

COMISIÓN NACIONAL DEL MERCADO DE VALORES

**ANNUAL REPORT
ON THE SECURITIES
MARKETS. 1997**

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1. GENERAL EVOLUTION OF SECURITIES MARKETS

1.1. The economic environment

International outlook

The economic balance in 1997 was positive for the majority of industrialised countries, which enjoyed a balanced growth –in some cases even vigorous growth. Japan was an exception, showing signs of stagnation after its short-lived expansion in 1996. The balance for emerging economies varied. As opposed to the good result enjoyed by most Latin American countries and some of the economies in transition in eastern Europe, several countries in southeast Asia –Thailand, Malaysia, Hong Kong, South Korea, and Indonesia– that had experienced intensive growth rates up to 1996 underwent a collapse of their financial markets last year, along with massive capital withdrawals and a rapid impairment of the economy.

Economic growth in the United States grew 3.8%, the highest in the present upswing that began in 1992. Such a vigorous growth was once again grounded on the dynamic development of domestic demand. Household spending was boosted by, among other factors, higher income, favourable job market prospects –the unemployment rate settled at around 5%– and the increase of wealth prompted by the bullish performance of the stock market. The high profit expectations in the economy and technological renewal programmes favoured the growth of investment. Exports likewise underwent a strong growth, even despite the appreciation of the dollar vis-à-vis the currencies of major international competitors. The contribution of the foreign sector to growth was negative nonetheless, with an increase of the trade deficit owing to the strong increase of imports.

The growth of GDP in the European Union (EU) reached 2.7%, nearly one percentage point more than in 1996. Figures varied between countries within an overall positive pattern. The economies that had already recorded growth rates near or above 3% the year before –the Netherlands, Portugal, Denmark, Ireland, Finland and Luxembourg– continued growing at very high rates. Spain, Greece and the United Kingdom, all of which grew above 3%, joined this high-growth group last year. France and Germany, the two core economies of the future Economic and Monetary Union (EMU), after growing at a rate of around 1.5% in 1996, made it past 2% in 1997, the same as Austria and Belgium. Although Sweden and Italy did not exceed the latter level, they also experienced a clear improvement.

The evolution of domestic demand favoured the growth of economic activity in many European countries, but the performance of the foreign sector remained essential for such important economies as France and Germany. Export activity benefited from the overall improvement of the world economy and the depreciation of European currencies against the dollar –the sterling being the exception. In continental European countries, the contribution of domestic demand, particularly private expenditure, was again limited by unemployment, a deep-rooted phenomenon with double-digit rates in many countries. The United Kingdom, where the unemployment rate recorded a significant fall, was the main exception.

Contrasting with the performance of the United States and the EU, the Japanese economy reached a stagnation similar to that of the 1992-1995 period, after its growth rate fell from 4.1% in 1996 to

Table 1.1

INTERNATIONAL ECONOMIC INDICATORS

	GDP (a)		Domestic Demand (a)	
	1996	1997	1996	1997
OECD	2.8	3.0	3.0	2.8
United States	2.8	3.8	3.0	4.2
Japan	4.1	0.9	5.0	-0.5
EU	1.8	2.7	1.4	2.2
Germany	1.4	2.3	0.8	1.3
Spain	2.3	3.4	1.4	2.7
France	1.5	2.4	1.0	1.0
Italy	0.7	1.5	0.3	2.5
United Kingdom	2.2	3.3	2.7	3.7
	Unemployment Rate (b)		CPI (c)	
	1996	1997	1996	1997
OECD	7.5	7.3	3.7	2.7
United States	5.4	4.9	2.9	2.3
Japan	3.4	3.4	0.1	1.7
EU	11.4	11.1	2.5	2.0
Germany	10.3	11.5	1.5	1.8
Spain	22.2	20.8	3.6	2.0
France	12.4	12.5	2.0	1.2
Italy	12.1	12.3	3.9	1.8
United Kingdom	7.5	5.6	2.5	3.1
	Budget Balance (d)		Current Account Balance (d)	
	1996	1997	1996	1997
OECD	-2.7	-1.4	-0.1	0.0
United States	-1.1	-0.2	-1.9	-2.1
Japan	-4.3	-3.5	1.4	2.2
EU	-4.3	-2.4	1.0	1.4
Germany	-3.4	-2.7	-0.6	-0.3
Spain	-4.6	-2.6	0.1	0.5
France	-4.1	-3.0	1.3	2.7
Italy	-6.7	-2.7	3.3	2.9
United Kingdom	-4.7	-1.9	-0.1	0.2

(a) Rate of change (%).

(b) Yearly average (%).

(c) Average yearly rate of change of the CPI (%).

(d) Surplus (+) or deficit (-) as percentage of GDP.

Sources: National Statistics Institute (INE), EU Commission and OECD.

0.9%. The expansive fiscal policy of 1996 only had transient effects and was not sufficient to improve expectations among economic agents. After the return to an orthodox fiscal stance, domestic demand fell by half a percentage point and only the traditionally strong export sector made a positive contribution to the growth of the economy, although in an ever weaker manner due to the crisis in southeast Asia, a region that absorbs 40% of Japanese exports. The failure of demand policies and the economy's inability to respond to prolonged low interest rates –short-term rates were below 1% and long-term rates were under 3%– has again drawn attention to the situation of the Japanese financial system, the impairment of which is severely affecting the economy. Solvency problems and the frequent scandals involving financial institutions have generated a situation of distrust, the solution of which requires determined measures to disrupt the existing negative cycle.

The year 1997 recorded –with a few exceptions– a deceleration in the growth of prices. Among OECD countries (not including Turkey), inflation dropped from 3.7% in 1996 to 2.7%. In the larger economies within the OECD, domestic inflation rates lowered to around 2% –2.3% in the United States and 1.9% in the EU. The United Kingdom, where inflation increased from 2.5% to 3.1%, was an exception. The positive international results in this field were favoured by the vigilant attitude of monetary authorities, as well as by at least three other common factors: the drop in energy prices and those of several raw materials –from December 1996 to December 1997, the price of oil in dollars fell around 27% and The Economist's Non-Energy Industrial Raw Materials Index recorded a 19% fall–; productivity increases –boosted by technological innovations and the adjustment of workforce sizes and working systems in the last few years–; and continuing fiscal consolidation efforts (these will be discussed in the following paragraph).

The lowering of deficits was the major feature of public accounts management. The United States nearly reached a situation of budgetary balance, with the budget deficit equalling 0.2% of GDP, and a commitment was made to reach a surplus at the beginning of the next century. In the EU, the reduction of deficits was spurred by the need to meet the conditions required to join EMU in January 1999 and as a result of the efforts carried out, the overall deficit in the EU was lowered from 4.3% to 2.4%. In Japan, the return to a greater fiscal orthodoxy took the budgetary imbalance from 4.3% of GDP to 3.5%.

The Spanish economy

Spain was one of the most dynamic economies in the EU. The high growth rate (3.4%) and the fall of inflation encouraged investment and job creation and contributed to the reduction of the budget deficit. The success of fiscal efforts and the favourable development of inflation allowed Spain to fulfill, at the end of the year, the requirements set out under the Maastricht Treaty for the implementation of the single currency. Accordingly, Spain will be a member of EMU as from 1 January 1999.

The economy developed steadily throughout the year: the quarter-over-quarter (Q-o-Q) variations in annualised terms ranged between the second quarter's 3.4% and the third quarter's 3.8%. This vigorous performance rested mainly on the evolution of domestic demand, in which the private headings betrayed a substantial improvement of expectations among economic agents. Thus private expenditure, which had already recorded rising growth rates in 1996, confirmed the pattern and showed a growing strength throughout 1997. The evolution of employment, which grew at a year-over-year (Y-o-Y) 3% for the third year in a row, had positive effects on consumer expenditure, even though its effects on the unemployment rate (20.3%) were modest because the labour force also grew at a rate of nearly 3%. The growth of capital investment was even higher, always above 11% in annualised Q-o-Q terms, fostered by favourable final demand prospects, the positive development of business surpluses and the drop of financial costs. Construction grew at a modest rate (1.2%), but in the latter half of the year a clear improvement became apparent thanks to housing investment.

As domestic demand rose, so did imports, with a 10.2% increase over 1996. In spite of this and thanks to the development of exports, which grew 12.9%, the foreign sector continued making a positive contribution to GDP growth, accounting for approximately 7 decimals of GDP. The tug from the international economy, the depreciation of the peseta vis-à-vis the dollar –16% in nominal terms– and the positive performance of domestic prices secured the situation of the export sector, the solidity of which has been one of the major characteristics of Spanish economic development in the last few years. The current account balance again recorded a slightly positive balance in terms of GDP (0.5%).

In the first half of the year consumer prices recorded a pattern of slowing growth. The Y-o-Y inflation rate fell to a historical low of 1.5% in May, after which it hiked mildly and settled at around 2%

Table 1.2

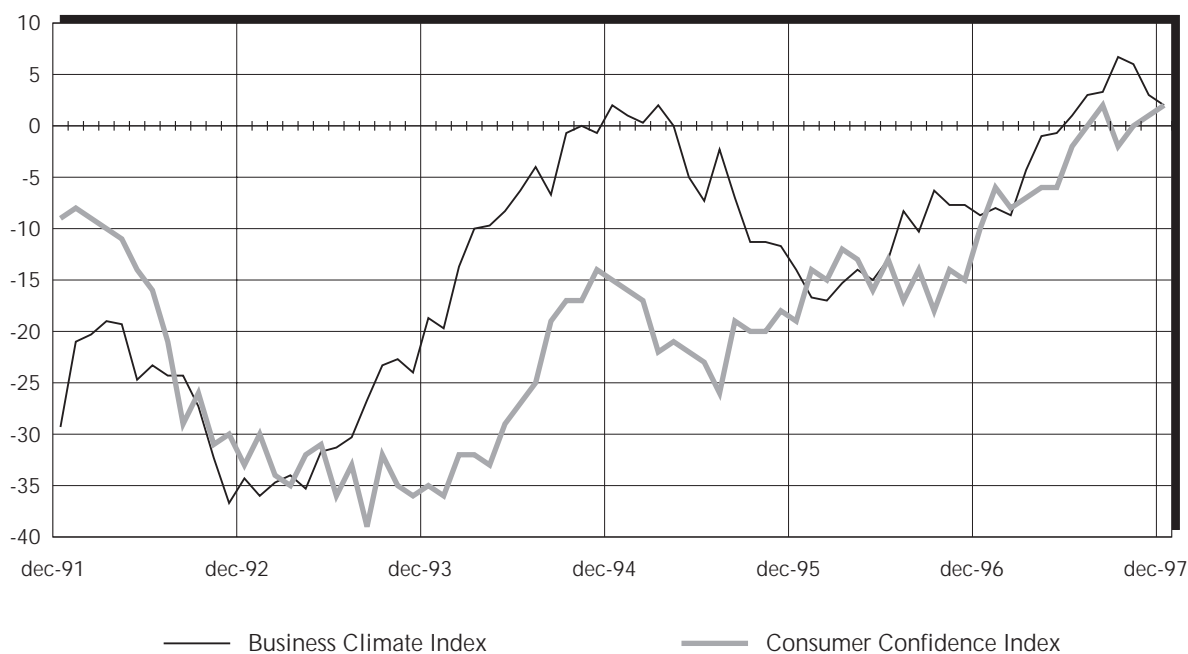
THE SPANISH ECONOMY: MACROECONOMIC INDICATORS
Y-o-Y rates of change, unless indicated otherwise

	1993	1994	1995	1996	1997
GDP (in constant pesetas)					
GDP at market prices	-1.2	2.1	2.8	2.3	3.4
Domestic demand	-4.2	1.1	3.1	1.4	2.7
Private expenditure	-2.2	0.8	1.5	1.9	3.1
Government expenditure	2.3	-0.3	1.3	0.1	0.7
Gross formation of fixed capital	-10.6	1.4	8.2	0.9	4.7
Exports	8.5	16.2	8.2	9.9	12.9
Imports	-5.1	10.4	8.8	6.2	10.1
Other indicators					
CPI: December Y-o-Y inflation rates	4.9	4.3	4.3	3.2	2.0
Employment: Q4 Labour Force Survey (EPA)	-3.5	0.4	3.2	3.3	3.0
Unemployment rate: Q4 EPA (% of labour force)	22.7	24.2	22.9	21.8	20.3
Current account balance of payments (% of GDP)	-1.1	-1.4	0.2	0.1	0.5
Public Administration budget balance (% of GDP)	-7.0	-6.4	-7.3	-4.7	-2.6

Sources: INE and Ministry of Economy and Finance.

Chart 1.1

**BUSINESS CLIMATE AND CONSUMER CONFIDENCE INDICES: DIFFERENCES
BETWEEN FAVOURABLE AND UNFAVOURABLE OPINIONS (IN PERCENTAGES)**



in the latter months of the year. The good results in this field favoured the continuation of the moderate wage climate and were in turn nurtured by the latter. As a result of labour agreements, the growth of wages was lowered from 4.1% in 1996 to 3% in 1997. Unit wage costs, which take in the effects of productivity increases, likewise grew at a slower rate, dropping from 2.9% in 1996 to 1.9%. The

absence of inflationary expectations enabled interest rates to continue falling, with a subsequent lowering of financial costs.

Public Administrations widely achieved the deficit objective set out in the National Budget for 1997 and in the Convergence Programme. The year ended with a budget deficit of 2.6% of GDP, four decimals below the requirement established in the Maastricht Treaty and well below 1996's deficit, which amounted to 4.6%. The growth of the economy (thanks to its effects on the taxes that are more sensitive to the economic cycle) and privatisations ensured a favourable evolution of receipts, but the major part of the lowering of the deficit was an outcome of cuts in expenditure –approximately 1.4 percentage points in terms of GDP. The improvement of government accounts also led to a reduction of the debt to GDP ratio, which dropped from 70.1% in 1996 to 68.8% in 1997.

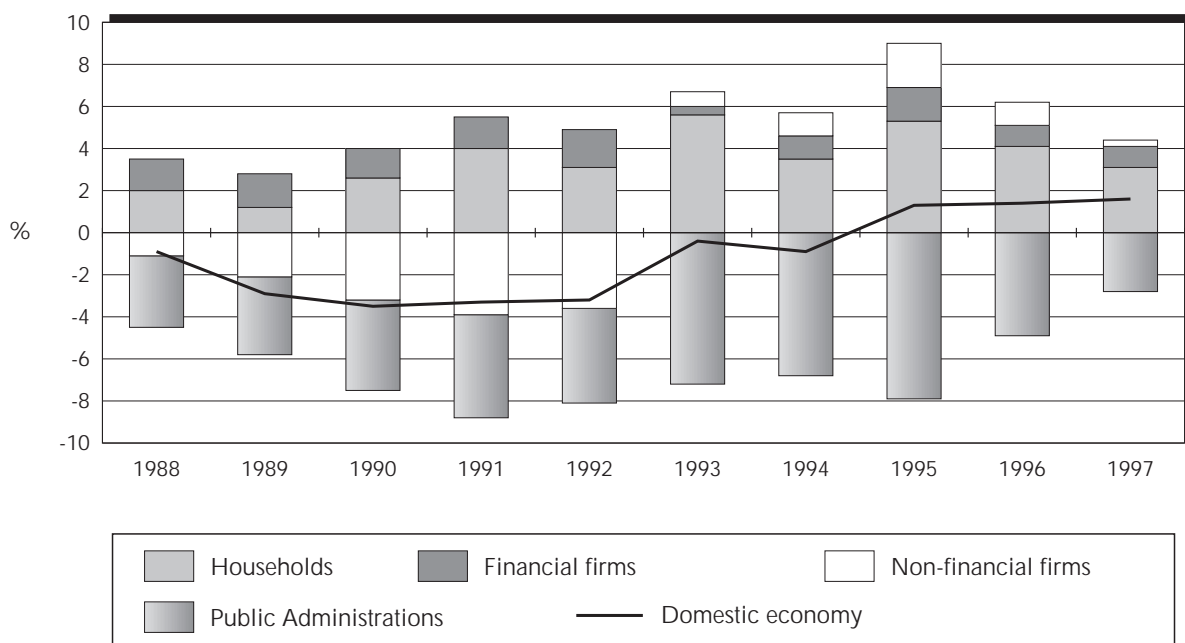
Evolution of the Spanish economy's financing capacity

In 1997 residents again generated enough savings to finance gross capital formation in the Spanish economy, in spite of the considerable growth of the latter. Thanks to that and to the favourable balance of capital transfers to and from abroad, the Spanish economy improved its financial position vs. the rest of the world for the third year in succession.

As shown in chart 1.2, the ripening of the economic cycle had a significant effect on the financing capacity of households, which make up the main supply of savings in the Spanish economy, and of non-financial firms, which attract the greater part of private investment. In connection with households, the improvement of economic expectations translated into a reduction of savings, both in current pesetas –by around 4%– and as a rate of gross disposable income –12%

Chart 1.2

THE SPANISH ECONOMY'S FINANCING CAPACITY (+) OR REQUIREMENTS (-), AS A PERCENTAGE OF GDP



in 1996 vs. 11% in 1997–, and into a strong increase of non-financial investment –by around 7% in current pesetas–, mainly residential investment. Thus the financing capacity of households in terms of GDP fell one percentage point, from 4.1% in 1996 to 3.1% in 1997. Non-financial firms continued generating resources in excess of their financing requirements, but that excess dropped sizeably –from 1.1% of GDP in 1996 to 0.3% in 1997– as a result of the increase of investment in physical capital.

The evolution of savings and non-financial investment among major private sector agents underscores the role played by Public Administrations in the improvement of Spain's financial position vis-à-vis foreign countries. The substantial reduction of Public Administration financing requirements was a determining factor for the savings of resident sectors to be able to finance investment. Considering that the financing capacity of the private sector could continue falling as the economic cycle presses forth, continuing efforts to improve public accounts would help financing in the form of private investment and would tone down the strong dependence on financing from abroad, such as before the recession in 1992 and 1993.

Composition of the financial flows of the main resident sectors in the Spanish economy

The flow of new funds used in the financing of non-financial firms –net change of financial liabilities, in terms of the Financial Accounts of the Spanish Economy– recorded a sizeable increase over the previous year (53%). Approximately 83% of the financing was obtained through credit, with bank credit and credit between companies representing 65% and 29% of total credit. Contrasting with financing via credit, the weight of negotiable instruments on the net change of financial

Table 1.3

NET CHANGE IN FINANCIAL ASSETS AND LIABILITIES OF NON-FINANCIAL FIRMS

Amounts in billions of pesetas

	1993	1994	1995	1996	1997
Net financial savings	-934.6	-97.2	339.5	103.0	32.2
Net change in financial assets	631.4	4,307.3	5,006.7	4,289.7	6,455.8
1. Cash at hand and sight deposits	-248.8	656.3	388.0	451.9	1,820.0
2. Other deposits	-213.1	880.0	1,055.4	1,059.1	1,070.0
3. Securities	-102.7	-74.9	308.7	845.6	-173.0
<i>Of which:</i>					
<i>Issued by non-residents</i>	183.8	398.9	-34.2	547.1	1,136.2
4. Investment funds units	309.8	98.5	75.4	398.4	575.7
5. Credit	-189.1	2,088.5	2,211.8	1,219.1	2,270.8
6. Others	1,075.3	658.9	967.4	315.6	892.3
Net change in financial liabilities	1,566.0	4,404.5	4,667.2	4,186.7	6,423.6
1. Negotiable fixed-income instruments	-124.4	-409.7	-242.1	-262.7	-218.8
<i>Of which:</i>					
<i>In foreign currencies</i>	-45.3	-23.3	-28.5	-47.7	-11.8
2. Equities	732.1	914.0	767.9	551.3	460.5
3. Credit	115.7	2,585.7	3,778.5	2,221.7	5,356.4
4. Others	842.6	1,314.5	362.9	1,676.4	825.5

Source: Bank of Spain.

liabilities in the sector fell from 7% in 1996 to 4% in 1997. By instruments, amortisations of placements were dominant in the field of fixed-income (the trend began in 1993), whereas the net issue of shares dropped 6% in comparison to 1996. Concerning the net change of financial assets in the sector, the most significant features in 1997 were the growth of credit to customers, the increase of net investment in mutual funds and especially the rise of net investment in securities issued by non-residents, mainly equities, showing a significant leap forward in the internationalisation of Spanish companies.

Concerning households, in 1997 there was an intensification in the re-structuring of their financial wealth, favouring investment funds, pension plans, life insurance –technical insurance reserves– and the direct possession of negotiable instruments, mainly equities. Securities issued by non-residents had a special appeal for households because of profitability and for diversification purposes and they represented nearly one third of net investment in securities. The increase of this type of investment entailed a substantial reduction of the balances of time deposits held at financial institutions, as shown in table 1.4.

The confluence of the re-structuring of household savings and the strong growth of demand had significant effects on the composition of the financial flows of credit institutions. In order to meet the increase of credit demand, and given the difficulty in raising funds via the traditional method of deposits in the domestic market, credit institutions resorted –in a hitherto unusual degree– to foreign markets, mainly by subscribing loans in foreign currencies from non-resident credit institutions. Thus the funds raised through non-transferable deposits in foreign currencies quadrupled those of the year before and represented just over half of the total net change of financial liabilities in the sector. The funds raised by these institutions via fixed-income issues tripled those raised in 1996 but their weight in the net change of credit institution liabilities barely topped 4%.

Table 1.4

**NET CHANGE IN FINANCIAL ASSETS AND LIABILITIES OF HOUSEHOLDS
AND NON-PROFIT PRIVATE INSTITUTIONS**

Amounts in billions of pesetas

	1993	1994	1995	1996	1997
Net financial savings	4,668.9	2,926.2	4,507.9	3,443.8	2,516.0
Net change in financial assets	6,195.2	5,286.8	6,852.1	7,640.9	8,066.6
1. Cash at hand and sight deposits	671.7	556.0	363.2	637.4	872.4
2. Other deposits	2,860.1	1,938.1	3,289.1	-259.3	-1,933.2
3. Negotiable instruments	-2,029.1	-23.3	743.9	-519.6	1,082.7
<i>Of which:</i>					
<i>Shares</i>	-960.9	79.8	29.7	-176.8	1,084.8
<i>Securities issued by non-residents</i>	-124.4	45.6	277.5	190.6	350.6
4. Investment fund units	3,309.2	1,061.0	805.1	5,411.7	6,646.1
5. Technical insurance reserves	1,102.3	1,419.5	1,510.2	2,001.0	2,191.2
6. Others	280.9	335.6	140.6	369.7	-792.5
Net change in financial liabilities	1,526.3	2,360.6	2,344.2	4,197.1	5,550.6
1. Credit	1,135.1	1,381.9	2,077.9	3,144.1	4,774.4
2. Others	391.1	978.7	266.3	1,053.0	776.2
Pro memoria:					
Savings rate (% of gross disposable income)	13,2	10,7	12,7	12,0	11,0

Source: Bank of Spain.

Progress towards Economic and Monetary Union

In March 1998, the European Commission and the European Monetary Institute (EMI) published the reports they had submitted to the Council of the EU on the fulfillment of the convergence criteria. According to the Commission, all of the countries in the EU sufficiently complied with the requirements to become members of EMU, with the exception of Sweden, which did not meet the exchange rate criterion –it does not belong to the European Monetary System (EMS)–, and Greece, which did not meet any of the criteria. Although the EMI voiced its reservations in relation to the public debt of Italy and Belgium, the Council accepted the recommendation at the beginning of May. Accordingly, and given the fact that the United Kingdom and Denmark decided to exercise the opt-out clause provided by the Maastricht Treaty, the Third Stage of EMU will start in January 1999 with 11 of the present 15 members of the EU, Spain among them.

The examination by the Commission and the EMI underscores the efforts put forth by EU countries in the different convergence areas. One of the fields where these efforts were particularly noticeable was public finance, even in countries that will not join EMU from the start. In 1994, after the destabilising impact of the latest recession, only four of the 15 EU member states complied with the budget deficit convergence criterion –3% of GDP– and nine countries (Spain included) were near or above twice that figure. However, only Greece was unable to meet this criterion in 1997; it had, however, been able to reduce its budget deficit to 4% of GDP from levels that were consistently above 10% up to 1995. Thanks to budgetary efforts, the upward pattern of the debt to GDP ratios was reverted or halted, although this ratio remains very high in some countries, particularly Belgium, Italy and Greece.

Table 1.5

FULFILLMENT OF THE CONVERGENCE CRITERIA Report by the European Commission. January 1998

	Inflation (a)	Long-term Interest Rates (b)	Budget Balance (c)	Public Debt (d)
Germany	1.4	5.6	-2.7	61.3
Austria	1.1	5.1	-2.5	66.1
Belgium	1.4	5.1	-2.1	122.2
Denmark	1.9	6.2	0.7	65.1
Spain	1.8	6.3	-2.6	68.8
Finland	1.3	5.1	-0.9	55.8
France	1.2	5.5	-3.0	58.0
Greece	5.2	9.8	-4.0	108.7
The Netherlands	1.8	4.9	-1.4	72.1
Ireland	1.2	6.2	0.9	66.3
Italy	1.8	6.7	-2.7	121.6
Luxembourg	1.4	5.6	1.7	6.7
Portugal	1.8	6.2	-2.5	62.0
United Kingdom	1.8	7.0	-1.9	53.4
Sweden	1.9	6.5	-0.8	76.6
Criteria	2.7	7.8	3.0	60.0

(a) Rate of change as a percentage of the average harmonised CPI over the last 12 months.

(b) Average over the last 12 months (%).

(c) Financing capacity (+) or requirement (-) Percentage of GDP.

(d) Percentage of GDP.

Source: European Commission.

Table 1.6

FISCAL CONVERGENCE EFFORTS IN THE EUROPEAN UNION
Public Administration financing capacity (+) or requirements (-)
as a percentage of GDP

	1992	1993	1994	1995	1996	1997
Germany	-2.6	-3.2	-2.4	-3.3	-3.4	-2.7
Austria	-2.0	-4.2	-5.0	-5.2	-4.0	-2.5
Belgium	-6.9	-7.1	-4.9	-3.9	-3.2	-2.1
Denmark	-2.1	-2.8	-2.8	-2.4	-0.7	0.7
Spain	-4.1	-7.0	-6.4	-7.3	-4.7	-2.6
Finland	-5.9	-8.0	-6.4	-4.7	-3.3	-0.9
France	-3.9	-5.8	-5.8	-4.9	-4.1	-3.0
Greece	-12.8	-13.8	-10.0	-10.3	-7.5	-4.0
The Netherlands	-3.9	-3.2	-3.8	-4.0	-2.3	-1.4
Ireland	-2.5	-2.7	-1.7	-2.2	-0.4	0.9
Italy	-9.6	-9.5	-9.2	-7.7	-6.7	-2.7
Luxembourg	0.8	1.7	2.8	1.9	2.5	1.7
Portugal	-3.0	-6.1	-6.0	-5.7	-3.2	-2.5
United Kingdom	-6.2	-7.9	-6.8	-5.5	-4.8	-1.9
Sweden	-7.7	-12.2	-10.3	-6.9	-3.5	-0.8

Source: European Monetary Institute.

1.2. International financial market outlook

The evolution of financial markets last year featured continuations from the previous year in many aspects, for instance the strength of the dollar, stability within the EMS Exchange Rate Mechanism (ERM), low interest rates and the strong growth of stock market prices. The main distinguishing characteristic was the increase of volatility, visible mainly in foreign exchange markets and stock markets. The impairment of the economic and financial situation in southeast Asia and Japan in the latter months of the year represented a source of instability for the whole world, although it was not the only such source. On stock markets the increase of volatility was apparent since the beginning of the year, betraying doubts among investors on the sustainability of the price levels that had been reached.

Interest rates and foreign exchange markets

The favourable performance of prices helped keep interest rates down at low levels in industrialised countries. As far as short-term rates are concerned, interventions by central banks to hike interest rates were few, except in the United Kingdom, where the Bank of England rose its base rate five times, taking it from 6% at the beginning of the year to 7.25%. In the United States the Federal Reserve intervened only once, in March, adding 25 basis points to the target for the Federal funds overnight rate, to 5.5%, in anticipation of a possible warming of the economy. In Europe, the Bundesbank, the Bank of France and the central banks of Belgium, the Netherlands, Denmark and Austria together carried out a small rise of their intervention rates to assist in the convergence of short-term interest rates in preparation for EMU. The decline of inflation in Spain and Italy enabled the central banks in both countries to practice substantial lowerings of their intervention rates –from 6.25% to 4.75% in Spain and from 7.5% to 5.5% in Italy.

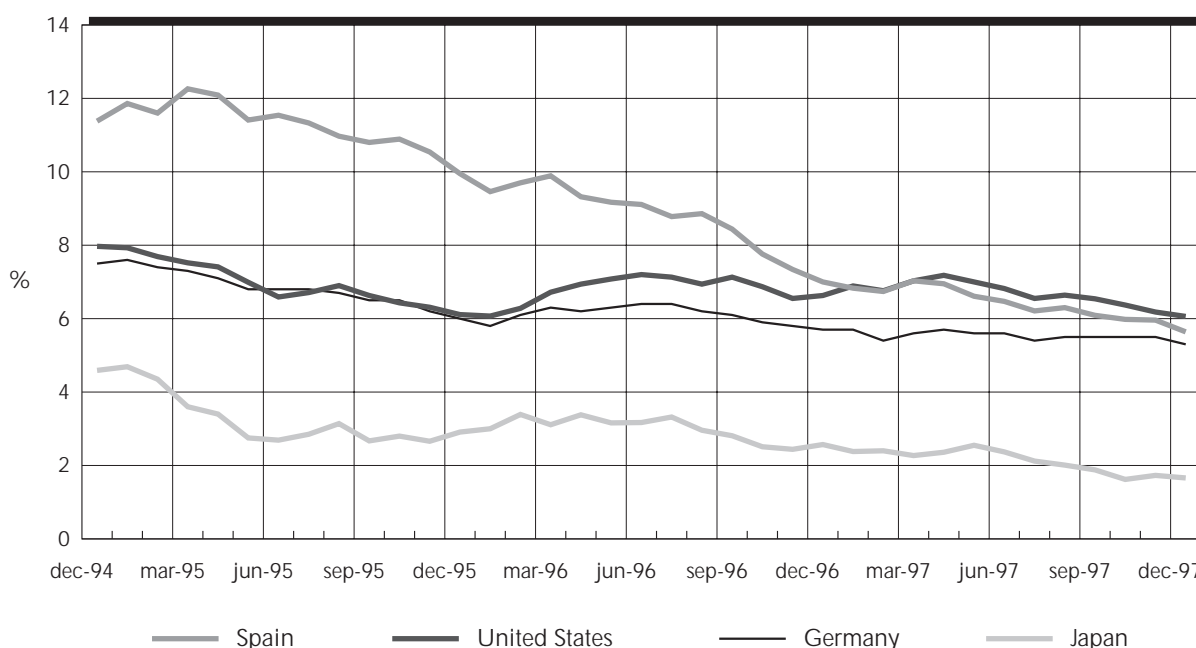
The evolution of long-term interest rates in industrialised countries last year can be divided into two periods. In the earlier period, lasting until spring, the dominant pattern was one of mild yield increases, prompted by fears of a hike in the US inflation rate. The yield on 10-year treasuries peaked at 6.99% in April, contrasting with the year-end 6.3% in 1996, dragging European yields upwards in its wake. Afterwards, the relegation of inflationary expectations favoured a widespread decline of yields, which was the dominant pattern through the end of the year. In the last two months of the year, the crisis in Asian markets caused a shift of funds from the region towards the United States and Europe, increasing the downward pressure on yields, especially in the United States. At the end of 1997, US rates were at 5.79% and German rates were at 5.35%. Spain and Italy saw a substantial lowering of their spreads with the German 10-year bond yield: from 108 to 26 basis points in Spain and from 179 to 29 basis points in Italy.

The strength of the US economy affected the development of the dollar's exchange rate against core currencies, with the exception of the sterling. In 1997 the US currency recorded a 16% appreciation on the deutschemark and 12% vis-à-vis the yen. The dollar's upward path was propelled by the positive spread in interest rates and, towards the end of the year, by incoming investment flows from Asian markets in crisis. This pattern included a few downward corrections and high volatility throughout the entire year. The most noteworthy correction took place in May, when the dollar depreciated 10% vs. the yen in 20 days as a result of the growth of the US trade deficit and central bank interventions to support the Japanese currency.

Contrasting with the volatility of exchange rates vis-à-vis the dollar, exchange rates within the EMS enjoyed a relatively stable development. The exchange rate of the peseta ranged between 84 and 85 units per deutschemark throughout the entire year.

Chart 1.3

MONTHLY DEVELOPMENT OF LONG-TERM INTEREST RATES



Source: OECD.

International stock exchanges

In spite of the rise in volatility, investors in equity again enjoyed an exceptional year in 1997. With the Nikkei in Tokyo as the main exception –it dropped 21%– all of the representative stock indices within industrialised countries recorded increases in excess of 20%. The Dow Jones Index in New York and the FTSE 100 in London rose 23% and 25%, respectively. In continental European stock exchanges, the average growth of stock indices exceeded 37% and in some cases –Switzerland, Italy and Greece– it was near 60%. The Ibex 35 recorded a 41% increase.

The good economic situation assisted in keeping up a favourable climate for stock market investment in the United States and Europe, by generating expectations of business profit growths against a backdrop of relatively low and stable interest rates. In Europe, the low returns of alternative assets nurtured an intensive flow of funds towards stock markets, with a subsequent bullish pressure on prices. Stock exchanges in Spain, Italy and other southern European countries were even able to anticipate a downward run of their interest rates that was confirmed throughout the year. In several countries the narrow market, which extends price falls during downswings, provided an added upward thrust last year.

The direction of stock indices in the United States and Europe went through two distinct stages over the year. The first of these stages featured an intensive growth that lasted until July, with the exception of a severe correction in the month of April. Volatility during this period was higher than in 1996 and was fuelled mainly by fears of a hike of interest rates in the United States, although some European markets also experienced short episodes of uncertainty in connection with the starting line-up for EMU.

The second stage in the year recorded a heightening of volatility and a stagnation of stock indices. Another substantial correction of these indices took place in the summer and, although July's levels had been recovered in September, a steady growth path was not resumed in the remainder of the year. Fears of interest rate hikes disappeared, but instead the developments in southeast Asia acted as the source of instability. The Asian crisis served as a catalyst for the latent market volatility, nurtured by the intensity and duration of the bullish cycle –some indices, for instance the Dow Jones Industrial Average, the Ibex 35 or the DAX had doubled their levels since 1995. The unleashing of the crisis stirred up unrest among investors, who overestimated the real impact of the crisis on the economy and were doubtful as to the future duration of the high stock prices at the time. All of the markets recorded strong losses in October. Price oscillations were extremely sharp in the last few days of the month, even in intraday trading, and market supervisors deemed it appropriate to interrupt trading on a few occasions.

Table 1.7

STOCK MARKETS IN 1997

	Change in stock indices (%) (1)	Price/Earnings Ratio (2)	Trading vol. (3) in USD billion	Change (%)
USA	22.6	22.9	5,777.6	42.2
Japan	-21.2	41.9	896.1	5.7
UK	24.7	16.8	1,989.5	40.1
France	29.5	24.0	414.3	67.2
Germany	47.1	22.7	1,067.7	51.4
Italy	58.9	24.7	203.3	117.8
Spain	40.8	22.2	184.6	111.7

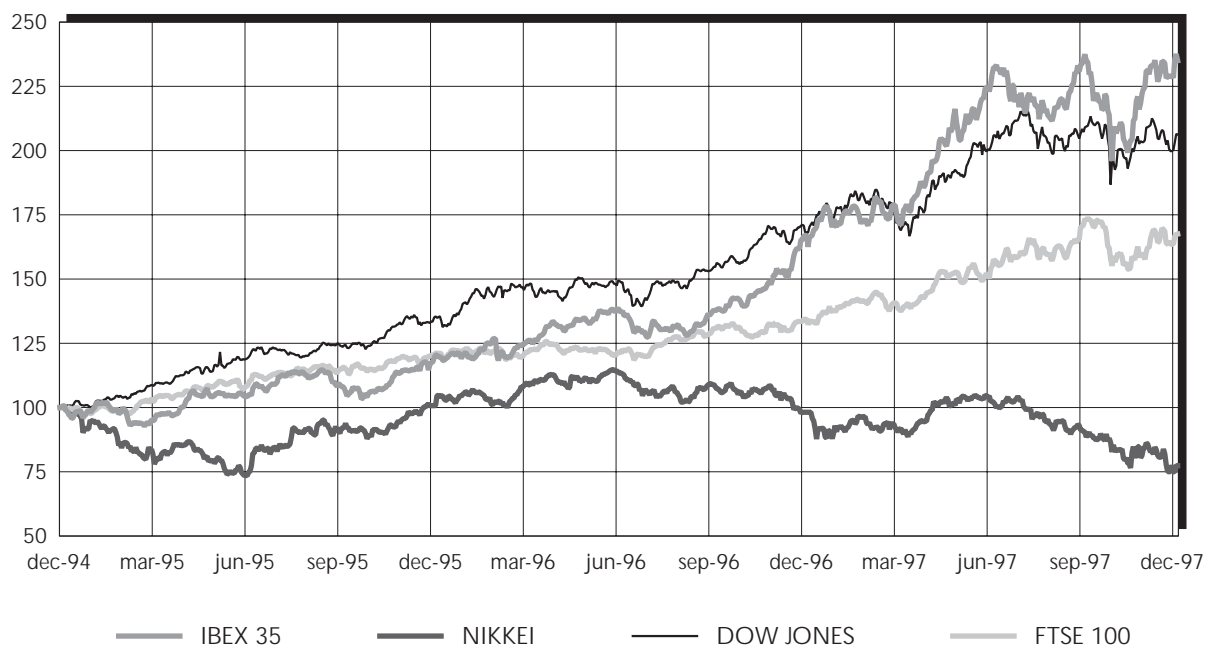
(1) Dow Jones Industrial Average (USA), Nikkei (Japan), FTSE 100 (UK), CAC 40 (France), DAX 30 (Germany), MIB 30 (Italy) and Ibex 35 (Spain).

(2) Source: Morgan Stanley.

(3) Major local stock market.

Chart 1.4

EVOLUTION OF STOCK INDICES (BASE 100 AT 30/12/1994)



The bullish development of prices favoured the growth of trading volumes, with increases ranging from 51% in the German stock exchange to 118% in Italy. On the Tokyo Stock Exchange, where difficulties issuing from the economy and the financial system prompted a negative performance of prices, trading grew by just below 6%. Both the New York Stock Exchange and European stock exchanges have experienced remarkable increases in their trading volumes over the last few years. The accrued increases from 1995 to the end of 1997 ranged between 152% on the Italian Stock Exchange and 298% on Spain's stock exchanges.

1.3. Spanish securities markets

The decline of interest rates, the reduction of the budget deficit and the greater climate of confidence generated by favourable economic prospects furthered the restructuring of the financial wealth of Spanish savers, who channelled a greater volume of funds towards securities market instruments in 1997. Thus the funds in collective institutions recorded a new, spectacular growth –over 8 trillion pesetas more than in 1996– which amounted to around 35% of GDP at year-end. We must add to this the consolidation of investment in private insurance systems –life insurance and retirement plans–, where the greater part of the funds flow into securities markets and which amounted to approximately one fourth of the net financial investment of households last year. Although the greater part of investment was still channelled towards public debt, equities again lured investors, increasing sizeably in direct and indirect portfolios (institutional investors).

The economic environment, aligned among other factors with sales initiatives in the finance industry –as shown, for instance, in the design of collective investment products– has facilitated the consolidation, among workers, of a greater preference for risk, which is very beneficial in so far as it channels domestic savings towards businesses via the stock market. Nonetheless, in order for the prospects arising from this situation to translate into a larger growth of the market, businesses must mirror

individual savers in their approach to the market. Last year non-financial firms and credit institutions preferred to meet their growing financing requirements by means of internally-generated resources or debt instruments that do not trade on securities markets. Thus the increase of equity instruments originated mostly from privatisations, i.e. in the public sector, although there was a significant increase in the number of flotations, whereas in the fixed-income segment the lack of tone of previous years was extended by domestic issuers in the private sector.

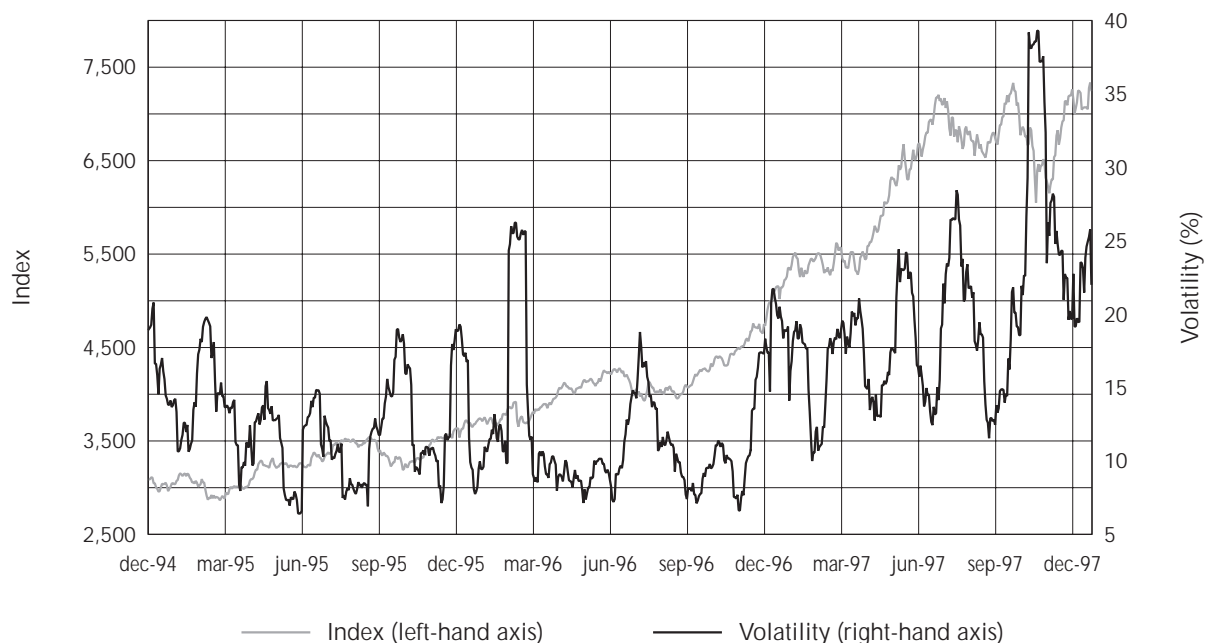
Interest rates and stock market prices

Last year the favourable development of inflation and the advance in the lowering of the budget deficit helped consolidate Spain's prospects of entering Stage Three of EMU. Accordingly, interest rates continued declining and approaching the interest rate levels in force in France and Germany, although to varying extents depending on the term. The Bank of Spain lowered its key rate by 25 basis points on six different occasions throughout the year, taking it to 4.75% at year-end, still far from the repo rates in Germany and France. In 1998, expectations of further reductions of the key rate were partially met in the first semester –the intervention rate was lowered twice, by 25 basis points each time.

The interest rates for medium and long-term debt likewise fell significantly, although not in the same degree as the key rate. The yield on the 10-year bond followed a downward path throughout the larger part of the year. Major interruptions occurred early in the spring, owing to the expectation of a hike in US debt rates and, for short periods though intensively, as a result of uncertainty on Italy's possibilities of joining EMU that spilled over to the Spanish market. The year closed with the yield on the 10-year bond at 5.57%, 123 basis points lower than at year-end 1996 and achieving a reasonable convergence towards the equivalent German rate –the spread was reduced to a mere 26 basis points. The yields on shorter and medium-term debt fell a little less, but their spreads with German rates also reached reasonable convergence levels.

Chart 1.5

EVOLUTION OF THE IBEX 35 INDEX AND ITS VOLATILITY

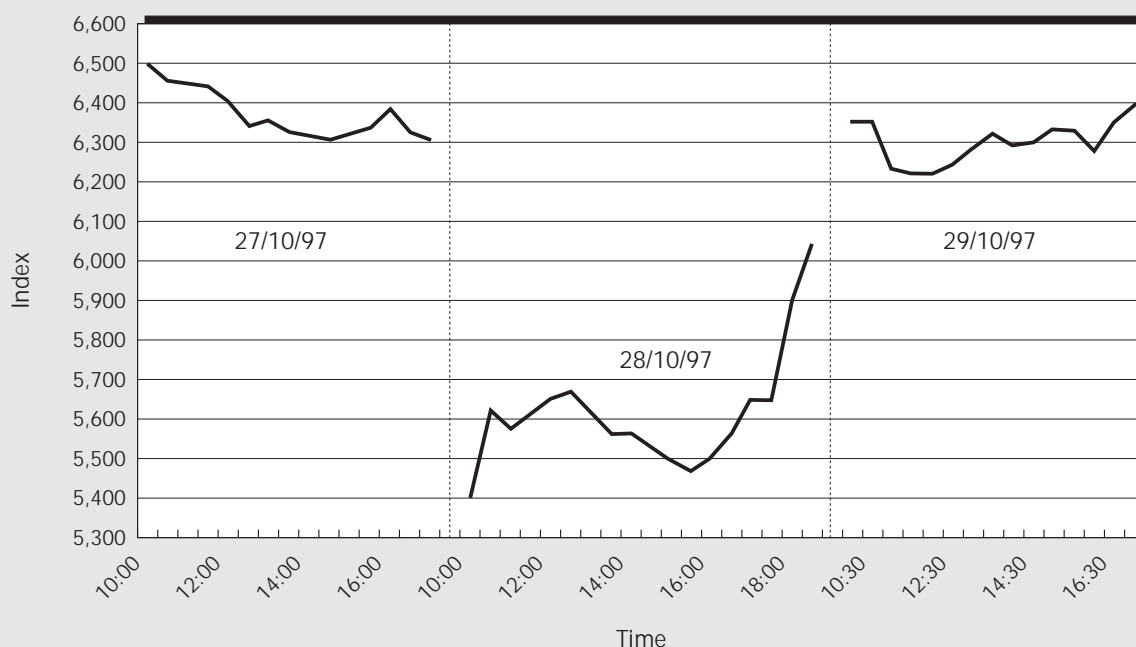


The revaluation of shares traded on Spanish stock markets was among the most noteworthy internationally in 1997. The Ibx 35 index recorded its third consecutive year of gains, increasing by over 40% as in 1996. Its development over the year coincided essentially with that of the Dow Jones Industrial Average and the other major stock indices explained above –intensive growth until the summer, with a transient correction in April due to the expectation of hikes in US interest rates, a drop in July and August for the same reason and, after recovering previous levels in September, there was a period of brisk oscillations without any further price advances throughout the remainder of the year.

The impact of the October crisis on the Spanish stock market

The largest oscillations of stock market prices took place at the end of October, owing to the uncertainty issuing from the evolution of markets in southeast Asia. On 27 October, the Ibx 35 index lost 4.4% in respect of the close on the previous trading day –24 October. But on the same day the Dow Jones Industrial Average dropped by more than 7% and accumulated even larger losses during the trading day, prompting circuit breakers. Given the time difference with European markets, the slump of the Dow Jones and Nikkei indices triggered off massive sales in the Spanish market, translating into a plummeting of the Ibx 35 at the opening on the 28th, when it lost up to 14% of its previous value. Nevertheless, prices recovered within the same trading day, especially after 3:30 p.m., once it was seen that the NYSE had opened on the rise. At the end of the day, losses in respect of the day before were limited to 4.2%.

**IMPACT OF THE ASIAN CRISIS ON THE IBEX 35 INDEX.
27, 28 AND 29 OCTOBER 1997
(HALF-HOUR FIGURES)**



Unlike other markets, there were no cautionary suspensions of trading implemented by supervisors in the Spanish market. However, the overload of orders during the crisis –on the 28th the trading volume on the electronic market exceeded an effective amount of 235 billion pesetas, widely doubling the daily average for the year– seriously affected processing of orders in the trading system and made it necessary to extend trading for one and a half hours on the 28th.

The good situation of the Spanish economy –low interest rates, growth of the economy, improving prospects, etc.–, against the backdrop of a widespread rise of the majority of major international stock indices, nurtured the growth of the Ibex 35 in the first half of the year. These factors, along with the drop of returns on alternative assets and the savings accrued in the last few years favoured a hitherto unseen inflow of funds to stock markets, with a consequential bullish pressure on prices. There was a smaller growth of new instruments and only public offerings of sale of securities exerted a stabilising effect –capital increases rose in respect of the previous year, but their volume was still small.

Rises on the stock market were shared by all the sectoral indices and by nearly all of the listed companies, although specific factors determined considerable variations from one to another. Among the sectoral indices on the Madrid Stock Exchange, the ones that recorded the largest increase were construction, foods and banks, all of which enjoyed gains of nearly 80%. Contrasting sharply with these, the electric utilities sector recorded a modest rise of only 11%, signalling the end of the positive effects of falling interest rates on these securities and betraying the uncertainties arising in connection with the on-going liberalisation process. The international expansion of large listed companies, particularly in Latin America, represented a prominent focal point of interest for investors throughout the year.

Issues and Public Offerings

Gross issues and public offerings of sale of securities (OPV) targeting Spanish capital markets amounted to approximately 27 trillion pesetas in 1997, representing an increase of nearly four trillion pesetas over the year before. The weight of public debt on total debt fell in comparison to the previous year –82 of each 100 pesetas vs. 85 of each 100 in 1996–, contrasting with OPV –mostly privatisations– and issues by international agencies –matador bonds. There was also a drop in the weight of capital increases and fixed-income issues by domestic companies in the private sector.

The lowering of the budget deficit and alternative fund raising methods used by the Government –privatisations– prompted a lower increase in the volume of outstanding public debt than the year before: 3 trillion pesetas as opposed to 5.1 trillion in 1996. Approximately 86% of the increase in outstanding public debt corresponded to central government issues, whereas the regional governments, taking up 5% of total outstanding public administration debt, accounted for 11% –the remainder of the increase originated in municipal administrations. The consolidation of lower long-term interest rates and anticipated future declines in short-term rates prompted strategies favouring a lengthening of terms in issues of public debt. Thus outstanding long-term government debt rose 18%, whereas outstanding shorter-term debt dropped 11%. The favourable financing conditions in the medium and longer-term segments brought about a strong increase of the gross issues in those terms, as shown in table A.1.1 on the annex. Altogether, gross issues by Public Administrations grew 12% over 1996.

Table 1.8

GROSS ISSUES AND PUBLIC OFFERINGS OF SALE OF SECURITIES (OPV)

Effective value in billions of pesetas

	1993	1994	1995	1996	1997
Capital increases	358.4	534.4	151.6	76.0	131.9
Government bonds	20,419.3	14,901.1	21,200.3	19,823.1	22,185.3
Private fixed-income	3,729.1	3,523.1	2,142.5	2,286.7	2,156.0
Matador bonds	390.0	210.0	245.0	865.0	1,186.0
OPV (*)	297.3	217.4	262.1	228.9	1,347.6

(*) Domestic tranche.

As stated above, private sector issuance kept up the lack of tone of previous years. Although the favourable evolution of the economy translated into a strong increase of investment throughout the year, businesses did not increase their recourse to the domestic primary market for financing purposes. By segments, the capital increases recorded at the CNMV increased by 76%, but compared to a very low volume in 1996 –76 billion pesetas. Therefore, the good performance of stock market prices in the last two years and greater investor preference for equities have still not affected the evolution of this segment. In the fixed-income segment, commercial paper accounted for 36% of total issues and longer-term fixed-income took up the remaining 64%. Commercial paper, which is very sensitive to alternative financing means –bank credit–, fell again (14% less) and accordingly the outstanding year-end volume dropped from 552 billion pesetas in 1996 to 526 billion pesetas in 1997. Issues of long-term corporate debt remained at nearly 1.4 trillion pesetas, similar to the year before.

Contrasting with the development of fixed-income issues in the domestic private sector, fixed-income issues in pesetas by international agencies targeting the Spanish market –matador bonds– recorded a significant increase, rising from 865 billion pesetas in 1996 to 1.2 trillion in 1997. The sizeable increase of these issues in the last two years is linked to the perception of a lower exchange rate risk on the part of investors as the fulfillment of the convergence programme advanced and the certainty that Spain would participate in Stage Three of EMU increased.

The placement of stock by way of public offerings of sale of securities reached a historical high in 1997. Altogether, the OPV recorded at the CNMV amounted to 1.9 trillion pesetas; of these, 1.3 trillion were channelled into the domestic market and the rest went to international investors. More than 90% of the funds raised in this way went to the Government owing to the total or partial privatisations of large state-owned companies –Telefónica, Repsol, Endesa, Aceralia and Aldeasa. On the other hand, there was also a significant increase in private sector OPV and, within these, flotations, which were very attractive for shareholders. Eight companies –two of which are privatised companies– became listed in the electronic market via OPV, with a modest capitalisation of approximately 310 billion pesetas.

Trading volumes in secondary and derivatives markets

The flow of funds towards equities, along with the high volume of the privatisations carried out throughout the year, led to a spectacular increase of trading volumes in this segment of the stock market, doubling the effective value of the previous year. The electronic market contributed nearly 99% of the total –27.1 trillion pesetas–, with volumes in excess of 100 billion pesetas per trading day throughout the greater part of the year; the average for the year was 106 billion pesetas per trading day. As stated above¹, the period when the largest amount of activity took place was at the end of October, in connection with massive sales spurred by the crisis in Asian markets. The increase in trading affected the near entirety of the securities listed on the electronic market, but the greater part of the trading was concentrated in five securities that accounted for 55% of the total effective amount. The volume of floor trading also doubled –the effective trading amount was 342 billion pesetas.

Market capitalisation rose sizeably mainly as a result of the strong increase of prices. In the main market segment –the continuous market– capitalisation at year-end 1997 had reached 43.1 trillion pesetas, representing a 41% increase on one year earlier. As discussed above, capital increa-

¹ See the box above titled “The impact of the October crisis on the Spanish stock market”.

Table 1.9

TRADING IN SECONDARY MARKETS AND IN DERIVATIVES*Amounts in billions of pesetas*

	1993	1994	1995	1996	1997
Equities (1)					
Stock exchanges	6,508.0	9,085.7	7,913.3	12,808.2	27,120.8
Fixed-income					
Book entry system (2) (4)	184,777.2	242,083.4	191,679.8	265,589.0	325,293.0
Stock exchanges (1)	2,304.5	4,905.6	5,150.0	12,947.1	9,021.4
AIAF (2)	3,945.0	4,637.7	2,615.3	2,483.1	2,635.6
Derivatives (3) (5)					
MEFF RF	5,439	14,784	15,027	22,548	25,372
MEFF RV	1,494	3,626	4,257	4,450	8,464
FC&M	-	-	27	145	60

(1) Effective value.

(2) Nominal value.

(3) Thousands of contracts.

(4) Simple spot transactions.

(5) No. of contracts, adjusted according to the size of the new contracts.

ses and flotations made only a modest contribution to the rise in the market capitalisation. The capitalisation increase in floor trading was relatively lower (26%), totalling 2.4 trillion pesetas at the end of the year. A notable feature in the development of this market segment was the listing of many open-end investment companies (SIMCAV), partly boosted by a more flexible interpretation of the admission rules laid out in the CNMV Interpretative Letter 3/1997 dated 31 March, on the requirements that open-end investment companies must meet in order that their shares may be listed on securities exchanges.

In the book entry government debt market, simple spot transactions amounted to 325.3 trillion pesetas –this represents a 22% increase over the year before. Around 90% of this amount corresponded to bonds and the remainder to treasury bills. In the last few years, the third-party segment has gained ground on members in terms of trading volume; the pattern was extended in 1997 and the weight of third-party trades rose from 65% to 74% in long-term debt and from 62% to 64% in short-term debt. Considering all the trades recorded in the book entry system –simple trades and repos–, the amount traded in this market exceeded 2,000 trillion pesetas.

