3 is M-3\* plus foreign currency deposits of nonresidents; M-4\* is M-3\* plus liabilities of the Mortgage Bank to the private sector; M-4 is M-3 plus liabilities of the Mortgage Bank to the private sector.

2/ Foreign currency deposits are valued at end-of-period exchange rates.

3/ Flows of credit in foreign currency are valued at end-of-period exchange rates.

4/ End of period monetary base.

5/ Interest rates on deposits of 30 to 180 day maturity.

6/ Prime rate.

7/ End of period.

Table 35. Uruguay: Composition of Private Sector Financial Assets 1/

	December					Prel.
	1989	1990	1991	1992	1993	1994
(In millions of Uruguayan pesos)						
<u>Total financial assets</u>	<u>5,125.8</u>	<u>11,345.1</u>	<u>19,856.4</u>	<u>28,880.5</u>	<u>39,371.5</u>	<u>53,951.8</u>
<u>Banking system</u>	<u>3,713.4</u>	<u>8,235.8</u>	<u>14,675.4</u>	<u>21,360.9</u>	<u>28,890.1</u>	<u>39,777.6</u>
Money	321.0	681.9	1,333.3	2,268.1	3,593.1	5,017.0
Currency	211.3	420.2	851.3	1,426.0	2,312.7	3,313.8
Demand deposits	109.7	261.7	482.0	842.1	1,280.4	1,703.2
Quasi-money	3,392.5	7,553.9	13,342.1	19,092.9	25,296.9	34,760.6
Local currency deposits	392.3	658.9	1,043.4	1,383.6	2,036.1	2,411.2
Foreign currency deposits	2,933.0	6,778.2	12,119.3	17,587.0	23,077.3	32,183.3
held by residents	1,563.0	3,475.9	6,533.5	10,206.8	13,857.4	20,281.2
held by nonresidents	1,370.0	3,302.3	5,585.8	7,380.2	9,219.9	11,902.1
Other	67.2	116.8	179.4	122.2	183.6	166.1
<u>Treasury bills and bonds</u>	<u>977.8</u>	<u>2,136.5</u>	<u>3,455.3</u>	<u>5,124.0</u>	<u>7,054.6</u>	<u>9,302.7</u>
<u>Letras de Regulación Monetaria</u>	<u>60.1</u>	<u>94.1</u>	<u>98.6</u>	<u>55.3</u>	<u>84.9</u>	<u>35.3</u>
<u>Other financial system</u>	<u>374.4</u>	<u>878.7</u>	<u>1,627.1</u>	<u>2,340.3</u>	<u>3,342.0</u>	<u>4,836.2</u>
Deposits in BHU	347.2	825.2	1,602.1	2,303.2	3,319.8	4,685.2
Mortgage bonds	27.2	53.5	25.0	37.1	22.1	151.0
(In percent of total)						
<u>Total financial assets</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
<u>Banking system</u>	<u>72.4</u>	<u>72.6</u>	<u>73.9</u>	<u>74.0</u>	<u>73.4</u>	<u>73.7</u>
Money	6.3	6.0	6.7	7.9	9.1	9.3
Currency	4.1	3.7	4.3	4.9	5.9	6.1
Demand deposits	2.1	2.3	2.4	2.9	3.3	3.2
Quasi-money	66.2	66.6	67.2	66.1	64.3	64.4
Local currency deposits	7.7	5.8	5.3	4.8	5.2	4.5
Foreign currency deposits	57.2	59.7	61.0	60.9	58.6	59.7
held by residents	30.5	30.6	32.9	35.3	35.2	37.6
held by nonresidents	26.7	29.1	28.1	25.6	23.4	22.1
Other	1.3	1.0	0.9	0.4	0.5	0.3
<u>Treasury bills and bonds</u>	<u>19.1</u>	<u>18.8</u>	<u>17.4</u>	<u>17.7</u>	<u>17.9</u>	<u>17.2</u>
<u>Letras de Regulación Monetaria</u>	<u>1.2</u>	<u>0.8</u>	<u>0.5</u>	<u>0.2</u>	<u>0.2</u>	<u>0.1</u>
<u>Other financial system</u>	<u>7.3</u>	<u>7.7</u>	<u>8.2</u>	<u>8.1</u>	<u>8.5</u>	<u>9.0</u>
Deposits in BHU	6.8	7.3	8.1	8.0	8.4	8.7
Mortgage bonds	0.5	0.5	0.1	0.1	0.1	0.3

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ Foreign currency assets valued at end-of-period exchange rate.

Table 36. Uruguay: Summary Accounts of the Financial System 1/

(Annual percentage change)

	December					Prel. 1994
	1989	1990	1991	1992	1993	
<b>Central Bank 2/</b>						
Net international reserves	50.4	85.2	-87.7	63.1	75.2	48.3
Net domestic assets	18.1	30.7	189.5	-10.7	-14.0	-8.4
Credit to public sector (net)	26.8	1.7	-68.7	48.7	-9.1	-12.2
Net claims on rest of banking system	-145.9	-218.9	-51.9	-37.6	-50.6	-18.8
Credit to Mortgage Bank (net)	17.6	41.6	9.1	-0.2	3.6	8.3
Medium- and long term foreign liabilities	31.7 3/	21.5 3/	274.3	24.5	16.0	6.1
Other	87.9	184.8	26.7	-46.1	26.1	8.2
Monetary base 4/	68.5	115.9	101.8	52.4	61.2	39.8
<b>Banking system 5/</b>						
Net international reserves	30.0	31.1	8.5	4.7	1.8	13.5
Net domestic assets	89.2	90.7	69.7	40.9	33.4	24.2
Credit to public sector	-1.7 3/	-4.6 3/	-5.9	-1.3	3.1	0.9
Medium- and long-term foreign liabilities	2.8	1.4	17.8	1.3	-1.4	0.7
Credit to private sector	15.0	14.1	22.2	25.1	30.7	18.2
Local currency	11.4	9.8	6.4	7.5	5.3	4.6
Foreign currency	-1.2	-1.2	6.6	7.8	14.6	7.7
Of which: Central Bank	-8.3 6/	2.9 6/	-1.2	-0.7	0.2	-0.2
rest of banking system	7.1	-4.1	7.8	8.5	8.7	7.8
Other	73.1	79.8	35.6	15.7	1.1	4.4
M-3 7/	119.2	121.8	78.2	45.6	35.2	37.7
<b>Financial system 8/</b>						
Net international reserves	27.2	28.3	7.7	4.2	-2.9	12.1
Net domestic assets	91.5	94.7	71.1	41.2	38.8	26.0
Credit to public sector	1.2	-2.0	-3.3	-1.0	3.3	2.6
Medium- and long-term foreign liabilities	3.0	1.6	16.0	1.1	1.2	0.6
Credit to private sector	17.5	16.0	19.2	21.0	19.4	19.9
Local currency	18.6	17.1	13.3	13.9	11.3	13.0
Foreign currency	-1.1	-1.1	5.9	7.1	8.1	6.9
Other	69.8	79.1	39.2	20.1	14.9	2.8
M-4	118.7	123.0	78.8	45.4	36.0	38.0

Sources: Central bank of Uruguay; and Fund staff estimates.

1/ Accounts denominated in foreign currency valued at end of period exchange rates.

2/ Changes with respect to the monetary base outstanding at the beginning of the period.

3/ Reflects the reclassification of borrowing under the World Bank's SAL-II loan (US\$105 million) from the Central Bank to the non-financial public sector.

4/ Excludes the Bank of the Republic's vault cash and its deposits at the Central Bank.

5/ Changes with respect to the stock of M-3 at the beginning of the period.

6/ Reflects the portfolio purchase of the Commercial Bank by the Central Bank for its privatization.

7/ M-3 includes foreign currency deposits of nonresidents.

8/ Changes with respect to the stock of liabilities to the private sector (M-4) at the beginning of the period.

Table 37. Uruguay: Accounts of the Financial System 1/

(In millions of Uruguayan pesos)

	1989		1990		1991		1992		1993		1994
	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/
<b>Net international reserves</b>	<b>852</b>	<b>1,688</b>	<b>2,843</b>	<b>4,440</b>	<b>5,143</b>	<b>7,194</b>	<b>7,883</b>	<b>10,003</b>	<b>9,327</b>	<b>11,830</b>	<b>15,721</b>
Foreign assets	1,439	2,851	4,002	6,250	7,057	9,871	10,876	13,801	13,550	17,186	20,121
Foreign liabilities	-587	-1,163	-1,159	-1,810	-1,914	-2,677	-2,993	-3,798	-4,223	-5,357	-4,400
<b>Net domestic assets</b>	<b>4,714</b>	<b>8,519</b>	<b>9,243</b>	<b>19,530</b>	<b>14,517</b>	<b>19,106</b>	<b>21,040</b>	<b>25,395</b>	<b>29,332</b>	<b>35,173</b>	<b>37,027</b>
Public sector (net)	776	1,405	1,323	2,028	1,731	2,533	2,367	3,174	3,951	4,832	5,673
Central government (net)	236	365	290	475	86	296	312	623	1,448	1,831	2,205
Rest of public sector (net)	540	1,040	1,033	1,553	1,645	2,236	2,055	2,551	2,503	3,002	3,468
Credits to banks in liquidation	25	39	40	56	-23	-31	-29	-36	-43	-53	-109
Credit to private sector	2,578	4,210	4,865	6,691	8,444	10,685	14,107	16,531	21,134	24,720	31,132
Local currency	915	915	1,615	1,615	2,826	2,826	5,094	5,094	7,774	7,774	11,956
Foreign currency	1,663	3,295	3,250	5,077	5,619	7,859	9,013	11,437	13,361	16,946	19,176
Nonmonetary international organizations	27	38	61	76	109	124	165	179	228	244	317
Valuation adjustment	185	499	-515	-493	-345	-867	-834	-1,720	-945	-2,056	-1,917
Other accounts	1,343	2,712	3,527	5,126	4,756	6,817	5,494	7,496	6,003	8,605	3,965
Interbank float	-157	-323	39	145	-54	-53	-205	-203	-997	-1,119	-2,035
Central bank bills (LRMs)	-62	-62	-99	-99	-100	-100	-26	-26	--	--	--
<b>Medium and long-term foreign liabilities</b>	<b>1,435</b>	<b>2,844</b>	<b>2,779</b>	<b>4,341</b>	<b>2,883</b>	<b>4,032</b>	<b>3,848</b>	<b>4,883</b>	<b>4,587</b>	<b>5,819</b>	<b>5,612</b>
<b>Allocation of SDRs</b>	<b>53</b>	<b>105</b>	<b>113</b>	<b>176</b>	<b>178</b>	<b>249</b>	<b>240</b>	<b>304</b>	<b>304</b>	<b>385</b>	<b>409</b>
<b>Liabilities to private sector</b>	<b>4,078</b>	<b>7,258</b>	<b>9,194</b>	<b>13,453</b>	<b>16,600</b>	<b>22,019</b>	<b>24,835</b>	<b>30,211</b>	<b>33,767</b>	<b>40,799</b>	<b>46,727</b>
Money	325	325	680	680	1,337	1,337	2,294	2,294	4,340	4,340	5,818
Currency in circulation	215	215	417	417	854	854	1,423	1,423	2,304	2,304	3,313
Demand deposits	110	110	262	262	483	483	871	871	2,036	2,036	2,504
Quasi-money	3,753	6,933	8,514	12,773	15,263	20,682	22,540	27,916	29,427	36,458	40,909
Time and savings deposits in											
local currency	473	473	849	849	1,581	1,581	2,413	2,413	3,032	3,032	3,755
Foreign currency deposits	3,151	6,242	7,366	11,504	13,032	18,228	18,932	24,024	24,739	31,377	34,647
Residents	1,733	3,433	4,051	6,327	7,167	10,025	10,413	13,213	13,606	17,257	19,056
Nonresidents	1,418	2,809	3,315	5,177	5,864	8,202	8,519	10,811	11,132	14,120	15,591
Mortgage bonds	27	27	54	54	25	25	37	37	22	22	151
Other liabilities in local currency	13	13	30	30	66	66	103	103	171	171	190
Other liabilities in foreign currency	90	178	216	337	559	782	1,055	1,339	1,463	1,856	2,166
<b>Memorandum item</b>											
Exchange rate	0.804	1.593	1.593	2.488	2.488	3.480	3.480	4.416	4.416	5.601	5.601

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ Includes the Central Bank of Uruguay, the Banco de la República Oriental del Uruguay, the private commercial banks, and the Mortgage Bank. Liabilities to the private sector in this table may differ from the monetary aggregates in tables 34-36 owing to revisions of data not incorporated in published balances of financial institutions.

