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TELNO 929 OF 02 DECEMBER.

INFO PRIORITY MOD BANK OF ENGLAND MONTEVIDEO ASUNCION SANTIAGO  
BRASILIA CARACAS WASHINGTON UKMIS NEW YORK CIVIL COMMISSIONER  
PORT STANLEY

PRESS SUMMARY

1. ECONOMIC AND FINANCIAL NEWS AGAIN RECEIVES PROMINENT COVERAGE IN TODAY'S PRESS.
2. SEVERAL PAPERS ALLEGE THAT PRESIDENT-ELECT RAUL ALFONSIN HAS ASKED THE MILITARY GOVERNMENT TO SIGN INTO LAW THE 1984 BUDGET BEFORE HIS OWN ASSUMPTION OF OFFICE. THIS WOULD BE AN ATTEMPT TO BY-PASS TIME-CONSUMING CONGRESSIONAL DEBATE AND HAS PROVOKED CONSIDERABLE CONTROVERSY. ACCORDING TO ECONOMY MINISTRY SOURCES THE MILITARY REGIME'S BUDGET HAS A PLANNED FISCAL DEFICIT OF 3.5 BILLION DOLLARS, EQUAL TO 5 PER CENT OF GNP.
3. THE LEFT-WING PERONIST DAILY "LA VOZ" CITES ALFREDO CONCEPCION, PRESIDENT DESIGNATE OF THE BANCO DE LA NACION (BNA) AS DECLARING THAT ARGENTINA'S FOREIGN DEBT INCLUDES MORE THAN 3 BILLION DOLLARS WHICH WERE NOT QUOTE TAKEN INTO ACCOUNT UNQUOTE BY THE CENTRAL BANK OR THE MINISTRY OF ECONOMY AND WHICH CORRESPOND TO CREDITS OBTAINED BY THE NEW YORK BRANCH OF BNA. THESE ADDITIONAL MONIES HAD BEEN DIVERTED TO AMONGST OTHERS THE ARMED FORCES, THE PRESIDENCY AND STATE COMPANIES.
4. THE FIRST 500 MILLION DOLLAR TRANCHE OF THE 1.5 BILLION MEDIUM-TERM LOAN TO ARGENTINA WAS TRANSFERRED YESTERDAY. IT WAS IMMEDIATELY USED TO AMORTIZE ABOUT 350 MILLION DOLLARS OF THE DECEMBER 1982 BRIDGING LOAN AND TO COVER OUTSTANDING INTEREST PAYMENTS FOR WHICH AN ADDITIONAL 50 MILLION DOLLARS WERE ALSO DRAWN FROM EXISTING CENTRAL BANK RESERVES.
5. CENTRAL BANK SOURCES YESTERDAY STATED THAT THE DECEMBER REGULATED INTEREST RATES WILL REMAIN AT THE NOVEMBER LEVEL OF 14.5 PER CENT FOR DEPOSITS AND WILL BE INCREASED 1 POINT TO 15.5 PER CENT FOR LOANS. INCREASING ILLIQUIDITY IN THE FINANCIAL MARKETS HAS PUSHED UP THE LOCAL INTER-BANK AND INTER-COMPANY LENDING RATES, WHILE THE PARALLEL DOLLAR RATE HAS FALLEN BY 3.7 PER CENT.

6. THE METAL WORKERS UNION (UOM) HAS CONFIRMED FOR TODAY A 24-HOUR STRIKE WHICH WILL INVOLVE SOME 300,000 WORKERS AND PARALYSE PRODUCTION THROUGHOUT THE COUNTRY.

7 ACCORDING TO "CLARIN" , THE REPORT COMPOSED UNDER THE DIRECTION OF CHIEF OF STAFF GENERAL EDGARDO CALVI ON THE ARMY'S PERFORMANCE IN THE FALKLANDS CAMPAIGN WILL BE PUBLISHED TODAY. "LA NACION" RELAYS THE CONTENTS OF YESTERDAY'S GUARDIAN ARTICLE WHICH, BASED ON INFORMATION FROM GUILLERMO MAKIN OF CAMBRIDGE UNIVERSITY, SUGGESTS THAT ALFONSIN'S GOVERNMENT WOULD BE PREPARED TO SHARE WITH THE UK THE COSTS OF COMPENSATION TO FALKLAND ISLANDERS FOR DAMAGE CAUSED BY LAST YEAR'S FIGHTING. IN RETURN THE UK WOULD ALLEGEDLY HAVE TO ACCEPT A LEASE-BACK AGREEMENT. "LA PRENSA" CARRIES AN ANALYSIS OF THE VOTING PATTERNS AT LAST MONTH'S UNGA FALKLANDS DEBATE ON WHICH IT ATTEMPTS TO PLACE THE MOST OPTIMISTIC INTERPRETATION FROM THE ARGENTINE VIEWPOINT (COPY BY BAG TO FCO).

8. THE PROMINENT PERONIST POLITICIAN ANGEL ROBLEDO HAS AGREED TO JOIN ALFONSIN'S TEAM OF ADVISORS. THE PERONIST PARTY LEADERSHIP WILL TODAY DISCUSS MARIA ESTELA MARTINEZ DE PERON'S FORTHCOMING RETURN TO ARGENTINA.

9. MAJOR GENERAL JUAN CARLOS TRIMARCÓ, CHIEF OF THE FIRST ARMY CORPS AND A SUPPOSEDLY KEY FIGURE IN THE "MILITARY TRADE UNION PACT" HAS ASKED TO GO INTO RETIREMENT AND HAS TRANSFERRED HIS COMMAND TO HIS DEPUTY, BRIGADIER-GENERAL JULIO ALFREDO TORRES, WHO HAS BEEN TIPPED FOR THE POST OF ARMY CHIEF OF STAFF UNDER ALFONSIN'S GOVERNMENT.

10. LABOUR LAWYER ROBERTO PENA HAS BEEN NAMED AS THE FUTURE HEAD OF THE STATE INFORMATION SECRETARIAT (SIDE) ALTHOUGH THIS TOP POSITION IN THE INTELLIGENCE SERVICE HAS TRADITIONALLY BEEN RESERVED FOR HIGH-RANKING MILITARY OFFICERS.

JOY

UNQUOTE

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