The evolution of activity in the remainder of fixed-income markets –the four securities exchanges and AIAF– was not as positive in comparative terms. Total contracts among the four exchanges just topped 9 trillion pesetas in effective terms, 30% less than in 1996. Most of the decline took place in government debt, traded on the electronic market, which went from 8.8 trillion pesetas in 1996 to 3.6 trillion in 1997. Private debt likewise experienced a considerable fall in relative terms (23%) and accounted for just over 4% of the total volume of fixed-income debt traded on exchanges. These declines were offset –though only in part– mainly by debt issued by autonomous governments, traded mainly on the trading floors in Barcelona and Bilbao –the trading volume here rose from 3.1 trillion pesetas in 1996 to 4.7 trillion in 1997.

The trading volume in AIAF reached the amount of 2.6 trillion pesetas in nominal terms, a 6% increase, but market performance varied among the different segments. In keeping with the primary market, the most dynamic sector was the matador bond sector, where the volume grew 44%, accounting for 47% of total contracts in the market. Private debt performed negatively in the fields of commercial paper and mortgage bonds –with drops of 3% and 33%, respectively– and recorded a modest

increase in corporate bonds (6%). The third-party segment lost ground to that of members, taking up 67% of the market in 1997 as compared to 70% in 1996. At year-end, the number of listed issues was 822, totalling 5.9 trillion pesetas.

Organised futures and options markets grew again in 1997, with the exception of FC&M, the citrus and commodities futures market of Valencia, which recorded a 59% decrease in the number of contracts. On MEFF RV, the volume of futures contracts on the Ibex 35 almost doubled in relation to the previous year and futures contracts on equities rose 57%. In overall terms, activity in the equities segment benefited from the impulse of the sharply bullish pattern of the Ibex 35 index, high volatility, the growth of resident individual and institutional shareholdings, and the increase of hedging transactions in connection with guaranteed investment funds. On MEFF RF, the segment that enjoyed the greatest relative expansion in terms of trading was that of the MIBOR, which grew 82% boosted by expectations of a decline in short-term interest rates. In the debt contracts tranche there was a 12% advancement in futures that was partially offset by the 26% decrease in options, leading to an overall growth of 8% that was modest in comparison to previous years. The lower extent of the expected declines of interest rates on debt and relatively low volatility prompted a lower growth of activity in the main tranche of the market.

The effect of OPV and collective investment institutions on the stock market's potential activity

Last year OPV made a significant contribution to the increase of activity in the secondary market for equities. Their volume –approximately 1.8 trillion pesetas, counting both the domestic and the international tranches– represented nearly 7% of total trades on Spanish stock exchanges. Besides this, these transactions had an important dragging effect on market trading volumes during the trading days immediately after placements. On the one hand, and given the success of the majority of the placements, a large number of investors were allotted shares on a pro-rata basis and were thus forced to tap the secondary market in order to complete their portfolios. On the other hand, the discounts that were offered and most often the initial gains that followed the majority of OPV during the first trading days nurtured a strong flow of sales.

However important the immediate effects of OPV were for trading, they may be even greater in the longer term, because they have increased the effective floating capital in the market. Although flotations as such were relatively modest in terms of capitalisation, privatisations have entailed a strong increase in the floating capital of large companies that were already listed and which are among those taking up an important share of investor portfolios. It may therefore be expected that privatisations will imply a permanent leap in market activity levels regardless of the economic situation.

Collective investment institutions (IIC) also had a positive influence on stock market trading volumes last year and their growth may likewise contribute to the consolidation of higher levels of activity in the future. The share portfolios of securities investment funds and companies equalled 6% of the market capitalisation at the end of 1997 as compared to 3.2% at year-end 1996. The percentage could continue growing if the present interest rate situation lasts and, generally speaking, the favourable economic performance forecasts remain in place. The establishment of equities in the portfolios of IIC may represent a very important breakthrough in trading volumes in the future, considering that, because of their management techniques, these institutions regularly go to the market to carry out transactions.

Collective investment

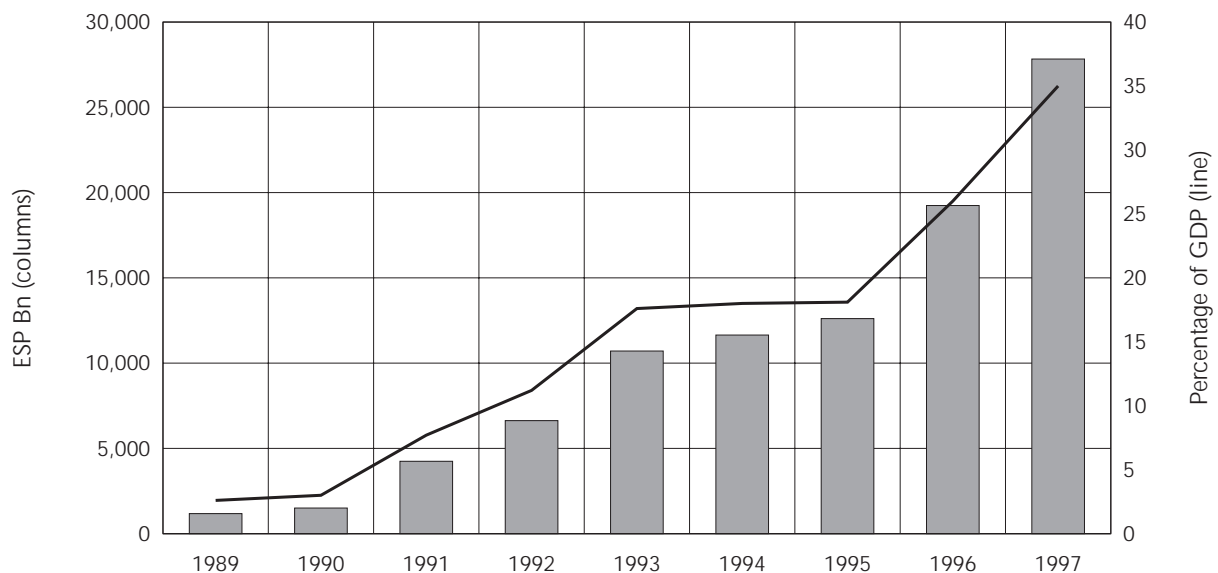
Collective investment in Spain enjoyed the largest growth ever last year. Assets increased by 8.6 trillion pesetas, the number of unit holders rose by more than 1,900,000 individuals and 582 new institutions were created. The largest expansion took place in the field of securities investment funds (FIM), with 489 new institutions and an increase in funds of 7.7 trillion pesetas, of which 6.4 trillion were from net subscriptions. The decline of short-term interest rates reduced the profitability of money market funds (FIAMM) and caused a substantial fall in the flow of investment into these institutions –net subscriptions were even negative in the second quarter. The increase of assets amounted to 669 billion pesetas last year as opposed to 2.5 trillion in 1996. As far as investment companies are concerned, the most notable performance took place in open-end investment companies (SIMCAV), the number of which doubled, as well as their assets. In spite of this, closed-end investment companies (SIM) and SIMCAV together had only a small share of collective investment –approximately 3% of total assets.

Guaranteed investment funds played a major role in the growth of collective investment. The number of these institutions rose threefold to 394 at year-end and their funds increased by more than 3 trillion pesetas over the year before to a total 4.8 trillion pesetas. In last year's context of low and declining interest rates and high stock market revaluation, fund managers used formulas to establish guaranteed returns based on the development of a stock market index, generally the Ibex 35, in order to attract risk averse investors.

The increase of the portfolio of shares was one of the most prominent features in the investment policy of mutual funds in 1997. The value of domestic and foreign shares in FIM portfolios at year-end 1997 had grown more than threefold and their weight within total assets rose from 7% to 13%. Another equally interesting feature was the rise of investment in international securities. In market value the overall foreign portfolio of FIM and FIAMM was multiplied by 3.3, although their weight only rose from 2% to 4.5%. Domestic government debt, bought either directly or through reverse repos, was still the main destination of investment, even for guaranteed investment funds referred to stock market indices, as discussed in chapter 5.

Chart 1.6

EVOLUTION OF ASSETS IN COLLECTIVE INVESTMENT INSTITUTIONS



2. PRIMARY MARKETS

2.1. General outlook

As discussed in the former chapter, the growth of economic activity did not translate into a significant increase of issuance, because both non-financial firms and credit institutions preferred to resort to other means in order to meet the strong rise in their financing requirement –internally generated funds and loans by the former and preferably repos and loans in foreign currency by the latter. Public administrations raised less funds by this means thanks to the reduction of the deficit and privatisations; however, their gross issues increased over the year before owing to changes in the time structure of debt. Only international agencies –via matador bonds– were distinctly able to increase their issues in the Spanish market.

The effective amount of the issues registered at the CNMV amounted to 2.3 trillion pesetas, 2.5% less than the year before. However, it should be noted that in 1996 there was a specific transaction consisting of a securitisation of assets resulting from the nuclear moratorium to an amount of 215 billion pesetas that did not take place again in 1997. By groups, there were capital increases amounting to 132 billion pesetas (74% more than in 1996) and 2.2 trillion pesetas in fixed-income (6% less than in 1996). The terms of registered issues, however, evolved in quite a different manner. Whereas the amount of registered medium and long-term fixed income reached 1.4 trillion pesetas (18%¹ more than in 1996), registered commercial paper issue programmes amounted to only 772 billion pesetas, 14% lower than the previous year.

Table 2.1

GROSS ISSUES IN 1997

	No. of		Amounts	
	Issuers	Issues	Billions of pesetas	Yearly change (%)
Negotiable government bonds (1,2)	7	76	22,185.3	11.9
Registered at the CNMV (3)	98	186	2,317.5	-2.5
Capital increases	36	38	131.9	73.6
Fixed-income (4)	60	106	2,156.0	-5.7
Warrants	3	42	29.7	108.6
Matador bonds (1)	25	110	1,186.0	37.1

(1) Nominal amounts.

(2) No. of issues refers to Treasury issues.

(3) Effective amounts.

(4) Registered commercial paper issue programmes included.

¹ Excluding the securitisation of assets resulting from the nuclear moratorium carried out in 1996.

Issues placed via auctions fell significantly from 445 billion pesetas registered in 1996 to 160.5 billion pesetas in 1997. The Instituto Oficial de Crédito (ICO) accounted for the majority of issues (87%). By instruments, non-convertible bonds accounted for 150.5 billion pesetas and mortgage bonds took up the remaining amount.

Just as in 1996, issues of warrants recorded a sizeable increase (109%) as far as the premia amount is concerned (30 billion pesetas). This increase was mainly grounded on issues by Citibank España –it was behind 36 of the 42 warrant issues and its premia represented 94% of total premia.

Contrasting with private sector issues, public offerings of sale of securities reached a large volume in 1997 owing to the major privatisations carried out by the Government. In the domestic market, these transactions went from 229 billion pesetas in 1996 to nearly 1.4 trillion pesetas last year. The Government started or continued with the privatisation of five companies², the volume of which accounted for 92.3% of all the OPV carried out. Besides these public offerings, there were three public offerings of subscription of shares (OPS) for a joint amount of 28 billion pesetas. The largest of these was by Dinamia (20.2 billion pesetas), and its importance lies in the fact that it was the first Spanish venture capital company to request admission to the stock exchange.

Over 90% of the fixed-income issues were carried out by public administrations, and within these the Central Government accounted for the largest part –21.5 trillion pesetas out of the total 22.2 trillion. In spite of the large volume of gross issues by the Government, many of these were used for debt redemption (including that of special debt in 1997)³, therefore outstanding government debt increased by only 1.7 trillion pesetas. This policy was carried out thanks to the achievements in the reduction of the budget deficit and the great amount of funds raised through the privatisations carried out by the Government.

Within this general pattern, the Treasury took advantage of the context of low long-term interest rates and expectations of future drops in short-term interest rates in order to alter the structure of government borrowing as far as debt issues are concerned. Thus, outstanding short-term debt declined by 1.5 trillion pesetas, whereas medium-term debt increased by 4 trillion. After the month of July the extension of the average maturity of debt received an extra boost thanks to the firsts issues of strippable bonds, which were very well received by investors. Besides this, the Treasury held auctions for the exchange of old bonds for new strippable ones, with the aim of reaching the minimum outstanding volume required to be able to strip the interest from the principal as soon as possible.

Even though the greater part of government borrowing was achieved through the issue of medium and long-term securities, the Treasury's account at the Bank of Spain was also used (893 billion pesetas) and foreign markets were also tapped (465 billion pesetas).

2.2. Issues

Capital increases

Throughout 1997, 36 entities carried out capital increases through the issue of new shares for an effective amount of 132 billion pesetas, as already discussed above. Besides these, three capital increases were carried out by way of an increase in the nominal value of shares, paid up in their entirety.

Out of the total amount, three issuers (ACS, Grupo Acciona and BBV) took up 50%, and 6 of the issuers carried out capital increases in excess of 10 billion pesetas, accounting for 74% of the total effective registered amount.

² Telefonica, Repsol, Aldeasa, Endesa and Aceralia.

³ T.N.: Low coupon Treasury bonds issued in 1991.

ACS⁴ and Grupo Acciona⁵, two companies in the construction sector, carried out the largest capital increases in terms of effective amounts: 24 billion pesetas (in two capital increases) and 23 billion, respectively. One of the two capital increases carried out by ACS and the capital increase effected by Grupo Acciona were part of merging processes in the construction sector. Both companies carried out mergers by takeover, therefore the capital increases were meant to meet the exchange of shares with the shareholders of some of the companies being taken over. The mergers were an outcome of the decline in government investment in construction, which led to a re-structuring among the companies bidding in public works tenders in order to face the greater competition.

The merger by takeover carried out by ACS affected the companies Ginés Navarro Construcciones, Invesan and Vesan. One of the capital increases, for an effective amount of 4.8 billion pesetas, was used to meet the exchange of shares with shareholders in Ginés Navarro. An increase of capital was not required in connection with Invesan and Vesan, because the only asset owned by these companies were shares of OCP Construcciones. Therefore, the shares of those companies were exchanged for the latter. Towards the end of the year ACS effected a second capital increase for an effective amount of 19.1 billion pesetas, in co-ordination with the OPV it carried out. The purpose of that increase was to reinforce the company's equity structure, in keeping with the new needs in the sector and the requirements demanded by the Government for construction companies to contract civil works.

Grupo Acciona merged by takeover with Entrecanales y Tavora and EUR. In the takeover of Entrecanales y Tavora there was no exchange of shares because the company was fully owned by EUR, and also because the two companies that were taken over ceased to exist as a result of the merger, being their assets incorporated into Cubiertas y Mzov. In connection with the takeover of EUR, Grupo Acciona issued shares for an effective value of 23 billion pesetas in order to meet the exchange of shares with that company.

The exercise of an option to convert subordinated bonds obliged Banco Bilbao Vizcaya to carry out a capital increase for an effective amount of 18 billion pesetas. Those bonds had been issued in 1996, exclusively for the Netherlands.

Within the 38 capital increases entailing the issue of new shares, there were 8 bonus issues for an overall nominal amount of 9 billion pesetas. Of these, 5.7 billion corresponded to a capital increase carried out by Acesa.

Fixed-income issues registered at the CNMV

The nominal amount of private debt issues registered at the CNMV was 2.1 billion pesetas, 5.7% lower than in 1996. The decline can be explained in part by the performance of the securitised bond segment, where nominal issues dropped 81.6%. It should be noted that in 1996 there was a significant increase of these issues owing to a securitisation in connection with the nuclear moratorium which did not take place again in 1997. Therefore, setting aside this circumstance, the nominal amount of private debt issues registered at the CNMV would have risen 4% in 1997. Once again the issues were concentrated in the hands of a small number of issuers –excluding the securitised bond segment, 18% of the total number of issuers (the 11 largest issuers) accounted for 67% of the total nominal amount of the issues. The Instituto Oficial de Crédito took first place again, issuing 337.8 billion pesetas or 15.7% of total issues. Electrical utilities, financial entities, and state-owned companies were the most active issuers, as usual. In the communications sector, Telefónica was very busy, carrying out issues equalling 75 billion pesetas (3.5% of total issues).

⁴ The new company name of OCP Construcciones.

⁵ The new company name of Cubiertas y Mzov.

Table 2.2

PRIVATE DEBT ISSUES. REGISTERED EFFECTIVE AMOUNTS

Billions of pesetas	1997	Yearly change (%)
Mortgage bonds	367.5	8.2
Non-convertible bonds	949.6	16.8
Convertible bonds	27.2	52.9
Securitised bonds	39.7	-81.5
Commercial paper (1)	772.0	-14.3
TOTAL	2,156.0	-5.7

(1) Registered issue programmes.

The commercial paper segment continued declining in 1997. The effective amount of registered issues of commercial paper fell 14.3%, to 772 billion pesetas. This led the total volume of commercial paper issue programmes in force⁶ to decrease over the year, in such a way that after standing at around 900 billion pesetas in the first quarter, at 31 December it was at a level of 821 billion pesetas.

Placements of commercial paper declined 11.1% in comparison to the year before, although their development was rather irregular. Thus there was a sharp recovery in the last four months of 1997, probably because of the foothold gained by the economy in a context of low interest rates; during those four months placements accounted for 44% of the nominal issue amount for the whole year. This led the outstanding balances of commercial paper at year-end 1997 to settle at 533 billion pesetas, down from 552 billion at year-end 1996. The number of issuers who registered issue programmes also fell –from 23 the year before to 20.

The extent to which the commercial paper issue programmes registered were effectively used by the issuers did not change significantly in comparison to 1996, the average monthly average being 61% in 1997 vs. 64% the previous year. By terms, commercial paper was mostly placed for terms of three months or less (33% of total nominal amount), followed by one year (27%) and terms ranging between three and six months (23%).

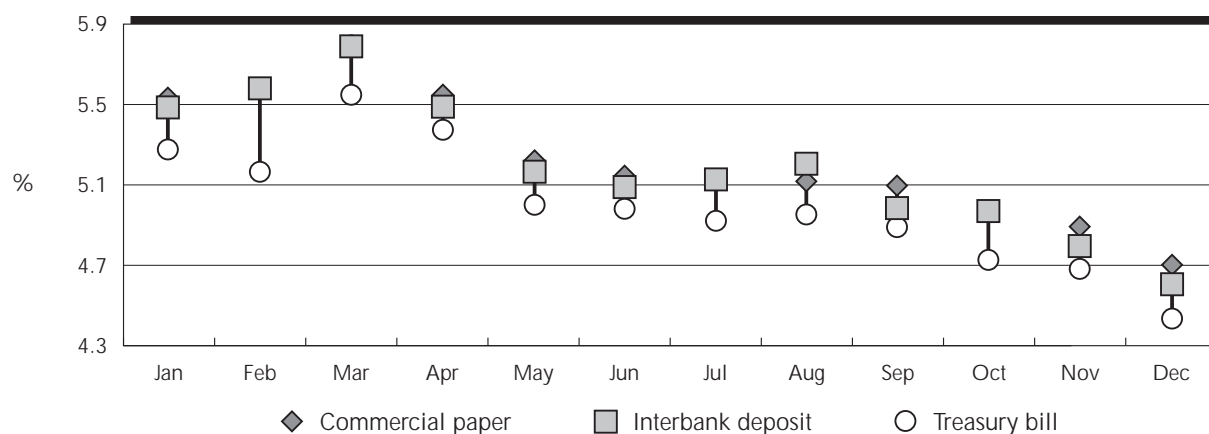
The sector recording the highest issue volume was the sector of electric and water utilities, taking the accrued placement volume in 1997 to 43% of total placements. Endesa was again the major issuer, even though its placement of 162 billion pesetas was 20.3% lower than its placements during 1996. Unión Fenosa, with a total placement of 62 billion pesetas (42.1% less than the year before) took second place. The next most important sector in terms of registered issue programmes and placements was the sector of finance companies depending on banks or savings banks, the most prominent companies being Bansabadell Hipotecaria and Santander de Leasing. On the other hand, the gross issue of ICO in this segment was very low –it amounted to a mere 7 billion pesetas as opposed to over 58 billion in 1996. In the transportation and communications sector, Renfe and Telefónica were the only issuers, with placements of 113 billion and 111 billion pesetas, respectively.

The decline in interbank and treasury bill interest rates reached the interest rates on commercial paper, although falls here were lower than in 1996. The lowering of nominal interest rates throughout 1997 was basically homogeneous across all terms (between 1.40 and 1.54 percentage points), setting nominal interest rates in the month of December in the 4.67%-4.92% range as compared to 6.11%-6.46% at the end of December. Besides this, falls in the interest rates for commercial paper were

⁶ Including issue programmes registered in previous years that are still in force.

Chart 2.1

EVOLUTION OF 12-MONTH INTEREST RATES IN 1997



larger than the drops in interbank deposit rates, allowing the spread between commercial paper and interbank deposit rates to fall to 10-20 basis points in the 3, 6 and 12-month terms from the spread of 15-30 basis points at the end of 1996.

Issues of non-convertible bonds accounted for the highest volumes of all segments, 950 billion pesetas in nominal terms, with a 16.7% increase over 1996. The high concentration of issues was again the major feature, considering that the Instituto Oficial de Crédito (with a nominal amount of 338 billion pesetas) and Caja de Madrid (190 billion pesetas) carried out 55.6% of total issues. In fact, 11 of the 23 issuers accounted for 90.7% of the total nominal issue amount. With respect to the placement method, there was a significant change over 1996, because 84.2% of the total nominal corresponded to ordinary placements, while auctions channelled more than 50% of placements the year before. Underwriting of issues declined, as only 60% of ordinary placements were managed by an underwriter as compared to 75% in 1996. The fall in interest rates was important; specifically, the average effective interest rate⁷ for issuers, excluding auctions, settled at 6% vs. the previous year's 8%, whereas for investors the average effective interest rate fell to 5.8% from 7.7% in 1996. This made the risk premium of long-term private debt issues fall significantly in relation to government instruments –from 110-120 basis points at year-end 1996 to 30-35 basis points at the end of 1997. There was also a lengthening of the maturity of registered issues, hiking from 76 months in 1996 to 115 months in 1997.

In the mortgage bonds segment there was a slight increase of issuance in 1997. The total nominal issue amount was 368 billion pesetas, 8% more than in 1996. The major issuers were once again savings banks, particularly Caja de Ahorros y Pensiones de Barcelona, with a total nominal issue of 150 billion pesetas (50 billion more than the year before). Caja de Ahorros y Monte de Piedad de Madrid and Caja de Ahorros de Cataluña issued nominal amounts of 50 billion pesetas and 40 billion pesetas, respectively. Among banks the only issuer was –as usual– Banco Hipotecario de España, with 25 billion pesetas (60% less than in 1996). The latter institution was the only one to resort to placement by auction for 40.8% of its total issues, whereas all of the savings banks chose to place 100% of their issues using the ordinary method. As far as the effective interest rates are concerned, considering the weighted averages according to nominal amounts, they fell 2.1 percentage points both for issuers and investors, settling at 4.3%. The average maturity went from 35 months in 1996 to 37 months in 1997.

⁷ The average effective interest rate has been weighted according to the registered nominal amounts.

There was a sizeable increase of issues in the convertible bonds segment, even though the level here remained low in absolute terms. The total nominal amount was 27 billion pesetas, 53% higher than in 1996. There were five issuers, three more than one year back. Among these, Banco Sabadell played a prominent role, accounting for 61% of the total nominal issue. Underwritten issues fell considerably to a mere 28% of the total registered amount as compared to 90% a year before. Effective interest rates likewise dropped significantly (by over 4 percentage points), settling between 4.5% and 5% for both issuers and investors, and the average maturity declined from 38 to 32 months.

Other issues

Mortgage securitisation funds continued lacking in dynamisme. Throughout 1997 four new funds were established which issued bonds to a total 117.4 billion pesetas, of which 39.8 billion went to the domestic market. Bancaja carried out the largest issue in the domestic market, amounting to 20 billion pesetas. The issue by FTH Hipotebansa VI was the largest in overall terms, amounting to 43.7 billion pesetas, with 8 billion of these being destined to the domestic market.

Once again issues of warrants were concentrated in just one issuer. Specifically, Citibank carried out 36 of the 42 issues, extending its important activity during the last few years in this field. The remaining 6 issues were effected by Banco Cooperativo de España and Bancoval. Concerning the amounts of the premia, nearly 95% of the total 29.6 billion pesetas that were recorded corresponded to Citibank issues. Only one of the issues by Banco Cooperativo was on fixed-income and for an amount of 363 million pesetas. The remainder were warrants on shares (the majority) and stock indices.

2.3. Public offerings of sale or subscription

In 1997 a record number of public offerings of sale of shares were registered: 1.3 trillion pesetas in effective terms in the domestic tranche, mainly thanks to the large volume of shares made available to the public by the Government. The continuation of the privatisation of Endesa placed an effective volume of nearly 540 billion pesetas in the domestic market. The OPV of Telefónica, on the other hand, amounted to 430 billion pesetas. Besides these two companies, the government offered in the domestic market shares of Repsol (129 billion pesetas), Aceralia (97 billion pesetas) and Aldeasa (23 billion pesetas).

Within the OPV by the private sector, the most prominent in terms of their effective amounts were ACS (56 billion pesetas, 41 billion of which were for the domestic tranche), Grup Assegurador Caixa Catalunya (11 billion pesetas) and Adolfo Domínguez (18 billion pesetas, of which 11 billion were offered to the domestic market).

Table 2.3

PUBLIC OFFERINGS IN 1997. EFFECTIVE AMOUNT

	Total		Domestic market	
	Billions of pesetas	% annual change	Billions of pesetas	% annual change
OPV	1,847.1	403.0	1,319.1	476.4
Of which:				
Privatisations	1,688.5	402.2	1,217.2	495.3
OPS	28.4	-29.7	28.4	75.7
TOTAL	1,875.6	360.0	1,347.6	449.9

This table is a summary of Annex 1.12.

Privatisations

The offerings of shares in the two largest privatisations, those of Endesa and Telefónica, followed the usual patterns in these transactions. Specifically, the offering was divided into one tranche for the domestic market and another tranche for the international market –only at an institutional level. Within the domestic tranche, there was a sub-tranche for retail investors and one for institutional investors, and in turn within the first of those sub-tranches there was a general tranche and one that was available only to groups of investors linked to the companies on offer. In the two retail tranches a period was established during which purchase mandates could be placed and these could be revoked once the maximum price of the offering was set. After the maximum price was set, only the general retail tranche could place purchase applications, which had to be unconditional orders.

In connection with the institutional tranches, there was a period for prospecting demand in which purchase proposals were welcome. These purchase proposals provided a profile of demand and could be accepted or rejected. Afterwards, the chosen purchase proposals had to be confirmed as buy orders by those who had made them.

These two OPVs included a green shoe call option whereby, in the event of exercising the option, the shares would be for the institutional tranches.

In setting the price for the retail tranche, several prices were considered: a maximum price established when starting out the public offering; a reference price linked to the market quotation on the day the price was set; and the price set for institutional investors. When considering the reference price, special discounts were made depending on the sub-tranche.

The continuation of the privatisation of Repsol was very similar to that of the former two companies, with the peculiarity that there was an offer aimed at investors already linked to the Repsol group and, specifically, a separate offer for employees of SEPI⁸ made at the same time as another OPV directed at the rest of the tranches.

Unlike Endesa and Telefónica, Aceralia was not listed until after the public offering for this company was completed, therefore as a reference in setting the offer price (here it was the same price across all the tranches), a range of prices was set beforehand that took into account an estimated value of the company, and the final price was comprised within that range. Besides this, discounts for the retail tranche were deferred until 5 May 1998, provided that on that date certain conditions in connection with holding of shares and evolution of the share price were met.

In connection with Aldeasa, the OPV was reserved to group employees and institutional investors, therefore price setting for the employee tranche was different than in the foregoing companies. First of all, SEPPA⁹ established a maximum price to allow employees to revoke their purchase mandates if they wished to do so. The reference price was the same as for institutional investors. For the institutional tranches, in order for investors to have a reference point in putting together their purchase proposals, an indicative non-binding price range was established based on the valuation of the company.

In all of these OPVs, demand widely exceeded the volume on offer, therefore in most cases there were redistributions among the various tranches and the green shoe call options were exercised either in part or in full.

Flotations and other public offerings in the private sector

In relation to the major OPVs made by the private sector, the OPV of ACS followed the general scheme discussed above in determining the sell price, and the offer was likewise divided into different

⁸ Sociedad Estatal de Participaciones Industriales.

⁹ Sociedad Estatal de Participaciones Patrimoniales.

tranches. There was, however, a peculiarity in its domestic offer, where a retail tranche and an institutional tranche were clearly distinguished but there were no added specifications for the former tranche. As far as the retail sell price is concerned, it was set taking into account the maximum sell price established at the beginning of the public offering period and the institutional sell price (or the minimum underwriting price in the event an agreement was not arrived at). As already mentioned, the ACS OPV was made in co-ordination with the second capital increase of the company in 1997. This was due to the fact that, aside from favouring the incorporation of a large number of investors to the company's investor base, the purpose of the OPV was to provide ACS' shareholder companies with the funds required for subscribing the capital increase.

The purpose of the OPV for Grup Assegurador Caixa Catalunya was to finance its growth as well as extend the company's shareholder base. For the latter reason, the offer was only aimed towards domestic non-institutional investors, preferably clients of Caixa d'Estalvis de Catalunya, which until then had been the sole shareholder of that company. At the set price, shares were allotted on demand, with a limit per investor in the first stage and afterwards without any limits in the event there were any unallotted shares left.

As a preliminary step for its application for listing, Adolfo Domínguez carried out an OPV comprising a maximum of 70% of its share capital. In this OPV, within the retail tranche, part of the shares was reserved for the company's employees and franchisees. Investors directly placed unconditional purchase applications, thereby establishing a price range in which the price for the retail tranche would be comprised. The retail price was the result of applying a discount to the reference price, with the lower boundary of the price range acting as a limit. Besides this, it could not be above the price for institutional investors or the underwriter price, in the event the latter was exercised, in such a way that if the reference price were higher than the latter two prices, the retail price would be adjusted downwards until equalling the lower of the sell price for institutional investors or the underwriter price.

Throughout 1997, three public offerings of subscription of shares (OPS) were registered at the CNMV, reaching an overall effective amount of 28.4 billion pesetas. The largest was carried out by the venture capital company, Dinamia, for a maximum registered amount of 20.2 billion pesetas. This company was incorporated shortly before the OPS by two founding partners. Once the public offering and the capital increase were effected, their shares were paid up and their contributions were given back. The public offering of subscription of shares was part of a larger capital increase operation, whereby a group of investors made a firm commitment to subscribe part of the increase and the remainder was offered to the general public. Out of the 7.5 million shares that the capital increase initially consisted of, 5.255 million were offered by way of the OPS. The latter operation could be extended by 1.5 million shares. As it was a capital increase, subscribers needed to know the subscription price, therefore it was set from the start bearing in mind the investment strategy intended using the funds that were to be raised in the operation and the value of the shares in the portfolio that were meant to be acquired initially. In this respect, Dinamia had a call option for shares of 11 unlisted Spanish companies and it had committed to exercise that option once the capital increase was completed. The OPS was directed towards natural or legal persons in Spain (retail tranche) and domestic or non-resident institutional investors (institutional tranche). Although an initial distribution of shares was established between the two tranches, the possibility of re-distributions and extensions of the offer were foreseen. A call option on the shares that were part of the capital increase not subject to the OPS was granted to the underwriting syndicate; the option was subsequently exercised in full. After the capital increase operation had been completed, Dinamia applied for listing on Spanish stock exchanges, becoming the first listed venture capital company.

The other two OPS were effected by Iberpapel, for a registered amount of 8 billion pesetas, and Schneider, for a registered amount of 284 million pesetas.

3. SECONDARY MARKETS

3.1. Stock markets

Evolution of stock indices

The performance of Spanish stock exchanges was very positive in 1997, both in terms of share prices and trading volumes. For the second year in succession, in a climate of intense and growing volatility, the annual revaluation of the most representative stock indices exceeded 40% –the Ibex 35 reached 41% and the Madrid Stock Exchange Index (IGBM) was at 42%– and as a result in two years they have doubled¹. The trading volume grew even more intensively in 1997, as it was twice as large as the year before.

Unlike the previous year, in 1997 the revaluation of the Ibex 35 was nearly one percentage point below that of the IGBM. This was due to the large inflow of capital in the stock market which necessarily diversified, extending the number of stocks demanded by investors. This caused a rise in the price of securities that had formerly fallen behind.

External factors such as the appreciation of the dollar² and the bullish thrust from the New York Stock Exchange³ had an influence on this good performance, and internal ones also had their say, namely economic policy achievements in relation to inflation control and the reduction of the budget deficit, which in turn made it possible for interest rates to be lowered significantly. A very appealing feature for investors was the good performance of listed companies, which increased their income in 1997 by 17.7% as opposed to 7.7% the year before, and favourable expectations for the future were also felt. Another influential factor in the price hike of share prices was the steady and growing flow of funds towards stock markets, moving away from other assets with shrinking returns because of the lowering of interest rates, in spite of the greater offer of securities in 1997 as a result of new listings and the privatisations of large companies. An illustrative figure is that the balance of shares held by FIM rose by nearly 1.2 trillion pesetas over the year - after discounting the effect of price increases on the portfolio value, FIM investments in equities may be estimated at nearly 800 billion pesetas in 1997.

Several periods may be distinguished in the evolution of share prices over the year. There was an initial stage of moderate rises, lasting throughout the first quarter and during which Spanish stock exchanges, in spite of their gains, were unable to match the pace set by major European stock exchanges owing to doubts on which countries would make it to the starting line-up of EMU. There was a second stage of strong rises –nearly the entirety of the gains in the year– in which European markets, particularly the Spanish markets, in the midst of a climate of “Euro-optimism”, took advantage of the strength of the dollar and the bullish trend in New York—the Dow Jones Industrial Average (DJIA) was

¹ At year-end 1997 the Ibex 35 and IGBM indices were at 7,255 and 632, as compared to 3,624 on 21 December 1995 (Ibex 35) and 313 on 27 December 1995 (IGBM).

² The peseta depreciated 16.2% vis-à-vis the dollar in 1997.

³ The Dow Jones Industrial Average rose nearly 23% in 1997.

Table 3.1

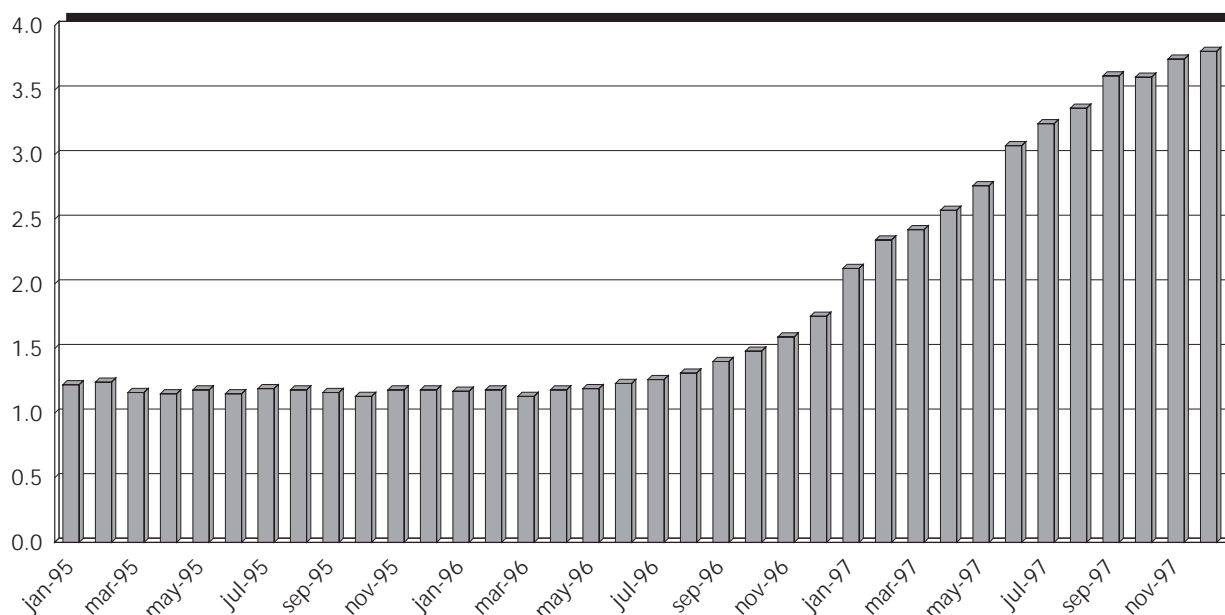
RESULTS OF LISTED COMPANIES

Change over last year (%)

	1997	1996
TOTAL	17.7	7.7
<i>Strongly weighted sectors in the IGBM:</i>		
Electric utilities	-2.4	15.3
Communication companies	22.4	23.3
Banks, savings banks and other financial cos.	20.2	7.6

Source: CNMV (more details in annex A.2.1).

Chart 3.1

LISTED SHARES HELD BY FIM.
WEIGHT IN TERMS OF MARKET CAPITALISATION (%)

at historical highs. The third and last stage covered the second half of the year, a very unstable period, with two episodes of strong corrections and subsequent recoveries. The first correction took place in August against the backdrop of fears of hikes in German and US interest rates, and the second one was in October and November, when the instability of Southeast Asian forex and stock markets had an intensive effect on major stock exchanges across the world.

Volatility was very high throughout the year, exceeding 18% in annualised day-to-day terms, and it rose exceptionally in the last quarter of the year, settling at above 25%.

The evolution of the different sectors in 1997 followed the same patterns as the year before; none of the sectoral indices recorded losses but there were significant differences in terms of their revaluation. The sectors standing out because of their greater advancements, well above the general index, were *construction* (79.9%), *foods* (77.9%) and *banks* (76.1%), and in turn business results for

Table 3.2

EVOLUTION OF SECTORIAL INDICES (MADRID STOCK EXCHANGE) IN 1997

Profitability [change over previous period (%)]

Period	1997					1996	1995
	Q1	Q2	Q3	Q4	Year		
Banks	11.3	36.6	9.1	6.2	76.1	32.7	9.9
Electric utilities	-5.3	20.8	0.4	-3.6	10.7	49.3	35.8
Foods	24.3	15.9	14.5	7.9	77.9	38.5	-1.8
Construction	12.0	39.1	15.7	-0.1	79.9	15.7	-16.8
Investment Trusts	6.0	31.7	-3.0	-4.8	29.0	56.8	21.4
Mining Sider	10.7	35.9	3.8	-14.8	33.0	44.5	-15.3
Chemicals	15.4	10.2	3.0	-1.6	29.0	21.2	6.6
Communications	9.3	24.2	8.7	-5.8	39.0	67.8	12.3
Miscellaneous	4.6	27.8	-1.4	-5.4	24.5	12.5	7.6
General	6.4	27.0	5.7	-0.4	42.2	39.0	12.3

the year were likewise very good, with earnings before taxes increasing 32.4%, 44.0% and 20.2% respectively. A notable feature of the year was the small increase in the price of *electric utilities*, with a gain of only 10.7% in the sectorial index last year as opposed to 49.3% in 1996 and 35.8% in 1995. Earnings before taxes for companies in this sector fell 2.4% in 1997 after having risen 15.3% the year before.

First period: January-March

During the first quarter *electric utilities* recorded a negative performance, with a drop in their index owing to uncertainty concerning the development of the current memorandum of understanding for the reform of this sector and prospects of lower earnings after electricity rates were lowered 3%⁴. Cyclical industries performed better, particularly those benefiting the most from the appreciation of the dollar. The sectors that experienced a stronger revaluation than the IGBM in the first quarter were *foods*, *chemicals*, *construction*, *banks*, *mining & siderurgy*, and *communications*.

The highest revaluation took place in the foods sector, with Tabacalera acting as the main impulse thanks to improved earning prospects after the rise in cigarette prices and once its situation became stable following a period of uncertainty (there were tax rises, price wars, and agreements with multinational companies in the industry). Prior to its OPV, Repsol also underwent an important revaluation, as shown by the strong rise of the *chemical* industry. In the *construction* sector, business concentrations during the quarter helped boost stock prices. In this respect, we may mention, among others, the co-operation agreement between FCC and Dragados y Construcciones and the merger between Cubiertas y MZOV and Entrecanales, which gave rise to the holding group, Acciona. The rise in the *bank* index was an indication of improved earnings expectations, whereas the *mining & siderurgy* industry benefited from the strength of the dollar. The advancement in the *communications* sector was grounded on the favourable stock exchange performance of Telefónica, because of its results and because its OPV.

⁴ In 1997 the annual reports of electric utilities showed the loss of dynamism in the industry in comparison to the year before, as both their income and earnings declined.

Second period: April-June

The bullish pattern was intensified in the second quarter, as the effects of economic recovery became more noticeable. Although all of the sectors recorded substantial advances in their indices, the sharpest rises took place in *construction, banks and mining & siderurgy*, which kept up their favourable development of the first quarter, plus *investment trusts. Chemicals and foods* indices were below the IGBM, offsetting their good performance of the first quarter, and *electric utilities* remained weak after signing the memorandum of understanding for the sector, in which rate cuts were agreed to for subsequent years. *Bank and construction* indices were 12 percentage points above the gains in the IGBM, whereas the revaluation of electric utilities was nearly 10 percentage points below that of said index.

Besides this, in the second quarter and throughout the year generally, there were a number of financial transactions aimed at increasing shareholder returns, for instance repayments of nominal amounts and amortisation of capital, as well as splits. These transactions encouraged buying further yet.

Third period: July-December

Up to 15 July Spanish stock exchanges were at historical highs, but their capacity to continue advancing had run out and from that date on prices began to drop despite the fact that major stock exchanges abroad remained bullish. Expectations of an interest rate hike in the United States, which prompted a strong revaluation of the dollar, had a negative impact on major stock markets, including the Spanish markets. In August the bearish trend of the Spanish market, in line with European markets, intensified due to rumours of interest rate rises in the United States and Germany (the latter spurred by the depreciation of the deutschemark vs. the dollar). In September the Spanish stock market recovered its bullish pattern in a context of widespread price hikes in European markets once the international outlook had changed substantially –the Federal Reserve and the Bundesbank had finally left their interest rates unchanged, the dollar was no longer as strong and the European convergence process was advancing. In the latter days of September Spanish stock indices were back at historical highs.

Again October was a bearish month, during which the Spanish stock market was affected negatively from the start by drops in the prices of two of the largest companies, Telefónica and Endesa, both of which are heavily weighted on stock indices. The latter was nearing its OPV and both companies met difficulties in connection with their international alliances. Afterwards, the rise of official interest rates in Germany, a seeming confirmation that the downward cycle of interest rates had ended, led to a falls in the debt market that pulled down equities in the process. Finally, and in keeping with what occurred on the major stock markets across the world, the situation worsened with the crisis of the Hong Kong Stock Exchange, representing an intensification of the so-called Asian crisis which had thus far only affected minor stock exchanges in the region, in the midst of the instability posed by their forex markets. In four trading days, from 23 to 28 October, Spanish stock indices dropped 11.4%. One of the main concerns of Spanish investors was the possible spillover of the crisis to Latin American stock exchanges, because of the direct effects that might have on the results of several listed companies given the importance of their investments in the region. Instability lasted until mid November.

As from 13 November, once the Federal Reserve left its interest rates unchanged, European stock exchanges and the NYSE started out on a recovery trek that would last until the end of the year, though with large fluctuations, especially in December, when there were several days with sharp price drops followed by quick recoveries, guided by developments and the instability issuing from Southeast Asian forex and stock markets. The sound foundations of European economies and a favourable

interest rate environment allowed the strong losses recorded in October to be made up for in the final stretch of the year, with the year ending at levels near historical highs.

In this period, variations in the sectoral indices were not at all homogeneous –whereas *metal industries, investment trusts, others* and *electric utilities* recorded significant falls, sectors such as *foods, banks* and *construction* grew sharply, well above the increase of the IGBM.

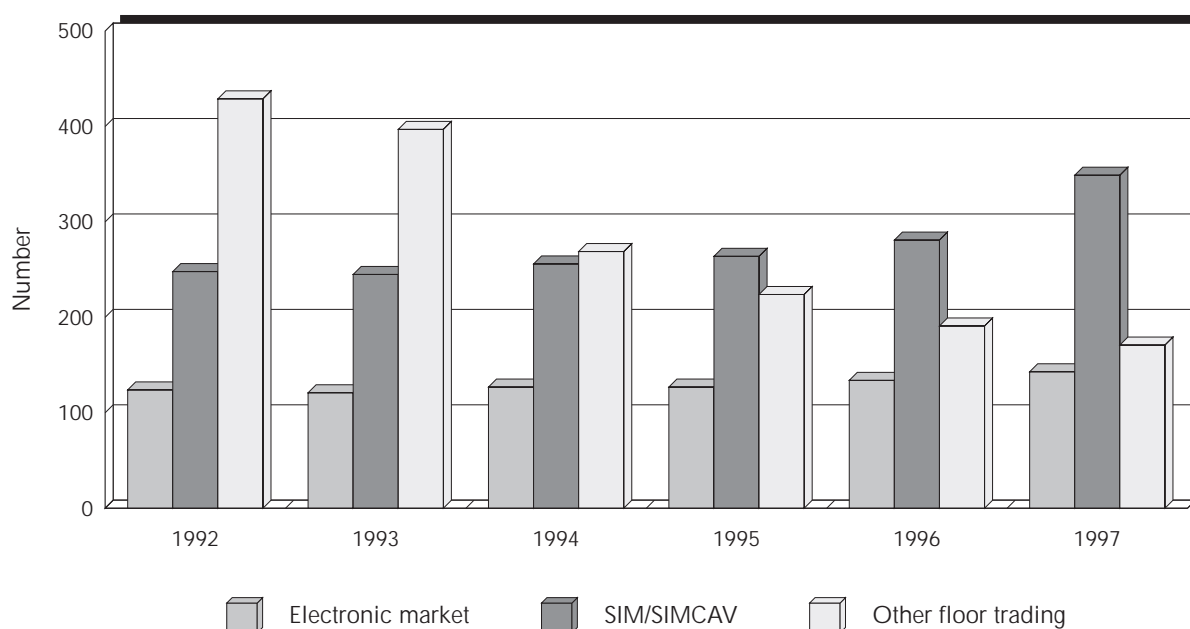
The factors with the greatest influence on the rises in the sectors with the best performance were the following: the recovery of construction activity; the good results of banks and merger rumours in the sector; and the hike of Tabacalera's price thanks to the rise of cigarette prices in September. On the other hand, in relation to the sectors with the worst performance in the latter half of the year, the *mining & siderurgy* sector stood out, as it was hit hard by devaluations in Southeast Asian countries which could seriously jeopardise export activity.

Evolution of listed companies on Spanish stock exchanges

The number of companies listed on Spanish stock exchanges at the end of 1997 amounted to 663⁵ (606 in 1996), breaking the pattern of a reduction in the number of listed companies. The number of active companies settled at 650, following the increase that took place in 1996⁶.

Chart 3.2

NO. OF COMPANIES LISTED ON SPANISH STOCK MARKETS (EQUITY) AT YEAR END



⁵ As from 12/09/96, Banco de Negocios Argentaria is included on the electronic market, with an issue of warrants on the Ibx 35 index. Trading in this stock during 1997 amounted to 10.232 billion pesetas.

⁶ The proportion of active companies over the number of listed companies had been increasing. Thus in the 1993-1997 period the proportion rose as follows year after year: 80.7%, 93.3%, 95.1%, 97.9% and 98.0%.

Table 3.3

CHANGE IN THE NUMBER OF COMPANIES LISTED ON STOCK EXCHANGES (EQUITIES) IN 1997

	Total	Electronic market	Open market	2. nd market
Listings	80	11	70	2
Newly listed	80	8	70	2
Change of market		3		
Delistings	23	2	22	2
Exclusions	23	2	19	2
Change of market			3	
Pro Memoria: Listed cos. at 31/12/97	663	143	520	31

As in years before, the number of companies listed on the electronic market continued growing and, within floor trading, the number of SIM/SIMCAV increased. Concerning the remaining companies traded off the floor, their number continued declining in 1997, partly as a result of action by the CNMV itself, which has continued carrying out exclusions, by virtue of its power so to do, of listed companies that do not fulfill the requirements to be traded on stock exchanges.

Capitalisation

Market capitalisation as a whole at the end of 1997 amounted to 45.5 trillion pesetas, a 40.4% increase over year-end 1996 –on the electronic market the increase amounted to 41.1% and floor trading rose 28.5%. Neither capital increases, which exceeded those of 1996, nor new listings in 1997 have played a significant role in the growth of market capitalisation in 1997; it may be attributed almost exclusively to the impressive hike in stock prices. This explains why the percentage increase of market capitalisation is quite similar to that of the rise of stock indices.

The main change in respect of the sectoral distribution of capitalisation in the electronic market in relation to 1996 is the gap arisen between the *bank* sector, which experienced a strong increase, and *energy and water utilities*, now less important in relative terms after having been on nearly equal terms with *banks* the year before⁷. Changes were due to larger or smaller price increases. Conversely, as far as floor trading is concerned, the new listings of *SIM/SIMCAV*, a sector taking up nearly 67% (38% last year) of total capitalisation, has substantially altered the relative sectoral composition, reducing the participation of most of the sectors, a feature which was heightened in sectors that lost companies to the electronic market.

The market value of newly listed companies on the electronic market represents 1.4% of total market capitalisation. Although small altogether, that value is very significant in the sectors affected, particularly *metal and mechanics* and *textiles and paper*⁸.

⁷ The difference in 1996 was 1.6 percentage points (banks ahead); at year-end 1997 that difference had widened to 12.6 percentage points.

⁸ As far as trading volume is concerned, their global weight takes up 2.1% of total transactions on the Electronic market. They have a strong incidence in their specific sectors (in four of the eight sectors, newly listed companies have accounted for over 20% of trades).

Chart 3.3

CAPITALISATION OF SPANISH STOCK EXCHANGES (EQUITIES)

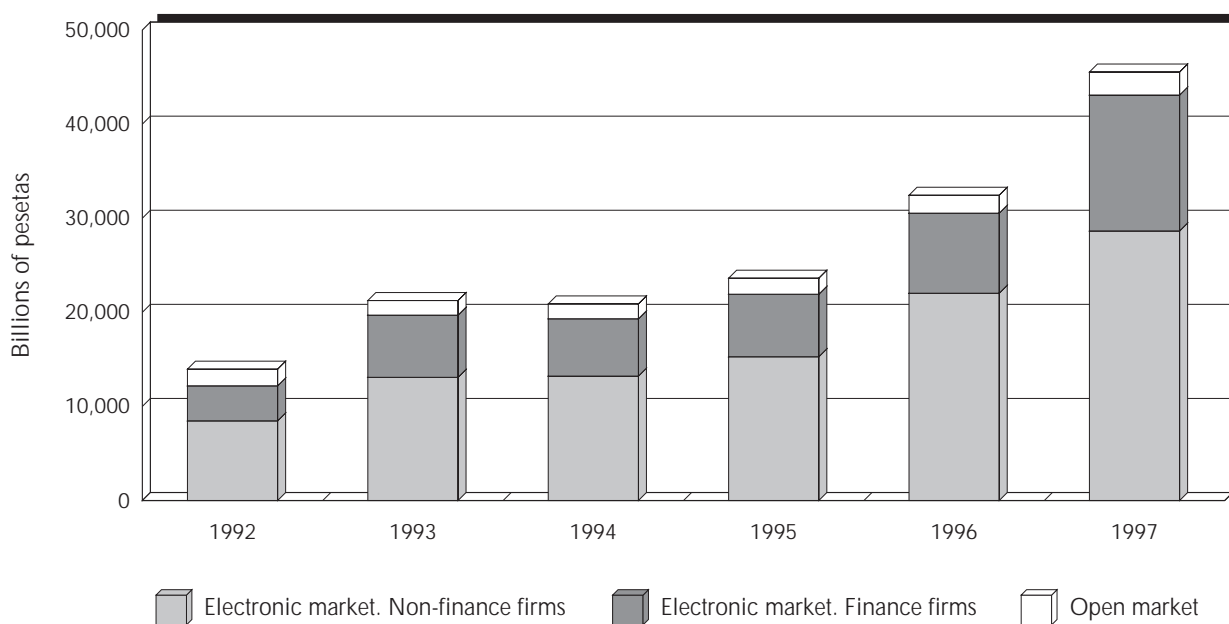


Chart 3.4

SECTORAL DISTRIBUTION OF CAPITALISATION ON THE ELECTRONIC MARKET (EQUITIES)

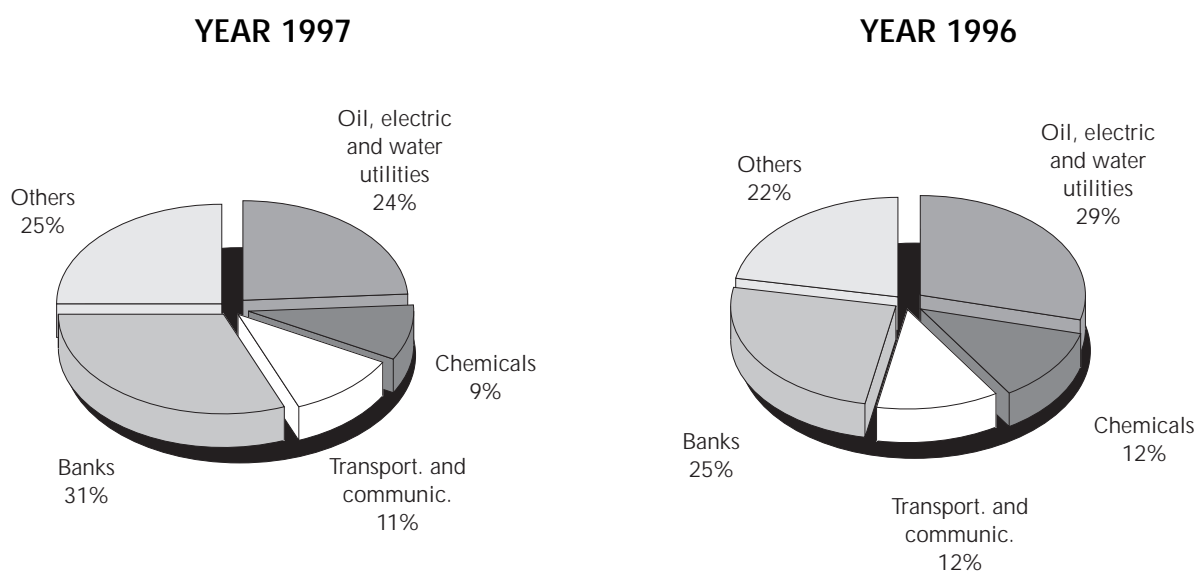
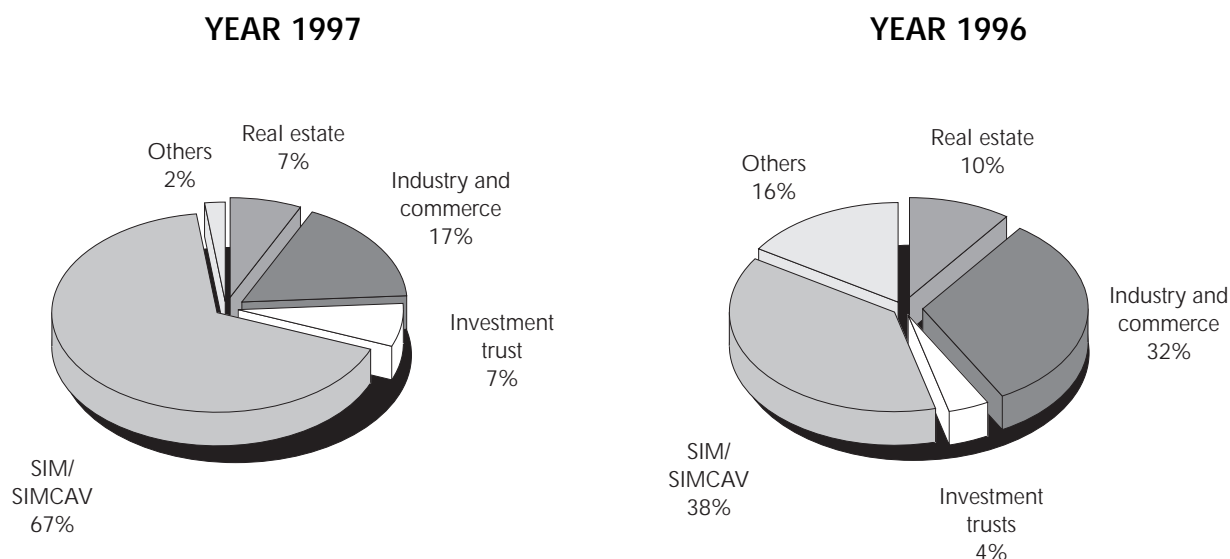


Chart 3.5

SECTORAL DISTRIBUTION OF OUTCRY MARKET CAPITALISATION (EQUITIES)



Because of their small amount, the new companies and the capital increases in the stock exchange had a minor effect on the supply of paper available to investors, which was extended, however, by OPV of shares that were already listed, particularly in connection with privatised companies, causing a significant increase in the free float of stock on the market.