2/ Foreign exchange accounts valued at the exchange rate of the end of the year.

3/ Foreign exchange accounts valued at the exchange rate of the end of the following year.

Table 38. Uruguay: Accounts of the Banking System 1/

(In millions of Uruguayan pesos)

	1989		1990		1991		1992		1993		1994
	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/
<b>Net international reserves</b>	<b>821</b>	<b>1,682</b>	<b>2,832</b>	<b>4,432</b>	<b>5,136</b>	<b>7,184</b>	<b>7,872</b>	<b>8,922</b>	<b>9,312</b>	<b>11,814</b>	<b>12,792</b>
Foreign assets	1,438	2,849	3,998	6,244	7,050	9,862	10,866	12,315	13,538	17,171	20,101
Foreign liabilities	-587	-1,163	-1,159	-1,810	-1,914	-2,677	-2,993	-3,392	-4,223	-5,357	-4,400
<b>Net domestic assets</b>	<b>4,352</b>	<b>7,967</b>	<b>8,400</b>	<b>12,404</b>	<b>12,951</b>	<b>17,161</b>	<b>18,729</b>	<b>28,756</b>	<b>26,128</b>	<b>31,586</b>	<b>32,379</b>
Public sector (net)	687	1,319	1,149	1,866	1,379	2,287	2,813	2,437	3,896	4,040	4,300
Central government (net)	226	355	279	464	184	329	367	528	1,575	1,984	2,306
Rest of public sector (net)	461	964	870	1,401	1,275	1,878	1,646	1,908	1,522	2,056	1,995
Credit to Mortgage Bank	353	695	812	1,259	1,387	1,822	1,824	2,064	2,376	3,003	3,268
Credits to banks in liquidation	25	39	40	56	-23	-31	-29	-32	-43	-53	-109
Credit to private sector	2,184	3,817	4,137	5,963	7,832	9,272	11,513	12,714	16,969	20,545	24,089
Local currency	521	521	886	886	1,413	1,413	2,588	2,588	3,642	3,642	4,969
Foreign currency	1,663	3,295	3,250	5,077	5,619	7,859	9,005	10,206	13,327	16,903	19,120
Nonmonetary international organizations	27	38	61	76	189	124	165	172	228	244	317
Valuation adjustment	183	499	-515	-493	-945	-867	-834	-1,273	-945	-2,856	-1,917
Other accounts	1,113	1,947	2,799	3,661	3,654	4,810	4,352	4,928	5,473	7,002	4,403
Interbank float	-159	-325	16	115	-71	-74	-219	-218	-1,017	-1,138	-1,981
Central bank bills (LRMs)	-62	-62	-99	-99	-100	-100	-26	-26	--	--	--
<b>Medium- and long-term foreign liabilities</b>	<b>1,432</b>	<b>2,844</b>	<b>2,772</b>	<b>4,341</b>	<b>2,882</b>	<b>4,822</b>	<b>2,848</b>	<b>4,361</b>	<b>4,287</b>	<b>5,812</b>	<b>5,612</b>
<b>Liabilities to Mortgage Bank</b>	<b>11</b>	<b>21</b>	<b>22</b>	<b>52</b>	<b>44</b>	<b>58</b>	<b>58</b>	<b>54</b>	<b>126</b>	<b>161</b>	<b>169</b>
<b>Allocation of EURs</b>	<b>22</b>	<b>182</b>	<b>112</b>	<b>176</b>	<b>178</b>	<b>242</b>	<b>248</b>	<b>272</b>	<b>284</b>	<b>382</b>	<b>482</b>
<b>Liabilities to private sector</b>	<b>3,793</b>	<b>6,682</b>	<b>8,312</b>	<b>12,272</b>	<b>16,972</b>	<b>28,807</b>	<b>22,494</b>	<b>24,292</b>	<b>28,426</b>	<b>27,935</b>	<b>31,891</b>
Money	324	324	679	679	1,336	1,336	2,290	2,290	3,810	3,810	5,033
Currency in circulation	215	215	417	417	854	854	1,423	1,423	2,304	2,304	3,313
Demand deposits	110	110	262	262	482	482	867	867	1,515	1,515	1,720
Quasi-money	3,379	6,359	7,636	11,594	15,637	18,671	20,284	22,702	24,607	33,217	36,858
Time and savings deposits in											
local currency	330	330	561	561	944	944	1,370	1,370	1,804	1,804	2,244
foreign currency deposits	2,946	5,837	6,829	10,666	12,067	16,879	17,676	20,833	23,169	29,386	32,258
Residents	1,628	3,210	3,756	5,866	6,637	9,283	9,722	11,818	12,743	16,162	17,742
Nonresidents	1,326	2,627	3,073	4,880	5,430	7,595	7,954	9,815	10,426	13,224	14,516
Other liabilities in local currency	13	13	30	30	66	66	183	183	171	171	190
Other liabilities in foreign currency	98	178	216	337	559	782	1,055	1,196	1,443	1,856	2,166
<b>Memorandum item</b>											
Exchange rate	0.884	1.593	1.593	2.488	2.488	3.480	3.480	4.416	4.416	5.601	5.601

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ Includes the Central Bank of Uruguay, the Banco de la República Oriental de Uruguay and the private commercial banks.

2/ Foreign exchange accounts valued at the exchange rate of the end of the year.

3/ Foreign exchange accounts valued at the exchange rate of the end of the following year.

Table 39. Uruguay: Accounts of the Central Bank

(In millions of Uruguayan pesos)

	1989		1990		1991 1/		1992		1993		1994
	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/
<b>Net international reserves</b>	262	519	736	1,149	668	934	1,433	2,072	3,343	4,240	5,554
Foreign assets	503	997	1,197	1,869	1,312	1,836	2,004	2,543	3,715	4,712	6,025
Foreign liabilities	-241	-478	-461	-720	-645	-902	-371	-471	-372	-472	-471
<b>Net domestic assets</b>	2,289	4,093	4,609	6,744	6,331	8,170	8,195	9,752	9,695	11,366	11,331
Public sector(not)	600	1,008	1,013	1,445	1,067	1,510	2,058	2,633	2,480	2,968	2,636
Central government (net)	76	-39	-49	-216	-641	-871	-230	-270	419	333	-1
Rest of public sector (net)	524	1,048	1,062	1,660	1,708	2,389	2,288	2,904	2,061	2,635	2,638
Credit to banking system	128	235	248	365	312	394	347	430	371	534	435
Banco de la República	92	177	187	283	229	293	462	535	789	948	683
Other commercial banks	35	58	60	81	83	101	-116	-105	-418	-406	-248
Credit to Mortgage Bank	351	694	800	1,247	1,297	1,812	1,809	2,293	2,354	2,981	3,206
Credits to banks in liquidation	25	39	40	56	-23	-31	-29	-36	-43	-53	-109
Credit to private sector	15	29	145	221	108	151	62	74	145	174	130
Local currency	1	1	12	12	1	1	16	16	38	38	43
Foreign currency	14	28	134	209	107	150	46	58	107	136	88
Nonmonetary international organizations	27	38	61	76	109	124	165	179	228	244	317
Valuation adjustment	--	669	--	714	--	175	290	191	641	490	364
Other accounts	1,144	1,380	2,382	2,621	3,460	4,028	3,494	3,988	3,528	4,029	4,351
<b>Central bank bills (LREs)</b>	98	98	184	184	126	126	192	192	--	--	--
<b>Medium and long-term foreign liabilities</b>	1,432	2,837	2,772	4,329	2,836	3,966	3,721	4,722	4,413	5,598	5,393
<b>Liabilities to Mortgage Bank</b>	10	19	30	46	33	46	20	23	61	71	110
<b>Allocation of SMEs</b>	53	105	113	176	178	249	240	304	304	383	409
<b>Liabilities to banking system</b>	744	1,339	1,909	2,740	2,973	3,863	4,233	5,168	5,957	7,248	7,660
Banco de la República	507	908	1,180	1,675	1,776	2,291	2,518	3,055	3,531	4,284	4,268
Commercial banks	237	431	729	1,065	1,197	1,573	1,715	2,105	2,425	2,963	3,392
<b>Currency in circulation</b>	215	215	417	417	854	854	1,423	1,423	2,304	2,304	3,313
<b>Memorandum item</b>											
Exchange rate	0.804	1.593	1.593	2.488	2.488	3.480	3.480	4.416	4.416	5.601	5.601

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ Includes the effect of the external debt reduction operation of February 1991.

2/ Foreign exchange accounts valued at the exchange rate of the end of the year.

3/ Foreign exchange accounts valued at the exchange rate of the end of the following year.