Trading

The effective trading volume on Spanish stock exchanges in 1997 amounted to 27.1 trillion pesetas, an extraordinary growth (112%) over the previous year, substantially above the important increase of prices (stock indices rose around 40%-42%). Other stock market activity indicators that have nothing to do with prices, for instance the number of orders and trades matched on the electronic market, also grew significantly (88.5% and 103.7%, respectively). Annex 2.1.2 provides a closer view of the development of orders and trades.

Trading volumes were very high throughout nearly the entire year. The lower bound was registered in February, with a substantial fall in respect of the previous month, as investors –particularly non-residents⁹– shied away, probably because of the prospect of an extended upward run by the dollar. Trading was also low in August, coinciding with the important drop in share prices. The uncertainty pervading markets in late July and early August in connection with the direction US and German interest rates might take, as well as the doubts that arose in relation to Italy's chances of joining the starting line-up of EMU, had some influence in Spain and made investors wary and detached from markets. Trading in November was affected by the instability issuing from financial markets in Southeast

⁹ Trading volumes per day in February fell by more than 490 billion pesetas in comparison to January. Non-resident transactions over total transactions went from 40.1% in January to 36.5% in February. The average in 1996 was 40.1%.

Asia. The highest trading volumes were recorded in October and December, but nonetheless they were very high throughout the year. October was the month with the highest trading volumes, both in terms of overall contracting and regular session trading. Over 3.5 trillion pesetas were traded in all; of this amount, just over 752 billion pesetas had to do with the OPV of Endesa.

For the second time in a row in the last few years, the strong growth of trading volumes was achieved with foreign investors playing a less important role. The effective volume of foreign investment amounted to 10.277 billion pesetas in purchases and 10.333 billion in sales—the balance was therefore slightly negative in terms of net investment. In fact, although the volume of transactions with non-residents in 1997 leaped 99% in Y-o-Y terms, it was lower than the overall growth of the market. The weight of non-resident transactions over total trades, which had already declined in previous years, fell significantly in 1997 to 37.9% from 40.1% in 1996.

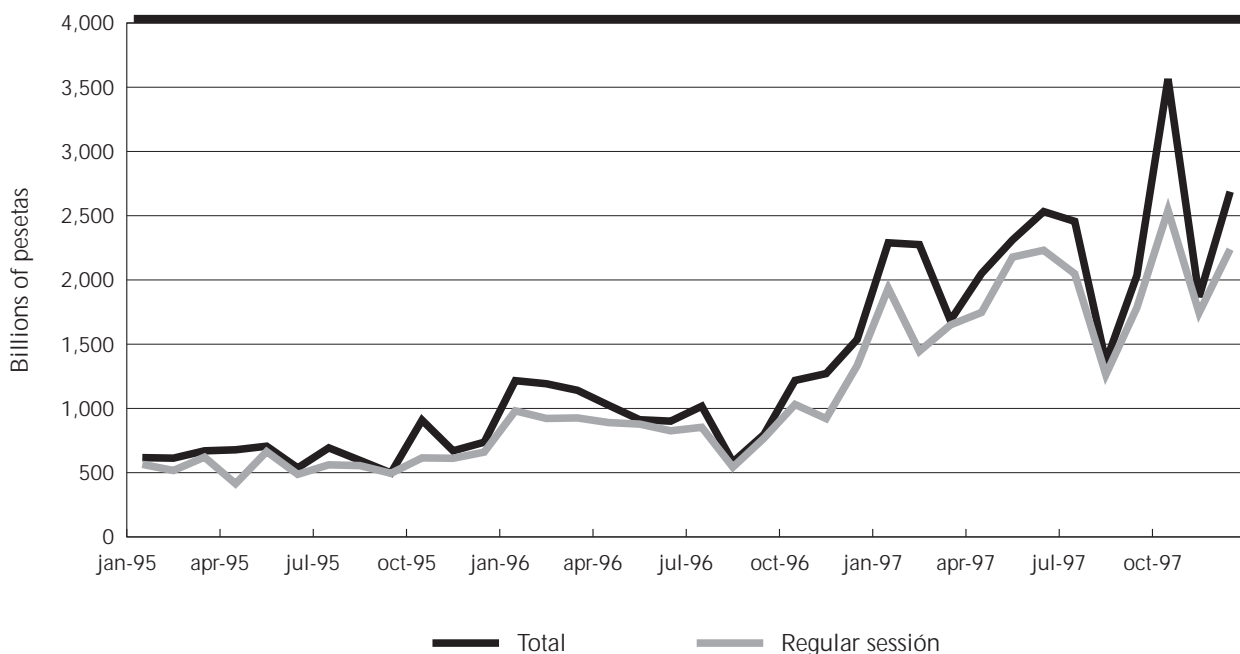
On the other hand, trading in the outcry market, although rising significantly in absolute terms (102%) and reaching 342 billion pesetas, was unable to increase its relative weight on total stock market activity, going from 1.33%¹⁰ in 1996 to 1.26%.

In 1997 there was another fall in the proportion of trading volume carried out during regular sessions, from 84.9% in 1996 to 84.1%, especially because of the importance of OPV in 1997—they amounted to over 1.8 trillion pesetas (annexes A2.9, A2.10 and A2.11).

Although nearly all of the securities enjoyed significant increases in trading volumes in 1997, the expansion of overall market activity concentrated on a few of them. Increased trading of Telefónica,

Chart 3.6

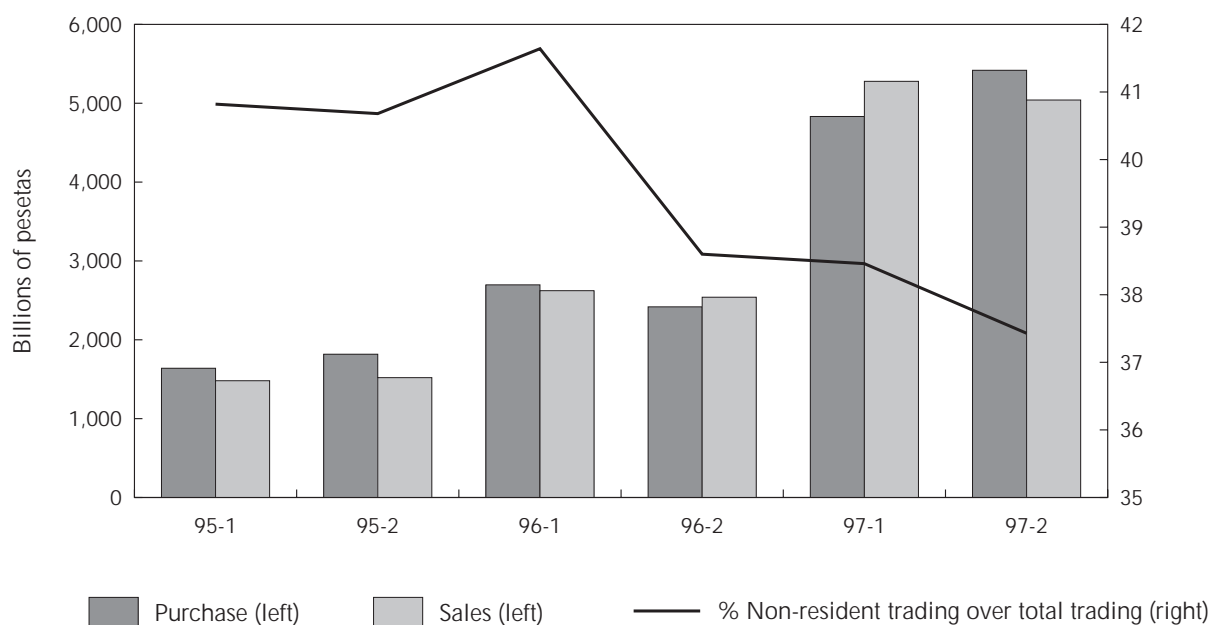
MONTHLY EVOLUTION OF EQUITY TRADING ON SPANISH STOCK EXCHANGES



¹⁰ The importance of this market is consistently falling. An illustrative indication of its magnitude is the following; considering only transactions during the trading day, in 1997 there were 14 securities on the electronic market which individually achieved higher trading volumes than the open outcry market as a whole.

Chart 3.7

HALF-YEARLY TRADING BY NON-RESIDENTS ON SPANISH STOCK EXCHANGES (EQUITIES)



Endesa, BBV, Repsol, Banco Santander and Iberdrola, with a joint volume of 9.4 trillion pesetas, accounted for nearly 66% of the overall increase in trading.

Trading characteristics (concentration and distribution of securities according to their trading frequency¹¹) were similar to those of previous years, i.e., concentration of trading in a few securities continued on the rise in 1997 and the distribution of frequencies did not change much in respect of previous years. A detailed view is provided in annexes A.2.13 and A.2.14.

Table 3.4

EQUITY TRADING ON SPANISH STOCK EXCHANGES

Amounts in billions of pesetas

	1997	1996	Var. 97/96 %	Share (%)
TOTAL	27,120.8	12,808.2	111.7	100.0
Electronic market	26,778.5	12,638.0	111.9	98.7
Outcry market	342.3	170.2	101.2	1.3
Madrid	212.9	122.5	73.8	0.8
Barcelona	82.2	22.5	265.0	0.3
Bilbao	32.1	13.8	132.2	0.1
Valencia	15.1	11.3	33.8	0.1

¹¹ Trading frequency is determined by the percentage of trading days that a security has been traded on.

Table 3.5

SECTORAL DISTRIBUTION OF TRADING ON SPANISH STOCK EXCHANGES

Percentage of total

Sector	1992	1993	1994	1995	1996	1997
0 Oil	9.4	9.4	9.4	12.6	10.4	9.5
1 Energy and water	17.4	20.6	20.6	20.8	29.0	23.1
2 Mining and metal	2.6	1.6	1.6	2.6	1.8	3.4
3 Cement and construction	10.5	4.3	4.3	2.8	1.2	1.1
4 Chemicals	1.4	0.7	0.7	1.2	0.7	0.5
5 Textiles and paper	1.0	0.6	0.6	1.7	0.9	1.2
6 Metal manufacturing	1.5	1.5	1.5	1.6	1.6	1.6
7 Food	5.4	3.5	3.5	2.3	2.8	3.1
8 Construction	4.0	4.8	4.8	3.2	2.1	2.5
9 Real estate	3.5	2.4	2.4	2.0	1.4	1.1
10 Transportation & communications	11.7	12.7	12.7	18.4	18.5	20.9
11 Miscellaneous	2.6	1.1	1.1	2.6	3.0	2.5
Non-finance sector	71.1	63.0	63.0	71.7	73.4	70.7
12 Banking	22.4	34.0	34.0	24.9	24.0	26.7
13 Insurance	3.2	0.8	0.8	1.8	1.0	1.1
14 Investment Trusts	1.9	1.3	1.3	1.1	1.0	0.9
15 SIM/SIMCAV	1.3	0.8	0.8	0.5	0.6	0.7
16 Other finance sector firms	0.0	0.0	0.0	0.0	0.0	0.0
Finance sector	28.9	37.0	37.0	28.3	26.6	29.3
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

Changes in the sectoral distribution of total trading in 1997 as compared to the year before had two noteworthy features: the *energy and water utilities* sector became less important, losing ground to the *transportation and communications* and *bank* sectors; in floor trading, the most important sectors were *cement and construction materials*, to the detriment of the rest of the sectors.

The sectors where trading recorded a higher growth in relative terms were *mining and basic metal industries* (311%), followed by *textiles and paper* (187%) and *SIM/SIMCAV* (161%). Among the sectors where increases in trading volumes were below that of the market as a whole we must point out *chemicals* (62%), *energy and water utilities* (68%), and *real estate companies* (69%). Last of all, there was only one sector, *other financial sector firms*, which is traded exclusively off the floor and is irrelevant for the market as a whole, with a decline in its trading volume (-83%).

Second market

Activity in the second market played an absolutely marginal role in relation to the stock market as a whole. Trading in 1997 amounted to 3.0 billion pesetas, 27% lower than the year before. Barcelona, with a trading volume of 1.0 billion pesetas, was the only market to record a significant increase –it nearly tripled its annual trading volume.

The low activity levels in the second market are shown not only by the volume of transactions, but by their low trading frequency as well. In this respect, we must stress that only one security was traded on over half of the trading days. Besides this, of the 35 securities that were traded last year, 25 were traded on less than 10% of the trading days.

Changes in market operation

Public offerings of sale of securities featured strong over-demand, particularly in the retail tranche, with significant effects on the starting of trading after the placement. Small investors wished to complete their bids by buying shares on the first days of trading, which led to strong trading volumes. In the initial public offering of Adolfo Domínguez and, as a result of the huge volume of orders that were entered during the adjustment period, there was a delay in the opening of the electronic market (SIB) that underscored the need to change some of its rules.

So as not to disrupt trading of other securities at the beginning of trading following an OPV, the Sociedad de Bolsas¹² decided, for subsequent public offerings, to extend the adjustment periods. After the financial market crisis at the end of October, the Sociedad de Bolsas, by means of an operational instruction issued on 3 November, established that the adjustment period for general purposes be between 9 and 10 a.m. On the other hand, the initial price-setting system for new securities on the market was changed: the OPV price is used as the reference price, although the fluctuation limit is extended to 50%. After the initial price is set, the price may fluctuate 15% throughout the day.

The huge trading volume also affected the system's technological capacity and interrupted trading on a few occasions, causing significant delays in the entering of orders in the system, in such a way that brokers were unable to match their clients' orders on time and in an appropriate manner. These interruptions all stemmed from the central trading system's insufficient capacity to fulfill an exceptionally large demand of electronic transactions. In order to solve this problem, the Sociedad de Bolsas implemented a plan, which includes the incorporation of faster computer equipment and an improvement of the communication programmes for the market operating system (SIBE).

Recent new developments on the stock market

In 1998 important reforms are taking place in the operation of SIBE, for instance the trading of securities by means of a price-setting system (it began on 1 July), changes in the regulation of closing prices (in force since 26 March), and an advanced project for the implementation of a market for block trades.

1. Single price-trading (fixing)

On 25 February the Sociedad de Bolsas published a circular, followed by some operational instructions, whereby a new market segment, characterised by a single price-trading method (fixing) in each adjustment period, was created. Its purpose is to concentrate, during clearly established periods, bids and asks of securities with small trading volumes and which are not very liquid. The circular sets out the new regulations required to implement the new trading segment, appropriately reforming some of the operational rules of SIBE in force.

Trading hours for these securities run from 9 a.m. to 4 p.m., with an initial setting of prices at 12 noon and again at 4 p.m. At those times, besides setting the prices, the appropriate trading units will also be established.

¹² T.N.: the management company for the electronic market.

Recent new developments on the stock market (continued)

The main criterion used in allocating securities to this trading segment will be liquidity. To measure liquidity, the volume and stability of the following parameters will be considered: effective daily volume, number of trades, best bid and ask spread; rotation in annualised terms; trading frequency. In addition to these, other indicators will be used insofar as they are required to establish the liquidity level for each security. Decisions on which securities will be traded using this method will be made every six months, with the exception of new incorporations to SIBE or whenever market circumstances warrant a special revision of those securities beforehand.

This trading segment began on 1 July, after a period in which the liquidity of the securities traded on the electronic market was measured in order to choose which securities would be traded using this method (the study period lasted from 26 March to 31 May).

The following 25 securities were chosen to be traded using this method: Banco de Andalucía, Banco Atlántico, Banco de Castilla, Banco de Galicia, Banco de Vasconia, Banco Herro, Banco Simeón, Bayer Aktiengesellschaft, Inbesós, Citroën Hispania, Commerzbank, Banco de Crédito Balear, Dimetal, Estacionamientos Subterráneos, Eppic, Hisalba, Iberpistas, Indo, C. Banesto, Lafarge, Saltos del Nansa, Papelera Española, Urbas, Electra de Viesgo, and Volkswagen.

2. Change in the regulation of SIBE closing prices

On 25 March 1998 and with effect on the following day, the Sociedad de Bolsas published a circular, whereby the way in which closing prices are set was changed in order to prevent closing prices to be set when trading volumes are small. The number of shares that must be traded in order to set the closing price of shares on the electronic market is 500, and using the fixing method the number goes up to 200. In the event these minimum volumes have not been traded during the trading day, the closing price will be that of the previous day. Besides this, in the event there is a significant deviation at the end of the regular session, the weighted average of trades during the last five minutes will be used as the closing price.

3. Market for block trades

The Sociedad de Bolsas has plans for SIBE to have a market for block trades in order to make relevant transactions more flexible. In this new market, trades for a significant volume of securities (higher than the average trading volumes) will be permitted at more flexible prices and without having to sweep positions on the main market. This market will operate from 10 a.m. to 5 p.m., with no pre-opening period, and dissemination of executed trades will take place on the following day. There will be two kinds of markets for block trades: "at pre-agreed prices" and "by price".

The first of these will allow the execution of relevant trades agreed to beforehand by market members. Ibx 35 securities will be traded, along with any other securities that the Stock Market Association considers appropriate, with a minimum volume (100 million pesetas or 5% of the average trading volume in the last calendar quarter). For the second kind of market for block trades, proposals will be made for the fulfillment of a minimum amount (500 million pesetas or 10% of the average trading volume in the last calendar quarter) and price conditions (the price limits will be determined according to the closing price for the day).

3.2. Spanish securities traded on foreign stock exchanges

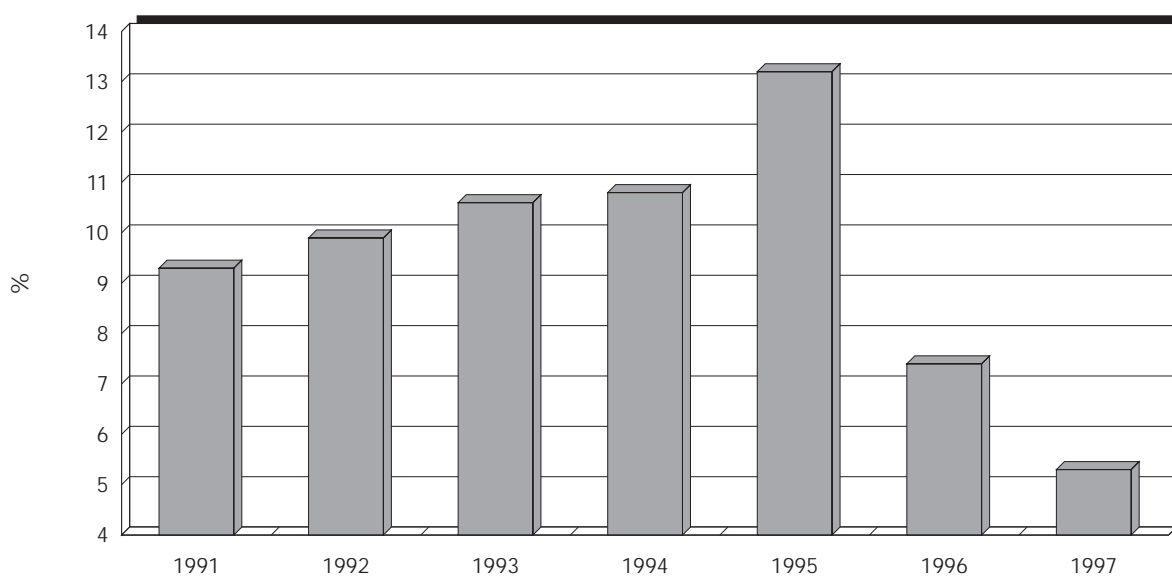
Trading of Spanish securities on foreign stock exchanges (New York, Frankfurt, Paris and Tokyo)¹³ amounted to 1.8 trillion pesetas in 1997, 50% more than the year before but much lower than the growth of trading volumes on Spanish stock exchanges (111%). This heightened the pattern that began in 1996 whereby these markets are becoming less important for Spanish equities. Trading of shares of Spanish companies on foreign stock markets amounted to 5.3% of the trading volume in Spain, down from 7.4% in 1996 and at a distance from the levels achieved in the 1991-1995 period, when the percentage exceeded 10% and even reached 13.2% in 1995.

As in previous years, the NYSE set the trend, accounting for over 95% of the trades of Spanish securities abroad. Excluding the London Stock Exchange, Frankfurt was the second most important stock exchange for Spanish securities abroad with 3.4% of trades.

Of the seven securities traded in the US, only Endesa and Telefónica recorded growths in absolute terms, owing to the OPV they each carried out. The decline in trading volumes was especially noteworthy for Repsol.

Chart 3.8

TRADING VOLUME OF SPANISH SECURITIES ON THE NEW YORK STOCK EXCHANGE AS A PERCENTAGE OF TRADING ON DOMESTIC STOCK EXCHANGES



3.3. Fixed-income markets

Achievements in the correction of the budget deficit and the inflation rate, enabling compliance with the Maastricht criteria and making it possible for Spain to be a member of EMU from 1 January 1999, led to a significant decline of yields in Spanish fixed-income markets in 1997. Excepting a few

¹³ The London Stock Exchange has been left out deliberately because its accounting methods do not allow comparisons to be established.

Table 3.6

TRADING ON ORGANISED FIXED-INCOME*Nominal trading in billions of pesetas*

	1997	1996	Change (%)
Government debt market (*)	325,293.0	267,581.0	21.6
Govt. bonds	294,095.0	245,434.0	19.8
Treasury bills	31,198.0	22,147.0	40.9
Stock exchanges (**)	9,021.4	12,947.1	-30.3
Electronic market	4,250.6	9,854.4	-56.9
Outcry market	4,770.8	3,092.7	54.3
AIAF	2,635.6	2,483.1	6.1
Commercial paper	560.2	578.0	-3.1
Matador	632.3	437.6	44.5
Mortgage bonds	203.2	302.3	-32.8
Bonds	1,239.9	1,165.2	6.4

(*) Includes only outright spot trades.

(**) Effective amount.

Sources: Banco de España, AIAF and own records.

occasions, yields were falling throughout the entire year in all markets and across all terms. The spread between the Spanish and German 10-year bonds, which is a major reference point in Spanish markets, likewise dropped considerably.

In terms of trading volumes, the evolution of the various markets was not homogeneous in 1997: whereas a strong growth was recorded in the Bank of Spain's book-entry market for government debt (though not as significant as the growth on the stock market), the increase was much more modest on AIAF and there was a considerable reduction on the stock exchange. Market expansion centred on government bonds and longer terms, just like the year before.

The development of trading over the year attested to the non-homogeneous nature of these markets. Although there was a sizeable decline in trading volumes across all markets during the month of August for fear of a possible hike in US and German interest rates, their performance during the strong crisis in Asia followed different patterns. Thus, after the strong widespread rise of bond markets in October owing to the inflow of funds from stock markets, only the government debt market recorded lower trading volumes in November and December, due to the subsequent outflow of funds back to stock markets.

Government debt book-entry market

Government debt transactions involving outright spot trades increased 21.6% in 1997, a high rate, although below the previous year's 38.7%. This development was the result of a 19.8% increase in government bond trades and a 40.9% rise in treasury bills.

Although the greater part of trades had to do with longer terms, i.e., bonds maturing in 4 years or over, the largest increases in respect of 1996 took place in the shorter terms: treasury bills (40.9%) and governments bonds with maturities below 2 years (95.3%), which recovered 1995 volumes after their decline in 1996. Trading volumes were high throughout the year, with lows during the months when expectations of a monetary union with a large number of member states were impaired –i.e., in the first quarter and during the summer– and in November and December owing to corrections immedia-

tely after the Asian crisis that had rocked stock markets. However, trading of treasury bills developed along different lines, as it was in the second quarter when the greatest activity took place in this segment, with placements of 18-month treasury bills.

Chart 3.9

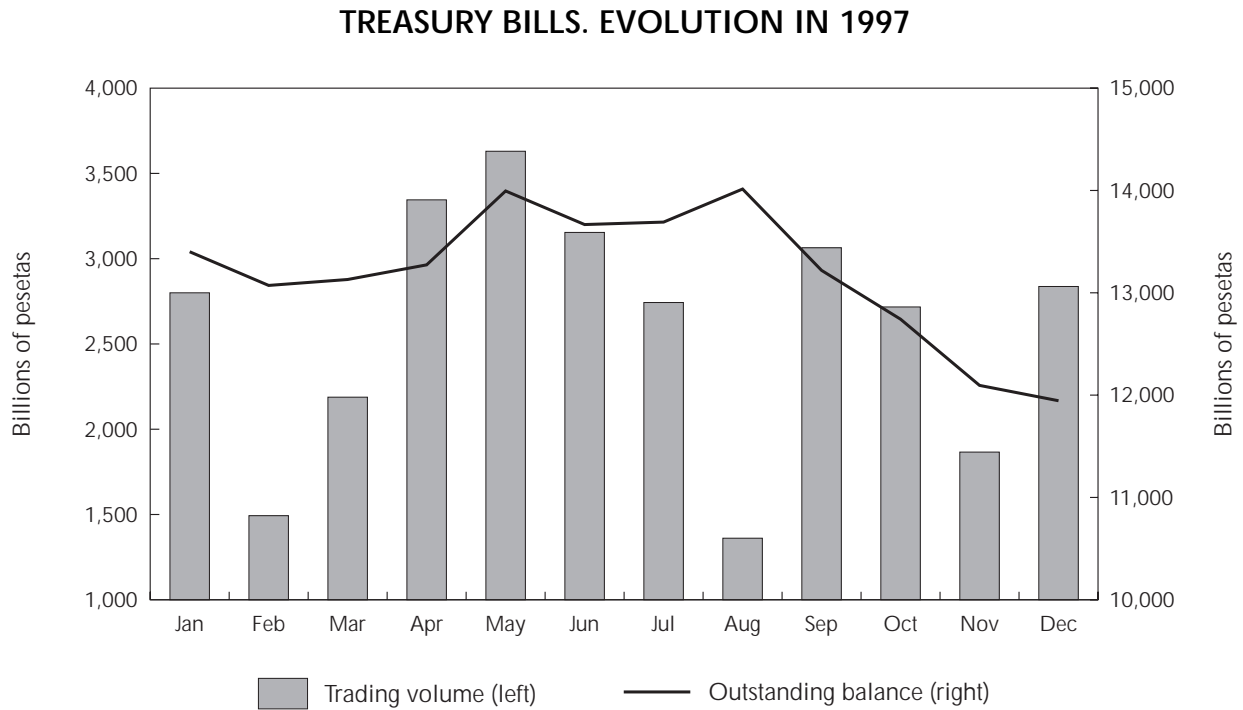
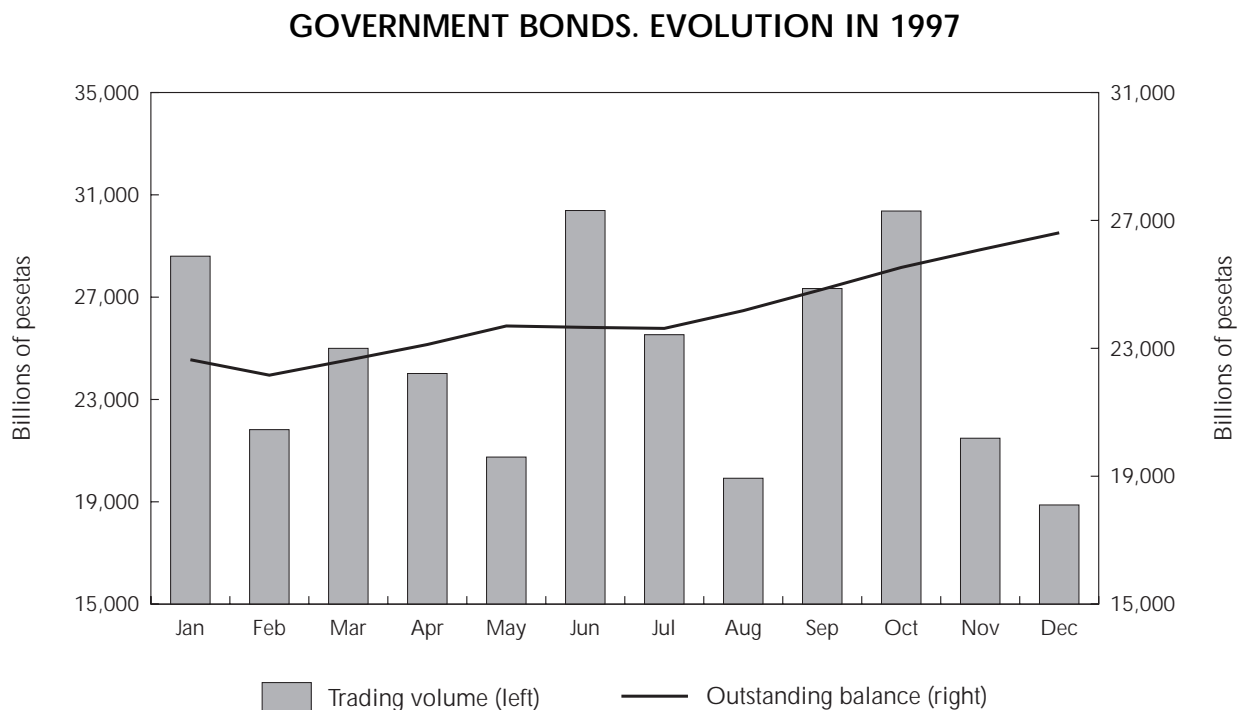


Chart 3.10



Non-resident investors' holdings of government debt at year-end had risen both in terms of treasury bills and government bonds, with an increase of their share of total outstanding debt¹⁴. The portfolio to maturity held by non-residents amounted to 6.9 trillion pesetas, an increase of over 1.1 trillion in relation to year-end 1996. The development here, however, was irregular over the year, with falls during the first quarter –at the end of March it was 1.3 trillion pesetas below the year-end 1996 level– and again in October, as a reaction to the situation of instability in Southeast Asia.

AIAF market

In 1997 the AIAF market recorded a sharp rise in its outstanding balance and in the number of issues. There was also an increase, though more modest, in the number of issuers and in the trading volume. The greater presence of matador bonds, with 92 more issues outstanding at year-end, was one of the most noteworthy features of the year¹⁵.

The nominal volume of new issues listed throughout the year amounted to 1.9 trillion pesetas, representing a 12.4% increase over 1996. This development was quite uneven, as there were only increases in bonds (65%) and matador bonds (9.6%), whereas commercial paper and mortgage bonds fell –by 3.7% the former and 69.3% the latter.

The weight of the ten largest issuers fell in 1997, taking up 65% of listed issues, down from 82% in 1996. In spite of this, concentration in the hands of a few issuers is still an important feature of the market –thus, as far as commercial paper is concerned, three issuers (Endesa, Renfe, Telefónica) out of the 18 that issued last year accounted for 51% of the volume. In the remainder of fixed-income instruments issued by domestic issuers there was a like development. Just four issuers (Caja de Madrid, Ayuntamiento de Madrid, Hipotebansa, and Generalitat Valenciana) were behind 59% of the listed issues.

At year-end 1997 the number of issuers listed on AIAF amounted to 114, with 822 issues and an outstanding balance of 5.9 trillion pesetas, 25.5% higher than at the end of 1996. By segments, development over the year was uneven: the outstanding volume of mortgage bonds fell 12.3%, reaching 226 billion pesetas, whereas the other segments all recorded increases, the smallest of which were recorded for short-term instruments and the largest in matador bonds. The growth in the outstanding balance of matador bonds took their relative importance up to nearly the same percentage as bonds (44.8% vs. 45.3%).

After two years of back-to-back falls, the trading volume on AIAF in 1997 recorded an increase of 6.1% in relation to the year before, reaching over 2.6 trillion pesetas¹⁶, mainly thanks to the dynamic performance of matador bonds, trading of which rose 44.5%. The growth of bonds was more limited (6.4%). The other two large segments, commercial paper and mortgage bonds, recorded falls of 3.1% and 32.8%, respectively.

Nominal transactions between members (trades on their own behalf) increased sizeably (16.8%), whereas transactions on third party account only rose 1.6%, therefore the weight of third-party trades on the overall volume fell from 70.1% in 1996 to 67.1%. Performance also differed in terms of the average volume per transaction, which reached 90 million pesetas, a 55% increase over the year before.

¹⁴ The weight of the portfolio to maturity of government debt held by non-residents represented 17.9% of total debt in 1997 as compared to only 16.1% in 1996.

¹⁵ The number of issues across the market rose by 121.

¹⁶ The overall trading volumes on the AIAF market, in nominal terms, were 4,637.8 billion pesetas in 1994, 2,615.3 billion in 1995 and 2,483.1 billion in 1996.

Table 3.7

AIAF. OUTSTANDING BALANCES

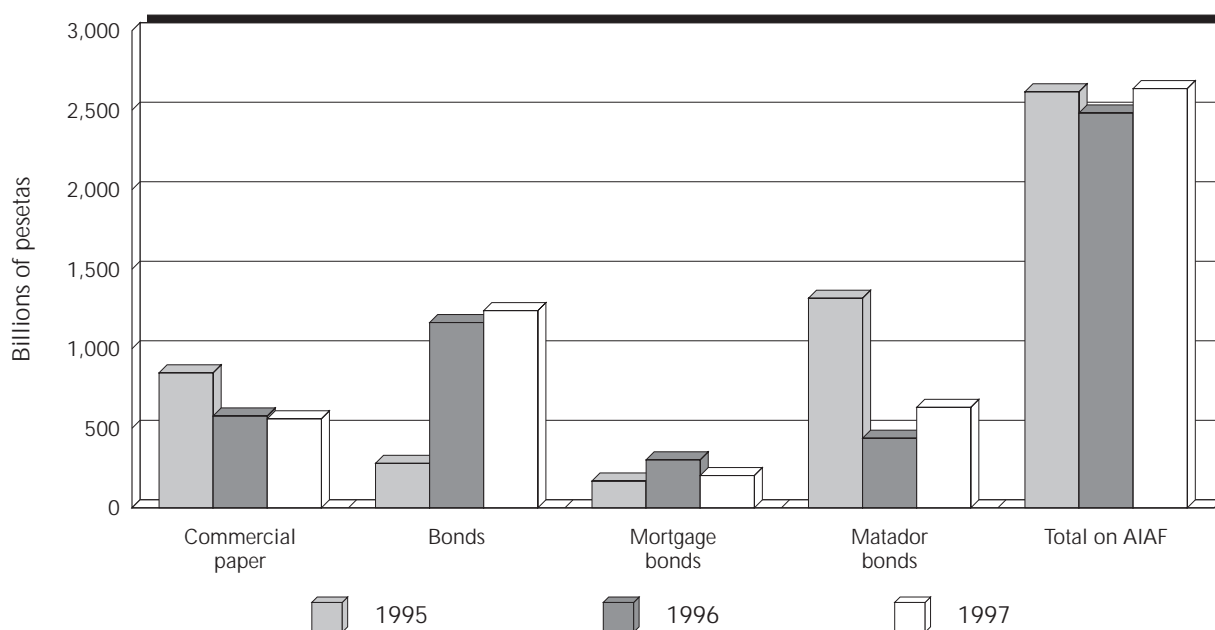
Amounts in billions of pesetas

	Issues		Outstanding balance at 31/12/97		
	No.	Ch. (%) 97/96	Amount	Ch. (%) 97/96	% of total
Commercial paper	402	3,3	361,3	7,3	6,1
Matador bonds	253	86,0	2.655,0	35,4	44,8
Mortgage bonds	13	-13,3	226,0	-12,3	3,8
Bonds	154	-4,3	2.680,4	23,9	45,3
TOTAL	822	17,3	5.922,7	25,5	100,0

Source: AIAF and CNMV.

Chart 3.11

EVOLUTION OF TRADING ON AIAF BY SEGMENTS



By large business sectors, there was a decrease in transactions involving issues in the non-financial sector (-12.6%), mainly because of falls in *energy and water utilities* (-8.6%) and *transportation and communications* (-25%) - basically in bonds for the latter. Transactions in the *financial sector* also fell, though less (-4.1%), reverting the expansive pattern of the year before¹⁷, mainly due to the lower volume of transactions involving *financial firms* (-32.7%). The *public sector* recorded a substantial growth (31.4%) after a sharp fall (-33.3%) in 1996, owing to an increase of transactions involving bonds issued by Autonomous Communities (170.7%) and matador bonds (44.5%).

¹⁷ In 1996 trading of financial sector securities on AIAF increased 24%.

Last of all, it must be stated that trading through blind brokers, which in 1996 operated only in the segments of bonds and mortgage bonds, incorporated trading of matador bonds in 1997. In relative terms, blind brokering continued rising in importance –overall activity across the three segments accounted for 3.5% of total transactions in 1995, 7.0% in 1996 and 10.0% in 1997¹⁸.

Among the new regulations affecting transactions on AIAF, we must state the extension of the scope of trades that may be executed on the market. Besides outright cash trades, both term transactions and the so-called “simultaneous” transactions have also been regulated¹⁹.

Stock exchange fixed-income market

At 31 December 1997, there were 142 fixed-income issuers on Spanish stock markets, with 937 listed issues and a trading capital worth 3.7 trillion pesetas²⁰. There was an increase in the number of issuers in comparison to the year before, whereas the balance outstanding fell. The number of issuers also declined, except on the Madrid Stock Exchange.

By sectors, the most important ones according to their share of the outstanding balance at year-end were *international agencies* (matador bonds), *autonomous communities*, *banks*, and *transportation and communications*. Autonomous communities and international agencies recorded the largest growths over 1996, with increases by four and nearly ten percentage points, respectively. The loss of importance of the remaining sectors in general did not alter their relative positions.

The effective trading volume of fixed income instruments across all Spanish stock exchanges reached 9.0 trillion pesetas, down from over 12.9 trillion the year before. The sharp decline arose from fewer transactions involving book-entry government debt, which saw its trading volume on stock exchanges fall by over 3.9 trillion pesetas. This fall, however, was partially offset by the increase in transactions involving bonds issued by autonomous communities, the amount of which reached 1.7 trillion pesetas. This evolution took the volume of securities issued by autonomous communities and traded on stock markets above that of government bonds for the first time –they accounted for 53.1% and 40.2% of total transactions, respectively.

The trading volumes of issues by *government agencies* and *international agencies*, besides being much lower than those of the preceding categories, fell sharply (-52.8% and -62.5%, respectively). This contrasts sharply with the trading volumes of matador bonds registered on the AIAF market.

Trading of private debt just made it over 4% of total transactions, very similar to the year before. Virtually all of the transactions concentrated on issues from companies in the *energy and water utilities*, *transportation and communications*, and *banks* sectors. Utilities recorded a sharp fall (-37.7%), extending the previous year's pattern, whereas in the second group there was a sizeable increase (21.7%) which was nonetheless unable to reach 1995's levels. Transactions involving issues by *banks* fell in relation to the year before, though quite moderately in comparison (-7.3%).

Fewer government debt transactions on stock exchanges in 1997 led to a 57% decrease on the electronic market, whereas the expansion of stock exchange transactions involving debt issued by autonomous communities led to a 54% increase in the volumes traded on the outcry market, being the first time since 1994 that floor trading exceeded that of the electronic market. Of the four stock mar-

¹⁸ Comparing only transactions between members of AIAF, their share of overall trades went from 9.8% in 1995 to 19.5% in 1996 and 35.2% in 1997.

¹⁹ T.N.: Double transaction made up by a cash trade and its term inverse.

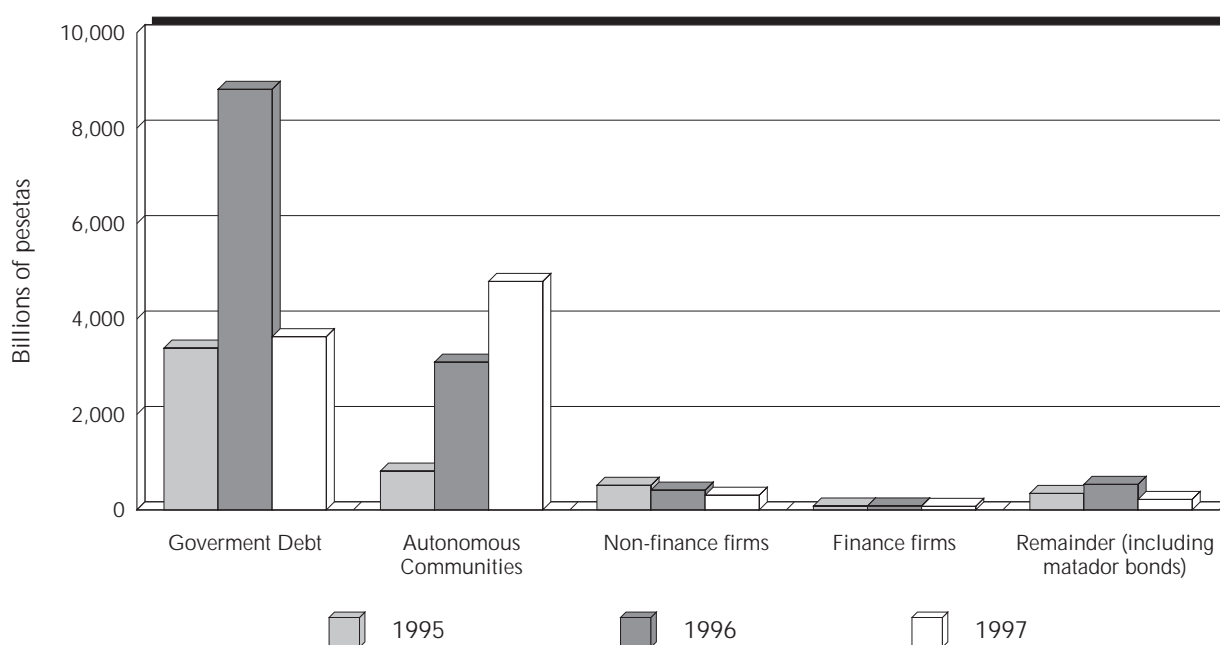
²⁰ The issues and outstanding balances of government debt simultaneously marketed here and in the book-entry market are not considered here.

Table 3.8

STOCK EXCHANGE FIXED-INCOME MARKET. OUTSTANDING BALANCE*Amounts in billions of pesetas*

	Issuers		Issues		Outstanding balance at 31/12/97		
	No.	No.	Ch. (%) 97/96	Amount	Ch. (%) 97/96	% of total	
Private sector	67	295	-7.8	984	-21.7	26.9	
- Energy & water utilities	9	51	-35.4	151	-47.8	4.1	
- Transportation & comm.	8	30	-31.8	401	-12.0	10.9	
- Banks & savings banks	32	187	22.2	421	-13.5	11.5	
- Others	18	27	-38.6	11	-58.2	0.3	
Public sector and international agencies	75	642	-10.8	2.679	8.3	73.1	
- Autonomous	5	124	-27.1	735	17.9	20.1	
- Government agencies	27	266	-20.1	271	-51.1	7.4	
- International agencies	26	196	108.5	1.584	28.1	43.2	
- Others	17	56	-54.5	90	47.2	2.4	
TOTAL	142	937	-9.9	3.663	-1.8	100.0	

Chart 3.12

EVOLUTION OF TRADING IN STOCK EXCHANGE FIXED-INCOME

kets, there were noteworthy growths in trading volumes on the floor in Barcelona (57.6%) and Bilbao (54.6%), owing to the rise in transactions with public debt issued by the Generalitat of Catalonia and with debt issued by the Basque government.

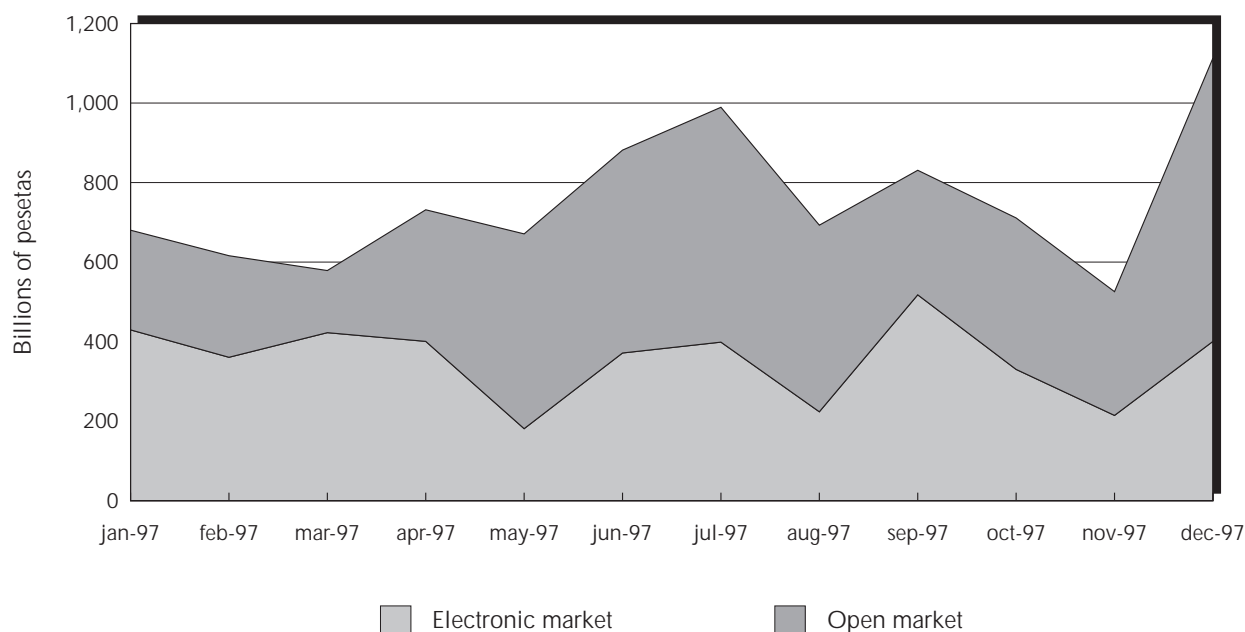
The monthly evolution of trading was relatively stable, with June and July as the most active months, along with December at the end of the year. By markets, performance throughout the year

diverged considerably. Thus the first four months of the year recorded the highest activity on the electronic market, being precisely the ones of lower trading volume for the open outcry market.

One of the features of this market is the high concentration of trades involving a small number of issues and issuers. Nevertheless, in 1997 this trend was toned down a little thanks to the growing weight on the stock market of issues by the Basque Government and the Generalitat of Catalonia²¹.

Chart 3.13

MONTHLY EVOLUTION OF TRADING IN STOCK EXCHANGE FIXED-INCOME



Memorandum of understanding for the development of fixed-income markets

On 29 April 1998 the presidents of the Management Companies of the Stock Exchanges, of AIAF, of SCLV and of CNMV signed a memorandum of understanding to promote and carry out whatever measures are required to harmonise the operational procedures used by the two fixed-income markets in Spain that operate independently of the government debt book-entry market. Said harmonisation should go in stride with a number of measures aimed at encouraging the issue of this type of securities and to facilitate access to trading on Spanish markets. Specifically, the individuals signing the memorandum of understanding, on behalf of the companies they preside, committed to adopt, within their scope of power, the measures required to achieve the following objectives:

²¹ Given the market fragmentation, performances differed across sectors. Thus in terms of public debt 98% of transactions were taken up by the Government (43%), the Basque Government (35%) and the Generalitat of Catalonia (20%). Among the financial institutions, the most prominent issuers were Banco Central Hispano, Argentaria and Citibank, with 66% of total transactions over a total of 42 active issuers. The non-finance firm sector was likewise very concentrated –of 41 active issuers, just four of them (Fecsa, 56%; Telefónica, 18%; Iberdrola, 8%; and Aucalsa, 7%) accounted for 88.2% of the transactions.

Memorandum of understanding for the development of fixed-income markets (continued)

1. Concerning trading of securities

The individuals signing the memorandum of understanding wish to press forth the study and future regulation of the new developments that should be incorporated to private debt transactions in order to increase the efficiency and competitiveness of the fixed-income market, without lowering its safety and transparency standards.

For this purpose, the new trading methods that might come into effect in connection with fixed-income securities must be defined. Advancements should also be made with respect to the scope of application and the acceptable trading methods, as well as in the technical support and in the system currently used in the execution and dissemination of trades.

2. Concerning representation of securities

Book-entry should become widespread as the representation method for listed securities across all of the fixed-income markets.

The change would affect the AIAF bond market and would consist of the introduction of the book-entry system as the general system for representing securities. In addition to this, a transient period would be established so that the securities that at present are listed and represented by certificates may be converted to the book-entry system.

3. Concerning registration of securities

The registration system to be applied to fixed-income securities traded on organised markets in Spain should include any particulars that may be required for these securities, meaning that the system would differ in respect of the one used for equity securities.

Besides this, only one representation system should be implemented, common for all the fixed-income securities that are currently traded on any of the existing organised markets. Accordingly, any modifications carried out would affect the securities traded on Exchanges, those traded on the AIAF bond market, the SCLV and any other securities clearing and settlement service in operation on exchanges, which should implement the appropriate technical procedures so that the present fixed-income security registration system evolves towards a system suited to the needs of the fixed-income market, but without detracting from the safety standards required.

4. Concerning clearing and settlement of securities

The system used in the registration, clearing and settlement of trades involving fixed-income securities should be able to cope with any special features required by these transactions.

The system would be common to all of the fixed-income markets in Spain and would be applied by the clearing and settlement services of the exchanges and by the SCLV.

Changes to be carried out would affect the securities traded on the stock exchanges and those traded on the AIAF bond market. In connection with the latter, the SCLV should take care of organising registration, clearing and settlement of book-entry securities traded on AIAF.

Memorandum of understanding for the development of fixed-income markets (continued)

According to this proposal, the SCLV would use two different systems for the registration, clearing and settlement of securities, depending on whether they were fixed-income securities or equities. Besides this, the system used for fixed-income would apply for securities traded on stock exchanges and for those traded on the AIAF bond market. Likewise, the clearing and settlement facilities of stock exchanges in autonomous communities would have to evolve towards a similar system.

5. *Other market operation aspects that should be studied in order to better deal with them.*

- Cost of transactions.
- Unification of security listing procedures.

6. *Other measures that should be studied by the CNMV for their implementation.*

- Encourage the consideration of several measures required to allow private debt securities to compete on equal terms with other financial assets.
- Measures to encourage and simplify legal and administrative procedures so as to boost issues of private debt in Spain and their listing on Spanish markets.

3.4. Credit to market and stock lending²²

Credit to market expanded sizeably in 1997: the effective volume of transactions rose threefold in terms of margin buys and doubled in term of margin sells. These growths were much higher than the revaluation of share prices and the increase of stock market trading in the same period. Just as in previous years, purchases were predominant in this activity. Its effective amount reached 77.7 billion pesetas, well above the previous year's 19.2 billion pesetas (a 304% increase), whereas credit to sellers amounted to 6.2 billion pesetas (a 145.8% increase).

Concerning the development over the year, two periods may be distinguished. The first period lasted from the beginning of the year until September, when net buying activity intensified, both in terms of trading and outstanding balance, as margin buying increased while margin selling tended to fall. The second period, in the last quarter of the year, saw a change in the situation owing to the impact of the Asian crisis on markets. Although buys still exceeded sells, margin selling began to rise sharply whereas margin buying fell substantially. A comparison between the outstanding balances at the end of August and at the end of the year clearly illustrates this point: whereas buys fell by two thirds, sells were multiplied by four.

²² The credit to market is regulated by the Order passed on 25 March 1991, on credit systems for spot transactions on the stock market. There is also a stock lending system established by the Securities Exchanges of Madrid and Barcelona and regulated by Operational Instruction no. 38/1992 of the Madrid Stock Exchange and by Communication no. 49/1992 of the Barcelona Stock Exchange. This system became operational in October 1992 in Madrid and one month later in Barcelona. It is usually called a bilateral loan or loan between entities, as opposed to centralised loan of securities regulated by Circular no. 1/1994 of SCLV, established pursuant to the provisions under article 57 of Royal Decree 116/92 passed on 14 February.

Table 3.9

CREDIT MARKET

In billions of pesetas

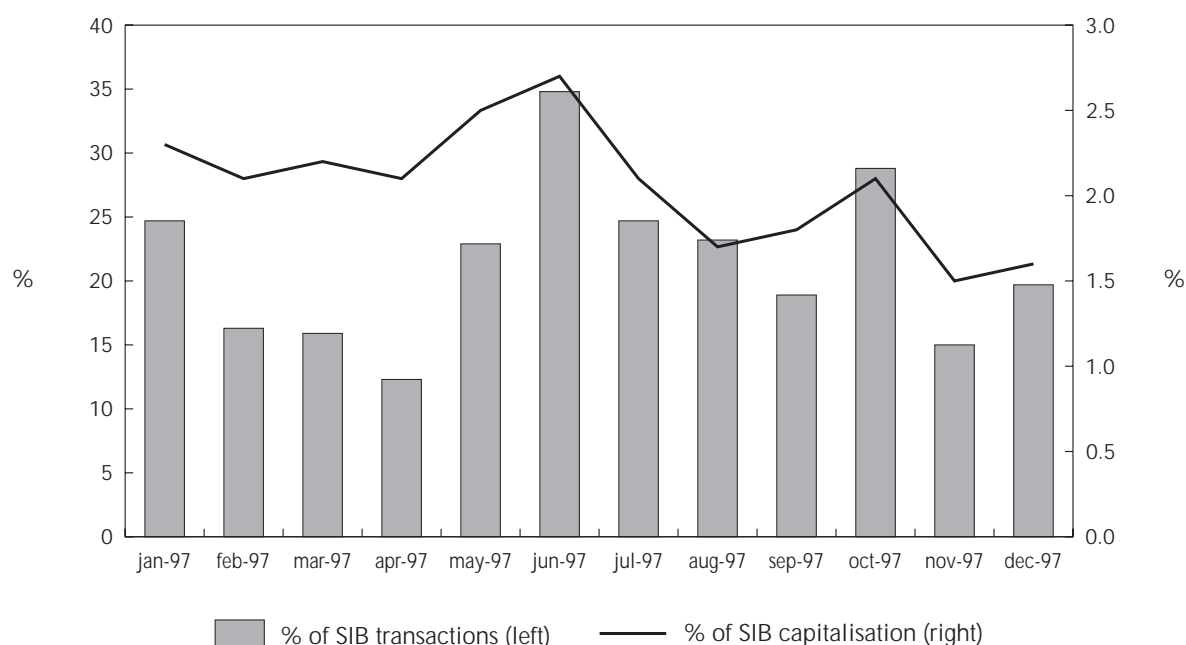
	Outstanding balance		Trading volumen	
	Purchase	Sale	Purchase	Sale
1994	165.4	5.4	3,489.6	818.6
1995	534.2	40.5	5,253.0	1,499.0
1996	1,550.3	186.7	19,245.0	2,525.0
1997	1,870.2	582.6	77,742.0	6,206.0

In relation to the stock lending system between entities regulated by the Madrid Stock Exchange and the Barcelona Stock Exchange, loan contracts in 1997 amounted to over 4.9 trillion pesetas and, although this represents a sharp increase, nearly 83% over the year before, it fell in respect of SIB trading, as it accounted for 22.1% vs. 25.3% in 1996. At year-end 1997 the net outstanding balance of loans between entities reached approximately 700 billion pesetas, recording a fall in relation to the year both in terms of absolute value and in terms of market capitalisation. The balance, however, had grown during the first half of the year and was at 1.1 trillion pesetas at the end of June.

The number of securities for which loans were executed increased significantly, from 68 to 88. Distribution by sectors of the amounts of the loans shows that they have concentrated mainly on *energy and water utilities, banks and communications*. Together these sectors have taken up nearly 82% of total loans –if we add oil to these sectors, the percentage would reach 91%. Loans in these sectors have been quite high with respect to the trades on the stock market, accounting for over 20% of the total amount in each of the sectors.