Table 40. Uruguay: Accounts of the Banco de la República Oriental del Uruguay

(In millions of Uruguayan pesos)

	1989		1990		1991		1992		1993		1994
	Dec. 1/	Dec. 2/	Dec. 1/	Dec. 2/	Dec. 1/	Dec. 2/	Dec. 1/	Dec. 2/	Dec. 1/	Dec. 2/	Dec. 1/
<b>Net international reserves</b>	148	224	485	737	1,560	2,182	2,250	2,855	2,518	2,193	2,474
Foreign assets	148	224	485	737	1,560	2,183	2,250	2,855	2,518	2,193	2,474
Foreign liabilities	--	--	--	--	--	--	0	--	--	--	--
<b>Claims on Central Bank</b>	521	872	1,228	1,852	1,828	2,482	2,562	2,111	2,568	4,328	2,832
<b>Net domestic assets</b>	282	1,056	1,822	1,458	1,624	2,168	2,562	2,882	2,517	4,732	7,389
Public sector(net)	-89	-40	-340	-328	-627	-630	-1,215	-1,258	-1,945	-1,418	-1,397
Central government (net)	-28	42	-155	-76	-207	-179	-596	-532	-859	-882	-810
Rest of public sector (net)	-61	-82	-185	-252	-420	-457	-619	-706	-506	-528	-587
Credit to private commercial banks	27	51	36	52	3	3	13	13	18	18	17
Credit to Mortgage Bank	--	--	4	4	--	--	1	1	--	--	52
Credit Banks in liquidation (net)	--	--	--	--	--	--	--	--	--	--	--
Credit to private sector	986	1,614	1,878	2,599	3,826	3,983	4,698	5,595	6,836	8,165	9,835
Local currency	346	346	596	596	828	828	1,323	1,323	1,882	1,882	2,520
Foreign currency	640	1,268	1,282	2,003	2,198	3,075	3,366	4,272	4,954	6,284	7,315
Valuation adjustment	4	-437	-51	-565	--	-595	--	-619	-53	-859	1,372
Other accounts	-360	-152	-555	-352	-780	-513	-1,055	-778	-1,520	-1,163	-2,290
Central bank bills (LHM)	19	19	60	60	--	--	128	128	--	--	--
<b>Medium and long-term foreign liabilities</b>	5	2	2	11	42	66	122	161	174	221	229
<b>Liabilities to Central Bank</b>	82	112	124	281	211	272	332	582	626	842	188
<b>Liabilities to private commercial banks</b>	2	18	2	14	12	12	21	22	14	16	18
<b>Liabilities to Mortgage Bank</b>	1	1	2	2	11	11	21	22	22	82	28
<b>Liabilities to private sector</b>	1,153	2,892	2,523	3,824	4,732	6,384	6,841	8,418	9,844	11,187	12,331
Demand deposits	28	28	75	75	124	124	187	187	396	396	326
Time and savings deposits in											
Local currency	161	161	302	302	588	588	787	787	825	825	1,050
Foreign currency deposits	949	1,880	2,173	3,394	4,846	5,659	5,828	7,385	7,641	9,691	10,725
Residents	522	1,834	1,195	1,846	2,225	3,112	3,201	4,862	4,202	5,330	5,899
Nonresidents	427	846	978	1,527	1,821	2,547	2,619	3,323	3,438	4,361	4,826
Other liabilities in local currency	11	11	26	26	58	58	83	83	134	134	146
Other liabilities in foreign currency	6	12	17	27	31	43	44	56	48	61	83
<b>Memorandum item</b>											
Exchange rate	0.804	1.593	1.593	2.488	2.488	3.480	3.480	4.416	4.416	5.681	5.681

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ Foreign exchange accounts valued at the exchange rate of the end of the year.

2/ Foreign exchange accounts valued at the exchange rate of the end of the following year.



Table 41. Uruguay: Accounts of the Private Commercial Banks 1/

(In millions of Uruguayan pesos)

	1989		1990		1991		1992		1993		1994
	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/	Dec. 3/	Dec. 2/
<b>Net international reserves</b>	<b>440</b>	<b>872</b>	<b>1,619</b>	<b>2,528</b>	<b>2,908</b>	<b>4,068</b>	<b>3,991</b>	<b>5,064</b>	<b>3,434</b>	<b>4,381</b>	<b>7,673</b>
Foreign assets	786	1,558	2,316	3,618	4,178	5,843	6,613	8,391	7,305	9,265	11,602
Foreign liabilities	-346	-686	-698	-1,090	-1,269	-1,775	-2,622	-3,327	-3,851	-4,884	-3,928
<b>Claims on Central Bank</b>	<b>32</b>	<b>27</b>	<b>536</b>	<b>781</b>	<b>929</b>	<b>1,254</b>	<b>1,412</b>	<b>1,756</b>	<b>1,729</b>	<b>2,140</b>	<b>2,636</b>
<b>Net domestic assets</b>	<b>1,889</b>	<b>3,258</b>	<b>3,141</b>	<b>4,711</b>	<b>5,519</b>	<b>7,444</b>	<b>8,168</b>	<b>10,823</b>	<b>13,948</b>	<b>17,177</b>	<b>19,912</b>
Public sector (net)	176	350	476	748	938	1,319	1,170	1,492	1,981	2,481	3,061
Central government (net)	178	352	484	756	951	1,332	1,193	1,515	2,014	2,513	3,117
Of which: treasury bills (L/C)	--	--	--	--	--	--	--	--	167	167	21
Rest of public sector (net)	-2	-2	-7	-7	-13	-13	-23	-23	-33	-32	-56
Credit to Banco de la República	1	1	11	16	20	24	15	18	16	18	29
Credit to Mortgage Bank	1	1	7	7	9	9	14	14	22	22	11
Credit to private sector	1,183	2,174	2,113	3,143	3,898	5,219	6,761	8,266	9,988	12,206	14,123
Local currency	174	174	278	278	584	584	1,168	1,168	1,723	1,723	2,406
Foreign currency	1,009	2,000	1,834	2,865	3,313	4,635	5,593	7,098	8,265	10,483	11,717
Valuation adjustment	181	267	-464	-622	-345	-447	-1,123	-1,292	-1,532	-1,686	-3,653
Other accounts	330	719	971	1,392	974	1,295	1,913	2,287	3,474	4,136	2,342
Central bank bills (LRMs)	17	17	26	26	25	25	38	38	--	--	--
<b>Medium and long-term foreign liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Liabilities to Central Bank</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Liabilities to Banco de la República</b>	<b>27</b>	<b>51</b>	<b>-9</b>	<b>-12</b>	<b>-4</b>	<b>-4</b>	<b>-41</b>	<b>-49</b>	<b>53</b>	<b>72</b>	<b>-25</b>
<b>Liabilities to Mortgage Bank</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Liabilities to private sector</b>	<b>2,324</b>	<b>4,377</b>	<b>3,305</b>	<b>8,032</b>	<b>9,360</b>	<b>12,769</b>	<b>14,231</b>	<b>17,962</b>	<b>19,078</b>	<b>22,625</b>	<b>26,246</b>
Demand deposits	82	82	186	186	358	358	680	680	1,119	1,119	1,393
Time and savings deposits in											
local currency	169	169	259	259	444	444	663	663	978	978	1,193
Foreign currency deposits	1,997	3,958	4,656	7,273	8,021	11,220	11,857	15,046	15,328	19,695	21,532
Residents	1,099	2,177	2,561	4,000	4,412	6,171	6,521	8,275	8,541	10,832	11,843
Nonresidents	899	1,781	2,095	3,273	3,610	5,049	5,336	6,771	6,988	8,863	9,690
Other liabilities in local currency	2	2	4	4	8	8	20	20	37	37	44
Other liabilities in foreign currency	84	166	198	310	528	739	1,011	1,283	1,415	1,795	2,083
<b>Memorandum item</b>											
Exchange rate	0.804	1.593	1.593	2.488	2.488	3.480	3.480	4.416	4.416	5.601	5.601

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ Includes the intervened banks.

2/ Foreign exchange accounts valued at the exchange rate of the end of the year.

3/ Foreign exchange accounts valued at the exchange rate of the end of the following year.

Table 42. Uruguay: Accounts of the Mortgage Bank

(In millions of Uruguayan pesos)

	1989		1990		1991		1992		1993		1994
	Dec. 1/	Dec. 2/	Dec. 1/	Dec. 2/	Dec. 1/	Dec. 2/	Dec. 1/	Dec. 2/	Dec. 1/	Dec. 2/	Dec. 1/
<b>Net international reserves</b>	1	3	4	3	7	2	10	12	12	13	20
Foreign assets	1	3	4	3	7	9	10	12	12	15	20
Foreign liabilities	--	--	--	--	--	--	--	--	--	--	--
<b>Claims on banking system</b>	13	24	40	62	24	72	22	62	128	163	72
Central Bank	11	20	31	48	36	49	23	28	70	81	124
Of which: currency	1	1	2	2	3	3	5	5	9	9	17
Banco de la República	3	4	9	12	18	23	28	32	68	82	40
Private banks	--	--	--	--	--	--	--	--	--	--	-87
<b>Net domestic assets</b>	213	1,245	1,631	2,354	2,844	2,745	4,021	4,201	5,350	6,378	7,272
Public sector (net)	96	86	174	163	352	325	-354	307	855	793	1,373
Central government (net)	10	10	11	11	-18	-32	-55	-69	-127	-153	-101
Of which:											
treasury bills (L/C)	--	--	--	--	--	--	--	--	7	7	--
Rest of public sector (net)	86	76	164	152	370	358	408	376	981	946	1,474
Credit to private sector	393	393	728	728	1,412	1,412	2,594	2,594	4,165	4,174	7,044
Local currency	393	393	728	728	1,412	1,412	2,587	2,587	4,131	4,131	6,987
Foreign currency	--	--	--	--	--	--	8	10	34	43	56
Other accounts	230	766	729	1,465	1,102	2,007	1,143	1,998	530	1,603	-437
<b>Liabilities to banking system</b>	353	697	797	1,241	1,300	1,814	1,812	2,294	2,358	2,985	3,241
Central Bank	353	697	796	1,241	1,299	1,814	1,811	2,294	2,356	2,983	3,239
Banco de la República	--	--	--	--	1	1	2	2	2	2	2
Other commercial banks	--	--	--	--	--	--	--	--	--	--	--
<b>Liabilities to private sector</b>	374	575	879	1,180	1,627	2,012	2,340	2,678	3,342	3,763	4,836
Demand deposits	--	--	1	1	1	1	4	4	522	522	785
Time and savings deposits in											
local currency	142	142	288	288	636	636	1,043	1,043	1,229	1,229	1,511
Time and savings deposits in											
foreign currency	204	405	536	838	964	1,349	1,256	1,593	1,370	1,991	2,390
Mortgage bonds	27	27	54	54	25	25	37	37	22	22	151
<b>Memorandum item</b>											
Exchange rate	0.804	1.593	1.593	2.488	2.488	3.488	3.488	4.416	4.416	5.601	5.601

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ Foreign exchange accounts valued at the exchange rate of the end of the year.  
 Foreign exchange accounts valued at the exchange rate of the end of the following year.

Table 43. Uruguay: Financial System Credit to the Private Sector.

	December					Prel.
	1989	1990	1991	1992	1993	1994
<b>I. Local Currency Credit</b>						
(In millions of Uruguayan pesos)						
<u>Total</u>	<u>914.8</u>	<u>1,614.5</u>	<u>2,825.7</u>	<u>5,094.3</u>	<u>7,773.5</u>	<u>11,956.4</u>
BCU 1/	1.1	11.8	0.9	16.0	37.5	42.6
BROU 2/	346.3	596.0	828.0	1,323.4	1,881.6	2,520.4
Private banks 3/	174.0	278.4	584.5	1,168.3	1,723.3	2,406.1
BHU 4/	393.4	728.4	1,412.4	2,586.7	4,131.1	6,987.3
(12-month percentage change)						
<u>Total</u>	<u>61.5</u>	<u>76.5</u>	<u>75.0</u>	<u>80.3</u>	<u>52.6</u>	<u>53.8</u>
BCU 1/	-165.8	990.4	-92.4	1690.1	135.2	13.5
BROU 2/	73.9	72.1	38.9	59.8	42.2	33.9
Private banks 3/	33.2	60.0	110.0	99.9	47.5	39.6
BHU 4/	65.1	85.1	93.9	83.1	59.7	69.1
<b>II. Foreign Currency Credit</b>						
(In millions of U.S. dollars)						
<u>Total</u>	<u>2,068.6</u>	<u>2,040.5</u>	<u>2,258.3</u>	<u>2,589.9</u>	<u>3,025.5</u>	<u>3,423.6</u>
BCU 1/	17.3	83.9	43.0	13.2	24.3	15.6
BROU 2/	796.1	805.0	883.5	967.3	1,121.9	1,306.0
Private banks 3/	1,255.2	1,151.5	1,331.8	1,607.2	1,871.6	2,092.0
BHU 4/	--	--	--	2.2	7.7	10.0
(12-month percentage change)						
<u>Total</u>	<u>-1.2</u>	<u>-1.4</u>	<u>10.7</u>	<u>14.7</u>	<u>16.8</u>	<u>13.2</u>
BCU 1/	-91.0	385.5	-48.7	-69.4	85.0	-35.7
BROU 2/	22.4	1.1	9.8	9.5	16.0	16.4
Private banks 3/	0.3	-8.3	15.7	20.7	16.4	11.8
BHU 4/	-100.0	...	...	...	256.7	29.6
<b>III. Total Credit 5/</b>						
(In millions of Uruguayan pesos)						
<u>Total</u>	<u>2,577.9</u>	<u>4,865.0</u>	<u>8,444.3</u>	<u>14,107.1</u>	<u>21,134.3</u>	<u>31,132.2</u>
BCU 1/	15.0	145.5	107.9	61.7	145.0	130.2
BROU 2/	986.3	1,878.3	3,026.1	4,689.7	6,835.8	9,835.3
Private banks 3/	1,183.2	2,112.8	3,897.9	6,761.5	9,988.2	14,123.2
BHU 4/	393.4	728.4	1,412.4	2,594.3	4,165.3	7,043.5
(12-month percentage change)						
<u>Total</u>	<u>70.8</u>	<u>88.7</u>	<u>73.6</u>	<u>67.1</u>	<u>49.8</u>	<u>47.3</u>
BCU 1/	-82.4	871.3	-25.8	-42.8	134.9	-10.2
BROU 2/	100.6	90.4	61.1	55.0	45.8	43.9
Private banks 3/	70.6	78.6	84.5	73.5	47.7	41.4
BHU 4/	65.0	85.1	93.9	83.7	60.6	69.1
<b>Memorandum items</b>						
Consumer price index (1994 = 100)	6.9	15.7	28.6	45.4	69.4	100.0
Consumer price inflation (percent, end of period)	89.2	129.0	81.5	58.9	52.9	44.1
End of year exchange rate (pesos per U.S. dollar)	0.804	1.593	2.488	3.480	4.416	5.601

Sources: Central Bank of Uruguay; and Fund Staff estimates.

1/ Central Bank of Uruguay.

2/ Banco de la Republica.

3/ Includes the intervened banks.

4/ Banco Hipotecario.

5/ Foreign exchange stocks valued at end of period exchange rates

Table 44. Uruguay: Nominal Short-Term Interest Rates

(Percent per year)

Period Averages	Deposits			Loans				Open-market Instruments <sup>1/</sup>
	In Local Currency	In Foreign Currency		In Local Currency	In Foreign Currency			
	31-180 Days	Time Deposits	Sight Deposits	Prime Rate	Other	Prime Rate	Other	
1989	84.7	6.9	4.3	87.6	127.6	12.3	14.1	91.4
1990	97.8	6.5	4.3	120.3	174.4	12.1	14.0	104.7
1991	75.2	4.9	3.4	104.9	152.9	10.1	12.2	72.1
1992	54.5	3.4	2.2	74.7	117.8	8.1	11.8	62.9
1993	39.4	3.1	1.8	60.9	97.3	6.6	11.2	48.2
1994	37.0	3.4	1.6	59.7	95.1	7.5	11.7	44.7
<b>1989</b>								
1st quarter	76.0	7.0	4.3	83.2	111.0	12.8	14.4	81.0
2nd quarter	85.0	7.8	4.3	82.2	123.8	12.4	14.3	90.0
3rd quarter	91.2	6.5	4.3	90.2	135.8	12.3	14.3	96.0
4th quarter	94.4	6.6	4.3	89.4	137.4	12.2	14.1	99.0
<b>1990</b>								
1st quarter	112.6	6.6	4.3	117.8	172.0	12.3	14.3	112.3
2nd quarter	91.4	6.9	4.3	112.2	189.6	11.9	13.8	113.0
3rd quarter	87.0	6.6	4.3	112.2	162.0	11.8	13.9	87.7
4th quarter	99.4	6.8	4.2	122.0	178.0	12.6	14.2	105.5
<b>1991</b>								
1st quarter	81.2	4.3	3.9	114.4	166.0	10.3	12.1	86.6
2nd quarter	70.4	5.0	3.2	101.4	148.2	10.2	12.0	64.3
3rd quarter	70.4	4.6	3.2	101.6	145.6	9.7	13.1	66.4
4th quarter	69.6	4.2	3.0	91.4	137.8	8.9	10.3	70.9
<b>1992</b>								
1st quarter	69.4	3.9	2.5	85.0	136.8	8.9	11.5	83.8
2nd quarter	55.8	3.5	2.2	77.0	113.4	8.7	12.6	71.0
3rd quarter	46.2	3.2	2.0	67.5	109.9	7.9	11.9	53.5
4th quarter	39.7	3.0	1.8	63.2	100.7	7.4	11.3	43.5
<b>1993</b>								
1st quarter	39.3	2.9	1.8	56.7	98.6	6.5	10.8	44.5
2nd quarter	38.1	3.2	1.8	57.5	93.8	6.4	11.3	46.3
3rd quarter	40.7	3.2	1.8	65.6	96.0	6.8	11.4	56.0
4th quarter	39.4	3.1	1.7	60.0	100.9	6.7	11.1	46.5
<b>1994</b>								
1st quarter	37.5	3.1	1.7	55.8	97.4	6.9	11.2	40.6
2nd quarter	35.0	3.3	1.6	57.3	93.6	7.3	11.2	39.6
3rd quarter	36.5	3.6	1.5	59.3	92.6	7.7	11.8	46.0
4th quarter	38.9	3.8	1.5	66.5	96.7	8.3	12.5	52.9

Sources: Central Bank of Uruguay; and Fund staff estimates.

<sup>1/</sup> Until the third quarter of 1993, interest rates on central bank bills (Letras de Regulación Monetaria); thereafter, interest rate on peso-denominated treasury bills of maturity of up to 63 days used in open-market operations.

Table 45. Uruguay: Private Banks' Required Reserve Ratios on Selected Dates 1/

(In percent of deposits)

	<u>Required Reserves</u>			<u>Obligatory Holdings Of</u>			Total Reserve Requirements
	In Local Currency (Nonremu- nerated)	In Local Currency (Remu- nerated)	In Foreign Currency	Treasury Bills	Central Bank Bills	Adjustable Mort. Oblig.	
<u>(Situation as of December 31, 1991)</u>							
<u>Local currency deposits 2/</u>							
Sight deposits and time deposits of less than 30 days	23.0	13.0	--	--	--	1.0	37.0
Time deposits of more than 30 days but less than 180 days	10.0	13.0	--	--	--	1.0	24.0
Time deposits of more than 180 days	6.0	13.0	--	--	--	1.0	20.0
<u>Foreign currency deposits 3/</u>							
Sight deposits and time deposits of less than 30 days	--	--	10.0	11.5	--	--	21.5
Time deposits of more than 30 days but less than 180 days	--	--	10.0	11.5	--	--	21.5
Time deposits of more than 180 days	--	--	4.0	11.5	--	--	15.5
Credits from correspondents subject to confirmation	--	--	10.0	11.5	--	--	21.5
<u>(Situation as of December 31, 1992)</u>							
<u>Local currency deposits 2/</u>							
Sight deposits and time deposits of less than 30 days	10.0	10.0	--	--	--	1.0	21.0
Time deposits of more than 30 days but less than 180 days	4.0	10.0	--	--	--	1.0	15.0
Time deposits of more than 180 days	2.0	10.0	--	--	--	1.0	13.0
<u>Foreign currency deposits 3/</u>							
Sight deposits and time deposits of less than 30 days	--	--	10.0	11.5	--	--	21.5
Time deposits of more than 30 days but less than 180 days	--	--	10.0	11.5	--	--	21.5
Time deposits of more than 180 days	--	--	4.0	11.5	--	--	15.5
Credits from correspondents subject to confirmation	--	--	10.0	11.5	--	--	21.5

Table 45. Uruguay: Private Banks' Required Reserve Ratios on Selected Dates (Concluded) 1/

(In percent of deposits)

	Required Reserves			Obligatory Holdings Of			Total Reserve Requirements
	In Local Currency (Nonremunerated)	In Local Currency (Remunerated)	In Foreign Currency	Treasury Bills	Central Bank Bills	Adjustable Mort. Oblig.	
(Situation as of December 31, 1993)							
<u>Local currency deposits 2/</u>							
Sight deposits and time deposits of less than 30 days	10.0	10.0	--	--	--	1.0	21.0
Time deposits of more than 30 days but less than 180 days	4.0	10.0	--	--	--	1.0	15.0
Time deposits of more than 180 days	2.0	10.0	--	--	--	1.0	13.0
<u>Foreign currency deposits 3/</u>							
Sight deposits and time deposits of less than 30 days	--	--	10.0	11.5	--	--	21.5
Time deposits of more than 30 days but less than 180 days	--	--	10.0	11.5	--	--	21.5
Time deposits of more than 180 days	--	--	4.0	11.5	--	--	15.5
Credits from correspondents subject to confirmation	--	--	10.0	11.5	--	--	21.5
(Situation as of December 31, 1994)							
<u>Local currency deposits 2/</u>							
Sight deposits and time deposits of less than 30 days	10.0	10.0	--	--	--	1.0	21.0
Time deposits of more than 30 days but less than 180 days	4.0	10.0	--	--	--	1.0	15.0
Time deposits of more than 180 days	2.0	10.0	--	--	--	1.0	13.0
<u>Foreign currency deposits 3/</u>							
Sight deposits and time deposits of less than 30 days	--	--	10.0	11.5	--	--	21.5
Time deposits of more than 30 days but less than 180 days	--	--	10.0	11.5	--	--	21.5
Time deposits of more than 180 days	--	--	4.0	11.5	--	--	15.5
Credits from correspondents subject to confirmation	--	--	10.0	11.5	--	--	21.5

Source: Central Bank of Uruguay.

1/ Excluding financial houses, which are subject to reserve requirements very similar to those of commercial banks.

2/ Applies to all liabilities in local currency to the private sector.

3/ Excludes foreign currency deposits of nonresidents that are used to provide credit to nonresidents (offshore operations).