Chart 3.14

LOAN OF SECURITIES BETWEEN ENTITIES



The remaining sectors represented a mere 9% of total loans between entities, although they rose considerably over the year before, when they took up just over 5%. The larger diversification in 1997 in connection with securities involved in loans between entities can explain this increase. Looking at the proportion of loans over stock market transactions in the aggregate, the sectors that increased the most over the previous year were *mining and basic metals, foods and insurance companies*.

3.5. Servicio de Compensación y Liquidación de Valores (Securities Clearing and Settlement Service)

The volume of settlements carry out through de Servicio de Compensación y Liquidación de Valores (SCLV) increased significantly over 1996 as a result of a larger volume of stock market transactions. The total effective amount of settlements of buys and sells amounted to 55.2 trillion pesetas vs. 27.5 trillion the year before, a 100% increase. The number of trades that were settled rose even more, 160%, because the large special transactions, the most noteworthy being the OPV of Endesa, Telefónica and Repsol, led to a large number of smaller trades.

The development of procedures and the improvement of communications between the entities that are members of the SCLV led to a new reduction²³ of the settlement period to D+3, i.e. three business days after the trade date. When the SCLV began operations, in December 1992, the settlement period that was established was D+7. It was subsequently reduced to D+5 in September 1993. Thus in just four years the clearing and settlement system of the Spanish stock market has reached a settlement period meeting the guidelines set out by the group of 30 largest industrialised countries.

The regulatory activity of SCLV in 1997 comprises the approval of five circulars and 11 instructions, the most relevant being Circular 2/1997, passed on 24 February, on determining the position of liquid assets on D+3, and Circular 4/1997, passed on 23 September, in connection with the book-entry of assets pledged before the Bank of Spain. The first of these two circulars complements, in respect of liquid assets, the process involving the reduction of the settlement period to D+3. The second one sets out the procedures that apply in the establishment of guarantees using private debt securities and shares represented by book-entry at SCLV, for the implementation of monetary policy and so that they may be used in the continuous settlement process of the Sistema Telefónico del Mercado de Dinero²⁴ which is accepted by the Bank of Spain. These procedures may likewise be applied in the implementation of the common European monetary policy arising from the introduction of the euro in the countries joining Stage Three of European Monetary Union.

²³ As from 24 February (trade date) and 27 February (settlement date).

²⁴ T.N.:Bank of Spain's clearing and settlement facility for money markets and government debt markets.

4. DERIVATIVES MARKETS

4.1. General outlook

During 1997, activity in derivatives markets rose internationally, in an environment of strong growth of and increasing competition from over the counter (OTC) markets.

Spanish futures and options markets continued growing in terms of transactions and size, reaching historical highs since their creation. The growth of MEFF Renta Variable (RV) was significant, boosted by important earnings in the stock market and volatility in the underlying market in the summer months and after. In MEFF Renta Fija (RF), growth was smaller than in 1996 owing to fewer transactions in the options segment, which was affected by the steady fall in Spanish government bond yields and lower volatility throughout 1997.

The evolution of major international markets yielded a change in market shares: CBOT¹ kept first place by number of contracts, exceeding 240 million, but LIFFE² went up two positions, taking second place. Its most active products were futures contracts on the Bund and the Euromark (taking up 42% of total contracts). The 45% growth of the Deutsche Terminbörse (DTB) did not take the top spot from LIFFE in Europe, although it should be underscored that in the segment of products with long-term interest rates as their underlying asset, in which the Economic and Monetary Union will foreseeably cause strong competition, DTB achieved a significant increase in its market share.

Table 4.1

EVOLUTION OF TRADING IN DERIVATIVES MARKETS IN SPAIN

No. of contracts	1997	Change (%)
MEFF RF	25,372,064	12.5
Bond futures	20,736,422	13.1
Bond options	1,923,821	-26.1
Mibor futures and options	2,695,693	81.9
DIFF. Contracts	16,128	-88.0
MEFF RV	8,464,387	90.2
Ibex-35+ futures	5,880,899	108.6
Ibex-35+ options	1,237,809	59.4
Stock options	1,345,679	57.4
Total MEFF	33,836,451	25.3
FC&M	60,046	-58.7

¹ Chicago Board of Trade.

² London International Financial Futures Exchange.

Table 4.2

TRADING IN MAJOR FUTURES AND OPTIONS MARKETS: EVOLUTION (1)

Market (2)	1997 (no. of contracts)	Change (%)
CBOT	242,698,919	9.1
LIFFE	209,425,578	24.8
CME	200,713,304	13.4
CBOE	187,243,741	7.6
DTB	112,164,106	45.1
MATIF	68,608,704	0.5
MEFF	33,836,451	25.3

(1) Trading refers to the no. of contracts. Differences in the underlying assets in these contracts do not allow a direct comparison between markets, although Y-o-Y comparisons are possible.

(2) CME: Chicago Mercantile Exchange. CBOE: Chicago Board Options Exchange. MATIF: Marché à Terme International de France.

Source: "Futures and Options World".

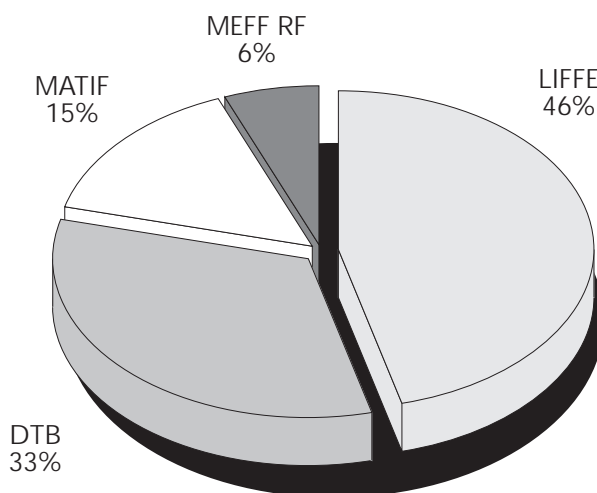
This was possible largely because of the 90% increase in futures on the Bund in relation to 1996. Besides this, if the nominal amounts of contracts on this type of products is given in homogeneous terms, at year-end 1997 DTB had increased its market share to 33% of the total contracts in the major European derivatives markets, up from 25% in 1996, whereas LIFFE fell to 46% from 49% in 1996.

The environment of greater competition and the need to prepare for European Monetary Union led several markets to consider mergers, establish alliances and/or develop new product lines.

Within the alliances, in the last quarter of 1997 an agreement between DTB of Germany and SOF-FEX³ of Switzerland –initially joined by MATIF and MONEP⁴ from France– was announced. Their

Chart 4.1

TRADING IN MARKETS FOR DERIVATIVES ON LONG-TERM INTEREST RATES IN 1997



(*) Figures in homogeneous terms according to the nominal value of contracts at 31/12/1997.

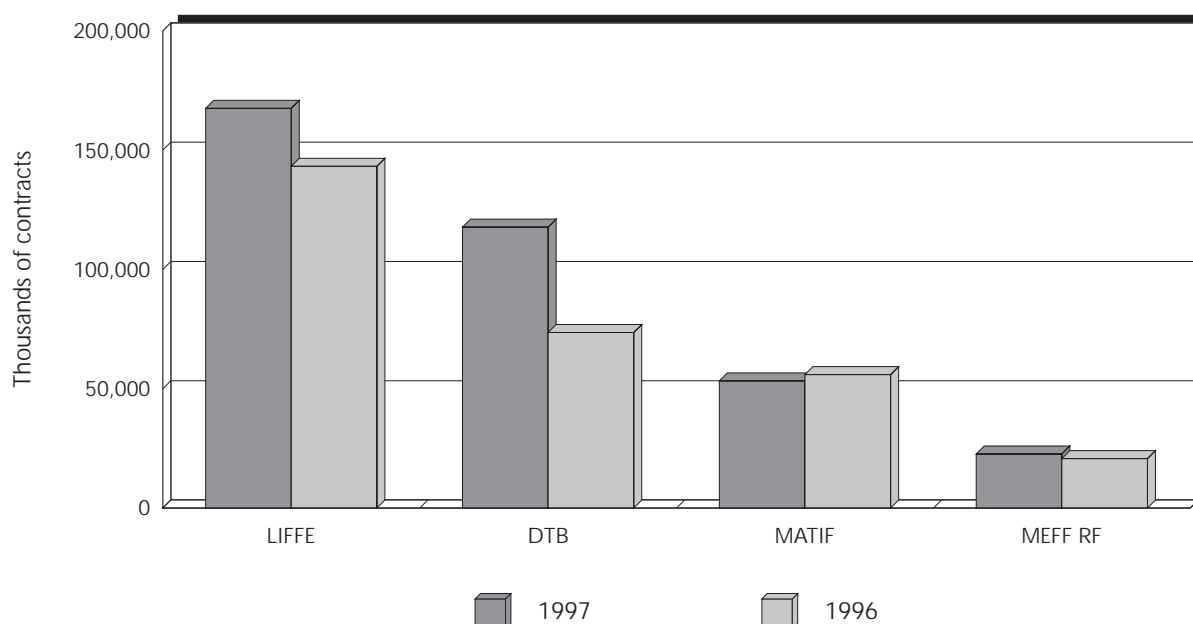
Source: "Futures and Options World" and own records.

³ Swiss Options & Financial Futures Exchange.

⁴ Marché des Options Négociées de Paris.

Chart 4.2

TRADING IN MARKETS FOR DERIVATIVES ON LONG-TERM INTEREST RATES: EVOLUTION



(*) Figures in homogeneous terms according to the nominal value of contracts at 31/12/1997.
Source: "Futures and Options World" and own records.

objective is to integrate the members of futures and options markets (for both fixed-income and equities) by means of a joint electronic trading platform. The "new" market will be called EUREX. The main advantage that is pursued is the capacity to compete in a more effective way, because the introduction of the euro in January 1999 will entail the loss of specifically domestic contracts on interest rates, and therefore it is unlikely that several markets will be able to achieve a sufficiently large trading volume to be considered efficient, bearing in mind that they will be trading in the same type of contract and within the same time zone.

LIFFE's strategic response consisted of the announcement of the implementation of the electronic trading system for its main contracts as from the last quarter of 1999, because, unlike EUREX, at present the only system used is open outcry, being as it is more expensive than the electronic system. Besides this, LIFFE will pursue a global distribution of its products by means of agreements with markets located in different time zones (Tokyo and Chicago). In the equities segment, EUREX took the first steps towards the integration of derivatives markets with the launch of pan-European stock indices in February 1998.

The dynamic situation of European derivatives markets in the run-up to the euro was also shown by the protocol agreement signed between MEFF Holding of Spain and MATIF-MONEP of France in June 1998. This alliance, called EUROGLOBEX, makes up the European branch of the Globex Association, which until then comprised the Chicago Mercantile Exchange (CME) and MATIF. And this agreement could very well be extended to other European countries. The agreement establishes that the members of each of these markets will have access to the contracts traded by the other members through the connection of their electronic trading systems, as well as through harmonised marketing policies.

4.2. MEFF RF

The activity and size (measured by the number of open interest) of organised interest rate derivatives markets continued rising in 1997, reaching historical highs. Their expansion, however, was smaller than in 1996, mainly because volatility was lower. Total contracts rose 12.5%, well below the 50.1% increase in 1996. The number of contracts traded exceeded 25.3 million in 1997 as compared to 22.5 million the year before. Concerning market size, the number of open interest at the end of 1997 was near 299 thousand contracts, 28% more than one year earlier. The lower growth of activity was due to less activity in the segment of options on debt futures, 26% less, and to a modest 13% growth in futures trading. Derivative instruments that have short-term interest rates as their underlying asset likewise saw their growth rate decline, although their 82% increase was significant nonetheless.

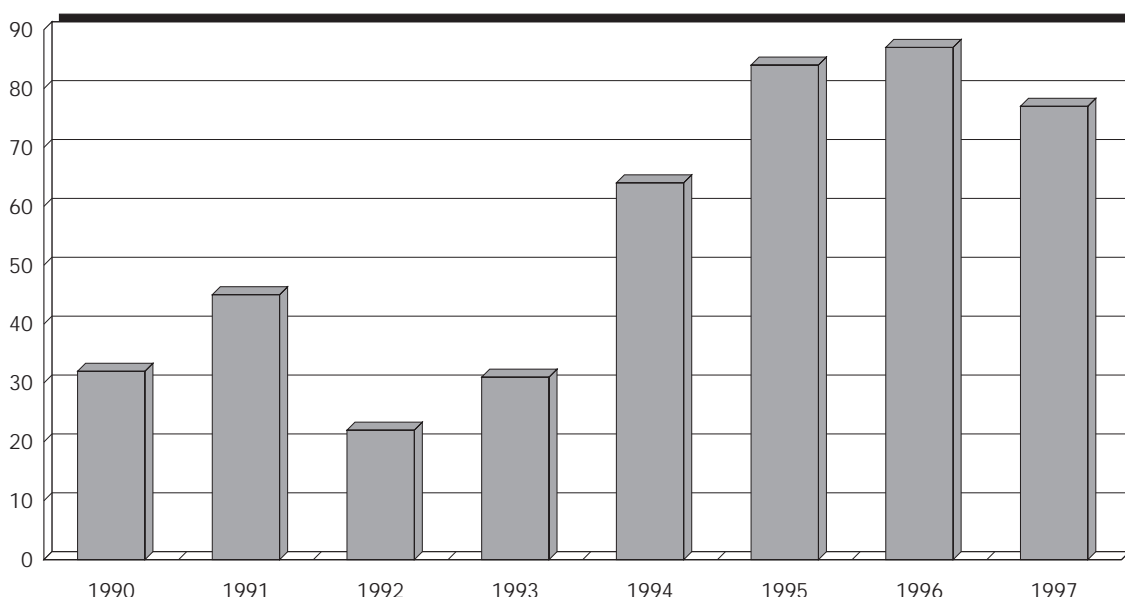
Derivatives on government bonds

Trading in government debt futures and options was conditional upon the fact that yields followed a clear downward pattern throughout the year, grounded on investor confidence in the Monetary Union. This led to lower volatility and to a reduction of the long-term interest rate spread with Germany –a non-incentive for trading, particularly options trading. Conversely, trading in the spot market increased, causing the weight of implicit trading of futures and options over total medium and long-term government bond transactions to fall by 10 percentage points to 77%.

Distribution of trading by products did not record relevant changes. The market core was still the future on the 10-year notional bond, which increased its relative weight within the overall activity in

Chart 4.3

PERCENTAGE OF TRADING IN FUTURES AND OPTIONS ON BONDS OVER SPOT TRADING OF M&L TERM BONDS



N.B: Nominal amounts. The figure for spot trading is the total amount of outright spot purchases and sales of medium and long term securities traded on the Bank of Spain's book-entry market.

Source: Bank of Spain and own records.

this market segment to 91.4% as compared to 86% in 1996. This situation was boosted by the small volume of contracts on the 3-year notional bond –just 3,766 contracts over the entire year–, in spite of the efforts put forth by MEFF RF, which tried to reactivate these trades by changing the general terms and conditions for these contracts in 1996⁵.

This performance was a determining factor in the decision to replace these contracts, starting in November, with futures and options contracts on the 5-year notional bond being traded in their stead. These had already been among MEFF RF's products in 1991 and part of 1992. Besides this, the following arguments were considered: (i) the possibility of covering the various tranches of the yield curve in a more thorough manner; (ii) the increase in the outstanding balance of government debt securities with a residual life in the region of five years prior to the first issues of strippable bonds; (iii) the European context, in which this market segment is being boosted. The number of contracts made in the two months of 1997 in which these instruments were traded was 8,533, and the market size⁶ at year-end was 250 contracts.

Strategic reasons were behind the launch of contracts on the 30-year notional bond in June 1998. The main objectives were: (i) to enable coverage of all the tranches along the yield curve, after the start of regular issues of 30-year Treasury bonds early in 1998; (ii) to introduce a contract that is more sensitive to changes in interest rates in order to counter the loss of appeal of the derivatives market owing to the reduction of volatility in the Spanish government bond market; (iii) to get ahead of competitors in the launch of these contracts –it is the first contract of its kind traded in Europe.

Trading of futures on the 10-year notional bond reached 20.7 million contracts, breaking the previous record set in 1996. Development month by month shows that the first half of the year was the busiest period, with an average of 1.9 million contracts. The main forces behind the rise in trading were expectations of declining official interest rates in Spain, uncertainty in relation to EMU and the awareness of the differing cyclical positions of the US and European economies. Trading was milder in the second half of the year, with monthly averages down to 1.5 million contracts despite the fact that in September and October the 1.9-2.0 million level was reached, coinciding with the deepening of the financial crisis in Southeast Asia.

The rise in trading went hand-in-hand with an increase in the size of this segment of the market, which thereby extended the upward pattern that began in 1994. Thus the market ended 1997 with an open interest of over 109,000 contracts vs. 94,000 at year-end 1996. There were two factors behind this development: the larger outstanding balance of government debt and the positive development of the underlying market from April onwards, taking yields to historical lows. This was shown by: (i) the increase in the number of open interest after that date, remaining above 100,000 contracts throughout the remainder of the year; (ii) a change in the general terms and conditions of this contract in order to adapt the interest-rate of the 10-year notional bond –9%– to the market yield, which fell below 6% as from September. Thus, starting from the June maturity, the coupon for the 10-year notional bond was set at 6.5%. Besides this, the lower boundary of the range of terms in the deliverable bond basket was increased by one year to 7.5 years, not only to make room for the 5-year contract that was resumed⁷, but to prevent the coincidence between the "cheapest to deliver" bond and the bond with the lowest duration, which would mean that the futures contract would not really be suited to the 10-year term.

⁵ These changes entailed a redefinition of the general terms and conditions of contracts in relation to the residual life of the deliverable bonds and the calculation of the closing price.

⁶ The number of open interest is used as an indication of market size.

⁷ The range of terms in the deliverable bond basket for the futures contract on the 5-year notional bond was set from 3.5 to 5.5 years.

Table 4.3

BOND FUTURES: EVOLUTION OF TRADING VOLUME AND OPEN INTEREST

No. of contracts	Volume			Open interest (*)		
	3-year bond	5-year bond	10-year bond	3-year bond	5-year bond	10-year bond
1992	223,675	7,358	728,229	0	-	10,052
1993	11,710	-	4,388,332	99	-	84,579
1994	9,263	-	12,875,082	0	-	46,497
1995	428	-	12,835,032	0	-	61,298
1996	201,814	-	18,124,849	658	-	94,060
1997	3,716	8,553	20,724,153	-	250	109,590

(*) At the end of the year.

The options segment of the market performed differently to futures, as both the number of contracts and the size fell to 26% and 40%, respectively. The decline in volatility levels starting in May led to an important reduction in the use of options as a hedging strategy. Development over the year can be divided into two distinct periods: (i) an expansive period, lasting up to May, when the historical volatility⁸ of the underlying market reached the high for the year, near the 10% level; (ii) a second very contractive period throughout the remainder of the year, at the end of which volatility had dropped to below 6%. An analysis of position taking in the two types of options throughout the year shows that positions in put options were intensified whenever the development of yields was more uncertain or they were rising. A feature that was shared by options and futures was the marginal importance of options trading in the 3 and 5-year terms.

Table 4.4

BOND OPTIONS: EVOLUTION OF TRADING VOLUME AND OPEN INTEREST

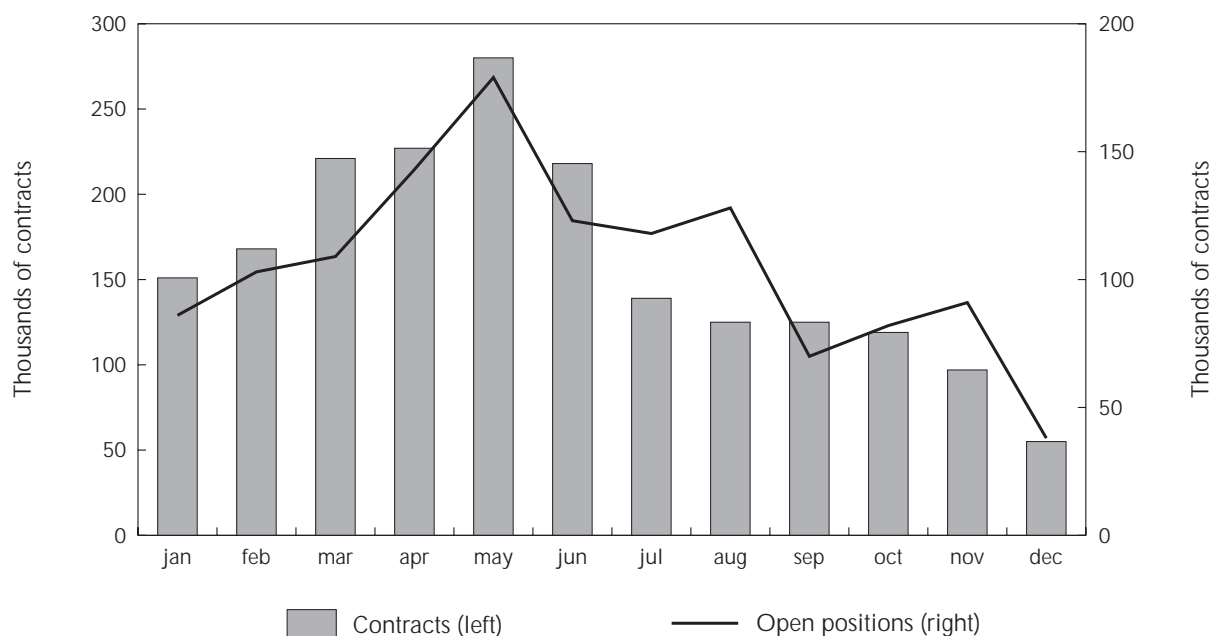
No. of contracts	Volume			Open interest (*)		
	3-year bond	5-year bond	10-year bond	3-year bond	5-year bond	10-year bond
1992	71,614	0	260,565	0	-	4,345
1993	0	-	814,893	0	-	43,184
1994	0	-	1,501,481	0	-	28,287
1995	0	-	1,497,410	0	-	63,716
1996	7,230	-	2,597,397	0	-	63,828
1997	50	0	1,923,771	-	0	38,441

(*) At the end of the year.

In their second year, trading of contracts on price differentials of futures on the 10-year notional bond (DIFF) fell sizeably, to just 16,000 contracts vs. nearly 135,000 one year earlier. The small demand of DIFF contracts referred to Italy and France led MEFF RF to cancel them as from the September maturity, therefore only the DIFF contract with Germany is still being traded.

⁸ Historical volatility has been annualised based on the daily changes of futures prices over the last 20 trading days.

Chart 4.4

BOND OPTIONS. TRADING AND OPEN INTEREST IN 1997

The market structure shows that there was a high concentration of activity by members. For instance, in futures on bonds, 17 of MEFF RF's 74 members took up 75% of all the contracts. In overall terms, own account trades were still the most numerous –57.7% of all the bond futures contracts in 1997 and 78.1% of DIFF contracts. Options were an exception here, as trades on behalf of clients were more numerous owing to an increase of non-resident activity, which accounted for 50.7% of total bond options vs. 40% in 1996.

Short term interest-rate derivatives

Trading of futures and options on short-term interest rates grew sharply in 1997, by 82%, although more mildly than in 1996, when growth amounted to 114% over the year before. The main incentive for position taking in derivatives on the Mibor was once again the expectation that official interest rates would decline throughout the year.

The expansion of derivatives on short-term interest rates traded on MEFF RF contrasts with the small growth of FRAs trading in the Servicio Telefónico del Mercado de Dinero. This attests to investors' preference to use MEFF RF derivatives in money market rate strategies. Besides this, there was a new increase in the size of the MEFF's Mibor segment as compared to the cash interbank market for deposits between three and 12 months: trading volume on the former was 32.8 times that on the latter in 1997 vs. 22.6 times in 1996 (see chart below).

All of the market segments enjoyed an increase in trading volume, although the main rises were recorded in futures on the Mibor 90+, with a 96% growth over 1996. An illustrative feature here is that every month the trading volume was at least 10% higher than that of the busiest month in 1996, with 125,000 contracts. September and October were the months with the highest trading volumes, coinciding with episodes of instability issuing from Asian financial mar-

kets. Trading in options on the Mibor 90+ decelerated significantly after the strong rise recorded in 1996. This performance was linked to the decline of historical volatility, at low levels throughout the year –the high of 1% was reached early in the year and the average for the year was 0.6%.

Non-resident clients, whose relative weight reached 85% of total third-party account trades vs. 77.6% in 1996, were the main boosters for the increase of trading. On the other hand, the overall market size rose 101%. By products, futures again played a prominent role, with a

Table 4.5

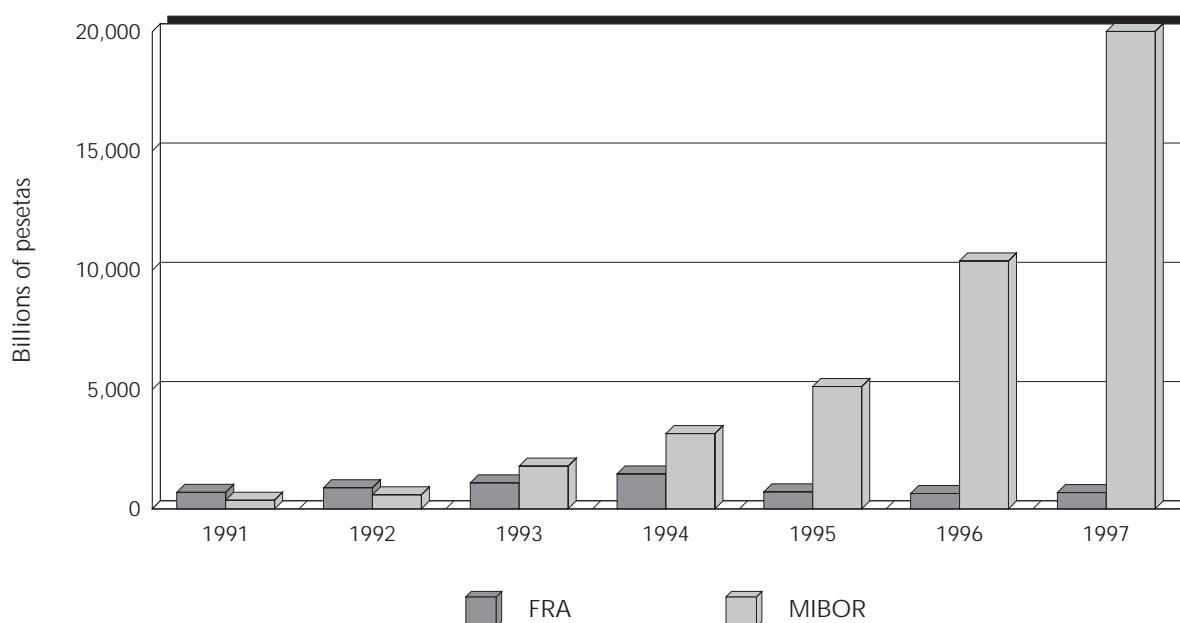
CONTRACTS ON THE MIBOR 90+ AND MIBOR 360+: EVOLUTION OF TRADING VOLUME AND OPEN INTEREST

No. of contracts	Volume				Open interest (*)			
	Mibor 90 +			Mibor 360 +	Mibor 90 +			Mibor 360 +
	Future	Option		Future	Future	Option		Future
		Call	Put			Call	Put	
1992	70,872	1,020	585	-	2,056	220	0	-
1993	211,762	4,882	3,518	3,512	12,949	172	720	398
1994	338,480	7,147	11,895	40,378	11,743	1,080	700	3,039
1995	585,699	39,453	38,932	29,751	22,700	9,700	10,578	1,856
1996	1,188,954	133,228	101,906	58,193	39,633	17,624	13,912	3,520
1997	2,325,491	153,609	140,481	76,112	98,885	17,285	30,135	3,947

(*) At the end of the year.

Chart 4.5

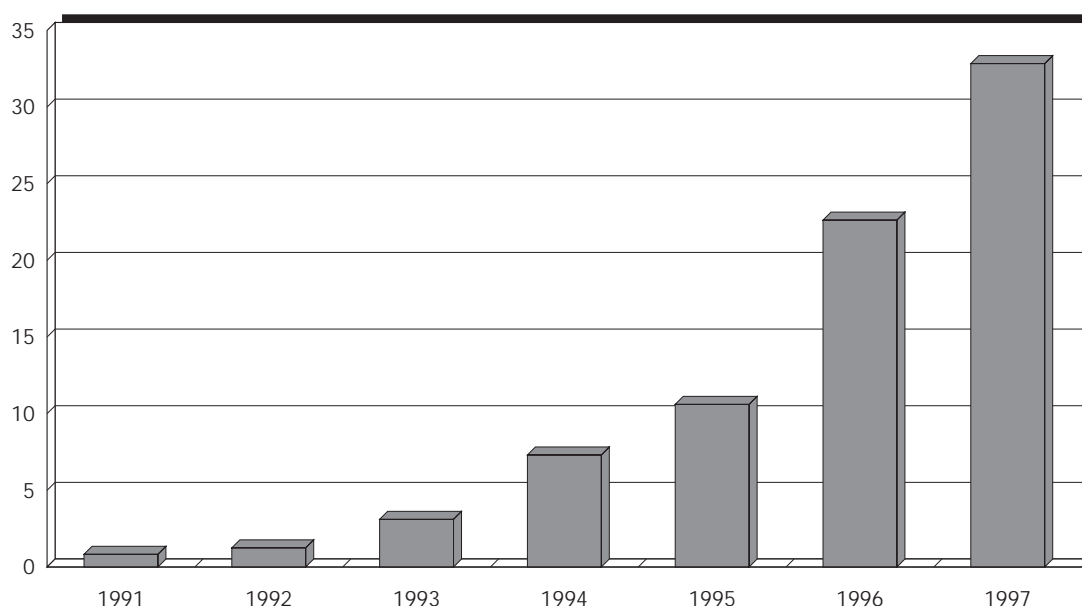
COMPARISON OF TRADING IN DERIVATIVE INSTRUMENTS: FRAs vs. MEFF CONTRACTS ON THE MIBOR



N.B: Trading volumes in nominal amounts. Monthly average for each year.
Source: Bank of Spain and own records.

Chart 4.6

**TRADING IN FUTURES AND OPTIONS ON THE MIBOR 90+ AND MIBOR 360+
vs. TRADING IN THE INTERBANK DEPOSIT MARKET (%)**



N.B: Terms between 3 and 12 months considered for the interbank deposit market.
Source: Bank of Spain and own records.

Table 4.6

DISTRIBUTION OF TRADING PER ACCOUNT TYPE IN 1997

% of total trading on the market	Own Account	Client account		
		Total	Residents	Non-residents
Futures on the Mibor	39.7	60.4	9.4	51.0
Options on the Mibor	55.9	44.1	3.8	40.4
Total Mibor contracts	41.4	58.6	8.8	49.8

150% increase in the number of open interest. Investor doubts on the continuation of falling rates in the underlying market might explain the diverging monthly performance of open interest in call and put options from May onwards. Whereas call options declined throughout the remainder of the year, falling below the year-end 1996 level, put options increased, growing by 117% in Y-o-Y terms.

The liquidity of derivatives on 3-month interbank deposit interest rates rose in the futures segment because of the following reasons: (i) the number of days on which each maturity was traded over total business days was nearly 100% in the horizon of one year before their settlement; (ii) the average number of trades matched on each trading day rose considerably, with an increase in the average transaction size. Changes were smaller in terms of the liquidity of options: the average number of trades per trading day was around one again and their size rose between 10% and 15%.

Table 4.7

LIQUIDITY IN FUTURES CONTRACTS ON THE MIBOR 90+ IN MEFF RV

	1997	1996
NO. OF TRADES (daily average)		
From 12 to 9 months to maturity	22.9	11.2
From 9 to 6 months to maturity	51.4	25.3
From 6 to 3 months to maturity	85.6	50.0
From 3 months to 1 month to maturity	96.5	64.5
From 1 month to 2 weeks to maturity	81.1	60.4
Last 2 weeks to maturity	69.1	48.6
VOLUME PER TRADE (No. of contracts)	30.1	26.9

N.B: Figures based on the average of all the maturities in the year.

4.3. MEFF RV

Trading in equity derivatives increased strongly in 1997 after the modest growth recorded in 1995 and 1996. The main reasons were the rising volatility levels in the second half of the year and the important stock market rally. Thus trading in MEFF RV increased 90.2% in Y-o-Y terms as compared to a mere 3.2% one year earlier.

Futures on the Ibex 35 recorded the highest growth, with a 108.6% increase in their trading volume, nearly reaching 5.9 million contracts after remaining in the region of 2.7-2.8 million contracts between 1994 and 1996⁹. Options also grew significantly, though less –59.4% in 1997 as compared to 2.4% in 1996 and 6.2% in 1995.

As a result, the relative weight of implicit Ibex 35 future and option trading in relation to the cash market –the electronic market– reached its highest since 1992 at nearly 200%.

The main new development in this segment was the reform of the general terms and conditions of future and option contracts on the Ibex 35, affecting two specific aspects: calculation of daily guarantees (see table) and the size of the contract, whose multiplier was increased from 100 to 1,000 pesetas. Since then these contracts are known as futures and options on the Ibex 35+.

Concerning market size, using open interest at year-end as a yardstick, there was a noteworthy divergence between the evolution of Ibex 35+ futures and options on Ibex 35+ futures: futures rose 56.7%, whereas options fell 38.2%. An in-depth analysis of their evolution throughout the year allows the following conclusions to be drawn: (i) market size peaked in the period of highest volatility in the stock index (last four months of the year); (ii) the strong decline in open interest in options took place in the last month of the year, after the settlement of the December maturity, during which period the volatility increase of September and October was corrected.

The expansion of derivatives on the Ibex 35 traded in MEFF RV went in stride with an improvement of liquidity, as shown by the increase in futures contracts, where the average number of trades per day increased by over 100% in the two weeks prior to each maturity. In options contracts, the rise in the number of trades per day coincided with an increase in the average size of the trades.

⁹ Figures for 1994-1996 are given in homogeneous terms, i.e., they have been adapted to the new nominal amount of the contract.

Chart 4.7

**PERCENTAGE OF TRADING IN FUTURES AND OPTIONS ON THE IBEX-35+
IN RELATION TO THE ELECTRONIC MARKET**

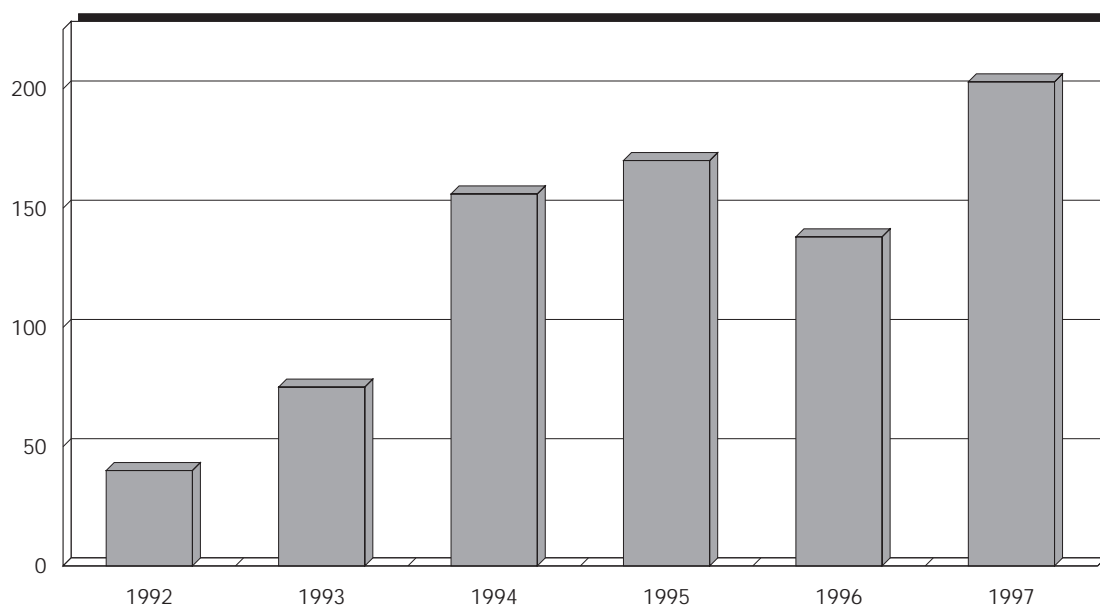


Table 4.8

**MEFF RV CONTRACTS (1): EVOLUTION OF TRADING VOLUME
AND OPEN INTEREST**

No. of contracts	Volume				Open interest (2)			
	Ibex 35 +			Shares	Ibex 35 +			Shares
	Future	Option		Option	Future	Option		Option
		Call	Put			Call	Put	
1992	268,537	122,387	98,824	-	5,629	2,163	2,106	-
1993	1,039,789	178,425	144,144	131,800	28,251	4,978	4,727	3,955
1994	2,689,482	361,336	352,899	222,411	23,040	8,334	6,542	17,033
1995	2,731,879	366,301	392,199	766,652	45,775	12,930	9,347	22,704
1996	2,819,216	410,938	365,483	854,796	44,987	26,237	21,371	45,435
1997	5,880,899	651,671	586,138	1,345,679	70,521	16,382	13,041	26,175

(1) Figures for Ibex 35 indexed products are given in homogeneous terms, i.e., they have been adapted to the new nominal amount of the contract.

(2) At the end of the year.

In equity options trading the most significant feature was the differing performance of call and put options, signalling the dominance of hedging strategies in light of the strong revaluation of the underlying market. Trading of put options recovered particularly well, with a 115% growth in Y-o-Y terms, well above the 35% increase recorded by call options. Besides, in the annual development of the market in terms of size, open interest in put options rose 32.4%, whereas open interest in call options fell 58.7%. By types of contracts, trading performances were uneven, ranging between the 188.1% Y-o-Y increase recorded by options on Argentario shares and the 70.3% drop in options on Sevillana.

Volatility and margins

MEFF RV is not only a market –it is also a clearing house. MEFF RV stands between the parties to a transaction and takes charge of the obligations generated by the contracts before the holder of the title. In order to limit the risks for the clearing house, the market requires that its members settle profit and loss on a daily basis and that they also provide guarantees –margin deposits– on a daily basis.

On 10 January 1997, with the object of fostering practices in keeping with those of the rest of the European markets, MEFF RV changed the calculation method regarding daily margins for Ibex 35 contracts. According to the former system, margins were calculated as a fixed percentage, though they differed depending on whether the position was a call (16%) or a put option (10%), and on the value of the contract at the end of the trading day, which generally implied the need to adjust the margin on a daily basis, both for futures and options. With the new system, the margin now hedges, on a daily basis, a fixed change in the index, which is the same for buyers and sellers, and it was initially set at 325 points. This means that the daily margin required for futures is established as a fixed amount of 1,000 pesetas per point regardless of the contract value, whereas for options the value is that of the premium associated to the fixed change being hedged.

The change of method entailed a reduction in the amounts effectively required from the contract holders. This was especially noticeable from the summer onwards, due to the strong increase of volatility generated by the flaring up of the crisis in Southeast Asian countries and by the rally before then. These two factors, along with the lowering of margins, led MEFF RV to assume greater risks. On 18 July, a trading day on which the future maturing in August fell 293 points, extraordinary margins were required for the first time ever since MEFF RV began its activity. Persisting volatility led the Board of MEFF RV to decide, towards the end of October, to increase the maximum change hedged by margins by another 50 index points, setting it at 375.

In terms of market structure, the changes that took place in MEFF RV were different from those recorded in MEFF RF. Trades on behalf of third parties involving Ibex 35-indexed products rose to 54.7% of the total transactions from 47.7% in 1996. By type of clients, the main ones behind this development were resident clients (as far as their location is concerned), as well as individuals and investment funds (as far as their legal nature is concerned), which detracted from the relative importance of banks, savings banks and other financial entities.

Table 4.9

TRADING IN MEFF RV BY TYPE OF CLIENT

% of total third-party account trading	1997	1996	Change
Banks and savings banks	15.1	23.9	-8.8
Broker-dealers and brokers	0.7	0.8	-0.1
Investment funds	15.8	12.5	3.3
Pension funds	2.0	1.0	1.0
Insurance companies	0.2	0.2	0.0
Other financial institutions	34.8	38.9	-4.1
Other corporate	13.0	9.9	3.1
Individuals	18.5	12.8	5.7
Total third-party trading	100.0	100.0	-
Pro memoria: non-resident clients	48.2	58.0	-9.8

4.4. The FC&M market

Trading in the fresh citrus fruits and commodities futures market of Valencia (FC&M) fell significantly in 1997. Total transactions dropped 58.7% to 60,000 contracts as opposed to the 145,000 contracts traded in 1996. The suspension of trading on the "clementina" variety of orange contracts was paramount in this development, making a clear impingement on the market size –open interest at year-end 1997 fell to 11 as compared to 239 contracts at the end of 1996.

By type of contract, the most heavily traded product was the "Valencia-late" orange contract, which accounted for 64% of total transactions in the year vs. 34% taken up by the "navel-navelina" variety contract.

Prices for futures on the "Valencia-late" variety were in the region of 95 PTA/kg until mid-March for the first maturity. From then on the rise of supply in the underlying market owing to imports of fruit from Morocco caused a decline in prices, which reached levels just above 60 PTA/kg. That effect was corrected throughout the remainder of the season, which ended in June, therefore prices rose to the 85 PTA/kg level. Thereafter, from the settlement of the June maturity onwards, the absence of market makers owing to the lack of fruit in the orchards virtually led to a market standstill.

In the futures on the "navel-navelina" orange, price oscillations between the two existing trading periods were sharper. Between January and March, futures prices rose 20%, with the first maturity settling at 93 PTA/kg. Trading resumed in October (instead of in September), because the management company of the market revised the general terms and conditions of the contracts. The major changes had to do with the delivery procedure on settlement, the penalty system, and the introduction of discount premia in connection with the quality of the underlying asset. In the second trading period prices for the first maturity were at around average levels of 50-55 PTA/kg.

The trading structure in the FC&M market did not change significantly in 1997: concentration of trading was the same in terms of number of members, and clients, all of whom were residents, continued representing a scanty part (1.5%) of total transactions. Besides this, as far as own account trading is concerned, market makers were again a majority, accounting for 98.4% of the total market.

Table 4.10

CITRUS FUTURES: EVOLUTION OF TRADING VOLUME AND OPEN INTEREST

No. of contracts	Volume			Open interest (1)		
	Valencia late	Navel navelina	Clementina	Valencia late	Navel navelina	Clementina
1995 (2)	–	27,031	–	–	80	–
1996	48,258	67,079	30,113	0	138	101
1997	38,442	20,659	945	0	11	0

(1) At the end of the year.

(2) Figures as from September 1995, when FC&M was started.

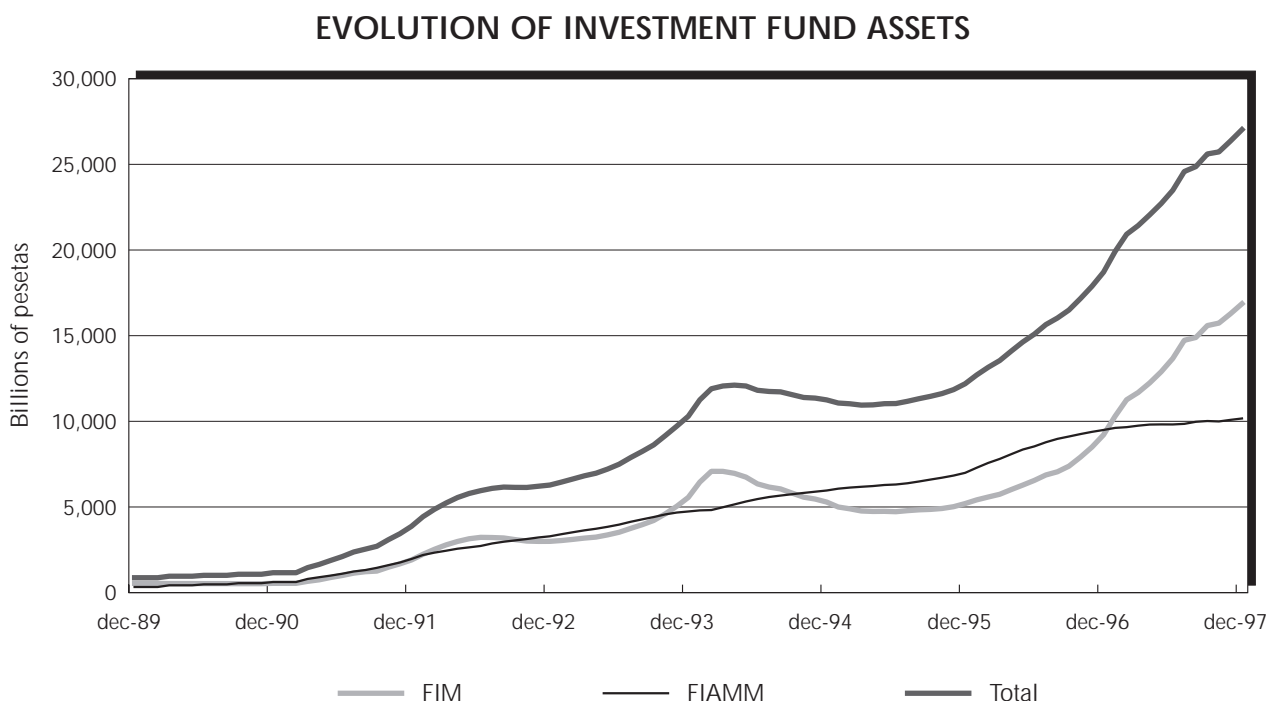
5. COLLECTIVE INVESTMENT INSTITUTIONS

5.1. General outlook

Since the beginning of the nineties there has been a shift in the structure of financial assets held by households towards long-term savings instruments, particularly investment funds. Thus, in one decade, these instruments have gone from representing just over 1% of the financial assets of households¹ to nearly 21% at the end of 1997. There has also been an important increase in technical insurance reserves (which include, among other things, life insurance premia and pension funds), the relative weight of which has more than doubled among the financial assets of households, reaching 13% in 1997.

The factors that have nurtured this pattern include the following: (i) the tax advantages in connection with these products; (ii) recent demographic trends, which have led to an increase of long-term saving by households; (iii) the marketing of investment funds carried out more or less intensively by banks and savings banks; (iv) recently, the new interest rate context², which has particularly favoured collective investment by

Chart 5.1



¹ Including private non-profit organisations.

² As an example, in 1997 the one to two year deposit rate for banks went from 4.90% to 3.47%, and for savings banks it fell from 5.32% to 3.86%.

Table 5.1

STRUCTURE (%) OF THE FINANCIAL ASSETS OF HOUSEHOLDS (1)

	1988	1991	1994	1997
Cash and bank deposits	60.4	60.5	56.7	44.0
Fixed-income securities	6.9	6.1	3.7	2.6
Shares	16.1	10.4	8.6	14.5
Investment funds	1.4	5.2	12.0	20.5
Technical insurance reserves	5.8	8.7	10.9	13.0
Others	9.5	9.0	8.1	5.5

(1) Includes non-profit private organisations.

Source: Bank of Spain.

way of the shift of traditional savings towards investment funds, especially those entailing higher risks. Specifically, in 1997 money market fund (FIAMM) assets rose 7%, ending the year with over 10 trillion pesetas and nearly 2.3 million holders. Meanwhile, the assets of securities investment funds (FIM) reached nearly 17 trillion pesetas, 83% more than at the end of 1996, and 4.1 million investors. Among these, total assets of investment funds with a higher share of equities in their portfolio grew at rates above 200%³.

The shift of savings towards investment funds has had important repercussions for the financial system. Thus the business of banks and savings banks has changed thoroughly, in such a way that a comparison between the assets of investment funds managed by companies linked to banking groups and the sum of those assets plus deposits shows that the former were just over 3% at the end of 1990, whereas in December 1997 they had made it past 46%. In respect of assets managed by companies belonging to savings banks, the percentage went from 3.2% to nearly 24% in the same period. In 1997 there was a reduction of time deposits in banks and savings banks⁴ that made them resort to alternative sources of finance, particularly from abroad, in order to meet credit demand.

Table 5.2

RELATION BETWEEN INVESTMENT FUND ASSETS (1) AND DEPOSITS IN BANKS AND SAVINGS BANKS (%) (2)

	Banks	Savings banks	Total
Dec-90	3.40	3.16	3.29
Dec-91	11.68	7.18	9.58
Dec-92	18.36	9.00	13.95
Dec-93	25.62	12.65	19.46
Dec-94	26.49	12.92	19.84
Dec-95	26.56	13.24	20.05
Dec-96	36.99	17.76	27.63
Dec-97	46.23	23.52	35.50

(1) Managed by companies belonging to bank groups and savings banks, respectively.

(2) Percentages represent the weight of investment fund assets over the total made up by the sum of those assets and bank deposits.

Source: Bank of Spain and own records.

³ Mixed equity FIM (FIM in which fixed-income securities represent 30% to 75% of the portfolio) and equity FIM (the percentage of fixed-income securities in their portfolio is less than 30%).

⁴ Time deposits at banks fell from 8.9 trillion pesetas at the end of 1996 to 7.1 trillion in December 1997. At savings banks, time deposits went from 13.4 trillion to 12.4 trillion pesetas. Total deposits at banks went from 20 trillion pesetas to 19.8 trillion, whereas at savings banks they rose from 24.7 trillion to 25.2 trillion.

Table 5.3 shows the weight that mutual fund portfolios have been acquiring in securities markets. The fact that throughout 1997 investors preferred to take on greater risks, particularly by choosing investment funds geared to the stock market, allowed the equity portfolio of investment funds to account for 5% of the capitalisation of domestic securities in SIB at year end. However, the greatest weight of collective investment in relation to the outstanding balance in the market can be found in government bond markets, where in December 1997 IIC portfolios held 26% of the outstanding balance in firm and 51% counting their reverse repos. Insofar as savings continue heading towards investment funds and at the same time the budget deficit keeps declining and interest rates remain low, IIC investments will become more important in other markets, as has already started to occur in the stock market.

Data on the portfolio mix and the types of investment funds throughout 1997 show that a diversification process has begun. Thus, in addition to what we have discussed regarding equities, it may be seen that in mutual fund portfolios there is starting to be a small presence of foreign portfolio or premia paid for warrants and domestic options. Concerning the investment funds on offer, in 1997 foreign fund investment funds became available on the market, as a CNMV Interpretative Letter⁵ laid out the criteria that must be met when IIC invested into other IIC. On the other hand, a Ministerial Order allowing IIC to use OTC derivative instruments did away with the limitations on hedging portions of portfolios denominated in other currencies and has opened up the possibility of structuring guarantees

Table 5.3

IMPORTANCE OF IIC PORTFOLIOS IN RELATION TO THE OUTSTANDING BALANCE IN THE MARKET (%) (1)

	1992		1993		1994		1995		1996		1997	
	Total funds	Total IIC	Total funds	Total IIC	Total funds	Total IIC	Total funds	Total IIC	Total funds	Total IIC	Total funds	Total IIC
Listed equities (2)	0.5	1.4	1.2	2.1	1.9	2.9	1.6	2.5	2.4	3.2	5.0	6.0
Non-government debt	11.9	12.6	13.0	13.6	11.3	11.8	6.5	6.9	9.0	9.4	16.3	16.6
Money market assets (3)	20.8	21.4	22.2	23.4	22.7	22.8	15.3	15.3	16.8	18.0	33.5	34.7
Other debt securities issued by:	9.1	9.9	11.2	11.7	9.8	10.3	5.6	6.0	8.4	8.7	15.2	15.5
Residents (4)	10.8	11.7	13.4	14.1	11.7	12.3	6.3	6.8	9.1	9.5	10.9	11.3
Non-residents (5)	1.9	2.0	2.9	3.0	2.5	2.7	3.0	3.2	6.5	6.7	23.4	23.5
Government debt issues	14.4	14.7	18.7	19.0	18.4	18.6	12.3	12.5	21.3	21.5	25.6	25.9
Treasury bills	19.9	20.1	28.7	28.8	32.5	32.6	23.5	23.7	39.2	39.3	45.8	46.0
Medium and long-term govt. Debt ..	7.0	7.5	11.1	11.5	8.6	9.0	5.9	6.2	11.6	11.8	17.6	17.8
Regional govt. & local govt. debt	21.9	22.2	19.8	20.1	8.4	8.7	6.7	6.8	11.7	12.0	13.8	14.0
Reverse repos of government debt (6) ..	14.1	14.6	14.6	14.8	15.7	15.9	19.9	20.2	19.9	20.3	24.4	24.8
Pro memoria:												
Firm government bond + reverse repos ..	28.0	28.8	32.7	33.3	33.4	33.9	32.2	32.7	41.3	41.8	50.0	50.6

N.B:

(1) Figures for equities reflect their realisation value. Figures for fixed-income securities are nominal amounts.

(2) The outstanding balance figure corresponds to the capitalisation of domestic securities in the SIB.

(3) The outstanding balance figure corresponds to placements of commercial paper registered at CNMV.

(4) The outstanding balance figure corresponds to issues of credit institutions, non-financial firms and non-credit financial institutions.

(5) The outstanding balance figure corresponds to bonds issued in pesetas by non-residents.

(6) The outstanding balance figure is the sum of Treasury bills, medium and long-term government bonds and other government debt. Only from 1995 on are reverse repos not of government bond excluded. Reverse repos of government bonds usually account for 99% to 100% of total reverse repos.

Source: CNMV and Bank of Spain.

⁵ Interpretative Letter No. 1/1997: Investment by Spanish collective investment institutions in shares or participations issued by other collective investment institutions. This circular only allows the creation of funds of foreign funds, considering that the limit established under letter a) of no. 1 under article 4 of the IIC Act refers to Spanish IIC.

internally in guaranteed funds. The Interpretative Letter will make it easier to invest in foreign products and, as far as the provisions of the Ministerial Order is concerned, in the last quarter of 1997 nearly half of the registered guaranteed funds used internal guarantees.

Mutual fund investment in foreign portfolios

The search for more profitable investment alternatives to include them in the portfolios of investment funds and the diversification of what this industry offers has led management companies to allocate a growing portion –though still small– of their assets to foreign securities. In one year, the foreign portfolio of funds went from 2% to 4.6% of their total assets. Within these, showing again that the new interest rate context is encouraging position taking with higher risks, the headings attracting most investment were shares and long-term bonds (1,6% and 2.3% of total assets, respectively). Investment funds' holdings of units in foreign IIC experienced a slight increase during the year –as said above, marketing of funds of (foreign) funds began in 1997.

Foreign portfolio as a percentage of total funds in investment funds

	Money market assets	Bonds	Equities	Shares in investment funds	Warrants and options	Total
Dec-94	0.24	1.75	0.41	0.02	0.00	2.42
Dec-95	0.21	1.60	0.28	0.02	0.00	2.10
Dec-96	0.25	1.36	0.35	0.01	0.03	2.00
Dec-97	0.27	2.32	1.62	0.11	0.24	4.55

In addition to this, the growth of the foreign portfolio will be supported in the future by the use of the European single currency, as far as EU securities are concerned, and, for other securities, by the possibility of trading in OTC markets that is now available to fund managers (thanks to the Ministerial Order on financial transactions by IIC in derivative financial instruments mentioned above), allowing them to hedge their portfolios denominated in other currencies, meaning that the growth of foreign portfolios is in the bud stage at present.

The welcome reception of guaranteed funds by domestic investors is shown by their figures in 1997. Specifically, in terms of domestic institutions, they rose by nearly 200% up to 391 investment funds, which handle 4.7 out of the 17 trillion pesetas in FIM. Thus at year-end these funds represented around 30% of both the total assets and the number percentage of existing FIM on the market. Given the small risk taken on by FIAMM, very few of them (three out of a total 204) chose to become guaranteed funds in 1997.

Domestic guaranteed funds

Until the Order of June 10, 1997, on financial transactions by IIC involving derivative instruments, was in force the returns offered by domestic guaranteed funds was insured through a contract executed between a guarantor entity and each of the unit holders in the fund, in such a way that the guarantee was completely independent from the institution. The approval of the said Order and hence the possibility for IIC to make transactions with derivative instruments in OTC markets paved the way for the attainment of the returns offered by means of a portfolio structure with OTC derivatives. According to the Order, in the event the returns objective is guaranteed for the institution by a third party, the limits set for investment in derivatives may be exceeded.