Table 46. Uruguay: Summary Balance of Payments

	1989	1990	1991	1992	1993	Prel. 1994
(In millions of U.S. dollars)						
<b>Current account</b>	<b>121.5</b>	<b>169.9</b>	<b>42.4</b>	<b>-115.5</b>	<b>-353.3</b>	<b>-396.3</b>
Trade balance	396.0	350.0	-31.8	-342.5	-680.4	-859.1
Exports, f.o.b.	1,598.8	1,692.9	1,604.7	1,702.5	1,645.3	1,913.4
Imports, c.i.f.	1,202.8	1,342.9	1,636.5	2,045.0	2,325.7	2,772.5
Nonfactor services (net)	66.4	133.2	266.5	385.6	482.5	620.6
Factor services (net)	-348.9	-321.3	-232.4	-187.2	-193.0	-195.8
Transfers (net)	8.0	8.1	40.1	28.6	37.6	38.0
<b>Capital account</b>	<b>-26.8</b>	<b>-89.0</b>	<b>-279.4</b>	<b>243.2</b>	<b>612.8</b>	<b>622.7</b>
Public sector, total	159.9	23.1	-561.8	113.9	190.1	430.4
Medium- and long-term	34.2	10.1	-163.9	327.3	266.1	314.1
Nonfinancial	116.2	62.4	164.3	352.8	195.5	316.3
Central administration 1/	47.2	35.8	147.4	155.4	37.6	128.5
Public enterprises	-16.6	-32.0	7.5	-34.1	5.1	-31.7
Other 2/	85.6	58.6	9.4	231.5	152.8	219.5
Financial	-82.0	-52.3	-328.2	-25.5	70.6	-2.2
Central Bank	-75.8	-98.2 3/	-304.9	-27.6	66.9	4.0
BROU	-5.6	46.5	-23.1	2.1	3.7	-2.4
BHU	-0.6	-0.6	-0.2	--	--	-3.8
Public sector short-term	125.7	13.0 4/	-397.9	-213.4	-76.0	116.3
Private sector, total	-186.7	-112.1	282.4	129.3	422.7	192.3
Commercial banks	-30.5	-138.4	-142.7	-104.4	12.1	51.5
Reserves (net)	-549.3	-419.9	-99.1	17.7	210.6	-163.3
Other liabilities (net) 5/	518.8	281.5	-43.6	-122.1	-198.5	214.8
Private nonfinancial 6/	-156.2	26.3	425.1	233.7	410.6	140.8
<b>Overall balance</b>	<b>94.7</b>	<b>80.9</b>	<b>-237.0</b>	<b>127.7</b>	<b>259.5</b>	<b>226.4</b>
Valuation adjustment	-0.7	0.7	9.5	133.0	30.7	--
Official reserve movement (increase -)	-94.0	-81.6	227.5	-260.7	-290.2	-226.4
(In percent)						
<b>Memorandum items</b>						
Current account/GDP	1.5	2.0	0.4	-1.0	-2.6	-2.5
Overall balance/GDP	1.2	1.0	-2.4	1.1	2.0	1.4

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ Excludes treasury notes and bonds.

2/ Local governments, suppliers' credits to rest of public sector, and Treasury bonds denominated in foreign currency not in the hands of residents.

3/ Includes outflow of US\$257 million related to the use of reserves for the buyback of commercial bank debt.

4/ Includes a withdrawal of US\$118 million by BROU to unwind an operation to bolster central bank reserves in earlier years.

5/ Mostly changes in foreign currency deposits in the banking system.

6/ Includes suppliers' credits and errors and omissions.

Table 47. Uruguay: Balance of Payments, 1990-94

(In millions of U.S. dollars)

	1990			1991			1992		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
<b>Current account balance</b>	<b>2,438.6</b>	<b>2,268.7</b>	<b>169.9</b>	<b>2,509.6</b>	<b>2,467.2</b>	<b>42.4</b>	<b>2,819.3</b>	<b>2,934.8</b>	<b>-115.5</b>
Goods and services	2,422.8	2,261.0	161.8	2,459.5	2,457.2	2.3	2,783.3	2,927.4	-144.1
Merchandise 1/	1,692.9	1,343.0	349.9	1,604.7	1,636.5	-31.8	1,702.5	2,045.0	-342.5
Freight and insurance	51.9	--	51.9	113.1	--	113.1	158.0	--	158.0
Travel	238.2	111.3	126.9	332.5	99.7	232.8	381.3	104.3	277.0
Investment income	258.3	579.6	-321.3	234.7	467.1	-232.4	224.9	412.1	-187.2
Other services	181.5	227.1	-45.6	174.5	253.9	-79.4	316.6	366.0	-49.4
Transfers	15.8	7.7	8.1	50.1	10.0	40.1	36.0	7.4	28.6
<b>Capital account</b>	<b>963.2</b>	<b>1,052.2</b>	<b>-89.0</b>	<b>1,584.9</b>	<b>1,864.3</b>	<b>-279.4</b>	<b>1,349.4</b>	<b>1,106.2</b>	<b>243.2</b>
Public sector, total	416.4	393.3	23.1	496.5	1,058.3	-561.8	604.5	490.6	113.9
Medium and long-term	264.5	254.4	10.1	462.7	626.6	-163.9	492.8	165.5	327.3
Nonfinancial	218.0	155.6	62.4	357.5	193.2	164.3	476.7	123.9	352.8
Central administration 2/	79.8	44.0	35.8	191.6	44.2	147.4	193.6	38.2	155.4
Local government	2.7	--	2.7	--	--	--	2.4	--	2.4
Public enterprises	18.3	50.3	-32.0	54.7	47.2	7.5	45.3	79.4	-34.1
Suppliers' credits	52.6	14.2	38.4	1.8	101.8	-100.0	--	--	--
Bonds 3/	64.6	47.1	17.5	109.4	--	109.4	235.4	6.3	229.1
Financial	46.5	98.8	-52.3	105.2	433.4	-328.2	16.1	41.6	-25.5
Central Bank	--	98.2	-98.2	91.5	396.4	-304.9	12.7	40.3	-27.6
BROU 3/	46.5	--	46.5	13.7	36.8	-23.1	3.4	1.3	2.1
BHU	--	0.6	-0.6	--	0.2	-0.2	--	--	--
Public sector short-term	151.9	138.9	13.0	33.8	431.7	-397.9	111.7	325.1	-213.4
Treasury notes	94.2	3.9	90.3	--	62.0	-62.0	--	145.7	-145.7
BROU	57.7	135.0	-77.3	33.8	369.7	-335.9	111.7	179.4	-67.7
Other	--	--	--	--	--	--	--	--	--
Private sector, total	546.8	658.9	-112.1	1,088.4	806.0	282.4	744.9	615.6	129.3
Commercial banks	321.2	459.6	-138.4	588.7	731.4	-142.7	494.1	598.5	-104.4
Reserves (net)	39.7	459.6	-419.9	342.7	441.8	-99.1	413.0	395.3	17.7
Other liabilities (net) 4/	281.5	--	281.5	246.0	289.6	-43.6	81.1	203.2	-122.1
Private nonfinancial	225.6	199.3	26.3	499.7	74.6	425.1	250.8	17.1	233.7
Commercial credit (net)	47.1	199.3	-152.2	11.1	74.6	-63.5	66.6	17.1	49.5
Errors and omissions	178.5	--	178.5	488.6	--	488.6	184.2	--	184.2
<b>Overall balance</b>			<b>80.9</b>			<b>-237.0</b>			<b>127.7</b>
<b>Valuation adjustment</b>	<b>0.7</b>		<b>0.7</b>	<b>2.5</b>		<b>2.5</b>	<b>133.0</b>		<b>133.0</b>
<b>Official reserve movement</b>									
(increase -)			<b>-81.6</b>			<b>227.5</b>			<b>-260.7</b>
Assets			-71.2			261.0			-125.1
Liabilities			-10.4			-33.5			-135.6



Table 47. Uruguay: Balance of Payments, 1990-94 (Concluded)

(In millions of U.S. dollars)

	1993			1994		
	Credit	Debit	Net	Credit	Debit	Net
<u>Current account balance</u>	<u>3,022.3</u>	<u>3,375.6</u>	<u>-353.3</u>	<u>3,544.3</u>	<u>3,940.6</u>	<u>-396.3</u>
Goods and services	2,981.9	3,372.8	-390.9	3,498.3	3,932.6	-434.3
Merchandise <sup>1/</sup>	1,645.3	2,325.7	-680.4	1,913.4	2,772.5	-859.1
Freight and insurance	216.8	--	216.8	218.6	--	218.6
Travel	446.8	128.7	318.1	646.2	190.2	456.0
Investment income	249.9	442.9	-193.0	280.1	475.9	-195.8
Other services	423.1	475.5	-52.4	440.0	494.0	-54.0
Transfers	40.4	2.8	37.6	46.0	8.0	38.0
<u>Capital account</u>			<u>612.8</u>			<u>622.7</u>
Public sector, total	554.5	364.4	190.1	841.0	410.6	430.4
Medium and long-term	423.0	156.9	266.1	535.7	221.6	314.1
Nonfinancial	327.3	131.8	195.5	514.4	198.1	316.3
Central administration <sup>2/</sup>	86.8	49.2	37.6	182.9	54.4	128.5
Local government	3.2	2.0	1.2	9.7	4.2	5.5
Public enterprises	58.9	53.8	5.1	37.3	69.0	-31.7
Suppliers' credits	20.1	26.8	-6.7	44.0	8.0	36.0
Bonds <sup>3/</sup>	158.3	--	158.3	240.5	62.5	178.0
Financial	95.7	25.1	70.6	21.3	23.5	-2.2
Central Bank	90.0	23.1	66.9	20.0	16.0	4.0
BROU <sup>3/</sup>	5.7	2.0	3.7	1.3	3.7	-2.4
BMU	--	--	--	--	3.8	-3.8
Public sector short-term	131.5	207.5	-76.0	305.3	189.0	116.3
Treasury notes	--	129.0	-129.0	42.1	61.9	-19.8
BROU	131.5	78.5	53.0	261.2	125.2	136.0
Other	--	--	--	2.0	1.9	0.1
Private sector, total	995.9	573.2	422.7	1,049.6	857.3	192.3
Commercial banks	580.5	568.4	12.1	908.8	857.3	51.5
Reserves (net)	441.2	230.6	210.6	582.6	745.9	-163.3
Other liabilities (net) <sup>4/</sup>	139.3	337.8	-198.5	326.2	111.4	214.8
Private nonfinancial	415.4	4.8	410.6	140.8	--	140.8
Commercial credit (net)	31.9	4.8	27.1	--	--	--
Errors and omissions	383.5	--	383.5	140.8	--	140.8
<u>Overall balance</u>			<u>259.5</u>			<u>226.4</u>
<u>Valuation adjustment</u>	<u>30.7</u>		<u>30.7</u>			<u>--</u>
<u>Official reserve movement (increase -)</u>			<u>-290.2</u>			<u>-226.4</u>
Assets			-264.3			-231.5
Liabilities			-25.9			5.1

Sources: Central Bank of Uruguay; and Fund staff estimates.

<sup>1/</sup> Exports f.o.b. and imports c.i.f.<sup>2/</sup> Excludes treasury bonds, notes, and debt certificates.<sup>3/</sup> Excludes bonds issued on behalf of COMIPAL and treasury notes.<sup>4/</sup> Mostly changes in foreign currency deposits in the bank for external.