Domestic guaranteed funds (continued)

In the second half of 1997, 26 out of a total 98 new guaranteed FIM registered an internal guarantee, with just one of them belonging to the fixed-income category. At the end of 1997, of the 391 guaranteed FIM (there were only three FIAMM), 364 had an external guarantee and of these 236 guaranteed a fixed return. This structure has influenced the distribution of assets in guaranteed funds, meaning that only a small part is used as premium paid for warrants and options⁶. However, the facilities now available for investment funds to invest in derivative instruments traded in OTC markets, along with the growing number of funds that guarantee variable returns, suggests that this type of investment will increase in terms of its relative importance for this kind of institutions. The very fact that a minimum return or at least the non-loss of the initial investment is guaranteed entails that the larger part of the investment by these funds goes to fixed-income securities, regardless of the guaranteed returns.

As in previous years, the evolution of collective investment was led by securities investment funds, whereas other forms of collective investment had a minor importance. For instance, the growth of assets in closed-end investment companies (SIM) and open-end investment companies (SIMCAV) reached nearly 533 billion pesetas, taking their share within total securities IIC to 2.9% at the end of 1997. As far as real estate investment institutions are concerned, there are still four of these and their assets amount to 22 billion pesetas.

Costs of investing through investment funds

The table attached lays out the costs borne by investors in Spanish funds in relation to daily average total assets. There is a separation between the costs borne by the fund (management and custody commissions and other operating costs) and those that are borne directly by unit holders (subscription and redemption commissions).

Costs borne by fund holders (pct. of avg. daily total assets)

	FIM		FIAMM		TOTAL	
	1996	1997	1996	1997	1996	1997
Total costs borne	N/A.	N/A.	N/A.	N/A.	1.546	1.562
Borne by the investment fund	1.746	1.657	0.364	1.344	1.533	1.525
Management commission	1.534	1.484	0.249	1.228	1.375	1.376
Custody commission	0.167	0.145	0.097	0.097	0.128	0.125
Other operating costs	0.045	0.028	0.018	0.020	0.030	0.025
Borne by the holders	N/A.	N/A.	N/A.	N/A.	0.013	0.036

(*) Subscription and redemption commissions.

The following remarks may be made in respect of the table:

- a) In the costs borne by the investment funds, in 1997 there was a slight lowering compared to the year before, both in FIM and FIAMM.

⁶ For details on the distribution of assets in guaranteed funds, see annex 4.10.

Costs of investing through investment funds (continued)

b) In the information reported to the SGIIC on their profit & loss accounts, there is a significant growth of income arising from subscription and redemption commissions. In practice, there are very few investment funds with subscription commissions (with the exception of guaranteed funds), but there are a number of investment funds applying some type of penalty on redemptions (38.5% of non-guaranteed FIM have redemption fees), perhaps as a strategy to achieve investor loyalty.

One of the most frequently discussed topics in 1997 in connection with investment funds was whether their management commissions are high, or whether they are higher than those of other countries. The commissions system in force in the Spanish IIC market is somewhat peculiar. Differences in relation to other systems arise from the absence, in practice, of investment funds applying subscription commissions, which is the way to pay the firms that market the fund. In Spain, payment to the distributor of the fund is made by granting it a percentage of the management commissions. This system has an undeniable commercial appeal insofar as it does not require that the investor make an initial disbursement, but it has the inconvenience that, in the end, the price paid by the investor has no relation to the cost of the service: the most stable investors pay more (for the same service) than do those who leave the mutual fund.

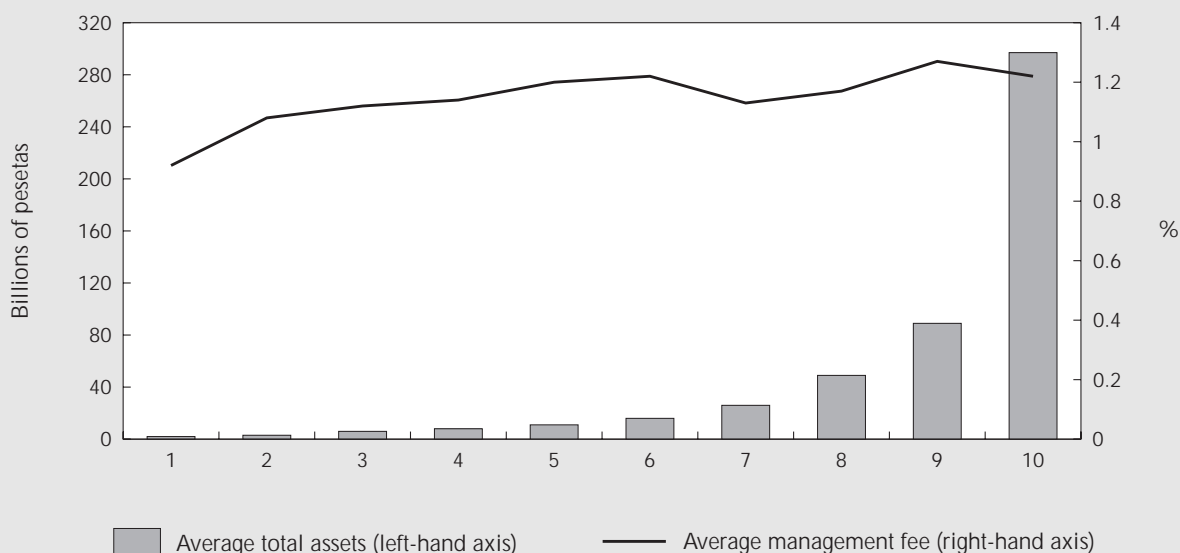
The existence of different commission systems virtually impedes comparisons between the levels in force in different countries, because supplementary information on the average duration of holdings in investment funds and on the amounts of the subscription and redemption commissions paid by the individual investors would be needed.

Regardless of the relative situation in comparison to neighbouring countries, some remarks may be made on the commissions charged by Spanish investment funds:

a) Management commissions do not decrease as the investment fund assets increase. Chart 1 shows the management commissions charged by FIAMM depending on their size. These investment funds have been chosen because their investment policies are homogeneous. It is apparent that management commissions do not decline as the average total assets of the FIAMM rise, despite the fact that there is good reason to assume that the management cost for management companies should fall. In the end, this suggests that SGIIC are the only ones to benefit from the economies of scale arising in management.

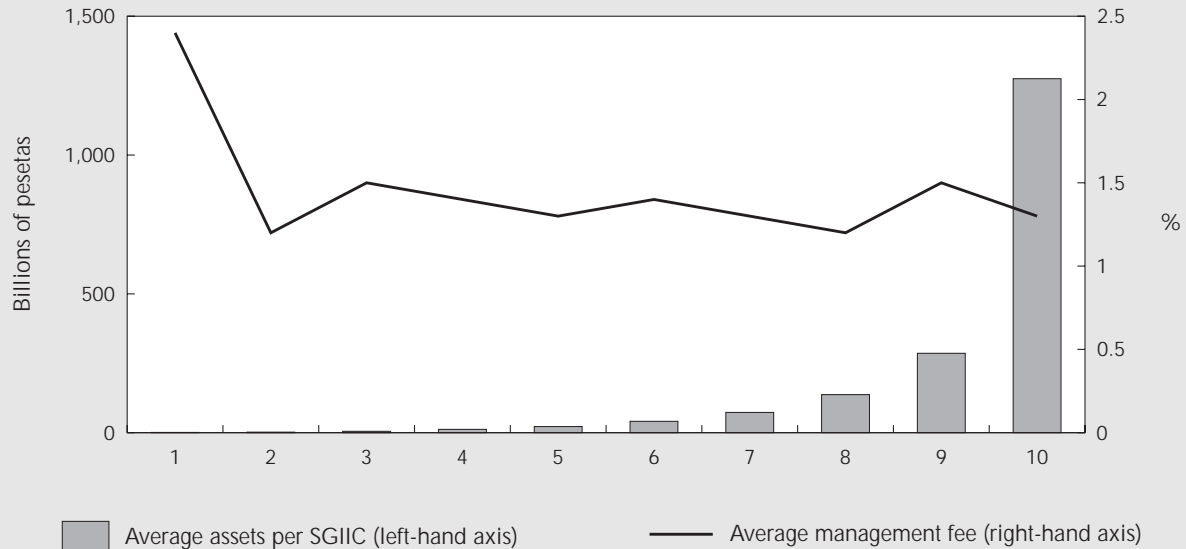
Chart 1

FIAMM ASSETS vs. MANAGEMENT FEES



Costs of investing through investment funds (continued)

Chart 2

AVERAGE ASSETS HANDLED BY SGIIC vs. MANAGEMENT FEES

- b) Management commissions do not decrease as the average assets of funds managed by SGIIC increase. It might be assumed that management companies are not charging management costs on an individual basis, and so the decline in management commissions depending on the size would have to be annualised with respect to all the funds managed by each company and not for the funds individually. Chart 2 shows that this assumption is not confirmed, because, with the exception of management companies handling the lowest volume of assets, the largest management companies charge similar levels of average commissions as the rest.

Chart 3

AVERAGE ASSETS PER UNIT HOLDER (FIAMM) vs. MANAGEMENT FEES

Costs of investing through investment funds (continued)

- c) Management commissions decrease as the average investment per investor increases. Chart 3 shows a reverse relation between the average assets per investor and the percentage taken up by the management commission. Obviously the situation can be explained by the decline in management and marketing costs as the average investment increases.

As a general remark it may be stated that management commissions in Spanish investment funds only show the economies of scale arising from the average assets per investor, but not those arising from the size of the mutual fund or from the size of management companies. This situation may stem from the tax costs involved when one switches to another mutual fund, which takes away part of the incentives there might be to step up competition in terms of commissions. In short, if a management company were to decide to reduce the management commissions it charges, it should not expect to achieve a significant gain in its market share as a result of an arrival of investors from other management companies.

5.2. Securities investment funds (FIM)

Evolution of assets, institutions and unit holders

The new economic context, featuring low interest rates and stock market earnings throughout most of the year, made it appealing for investors to take positions in financial products entailing higher risk. In connection with investment funds, this meant that the larger part of their growth took place in FIM. Specifically, of the 8.3 trillion pesetas increase in assets, 92% were accounted for by FIM and, in terms of the number of holders, they drew 91% of the 1.9 million new investors across the entirety of investment funds.

Growth rates in FIM were much higher in funds with a greater percentage of equities in their portfolio than in FIM that allocate the entirety or a majority of their portfolio to fixed-income securities. Thus the funds in equity FIM rose 243% vs. the 45% increase enjoyed by fixed-income FIM⁷. In terms of number of holders, equity FIM grew 209% and fixed-income FIM rose 44%.

In FIM including equities in their portfolio, the revaluation of the stock market made an important contribution to the growth of their assets, because in 1997 rises in Spanish stock indices were in the region of 40%⁸. In fixed-income funds portfolio revaluations were much lower, even on average, well below the Government bond Returns Index (IRDE)⁹. Specifically, changes in stock prices contributed 424 billion pesetas to the 1.5 trillion pesetas in positive returns obtained by FIM. The contribution of fixed-income securities to these returns amounted to 246 billion pesetas from price changes and 679 billion pesetas from interest payments. The difference between these contributions, in relative terms, is noteworthy, especially considering that throughout the year the equity portfolio of FIM took up 7% to 13% of their total assets.

Over the year 493 new FIM were registered and four withdrew from the market. More than half of the new FIM were guaranteed funds. Therefore, of the 1,481 registered investment funds at year-end, 1,277 were FIM.

⁷ FIM in which fixed-income securities take up 100% of the portfolio.

⁸ The revaluation of the Ibex-35 reached 41% and the IGBM rose 42%.

⁹ In 1997, the IRDE grew 12.5%, whereas the average returns of fixed-income FIM rose 6.1%.

Asset mix

In 1997, for the first time (at least in the nineties), FIM ended up investing less than 70% of their assets in government bonds (including both bonds at maturity and reverse repos). This is almost entirely due to the reduction by 7 percentage points of the portion of the portfolio allocated to reverse repos. Conversely, the headings benefiting from the restructuring of the portfolio were equities (which increased their share in the portfolio by 4 points up to 10.2%) and foreign portfolio (climbing from 3.3% to 6.3%).

The pattern of portfolio structures has naturally been linked to market evolution and to the type of funds favoured by investors. It has already been stated that the downward path of interest rates, which has taken them to historically low levels, has led to a growing demand of investment funds with a larger proportion of equities in their portfolio. This has allowed fund managers to allocate a larger share of the portfolio to stock market investment. On the other hand, the restructuring of government debt holdings, particularly the lower relative importance of reverse repos, is in keeping with the direction of interest rates.

Portfolio diversification within FIM has also had a positive effect for foreign securities, which at year-end 1997 accounted for 6.3% of total assets, almost twice as much as one year earlier. It has been stated above in this connection that the increase in this part of the portfolio has been fuelled by the availability of funds of foreign investment funds, the marketing of international investment funds¹⁰ and the fact that, owing to the large inflow of new funds to FIM, fund managers seek different investment alternatives.

Besides what we have stated, another market towards which FIM have directed their investment is the matador bond market. In the last two years issues have been plentiful (much more than hitherto), with FIM, especially guaranteed FIM, subscribing an important part of these issues. In 1997 the volume of matador bonds held by these funds grew by 520 billion pesetas in nominal terms. Conversely, assets invested in bonds issued by residents rose by only 128 billion pesetas –mostly because of purchases in the first half in the year–, in tune with the low net issue volumes in this segment¹¹.

Insofar as the present market situation lasts (low interest rates, favourable stock market performance, reduction of the budget deficit), the diversification of investment can be expected to generally favour stock markets.

Guaranteed funds

The structure of guaranteed fund portfolios is quite different from that of FIM as a whole. Thus, as shown on table 5.4, nearly half of guaranteed fund assets in 1997 were made up of long-term government bond as opposed to 30% by FIM as a whole¹². Investments in reverse repos reached 14% in guaranteed funds and 30% in FIM on aggregate (year-end figures). FIM had invested 8% of their assets in private debt in December 1997, almost half of what guaranteed funds had invested on the same date. In fact, of the 1.4 trillion pesetas in private bonds held by FIM, over 50% were in guaranteed fund portfolios. The equity portfolio of guaranteed funds was minimal (0.15% of their portfolio), whereas more than 80% of the premia paid by FIM for warrants and options had been paid by guaranteed funds.

¹⁰ Investment funds investing their portfolio in foreign securities.

¹¹ In the second half of the year there were divestments by FIM and net negative bond issues by resident issuers.

¹² For more details see annex 4.3 and annex 4.10. In annex 4.10, distribution refers to all of the guaranteed funds. However, the fact that there were only 3 guaranteed FIAMM at year-end 1997 and one at the end of 1996 allows a comparison of their general features. Specifically, at the end of 1997, of the 4,772 billion pesetas handled by guaranteed funds, 61 billion were in FIAMM.

Table 5.4

FIM PORTFOLIOS VS. GUARANTEED FUNDS (1) AT 31/12/97*Amounts in millions of pesetas*

	FIM (2)		Guaranteed funds	
	Amount	% of assets	Amount	% of assets
Domestic portfolio:	14,917,687	88.46	4,290,230	89.90
Equities	1,720,130	10.20	7,219	0.15
Government bond	6,744,168	39.99	2,779,153	58.24
Reverse repos	4,970,961	29.48	676,127	14.17
Private debt	1,441,570	8.55	793,746	16.63
Of which:				
Matador bonds	719,879	4.27	501,146	10.50
Warrants and options	40,858	0.24	33,985	0.71
Foreign portfolio:	1,066,686	6.33	244,191	5.12
Equities	468,239	2.77	0	0
Private debt	535,040	3.17	188,880	3.96
Warrants and options	63,407	0.38	55,311	1.16

(1) All of the registered guaranteed funds at year-end 1997 were FIM, with the exception of three FIAMM, which accounted for 1.3% of total funds handled. More details are provided on annex 4.3 and annex 4.10.

(2) Guaranteed funds included.

The majority of the registered guaranteed funds offer fixed returns, whereas those which prefer to link their returns to some index have mostly used government bond to secure the initial investment, plus options and warrants, which allow the fund to benefit from revaluations of the relevant index if it rises. Therefore fixed-income securities take up the larger part of the portfolio and, as the offer of guaranteed funds linked to stock indices has increased, the warrants and options heading has grown. Besides this, guaranteed funds are using matador bonds, on an increasing basis, to structure their portfolios, which explains the differing importance of private bonds in guaranteed funds and FIM overall.

Returns

In 1997 the average returns of FIM had a positive correlation with the level of risk taken on by each type of fund as a result of lower interest rates and healthy stock prices. Specifically, the average annual returns for equity FIM exceeded 34%, whereas fixed-income FIM returns on average were at 6.1%¹³.

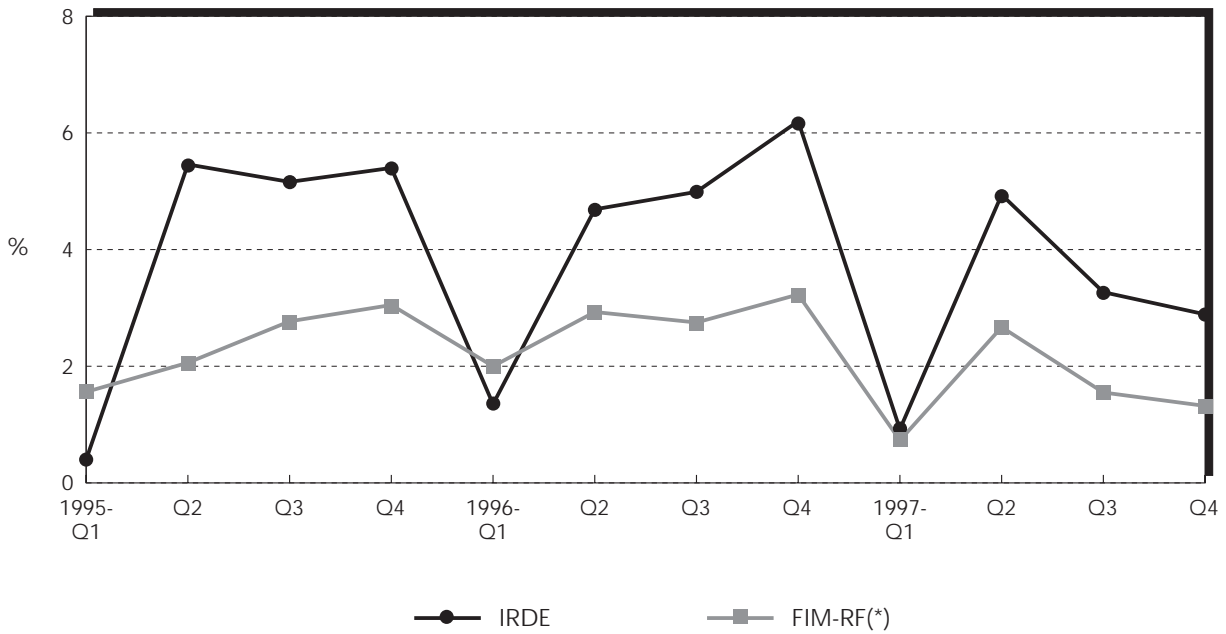
By quarters, only at the end of the year did FIM with higher risks achieve lower returns on average than fixed-income FIM. This was due to the negative effects of the crisis in Southeast Asia on stock markets. In the last quarter average returns for equity FIM were negative (-0.5%), whereas fixed-income FIM had average returns of 1.3% in the quarter. The worst quarter for fixed-income FIM was the first, owing to hikes in government bond yields caused by uncertainty on the members of EMU and expectations of a rate hike in the United States (those expectations were fulfilled in March).

Charts 5.2 and 5.3 compare the average returns of fixed-income FIM with the Government bond Yield Index (IRDE) and the average returns of equity FIM with the Madrid Stock Exchange General Index (IGBM), respectively. As usual, fixed-income FIM returns were less volatile than those of the

¹³ Mixed fixed-income FIM (FIM in which fixed-income securities take up 75% to 100% of the portfolio) had average annual returns of 9.25%, and equity FIM (FIM in which fixed-income securities take up 30% to 75% of the portfolio) were up at 19.9%.

Chart 5.2

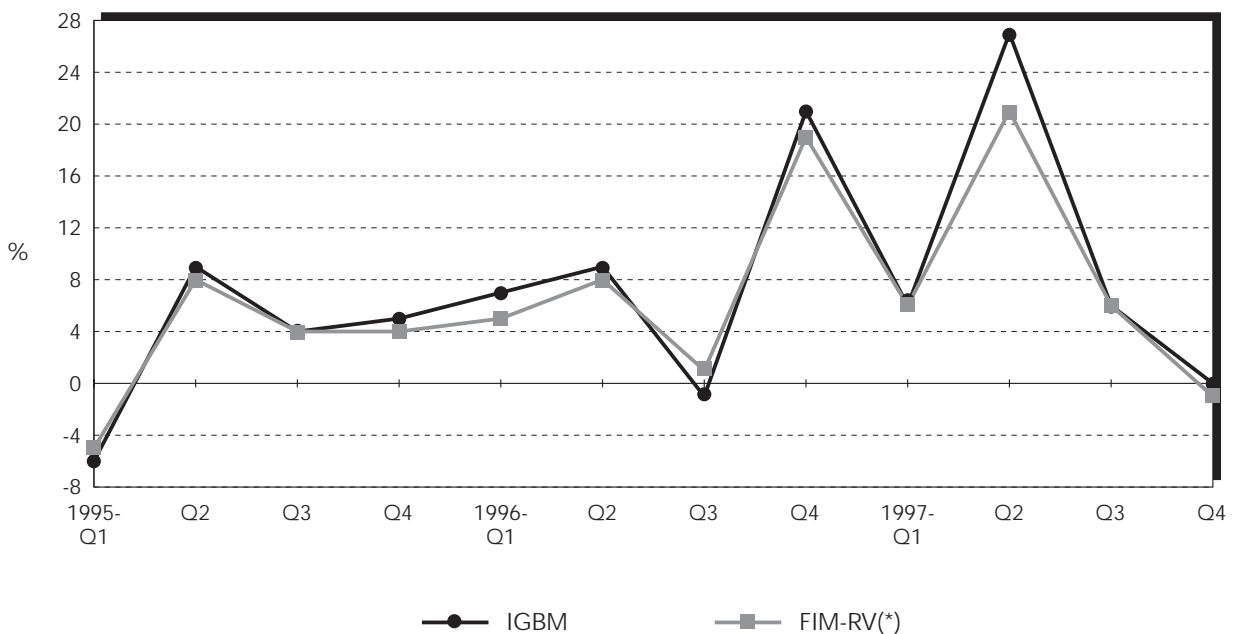
QUARTERLY RETURNS OF FIXED-INCOME FIM (FIM-RF) vs. GOVERNMENT BOND YIELD INDEX (IRDE)



(*) Average returns, weighted by volume of funds handled, of quarterly earnings of the existing fixed-income FIM at the end of each calendar quarter. Returns are net of management and depository commissions.
 Source: Bank of Spain and own records.

Chart 5.3

QUARTERLY RETURNS OF EQUITY FIM (FIM-RV) vs. MADRID STOCK EXCHANGE GENERAL INDEX (IGBM)



(*) Average returns, weighted by volume of funds handled, of quarterly earnings of the existing equity FIM at the end of each calendar quarter. Returns are net of management and depository commissions.
 Source: Bank of Spain and own records.

IRDE, owing to the lower duration of their portfolios¹⁴. The latter, in a context of lowering interest rates in 1997, eventually meant that the average annual returns of fixed-income FIM were less than half of the returns obtained by the IRDE¹⁵.

This evolution of returns contrasts sharply with the performance of equity FIM, which on average were much more closely tied to the evolution of the IGBM.

5.3. Money market investment funds (FIAMM)

Evolution of assets, institutions and unit holders

FIAMM slowed their growth in 1997, rising only 7% (to just over 10 trillion pesetas) as compared to increases in the volume of assets of 36% in 1996, 17% in 1995, and much higher in precedent years. The number of unit holders in 1997 was 8% higher than in 1996, therefore FIAMM ended the year with 2.3 million investors.

The evolution of net subscriptions of FIAMM is an even clearer indication of the drop in demand. Of the 669 billion pesetas that were added to the assets by FIAMM, only 248 billion were from net subscriptions, whereas one year earlier the figures had been 2.50 trillion and 1.94 trillion pesetas, respectively.

The registry of FIAMM accepted 24 new institutions and there was one withdrawal. At year-end there were 204 registered FIAMM, three of which were guaranteed funds.

Asset mix

FIAMM have continued to invest heavily in Treasury bills and reverse repos (39% and 49% of their total assets at year-end 1997, respectively). This is understandable considering that the investment policy to be followed by FIAMM (fixed-income securities with a life to maturity of no more than 18 months) sets a preliminary limit for portfolio investments. In turn, as far as investment possibilities are concerned, government issues were much higher than those of the private sector, representing another constraint on the investment possibilities of FIAMM.

The evolution of the two main headings within FIAMM portfolios featured a contraction, both in absolute and relative terms, of the portion of funds allocated to Treasury bills, whereas reverse repos increased. It must be borne in mind that the Treasury's issue policy in 1997 stressed medium and long-term debt, with a decline in the outstanding balance of Treasury bills, which of course made an impingement on the investment policies of FIAMM managers.

The remainder of headings within FIAMM portfolios recorded slight gains in percentage terms, though they were of a minor importance in absolute terms. As an illustration, within these headings government bonds take up the largest share -1.65%.

Returns

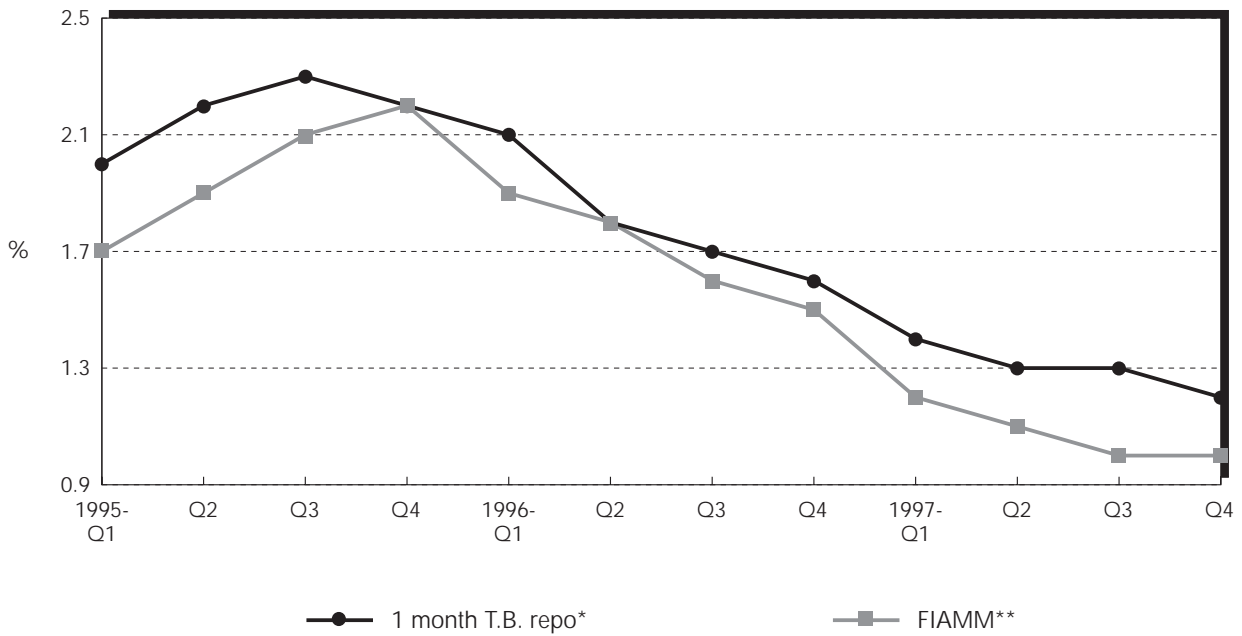
Given the fact that FIAMM portfolios must comprise fixed-income securities with a life to maturity of less than 18 months, the historically low interest rates have caused a serious dent in the profi-

¹⁴ For instance, at year-end 1997 the average duration of the IRDE was 4.45 years, whereas the average duration of fixed-income FIM was 1.9 years.

¹⁵ The Government bond Returns Index had returns of 12.5% for the year, whereas fixed-income FIM averaged returns of 6.1%.

Chart 5.4

QUARTERLY RETURNS OF FIAMM vs. TREASURY BILL 1 MONTH REPOS



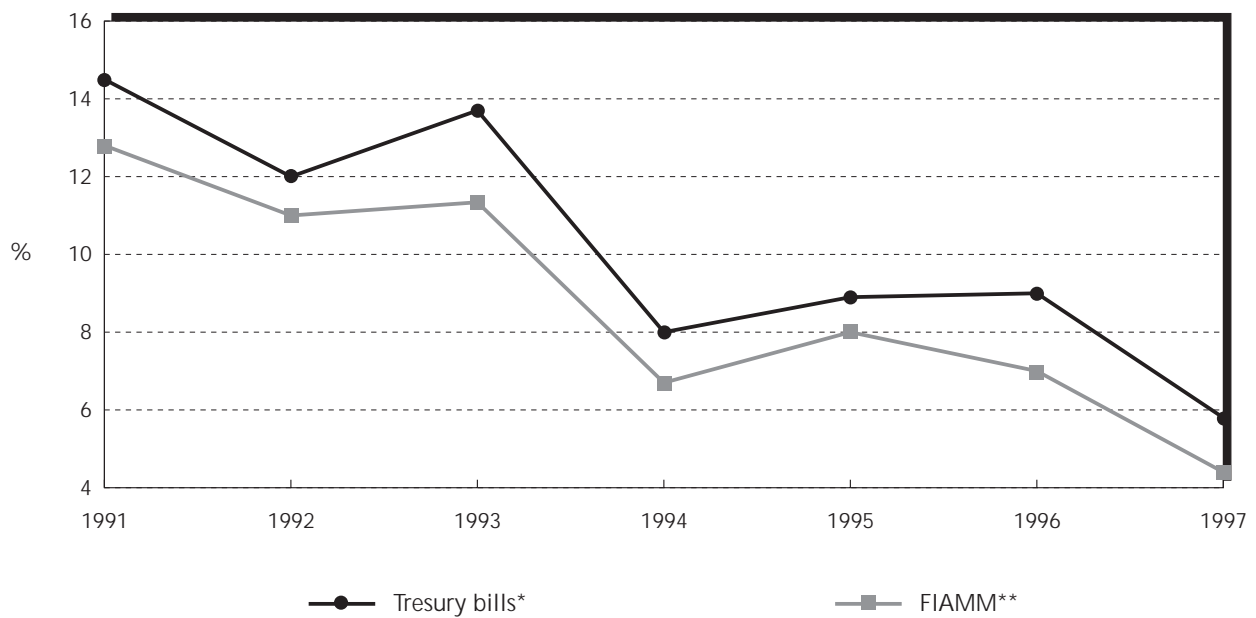
(*) Accrued effective average yield of one-month repos of Treasury bills.

(**) Average returns, weighted by volume of assets, of quarterly earnings of the existing FIAMM at the end of each calendar quarter. Returns are net of management and custody commissions.

Source: Bank of Spain and own records.

Chart 5.5

ANNUAL RETURNS OF FIAMM vs. TREASURY BILL INTEREST RATES ON THE PRIMARY MARKET



(*) Effective interest rate in the Treasury's auctions of 12-month T-bills in the last month of the year.

(**) Average returns, weighted by volume of assets, of quarterly earnings of the existing FIAMM at the end of each calendar quarter. Returns are net of management and custody commissions.

Source: Bank of Spain and own records.

tability of these products in comparison to previous years. In 1997, average returns amounted to 4.4%, 2.6 percentage points lower than the year before.

As stated above, FIAMM heavily invest in Treasury bills and reverse repos, therefore the returns reaped by this type of institutions are consonant with the yields of those assets. This is shown on charts 5.4 and 5.5, where the quarterly returns of FIAMM are compared with the yield of one-month repos of Treasury bills and the annual returns of FIAMM are compared with the interest rates of 12-month Treasury bills in the primary market, respectively.

5.4. Closed-end investment companies (SIM) and open-end investment companies (SIMCAV)

In the last few years investor interest in SIM has been declining, whereas they are increasingly approaching SIMCAV. This trend was heightened after a interpretative letter was sent in March 1997 to all of the market participants, communicating the flexibilisation of requirements for the flotation of SIMCAV.

Prior to that interpretative letter, SIMCAV had to comply beforehand with the minimum dissemination requirements established by the Stock Market Regulations¹⁶ for the listing of shares. However, those Regulations (article 32) allow non-application of those requirements whenever a third entity guarantees liquidity of the security in the market, which guarantee must be recorded on a public deed. As far as SIMCAV are concerned, their rules of operation oblige them to meet bids and asks when these have not been fulfilled over a period of seven consecutive days, taking the theoretical share value as reference. Because of this the regulations in force were revised and it is no longer necessary that newly created SIMCAV fulfill minimum dissemination requirements when applying for listing on the stock market.

Notwithstanding the above, by virtue of article 15 of the IIC Act Regulations, these companies must have at least 100 shareholders one year after the date on which they are recorded on the CNMV Registry.

The flexibilisation of listing requirements has led SIMCAV to record their highest growths ever in 1997, both in terms of number of registered entities and total assets. Specifically, 69 companies were registered last year, taking the year-end figure to 137, and their assets amounted to 353 billion pesetas, 125 more than at the beginning of 1997.

Closed-end investment companies (SIM) continued developing listlessly last year, with shareholder withdrawals (the number of shareholders fell 6% last year) and a small increase in assets (19%), considering the revaluation of stock markets and their portfolio structure¹⁷. Three new companies were registered and two withdrew from the market.

The investment policies of SIM and SIMCAV, unlike FIM, continue focused on equities. At the end of 1997, 46% of SIM assets were allocated to equities. SIMCAV, meanwhile, had around 38% of their assets invested in equities. Another distinctive feature in relation to FIM is their foreign portfolio –12% of total SIM assets and 16% for SIMCAV at year-end 1997¹⁸.

¹⁶ The minimum dissemination requirements for listing on the Stock Market specify that the company must have a minimum share capital of 200 million pesetas, without counting the portion of capital corresponding to shareholders who directly or indirectly have title to 25% or more of the share capital, and it must have at least 100 shareholders whose individual shareholdings do not exceed 25% of the share capital.

¹⁷ At year-end 1997, 46% of the assets handled by SIM were invested in shares, 8% in government bonds and 22% in reverse repos.

¹⁸ It was stated above that at year-end 1997 10% of the funds handled by FIM were invested in equities and 6% were dedicated to the foreign portfolio.

5.5. Foreign IICs marketed in Spain

In 1997 the assets of foreign collective investment institutions marketed in Spain rose twofold over the year before, reaching 580 billion pesetas, and the number of investors reached 68,000, 56% more than the year before.

Within this general performance it may be stated that the main thrust came from non-guaranteed institutions. In fact, the funds of foreign guaranteed institutions sold in Spain rose only 13%, falling in the last quarter of the year. The number of holders declined by 3% during the year.

Throughout 1997 there has been a remarkable interest on the part of foreign groups to market their collective investment institutions in Spain. Proof of this has been the activity carried out by some of these groups that were already settled in Spain, as well as the fact that reputed groups in the field of collective investment registered institutions to market them in Spain. Most of these groups go through Luxembourg to introduce their institutions in Spain, even if their parent companies are domiciled elsewhere.

5.6. Real estate investment funds and companies

The importance of collective investment in real estate is still very small –they do not even account for 1‰ of total collective investment in Spain. There was only one project to establish a real estate investment fund (FII) which was registered in March 1998, therefore at the end of 1997 nearly 22 billion pesetas were being managed by the four FII that were established a couple of years back. No real estate investment company has been registered so far.

The small appeal of this type of investment is underscored by the fact that, of the 4,617 investors at year-end 1997, 92% were in the same FII (Banif Inmobiliario). This FII managed 44% of total assets and was virtually the only institution of its kind that was active last year.

This evolution can be explained by the fact that they compete with securities and money market funds, which have generated equal or higher returns generally¹⁹ and liquidity is almost immediate²⁰, whereas FII only guarantee redemptions once a year.

¹⁹ The four existing FII at year-end 1997 were registered in February 1995. Since then the accrued returns through December 1997 amounted to 25.9%, 19.7%, 5.4% and 1.3%.

²⁰ FIAMM are obliged to reimburse exit investors no later than 24 hours after request. FIM have 72 hours to honour redemptions.

6. SECURITIES FIRMS AND MANAGEMENT COMPANIES

6.1. Securities firms

Outlook for the sector

In 1997 securities firms –broker-dealers and brokers– enjoyed a very favourable context for their business. The main thrust came from the stock market, where brokered trading volumes doubled and accordingly revenues from brokering also grew. But business opportunities also multiplied in other areas and hence there was a significant growth in marketing of investment funds, in the placement and underwriting of issues and OPV, and in corporate advisory services. Thanks to the increase of revenues from these services and to surpluses obtained in equity trading portfolios, the combined earnings for the industry reached 62.7 billion pesetas, twice the amount obtained in 1996.

Stock Exchange members were the entities that profited most from the growth of market activity. Their earnings before taxes, which were 144% higher than those for the year before, accounted for 84% of overall earnings in the sector and their ROE before taxes rose 74% on average vs. 32% in 1996. Companies that were not members of the stock exchange had a lesser share in the market bonanza, with earnings improving by 21%. However, their ROE likewise reached historical highs in 1997, as shown on table 6.1 above, averaging around 29.1%.

Table 6.1

AGGREGATED PROFIT & LOSS ACCOUNT OF SECURITIES FIRMS

Amounts in millions of pesetas

	1993	1994	1995	1996	1997
Financial margin	11,772	11,454	13,857	16,215	12,516
Net income from securities	10,631	-2,144	1,086	2,008	10,584
Net commissions	54,833	61,281	53,413	63,483	101,397
Ordinary margin	77,236	70,591	68,356	81,706	124,497
Operating costs	45,052	46,942	45,169	46,123	57,164
Operating margin	32,184	23,649	23,187	35,583	67,333
Deprec. and other allowances	2,946	3,402	3,184	6,676	7,245
Other profit & loss	-1,082	878	-395	1,344	2,565
Earnings before taxes	28,156	21,125	19,608	30,251	62,653
Corporate income tax	8,105	8,090	6,787	9,966	18,726
Earnings after taxes	20,051	13,035	12,821	20,285	43,927
Pro memoria: Average ROE before taxes (%)					
Total	24.3	21.6	19.2	30.5	58.4
Stock Exchange members	29.7	24.3	22.6	32.4	74.2
Non-members	17.5	17.5	13.9	27.0	29.1

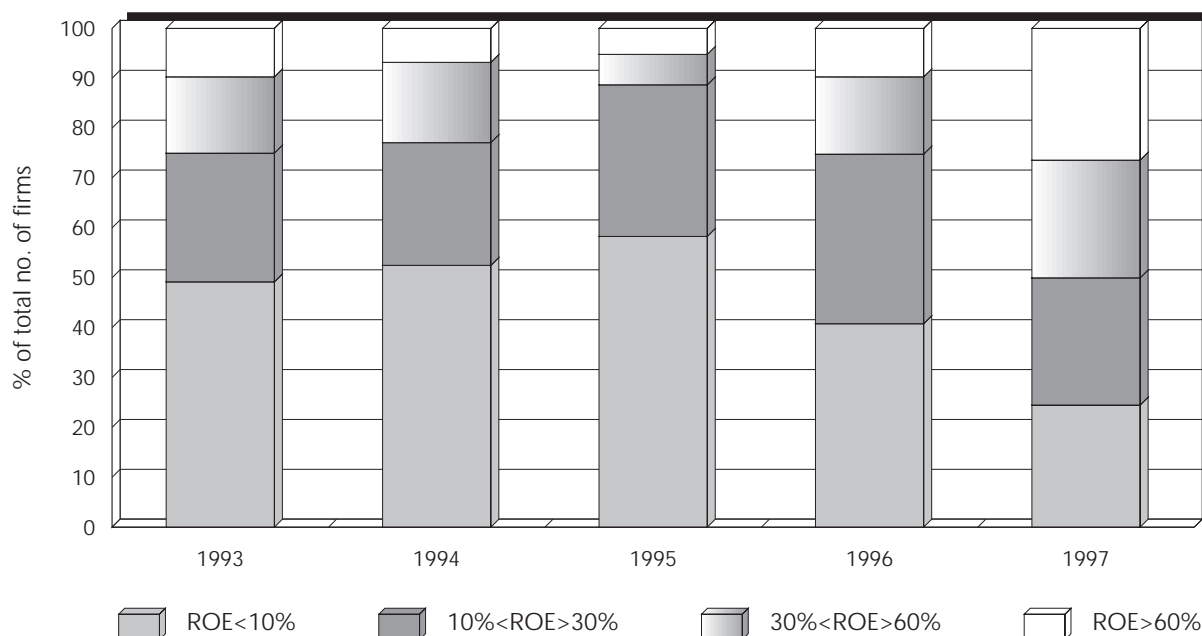
Favourable market conditions translated into improved income levels for nearly all of the entities in the sector. Chart 6.1 illustrates the notable change that took place in the distribution of returns. Thus in 1996 41% of the securities firms were in the lower returns bracket –ROE below 10%–, whereas only 25% of the firms were in that same bracket in 1997. Conversely, the number of entities in the higher returns bracket –ROE above 60%– rose in 1997, taking up more than one quarter of all the companies as compared to 10% in 1996. Only four companies ended the year with losses.

After having fallen steadily since 1991, the number of registered entities rose by three last year, reaching 106, of which 51 were members of the Stock Exchange –please see table A.5.1 in the corresponding annex. There were two new registered broker-dealers, both of which are members of the Stock Exchange, and two brokers, one of which is a member of the Stock Exchange. The only withdrawal was by a broker-dealer that was not a member of the Stock Exchange. The favourable business moment also benefited the marketing networks of securities firms. Thus, although eight branches were closed, all of which were brokers, 16 new branches were opened, all by broker-dealers. The number of commissioned agents went from 4,980 to 5,695. By type of entity, all of the segments except non-members of the Stock Exchange used commissioned agents to boost their sales network, although the largest growth was recorded by a broker-dealer that is not a member of the Stock Exchange –Mapfre Inversión, S.V.– which already had most of the registered commissioned agents¹.

Favourable prospects for the sector were also shown by the evolution of employment, which had been falling over the last few years –just like the number of firms. The presence of new firms and especially the demand generated by the growth of business took the number of employees up by 259 to 3,386. This increase, though modest in comparison to other sectors, is particularly significant here, because the firms with the largest business volumes, most of which were affiliates of domestic or inter-

Chart 6.1

NUMBER OF SECURITIES FIRMS WITH A GIVEN PRE-TAX ROE



¹ At 31 December 1997, the number of Mapfre commissioned agents amounted to 4,179, of which 517 were notified to the CNMV that same year.

national financial groups, continued restructuring their organisations, generally to concentrate services at group level and, with a more adjusted cost structure, face the expected increase of competition in European financial markets.

Growth of business led to a sizeable increase in operating costs last year –evolution of income will be analysed in detail below. Thus commissions received went from 28 billion pesetas in 1996 to 42 billion in 1997 and general costs increased by around 3 billion pesetas, totalling 21 billion pesetas. A very significant feature was the rise in wage costs, which, after settling at around 28 billion pesetas over the three previous years, hiked to 36 billion pesetas in 1997. The hike of labour costs here was due to the growth in the number of employees as well as to remunerations, which are very sensitive to the market situation in this sector. In a favourable market situation such as in 1996 unit wage costs rose from 8.3 to 9 million pesetas; in 1997, with a better situation yet, the growth of these costs accelerated, reaching the amount of 10.6 million pesetas.

At year-end 1997, the combined balance sheet for the sector had a size of approximately 1.2 trillion pesetas. The weight of broker-dealers in the sector –approximately 96%– means that, on the assets side, the most important heading is the trading portfolio, which in terms of monthly averages accounted for 83% of total assets. The most significant change in the structure of the balance sheet took place under that heading, because the importance of equities rose from 5.5% of assets in 1996 to nearly 15% in 1997. Reverse repos continued concentrating the larger part of portfolio investments –their weight was equal to 55% of total assets.

Concerning liabilities, their structure did not change much last year. Shareholders' equity rose 9% over 1996 by average month-end balances, thanks mainly to the allocation of profits in 1996 to reserves. The sharp increase of earnings in 1997, still pending allocation, and the greater increase of direct financing of other financial intermediaries –the most important source of financing in the sector, mostly channelled through repos– took the weight of shareholders' equity on total liabilities down a little. The balance of securities received on a loan basis, which had increased considerably in 1996, declined by 20%, but their weight in the financing of third parties was still important –approximately 11% of liabilities.

Chart 6.2

SECURITIES FIRMS: NO. OF EMPLOYEES AND UNIT WAGE COSTS

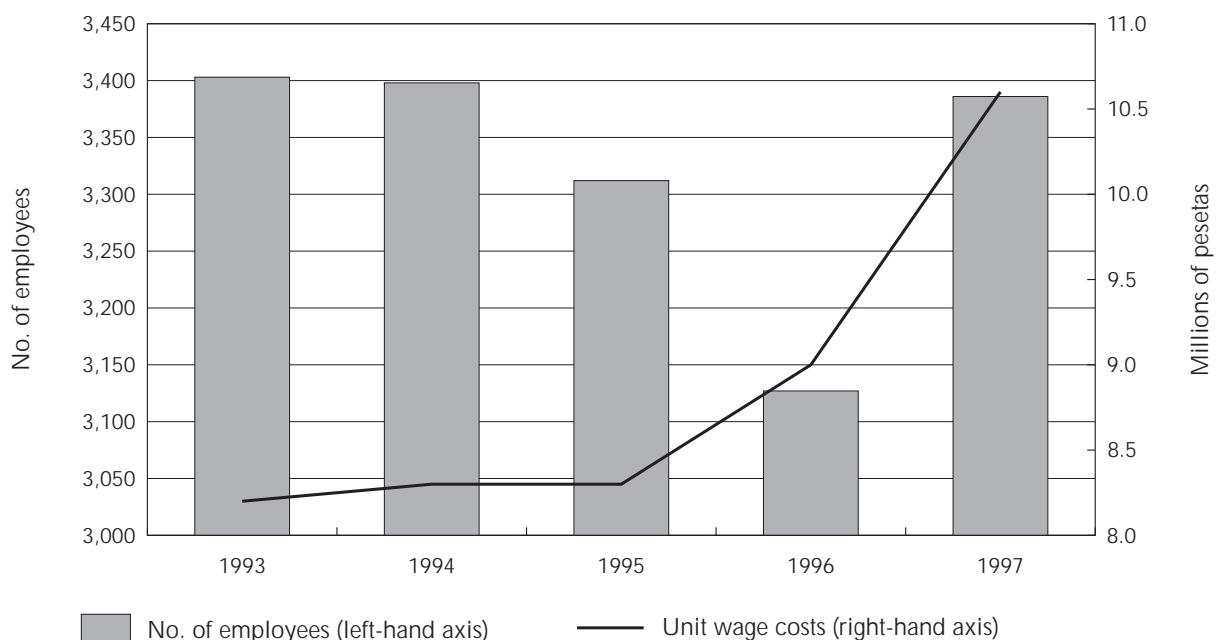


Table 6.2

AGGREGATED BALANCE SHEET OF SECURITIES FIRMS
Yearly average of end-of-month balances

% of total aggregated balance sheet

	1993	1994	1995	1996	1997
ASSETS	100.0	100.0	100.0	100.0	100.0
Cash and financial intermediaries	7.7	7.4	9.2	10.4	11.7
Trading portfolio	83.2	84.5	82.2	83.6	82.7
Credit to clients	2.0	1.6	1.4	1.2	1.4
Permanent equity portfolio	1.2	0.8	1.0	0.9	0.8
Doubtful investments, defaults, in litigation or expired	0.0	0.0	0.0	0.0	0.0
Tangible fixed assets	1.5	1.1	1.3	1.1	0.9
Sundry accounts	4.3	4.5	4.9	2.7	2.6
LIABILITIES	100.0	100.0	100.0	100.0	100.0
Equity	12.2	10.0	12.6	10.5	9.4
Results for the fiscal year	1.8	1.3	1.2	1.6	2.8
Financial intermediaries	67.2	64.8	66.3	65.6	67.9
Clients	10.7	8.7	6.1	5.2	5.4
Subordinated financing and other debentures	0.0	0.5	1.4	1.4	0.8
Securities borrowed	2.9	4.7	5.0	11.5	7.5
Sundry accounts	5.0	10.1	7.5	4.2	6.2
Pro memoria					
Assets = Liabilities (in billions of pesetas)	804	1,090	849	1,003	1,222

Without counting last year's earnings, which have not yet been allocated and therefore may not yet be computed for purposes of determining the solvency ratio, securities firms enjoyed considerable leeway in 1997 to meet their capital requirements. On average and by entity, shareholders' equity exceeded solvency ratio requirements by 1,544 million pesetas as far as broker-dealers are concerned and by 163 million pesetas in the case of brokers. This margin will no doubt be increased when the high earnings of 1997 are distributed.

Traded volumes

The volumes of the different market instruments traded by securities firms amounted to 1,227 trillion pesetas last year, a 36% increase on 1996. The most dynamic market was the stock market, in which the firms in the sector doubled the previous year's volume with trades worth 57 trillion pesetas. There was likewise a sharp rise in trading of derivative products –60%–, where the notional value of the underlying assets in third-party trades and own trades amounted to 331 trillion pesetas. Transactions with money market assets and fixed-income securities grew less, although they kept their dominant position in the overall trading volume, to which they contributed 840 trillion pesetas. Trades on behalf of clients grew more than own account trades and accounted for 90% of the trading volume.

Concerning the participation of the different types of securities firms in trading, all of them recorded increases in their volumes –see, for instance, table A.5.8 of the annex. The group recording the highest growth was Stock Exchange members, whose trading in the markets increased 49%, reaching an amount of 262 trillion pesetas. Nonetheless, the larger part of the trading volume was still generated by brokers that are not members of the Stock Exchange and which specialise in money markets,

Table 6.3

VOLUMES TRADED BY SECURITIES FIRMS*Amounts in billions of pesetas*

	1993	1994	1995	1996	1997
Money assets and fixed-income securities	481.4	592.3	519.4	666.9	840
<i>On behalf of third parties (%)</i>	95.0	93.9	91.5	91.2	92.1
Equities	14.8	20.6	17.4	27.6	56.6
<i>On behalf of third parties (%)</i>	89.2	88.3	85.6	84.1	85.2
Derivatives	64.6	148.5	126.2	205.9	330.6
<i>On behalf of third parties (%)</i>	88.2	81.3	83.1	86.1	87.0
Total	560.8	761.4	663.0	900.5	1,227.1
<i>On behalf of third parties (%)</i>	94.1	91.3	89.7	89.8	90.4

particularly as a result of trading by specialists in the foreign exchange and government debt markets. All in all, brokers that are not members of the Stock Exchange participated in transactions worth approximately 938 trillion pesetas, i.e., over three quarters of the total trading volume.

Income from own account trading

In 1997, in net terms, securities firms obtained 19.3 billion pesetas from trades on their own behalf, a 40% increase over the year before. By instruments, the main source of income in this area was the stock market. Companies took advantage of the stock market rally and obtained surpluses in their trading portfolios worth 49.5 billion pesetas, nearly five times the equivalent surpluses in 1996. Mainly because of hedging activity, this spectacular increase was partially offset by losses in derivatives that exceeded 41 billion pesetas, plus an additional 3.7 billion if we consider accruals booked under the heading "Other provisions".

Net income from transactions in monetary assets and fixed-income securities contributed a total 14.5 billion pesetas, of which 12.5 billion were from the financial margin –interest and dividend from investment less financing costs– and the rest of the surpluses from the trading portfolio. It should be noted that the financial margin declined sizeably –by 3.7 billion pesetas– in comparison to the year before, mainly because of readjustments in repos and reverse repos by some entities that are heavily weighted in the sector.

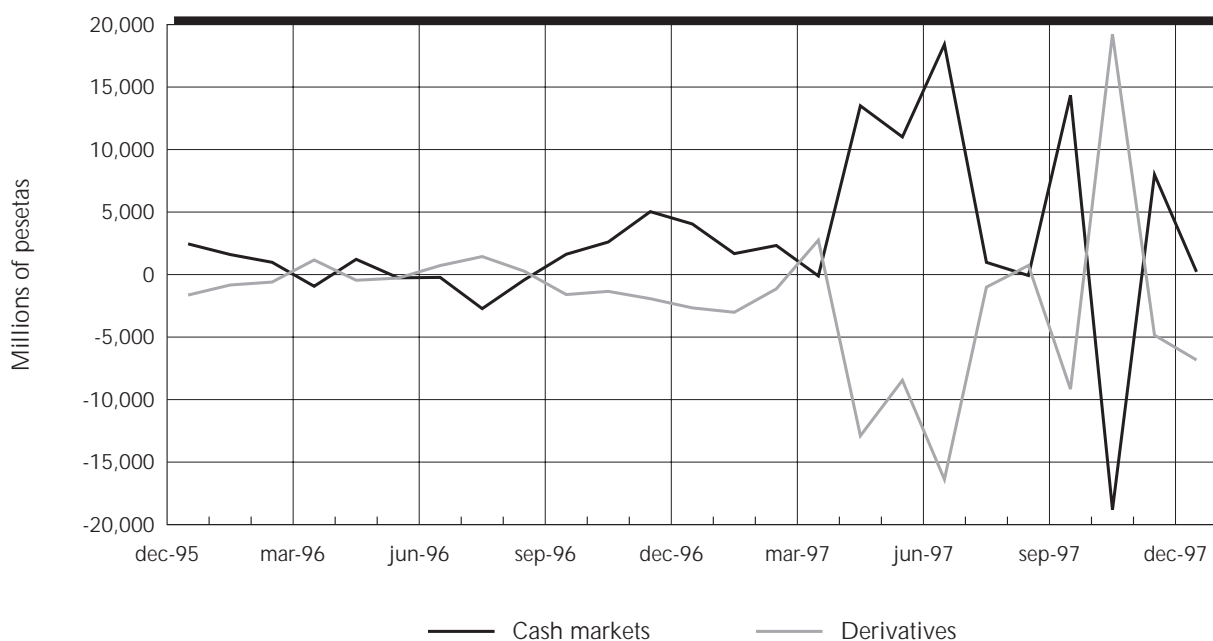
Table 6.4

EARNINGS FROM OWN ACCOUNT TRADING BY SECURITIES FIRMS*Amounts in millions of pesetas*

	1993	1994	1995	1996	1997
Money market assets and fixed-income securities	20,724	9,377	17,288	18,368	14,460
Equities	5,223	-8,503	2,587	10,393	49,513
Derivatives	-2,934	9,556	-3,861	-10,474	-44,809
Others	-862	-2136	-2,054	-4,439	164
Total	22,151	8,294	13,960	13,848	19,328

Chart 6.3

EARNINGS FROM THE TRADING PORTFOLIO OF SECURITIES FIRMS: SPOT TRADES AND DERIVATIVES. MONTHLY FIGURES



The contribution of the securities portfolio to income arising from own trades was completed by earnings of 1.9 billion pesetas in fixed-income and 164 million pesetas from others: transactions in securities settled by differences, the net income of sales of borrowed securities, etc.

Chart 6.3 illustrates the monthly development of income from the two main headings in the trading portfolio: spot trades in fixed-income securities and equities, on the one hand, and derivatives, on the other. In stride with the evolution of the stock market –the one carrying the most weight here–, securities firms reaped most of their earnings in the spring, although September was also a very good month. The strong fall in stock market prices at the end of October caused sizeable losses in spot trades, but these were offset by hedging through derivatives. Generally speaking, and as shown on the chart, income and losses in both segments followed a pattern of mutual compensation.

Income from the provision of services

The income of securities firms from the provision of services in 1997 rose 56% over the year before, totalling the amount of 143.4 billion pesetas. All of the business lines here had significant growths. Commissions from the marketing of mutual funds, which are very important for brokers that are not members of the Stock Exchange, rose to 14.8 billion pesetas, with a 46% increase over 1996. The placement and underwriting of issues, which had provided 5 billion pesetas to the companies in the sector in 1996, accounted for a total 11.7 billion in 1997, boosted mainly by flotations. Income from advising and other services to companies –design of trades, search or placement of packages of securities in the secondary market, etc.– grew 121% to total 6.2 billion pesetas.

But surely the most significant development in the evolution of income from services in 1997 took place in the most important field of activity-brokering. Income from this source amounted to 92.8 billion pesetas, an increase of 30.6 billion pesetas over 1996. The larger part of this growth had its

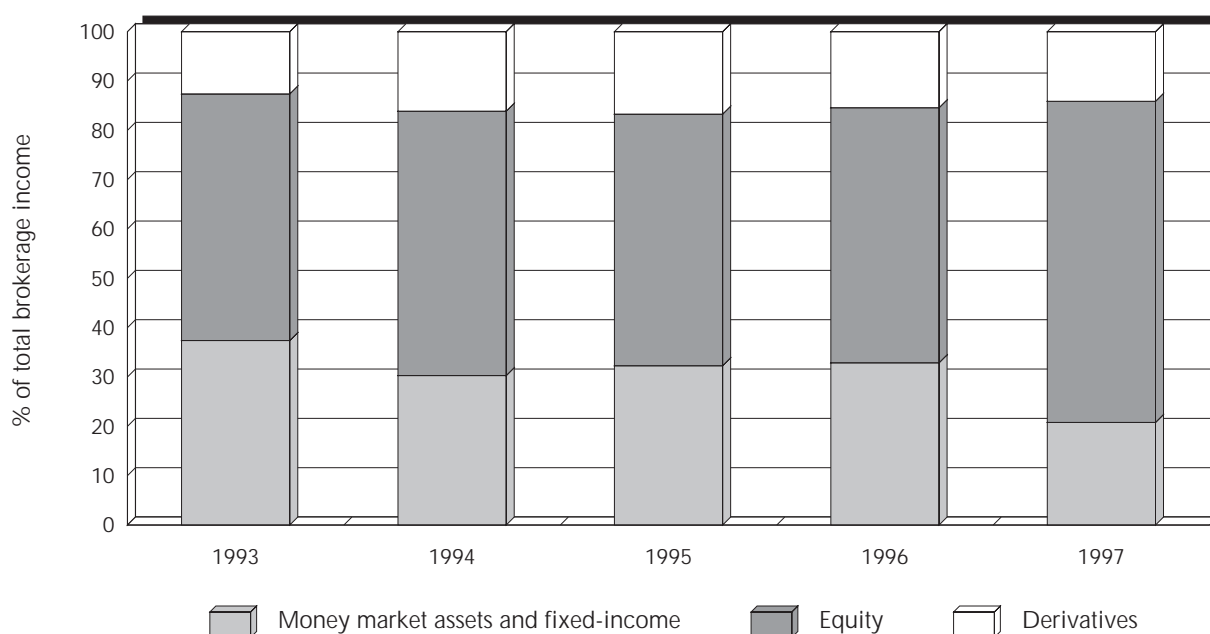
Table 6.5

COMMISSIONS RECEIVED BY SECURITIES FIRMS FOR THEIR SERVICES*Amounts in millions of pesetas*

	1993	1994	1995	1996	1997
Brokering	49,721	56,900	46,247	60,208	92,844
IIC subscriptions and redemptions	6,939	9,093	9,205	10,156	14,810
Placement and underwriting of issues	3,886	3,560	5,419	5,082	11,724
Corporate services	2,677	3,057	3,058	2,827	6,246
Portfolio management and custody of securities	2,628	2,778	2,717	3,214	4,312
Others	11,010	10,714	9,750	10,387	13,437
Total	76,861	86,102	76,396	91,874	143,373

source in brokerage activity in the stock market, boosted by this market's appeal for investors. Volumes traded on behalf of clients doubled and income from the corresponding commissions almost doubled as well, with a 94% increase. Transactions in markets for derivative products likewise contributed to the growing income from brokerage activities, raising 13.1 billion pesetas in 1997 vs. 9.3 billion in 1996. Income from brokerage in fixed-income markets, which take up an important part of total transactions –see chart 6.4– fell slightly, from 19.8 billion pesetas to 19.3 billion.

Chart 6.4

**SECURITIES FIRMS COMMISSIONS FOR BROKERING.
DISTRIBUTION BY INSTRUMENT****Consolidated groups supervised by the CNMV**

At year-end 1997, the CNMV supervised a total of 50 consolidated groups, two less than the year before. As shown on table A.5.11 in the annex, whereas the number of consolidated groups establis-

hed around securities firms –Title II of Royal Decree 1343/1992, passed on 6 November, developing Act 13/1992, passed on 1 June, on shareholders' equity and the supervision of financial entities on a consolidated basis– was unchanged, a new group established around a non-resident credit entity came under supervision –Title I of said Royal Decree– and three established around financial entities were would up –Title IV of the Royal Decree. The total number of firms within groups was 274, 14 more than in 1996. Of these, approximately two thirds of them were concentrated within one third of the groups.

Table 6.6

CONSOLIDATED GROUPS. AGGREGATED PROFIT & LOSS ACCOUNT IN 1997*Amount in millions of pesetas*

	Consolidated total (1)	Securities firms (2)	Diference (%) (3)	
			1997	1996
Financial margin	14,009	12,516	10.7	9.0
Net income from securities trading	11,047	10,584	4.2	10.0
Net commissions	130,091	101,397	22.1	20.2
Ordinary margin	155,147	124,497	19.8	17.9
Operating costs	81,539	64,409	21.0	19.9
Other profit & loss	1,707	2,565	-50.3	11.4
Earnings before taxes	75,315	62,653	16.8	14.1
Taxes on earnings	23,264	18,726	19.5	15.0
Earnings after taxes	52,051	43,927	15.6	13.6
Earnings allocated to external partners	661		100.0	100.0
Consolidated sector earnings	51,390	43,927	14.5	12.3

(1) Consolidated groups plus broker-dealers and brokers not included in consolidated groups.

(2) Total broker-dealers and brokers.

(3) Difference between (1) and (2), as a percentage of (1).

Table 6.7

CONSOLIDATED GROUPS. COMMISSIONS. DISTRIBUTION BY TYPE OF FIRM IN 1997*Amounts in millions of pesetas*

	Revenue		Expenses		Net commissions	
	Amount	%	Amount	%	Amount	%
Broker-dealers and brokers	132,221	65.8	36,069	50.9	96,152	73.9
IIC and FTH management companies ..	61,483	30.6	33,844	47.7	27,639	21.2
Advisory and consultancy services	2,708	1.3	76	0.1	2,632	2.0
Holding companies	1,138	0.6	54	0.1	1,084	0.8
Portfolio management companies	693	0.3	111	0.2	582	0.4
Securities firm commissioned agents ..	1,601	0.8	558	0.8	1,043	0.8
Pension fund management companies	471	0.2	176	0.2	295	0.2
Real estate holding companies	0	0.0	0	0.0	0	0.0
Instrumental firms	426	0.2	1	0.0	425	0.3
Other financial entities	239	0.1	0	0.0	239	0.2
Total	200,980	100.0	70,889	100.0	130,091	100.0

(1) Consolidated groups plus broker-dealers and brokers not included in consolidated groups.

(2) Total broker-dealers and brokers.

Securities firms contributed just over 95% of the balance sheet to the consolidated sector last year. This percentage, however, does not indicate the true importance of remaining firms, as shown on table 6.6, which compares the consolidated profit and loss account for the sector and the combined balance sheet only for securities firms. Thus the contribution of the remaining firms in the sector to earnings before taxes was multiplied by 2.7 in 1997 and was equal to approximately 17% of the consolidated sector, vs. 14% in 1996.

As in previous years, among firms that are not securities firms, those which contributed the highest income to the consolidated sector were collective investment institution management companies, through their commissions. The growth of mutual funds made the gross contribution of this heading reach 61.5 billion pesetas, nearly one third of gross income from commissions in the consolidated sector. Although commissions paid for the marketing of mutual funds also grew strongly, representing nearly 48% of total costs in the sector here, management companies also contributed over one fifth of the consolidated net commissions.

6.2. Management companies

The business of management companies grew significantly in 1997, particularly in the field of collective investment. The assets managed by collective investment institution management companies (SGIIC) rose nearly 45% over the year before, from 19.1 trillion pesetas to 27.6 trillion. The number of IIC managed by these entities grew by virtually 50%, mainly thanks to the establishment of new FIM. As far as portfolio management companies (SGC) are concerned, the assets managed by them or in relation to which they provided advisory services exceeded one trillion pesetas, growing 9% over 1996. The number of contracts in force rose from 5,121 to 6,475.

Despite the growth of business and, as shown later, the good results achieved by management companies in the field of collective investment, the number of firms in the market did not increase. Quite the contrary –the number of SGIIC fell by three as a result of seven withdrawals and four new companies. Accordingly, a tendency to group together can be seen, favoured by possible economies of scale and as part of the global strategies of the holding groups. Among SGC there were two new companies and one withdrawal.

Table 6.8

NUMBER OF MANAGEMENT COMPANIES AND ASSETS UNDER MANAGEMENT OR ADVICE

Amounts in billions of pesetas

	1993	1994	1995	1996	1997
SGIIC					
Number of companies	144	136	136	136	133
Assets managed	10,537.6	11,493.5	12,454.6	19,059.4	27,598.6
Number of IIC	753	857	954	1,183	1,766
SGC					
Number of companies	72	72	68	57	58
Assets managed or advised upon	837.3	569.6	620.5	976.6	1,062.6
Number of contracts	8,142	5,347	4,531	5,121	6,475

Income of SGIIC

The profit & loss account for SGIIC showed the favourable evolution of business, as may be seen on chart 6.5. Their earnings before taxes amounted to 111.6 billion pesetas, 39.1 billion pesetas more than the year before. Nevertheless, just like in previous years the distribution of income was varied: considering earnings after taxes, only 14% of the management companies had earnings above the average –1.1 billion pesetas–, whereas over 60% did not reach 100 million pesetas, including eight companies with losses. Although figures were not as extreme, there was also a heterogeneous performance in terms of returns on equity: only 15% of the management companies achieved ROE after taxes that were above the average (62.4%), whereas four out of every ten did not get past 15%.

Gross income from commissions obtained by SGIIC amounted to 335.5 billion pesetas in 1997, 122 billion more than in 1996. 97% of this income was from management commissions, whereas subscription and redemption fees continued having little importance in the profit & loss account (even though they were multiplied by four) –see, for instance, table A.5.18 of the annex. Income from commissions was boosted last year not only by the growth of investment funds, but also by the fact that what

Chart 6.5

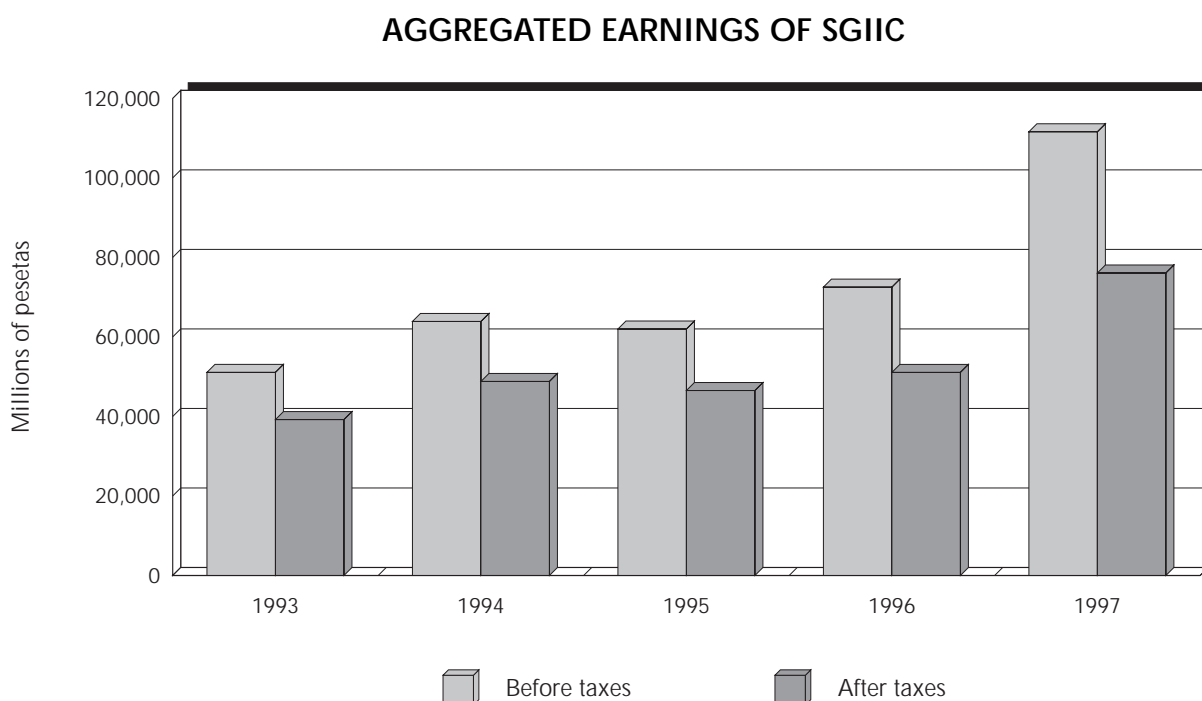


Table 6.9

MANAGEMENT FEES APPLIED TO INVESTMENT FUNDS BY SGIIC

Average per type of product (% of assets managed)

	1995	1996	1997
FIAMM	1.23	1.24	1.22
FIM	1.60	1.48	1.46
Fixed-income	1.39	1.41	1.35
Mixed fixed-income	1.50	1.52	1.36
Mixed equities	1.97	1.90	1.89
Equities	2.12	1.96	1.98

grew most were FIM, which have higher management commissions than those applied to FIAMM. Table 6.9 shows that commission rates fell slightly on average for fixed-income FIM and mixed fixed-income FIM, whereas they remained the same or changed insignificantly in all other types of FIM.

On the expenditure side, the most relevant feature last year was the strong increase in commissions paid for the marketing of mutual funds. In tune with business growth and with the fact that management companies depend on other financial entities to sell their products, this heading rose by more than 79 billion pesetas, reaching the amount of 209.4 billion, which is equal to 62% of their income from commissions. Operating costs –wage costs and general costs– grew 31%, totalling 23.9 billion pesetas. Of this amount, 45% were wage costs.

Income of SGC

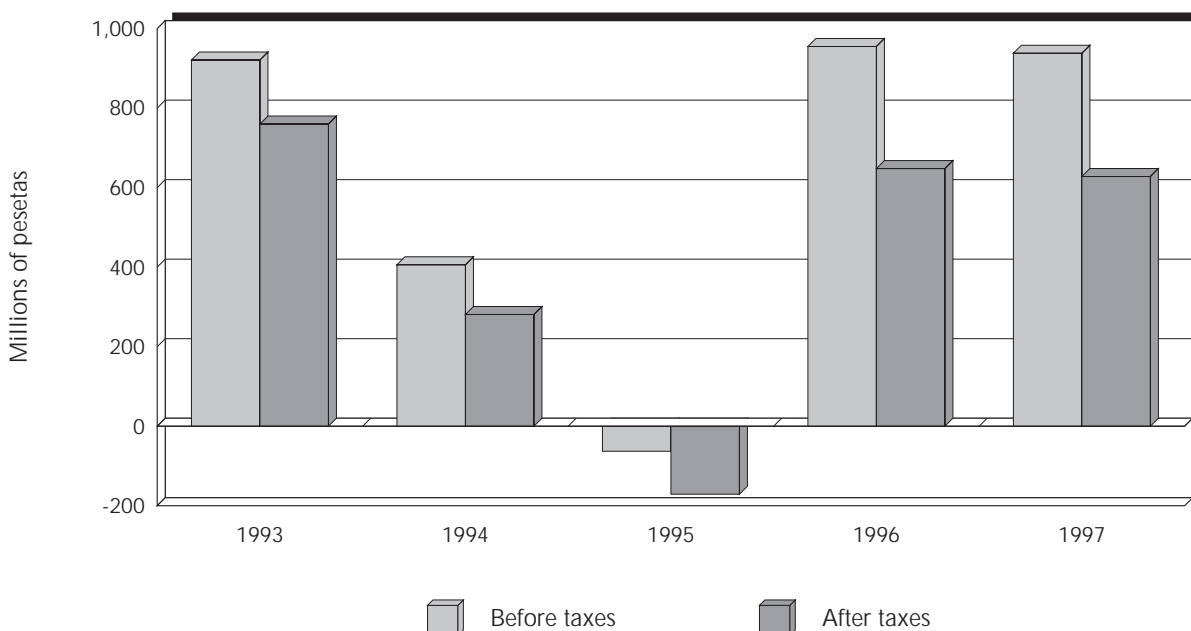
Although the business of portfolio management companies increased modestly in 1997, the combined income for this segment contracted slightly in comparison to 1996. Earnings before taxes reached 938 million pesetas, 17 million less than the year before. ROE after taxes of these companies were mostly around the average for the sector (8.49%). Approximately one out of every five SGC reported losses, whereas at the upper tier of returns there were seven firms whose ROE after taxes exceeded 30%.

SGC obtained 3.4 billion pesetas from commissions, a 12% increase over the year before. Within this income heading, the largest contribution was from personal portfolio management contracts, which rose to 1.6 billion pesetas, a 65% increase over 1996. The administration of collective investment companies –SIM and SIMCAV– raised 251 million pesetas, 116 million more than the previous year's income here, thanks mainly to newly created companies. On the other hand, there were fewer contracts for advisory services and therefore the associated income dropped from 804 million pesetas in 1996 to 658 million in 1997. SGC also had other income, which amounted to 892 million pesetas, down from 1.1 billion in 1996.

Operating costs grew around 14%, reaching 2.7 billion pesetas. Within this heading, wage costs rose 9.4%, amounting to around half of total costs. The remainder of these costs –overheads– grew 18.4%.

Chart 6.6

AGGREGATED EARNINGS OF PORTFOLIO MANAGEMENT COMPANIES



Annex 1

Primary markets

A.1.1. PRIMARY MARKETS. ACTIVITY

Amounts in billions of pesetas

	1997	1996	Change (%)
Gross issues:			
Tradeable public administration debt (1)	22,185.3	19,823.1	11.9
Short-term	14,000.3	13,607.1	2.9
Medium and long-term	8,185.0	6,216.0	31.7
Issues registered at the CNMV			
Equities (2)	131.9	76.0	73.6
Fixed-income (1)	2,156.1	2,286.7	-5.7
Short-term	772.0	901.0	-14.3
Medium and long-term	1,384.1	1,385.7	-0.1
Other	29.7	14.2	108.6
Matador bonds (1)	1,186.0	865.0	37.1
OPV +OPS (2)	1,347.6	228.9	488.8
Outstanding balance at year end of:			
Tradeable public administration debt	41,180.0	38,264.0	7.6
Short-term	12,072.0	13,519.0	-10.7
Medium and long-term	29,108.0	24,745.0	17.6
Fixed-income instruments issued by credit entities	3,572.0	3,093.0	15.5
Bonds issued by non-financial firms	2,077.0	2,332.0	-10.9
Commercial paper registered at the CNMV	533.4	552.4	-3.4
Pro memoria:			
Gross issues of commercial paper intermediated by banks, savings banks and the SMMD (3)	503.0	611.0	-17.7

(1) Nominal value.

(2) Effective value.

(3) Bought from issuers and placed among the public. Includes issues not registered at the CNMV.

Sources: Bank of Spain, CNMV, Treasury and Financial Policy Administration.

A.1.2. ISSUES AND PUBLIC OFFERINGS. REGISTERED AMOUNTS

Amounts in billions of pesetas

	1997			1996			1995		
	Effective		Nominal	Effective		Nominal	Effective		Nominal
	Amount	Chg. (%)	Amount	Amount	Chg. (%)	Amount	Amount	Chg. (%)	Amount
Issues	2,317.5	-2.5	2,350.5	2,376.9	3.3	2,340.3	2,300.1	-39.4	2,281.7
Capital increases	131.9	73.6	164.8	76.0	-49.9	39.0	151.6	-71.6	132.1
By issue of new shares (1)	131.9	73.6	60.6	76.0	-49.9	37.1	151.6	-71.4	121.1
By raising the nominal value of shares	0.0	-	104.2	0.0	-	1.9	0.0	-100.0	11.0
Fixed-income	2,156.0	-5.7	2,156.1	2,286.7	6.7	2,287.1	2,142.5	-34.1	2,143.4
Mortgage bonds	367.5	8.2	367.5	339.8	-31.0	339.8	492.3	52.3	492.3
Non-convertible bonds	949.6	16.8	949.6	813.0	29.5	813.4	627.7	-50.0	628.7
Convertible/exchangeable bonds	27.2	52.9	27.2	17.8	1,724.7	17.8	1.0	-95.5	1.0
Securitised bonds	39.7	-81.5	39.7	215.2	899.5	215.2	21.5	-45.7	21.5
Commercial paper (2)	772.0	-14.3	772.0	901.0	-9.9	901.0	1,000.0	-38.0	1,000.0
Other fixed-income issues	0.0	-	0.0	0.0	-	0.0	0.0	-100.0	0.0
Warrants	29.7	108.6	29.7	14.2	132.1	14.2	6.1	0.0	6.1
Equity warrants	29.3	155.3	29.3	11.5	532.1	11.5	1.8	-20.1	1.8
Fixed-income warrants	0.4	-86.8	0.4	2.7	153.8	2.7	1.1	373.7	1.1
Currency warrants	0.0	-	0.0	0.0	-100.0	0.0	3.2	-10.9	3.2
Public offerings	1,347.6	488.8	180.3	228.9	-12.7	26.3	262.1	20.6	56.8
Sale of shares	1,319.1	476.4	175.2	228.9	-12.7	26.3	262.1	20.6	56.8
Subscription of shares (1)	28.5	-	5.1	-	-	-	0.0	-	0.0
TOTAL	3,665.1	40.7	2,530.9	2,605.7	1.7	2,366.6	2,562.3	-36.1	2,338.5
Pro-memoria:									
Capital decreases by change in nominal value of shares	34.8	-	34.8	26.7	-	26.7	23.8	-	23.8

(1) In 1996 there was a capital increase for a maximum amount of 16.2 billion pesetas, waiving pre-emption rights in order to carry out a public offering of subscription of shares.

(2) Commercial paper facilities.

A.1.3. ISSUES AND PUBLIC OFFERINGS. PLACEMENTS

Distribution (%) by investor category

Percentage of total nominal amount

	Fixed-Income			Equities			Total		
	1997	1996	1995	1997	1996	1995	1997	1996	1995
TOTAL IN SPAIN	82	95	98	68	72	71	90	92	93
Resident credit institutions	27	22	15	5	9	18	23	21	15
Spanish	25	21	15	5	9	18	21	20	15
Foreign	3	1	0	0	0	0	2	1	0
Remainder of finance and insurance sector	13	9	14	10	11	6	13	9	13
Other finance institutions	6	2	2	1	1	1	5	2	2
Collective investment institutions	2	3	2	4	5	2	3	3	2
Insurance companies	5	4	10	5	5	3	5	4	9
Non-finance sector firms	13	6	19	8	13	31	3	7	21
Households	53	58	51	45	39	15	51	56	43
TOTAL NON-RESIDENTS	4	5	2	32	28	29	10	8	7
Finance institutions	4	3	1	28	22	18	9	6	4
Other investors	0	2	1	5	6	11	1	2	3

(*) Placements notified by issuers at year-end. Commercial paper excluded.

A.1.4. ISSUES. CAPITAL INCREASES THROUGH NEW STOCK ISSUES

Amounts registered. Detail by issuer. 1997

Amounts in millions of pesetas

	No. of		Effective amount	Nominal amount	
	Issuers	Capital incr.		Total	Bonus issues
Energy and water utilities	1	2	2,048.7	500.4	0.0
SOCIEDAD GENERAL DE AGUAS DE BARCELONA, S.A.		2	2,048.7	500.4	0.0
Chemical industry	4	4	3,513.7	3,703.7	197.9
FAES, S.A.		1	0.0	197.9	197.9
LA SEDA DE BARCELONA, S.A.		1	1,963.7	1,963.7	0.0
NITRATOS DE CASTILLA, S.A.		1	522.9	515.0	0.0
SEFANITRO, S.A.		1	1,027.2	1,027.2	0.0
Extraction and transformation of non-energy minerals	4	4	3,931.5	2,107.9	0.0
COMPANÍA VALENCIANA DE CEMENTOS PORTLAND, S.A.		1	584.5	129.1	0.0
ESPAÑOLA DEL ZINC, S.A.		1	1,300.0	650.0	0.0
SOCIEDAD FINANCIERA Y MINERA, S.A.		1	1,032.2	314.0	0.0
VIDRIERA LEONESA, S.A.		1	1,014.8	1,014.8	0.0
Metal transformation industries	3	3	1,469.3	1,896.0	426.8
AZKOYEN, S.A.		1	0.0	426.8	426.8
COINTRA, S.A.		1	600.0	600.0	0.0
ZARDOYA OTIS, S.A.		1	869.3	869.3	0.0
Construction	4	5	57,822.6	20,238.7	0.0
ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS, S.A.		2	23,956.4	6,165.8	0.0
CONSTRUCCIONES LAIN, S.A.		1	4,500.0	3,000.0	0.0
GRUPO ACCIONA, S.A.		1	22,906.1	6,065.1	0.0
HUARTE, S.A.		1	6,460.1	5,007.8	0.0
Banks	3	3	29,345.7	4,517.8	0.0
BANCO BILBAO VIZCAYA, S.A.		1	18,287.4	2,312.2	0.0
BANCO DE VALENCIA, S.A.		1	11,000.0	2,200.0	0.0
COMMERZBANK, A.G.		1	58.3	5.6	0.0
Transportation	2	2	0.0	6,850.8	6,850.8
AUTOPISTAS, CONCESIONARIA ESPAÑOLA, S.A.		1	0.0	5,722.4	5,722.4
IBÉRICA DE AUTOPISTAS, S.A.		1	0.0	1,128.4	1,128.4
Real Estate	6	6	18,957.3	14,023.7	561.8
EUROCIS, S.A.		1	2,844.9	697.1	0.0
FILO, S.A.		1	4,935.0	2,350.0	0.0
FOMENTO INMOBILIARIO CENTRAL, S.A.		1	492.8	140.8	0.0
FORUM INMOBILIARIO CISNEROS, S.A.		1	568.6	157.9	0.0
INMOBILIARIA METROPOLITANA VASCO CENTRAL, S.A.		1	0.0	561.8	561.8
PRIMA INMOBILIARIA, S.A.		1	10,116.0	10,116.0	0.0
Foods, Beverages and Tobacco	1	1	0.0	848.9	848.9
PULEVA, S.A.		1	0.0	848.9	848.9
Remainder of manufacturing industries	4	4	12,861.9	4,254.1	26.1
MANUFACTURAS DE ESTAMBRE, S.A.		1	0.0	26.1	26.1
SNIACE, S.A.		1	1,150.7	1,150.7	0.0
TABLEROS DE FIBRAS, S.A.		1	11,511.9	2,878.0	0.0
XEY, S.A.		1	199.3	199.3	0.0
Corporations and Portfolio Management Companies	3	3	1,862.8	1,566.4	203.6
COMPANÍA DE INVERSIONES MOBILIARIAS BARCINO, S.A.		1	0.0	203.6	203.6
CORPORACIÓN IB-MEI, S.A.		1	362.8	362.8	0.0
INVERSIONES IBERSUIZAS, S.A.		1	1,500.0	1,000.0	0.0
Others	1	1	48.8	48.8	0.0
COMPANÍA ESPAÑOLA DE VIVIENDAS EN ALQUILER, S.A.		1	48.8	48.8	0.0
TOTAL	36	38	131,862.3	60,557.3	9,115.8

A.1.5. ISSUES. PRIVATE DEBT. MAIN ISSUERS. 1997

Nominal amounts in millions of pesetas

Commercial paper			Non-convertible bonds			Total fixed-income		
Issuer	Amount	%	Issuer	Amount	%	Issuer	Amount	%
ENDESA	150,000.0	19.4	ICO	337,800.0	35.6	ICO	337,800.0	15.7
IBERDROLA	100,000.0	13.0	CAJA MADRID	190,000.0	20.0	CAJA MADRID	240,000.0	11.1
UNIÓN FENOSA	100,000.0	13.0	ENTE PÚBLICO RTVE	60,000.0	6.3	CAIXA	150,000.0	7.0
RENFE	75,000.0	9.7	BBV	54,779.3	5.8	ENDESA	150,000.0	7.0
TELFÓNICA	75,000.0	9.7	CAJA DE AHORROS DE CATALUÑA	49,000.0	5.2	IBERDROLA	100,000.0	4.6
SANTANDER DE LEASING	45,000.0	5.8	BANKINTER	45,000.0	4.7	UNIÓN FENOSA	100,000.0	4.6
BANSABADELL HIPOTECARIA	35,000.0	4.5	BANCO EUROPEO DE INVERSIONES	40,000.0	4.2	CAJA DE AHORROS DE CATALUÑA	89,000.0	4.1
RED ELÉCTRICA DE ESPAÑA	28,000.0	3.6	AYUNTAMIENTO DE MADRID	25,000.0	2.6	RENFE	75,000.0	3.5
HIDROELÉCTRICA DEL CANTÁBRICO	25,000.0	3.2	AYUNTAMIENTO DE BARCELONA	20,000.0	2.1	TELFÓNICA	75,000.0	3.5
COMPAÑÍA SEVILLANA DE ELECTRICIDAD	20,000.0	2.6	BANCO DE SABADELL	20,000.0	2.1	BANKINTER	60,000.0	2.8
EMP. NAL. HIDROELÉC. DEL RIBAGORZANA ..	20,000.0	2.6	BANCO SANTANDER	20,000.0	2.1	ENTE PÚBLICO RTVE	60,000.0	2.8
HISPAMER BANCO FINANCIERO	20,000.0	2.6						
HISPAMER SERVICIOS FINANCIEROS	20,000.0	2.6						
13 MAJOR ISSUERS	713,000.0	92.4	11 MAJOR ISSUERS	861,579.3	90.7	11 MAJOR ISSUERS	1,436,800.0	66.6
REMAINDER	59,000.0	7.6	REMAINDER	88,050.0	9.3	REMAINDER	719,261.0	33.4
TOTAL	772,000.0	100.0	TOTAL	949,629.3	100.0	TOTAL	2,156,061.0	100.0

A.1.6. ISSUES. PRIVATE DEBT. COMMERCIAL PAPER. 1997

Registered programmes, placements and outstanding balances in 1997

Amounts in millions of pesetas

	Registered programmes		Placements	Outstanding at 31/12
	No.	Amount		
Electric, water and gas utilities	8	448,000	396,109	267,807
ENDESA	1	150,000	161,625	98,977
ENHER	1	20,000	29,461	19,677
HIDROCANTÁBRICO	1	25,000	26,350	19,600
IBERDROLA	1	100,000	47,235	41,135
REE	1	28,000	38,150	21,750
SEVILLANA	1	20,000	24,600	20,000
UNIÓN-FENOSA	1	100,000	62,238	45,269
VIESGO	1	5,000	6,450	1,400
Transportation and communications	2	150,000	223,630	148,293
RENFE	1	75,000	113,069	79,621
TELFÓNICA	1	75,000	110,561	68,672
Banks, savings banks, and affiliated financial firms	10	162,500	278,174	112,404
BANKINTER	1	15,000	1,122	478
BANSABADELL HIPOTECARIA	1	35,000	75,513	26,062
BANSAFINA	0	0	18,403	5,782
BANSALEASING	0	0	15,380	1,070
BILBAO HIPOTECARIA	1	3,000	4,415	1,230
HISPAMER	1	20,000	49,470	16,778
HISPAMER BANCO	1	20,000	3,900	3,900
I. C. O.	0	0	6,934	6,001
INTERLEASING E.F.C.	1	7,000	1,733	2,187
LEASING BANZANO	0	0	0	31
MULTIAHORRO	1	7,500	11,075	5,572
SANTANDER DE FACTORING	1	10,000	37,352	8,284
SANTANDER DE LEASING	2	45,000	52,878	35,031
Other financial entities	1	1,500	3,562	1,058
LICO LEASING	0	0	1,133	137
U.F.A.	1	1,500	2,429	922
Real estate	1	10,000	11,100	3,800
VALLEHERMOSO	1	10,000	11,100	3,800
TOTAL	22	772,000	912,575	533,362

A.1.7. ISSUES. PRIVATE DEBT. NON-CONVERTIBLE BONDS. 1997
Registered amounts, interest rates and maturities. Detail by issuer

Amounts in millions of pesetas

	No. of		Nominal amount	Placement		Effective interest rate (%)				Maturities in months		
	Issuers	Issues		Ordinary (%)	Auction (%)	Issuer			Investor	Max.	Min.	Avg. (b)
						High	Low	Avg. (a)	Avg. (a)			
Energy and water utilities	1	1	7,500.0	100.0	0.0	5.94	5.94	5.94	5.22	84	84	84
RED ELÉCTRICA DE ESPAÑA		1	7,500.0	100.0	0.0	5.94	5.94	5.94	5.22	84	84	84
Transportation	1	1	5,000.0	100.0	0.0	4.90	4.90	4.90	4.65	120	120	120
AUTOPISTAS DEL ATLÁNTICO		1	5,000.0	100.0	0.0	4.90	4.90	4.90	4.65	120	120	120
Official credit institutes	1	16	337,800.0	58.6	41.4	8.65	5.44	6.53	6.32	352	34	99
ICO		16	337,800.0	58.6	41.4	8.65	5.44	6.53	6.32	352	34	99
Banks	6	12	185,779.3	100.0	0.0	7.72	4.83	5.62	5.20	222	60	123
BBV		3	54,779.3	100.0	0.0	7.29	5.84	6.81	6.57	129	120	127
BANCO DE SABADELL		1	20,000.0	100.0	0.0	6.51	6.51	6.51	6.46	120	120	120
BANCO EUROPEO DE INVERSIONES		1	40,000.0	100.0	0.0	5.61	5.61	5.61	5.06	120	120	120
BANCO SANTANDER		2	20,000.0	100.0	0.0	7.72	7.46	7.59	7.51	222	189	205
BANKINTER		4	45,000.0	100.0	0.0	7.08	4.83	2.77	1.86	120	60	86
CORPORACIÓN BANCARIA DE ESPAÑA		1	6,000.0	100.0	0.0	6.67	6.67	6.67	6.65	123	123	123
Savings banks	7	11	266,750.0	100.0	0.0	6.43	4.56	5.62	5.50	180	45	114
CAIXA D'ESTALVIS DE SABADELL		1	10,000.0	100.0	0.0	5.60	5.60	5.60	5.00	60	60	60
C. A. PROVINCIAL DE GUADALAJARA		1	250.0	100.0	0.0	4.65	4.65	4.65	4.55	120	120	120
CAJA DE AHORROS DE CATALUÑA		3	49,000.0	100.0	0.0	6.43	4.58	5.84	5.80	180	60	107
C. A. DE VALENCIA, CAST. Y ALICANTE		1	2,500.0	100.0	0.0	(c)	(c)	(c)	(c)	45	45	45
CAJA MADRID		3	190,000.0	100.0	0.0	5.93	5.20	5.71	5.59	120	120	120
CAJA ESPAÑA		1	10,000.0	100.0	0.0	4.56	4.56	4.56	4.55	123	123	123
C. A. DE RONDA, CÁDIZ, ALMERÍA,		1	5,000.0	100.0	0.0	4.99	4.99	4.99	4.91	71	71	71
Local governments	4	4	55,500.0	81.1	18.9	7.19	6.58	6.85	6.68	124	61	113
AYUNTAMIENTO DE BARCELONA		1	20,000.0	100.0	0.0	7.19	7.19	7.19	6.96	120	120	120
AYUNTAMIENTO DE MADRID		1	25,000.0	100.0	0.0	6.58	6.58	6.58	6.45	124	124	124
CABILDO INSULAR DE GRAN CANARIA		1	6,000.0	0.0	100.0	(d)	(d)	(d)	(d)	84	84	84
CABILDO INSULAR DE TENERIFE		1	4,500.0	0.0	100.0	(d)	(d)	(d)	(d)	61	61	61

(a) Averages are weighted by registered nominal amounts. Issues placed via auction or paying floating interest rates are not included in the calculations.

(b) Averages are weighted by registered nominal amounts.

(c) Issue with an Ibex 35-indexed implicit coupon.

(d) Issues placed via auction.

(Continued)

A.1.7. ISSUES. PRIVATE DEBT. NON-CONVERTIBLE BONDS. 1997
Registered amounts, interest rates and maturities. Detail by issuer

Amounts in millions of pesetas

	No. of		Nominal amount	Placement		Effective interest rate (%)				Maturities in months		
	Issuers	Issues		Ordinary (%)	Auction (%)	Issuer			Investor	Max.	Min.	Avg. (b)
						High	Low	Avg. (a)	Avg. (a)			
Recreational and cultural services	5	5	91,300.0	100.0	0.0	6.85	6.23	6.43	6.32	301	120	172
ENTE PÚBLICO RTVE		1	60,000.0	100.0	0.0	6.23	6.23	6.23	6.20	120	120	120
UNIVERSIDAD DE ALICANTE		1	10,500.0	100.0	0.0	6.76	6.76	6.76	6.50	241	241	241
UNIV. DE VALENCIA -EST. GENERAL		1	7,500.0	100.0	0.0	6.85	6.85	6.85	6.60	301	301	301
UNIV. POLITÉCNICA DE VALENCIA		1	9,000.0	100.0	0.0	6.85	6.85	6.85	6.60	301	301	301
UNIVERSITAT JAUME I DE CASTELLON		1	4,300.0	100.0	0.0	6.76	6.76	6.76	6.50	241	241	241
TOTAL REGISTERED AMOUNTS	23	50	949,629.3	84.2	15.8	8.65	4.56	6.00	5.79	352	34	115

(a) Averages are weighted by registered nominal amounts. Issues placed via auction or paying floating interest rates are not included in the calculations.

(b) Averages are weighted by registered nominal amounts.

(c) Issue with an Ibex 35-indexed implicit coupon.

(d) Issues placed via auction.

A.1.8. ISSUES. PRIVATE DEBT. CONVERTIBLE BONDS. 1997
Registered amounts, interest rates and maturities. Detail by issuer

Amounts in millions of pesetas

	No. of		Nominal amount	Effective interest rate (%)				Maturities in months		
	Issuers	Issues		Issuer			Investor	Maximum	Minimum	Avg. (b)
				High	Low	Avg. (a)	Avg. (a)			
Metal transformation industries	1	1	4,000.0	5.53	5.53	5.53	4.55	60	60	60
GRUPO DURO FELGUERA		1	4,000.0	5.53	5.53	5.53	4.55	60	60	60
Communications	1	1	704.5	(c)	(c)	(c)	(c)	69	69	69
TELEFONAKTIEBOLAGET L.M. ERICSSON		1	704.5	(c)	(c)	(c)	(c)	69	69	69
Banks	2	2	19,002.2	4.66	3.32	4.49	4.45	36	20	22
BANCO DE LA PEQUEÑA Y MEDIANA EMPRESA		1	2,400.0	3.32	3.32	3.32	3.25	36	36	36
BANCO DE SABADELL		1	16,602.2	4.66	4.66	4.66	4.63	20	20	20
Real estate	1	1	3,500.0	6.40	6.40	6.40	5.06	48	48	48
SOTOGRADE		1	3,500.0	6.40	6.40	6.40	5.06	48	48	48
TOTAL REGISTERED AMOUNTS	5	5	27,206.7	6.40	3.32	4.77	4.43	69	20	32

(a) Averages are weighted by registered nominal amounts. Issues placed via auction or paying floating interest rates are not included in the calculations.

(b) Averages are weighted by registered nominal amounts.

(c) Floating interest rate issues.

A.1.9. ISSUES. PRIVATE DEBT. MORTGAGE BONDS. 1997
Registered amounts, interest rates and maturities. Detail by issuer

Amounts in millions of pesetas

	No. of		Nominal amount	Placement		Effective interest rate (%)				Maturities in months		
	Issuers	Issues		Ordinary (%)	Auction (%)	Issuer			Investor	Maximum	Minimum	Avg. (b)
						High	Low	Avg. (a)	Avg. (a)			
Banks	1	7	24,500.0	59.2	40.8	5.91	4.07	5.22	5.19	63	34	42
BANCO HIPOTECARIO DE ESPAÑA		7	24,500.0	59.2	40.8	5.91	4.07	5.22	5.19	63	34	42
Savings banks	12	18	343,000.0	100.0	0.0	5.40	3.76	4.29	4.28	66	24	37
CAIXA D'ESTALVIS DE SABADELL		1	3,000.0	100.0	0.0	4.52	4.52	4.52	4.50	66	66	66
CAIXA D'ESTALVIS DEL PENEDES		1	10,000.0	100.0	0.0	4.81	4.81	4.81	4.80	60	60	60
CAJA DE AHORROS DE CATALUÑA		2	40,000.0	100.0	0.0	3.99	3.90	3.95	3.94	42	42	42
C. A. DE VALENCIA, CASTELLÓN Y ALICANTE		1	20,000.0	100.0	0.0	5.24	5.24	5.24	5.24	43	43	43
CAJA MADRID		1	50,000.0	100.0	0.0	3.76	3.76	3.76	3.75	24	24	24
CAJA SEGOVIA		2	6,000.0	100.0	0.0	5.10	4.79	4.95	4.91	36	36	36
C. A. DE ZARAGOZA, ARAGÓN Y RIOJA		1	10,000.0	100.0	0.0	5.40	4.33	4.87	4.84	39	36	37
CAIXA		2	150,000.0	100.0	0.0	4.25	4.06	4.19	4.18	36	36	36
CAJA ESPAÑA		2	25,000.0	100.0	0.0	5.09	4.06	4.47	4.45	39	39	39
CAJA GENERAL DE AHORROS DE GRANADA		1	4,000.0	100.0	0.0	4.54	4.54	4.54	4.48	36	36	36
CAJA POSTAL		3	22,000.0	100.0	0.0	4.66	3.86	4.31	4.29	35	33	34
CAJA GENERAL DE AHORROS DE BADAJOZ		1	3,000.0	100.0	0.0	5.08	5.08	5.08	5.05	42	42	42
TOTAL REGISTERED AMOUNTS	13	25	367,500.0	97.3	2.7	5.91	3.76	4.29	4.28	66	24	37

(a) Averages are weighted by registered nominal amounts. Issues placed via auction or paying floating interest rates are not included in the calculations.

(b) Averages are weighted by registered nominal amounts.

A.1.10. ISSUES. PRIVATE DEBT. MORTGAGE-BACKED SECURITIES. 1997
Registered amounts. Detail by issuer

Amounts in millions of pesetas

	No. of issuers	Effective amount tendered		Nominal amount tendered		Average maturity (a)	
		Total	Domestic market	Total	Domestic market	Years	% TACP
FTH UCI 3		14,500.0	4,200.0	14,500.0	4,200.0	7.10	4.00
FTH, HIPOTEBANSA V		39,100.0	7,525.0	39,100.0	7,525.0	4.60	8.00
BANCAJA 1, FTH		20,000.0	20,000.0	20,000.0	20,000.0	5.00	8.00
FTH, HIPOTEBANSA VI		43,750.0	8,000.0	43,750.0	8,000.0	5.10	8.00
TOTAL REGISTERED AMOUNTS	4	117,350.0	39,725.0	117,350.0	39,725.0		

(a) Average maturity (years): Varies depending on rates of prepayment. This is why the % TACP column is included.
TACP = Constant Annual Rate of Prepayment.

A.1.11. ISSUES. WARRANTS. 1997
Number of issues, registered amounts and issue premia. Detail by issuer

Amounts in millions of pesetas

	No. of		Effective amount		Issue premium		
	Issuers	Issues	Total	Equity warrants (a)	Maximum	Minimum	Average
BCO. COOPERATIVO ESPAÑA		3	1,095.2	732.0	637	221	373
BANCOVAL		3	600.8	600.8	718	560	662
CITIBANK ESPAÑA		36	27,957.5	27,957.5	5,378	154	1,553
TOTAL REGISTERED AMOUNTS	3	42	29,653.5	29,290.3	5,378	154	1,357

(a) Equity warrants and stock index warrants are included. The remainder of warrants in 1997 were fixed-income warrants.

A.1.12. PUBLIC OFFERINGS. 1997 Registered amounts

Public offerings of sale of shares

Amounts in millions of pesetas

Seller	Tendered company	Effective tendered amounts		Nominal tendered amounts	
		Total	Domestic market	Total	Domestic market
SEPPA	TELEFÓNICA	620,623.7	430,421.2	95,804.8	66,443.5
HERMANOS DOMÍNGUEZ	ADOLFO DOMINGUEZ	17,970.6	10,782.3	597.6	358.6
GUINNESS, PLC.	GUINNESS, PLC.	5,007.4	5,007.4	353.6	353.6
TELE PIZZA	TELE PIZZA	720.0	720.0	16.0	16.0
SEPI	REPSOL	154,162.2	104,830.3	12,751.2	8,670.8
REPSOL	REPSOL	24,482.3	24,482.3	2,250.2	2,250.2
VARIOS OFERENTES	CATALANA OCCIDENTE	22,443.1	7,903.9	758.2	267.0
TOTAL	TOTAL	384.7	384.7	58.1	58.1
MERCAPITAL SOC. DE CAPITAL INVERSIÓN, N.V.	MERCAPITAL SOC. DE CAPITAL INVERSIÓN, N.V.	1,700.0	1,700.0	1,700.0	1,700.0
VARIOS OFERENTES	BARON DE LEY	12,708.5	5,224.1	540.8	222.3
VARIOS OFERENTES	CVNE	2,496.1	2,496.1	128.0	128.0
GRUPO ACCIONA	FAES	19,381.2	6,783.4	798.0	279.3
BBV	BBV	5,621.0	5,621.0	200.2	200.2
VARIOS OFERENTES	BODEGAS RIOJANAS	2,608.9	2,608.9	208.7	208.7
SEPPA	ALDEASA	45,571.9	22,783.0	2,787.3	1,393.5
SEPI	ENDESA	714,225.0	537,283.5	53,201.1	40,021.1
CAJA DE AHORROS DE CATALUÑA	GRUP ASSEGURADOR CAIXA CATALUNYA	10,997.6	10,997.6	2,784.2	2,784.2
VARIOS OFERENTES	ACS	55,940.9	41,048.6	3,995.8	2,932.0
SEPI	ACERALIA	129,406.4	97,394.0	62,214.6	46,824.0
LUCENT TECHNOLOGIES INC.	LUCENT TECHNOLOGIES INC.	0.0	0.0	0.0	0.0
SOCIEDAD ESTATAL DE PATRIMONIO II	TELEFONICA (a)	28.7	28.7	8.9	8.9
INVERSIÓN CORPORATIVA, I.C., S.A.	ABENGOA	630.1	630.1	80.8	80.8
TOTAL BIDDING AMOUNT		1,847,110.3	1,319,131.0	241,238.3	175,201.0

(a) Corresponds to fidelity bonuses.

Public offerings of subscription of shares

Amounts in millions of pesetas

Seller	Effective tendered amounts		Nominal tendered amounts	
	Total	Domestic market	Total	Domestic market
SCHNEIDER	284.4	284.4	284.4	284.4
IBERPAPEL GESTIÓN	8,012.8	8,012.8	352.1	352.1
DINAMIA	20,160.0	20,160.0	4,500.0	4,500.0
TOTAL TENDER AMOUNT	28,457.3	28,457.3	5,136.5	5,136.5

Annex 2

Secondary markets

**A.2.1. SECONDARY MARKETS. EQUITIES.
NET INCOME AND EARNINGS OF LISTED COMPANIES. 1997**

Change accumulated until a given quarter over the same period of the last year (%)

Sector	Net income					Earnings before taxes				
	Q1 97	Q2 97	Q3 97	Q4 97	Q4 96	Q1 97	Q2 97	Q3 97	Q4 97	Q4 96
Farming and fishing	55.6	-1.4	-5.1	-15.0	6.0	36.8	-208.3	-8.7	1,691.9	171.4
Energy and water utilities	8.9	8.7	8.9	8.0	6.0	-8.9	-0.9	2.3	3.0	10.9
Mining	5.5	10.1	8.8	3.9	8.6	18.2	-8.5	-23.5	35.8	39.7
Oil	17.2	14.8	15.0	15.0	9.8	6.9	9.4	11.1	15.1	-1.2
Electric utilities	-4.2	-2.5	-2.8	-2.4	0.1	9.2	-5.5	-1.2	-2.4	15.3
Water and gas utilities	15.6	19.7	23.3	13.2	12.2	-11.6	0.7	1.8	3.0	36.0
Basic metal industries	14.8	16.8	24.0	21.9	-3.3	16.8	78.8	137.5	87.3	-65.9
Cement and construction materials	1.5	7.9	10.5	11.8	1.4	-11.2	-3.6	8.8	45.7	7.8
Cement	2.7	10.5	16.0	18.9	3.1	-25.9	-17.5	0.8	61.9	-5.4
Construction materials	0.5	5.9	6.1	6.2	-0.1	10.5	16.8	21.2	24.9	-11.3
Chemical industry	4.7	2.3	6.8	6.5	-6.2	37.8	20.1	24.1	23.1	-77.9
Metal transformation industries	2.4	6.8	8.9	11.0	9.8	-20.1	37.1	39.6	75.3	83.1
Automobiles and other transportation	2.2	7.5	8.9	12.5	11.1	-107.9	149.7	19.0	-2,111.0	170.3
Other metal transformation industries	3.1	4.6	8.8	5.2	6.2	19.7	24.1	44.5	82.9	66.1
Other transformation industries	14.0	14.3	13.9	14.2	0.5	35.3	19.5	40.5	51.9	-34.2
Foods, beverages and tobacco	18.6	17.3	16.0	15.6	3.6	36.6	24.1	35.2	44.0	-1.0
Paper and graphic arts	-6.5	1.8	6.5	8.2	-15.9	167.2	31.6	3,508.0	605.4	-98.6
Other manufacturing industries	-0.7	1.6	3.2	7.9	-6.7	13.9	4.2	22.6	85.5	-42.5
Construction materials	9.4	12.6	13.2	10.3	5.4	75.0	67.4	109.1	32.4	2.3
Commerce and other services	3.9	4.7	6.3	6.6	4.1	6.1	13.9	4.2	5.6	8.9
Transportation and communications	20.2	16.7	17.7	16.8	14.2	18.9	14.7	14.6	16.4	20.1
Transportation and communications	1.7	5.5	5.8	5.8	4.2	156.7	-103.2	-82.4	67.6	27.8
Parking lots and motorways	11.2	7.2	8.3	7.6	5.2	2.5	-3.2	-7.9	-9.8	7.6
Communications	21.4	17.7	18.8	17.8	15.3	21.9	19.9	21.4	22.4	23.3
Financial institutions, insurance cos.						17.6	17.6	19.2	21.2	9.5
Banks, savings banks, other financial institutions	-14.2	-15.3	-15.6	-14.6	2.0	14.1	15.3	18.6	20.2	7.6
Insurance companies	17.8	19.4	18.6	13.6	12.0	43.3	36.5	-5.7	-2.6	55.3
Portfolio management companies	81.0	80.7	8.3	116.7	149.3	196.7	102.5	145.3	122.0	575.4
Real estate companies	0.3	16.5	8.3	16.0	-2.3	48.9	72.8	62.9	132.6	1,575.4
OVERALL TOTAL						7.2	11.9	15.0	17.7	7.7

A.2.2. SECONDARY MARKETS. EQUITIES. INTERNATIONAL PERFORMANCES. 1997

Period	Index yield (%) (a)						
	Dow Jones	Nikkei	FT 100	CAC 40	DAX 30	Milan	IBEX 35
First quarter	2.1	-7.0	4.7	14.7	18.7	11.2	5.2
Second quarter	16.6	14.5	6.8	7.6	10.4	14.5	26.9
Third quarter	3.6	-13.2	13.9	5.3	10.1	19.5	5.6
Fourth quarter	-0.5	-14.7	-2.1	-0.3	2.0	4.5	-0.2
1997	22.6	-21.2	24.7	29.5	47.1	58.9	40.8
1996	26.0	-2.6	11.6	23.7	28.2	11.1	42.0
1995	33.5	0.7	20.3	-0.5	7.0	-4.2	17.6
Period	Index volatility (%) (b)						
	Dow Jones	Nikkei	FT 100	CAC 40	DAX 30	Milan	IBEX 35
First quarter	13.4	26.2	10.6	15.4	16.3	21.4	16.9
Second quarter	17.3	19.5	10.7	21.0	18.7	16.0	18.4
Third quarter	16.5	18.5	15.3	21.7	21.8	21.9	19.9
Fourth quarter	22.9	33.4	19.0	25.5	32.1	27.7	25.9
1997	17.5	24.4	13.9	20.9	22.2	21.7	20.3
1996	11.2	14.3	9.1	12.5	11.3	18.1	12.2
1995	9.5	21.2	9.8	16.8	12.8	19.0	13.1
Period	Trading volumes						
	NYSE	Tokyo	LSE	France	Germany	Italy	Spain
1997 (USD Bn)	5,777.6	896.1	1,989.5	414.3	1,067.7	203.3	184.6
1996 (USD Bn)	4,063.4	938.8	1,360.3	282.0	811.6	103.3	100.7
Var. 1996/1995 (c) ...	42.2	5.7	40.1	67.2	51.4	117.8	111.7
Pct. of NYSE volume:							
1997	100.0	15.5	34.4	7.2	18.5	3.5	3.2
1996	100.0	23.1	33.5	6.9	20.0	2.5	2.5
Period	P/E ratio and dividend yield (d)						
	USA	Japan	U.K.	France	Germany	Italy	Spain
P/E ratio:							
1997	22.9	41.9	16.8	24.0	22.7	24.7	22.2
1996	19.3	108.7	14.9	48.7	27.6	18.9	16.8
Dividend yield:							
1997	1.8	0.8	3.3	2.5	2.0	2.0	2.5
1996	2.0	0.8	3.9	2.8	2.3	2.4	2.8

(a) Rate of change at end of period in relation to last trading day of previous period.

(b) Average of annualised daily volatilities during the period. Daily volatility is defined as the typical deviation of the daily yield of the stock index in the last 30 trading days.

(c) In local currency.

(d) P/E ratio: Price/earnings ratio. Dividend yield: Dividend/price.

Source: Morgan Stanley and own records.

A.2.3. SECONDARY MARKETS. EQUITIES. SPANISH STOCK INDICES. 1997

Period	Yield (change over the previous period, in %)				
	Madrid	Barcelona	Bilbao	Valencia	IBEX 35
First quarter	6.4	8.2	9.1	8.4	5.2
Second quarter	27.0	24.1	25.5	25.1	26.9
Third quarter	5.7	5.6	6.5	5.5	5.6
Fourth quarter	-0.4	-1.2	-0.2	-1.7	-0.2
1997	42.2	40.0	45.6	40.7	40.8
1996	39.0	42.8	47.8	44.2	42.0
1995	12.3	13.1	20.4	18.7	17.6
Period	Volatility (%) (*)				
	Madrid	Barcelona	Bilbao	Valencia	IBEX 35
First quarter	16.8	18.1	18.0	18.1	18.2
Second quarter	17.2	18.6	18.2	18.7	18.4
Third quarter	18.1	18.9	19.4	18.5	19.9
Fourth quarter	24.5	24.7	21.9	23.1	25.7
1997	19.0	19.9	19.2	19.4	20.3
1996	11.0	13.5	11.9	12.3	12.2
1995	11.8	13.7	12.6	14.4	13.1

(*) Average of annualised daily volatilities during the period. Daily volatility is defined as the typical deviation of the daily yield of the stock index in the last 30 trading days.