Table 48. Uruguay: Value, Volume, and Unit Value  
of Merchandise Trade

(Percentage change)

	1989	1990	1991	1992	1993	Prel. 1994
<b>Total exports</b>						
Volume	10.4	8.5	-4.9	7.3	2.4	14.2
Unit value	3.1	-2.4	-0.3	-1.1	-5.6	1.8
Value	13.8	5.9	-5.2	6.1	-3.4	16.3
<b>Total imports</b>						
Volume	-0.5	7.3	22.0	26.4	19.1	17.1
Unit value	2.7	4.0	-0.2	-1.2	-4.5	1.8
Value	2.2	11.6	21.9	25.0	13.7	19.2
Terms of trade	0.4	-6.2	-0.2	--	-1.2	--
<b>Detail on major export commodities</b>						
Refrigerated beef						
Volume	43.8	51.9	-62.7	-2.4	-9.4	63.3
Unit value	-3.0	-22.7	68.4	9.3	1.6	-6.3
Value	39.5	17.4	-37.2	6.7	-7.9	53.0
Wool						
Volume	-22.8	49.9	-7.2	-2.6	-3.1	-2.9
Unit value	7.2	-28.7	-12.5	9.6	-15.8	8.6
Value	-17.2	6.9	-18.9	6.7	-18.4	5.5
Hides						
Volume	22.6	-1.2	-5.5	-6.0	0.9	21.7
Unit value	-2.3	7.7	0.1	1.9	-7.1	-0.7
Value	19.8	6.4	-5.4	-4.2	-6.2	20.9
Rice						
Volume	-3.7	10.4	-7.1	21.6	54.6	-16.9
Unit value	0.6	6.0	22.2	-25.3	-7.7	21.3
Value	-3.1	17.0	13.5	-9.2	42.7	0.9
Fish (refrigerated filets)						
Volume	14.4	-24.3	40.5	12.9	-13.4	13.2
Unit value	-1.4	28.1	17.6	-19.3	-15.3	-3.9
Value	12.8	-3.0	65.3	-8.9	-26.6	8.8

Source: Central Bank of Uruguay.

Table 49. Uruguay: Summary of Exports, f.o.b. 1/

	1989	1990	1991	1992	1993	Prel. 1994
(In millions of U.S. dollars)						
<b>Total exports</b>	<b>1,598.8</b>	<b>1,692.9</b>	<b>1,604.7</b>	<b>1,702.5</b>	<b>1,645.3</b>	<b>1,913.4</b>
<b>Traditional exports</b>	<b>593.1</b>	<b>623.8</b>	<b>470.7</b>	<b>514.4</b>	<b>432.6</b>	<b>562.0</b>
Wool	288.4	308.2	249.5	266.8	217.8	229.6
Meat	215.3	258.4	170.5	171.4	146.5	219.2
Other	89.4	57.2	50.7	76.2	68.3	113.2
<b>Nontraditional exports</b>	<b>1,005.7</b>	<b>1,069.1</b>	<b>1,134.0</b>	<b>1,188.1</b>	<b>1,212.8</b>	<b>1,351.4</b>
Rice	87.2	102.0	115.8	105.2	150.1	151.3
Fish and shellfish	65.0	61.7	101.8	93.8	69.6	75.7
Chemical products	99.8	111.8	82.4	73.4	63.1	76.3
Textile manufactures	196.7	178.6	181.1	199.6	170.7	162.9
Shoes and others	14.0	17.7	19.7	24.2	25.6	21.9
Leather manufactures	64.2	60.2	50.7	46.8	67.3	78.6
Other nontraditional	478.8	537.1	582.5	645.1	733.5	861.0
(Percentage change)						
<b>Memorandum items</b>						
Exports	13.8	5.9	-5.2	6.1	-3.4	16.3
Traditional exports	10.0	5.2	-24.5	9.3	-15.9	29.9
Wool	-17.2	6.9	-19.0	6.9	-18.4	5.4
Meat	49.1	20.0	-13.6	0.5	-14.5	49.6
Nontraditional exports	16.2	6.3	6.1	4.8	2.1	11.4

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ Starting in 1993, a new merchandise classification scheme is in place which may affect comparability with data from previous years.

Table 50. Uruguay: Exports, f.o.b.

	1989	1990	1991	1992	1993	Prel. 1994
<u>(In millions of U.S. dollars)</u>						
<b>Total exports</b>	<b>1,598.8</b>	<b>1,692.9</b>	<b>1,604.7</b>	<b>1,702.5</b>	<b>1,645.3</b>	<b>1,913.4</b>
Live animals, meat, and fish	391.7	422.3	391.7	382.8	355.5	489.2
Beef	183.6	215.6	183.6	144.5	146.5	246.2
Mutton and lamb	25.8	31.3	25.8	18.7	18.6	19.3
Fish and shellfish	65.0	61.7	101.8	93.8	69.6	75.7
Other	117.3	113.7	80.5	125.8	120.8	14.8
Vegetable products	167.9	192.2	207.4	180.9	250.1	248.3
Rice	87.2	102.0	115.8	105.2	150.1	151.3
Malting barley	20.8	23.7	35.9	22.3	...	...
Other	59.9	66.5	55.7	53.4	100.0	123.0
Fats and oils	7.1	6.7	7.0	8.4	5.3	8.8
Food, beverages, and tobacco	48.7	66.5	70.6	76.8	57.6	58.0
Mineral products	6.6	6.6	28.5	84.4	42.7	13.9
Cement	2.3	2.1	--	2.3	...	...
Other 1/	4.3	4.5	28.5	82.1	...	...
Plastic, rubber, and related products	45.9	49.6	43.2	52.9	58.6	63.3
Hides, leather, and related products	235.2	234.3	216.2	207.1	175.9	211.6
Hides and skins	129.3	129.4	118.0	114.2	108.6	133.0
Leather manufactures	64.2	60.2	50.7	46.8	...	...
Other	41.7	44.7	47.5	46.1	67.3	78.6
Textile materials and products	485.1	486.8	430.7	461.4	388.5	392.5
Greasy wool	89.8	86.7	38.2	33.8	33.4	34.2
Washed wool	24.6	31.0	26.4	25.7	19.3	20.1
Combed wool	174.0	190.5	185.0	207.3	165.0	175.2
Other	196.7	178.6	181.1	194.6	170.8	163.0
Shoes and others	14.0	17.7	19.7	24.2	25.6	21.9
Stone, ceramic, and glass products	18.1	20.6	22.4	26.8	30.2	28.3
Other	178.5	189.6	167.4	196.8	255.3	377.6
<u>(Percentage change)</u>						
<b>Memorandum items</b>						
Total	13.8	5.9	-5.2	6.1	-3.4	16.3
Live animals, meat, and fish	42.7	7.8	-7.2	1.8	-7.1	39.6
Other food and food products	9.4	18.6	7.4	-6.6	17.6	1.0
Hides, leather, and related products	11.9	-0.4	-7.7	-4.2	-15.1	20.3
Textile materials and products	-1.5	0.4	-11.5	7.1	-15.8	1.0
Other	17.9	8.0	4.5	29.7	7.1	22.0

Source: Central Bank of Uruguay.

1/ Includes exports of electricity to Argentina.

Table 51. Uruguay: Summary of Imports, c.i.f.

	1989	1990	1991	1992	1993	Prel. 1994
<u>(In millions of U.S. dollars)</u>						
<u>Total imports</u>	<u>1,202.8</u>	<u>1,342.9</u>	<u>1,636.5</u>	<u>2,045.1</u>	<u>2,325.7</u>	<u>2,772.6</u>
Consumer goods	155.5	199.9	270.4	453.0	642.9	762.6
Intermediate goods	890.9	964.0	1,099.2	1,253.2	1,298.8	1,604.2
Petroleum and derivatives	197.3	202.2	238.9	222.7	193.1	237.0
Other	693.6	761.8	860.3	1,030.5	1,105.7	1,367.2
Capital goods	156.4	179.0	266.9	338.9	384.1	405.7
<u>(Percentage change)</u>						
<u>Memorandum items</u>						
Imports	2.2	11.6	21.9	25.0	13.7	19.2
Consumer goods	0.6	28.6	35.3	67.5	41.9	18.6
Intermediate goods	5.9	8.2	14.0	14.0	3.6	23.5
Petroleum and derivatives	27.3	2.5	18.2	-6.8	-13.3	22.7
Other	1.1	9.8	12.9	19.8	7.3	23.7
Capital goods	-13.7	14.5	49.1	27.0	13.3	5.6
Oil imports	27.3	2.5	18.2	-6.8	-13.3	22.7
Non-oil imports	-1.6	13.5	22.5	30.4	17.0	18.9
	17.8					
Total imports as percent of GDP	15.0	16.1	16.3	17.5	17.7	17.8

Sources: Central Bank of Uruguay; and Fund staff estimates.

Table 52. Uruguay: Imports, c.i.f.

	1989	1990	1991	1992	1993	Prel. 1994
<u>(In millions of U.S. dollars)</u>						
<u>Total imports, c.i.f.</u>	<u>1,202.8</u>	<u>1,342.9</u>	<u>1,636.5</u>	<u>2,045.1</u>	<u>2,325.7</u>	<u>2,772.5</u>
Vegetable products	47.4	57.1	62.8	103.1	88.1	119.2
Fats and oils	5.3	7.7	6.9	9.2	13.7	19.9
Food, beverages and tobacco	28.2	30.3	49.3	74.9	97.8	150.4
Mineral products, including fuels	217.2	223.7	265.4	250.5	225.9	283.5
Petroleum	138.8	175.3	206.9	157.7	18.5	22.8
Other	78.4	48.4	58.4	92.8	207.4	260.7
Chemicals and related products	200.1	219.1	231.6	258.9	268.1	319.7
Plastics, resins, and rubber	100.7	114.6	119.9	141.2	142.5	165.5
Hides, leather, and related products	16.0	28.5	37.4	36.5	28.1	35.9
Paper, cellulose, and printed matter	27.7	33.8	47.6	53.5	60.1	74.7
Textile materials and products	58.3	65.7	87.5	105.7	125.9	167.7
Stone, ceramic, and glass products	10.7	13.4	16.9	25.0	37.3	28.0
Metals and metal products	76.1	80.0	84.4	111.3	132.2	146.9
Machinery and equipment	224.0	253.5	345.9	416.2	543.1	585.6
Transport equipment	130.7	140.0	183.7	324.5	407.0	428.8
Precision instruments	35.0	44.5	50.9	67.3	52.1	92.0
Miscellaneous goods	25.4	31.0	46.3	67.1	103.9	151.7
<u>(Percentages changes)</u>						
<u>Memorandum items</u>						
Total imports	2.2	11.6	21.9	25.0	13.7	19.2
Consumer goods	0.6	28.6	35.3	67.5	42.6	18.6
Raw materials and intermediate goods	5.9	8.2	14.0	27.0	3.4	23.5
Capital goods	-13.7	14.5	49.0	14.0	13.0	5.6

Source: Central Bank of Uruguay.