**A.2.4. SECONDARY MARKETS. EQUITIES.
SECTORAL INDICES (MADRID STOCK EXCHANGE). 1997**

Period	Yield (change over the previous period, in %)									
	Banks	Electric util.	Foods	Construction	Investment	Mining & Sid.	Chemicals	Commun.	Others	General
First quarter	11.3	-5.3	24.3	12.0	6.0	10.7	15.4	9.3	4.6	6.4
Second quarter	36.6	20.8	15.9	39.1	31.7	35.9	10.2	24.2	27.8	27.0
Third quarter	9.1	0.4	14.5	15.7	-3.0	3.8	3.0	8.7	-1.4	5.7
Fourth quarter	6.2	-3.6	7.9	-0.1	-4.8	-14.8	-1.6	-5.8	-5.4	-0.4
1997	76.1	10.7	77.9	79.9	29.0	33.0	29.0	39.0	24.5	42.2
1996	32.7	49.3	38.5	15.7	56.8	44.5	21.2	67.8	12.5	39.0
1995	9.9	35.8	-1.8	-16.8	21.4	-15.3	6.6	12.3	7.6	12.3
Period	Volatility (%) (*)									
	Banks	Electric util.	Foods	Construction	Investment	Mining & Sid.	Chemicals	Commun.	Others	General
First quarter	18.3	21.7	18.0	19.6	20.6	18.9	18.1	21.0	19.8	16.8
Second quarter	18.7	21.8	16.7	21.0	18.1	17.9	17.4	22.3	17.4	17.2
Third quarter	21.8	21.0	18.9	16.8	23.9	16.2	17.5	22.9	20.5	18.1
Fourth quarter	31.2	22.3	25.1	31.9	21.7	29.8	21.8	31.1	28.8	24.5
1997	21.9	21.8	19.9	22.5	21.1	21.3	19.0	23.6	21.9	19.0
1996	10.6	15.7	15.0	11.2	15.0	14.1	13.5	15.7	15.6	11.0
1995	11.4	16.0	15.4	16.7	15.5	14.5	13.1	16.6	16.9	11.8

(*) Average of annualised daily volatilities during the period. Daily volatility is defined as the typical deviation of the daily yield of the stock index in the last 30 trading days.

**A.2.5. SECONDARY MARKETS. EQUITIES.
CAPITALISATION AND LISTED COMPANIES IN THE EQUITY SEGMENT
OF SPANISH STOCK EXCHANGES**

End-of-period figures

	Madrid	Barcelona	Bilbao	Valencia	Pro memoria		
					Total	Elec. mkt (*)	Outcry mkt.
Capitalisation (ESP Bn):							
1997	44,494.9	42,458.6	33,473.5	30,906.9	45,538.4	43,097.3	2,441.1
1996	31,684.1	30,313.1	23,174.2	21,088.2	32,443.6	30,544.4	1,899.2
No. of listed companies:							
1997	384	321	248	215	663	143	520
1996	358	303	242	211	606	134	472
No. of active companies:							
1997	222	155	105	100	650	143	507
1996	206	159	117	102	593	134	459

(*) Elec. Mkt.: Electronic market.

Active companies are those listed at the end of the period which have registered transactions during the year.

In calculating capitalisation, only active stocks have been considered. The price taken for this purpose is the closing price of the last session in which the stock was traded.

Pro-memoria:

Listed capital of listed foreign companies (effective amounts in millions of pesetas).

	1997	1996
Bayer	3,450.9	3,393.4
Volkswagen	2,297.7	1,298.7
Commerzbank	1,959.9	1,044.3
Lafarge	934.2	697.2
TOTAL	8,642.7	6,433.6
% of total capitalisation ..	19.0	19.8

**A.2.6. SECONDARY MARKETS. EQUITIES.
SECTORAL CONCENTRATION OF CAPITALISATION
ON THE SPANISH STOCK EXCHANGES. 1997**

Number of issuers needed to reach a given percentage of capitalisation

Sector	Electronic market				Outcry market (4 stock exchanges)			
	25%	50%	75%	Total	25%	50%	75%	Total
0 OIL	1	1	1	3	0	0	0	0
1 ENERGY AND WATER UTILITIES	1	2	4	13	1	1	2	3
2 MINING AND BASIC METALS	1	2	2	6	1	2	3	12
3 CEMENT AND CONSTRUCTION MAT.	1	2	3	10	1	2	3	8
4 CHEMICALS	1	1	1	6	1	2	3	7
5 TEXTILES AND PAPER	2	4	7	14	1	3	6	14
6 METAL TRANSFORMATION	1	1	1	13	1	2	2	11
7 FOODS	1	2	5	13	1	2	5	13
8 CONSTRUCTION	1	2	4	8	1	1	1	2
9 REAL ESTATE	2	3	3	10	1	2	5	37
10 TRANSPORTATION & COMMUNICATIONS	1	1	1	6	1	1	2	5
11 MISCELLANEOUS	1	2	4	9	1	2	5	14
NON-FINANCE SECTOR TOTAL	3	6	16	111	3	7	19	126
12 BANKS	3	4	6	23	1	1	2	6
13 INSURANCE COMPANIES	1	2	3	4	1	1	1	2
14 INVESTMENT TRUSTS	1	1	2	4	1	3	4	35
15 SIM	1	1	1	1	7	32	81	350
16 FINANCING COMPANIES	0	0	0	0	1	1	1	2
FINANCE SECTOR TOTAL	3	4	7	32	5	25	76	350
1997 TOTAL	5	10	21	143	8	27	91	520
1996 TOTAL	5	8	19	134	7	21	64	472
1997 Gini index		0.77				0.75		
1996 Gini index		0.78				0.78		

TOTAL columns indicate the number of listed companies at the end of the year.

For issuers listed on two or more stock exchanges, capitalisation on the exchange where their shares are traded more frequently has been considered.

**A.2.7. SECONDARY MARKETS. EQUITIES.
SECTORAL DISTRIBUTION OF CAPITALISATION
ON THE SPANISH STOCK EXCHANGES. 1997**

Percentage of capitalisation

Sector	Electronic market		Outcry market (4 exchanges)	
	1997	1996	1997	1996
0 OIL	5.7	6.2	0.0	0.0
1 ENERGY AND WATER UTILITIES	18.6	23.8	0.6	0.6
2 MINING AND BASIC METALS	1.4	1.0	2.3	1.3
3 CEMENT AND CONSTRUCTION MAT.	4.6	4.4	1.5	4.9
4 CHEMICALS	8.5	11.5	1.3	2.7
5 TEXTILES AND PAPER	0.6	0.4	2.7	1.3
6 METAL TRANSFORMATION	6.5	5.4	2.1	5.4
7 FOODS	2.7	1.9	2.5	9.8
8 CONSTRUCTION	2.6	1.4	0.4	0.1
9 REAL ESTATE	1.1	0.9	7.1	9.7
10 TRANSPORTATION & COMMUNICATIONS	11.4	11.6	1.0	3.9
11 MISCELLANEOUS	2.9	3.6	2.7	2.3
NON-FINANCE SECTOR TOTAL	66.5	72.1	24.2	42.0
12 BANKS	31.2	25.4	1.2	9.6
13 INSURANCE COMPANIES	1.4	1.5	0.4	6.6
14 INVESTMENT TRUSTS	0.9	1.0	6.7	3.9
15 SIM	0.0	0.0	67.1	37.9
16 FINANCING COMPANIES	0.0	0.0	0.4	0.0
FINANCE SECTOR TOTAL	33.5	27.9	75.8	58.0
TOTAL	100.0	100.0	100.0	100.0
TOTAL (in millions of pesetas)	43,097.3	30,544.4	2,441.1	1,899.2

Electronic market: Percentage of sectoral capitalisation of securities traded on the electronic market.

For issuers listed on two or more stock exchanges, capitalisation on the exchange where their shares are traded more frequently has been considered.

A.2.8. SECONDARY MARKETS AND DERIVATIVES MARKETS. ACTIVITY. 1997

SECONDARY MARKETS	Trading volumes in billions of pesetas		
	1997	1996	Change (%)
EQUITIES (a)	27,120.8	12,808.2	111.7
Electronic market	26,778.5	12,638.0	111.9
Outcry market	342.3	170.2	101.2
FIXED-INCOME			
Gvt. Debt book-entry market (b,c)	325,293.0	265,589.0	22.5
Bonds	294,095.0	243,453.0	20.8
Treasury bills	31,198.0	22,136.0	40.9
Stock exchanges (a)	9,021.4	12,947.1	-30.3
Electronic market	4,250.6	9,854.4	-56.9
Outcry market	4,770.8	3,092.7	54.3
AIAF (b)	2,635.6	2,483.1	6.1
Commercial paper	560.2	578.0	-3.1
Matador bonds	632.3	437.6	44.5
Mortgage bonds	203.2	302.3	-32.8
Bonds	1,239.9	1,165.2	6.4
FUTURES AND OPTIONS MARKETS	No. of contracts traded		
	1997	1996	Change (%)
DEBT	22,676,371	21,066,011	7.6
Futures	20,752,550	18,461,384	12.4
Options	1,923,821	2,604,627	-26.1
MIBOR	2,695,693	1,482,281	81.9
Futures	2,401,603	1,247,147	92.6
Options	294,090	235,134	25.1
IBEX 35 (d)	7,118,708	3,595,637	98.0
Futures	5,880,899	2,819,216	108.6
Options	1,237,809	776,421	59.4
EQUITIES	1,345,679	854,796	57.4
Options	1,345,679	854,796	57.4
CITRICS	60,046	145,450	-58.7
Futures	60,046	145,450	-58.7

(a) Effective amount

(b) Nominal amount

(c) Includes only outright spot trades.

(d) No. of contracts adjusted to the size of the new IBEX 35 + contracts.

Source: Bank of Spain and own records.

A.2.9. SECONDARY MARKETS. EQUITIES. EFFECTIVE TRADING ON SPANISH STOCK EXCHANGES. 1997

Figures in billions of pesetas

Month	Total	Electronic market	Outcry market	Outcry market			
				Madrid	Barcelona	Bilbao	Valencia
January	2,288.7	2,264.8	23.9	16.2	4.0	2.4	1.3
February	2,275.5	2,251.5	23.9	18.7	2.6	0.9	1.7
March	1,685.2	1,658.0	27.2	15.6	10.0	0.9	0.6
April	2,049.6	2,030.6	19.0	13.7	3.4	0.7	1.2
May	2,312.1	2,290.7	21.4	16.0	2.0	2.3	1.0
June	2,531.8	2,510.9	20.9	15.7	1.9	1.4	1.9
July	2,456.4	2,407.6	48.9	37.7	7.4	2.3	1.4
August	1,361.5	1,343.9	17.6	10.7	2.1	4.5	0.2
September	2,035.2	2,012.7	22.6	16.2	4.9	0.7	0.7
October	3,563.9	3,525.8	38.1	22.0	3.5	11.7	0.8
November	1,867.9	1,849.4	18.4	11.9	3.1	2.6	0.9
December	2,693.0	2,632.4	60.6	18.5	37.3	1.6	3.2
1997	27,120.8	26,778.5	342.3	212.9	82.2	32.1	15.1
1996	12,808.2	12,638.0	170.2	122.5	22.5	13.8	11.3
Change	111.7	111.9	101.2	73.8	265.0	132.2	33.8
Share (%)	100.0	98.7	1.3	0.8	0.3	0.1	0.1

**A.2.11. SECONDARY MARKETS. EQUITIES. DISTRIBUTION BY TYPES OF EFFECTIVE TRADING
ON THE ELECTRONIC MARKET. 1997**

Figures in billions of pesetas

	Total	Regular session	Off-hours	Special authorised tr.	OPA	OPV	Declared trades	Exercise of options	Pro-memoria Matched-trades (*)	
									Volume	(%)
JANUARY	2,264.8	1,921.3	326.4	16.8	0.0	0.0	0.0	0.3	430.0	22.4
FEBRUARY	2,251.5	1,431.8	150.7	4.6	6.7	560.4	97.3	0.0	312.1	21.8
MARCH	1,658.0	1,629.1	4.4	0.1	0.0	18.3	0.0	6.1	434.5	26.7
APRIL	2,029.9	1,730.8	72.3	6.8	1.1	194.1	24.5	0.3	319.9	18.5
MAY	2,290.5	2,158.5	118.9	13.0	0.0	0.0	0.0	0.1	478.7	22.2
JUNE	2,510.6	2,212.9	179.8	104.4	0.0	0.0	0.0	13.5	538.8	24.3
JULY	2,406.3	2,004.9	318.3	47.4	0.0	35.6	0.0	0.1	452.0	22.5
AUGUST	1,346.4	1,252.6	91.8	2.0	0.0	0.0	0.0	0.0	361.6	28.9
SEPTEMBER	2,012.7	1,766.7	134.0	26.9	26.9	51.5	0.1	6.7	469.6	26.6
OCTOBER	3,525.8	2,505.7	230.8	36.8	0.0	752.5	0.1	0.0	444.0	17.7
NOVEMBER	1,849.4	1,726.9	115.1	5.2	0.0	0.0	2.2	0.1	529.7	30.7
DECEMBER	2,632.4	2,214.6	190.1	12.0	0.0	205.4	0.6	9.7	866.7	39.1
1997 TOTAL	26,778.5	22,555.6	1,932.7	276.0	34.8	1,817.8	124.7	36.9	5,637.5	25.0
1996 TOTAL	12,504.4	10,754.6	916.0	511.6	322.0	0.1	0.0	0.0	2,939.7	27.3
CHANGE (%)	114.2	109.7	111.0	-46.0	-89.2				91.8	

(*) Matched-trades: transactions in which the same member acts as buyer and seller. Percentage is calculated based on the volume traded within the regular session.

A.2.12. SECONDARY MARKETS. EQUITIES. ORDER TYPES ON THE ELECTRONIC MARKET. 1997

	Direction of trades					
	Number (1)			Percentage of total		
	1997	1996	1995	1997	1996	1995
Total orders entered	44,334	23,515	18,504	100.0	100.0	100.0
Buy orders	19,967	9,852	7,906	45.0	41.9	42.7
Sell orders	24,614	13,663	10,600	55.5	58.1	57.3
Transactions (2)	27,321	13,410	9,457	61.6	57.0	51.1
	Duration					
Overnight	33,654	19,466	14,466	75.9	82.8	78.2
Until a date	2,843	3,510	3,326	6.4	14.9	18.0
Until cancelled	6,130	585	518	13.8	2.5	2.8
Fulfill or cancel	242	169	228	0.5	0.7	1.2

(1) Daily average.

(2) Executed transactions.

Source: Sociedad de Bolsas.

A.2.13. SECONDARY MARKETS. EQUITIES. SECTORAL CONCENTRATION OF TRADING ON THE SPANISH STOCK EXCHANGES. 1997

Number of issuers needed to reach a given percentage of trades

Sector	Electronic market				Outcry market (4 stock exchanges)			
	25%	50%	75%	Total	25%	50%	75%	Total
0 OIL	1	1	1	3	0	0	0	0
1 ENERGY AND WATER UTILITIES	1	2	2	13	1	1	1	3
2 MINING AND BASIC METALS	1	2	3	6	1	1	2	12
3 CEMENT AND CONSTRUCTION MAT.	1	2	4	10	1	1	2	8
4 CHEMICALS	1	2	3	6	1	2	3	7
5 TEXTILES AND PAPER	1	3	5	14	2	3	8	14
6 METAL TRANSFORMATION	1	2	3	13	1	2	3	11
7 FOODS	1	2	4	13	2	3	5	13
8 CONSTRUCTION	1	3	4	8	1	1	1	2
9 REAL ESTATE	1	2	4	10	1	2	5	37
10 TRANSPORTATION & COMMUNICATIONS ..	1	1	1	6	1	1	2	5
11 MISCELLANEOUS	1	3	4	9	1	1	2	14
NON-FINANCE SECTOR TOTAL	1	3	9	111	2	5	14	126
12 BANKS	1	2	4	23	1	1	1	6
13 INSURANCE COMPANIES	1	1	2	4	1	1	2	2
14 INVESTMENT TRUSTS	1	1	2	4	1	1	3	35
15 SIM	1	1	1	1	3	13	37	350
16 FINANCING COMPANIES	0	0	0	0	1	1	1	2
FINANCE SECTOR TOTAL	1	3	5	32	3	14	40	394
1997 TOTAL	2	5	12	143	4	18	52	520
1996 TOTAL	4	8	19	134	15	41	101	472
1997 Gini index		0.84				0.85		
1996 Gini index		0.83				0.85		

TOTAL columns indicate the number of companies listed at the end of the year.

Trades involving securities listed on the continuous market at 31/12/97 have been included under this heading, regardless of when they began to trade on that market.

A.2.14. SECONDARY MARKETS. EQUITIES. FREQUENCY OF TRADING ON THE SPANISH STOCK EXCHANGES. 1997

Number of issuers in each interval of frequency

Sector	Electronic market				Outcry market (4 stock exchanges)			
	0-50%	50-85%	85-100%	Total	0-50%	50-85%	85-100%	Total
0 OIL	0	0	3	3	0	0	0	0
1 ENERGY AND WATER UTILITIES	0	1	12	13	3	0	0	3
2 MINING AND BASIC METALS	0	0	6	6	10	2	0	12
3 CEMENT AND CONSTRUCTION MAT.	0	0	10	10	7	1	0	8
4 CHEMICALS	0	2	4	6	6	1	0	7
5 TEXTILES AND PAPER	0	0	14	14	13	1	0	14
6 METAL TRANSFORMATION	0	1	12	13	10	1	0	11
7 FOODS	0	0	13	13	9	4	0	13
8 CONSTRUCTION	0	1	7	8	2	0	0	2
9 REAL ESTATE	0	1	9	10	36	1	0	37
10 TRANSPORTATION & COMMUNICATIONS ..	0	0	6	6	4	0	1	5
11 MISCELLANEOUS	0	0	9	9	13	1	0	14
NON-FINANCE SECTOR TOTAL	0	6	105	111	113	12	1	126
12 BANKS	1	1	21	23	3	1	2	6
13 INSURANCE COMPANIES	0	1	3	4	2	0	0	2
14 INVESTMENT TRUSTS	0	0	4	4	34	1	0	35
15 SIM	0	0	1	1	327	13	10	350
16 FINANCING COMPANIES	0	0	0	0	2	0	0	2
FINANCE SECTOR TOTAL	1	2	29	32	368	15	12	395
1997 TOTAL	1	8	134	143	481	27	13	521
1996 TOTAL	3	8	123	134	434	24	14	472

Frequency: Percentage of sessions with trading.

TOTAL columns indicate the number of listed companies at the end of the year.

Even though many stocks are listed on two or more exchanges, frequency has been computed as if there were just one exchange.

**A.2.15. SECONDARY MARKETS. EQUITIES.
SECTORAL DISTRIBUTION OF TRADING ON THE SPANISH
STOCK EXCHANGES. 1997**

Percentage of trading

Sector	Electronic market		Outcry market (4 exchanges)	
	1997	1996	1997	1996
0 OIL	9.6	10.5	0.0	0.0
1 ENERGY AND WATER UTILITIES	23.4	29.4	0.3	0.4
2 MINING AND BASIC METALS	3.4	1.8	2.7	1.8
3 CEMENT AND CONSTRUCTION MAT.	1.0	1.2	9.8	2.2
4 CHEMICALS	0.5	0.6	1.7	6.9
5 TEXTILES AND PAPER	1.2	0.9	0.8	3.4
6 METAL TRANSFORMATION	1.6	1.5	2.8	8.2
7 FOODS	3.1	2.7	10.3	14.1
8 CONSTRUCTION	2.5	2.2	0.1	0.4
9 REAL ESTATE	1.1	1.4	4.0	8.2
10 TRANSPORTATION & COMMUNICATIONS ..	21.2	18.7	1.1	2.6
11 MISCELLANEOUS	2.4	3.0	4.1	2.1
NON-FINANCE SECTOR TOTAL	71.1	73.7	37.6	50.3
12 BANKS	26.9	24.2	4.4	3.6
13 INSURANCE COMPANIES	1.1	1.1	0.0	0.5
14 INVESTMENT TRUSTS	0.8	1.0	2.3	2.8
15 SIM	0.0	0.0	55.6	42.9
16 FINANCING COMPANIES	0.0	0.0	0.0	0.1
FINANCE SECTOR TOTAL	28.9	26.3	62.4	49.7
TOTAL	100.0	100.0	100.0	100.0
TOTAL (in billions of pesetas)	26,778.5	12,638.0	342.3	170.2

Electronic market: Percentage of sectoral trade for securities traded on the electronic market.

Trades involving securities listed on the continuous market at 31/12/97 have been included under this heading, regardless of when they began to trade on that market.

A.2.16. SECONDARY MARKETS. EQUITIES. THE ELECTRONIC MARKET. LISTED COMPANIES. 1997

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97)		Annual trading		Remarks
	1997	1996	1997	1996	
DOMESTIC SECURITIES					
<i>OIL</i>					
BP OIL ESPAÑA	81,915	53,270	1,844	969	
COMPAÑÍA ESPAÑOLA DE PETRÓLEOS - CEPSA -	410,282	353,199	45,781	75,378	
REPSOL	1,950,000	1,494,000	2,535,548	1,251,568	
<i>ENERGY AND WATER UTILITIES</i>					
COMPAÑÍA SEVILLANA DE ELECTRICIDAD	425,289	438,710	126,098	342,081	
ELECTRA DE VIESGO	110,948	79,945	4,519	4,120	
ELÉCTRICAS REUNIDAS DE ZARAGOZA - ERZ -	119,387	101,110	23,575	19,588	
ENDESA	2,813,261	2,402,452	3,094,257	1,182,281	
ENHER	196,324	201,326	18,366	13,935	
FUERZAS ELÉCTRICAS DE CATALUÑA - FECSA -	264,913	266,999	123,017	234,433	
GAS NATURAL SDG	1,179,144	1,126,903	418,782	285,275	
GAS Y ELECTRICIDAD - GESA -	124,200	93,715	44,170	51,231	
HIDROELÉCTRICA DEL CANTÁBRICO	252,051	186,963	128,914	100,823	
IBERDROLA	1,807,606	1,691,801	1,713,284	1,120,180	
SALTOS DEL NANSÁ	10,800	10,910	320	420	
SOCIEDAD GENERAL DE AGUAS DE BARCELONA	280,584	235,518	137,836	84,546	
UNIÓN ELÉCTRICA FENOSA	444,832	425,028	426,698	280,865	
<i>MINING AND BASIC METALS</i>					
ACERALIA CORPORACIÓN SIDERÚRGICA	233,750	0	194,604	0	Listed on 09-12-97
ACERINOX	263,975	219,414	349,258	179,798	
ASTURIANA DE ZINC	87,709	51,819	289,070	22,882	
ESPAÑOLA DEL ZINC	4,856	2,075	18,385	909	
GRUPO DURO FELGUERA	19,797	16,093	58,021	14,832	
NUEVA MONTAÑA QUIJANO	4,583	4,101	7,731	3,664	
<i>CEMENT AND CONSTRUCTION MATERIALS</i>					
CEMENTOS PORTLAND	106,619	65,976	14,053	4,787	
COMPAÑÍA VALENCIANA DE CEMENTOS PORTLAND ...	411,213	203,271	20,741	3,164	
CRISTALERÍA ESPAÑOLA	153,495	133,816	38,286	14,656	
HORNOS IBÉRICOS ALBA - HISALBA -	53,834	40,472	8,499	27,245	
PORTLAND VALDERRIVAS	99,462	63,452	23,247	11,135	
SOCIEDAD FINANCIERA Y MINERA	47,990	21,752	11,049	1,651	
UNILAND CEMENTERA	39,096	22,464	3,952	1,631	
URALITA	88,392	53,177	132,380	68,143	
VIDRALA	50,040	32,993	22,275	15,625	
<i>CHEMICALS</i>					
ENERGÍA E INDUSTRIAS ARAGONESAS EIA	38,250	27,810	34,136	19,469	
ERCROS	22,617	11,399	57,653	7,274	
FAES	42,169	34,208	37,618	4,545	Went from floor to cont. market on 23/07/97
GRUPO FOSFORERA	1,145	2,073	3,689	1,797	
SOCIEDAD ESPAÑOLA DE CARBUROS METÁLICOS	98,242	71,567	2,382	48,150	

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.16. SECONDARY MARKETS. EQUITIES.
THE ELECTRONIC MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97)		Annual trading		Remarks	
	1997	1996	1997	1996		
<i>TEXTILES AND PAPER</i>						
ADOLFO DOMÍNGUEZ	37,791	0	84,020	0	Listed on 18-03-97 Listed on 28-11-97 Went from floor to cont. market on 02/01/97	
EMPRESA NACIONAL DE CELULOSAS - ENCE -	44,044	33,006	61,380	42,383		
EPPIC (EN LIQUIDACIÓN)	1,563	1,221	1,711	287		
GRUPO ANAYA	11,282	9,771	2,558	18,598		
IBERPAPEL GESTIÓN	23,905	0	6,523	0		
INDO INTERNACIONAL	11,687	10,666	6,188	4,676		
LA PAPELERA ESPAÑOLA	1,597	1,559	6,787	1,423		
LA SEDA DE BARCELONA	6,893	7,396	9,757	6,495		
MIQUEL COSTAS & MIQUEL	22,189	14,314	16,596	13,600		
SARRIO	34,274	26,575	18,764	7,598		
SNIACE	6,189	2,610	29,697	6,704		
TABLEROS DE FIBRAS - TAFISA -	24,117	15,426	27,999	3,711		
TAVEX ALGODONERA	17,956	10,475	48,953	5,150		
UNIPAPEL	16,075	12,145	4,709	3,225		
<i>METAL TRANSFORMATION</i>						
ABENGOA	47,238	29,080	18,151	16,677		
AMPER	57,423	41,515	143,971	82,380		
AZKOYEN	34,353	27,278	28,399	11,261		
CITROEN HISPANIA	48,414	33,666	817	803		
CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES	19,266	16,866	7,778	9,725		
DIMETAL (EN LIQUIDACIÓN)	224	357	1,070	743		
GLOBAL STEEL WIRE	8,136	4,772	10,248	6,768		
NICOLÁS CORREA	6,408	1,665	8,048	1,833		
RADIOTRÓNICA	6,805	5,277	12,625	3,820		
SOCIEDAD ESPAÑOLA DEL ACUMULADOR TUDOR	20,038	16,124	1,455	243		
TUBACEX	54,210	29,219	166,360	37,428		
ZARDOYA OTIS	188,580	145,842	29,595	19,935		
<i>FOODS</i>						
BARON DE LEY	20,880	0	37,659	0		Listed on 15-07-97 Listed on 29-09-97
BODEGAS RIOJANAS	7,725	0	7,873	0		
BODEGAS Y BEBIDAS	26,185	15,137	3,275	912	Listed on 17-07-97 Suspended on 31/12/97 Suspended on 31/12/97	
CAMPOFRIO ALIMENTACIÓN	91,157	33,705	18,255	11,554		
COMPAÑÍA VINÍCOLA DEL NORTE DE ESPAÑA -CVNE- ..	11,486	0	9,615	0		
EBRO AGRÍCOLAS COMPAÑÍA DE ALIMENTACIÓN	128,951	109,945	67,468	24,551		
KOIKE	69,335	47,368	29,281	10,417		
PULEVA	55,313	23,769	126,055	39,884		
S A EL AGUILA	15,235	15,608	8,012	6,269		
SOCIEDAD GENERAL AZUCARERA DE ESPAÑA	58,899	56,015	5,654	27,493		
TABACALERA	454,769	205,843	347,182	139,391		
TELE PIZZA	132,015	42,073	71,649	34,246		
VISCOFAN	88,949	44,184	85,177	40,227		

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.16. SECONDARY MARKETS. EQUITIES.
THE ELECTRONIC MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97)		Annual trading		Remarks
	1997	1996	1997	1996	
<i>CONSTRUCTION</i>					
ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS....	156,770	21,311	117,390	4,950	1996 OCP figures.
AGROMÁN EMPRESA CONSTRUCTORA	54,212	30,408	25,427	7,459	
CONSTRUCCIONES LAIN	28,128	10,758	39,115	9,259	
DRAGADOS Y CONSTRUCCIONES	186,427	114,901	175,116	84,639	
FOMENTO DE CONSTRUCCIONES Y CONTRATAS	348,296	181,654	141,570	93,117	
GINES NAVARRO CONSTRUCCIONES	0	21,844	19,325	14,485	Excluded on 10/11/97. Taken over by OCP. 1996 Cubiertas figures.
GRUPO ACCIONA	280,549	52,200	110,987	43,498	
HUARTE (VENCIDA E IMPAGADA)	23,427	0	26,792	10,114	
OBRASCON	24,785	6,571	14,498	3,683	
<i>REAL ESTATE</i>					
BAMI	5,388	1,827	12,482	1,970	Suspended on 31/12/97
FILO	7,689	6,016	15,388	7,232	
INBESOS	2,870	1,905	1,595	986	
INMOBILIARIA METROPOLITANA VASCO CENTRAL	162,112	107,311	76,861	53,244	
INMOBILIARIA URBIS	59,565	21,510	29,122	3,283	
INMOBILIARIA ZABALBURU	12,799	4,589	11,558	2,710	
PRIMA INMOBILIARIA	14,011	9,914	8,501	2,882	
SOTOGRADE	10,159	9,013	24,558	7,858	
URBANIZACIONES Y TRANSPORTES - URBAS -	2,596	1,188	3,382	1,793	
VALLEHERMOSO	200,908	121,104	114,113	88,296	
<i>TRANSPORTATION AND COMMUNICATIONS</i>					
AUTOPISTAS CONCESIONARIA ESPAÑOLA - ACESA -	491,496	409,723	211,444	193,716	
AUTOPISTAS DEL MARE NOSTRUM - AUMAR -	181,825	136,119	144,967	91,127	
ESTACIONAMIENTOS SUBTERRÁNEOS - ESSA -	13,125	9,188	10,145	11,599	
EUROPISTAS CONCESIONARIA ESPAÑOLA	62,833	81,496	15,694	11,069	
IBÉRICA DE AUTOPISTAS - IBERPISTAS -	71,991	62,625	14,171	13,120	
TELFÓNICA DE ESPAÑA	4,086,698	2,832,505	5,269,337	2,043,999	
<i>MISCELLANEOUS</i>					
ALDEASA	69,214	0	92,622	0	Listed on 30-09-97
CENTROS COMERCIALES CONTINENTE	275,040	255,360	120,633	72,241	
CENTROS COMERCIALES PRYCA	429,588	520,426	202,449	162,424	
CORTEFIEL	119,969	76,451	42,637	32,904	
FINANZAUTO	28,763	15,651	3,527	1,084	
GRUPO PICKING PACK	7,213	3,428	15,121	2,230	
MARCO IBERICA DISTRIBUCION DE EDICIONES	20,528	14,974	30,346	6,156	
PROSEGUR COMPAÑIA DE SEGURIDAD	91,800	72,000	39,450	29,417	
SOL MELIA	189,100	144,150	107,386	70,657	

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.16. SECONDARY MARKETS. EQUITIES.
THE ELECTRONIC MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97)		Annual trading		Remarks
	1997	1996	1997	1996	
<i>BANKS</i>					
ARGENTARIA -CORPORACIÓN BANCARIA DE ESPAÑA- ..	1,135,575	711,725	1,014,336	775,322	
BANCO ATLÁNTICO	105,928	72,081	3,397	1,960	
BANCO BILBAO VIZCAYA	3,334,362	1,575,357	1,988,501	548,023	
BANCO CENTRAL HISPANOAMERICANO	1,215,546	546,340	694,045	247,669	
BANCO DE ALICANTE	20,186	25,616	1,187	7,723	
BANCO DE ANDALUCÍA	138,524	103,214	7,794	5,513	
BANCO DE CASTILLA	89,823	57,365	1,252	704	
BANCO DE CREDITO BALEAR	30,836	17,973	1,556	1,020	
BANCO DE GALICIA	61,771	41,718	1,154	846	
BANCO DE NEGOCIOS ARGENTARIA	0	0	10,232	1,705	
BANCO DE VALENCIA	87,283	55,997	26,871	11,273	
BANCO DE VASCONIA	37,600	23,360	720	411	
BANCO DE VITORIA	24,015	12,968	2,467	808	Suspended on 31/12/97
BANCO ESPAÑOL DE CRÉDITO - BANESTO -	918,989	615,723	586,334	107,924	
BANCO EXTERIOR DE ESPAÑA	0	292,393	1,423	92,471	Excluded on 17/04/97
BANCO GUIPUZCOANO	42,840	29,330	6,093	3,920	
BANCO HERRERO	65,406	53,941	9,961	1,771	
BANCO PASTOR	116,759	75,598	31,069	12,229	
BANCO POPULAR ESPAÑOL	1,179,754	736,950	822,055	384,188	
BANCO SANTANDER	2,438,853	1,327,234	1,704,222	731,352	
BANCO SIMEON	13,578	13,035	305	31	
BANCO ZARAGOZANO	80,198	55,000	24,371	6,865	
BANKINTER	357,639	281,136	272,036	119,752	
<i>INSURANCE COMPANIES</i>					
AGF UNIÓN-FÉNIX	96,441	65,340	32,487	9,577	
CATALANA DE OCCIDENTE	93,120	48,000	64,887	700	Went from floor to cont. market on 22/04/97
CORPORACIÓN MAPFRE	244,507	238,543	166,365	99,133	
MAPFRE VIDA	171,520	144,000	40,487	23,765	
<i>INVESTMENT TRUSTS</i>					
CORPORACIÓN BANESTO	61,431	60,096	5,530	1,636	
CORPORACIÓN FINANCIERA ALBA	231,183	198,925	142,970	85,414	
CORPORACIÓN FINANCIERA REUNIDA -COFIR-	66,830	35,552	68,108	36,938	
DINAMIA CAPITAL PRIVADO	21,915	0	5,975	0	Listed on 15-12-97
<i>SIM /SIMCAV</i>					
COMPAÑÍA GENERAL DE INVERSIONES	1,904	812	3,281	1,158	
FOREIGN SECURITIES					
<i>CEMENT AND CONSTRUCTION MATERIALS</i>					
LAFARGE	934,209	697,181	2,605	1,652	
<i>CHEMICALS</i>					
BAYER AKTIENGESELLSCHAFT	3,450,928	3,393,413	3,006	588	
<i>METAL TRANSFORMATION</i>					
VOLKSWAGEN AKTIENGESELLSCHAFT	2,297,700	1,298,700	982	873	
<i>BANKS</i>					
COMMERZBANK	1,959,909	1,044,320	1,362	393	

(*) A zero capitalisation is assigned to non-active stocks.

A.2.17. SECONDARY MARKET. EQUITIES. THE OUTCRY MARKET. LISTED COMPANIES. 1997

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks
	1997	1996	1997	1996	
<i>ENERGY AND WATER UTILITIES</i>					
AGUAS DE VALENCIA	81,915	53,270	1,844	969	
COMPAÑIA DE AGUAS DE SABADELL	410,282	353,199	45,781	75,378	
MINA PUBLICA DE AGUAS DE TARRASA	1,950,000	1,494,000	2,535,548	1,251,568	
<i>MINING AND BASIC METALS</i>					
ACERIAS Y FORJAS DE AZCOITIA - AFORASA -	17,814	5,825	5,944	1,177	
ARREGUI	0	0	0	0	
ASTILLEROS DE MURUETA	15	15	1	0	
FORJAS DE BERRIZ VIUDA DE GASTELURRUTIA	70	73	8	8	
METALES IBÉRICA ARANZADI	165	165	6	9	
MINERALES Y PRODUCTOS DERIVADOS - MINERSA -	1,209	713	554	54	
MINERO SIDERURGICA DE PONFERRADA	1,784	1,821	91	92	
S A HULLAS DEL COTO CORTES	11,440	9,152	1,966	1,383	
SOCIEDAD ANÓNIMA HULLERA VASCO-LEONESA	8,126	6,566	644	234	
TUYPER	159	157	9	8	
VICINAY	533	595	13	76	
ZAYER	139	137	28	38	
<i>CEMENT AND CONSTRUCTION MATERIALS</i>					
ALVI	1,325	1,210	22	18	
ASLAND CATALUÑA Y DEL MEDITERRÁNEO	39,072	28,942	134	146	
CELO	434	183	15	61	
CEMENTOS ALFA	7,881	7,825	56	1,452	
CEMENTOS LEMONA	21,669	14,847	1,183	1,765	
CEMENTOS MOLINS	50,276	37,498	24,306	161	
IBERTUBO	71	30	36	1	
VIDRIERA LEONESA - VILESA -	3,768	2,626	7,878	170	
<i>CHEMICALS</i>					
HIDRO NITRO ESPAÑOLA	1,914	1,914	0	2,495	
LA UNIÓN RESINERA ESPAÑOLA	4,860	4,800	864	3,342	
LUCTA	943	918	13	8	
NITRATOS DE CASTILLA - NICAS -	525	526	23	194	
SEFANITRO	1,104	1,069	1,002	149	
TOBEPAL	2,810	3,002	1,701	3	
ZELTIA	7,331	4,888	2,114	1,082	
<i>TEXTILES AND PAPER</i>					
C,H,V, DE GESTION	245	238	10	10	
CARROGGIO S A DE EDICIONES	309	312	18	19	
GRES DE NULES	1,429	1,077	27	120	
I. E. G.	1,251	876	51	19	
INDUSTRIAS DEL ACETATO DE CELULOSA - INACSA -	2,768	2,168	32	12	
INDUSTRIAS DEL CURTIDO - INCUSA -	750	610	21	60	
LIWE ESPAÑOLA	559	702	24	73	
MANUFACTURAS ANTONIO GASSOL	540	570	10	19	
MANUFACTURAS DE ESTAMBRE	78	74	1	4	

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.17. SECONDARY MARKET. EQUITIES.
THE OUTCRY MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks	
	1997	1996	1997	1996		
MOBILIARIA CONTINENTAL DE INVERSIONES	0	534	67	27	Excluded on 01/12/97	
PAPELERA DE NAVARRA	5,512	3,114	2,216	427		
PRIM	1,597	805	183	176		
ROBERTO ZUBIRI	1,098	1,098	95	25		
SEDATEX	434	235	31	0		
KEY	887	697	87	46		
METAL TRANSFORMATION						
COINTRA	0	560	3	8	Excluded on 17/11/97	
CORPORACIÓN IB-MEI	2,540	1,979	445	115	Suspended on 31/12/97	
CORPORACIÓN UCEM (EN LIQUIDACIÓN)	77	83	2	4		
ELECNOR	11,100	10,275	2,970	2,232	Suspended on 31/12/97	
FABRICACIÓN DE AUTOMÓVILES RENAULT DE ESPAÑA	85,430	62,421	3,675	9,652		
IBÉRICA DE MANTENIMIENTO INDUSTRIAL - IMISA -	261	246	28	40		
INDRA SISTEMAS	74,409	17,267	233	350		
JUMBERCA	304	489	15	27		
KOXKA C.E.	12,177	6,528	1,457	430		
LINGOTES ESPECIALES	3,825	2,250	582	350		
PMRK INVESTMENT	196	108	4	2	Excluded on 23/12/97	
SANTANA MOTOR	0	1,037	30	1		
SOCIEDAD ANÓNIMA AURRERA	0	4	0	0		
FOODS						
ACEITES Y PROTEÍNAS - ACEPROSA -	3,819	3,819	113	369	Excluded on 05/11/97	
BODEGAS BILBAINAS	4,790	3,512	3,890	227		
BODEGAS RAMÓN BILBAO	450	450	5	3		
CONSERVAS GARAVILLA	6,030	7,342	154	172		
FRIMANCHA INDUSTRIAS CÁRNICAS	1,707	1,762	45	96		
NAARDEN INTERNACIONAL	8,623	7,566	634	571		
NATRA	1,836	1,548	924	355		
OMSA ALIMENTACIÓN	9,555	6,606	2,505	1,145		
PASCUAL HERMANOS	6,885	9,749	491	833		
PESCANOVA	12,698	13,501	4,298	2,790		
SAN MIGUEL FÁBRICA DE CERVEZA Y MALTA	0	79,834	14,073	14,685		
SOCIEDAD ANÓNIMA DAMM	47,103	35,530	2,646	2,206		
SOCIEDAD ESPAÑOLA DE ALIMENTOS - SEDA -	0	5,454	2,966	95		
SOS ARANA ALIMENTACIÓN	11,163	7,463	2,383	384		
UNITED DUTCH ESPAÑA	238	1,105	9	20		
CONSTRUCTION						
CLEOP	1,664	2,180	247	605		Excluded on 18/11/97
CONSTRUCCIONES E INGENIERÍA (EN LIQUIDACIÓN) ...	0	0	0	0		
OBRAS Y SERVICIOS PÚBLICOS	378	252	3	0		

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.17. SECONDARY MARKET. EQUITIES.
THE OUTCRY MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks
	1997	1996	1997	1996	
<i>REAL ESTATE</i>					
AHORRO FAMILIAR	3,502	2,132	158	440	
ALCINVER	544	504	4	6	
CARTEMAR	674	316	156	17	Suspended on 31/12/97
CIAMSA	0	400	0	206	
COMPAÑÍA DE INVERSIONES Cinsa	1,736	2,736	157	443	
COMPAÑÍA DE TRANSPORTES E INVERSIONES	1,154	1,449	170	131	
COMPAÑÍA ESPAÑOLA DE VIVIENDAS EN ALQUILER ...	9,150	6,283	380	217	
COMPAÑÍA INMOBILIARIA VALENCIANA - CIVSA -	882	729	105	205	
DALT	44,800	44,800	15	1,722	Suspended on 31/12/97
EDIFICACIONES EN MADRID Y PROVINCIAS (EN LIQ.) ...	0	0	0	0	
EGUARAS	364	331	33	8	
EUROCIS	5,521	2,035	405	511	
FINANZAS INMUEBLES CISNEROS	532	266	37	39	
FINEX	29	29	0	0	
FOMENTO INMOBILIARIO CENTRAL	1,267	634	12	80	
FONINVES	67	64	2	4	
FORUM INMOBILIARIO CISNEROS	1,619	853	13	163	
GENERAL DE ESTUDIOS DE INVERSIONES - GEINSA -	5,374	5,286	325	5,177	
GESTIÓN COLECTIVA	0	380	0	2	Excluded on 17/11/97
INCRECISA	845	784	244	256	
INMOBILIARIA ALCAZAR	4,380	4,780	1,461	464	
INMOBILIARIA BARRIO DE BILBAO	263	259	17	3	
INMOBILIARIA DEL SUR	7,245	5,750	452	483	
INMOBILIARIA MARO	206	206	14	14	
INMOBILIARIA SANBOAL	451	0	276	0	
INMOLEVANTE	1,840	1,005	143	35	
INVERSIONES NÚÑEZ DE BALBOA	987	1,233	0	51	
INVERSORA	1,357	1,586	14	53	
LEUCAN	64	63	7	8	
LISIN	0	1,099	120	2	Excluded on 21/10/97
MAX CENTER-LEISA	7,472	10,391	124	123	
OROZCO	0	0	0	0	
PROMOCIONES EUROBUILDING	6,802	5,980	6,338	251	
PROMOCIONES Y CONCIERTOS INMOBILIARIOS	88,000	76,000	1,615	225	
PROMOCIONES Y PARTICIPACIONES NOVOPLAYA	702	1,093	450	256	
RENFILA	4,828	3,722	199	328	
S A PLAYA DE ALBORAYA - SAPLAYA -	625	619	153	234	
S A RONSA	70	70	8	9	
VALENCIANA DE NEGOCIOS	1,370	604	32	50	
<i>TRANSPORTATION AND COMMUNICATIONS</i>					
COMPAÑÍA TRASMEDITERRÁNEA	39,583	40,791	145	654	
FLETAMENTOS MARITIMOS - MARFLET -	1,900	2,763	376	283	
NAVIERA MURUETA	51	51	11	1	
SOCIEDAD DE APARCAMIENTOS DE BARCELONA -SABA-	21,229	21,455	87	171	
TRANSPORTES FERROVIARIOS ESPECIALES	14,683	9,309	3,086	3,262	

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.17. SECONDARY MARKET. EQUITIES.
THE OUTCRY MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks
	1997	1996	1997	1996	
<i>MISCELLANEOUS</i>					
ALMACENES GENERALES INTERNACIONALES - AGISA - ..	187	187	17	11	
ANDRÉS RUIZ DE VELASCO	60	60	15	0	
ARMANDO ÁLVAREZ	2,683	1,610	4	5	
BAQUEIRA BERET	0	3,446	18	809	Excluded on 18/11/97
CERÁMICA VIVES	636	614	72	12	
COMERCIAL DE LAMINADOS	1,224	1,224	11,951	264	
COMPAÑÍA LOGÍSTICA DE HIDROCARBUROS -CLH-	0	7,650	300	218	
DOMAN	281	288	5	5	
EL SARDINERO	1,210	1,348	10	105	
FRIGORÍFICOS DE VIGO	336	366	10	9	
GRAND TIBIDABO	2,370	1,504	523	143	
INFORMES Y PROYECTOS - INYPSA -	625	575	68	23	
INOC	0	18,630	365	893	Excluded on 17/03/97
PESQUERIAS ESPAÑOLAS DEL BACALAO - PEBSA -	353	427	74	72	Suspended on 31/12/97
RÚSTICAS	6,360	3,900	486	953	
TIPEL	0	287	0	6	Excluded on 17/11/97
URBANIZACIONES Y CONSTRUCCIONES INMOBILIARIA	990	891	117	24	
<i>BANKS</i>					
BANCA CATALANA	123,220	97,036	1,916	368	
BANCO COOPERATIVO ESPAÑOL	0	0	594	0	Listed on 12/08/97 (ONLY WARRANTS)
BANCO DE PROMOCION DE NEGOCIOS - PROMOBANC -	8,423	8,891	1	2	
BANCO ESFINGE	2,191	2,331	158	177	
BANCO MAPFRE	51,758	51,758	164	3,525	
BANKOIA	11,648	5,911	11,831	1,443	
BNP ESPAÑA	0	16,859	479	619	Excluded on 19/12/97
<i>INSURANCE COMPANIES</i>					
BANCO VITALICIO	76,531	76,531	108	69	
LEPANTO	1,505	1,574	43	16	
<i>INVESTMENT TRUSTS</i>					
ACCIONES Y TÍTULOS	560	480	9	8	
ASCORP	0	0	0	0	
AURIUM	0	50	0	0	Excluded on 17/11/97
BASCADI	260	260	12	20	
BOLSANOR	65	65	1	0	
CARTERAS REUNIDAS - CARTEMASA -	216	206	96	124	
CASGO	437	388	51	13	
CÍRCULO DE VALORES MOBILIARIOS	112	112	6	4	
COLON DE INVERSIONES	0	250	54	1	Excluded on 18/11/97
COMPAÑÍA DE INVERSIONES MOBILIARIAS BARCINO ...	519	269	17	4	
COMPAÑÍA REGIONAL DE INVERSIONES	0	173	0	37	Excluded on 17/01/97
CORPORACIÓN IVAMOSIA	906	800	8	7	

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.17. SECONDARY MARKET. EQUITIES.
THE OUTCRY MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks
	1997	1996	1997	1996	
DALTAR	285	290	21	4	
DESARROLLO MOBILIARIO - DEMOSA -	220	204	71	13	
FOMENTO BALEAR DE INVERSIONES	340	340	24	48	
GAESCO HOLDING	9,025	3,496	1,202	155	
GESTIÓN IBÉRICA DE INVERSIONES - GESTIBERIA -	0	604	5	1	Excluded on 17/11/97
GESTIÓN Y ADMINISTRACIÓN MOBILIARIA	962	756	6	11	
GORBEA	348	303	12	47	
GRUCYCSA	23,730	22,713	3	1,231	
HISPANA HOLDING	318	350	173	229	
HISPANA TRES	100	100	30	16	
INTRA CORPORACIÓN FINANCIERA	0	95	4	4	Excluded on 17/11/97
INVERMAR	657	821	119	155	
INVERSORA CONDAL DE VALORES MOBILIARIOS	224	202	5	6	
MERCAPITAL	15,048	14,419	1,368	1,256	
NERVION FINANCIERA - NEFINSA -	7,673	7,560	283	188	
NOBO	606	606	103	122	
PESIVER	100	100	3	3	
RENTA VARIABLE	218	204	15	13	
RENTCAPITAL	0	60	0	0	Excluded on 18/11/97
SAAREMA INVERSIONES	1,701	1,922	34	60	
SAMOSA	546	480	17	39	
TERREVA	120	120	0	3	
TUBOS FORJADOS	495	495	3	34	
UNIÓN CATALANA DE VALORES - UCAVASA -	852	585	6	9	
UNIÓN DE VALORES - UNIVAL -	649	649	1	6	
UNIÓN EUROPEA DE INVERSIONES	19,650	12,300	4,265	777	
UNIÓN GENERAL DE INVERSIONES - UGISA -	250	250	7	7	
URBI	0	181	0	0	Suspended on 31/12/97
XAROA	225	192	5	4	
<i>SIM /SIMCAV</i>					
A&G BOLSA	6,584	5,600	311	93	
A&G RENTA FIJA I	896	853	378	690	
AB CEUTA	4,355	0	282	0	Listed on 21/04/97
ABC DE INVERSION MOBILIARIA	564	528	131	14	
ABILITY	260	258	12	400	
ACCIONES, CUPONES Y OBLIGACIONES SEGOVIANAS ..	1,368	980	209	72	
ACROPOLIS 2001	10,950	0	3,421	0	Listed on 13/10/97
ADDITION	3,090	0	2,001	0	Listed on 08/08/97
ADRASAM INVERSION	2,023	0	356	0	Listed on 22/10/97
AGATA	8,760	7,840	10	3	
AGRUPACIÓN FINANCIERA DE INVERSIONES	480	480	5	4	
AHORRO BURSÁTIL	1,680	714	297	27	
AHORROCAPITAL	380	336	4	524	
ALEFOMA	560	520	8	7	
ALFA CAPITAL	284	284	13	11	
ALFA INVERSIONES	260	260	7	8	

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.17. SECONDARY MARKET. EQUITIES.
THE OUTCRY MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks
	1997	1996	1997	1996	
ALFACARTERA	1,480	640	2	15	
ALFAGON 1	741	624	14	5	
ALLOCATION	5,100	0	3,505	0	Listed on 24/07/97
ALMARO	3,715	3,032	1,247	630	
ALTRES XXI	5,425	0	2,091	0	Listed on 12/08/97
ANTALYA	600	725	85	758	
ARALAR DE INVERSIONES	9,780	0	554	0	
ARBARIN	392	388	84	4	
ARCALIA DIVISAS	5,620	5,200	75	61	
AREKA INVERSIONES	5,512	0	444	0	Listed on 08/01/97
ARELGUIA	369	361	247	0	
ARGALAN INVERSIONES	4,600	4,240	6	0	
ARGENTARIA AHORRO	5,325	5,031	2,675	1,092	
ARGENTARIA CARTERA DE INVERSIONES	41,250	31,844	3,012	1	
ARIZCUN	432	400	12	25	
ASTURIANA DE VALORES	3,192	2,173	10	144	
ATAZAR DE INVERSIONES	912	856	31	109	
AUREO INVERSIONES	412	424	116	7	
BANCAJA GESTIÓN	4,151	0	1,234	0	Listed on 16/07/97
BANCOMERCIO AHORRO I	606	0	93	0	Listed on 25/03/97
BANDESCO GLOBAL	4,045	0	308	0	Listed on 28/11/97
BANDESCO INVERSIONES	8,085	4,935	2,890	2,254	
BANESTO CEUTA Y MELILLA	4,140	0	260	0	Listed on 30/05/97
BANKINTER DE INVERSIONES	963	825	10	9	
BANSALIBER	20,745	19,972	707	257	
BANSAPA	0	0	0	0	Listed on 09/10/97
BANSODAD	1,075	1,113	8	10	
BARRARO	0	0	0	0	Listed on 14/11/97
BASARTE	320	308	22	16	
BBV CARTERA	70,400	9,970	22,127	7,357	
BBV CEME MONETARIO	4,264	4,120	1,413	1,518	
BCH MEYCE	4,152	0	857	0	Listed on 19/05/97
BERZOSA DE INVERSIONES	2,790	1,980	139	252	
BESSER INVERSIONES	4,160	0	295	0	Listed on 06/08/97
BETA FONDOS INTERNACIONAL	4,040	0	1,589	0	Listed on 21/08/97
BEXCARTERA	1,630	1,575	1,093	24	
BEXCARTERA DOS	940	640	36	28	
BIFERO	9,528	0	1,509	0	Listed on 21/04/97
BILUTOR	1,440	840	45	40	
BLUE CHIP INVERSIONES	160	160	4	131	
BOLINVER	369	270	3	8	
BOLSAGAR	448	444	33	19	
BOLSAID INVERSIONES	10,321	0	56	0	Listed on 11/02/97
BOLSHISPANIA	1,134	789	30	135	
BOLSIBER	549	549	12	689	
BOMBAY INVESTMENT OFFICE	563	428	13	7	
BOND INVERSIONES	2,763	2,124	27	33	
BOOMING INVERSIONES	1,960	0	350	0	Listed on 06/11/97
BORSARIA INVERSIONES	4,449	0	48	0	Listed on 09/12/97

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.17. SECONDARY MARKET. EQUITIES.
THE OUTCRY MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks
	1997	1996	1997	1996	
BRIMO DE INVERSIONES	280	280	1	1	
BRUNARA	32,726	27,654	22,119	6,710	
BUENDÍA DE INVERSIONES	300	300	19	14	
BULL INVEST	3,840	2,745	132	355	
BUSMONDO	440	400	40	497	
CAPGESA	570	760	861	55	
CAPINVER	352	352	9	3	
CAPITAL M.E.P.	4,028	0	4	0	Listed on 09/12/97
CAPITAL P.A.V.	4,025	0	561	0	Listed on 09/12/97
CAPITALZA	2,000	0	100	0	Listed on 22/12/97
CARFY	1,050	700	62	36	
CARTEBANC	944	412	22	11	
CARTERA ASEGURADORA	504	508	177	508	
CARTERA BASEIBAR	8,535	10,669	5,139	5,953	
CARTERA DE ACCIONES - TACISA -	658	472	673	17	
CARTERA DELFI	4,824	0	1,805	0	Listed on 18/04/97
CARTERA DELFI 2	4,004	0	700	0	Listed on 28/11/97
CARTERA MOBILIARIA - CARMOSA -	21,453	18,000	427	185	
CARTERA PIRINEO	500	392	31	26	
CASTEINVER	260	260	4	2	
CATIMSA	267	281	97	644	
CATOC	5,349	4,039	690	64	
CENTRAL DE INVERSIONES EN VALORES - CEIVASA -	15,730	15,224	746	660	
CENTRAL DE VALORES - CEVALSA -	504	504	78	27	
CHAPE	925	630	147	1	
CHART INVERSIONES	480	496	13	502	
CLEAR INVERSIONES	297	290	16	14	
CLUB BANCOMERCIO CIBELES	4,090	0	1,493	0	Listed on 08/08/97
CONSULBIC	10,160	6,940	597	22	
CONSULBOLSA	7,860	6,231	513	231	
CORPORACIÓN DE INVERSIONES MOBILIARIAS	702	570	12	8	
CORPORAT INVERSIONES	4,560	4,360	6	24	
COVIMOSA	820	780	7	7	
DACINVER	9,533	7,452	96	244	
DAR	1,780	632	1,754	0	
DAVMES	304	304	1	3	
DINERINVER	1,000	1,138	7	8	
DIVERSIFICACIÓN FINANCIERA	400	320	21	64	
DOBLERS	5,540	4,560	58	100	
EAGLE STAR DE INVERSIÓN MOBILIARIA	412	556	20	19	
EAST STAR	5,160	0	2,732	0	Listed on 25/02/97
EPOMENES	6,090	5,350	1	745	
ERCI DE VALORES MOBILIARIOS	460	360	46	54	
ESTUDIOS FINANCIEROS DE VALORES	379	379	9	5	
EUROMIX	626	492	111	40	
EUROTITULOS	560	460	91	35	
FACTOR INVERSIONES	2,778	2,124	70	20	
FAIMSA	626	531	4	4	
FERNANFLOR DE INVERSIONES	112	116	2	8	