Table 53. Uruguay: Direction of Merchandise Trade

(In percent)

	1989	1990	1991	1992	1993	Prel. 1994
<b>I. Exports</b>						
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Western Hemisphere	50.2	50.9	53.4	55.7	62.1	62.0
ALADI	36.9	39.3	41.0	44.0	51.7	53.7
Argentina	4.9	4.8	11.8	19.3	19.2	20.0
Brazil	27.7	29.6	22.6	16.6	22.3	25.7
Others	4.3	4.8	6.7	8.0	10.2	8.0
United States	11.1	9.6	10.1	10.4	9.0	6.8
Rest of Western Hemisphere	2.2	2.0	2.3	1.3	1.3	1.5
Europe	30.9	32.8	29.3	27.4	22.2	22.2
EC	22.7	24.6	24.0	24.5	20.3	19.9
Germany	7.6	7.7	8.5	7.7	6.4	6.3
Italy	3.5	4.4	3.8	4.4	3.0	3.2
United Kingdom	4.0	4.2	3.7	3.8	3.9	3.8
Others	7.5	8.3	8.0	8.5	7.0	6.6
Rest of Europe	8.2	8.2	5.3	2.9	1.9	2.3
Asia	8.3	7.3	10.9	10.8	10.0	10.3
Japan	1.2	1.2	1.2	1.2	0.8	1.1
Rest of Asia	7.1	6.1	9.7	9.6	9.2	9.2
Middle East	8.3	6.2	4.4	4.0	4.2	4.1
Africa	1.2	1.5	0.5	0.4	0.3	0.2
Other countries	1.2	1.3	1.4	1.7	1.2	1.1
<b>II. Imports</b>						
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Western Hemisphere	62.5	60.3	60.9	61.4	65.3	64.6
ALADI	51.5	48.6	47.4	49.1	52.8	53.1
Argentina	16.5	16.5	17.2	18.9	20.8	23.5
Brazil	26.6	22.5	27.5	24.3	27.3	25.6
Others	8.4	9.5	2.6	5.9	4.7	4.0
United States	9.4	10.2	12.0	8.7	9.6	9.4
Rest of Western Hemisphere	1.5	1.6	1.5	3.6	2.9	2.1
Europe	22.9	27.1	20.6	20.2	20.5	22.9
EC	18.8	19.3	16.6	17.3	17.6	19.2
Germany	5.6	6.6	4.9	4.8	3.9	3.6
Italy	2.6	3.6	2.8	3.9	4.2	4.5
United Kingdom	2.8	2.9	2.3	1.9	1.8	1.5
Others	7.8	6.2	6.7	6.6	7.7	9.2
Rest of Europe	4.1	7.8	3.9	2.9	3.0	3.7
Asia	6.3	7.3	7.7	10.6	12.1	10.1
Japan	2.8	3.3	3.6	5.1	5.2	2.9
Rest of Asia	3.5	4.0	4.1	5.6	6.9	7.2
Middle East	5.5	4.1	5.2	4.5	1.1	1.3
Africa	2.3	1.0	5.4	2.0	0.5	0.5
Other countries	0.4	0.2	0.2	1.3	0.5	0.6

Source: Central Bank of Uruguay.

Table 54. Uruguay: Summary of External Debt

	1989	1990	1991	1992	1993	Prel. 1994
(In millions of U.S. dollars)						
<u>Medium and long-term debt</u>	<u>3,521.9</u>	<u>3,479.5</u>	<u>3,122.4</u>	<u>3,500.8</u>	<u>3,821.0</u>	<u>4,208.9</u>
Public sector <sup>1/</sup>	3,038.6	3,071.8	2,837.3	3,165.0	3,458.1	3,789.5
Private sector <sup>2/</sup>	483.3	407.7	285.1	335.8	362.9	419.4
<u>Short-term debt</u>	<u>1,134.4</u>	<u>1,200.6</u>	<u>1,205.2</u>	<u>1,343.8</u>	<u>1,373.9</u>	<u>1,232.8</u>
Public sector	679.4	769.6	705.2	559.5	441.4	419.4
Treasury notes	679.4	769.6	705.2	559.5	441.4	419.4
BROU	--	--	--	--	--	--
Private sector	455.0	431.0	500.0	784.3	932.5	813.2
Commercial banks	455.0	431.0	500.0	784.3	932.5	813.2
<u>Total external debt</u>	<u>4,656.3</u>	<u>4,680.1</u>	<u>4,327.6</u>	<u>4,844.6</u>	<u>5,194.9</u>	<u>5,441.5</u>
Public	3,718.0	3,841.4	3,542.5	3,724.5	3,899.4	4,209.0
Private	938.3	838.7	785.1	1,120.1	1,295.5	1,232.5
(In percent)						
Ratio of total debt to GDP	58.3	56.0	43.1	40.9	38.5	35.0
Ratio of public debt to GDP	46.5	46.0	35.3	31.4	29.0	27.1
Ratio of total debt to export of goods and nonfactor services	229.1	216.4	194.5	189.4	197.0	169.1

Sources: Central Bank of Uruguay; and IMF staff estimates.

<sup>1/</sup> Includes long-term debt of the Central Bank.

<sup>2/</sup> Suppliers' credits (including short-term).



Table 55. Uruguay: Summary of Public External Debt Service

	1989	1990	1991	1992	1993	Pre1. 1994
<u>(In millions of U.S. dollars)</u>						
<u>Debt service payments 1/</u>	<u>1,241.1</u>	<u>1,428.8</u>	<u>1,738.8</u>	<u>1,159.6</u>	<u>1,128.4</u>	<u>938.6</u>
Amortization	870.9	1,058.1	1,437.7	896.5	830.1	673.6
Medium- and long-term	271.4	378.7	668.1 2/	191.3	270.6	232.2
Short-term 3/	599.5	679.4	769.6	705.2	559.5	441.4
Interest	370.2	370.7	301.1	263.1	298.3	265.0
Medium- and long-term	311.3	302.2	243.8	217.9	269.5	235.6
Short-term	58.9	68.5	57.3	45.2	28.8	29.4
<u>Debt service payments excluding short-term amortization</u>	<u>641.6</u>	<u>749.4</u>	<u>969.2</u>	<u>454.4</u>	<u>568.9</u>	<u>497.2</u>
<u>Memorandum items</u>						
IMF repurchases	106.1	124.3	41.5	25.8	14.3	15.6
IMF charges	24.7	19.1	10.5	5.8	6.9	4.7
<u>(In percent)</u>						
<u>Debt service ratios 4/</u>						
Public debt service including the Fund	31.6	34.6	43.6	17.8	21.6	15.5
Interest	18.2	17.1	13.5	10.3	11.3	8.2
Amortization	13.4	17.5	30.0	7.5	10.3	7.2
Public debt service excluding the Fund	25.1	28.0	41.3	16.6	20.8	15.0
Interest	17.0	16.2	13.1	10.1	11.1	8.1
Amortization	8.1	11.8	28.2	6.5	9.7	6.9

Sources: Central Bank of Uruguay; and IMF staff estimates.

1/ After rescheduling. Includes payments to the Fund.

2/ Includes US\$461 million related to the debt buy-back and interest and principal collateral components of the debt and debt service reduction operation with commercial banks of February 1991.

3/ All short-term debt is assumed to be "rolled over" once a year.

4/ In relation to exports of goods and nonfactor services; includes amortization of treasury bonds and notes denominated in foreign currency in hands of nonresidents, and medium-term suppliers' credits. Debt service ratios in 1991 include the cost of the debt reduction operation. Excludes short-term debt rollover.

Table 36. Uruguay: Disbursements, Amortization, and Outstanding External Public Debt

(In millions of U.S. dollars)

	Transactions during 1993			1993 Outstand- ing
	Disburse- ments	Amorti- zation	Adjust- ment 1/	
<u>Medium- and long-term debt</u>	<u>402.9</u>	<u>136.2</u>	<u>26.4</u>	<u>3,458.1</u>
<u>Central Government 2/</u>	<u>176.9</u>	<u>56.9</u>	<u>44.6</u>	<u>1,214.7</u>
University of Labor (UTU)	--	0.3	0.1	0.6
Treasury	128.3	26.0	47.4	880.3
Ministry of Agriculture and Fishing (MAP)	10.1	1.0	-2.8	84.2
Ministry of Industry and Energy	--	0.3	-4.6	--
Commission of Agricultural Planning	--	2.3	0.3	3.7
Ministry Public Works and Transportation	24.0	26.5	2.6	227.2
Ministry of Education and Culture	2.1	--	0.1	2.4
University of Montevideo	1.3	--	0.1	3.3
Air Force	--	0.5	--	0.5
Ministry of Public Health (MSP)	10.3	--	--	10.3
National Public Education Adm. (ANEP)	--	--	--	--
Official Broadcasting Services (SODRE)	0.8	--	1.4	2.2
Ministry of Housing	--	--	--	--
Ministry of Defense	--	--	--	--
<u>Local governments</u>	<u>3.2</u>	<u>2.0</u>	<u>0.1</u>	<u>53.6</u>
<u>Official banks</u>	<u>5.7</u>	<u>2.0</u>	<u>-12.0</u>	<u>211.7</u>
BROU	5.7	2.0	-3.3	77.3
BHU	--	--	-8.7	134.4
<u>Monetary authorities 3/</u>	<u>--</u>	<u>16.3</u>	<u>13.5</u>	<u>42.5</u>
<u>Public enterprises</u>	<u>58.8</u>	<u>53.9</u>	<u>-30.6</u>	<u>724.3</u>
UTE	8.9	37.4	-19.1	479.2
ANTEL	22.5	6.4	1.7	80.1
ANCAP	9.8	2.0	-0.5	18.9
OSE	--	2.6	-1.0	24.7
ANP	--	4.1	0.2	6.0
Salto Grande	--	1.4	-9.9	73.7
PLUNA	--	--	-1.6	24.5
AFE	17.6	--	-0.4	17.2
<u>Treasury bonds</u>	<u>158.3</u>	<u>--</u>	<u>--</u>	<u>1,071.2</u>
<u>Suppliers' credits</u>	<u>--</u>	<u>5.1</u>	<u>10.8</u>	<u>140.1</u>
<u>Memorandum items</u>				
Treasury notes	--	129.0	10.9	441.4
BROU, net nonresident deposits	--	28.7	--	276.2
BHU, net nonresident deposits	32.1	--	--	32.1
<u>Total, including treasury notes.</u>				
<u>BROU and BHU</u>	<u>435.0</u>	<u>293.9</u>	<u>37.3</u>	<u>4,207.8</u>

Table 56. Uruguay: Disbursements, Amortization, and Outstanding External Public Debt (Concluded)

(In millions of U.S. dollars)

	Transactions during 1994			1994 Outstand- ing
	Disburse- ments	Amorti- zation	Adjust- ment 1/	
<u>Medium- and long-term debt</u>	<u>535.7</u>	<u>212.2</u>	<u>-7.9</u>	<u>3,789.5</u>
<u>Central Government 2/</u>	<u>202.9</u>	<u>56.5</u>	<u>-8.0</u>	<u>1,353.1</u>
University of Labor (UTU)		0.3	--	0.3
Treasury	92.5	27.6	-11.2	934.0
Ministry of Agriculture and Fishing (MAP)	11.3	0.9	0.1	94.7
Ministry of Industry and Energy			--	--
Commission of Agricultural Planning		2.0	-0.2	1.5
Ministry of Public Works and Transportation	39.2	24.0	3.1	245.5
Ministry of Education and Culture	2.7	0.2	0.2	5.1
University of Montevideo	0.3	0.6	--	3.0
Air Force		0.5	--	--
Ministry of Public Health (MSP)	21.3		--	31.6
National Public Education Adm. (ANEP)	16.9		--	16.9
Official Broadcasting Services (SODRE)	3.4	0.2	--	5.4
Ministry of Housing	0.5		--	0.5
Ministry of Defense	14.8	0.2	--	14.6
<u>Local governments</u>	<u>9.7</u>	<u>4.2</u>	<u>4.6</u>	<u>63.7</u>
<u>Official banks</u>	<u>1.3</u>	<u>6.9</u>	<u>1.8</u>	<u>207.9</u>
BROU	1.3	3.7	1.1	76.0
BHU		3.2	0.7	131.9
<u>Monetary authorities 3/</u>	<u>--</u>	<u>3.7</u>	<u>-2.6</u>	<u>36.2</u>
<u>Public enterprises</u>	<u>37.3</u>	<u>70.1</u>	<u>11.3</u>	<u>702.8</u>
UTE	14.7	50.0	5.6	449.5
ANTEL	11.7	7.1	0.1	84.8
ANCAP	5.8	2.2	-0.1	22.4
OSE	--	2.7	2.3	24.3
ANP	--	4.4	0.6	2.2
Salto Grande	--	3.1	0.5	71.1
PLUNA	--	0.6	0.2	24.1
AFE	5.1		2.1	24.4
<u>Treasury bonds</u>	<u>240.5</u>	<u>62.5</u>	<u>--</u>	<u>1,249.2</u>
<u>Suppliers' credits</u>	<u>44.0</u>	<u>8.3</u>	<u>0.8</u>	<u>176.6</u>
<u>Memorandum items</u>				
Treasury notes	42.0	61.9	-2.1	419.4
BROU, net nonresident deposits	6.8	--	--	283.0
BHU, net nonresident deposits	--	3.1	--	29.0
<u>Total, including treasury notes.</u>				
<u>BROU and BHU</u>	<u>584.5</u>	<u>277.2</u>	<u>5.8</u>	<u>4,520.9</u>

Sources: Central Bank of Uruguay; and Fund staff estimates.

1/ Reflects valuation adjustments due to changes in exchange rates.

2/ Excludes treasury bills and bonds.

3/ Excludes use of IMF credit.

Table 57. Uruguay: Amortization for Medium- and Long-Term Public Sector External Debt

(In millions of U.S. dollars)

	Amortization									Without Definite Maturity Date
	Outstanding Debt		1995	1996	1997	1998	1999	2000	After 2000	
	1993	1994								
<b>Total</b>	<b>3,543.0</b>	<b>3,873.7</b>	<b>655.1</b>	<b>392.8</b>	<b>292.6</b>	<b>407.9</b>	<b>272.3</b>	<b>231.7</b>	<b>1,610.5</b>	<b>10.8</b>
By debtor										
Central Government	1,214.7	1,353.2	85.2	90.6	100.8	116.0	108.2	97.8	754.6	--
Local government	53.8	63.7	4.7	5.0	4.9	4.9	4.8	4.8	34.6	--
Public enterprises	724.3	702.8	55.2	49.5	27.0	45.9	45.7	45.7	433.8	--
Official banks	211.7	207.9	3.3	3.3	3.4	13.3	13.3	13.3	158.0	--
Monetary authorities 1/	127.4	120.3	51.8	33.4	17.0	8.3	0.6	0.5	1.0	7.7
Supplier's credits	140.1	176.6	84.6	30.1	18.7	14.8	8.6	5.6	11.1	3.1
Treasury bonds	1,071.2	1,249.2	370.3	180.9	120.8	204.7	91.1	64.0	217.4	--
By creditor										
Official	1,253.6	1,426.2	125.2	125.5	136.8	128.9	120.7	110.3	671.2	7.6
Multilateral 1/	1,100.1	1,199.1	117.6	112.2	121.7	113.9	105.9	95.9	524.3	7.6
Bilateral	145.5	227.1	7.6	13.3	15.1	15.0	14.8	14.4	146.9	--
Private	2,289.4	2,447.5	529.9	267.3	155.8	279.0	151.6	121.4	939.3	3.2
Suppliers	140.1	176.6	84.6	30.1	18.7	14.8	8.6	5.6	11.1	3.1
Financial markets	2,149.3	2,270.9	445.3	237.2	137.1	264.2	143.0	115.8	928.2	0.1
Commercial banks	1,049.0	1,021.7	75.0	56.3	16.3	59.5	51.9	51.8	710.9	--
Other	1,100.3	1,249.2	370.3	180.9	120.8	204.7	91.1	64.0	217.3	0.1

Source: Central Bank of Uruguay.

<sup>1/</sup> Includes IMF credit.

Table 58. Uruguay: Net International Reserves of the Central Bank

(In millions of U.S. dollars, unless otherwise indicated)

	1989	1990	1991	1992	1993	1994
<b>Assets</b>	<u>1,510.1</u>	<u>1,571.0</u>	<u>1,247.0</u>	<u>1,208.6</u>	<u>1,402.0</u>	<u>1,679.6</u>
Gold <sup>1/</sup>	993.9	918.4	819.5	696.5	611.5	654.7
SDRs	12.1	18.6	4.7	--	0.4	--
Correspondents <sup>2/</sup>	247.4	345.2	162.1	16.3	1.4	7.9
Other assets	256.7	288.8	260.7	495.8	788.7	1,017.0
<b>Liabilities</b>	<u>299.9</u>	<u>291.6</u>	<u>241.4</u>	<u>106.4</u>	<u>84.9</u>	<u>84.1</u>
IMF	190.7	100.0	57.8	52.6	38.4	29.9
Other liabilities	109.2	191.6	183.6	53.8	46.5	54.2
<b>Net international reserves</b>	<u>1,210.2</u>	<u>1,279.4</u>	<u>1,005.6</u>	<u>1,102.2</u>	<u>1,317.1</u>	<u>1,595.5</u>
<b>Memorandum items</b>						
Gold (millions of fine troy ounces)	2.609	2.395	2.263	2.028	1.700	1.704
Gross reserves (in months of imports of goods and services)	8.5	7.7	5.6	5.9	5.6	5.1

Sources: Central Bank of Uruguay; IMF, International Financial Statistics; and Fund staff estimates.

<sup>1/</sup> Price of gold per troy ounce: US\$381.28 in 1989, US\$383.51 in 1990, US\$362.18 in 1991, US\$343.42 in 1992, US\$359.73 in 1993, and US\$384.22 in 1994.

<sup>2/</sup> Overnight accounts.

Table 59. Uruguay: Exchange Rates 1/

	Period Average	End of Period
<u>(New Uruguayan pesos per U.S. dollar)</u>		
1977	4.65	5.41
1978	6.05	7.04
1979	7.84	8.44
1980	9.08	10.07
1981	10.79	11.56
1982	13.85	33.50
1983	34.38	43.01
1984	55.89	74.01
1985	101.16	124.75
1986	151.43	180.00
1987	225.52	276.09
1988	359.44	451.00
<u>1989</u>		
March	497.85	507.00
June	575.05	589.00
September	678.98	690.00
December	787.10	805.00
<u>1990</u>		
March	933.14	969.00
June	1,148.40	1,182.00
September	1,308.53	1,320.00
December	1,550.33	1,594.00
<u>1991</u>		
March	1,756.88	1,773.00
June	1,955.63	1,988.00
September	2,192.81	2,236.00
December	2,449.00	2,489.00
<u>1992</u>		
March	2,723.65	2,774.00
June	3,005.62	3,048.00
September	3,245.00	3,282.00
December	3,457.00	3,482.00
<u>(Uruguayan pesos per U.S. dollar) 2/</u>		
<u>1993</u>		
March	3.67	3.69
June	3.95	4.02
September	4.12	4.16
December	4.37	4.42
<u>1994</u>		
March	4.56	4.69
June	4.84	4.99
September	5.25	5.57
December	5.54	5.60

Source: Central Bank of Uruguay.

1/ Buying rate. Until 1978, the exchange rates listed are those prevailing in the commercial foreign exchange market. On October 17, 1978 the Central Bank unified the commercial and the financial foreign exchange markets and on December 26, 1978, the Government announced that the new peso would be depreciated each month according to a preannounced rate. On November 26, 1982, a managed floating system was implemented.

2/ The Uruguayan peso replaced the new Uruguayan peso at the ratio of 1,000 to 1 on March 1, 1993.

Table 60. Uruguay: Measures of Competitiveness

	Real Effective Exchange Rate	Wages Deflated by Real Effective Exchange Rate 1/	Bilateral Real Exchange Rate 2/		
			Argentina	Brazil	United States
(Indices, 1982 = 100)					
<u>1988</u>					
First quarter	50.6	54.0	67.5	63.4	55.2
Second quarter	50.1	51.5	67.8	61.7	54.9
Third quarter	53.7	53.4	69.0	63.1	56.7
Fourth quarter	51.7	55.5	62.1	61.5	57.0
<u>1989</u>					
First quarter	52.0	54.6	59.5	60.2	57.1
Second quarter	57.3	59.0	121.5	55.6	57.6
Third quarter	54.3	56.9	84.5	52.8	57.2
Fourth quarter	52.1	58.0	75.7	48.9	57.2
<u>1990</u>					
First quarter	49.8	53.6	83.4	40.8	56.8
Second quarter	48.1	47.2	57.9	42.5	56.7
Third quarter	48.0	45.4	48.7	44.8	59.8
Fourth quarter	49.2	48.0	37.8	54.9	63.3
<u>1991</u>					
First quarter	52.1	54.7	43.5	65.5	63.4
Second quarter	55.5	57.1	44.3	61.1	65.6
Third quarter	57.4	60.4	43.9	62.0	68.7
Fourth quarter	57.6	62.9	43.4	69.7	69.8
<u>1992</u>					
First quarter	58.3	62.7	41.8	72.8	70.7
Second quarter	59.1	65.7	41.1	75.2	71.8
Third quarter	58.5	64.0	41.1	74.6	74.0
Fourth quarter	62.2	69.1	41.3	75.1	75.8
<u>1993</u>					
First quarter	65.9	75.2	42.6	76.7	78.5
Second quarter	65.3	75.6	43.8	78.7	82.4
Third quarter	71.5	80.3	45.4	79.4	86.2
Fourth quarter	74.0	85.6	46.4	81.0	88.7
<u>1994</u>					
First quarter	75.0	86.2	47.5	78.9	90.4
Second quarter	75.3	86.6	48.4	81.0	92.1
Third quarter	71.5	82.1	48.1	68.6	92.2
Fourth quarter	72.7	82.9	50.0	63.4	96.3
<u>(Average annual percentage change)</u>					
1983	-38.5	-50.7	-31.0	-28.0	-44.5
1984	-4.2	-9.0	-17.2	-4.2	-8.6
1985	-3.6	11.1	6.8	-1.7	-8.2
1986	-1.4	6.5	-0.5	6.2	15.3
1987	-2.4	5.2	6.3	-1.5	6.4
1988	-5.8	-3.8	3.3	-12.1	-2.1
1989	4.6	6.6	28.1	-12.9	2.3
1990	-9.6	-14.7	-33.2	-15.9	3.3
1991	14.1	21.0	-23.1	41.1	13.1
1992	7.0	11.3	-5.7	15.3	9.3
1993	17.2	21.0	7.9	6.1	14.9
1994	5.5	6.7	8.9	-7.5	10.4

Sources: Central Bank of Uruguay; IMF Information Notice System; and Fund staff estimates.

1/ Private sector wages expressed in terms of foreign currency (i.e. multiplied by the nominal effective exchange rate) and deflated by prices abroad; increase indicates a loss in competitiveness.

2/ Against the currency of the country indicated.