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.17. SECONDARY MARKET. EQUITIES.
THE OUTCRY MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks
	1997	1996	1997	1996	
FIBUR	8,225	0	500	0	Listed on 24/02/97
FIMBROBOLSA	695	542	176	636	
FINANCIERA BANSANDER	12,464	10,496	508	477	
FINANCIERA INTERNACIONAL	348	348	26	15	
FINANCIERA PONFERRADA	11,045	10,496	1,653	656	
FINANTER	200	200	9	7	
FINANZAS Y PATRIMONIOS	2,640	1,938	30	12	
FINCAPITAL	798	809	40	112	
FINECO DE VALORES MOBILIARIOS	4,360	0	1,807	0	Listed on 30/04/97
FINECO EURO CARTERA	4,159	0	1,074	0	Listed on 05/11/97
FOCUS INVERSIONES	12,045	0	915	0	Listed on 26/12/97
FOLONPIE	2,000	0	0	0	Listed on 21/08/97
FOMENTO DE AHORRO E INVERSIONES	354	354	2	3	
FONTECILLA	650	360	2	1	
FORALEX	560	542	29	8	
GAMA BURSÁTIL	280	368	429	668	
GARADASA	910	650	15	6	
GESINBOL DE INVERSIONES	9,415	7,578	1	10	
GESTRISA	244	320	4	40	
GUESINVER	1,050	1,000	29	15	
HENA TRES	7,830	6,858	133	119	
HERCASOL	7,280	6,600	39	359	
HIE DE INVERSIONES	360	360	6	6	
HISPANA CINCO	284	486	21	24	
HISPANA DOS	360	360	27	21	
HUPASA DE VALORES MOBILIARIOS	10,327	7,961	15	11	
IBIDA	280	280	38	4	
ILUSTRACIÓN	11,251	8,605	8	118	
INBARSAVE	250	245	3	3	
INBURESA	5,700	5,000	627	1,495	
INDUVISA	550	480	9	15	
INFRAN 95	400	400	0	60	
INGERCOVER	452	444	6	16	
INMOBASA	294	567	0	7	
INOINVERSORA	329	302	3	2	
INPAMOSA	320	320	0	0	
INPISA DOS	8,345	6,781	357	255	
INSAPI	8,820	7,590	232	436	
INTERCONTINENTAL DE CARTERA	510	522	32	94	
INTERVALOR	248	244	31	32	
INVACO	444	412	30	27	
INVERFINA	228	228	2	4	
INVERGEINSA	360	332	16	27	
INVERLENDO	300	300	1	4	
INVERMANHER	404	404	77	151	
INVERMAY	37,251	29,813	2,160	5,371	
INVERMAY 2	11,663	0	14,459	0	Listed on 14/03/97
INVERMAY INVEST	4,005	0	1,752	0	Listed on 28/11/97
INVERPAMPLONA	1,018	1,025	87	127	

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.17. SECONDARY MARKET. EQUITIES.
THE OUTCRY MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks
	1997	1996	1997	1996	
INVERPASTOR	14,040	10,920	102	103	
INVER-RENT	448	448	21	18	
INVERSIONES ANSO	308	308	9	5	
INVERSIONES ARGA	472	412	63	105	
INVERSIONES ASPE	468	416	8	6	
INVERSIONES BANZANO	11,720	10,040	511	132	
INVERSIONES BAZTAN	340	320	30	14	
INVERSIONES DEVA	440	360	8	56	
INVERSIONES EHEMU	678	672	31	43	
INVERSIONES ELIZONDO	496	496	2	9	
INVERSIONES EN VALORES SIGLO XXI	984	936	121	115	
INVERSIONES ESTRELLA	0	0	0	0	Listed on 26/12/97
INVERSIONES FAMEI	2,110	0	74	0	Listed on 12/11/97
INVERSIONES FINANCIERAS ARAGONESAS	7,600	6,180	6	3	
INVERSIONES GARBI	424	400	23	14	
INVERSIONES HERCA	488	448	54	63	
INVERSIONES HERRERO	11,582	9,526	1,129	2,640	
INVERSIONES IRURITA	440	400	23	11	
INVERSIONES LEAL	320	300	20	7	
INVERSIONES LEALTAD	448	448	4	5	
INVERSIONES LECAROS	630	600	28	22	
INVERSIONES LLONER	402	248	1,345	3	
INVERSIONES LONHER	0	0	0	0	Listed on 29/12/97
INVERSIONES MOBILIARIAS GRUPO ADÁN	8,760	7,560	35	93	
INVERSIONES MOBILIARIAS URQUIOLA	1,550	478	157	26	
INVERSIONES PROGRAMADAS	722	480	4	327	
INVERSIONES RANZA	320	336	1	4	
INVERSIONES SELECTIVAS	428	367	2	2	
INVERSIONES SERRABLO	8,800	6,568	505	4	
INVERSIONES SEZUR	340	312	19	14	
INVERSIONES TEIDE	9,134	2,145	152	1	
INVERSIONES VERAL	603	568	5	182	
INVERSIONES VILLA DE PARÍS I	612	531	194	170	
INVERSIONES VILLA DE PARÍS II	906	914	1,129	1,609	
INVERSIONES VILLA DE PARÍS III	546	514	34	216	
INVERSIONES VISANSA	2,330	0	254	0	Listed on 19/05/97
INVERSIONES ZAGA	748	340	72	309	
INVERSORA MOBILIARIA ESPAÑOLA	3,550	3,380	1,770	40	
INVERSORA OLARIZU	436	408	16	9	
INVERSORA PATRIMONIAL	834	624	32	31	
INVERTUY	360	348	13	15	
INVERURBASA	900	1,050	6	6	
INVERVALOR	372	372	0	1	
INVERZETA	664	632	27	30	
INVESTALBERT	572	475	11	26	
IRADIER DE INVERSIONES	351	351	9	13	
IRON ONE	4,160	0	1,115	0	Listed on 06/08/97
ITURINVER	4,120	0	460	0	Listed on 24/11/97
IZAGA DE INVERSIONES	608	420	13	6	

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.17. SECONDARY MARKET. EQUITIES.
THE OUTCRY MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks
	1997	1996	1997	1996	
JARAMIEL	900	600	52	46	
JASOCA	380	372	9	4	
JENUSA DE VALORES MOBILIARIOS	360	360	1	50	
KAPITAL GELD	4,050	0	681	0	Listed on 29/12/97
KLAPPEN INVERSIONES	3,960	0	395	0	Listed on 22/10/97
KONTACT EXCHANGE	350	500	28	15	
LEON VALORES	1,286	1,045	3,765	748	
LEYRE DE INVERSIONES	6,960	6,270	0	2	
LEZAMA-INEAR	7,676	760	1,029	319	
LIENDO DE INVERSIONES	420	400	73	18	
LIERDE	240	240	7	15	
LIGA MOBILIARIA	806	524	13	3	
LORA DE INVERSIONES	20,925	18,900	1,446	438	
MACQUEREL	13,080	4,692	3,068	85	
MALLORQUINA DE TÍTULOS	31,874	27,246	3,256	1,813	
MARKT INVERSIONES	380	364	2	3	
MB GLOBAL 1	6,660	0	4,470	0	Listed on 28/01/97
MB GLOBAL 2	5,125	0	1,374	0	Listed on 25/09/97
MB GLOBAL 3	5,063	0	1	0	Listed on 27/11/97
MEJANA	340	344	1	4	
MERSIR	284	284	11	7	
METAINVERSIÓN	0	1,800	0	104	
MICRON INVERSIONES	480	480	131	184	
MIRA DE INVERSIONES	664	591	489	62	
MOBILCAPITAL	372	372	1	5	
MOBILCARTERA	600	600	20	7	
MOBINVER	595	305	0	68	
MOBINVERSORA	9,578	9,441	4,335	2,885	
MOENSA	4,600	4,240	6	0	
MOLIETE	3,830	0	193	0	Listed on 21/10/97
MONTE DE VALORES	440	400	22	30	
MOTIVASA DE INVERSIONES	650	650	1	2	
MULINSAR	9,195	739	88	336	
MUTUAVALOR I	1,408	1,084	43	31	
NARA	21,420	19,360	1,890	1,084	Listed on 24/11/97
NARA INVERSIONES	368	0	40	0	
NORCAFIX	368	392	292	138	
NORTEÑA DE VALORES	5,200	5,000	217	77	
NORTH CAPE INVERSIONES	2,720	2,100	1,050	2,066	
NOVAMER	608	416	95	138	
NUEVOS VALORES	3,960	3,400	15	7	
OLARBI	419	419	3	3	
OMICRON	240	240	7	8	
OPORTUNIDAD BURSÁTIL	5,530	0	3,419	0	Listed on 10/02/97
ORDEF	2,180	0	324	0	Listed on 09/01/97
ORMIBASA	280	262	3	6	
ORSEVEN	2,260	0	165	0	Listed on 19/05/97
PADINVER	1,967	1,418	38	44	
PARITY	425	405	35	23	

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.17. SECONDARY MARKET. EQUITIES.
THE OUTCRY MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks
	1997	1996	1997	1996	
PARNUERA	594	484	8	4	
PATRICOMPA	460	440	3	3	
PATRIMIX	6,380	5,278	808	307	
PATRIMONIO DE VALORES	332	585	15	13	
PEÑALARA DE INVERSIONES	5,900	5,040	15	68	
PEÑALVER DOCE	132	132	15	4	
PINTOFON	4,590	0	450	0	Listed on 21/04/97
PLUSCAPITAL	354	464	145	208	
PORTFOLIO 25	332	368	109	11	
PREMIUM INVERSIONES	380	380	10	13	
PREVICIA	722	722	6	4	
PROMOCINVER	1,718	1,480	134	302	
QUOTATION	2,260	0	15	0	Listed on 05/06/97
RANK INVERSIONES	4,645	0	231	0	Listed on 16/06/97
REINVERPLUS	4,480	0	239	0	Listed on 08/08/97
RENTA INSULAR CANARIA - RINCASA -	2,730	1,440	209	13	
RENTINVER	2,626	2,421	146	187	
RENTIVASA DE INVERSIONES	356	300	9	10	
RENVALOR	461	756	533	419	
RUBICON XXI	11,650	0	3,525	0	Listed on 13/10/97
SAGEI	9,002	6,728	350	214	
SALAMANCA I	400	480	68	43	
SALIME DE INVERSIONES	5,381	0	11	0	Listed on 18/02/97
SAMMAR	252	224	3	2	
SANSEMISA	428	432	1	6	
SANTANDER INVERSIONES CEUTA MELILLA	7,301	0	1,955	0	Listed on 27/05/97
SAYOA	440	400	27	16	
SECURE INVERSIONES	507	465	68	57	
SEISBECISA	407	407	3	0	
SERGROBE DE INVERSIONES	0	0	0	0	Listed on 30/10/97
SHARE INVERSIONES	380	380	10	13	
SICEUTA	4,332	0	1,116	0	Listed on 09/06/97
SIGMA DIVERSIFICACIÓN	4,045	0	123	0	Listed on 28/11/97
SILOBAR	1,760	1,280	32	23	
SIMHERSAN	600	600	1	1	
SINIPOLI	4,190	0	33	0	Listed on 22/12/97
SIRVAL	1,260	900	190	4,095	
SOCIEDAD DE CARTERA DEL VALLES - SOCARVE -	880	780	29	21	
SOCIEDAD MADRILEÑA DE INVERSIÓN MOBILIARIA	420	420	14	14	
SOCYAM	1,703	1,155	0	11	
SOIXA	1,138	1,138	8	11	
SOSMART INVERSIONES	2,320	2,150	1,023	0	
SOUTH HILL	5,000	0	0	0	Listed on 22/12/97
STOCK INVERSIONES	420	380	42	13	
TABAGU	2,306	996	98	101	
TARRACISA	256	256	19	4	
TEXRENTA INVERSIONES	5,300	0	199	0	Listed on 30/09/97
TIBEST CINCO	614	580	111	49	
TIBEST DOS	1,743	1,596	184	142	

(*) A zero capitalisation is assigned to non-active stocks.

(Continued)

**A.2.17. SECONDARY MARKET. EQUITIES.
THE OUTCRY MARKET. LISTED COMPANIES. 1997**

Amounts in millions of pesetas

Companies	Capitalisation (at 31/12/97) (*)		Annual trading		Remarks
	1997	1996	1997	1996	
TIETAR DE INVERSIONES	945	1,200	52	22	
TÍTULOS BILBAO	7,309	5,720	631	485	
TÍTULOS GALICIA	256	212	20	12	
TORRENOVA INVERSIONES	91,083	74,502	1,546	908	
TRAMOEXA DE INVERSIONES	400	200	44	21	
TRAXIS	925	1,000	6	30	
TREND INVERSIONES	4,120	0	743	0	Listed on 24/07/97
UNIFOND	4,100	0	480	0	Listed on 28/07/97
UNIÓN ESPAÑOLA DE INVERSIONES	964	798	3	67	
UNIVERSAL DE INVERSIONES	240	240	0	2	
UXAMA INVERSIONES	2,015	0	180	0	Listed on 22/10/97
VAIMESA	280	280	20	4	
VALENCIANA DE VALORES	640	620	56	35	
VALIBESA	625	630	14	34	
VALLISOLETANA DE VALORES	8,560	6,380	43	23	
VALOR XXI	4,120	0	900	0	Listed on 19/12/97
VALORES BILBAINOS	1,700	1,300	129	92	
VALORES CORONA	231	231	6	5	
VALORES DEL PRINCIPADO	240	268	11	6	
VALORES INDUSTRIALES	352	320	4	0	
VALORES MADRID	510	300	66	23	
VALORES MEDITERRANEOS	640	292	4	1	
VALORES MOBILIARIOS HERRERO	2,250	1,752	3	3	
VALRENT	600	268	111	113	
VALTISA	332	560	1	31	
VALUE INVERSIONES	475	500	36	35	
VERIESA	368	372	17	15	
VINCIT-93	3,980	2,680	3	22	
VIRIATO DE INVERSIONES	360	360	2	5	
VISCASA	336	244	25	8	
VIZCAINA DE INVERSORES MOBILIARIOS	0	552	0	12	Excluded on 27/05/97
VOLGA DE VALORES MOBILIARIOS	405	405	16	13	
WEST RIVER	5,040	0	3,462	0	Listed on 25/02/97
WIENER BLUT	4,160	0	143	0	Listed on 08/08/97
XYLON-94	7,680	4,700	3	2	
YIELD INVERSIONES	240	240	7	7	
ZANISA DE INVERSIONES	240	240	146	2	
ZAVALAGA	2,840	2,155	269	225	
ZELETA DE INVERSIONES	6,490	0	17	0	
ZIAMVE	208	208	5	5	
FINANCING COMPANIES					
FINANCIERAS AGRUPADAS - SAF -	764	584	16	101	
INSTITUTO HIPOTECARIO ESPAÑOL (EN LIQUIDACIÓN)	25	26	1	1	

(*) A zero capitalisation is assigned to non-active stocks.

**A.2.18. SECONDARY MARKETS. EQUITIES.
SECOND MARKET**

	Barcelona	Bilbao	Madrid	Valencia	Total
No. of securities					
1997	17	8	5	3	31
1996	17	8	4	1	30
Capitalisation (*)					
1997	5,558	4,705	9,484	738	20,141
1996	7,993	4,223	9,966	230	22,412
Trading volume (*)					
1997	1,037	348	1,456	5	2,975
1996	322	804	2,950	5	4,081

(*) In millions of pesetas.

**A.2.19. SECONDARY MARKETS. EQUITIES.
EFFECTIVE TRADING OF SPANISH SECURITIES ON THE NEW YORK
STOCK EXCHANGE (*)**

Amounts in millions of pesetas

	Spanish market	New York Stock Exchange							
		Effective trading in 1997 (*)	Effective trading in 1997 (**)	NYSE to Spanish market ratio (%)					
				1997	1996	1995	1994	1993	1992
Argentaria	1,014,336	26,156	2.6	4.0	6.8	6.5	8.8		
Bco. Bilbao Vizcaya	1,988,501	33,373	1.7	3.8	8.1	14.8	9.1	10.1	1.6
Bco. Central-Hispano	694,045	6,281	0.9	1.2	9.9	1.0	1.1	0.4	1.1
Bco. Santander	1,704,222	94,149	5.5	9.4	7.8	9.1	11.1	5.0	2.1
Endesa	3,094,257	152,459	4.9	7.6	26.8	15.7	23.4	43.4	53.3
Repsol	2,535,548	380,037	15.0	33.9	49.9	40.0	43.6	22.7	65.1
Telefónica	5,269,337	668,514	12.7	13.6	24.8	34.9	39.5	64.9	80.4
1997 TOTAL (**)	27,120,824	1,360,968	5.0	7.2	13.3	10.9	10.3	9.9	8.1

(*) Total equity trading across the four stock exchanges.

(**) Aggregation of monthly peseta figures. The average Pta/USD exchange rate for each month has been used in the calculation.

A.2.20. SECONDARY MARKETS. FIXED-INCOME. TRADING VOLUME*Nominal trading in billions of pesetas*

	1997	1996	Change (%)
Gvt. Debt book-entry market (*)	325,293.0	267,581.0	21.6
Bonds	294,095.0	245,434.0	19.8
Treasury bills	31,198.0	22,147.0	40.9
Stock exchanges (**)	9,021.4	12,947.1	-30.3
Electronic market	4,250.6	9,854.4	-56.9
Outcry market	4,770.8	3,092.7	54.3
AIAF	2,635.6	2,483.1	6.1
Commercial paper	560.2	578.0	-3.1
Matador bonds	632.3	437.6	44.5
Mortgage bonds	203.2	302.3	-32.8
Bonds	1,239.9	1,165.2	6.4

(*) Includes only outright spot trades.

(**) Effective amount.

Source: Bank of Spain, AIAF and own records.

A.2.21. SECONDARY MARKETS. FIXED-INCOME. GOVERNMENT DEBT BOOK-ENTRY MARKET. OUTSTANDING BALANCES*Amounts in billions of pesetas*

	31-12-97		31-12-96	
	Amount	% of total	Amount	% of total
Treasury bills	11,945	31.0	13,402	37.3
Govt. Bonds	26,613	69.0	22,549	62.7
TOTAL	38,558	100.0	35,951	100.0

Source: Bank of Spain.

**A.2.22. SECONDARY MARKETS. FIXED-INCOME.
GOVERNMENT DEBT BOOK-ENTRY MARKET. TRADING VOLUME.
OUTRIGHT SPOT TRADES. 1997**

Nominal amounts in billions of pesetas

	Total	Treasury bills	Government bonds			
			Total	Less than 2 yrs. to mty.	2 to 4 yrs to maturity	More than 4 yrs. to mty.
January	31,402	2,800	28,602	3,374	5,342	19,886
February	23,314	1,493	21,821	3,125	5,417	13,279
March	27,187	2,188	24,999	2,409	6,270	16,320
April	27,361	3,345	24,016	3,311	6,590	14,115
May	24,379	3,630	20,749	2,884	5,248	12,617
June	33,541	3,154	30,387	4,414	8,943	17,030
July	28,275	2,743	25,532	3,769	6,116	15,648
August	21,282	1,361	19,921	2,939	4,973	12,008
September	30,402	3,064	27,338	3,826	6,197	17,314
October	33,084	2,717	30,367	4,313	8,289	17,766
November	23,352	1,866	21,486	3,232	4,496	13,759
December	21,714	2,837	18,877	2,711	3,652	12,514
1997	325,293	31,198	294,095	40,307	71,533	182,256
1996	267,581	22,147	245,434	21,044	74,435	149,956

Source: Bank of Spain.

**A.2.23. SECONDARY MARKETS. FIXED-INCOME.
AIAF. OUTSTANDING BALANCES**

Amounts in millions of pesetas

Instruments	Outstanding balances						Rate of change (%) 1997/96	
	31-12-97			31-12-96			Issues	Amount
	No. of issues	Amount	%	No. of issues	Amount	%		
Commercial paper	402	361.3	6.1	389	336.6	7.1	3.3	7.3
Matador bonds	253	2,655.0	44.8	136	1,960.7	41.6	86.0	35.4
Mortgage bonds	13	226.0	3.8	15	257.6	5.5	-13.3	-12.3
Bonds and debentures ...	154	2,680.4	45.3	161	2,163.4	45.9	-4.3	23.9
TOTAL	822	5,922.7	100.0	701	4,718.4	100.0	17.3	25.5

Source: AIAF.

**A.2.24. SECONDARY MARKETS. FIXED-INCOME. AIAF.
TRADING VOLUME. 1997**

Nominal amounts in billions of pesetas

	Total	Commercial paper	Matador bonds	Mortgage bonds	Bonds
January	266	76	29	22	139
February	174	46	30	13	85
March	185	36	51	11	87
April	252	51	68	48	85
May	246	38	56	12	139
June	232	55	51	9	117
July	135	24	58	5	48
August	92	19	24	5	43
September	183	40	36	24	83
October	244	37	53	30	123
November	266	58	72	9	127
December	361	79	102	16	164
1997 TOTAL	2,636	560	632	203	1,240
1996 TOTAL	2,483	578	438	302	1,165
Pro-memoria: Own account (%)					
1997	32.9	30.8	19.2	35.4	40.4
1996	29.9	31.6	7.6	47.3	32.9

Source: AIAF.

**A.2.25. SECONDARY MARKETS. FIXED-INCOME. AIAF.
SECTORAL DISTRIBUTION OF TRADING VOLUMES. 1997**

Billions of pesetas

Sector	Commercial paper	Bonds	Mortgage bonds	Matador bonds	AIAF total		
					Amount	%	Chg. % 97/96
0 OIL	0.0	9.3	-	-	9.3	0.4	-49.6
1 ENERGY AND WATER UTILITIES	307.5	330.9	-	-	638.3	24.2	-8.6
2 MINING AND BASIC METALS	0.0	0.0	-	-	0.0	0.0	-
3 CEMENT AND CONSTRUCTION MAT.	0.0	0.0	-	-	0.0	0.0	-
4 CHEMICALS	0.0	0.0	-	-	0.0	0.0	-
5 TEXTILES AND PAPER	0.0	0.0	-	-	0.0	0.0	-
6 METAL TRANSFORMATION	0.0	0.4	-	-	0.4	0.0	-84.4
7 FOODS	0.0	0.0	-	-	0.0	0.0	-
8 CONSTRUCTION	0.0	0.0	-	-	0.0	0.0	-
9 REAL ESTATE	8.1	10.5	-	-	18.6	0.7	42.0
10 TRANSPORTATION & COMMUNICATIONS	115.6	40.2	-	-	155.8	5.9	-25.1
11 MISCELLANEOUS	0.0	0.0	-	-	0.0	0.0	-
NON-FINANCE SECTOR TOTAL	431.2	391.2	-	-	822.3	31.2	-12.6
12 BANKS	1.4	312.2	203.2	-	516.7	19.6	1.3
13 INSURANCE COMPANIES	0.0	0.0	-	-	0.0	0.0	-
14 INVESTMENT TRUSTS	0.0	1.9	-	-	1.9	0.1	-58.7
15 SIM	0.0	0.0	-	-	0.0	0.0	-
16 FINANCING COMPANIES	57.6	0.9	-	-	58.4	2.2	-32.7
17 BROKER-DEALERS AND BROKERS	0.0	0.0	-	-	0.0	0.0	-
TOTAL FINANCING SECTOR	59.0	314.9	203.2	-	577.1	21.9	-4.1
18 CENTRAL GOVERNMENT	0.0	0.0	-	-	0.0	0.0	-
19 AUTONOMOUS COMMUNITIES	0.0	403.7	-	-	403.7	15.3	170.7
20 MUNICIPAL GOVERNMENT	0.0	23.0	-	-	23.0	0.9	24.6
21 LOCAL GOVERNMENT AGENCIES	0.0	0.1	-	-	0.1	0.0	-6.0
22 CENTRAL GOVERNMENT AGENCIES	70.1	107.0	-	-	177.0	6.7	-47.2
23 INTERNATIONAL AGENCIES	0.0	0.0	-	632.3	632.3	24.0	44.5
TOTAL PUBLIC SECTOR	70.1	533.8	-	632.3	1,236.1	46.9	31.4
TOTAL	560.2	1,239.9	203.2	632.3	2,635.6	100.0	6.2

**A.2.26. SECONDARY MARKETS. FIXED-INCOME.
STOCK EXCHANGES. CAPITALISATION (*)**

Capital in billions of pesetas

	Madrid	Barcelona	Bilbao	Valencia	Total
NO. OF ISSUERS					
1995	161	104	113	54	nd
1996	126	81	86	56	153
1997	117	69	72	54	142
NO. OF ISSUES					
1995	745	591	489	338	nd
1996	683	553	569	503	851
1997	753	508	477	451	937
CAPITALISATION					
1995	3,102	1,837	2,671	1,482	nd
1996	2,989	1,799	2,531	1,551	3,731
1997	2,817	1,495	1,925	1,171	3,663

(*) Securities also traded in the gvt. book-entry market are not considered.

**A.2.27. SECONDARY MARKETS. FIXED-INCOME.
STOCK EXCHANGES. SECTORAL DISTRIBUTION OF ISSUERS (*). 1997**

Number of issuers

Sector	Madrid	Barcelona	Bilbao	Valencia	All stock exchanges		
					Total	Electronic mkt.	Outcry mkt.
0 OIL	1	1	1	1	1	0	
1 ENERGY AND WATER UTILITIES	8	7	8	5	9	3	
2 MINING AND BASIC METALS	2	2	3	1	3	1	
3 CEMENT AND CONSTRUCTION MAT.	0	0	0	0	0	0	
4 CHEMICALS	2	2	2	0	3	1	
5 TEXTILES AND PAPER	2	2	0	0	2	0	
6 METAL TRANSFORMATION	1	0	1	0	1	0	
7 FOODS	2	0	1	0	2	0	
8 CONSTRUCTION	1	0	0	0	1	0	
9 REAL ESTATE	1	1	1	0	2	1	
10 TRANSPORTATION & COMMUNICATIONS	7	6	7	5	8	1	
11 MISCELLANEOUS	0	0	0	0	0	0	
NON-FINANCE SECTOR TOTAL	27	21	24	12	32	7	
12 BANKS	25	12	9	8	32	9	
13 INSURANCE COMPANIES	0	0	0	0	0	0	
14 INVESTMENT TRUSTS	1	1	1	0	1	0	
15 SIM	0	0	0	0	0	0	
16 FINANCING COMPANIES	1	1	0	0	1	0	
17 BROKER-DEALERS AND BROKERS	1	1	0	0	1	0	
TOTAL FINANCING SECTOR	28	15	10	8	35	9	
18 CENTRAL GOVERNMENT	1	1	1	1	1	0	
19 AUTONOMOUS COMMUNITIES	1	1	3	1	5	4	
20 MUNICIPAL GOVERNMENT	6	4	7	3	11	5	
21 LOCAL GOVERNMENT AGENCIES	4	0	1	4	5	1	
22 CENTRAL GOVERNMENT AGENCIES	24	26	24	24	27	5	
23 INTERNATIONAL AGENCIES	26	1	2	1	26	0	
TOTAL PUBLIC SECTOR	62	33	38	34	75	15	
TOTAL	117	69	72	54	142	31	

(*) Securities also traded in the gvt. book-entry market are not considered.

**A.2.28. SECONDARY MARKETS. FIXED-INCOME.
STOCK EXCHANGES. SECTORAL DISTRIBUTION OF ISSUES (*). 1997**

Number of issues

Sector	Madrid	Barcelona	Bilbao	Valencia	All stock exchanges		
					Total	Electronic mkt.	Outcry mkt.
0 OIL	1	1	1	1	1	0	
1 ENERGY AND WATER UTILITIES	45	45	47	26	51	6	
2 MINING AND BASIC METALS	5	5	6	1	6	1	
3 CEMENT AND CONSTRUCTION MAT.	0	0	0	0	0	0	
4 CHEMICALS	2	2	2	0	3	1	
5 TEXTILES AND PAPER	3	3	0	0	3	0	
6 METAL TRANSFORMATION	3	0	3	0	3	0	
7 FOODS	2	0	1	0	2	0	
8 CONSTRUCTION	2	0	0	0	2	0	
9 REAL ESTATE	1	1	3	0	4	3	
10 TRANSPORTATION & COMMUNICATIONS	29	28	29	27	30	1	
11 MISCELLANEOUS	0	0	0	0	0	0	
NON-FINANCE SECTOR TOTAL	93	85	92	55	105	12	
12 BANKS	166	54	57	54	187	21	
13 INSURANCE COMPANIES	0	0	0	0	0	0	
14 INVESTMENT TRUSTS	1	1	1	0	1	0	
15 SIM	0	0	0	0	0	0	
16 FINANCING COMPANIES	1	1	0	0	1	0	
17 BROKER-DEALERS AND BROKERS	1	1	0	0	1	0	
TOTAL FINANCING SECTOR	169	57	58	54	190	21	
18 CENTRAL GOVERNMENT	30	29	30	27	30	0	
19 AUTONOMOUS COMMUNITIES	1	60	19	45	124	123	
20 MUNICIPAL GOVERNMENT	12	12	13	8	20	8	
21 LOCAL GOVERNMENT AGENCIES	4	0	2	4	6	2	
22 CENTRAL GOVERNMENT AGENCIES	248	252	233	256	266	18	
23 INTERNATIONAL AGENCIES	196	13	30	2	196	0	
TOTAL PUBLIC SECTOR	491	366	327	342	642	151	
TOTAL	753	508	477	451	937	184	

(*) Securities also traded in the gvt. book-entry market are not considered.

**A.2.29. SECONDARY MARKETS. FIXED-INCOME.
STOCK EXCHANGES. SECTORAL DISTRIBUTION OF CAPITALISATION (*). 1997**

Millions of pesetas

Sector	Madrid	Barcelona	Bilbao	Valencia	All stock exchanges		
					Total	Electronic mkt.	Outcry mkt.
0 OIL	1,369	1,369	1,369	1,369	1,369	1,369	0
1 ENERGY AND WATER UTILITIES	150,707	140,708	145,796	123,706	150,842	150,707	135
2 MINING AND BASIC METALS	185	185	195	116	195	185	10
3 CEMENT AND CONSTRUCTION MAT.	0	0	0	0	0	0	0
4 CHEMICALS	40	40	41	0	57	40	16
5 TEXTILES AND PAPER	2,097	2,097	0	0	2,097	2,097	0
6 METAL TRANSFORMATION	148	0	148	0	148	148	0
7 FOODS	1,875	0	875	0	1,875	1,875	0
8 CONSTRUCTION	0	0	0	0	0	0	0
9 REAL ESTATE	3,500	3,500	28	0	3,528	3,500	28
10 TRANSPORTATION & COMMUNICATIONS	401,026	390,866	396,031	385,866	401,031	401,026	5
11 MISCELLANEOUS	0	0	0	0	0	0	0
NON-FINANCE SECTOR TOTAL	560,947	538,765	544,484	511,058	561,142	560,947	195
12 BANKS	360,288	228,152	221,765	228,716	421,454	360,288	61,165
13 INSURANCE COMPANIES	0	0	0	0	0	0	0
14 INVESTMENT TRUSTS	42	42	42	0	42	42	0
15 SIM	0	0	0	0	0	0	0
16 FINANCING COMPANIES	0	0	0	0	0	0	0
17 BROKER-DEALERS AND BROKERS	1,200	1,200	0	0	1,200	1,200	0
TOTAL FINANCING SECTOR	361,530	229,394	221,807	228,716	422,696	361,530	61,165
18 CENTRAL GOVERNMENT	13,100	13,100	13,100	12,840	13,100	13,100	0
19 AUTONOMOUS COMMUNITIES	10,000	369,455	309,729	55,662	734,846	10,000	724,846
20 MUNICIPAL GOVERNMENT	5,190	3,833	19,635	595	24,263	5,190	19,073
21 LOCAL GOVERNMENT AGENCIES	31,300	0	21,000	31,300	52,300	31,300	21,000
22 CENTRAL GOVERNMENT AGENCIES	250,388	230,442	269,896	250,471	270,602	250,388	20,214
23 INTERNATIONAL AGENCIES	1,584,224	110,500	525,000	80,000	1,584,224	1,584,224	0
TOTAL PUBLIC SECTOR	1,894,201	727,330	1,158,360	430,868	2,679,334	1,894,201	785,133
TOTAL	2,816,679	1,495,490	1,924,650	1,170,642	3,663,172	2,816,679	846,493

(*) Securities also traded in the gvt. book-entry market are not considered.

**A.2.30. SECONDARY MARKETS. FIXED-INCOME.
STOCK EXCHANGES. CONVERTIBLE ISSUES. CAPITALISATION**

Capital in billions of pesetas

	Total	Madrid	Barcelona	Bilbao	Valencia
NO. OF ISSUES					
Financial institutions					
1997	0	0	0	0	0
1996	1	1	0	0	0
Non-financial institutions					
1997	11	11	6	6	1
1996	19	19	13	13	9
TOTAL					
1997	11	11	6	6	1
1996	20	20	13	13	9
CAPITALISATION					
Financial institutions					
1997	0	0	0	0	0
1996	634	634	0	0	0
Non-financial institutions					
1997	19,022	19,022	16,999	12,425	11,250
1996	63,165	63,165	60,617	54,134	52,434
TOTAL					
1997	19,022	19,022	16,999	12,425	11,250
1996	63,799	63,799	60,617	54,134	52,434

**A.2.31. SECONDARY MARKETS. FIXED-INCOME.
STOCK EXCHANGES. EFFECTIVE TRADING VOLUME. 1997**

Figures in billions of pesetas

Month	Total	Electronic market	Total Outcry mkt.	Outcry market (*)			Pro memoria E.Mkt./Total (%)
				Barcelona	Bilbao	Valencia	
January	680.1	429.5	250.7	125.4	122.4	2.8	63.1
February	616.0	360.6	255.4	94.7	156.2	4.6	58.5
March	578.8	422.5	156.2	84.8	67.4	4.1	73.0
April	731.5	400.6	330.9	110.8	216.6	3.5	54.8
May	670.9	181.1	489.8	104.9	382.3	2.6	27.0
June	881.6	371.4	510.2	136.3	371.8	2.1	42.1
July	989.3	398.7	590.6	188.2	400.3	2.1	40.3
August	692.8	223.6	469.2	160.1	307.5	1.5	32.3
September	830.9	517.7	313.2	133.3	176.1	3.8	62.3
October	711.0	330.1	380.9	238.1	139.3	3.5	46.4
November	525.6	214.4	311.2	191.2	116.3	3.6	40.8
December	1,112.9	400.6	712.4	173.9	532.9	5.6	36.0
1997	9,021.4	4,250.6	4,770.8	1,741.8	2,989.1	39.8	47.1
1996	12,947.1	9,854.4	3,092.7	1,105.2	1,932.9	54.7	76.1
Change (%)	-30.3	-56.9	54.3	57.6	54.6	-27.2	
1997 share (%) ..	100.0	47.1	52.9	19.3	33.1	0.4	

(*) All fixed-income trading at the Madrid Stock Exchange is channeled through the electronic market.

**A.2.32. SECONDARY MARKETS. FIXED-INCOME.
STOCK EXCHANGES. SECTORAL DISTRIBUTION OF TRADING VOLUMES**

Percentages of total trading

	1997	1996	1995
Public funds	94.5	93.8	88.0
Financial institutions	0.8	0.6	1.6
Non-financial firms	3.4	3.2	10.0
International agencies	1.2	2.3	0.4
Total	100.0	100.0	100.0
TOTAL (billions of ptas)	9,021.4	12,947.1	5,150.0

**A.2.33. SECONDARY MARKETS. FIXED-INCOME.
STOCK EXCHANGES. SECTORAL DISTRIBUTION OF TRADING VOLUMES. 1997**

Sector	Billions of pesetas			% Distribution			% Change 1997/96	% Change 1996/95
	1997	1996	1995	1997	1996	1995		
0 OIL	0.0	0.0	0.1	0.0	0.0	0.0	-34.8	-54.6
1 ENERGY AND WATER UTILITIES	204.1	327.6	371.1	2.3	2.5	7.2	-37.7	-11.7
2 MINING AND BASIC METALS	0.0	0.0	0.0	0.0	0.0	0.0	-49.0	-62.0
3 CEMENT AND CONSTRUCTION MAT.	0.0	0.5	1.1	0.0	0.0	0.0	-100.0	-54.3
4 CHEMICALS	0.0	0.0	0.0	0.0	0.0	0.0	344.1	-92.0
5 TEXTILES AND PAPER	1.8	3.7	3.0	0.0	0.0	0.1	-51.8	25.3
6 METAL TRANSFORMATION	0.0	0.2	0.7	0.0	0.0	0.0	-97.9	-66.1
7 FOODS	0.1	0.1	1.8	0.0	0.0	0.0	-51.7	-92.0
8 CONSTRUCTION	0.2	0.3	0.3	0.0	0.0	0.0	-43.7	19.4
9 REAL ESTATE	1.3	0.0	0.0	0.0	0.0	0.0		-100.0
10 TRANSPORTATION & COMMUNICATIONS	100.5	82.6	138.5	1.1	0.6	2.7	21.7	-40.4
11 MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0		
NON-FINANCE SECTOR TOTAL	308.0	415.1	516.5	3.4	3.2	10.0	-25.8	-19.6
12 BANKS	74.1	80.0	75.6	0.8	0.6	1.5	-7.3	5.8
13 INSURANCE COMPANIES	0.0	0.7	0.0	0.0	0.0	0.0	-97.7	
14 INVESTMENT TRUSTS	0.0	1.3	5.4	0.0	0.0	0.1	-99.8	-76.6
15 SIM	0.0	0.0	0.0	0.0	0.0	0.0		
16 FINANCING COMPANIES	0.0	0.0	0.0	0.0	0.0	0.0	-80.1	1,023.0
17 BROKER-DEALERS AND BROKERS	0.5	1.1	1.2	0.0	0.0	0.0	-51.5	-9.6
TOTAL FINANCING SECTOR	74.7	83.1	82.2	0.8	0.6	1.6	-10.1	1.1
18 CENTRAL GOVERNMENT	3,629.6	8,815.2	3,391.5	40.2	68.1	65.9	-58.8	159.9
19 AUTONOMOUS COMMUNITIES	4,789.2	3,097.2	813.5	53.1	23.9	15.8	54.6	280.7
20 MUNICIPAL GOVERNMENT	3.1	10.2	18.2	0.0	0.1	0.4	-69.8	-44.2
21 LOCAL GOVERNMENT AGENCIES	0.7	7.1	4.5	0.0	0.1	0.1	-90.5	56.8
22 CENTRAL GOVERNMENT AGENCIES	104.4	221.0	303.0	1.2	1.7	5.9	-52.8	-27.1
23 INTERNATIONAL AGENCIES	111.7	298.2	20.5	1.2	2.3	0.4	-62.5	1,354.6
TOTAL PUBLIC SECTOR	8,638.7	12,448.8	4,551.3	95.8	96.2	88.4	-30.6	173.5
TOTAL	9,021.4	12,947.1	5,150.0	100.0	100.0	100.0	-30.3	151.4

A.2.34. SECONDARY MARKETS. FIXED-INCOME. STOCK EXCHANGES. SECTORAL CONCENTRATION OF TRADING VOLUMES. ISSUERS. 1997

No. of issuers needed to reach a given percentage of trading

Sector	25%	50%	75%	90%	100%
0 OIL	1	1	1	1	1
1 ENERGY AND WATER UTILITIES	1	1	1	2	12
2 MINING AND BASIC METALS	1	1	1	1	3
3 CEMENT AND CONSTRUCTION MAT.					
4 CHEMICALS	1	1	2	3	5
5 TEXTILES AND PAPER	1	1	1	1	2
6 METAL TRANSFORMATION	1	1	1	1	2
7 FOODS	1	1	2	2	3
8 CONSTRUCTION	1	1	1	1	1
9 REAL ESTATE	1	1	1	1	2
10 TRANSPORTATION & COMMUNICATIONS	1	1	1	4	9
11 MISCELLANEOUS					
NON-FINANCE SECTOR TOTAL	1	1	3	5	41
12 BANKS	2	3	5	13	37
13 INSURANCE COMPANIES	1	1	1	1	1
14 INVESTMENT TRUSTS	1	1	1	1	1
15 SIM					
16 FINANCING COMPANIES	1	1	1	1	1
17 BROKER-DEALERS AND BROKERS	1	1	2	2	2
TOTAL FINANCING SECTOR	2	3	5	13	42
18 CENTRAL GOVERNMENT	1	1	1	1	1
19 AUTONOMOUS COMMUNITIES	1	1	2	2	11
20 MUNICIPAL GOVERNMENT	1	1	2	2	11
21 LOCAL GOVERNMENT AGENCIES	1	1	1	1	6
22 CENTRAL GOVERNMENT AGENCIES	1	1	2	2	28
23 INTERNATIONAL AGENCIES	1	1	2	5	28
TOTAL PUBLIC SECTOR	1	2	2	3	85
TOTAL	1	2	3	3	168

Pro memoria: list of major issuers by trading volume in 1997

1. Treasury and Financial Policy Administration
2. Basque government
3. Generalitat of Catalonia
4. FECSA
5. European Investment Bank
6. ICO
7. Telefónica de España
8. RENFE
9. Generalidad valenciana
10. Iberdrola

The first issuer in the finance sector is BCH, which ranks 13th overall.

A.2.35. SECONDARY MARKETS. FIXED-INCOME. STOCK EXCHANGES. SECTORAL CONCENTRATION OF TRADING VOLUMES. ISSUES. 1997

No. of issues needed to reach a given percentage of trading

Sector	25%	50%	75%	90%	100%
0 OIL	1	1	1	1	2
1 ENERGY AND WATER UTILITIES	1	2	4	7	78
2 MINING AND BASIC METALS	2	3	4	5	8
3 CEMENT AND CONSTRUCTION MAT.					
4 CHEMICALS	1	1	2	3	7
5 TEXTILES AND PAPER	1	1	1	1	3
6 METAL TRANSFORMATION	1	1	2	3	4
7 FOODS	1	1	2	2	3
8 CONSTRUCTION	1	1	1	1	2
9 REAL ESTATE	1	1	1	1	4
10 TRANSPORTATION & COMMUNICATIONS	2	4	10	17	45
11 MISCELLANEOUS					
NON-FINANCE SECTOR TOTAL	2	4	10	21	157
12 BANKS	2	6	19	52	220
13 INSURANCE COMPANIES	1	1	1	1	1
14 INVESTMENT TRUSTS	1	1	1	1	1
15 SIM					
16 FINANCING COMPANIES	1	1	1	1	1
17 BROKER-DEALERS AND BROKERS	1	2	3	3	4
TOTAL FINANCING SECTOR	2	6	19	55	227
18 CENTRAL GOVERNMENT	2	5	11	18	165
19 AUTONOMOUS COMMUNITIES	2	5	10	16	282
20 MUNICIPAL GOVERNMENT	1	2	3	3	30
21 LOCAL GOVERNMENT AGENCIES	1	1	1	1	7
22 CENTRAL GOVERNMENT AGENCIES	2	5	11	18	351
23 INTERNATIONAL AGENCIES	5	11	21	23	214
TOTAL PUBLIC SECTOR	4	10	21	37	1,049
TOTAL	4	10	24	45	1,433
Pro Memoria:					
Public sector w/o matador bonds	4	9	21	35	835

A.2.36. SECONDARY MARKETS. STOCK EXCHANGES AND SCLV. CREDIT TO THE MARKET AND STOCK LENDING. 1997

Amounts in billions of pesetas

	Credit to the market (1)				Stock lending (2)			
	Outstanding balance (3)		Trading volume		Adjusted (4) outstanding b.	% of E. Mkt. capitalisation	Trading volume	% of E. Mkt. volume (5)
	Buys	Sells	Buys	Sells				
January	3,672	154	7,480	538	752,903	2.3	475,150	24.7
February	4,374	287	5,374	323	682,988	2.1	233,697	16.3
March	3,839	237	5,653	346	733,567	2.2	258,381	15.9
April	3,428	243	5,875	586	748,637	2.1	213,417	12.3
May	5,040	132	7,634	401	934,544	2.5	493,498	22.9
June	5,184	60	7,044	154	1,120,975	2.7	769,961	34.8
July	6,598	43	8,319	120	888,700	2.1	494,306	24.7
August	7,013	118	4,778	172	665,647	1.7	290,973	23.2
September	7,215	226	7,620	336	786,442	1.8	333,806	18.9
October	4,291	348	8,115	866	812,048	2.1	722,576	28.8
November	3,496	406	4,485	1,536	613,839	1.5	258,196	15.0
December	1,870	583	5,365	828	694,887	1.6	435,550	19.7
1997	1,870	583	77,742	6,206	694,887	1.6	4,979,511	22.1
1996	1,550	187	19,245	2,525	768,382	2.5	2,724,833	17.7

(1) Trades executed pursuant to the Order of 25 March 1991, on credit system for spot transactions on the stock exchange.

(2) Trades executed in ways other than as set out by the Order of 25 March 1991, on credit system for spot transaction on the stock exchange.

(3) End-of-period figures.

(4) Total balance less the amounts of re-loans.

(5) Compared with trading through the electronic market during the regular session.

Source: Madrid Stock Exchange Trading Bulletins. Madrid Stock Exchange, SCLV and own records.

A.2.37. SECONDARY MARKETS. STOCK EXCHANGES AND SCLV. SECTORAL DISTRIBUTION OF BILATERAL STOCK LENDING 1997

Millions of pesetas

Sector	January	February	March	April	May	June	July	August	September	October	November	December	Total	% of total	% of trades
0 Oil	59,963	3,118	9,404	63,573	26,282	104,049	81,805	11,214	45,837	43,621	27,443	25,038	501,347	10.1	19.41
1 Energy and water utilities	60,066	18,350	58,756	12,902	84,064	214,601	149,472	87,139	65,814	276,002	115,146	160,019	1,302,331	26.2	20.80
2 Mining and basic metals	1,607	419	2,015	246	9,059	29,322	2,547	138	13,144	2,908	597	34,984	96,988	1.9	10.58
3 Cement and construction mat.	148	304	60	2	1,744	5,651	119	2	2	47	917	10,931	19,928	0.4	7.19
4 Chemicals	0	0	0	0	0	1	982	0	0	1	0	2	986	0.0	0.71
5 Textiles and paper	30	41	171	34	1,996	487	45	0	42	160	950	203	4,160	0.1	1.28
6 Metal transformation	3	0	5	58	0	787	638	26	9	138	14	2,147	3,824	0.1	0.89
7 Foods	23,227	90,602	99	410	6,495	30,804	22,175	117	556	3,860	6,749	916	186,009	3.7	22.76
8 Construction	609	1,535	2,164	8,784	6,455	1,883	2,251	9,281	1,827	6,979	662	7,868	50,299	1.0	7.50
9 Real estate	525	0	362	303	3,753	2,538	3,306	23	301	1,076	324	2,629	15,140	0.3	5.09
10 Transportation & communications ..	106,370	3,531	30,884	33,980	316,956	193,142	10,826	68,624	50,167	57,775	53,451	20,936	946,641	19.0	16.71
11 Miscellaneous	323	834	573	550	6,089	5,605	2,087	522	2,904	1,529	1,923	1,328	24,266	0.5	3.71
NON-FINANCE SECTOR TOTAL	252,870	118,735	104,492	120,841	462,896	588,869	276,252	177,086	180,603	394,096	208,176	267,002	3,151,918	63.3	16.56
12 Banks	222,126	114,846	153,795	88,883	18,677	176,587	218,011	113,887	153,102	328,075	49,913	153,093	1,790,996	36.0	24.83
13 Insurance companies	154	44	85	3,692	11,829	731	43	0	83	287	36	14,017	31,001	0.6	10.19
14 Investment trusts	0	72	9	0	95	3,774	0	0	18	118	71	1,438	5,597	0.1	2.51
15 SIM	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0.00
16 Financing companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0.00
FINANCE SECTOR TOTAL	222,280	114,963	153,890	92,575	30,602	181,092	218,054	113,887	153,203	328,480	50,020	168,547	1,827,593	36.7	23.60
TOTAL	475,150	233,697	258,381	213,417	493,498	769,961	494,306	290,973	333,806	722,576	258,196	435,550	4,979,511	100.0	18.60

N.B: The last column, % of trades, refers to total continuous market stock exchange trades, not only transactions executed within regular trading hours.

Annex 3

Derivatives markets

A.3.1. INTERNATIONAL MARKETS. TRADING VOLUMES (1)

Position (2)	Market	No. of contracts traded		
		1997	1996	Change (%)
1 (1)	CBOT	242,698,919	222,438,505	9.1
2 (4)	LIFFE	209,425,578	167,801,218	24.8
3 (2)	CME	200,713,304	177,022,195	13.4
4 (3)	CBOE	187,243,741	173,944,877	7.6
5 (5)	BM&F	122,179,393	134,609,876	-9.2
6 (6)	DTB	112,164,106	77,314,480	45.1
7 (8)	AMEX	80,929,293	60,525,418	33.7
8 (7)	MATIF	68,608,704	68,293,238	0.5
9 (9)	NYMEX	63,970,916	56,495,974	13.2
10 (11)	LME	57,372,500	47,487,007	20.8
Pro-memoria:				
.....	SOFFEX	33,162,064	39,523,122	-16.1
.....	MEFF RF	25,372,064	22,548,292	12.5
.....	MEFF RV (3)	8,353,108	4,450,433	87.7

(1) Note that trading volume refers to the no. of contracts. Differences in the underlying value prevent from direct comparisons between markets; however, y-o-y changes can be compared.

(2) 1996 ranking in parentheses.

(3) Ibex 35 futures and options contracts are given in homogeneous terms (adapted to the new nominal amount).

Source: «Futures and Options World» and own records.

AMEX	American Stock Exchange	LME	London Metal Exchange
BM&F	Bolsa de Mercadorias & Futuros do Brasil	MATIF	Marché à Terme International de France
CBOE	Chicago Board Options Exchange	MEFF RF	Meff Renta Fija
CBOT	Chicago Board of Trade	MEFF RV	Meff Renta Variable
CME	Chicago Mercantile Exchange	NYMEX	New York Mercantile Exchange
DTB	Deutsche Terminbörse	SOFFEX	Swiss Options & Financial Futures Exchange
LIFFE	London International Financial Futures Exchange		

A.3.2. INTERNATIONAL MARKETS. TRADING VOLUMES SOME PROMINENT PRODUCTS (1)

Product	Underlying asset	Market	No. of contracts traded		
			1997	1996	Change (%)
U.S. T-bond (f)	Long-term interest rate	CBOT	99,827,659	84,725,128	17.8
Eurodollar (f)	Short-term interest rate	CME	99,770,237	99,616,577	0.2
Bund (f)	Long-term interest rate	LIFFE	44,984,029	39,801,928	13.0
Euromark (f)	Short-term interest rate	LIFFE	43,326,030	36,231,178	19.6
U.S. dollar/real (f)	Exchange rate	BM&F	40,387,111	45,132,135	-10.5
S&P 100 (o)	Stock indices	CBOE	36,595,576	54,929,246	-33.4
O/N rate (f)	Short-term interest rate	BM&F	36,466,961	49,541,598	-26.4
B. Notionnel (f)	Long-term interest rate	MATIF	33,752,483	35,321,843	-4.4
DAX (o)	Stock indices	DTB	31,521,286	26,042,463	21.0
Bund (f)	Long-term interest rate	DTB	31,337,633	16,496,809	90.0
Pro-memoria:					
10-yr Govt. bond (f)	Long-term interest rate	MEFF RF	20,724,153	18,124,849	14.3
IBEX (f)	Stock indices	MEFF RV	5,880,899	2,819,216	108.6

(1) Note that trading volume refers to the no. of contracts. Differences in the underlying value prevent from direct comparisons between markets; however, Y-o-Y changes can be compared.

BM&F	Bolsa de Mercadorias & Futuros do Brasil	LIFFE	London International Financial Futures Exchange
CBOE	Chicago Board Options Exchange	MATIF	Marché à Terme International de France
CBOT	Chicago Board of Trade	MEFF RF	Meff Renta Fija
CME	Chicago Mercantile Exchange	MEFF RV	Meff Renta Variable
DTB	Deutsche Terminbörse		

A.3.3. MEFF RV. IBEX 35 CONTRACTS. TRADING VOLUMES AND OPEN INTEREST. 1997

No. of contracts

1997	Contracts					Open interest at end of period				
	Future	Option			Total	Future	Option			Total
		Call	Put	Total			Call	Put	Total	
January	420,016	34,861	36,644	71,505	491,521	53,635	32,482	28,071	60,553	114,188
February	327,521	25,401	30,199	55,600	383,121	45,575	34,315	32,713	67,028	112,603
March	484,467	53,900	45,040	98,940	583,407	63,890	44,241	35,779	80,020	143,910
April	356,729	46,288	51,199	97,487	454,216	45,959	30,607	27,755	58,362	104,321
May	386,827	50,612	55,904	106,516	493,343	55,317	40,330	38,661	78,991	134,308
June	404,808	74,933	56,930	131,863	536,671	55,550	57,533	54,036	111,569	167,119
July	529,434	53,867	46,933	100,800	630,234	64,278	37,148	24,881	62,029	126,307
August	441,488	53,642	34,394	88,036	529,524	58,000	53,150	32,704	85,854	143,854
September	559,583	70,060	66,834	136,894	696,477	74,452	56,879	51,418	108,297	182,749
October	841,328	85,458	87,687	173,145	1,014,473	64,660	55,570	52,394	107,964	172,624
November	573,827	55,419	45,158	100,577	674,404	66,388	55,438	45,746	101,184	167,572
December	554,871	47,230	29,216	76,446	631,317	70,521	16,382	13,041	29,423	99,944
1997	5,880,899	651,671	586,138	1,237,809	7,118,708	70,521	16,382	13,041	29,423	99,944
1996	2,819,216	410,938	365,483	776,421	3,595,637	44,987	26,237	21,371	47,607	92,594
1995	2,731,879	366,301	392,199	758,500	3,490,379	45,775	12,930	9,347	22,277	68,051
1994	2,689,482	361,336	352,899	714,234	3,403,716	23,040	8,334	6,542	14,876	37,916
1993	1,039,789	178,425	144,144	322,569	1,362,358	28,251	4,978	4,727	9,706	37,957
1992	268,537	122,387	98,824	221,212	489,749	5,629	2,163	2,016	4,179	9,808

N.B: figures prior to 10 January 1997 are given in homogeneous terms, adjusted to the new nominal amounts of contracts.

A.3.4. MEFF RV. IBEX 35 CONTRACTS. 1997
Trading frequency, no. of contracts (daily average) and volume per trade

	Future	Option	
TRADING FREQUENCY (%)			
Fourth maturity contract	25.3	30.9	25.6
Third maturity contract	43.0	55.1	57.5
Second maturity contract	97.1	96.5	96.3
Front contract: up to 2 weeks before maturity	100.0	100.0	100.0
Front contract: penultimate week before maturity	100.0	100.0	100.0
Front contract: last week before maturity	100.0	100.0	100.0
NO. OF TRADES (daily average)			
Fourth maturity contract	2.0	2.3	1.8
Third maturity contract	4.4	6.1	5.2
Second maturity contract	202.7	25.7	23.7
Front contract: up to 2 weeks before maturity	3,159.3	98.6	76.8
Front contract: penultimate week before maturity	3,311.5	93.8	70.9
Front contract: last week before maturity	2,811.2	62.8	43.7
VOLUME PER TRADE (No. of contracts)	7.1	19.8	22.2

N.B: Figures based on the average of all of the maturities in the year.

A.3.5. MEFF RV. CONTRACTS ON STOCKS (OPTIONS).
TRADING VOLUMES AND OPEN INTEREST. 1997

No. of contracts

	Trading volume			Open interest at end of period		
	Total market			Total market		
	Call	Put	Total	Call	Put	Total
January	98,190	15,186	113,376	81,917	19,450	101,367
February	91,544	59,998	151,542	111,408	33,882	145,290
March	72,696	21,319	94,015	42,239	16,778	59,017
April	98,878	78,573	177,451	60,453	55,158	115,611
May	90,083	60,607	150,690	79,969	55,140	135,109
June	77,685	18,156	95,841	50,913	15,239	66,152
July	53,855	31,364	85,219	75,910	39,493	115,403
August	31,813	50,754	82,567	81,008	58,949	139,957
September	66,779	70,191	136,970	28,081	36,378	64,459
October	66,169	42,648	108,817	41,873	43,034	84,907
November	41,835	21,555	63,390	56,142	43,935	100,077
December	42,929	42,872	85,801	15,399	10,776	26,175
1997	832,456	513,223	1,345,679	15,399	10,776	26,175
1996	616,375	238,421	854,796	37,299	8,136	45,435
1995	383,582	383,070	766,652	16,154	6,550	22,704
1994	134,668	87,743	222,411	12,313	4,720	17,033
1993	90,267	41,533	131,800	3,705	250	3,955

A.3.6. MEFF RV. CONTRACTS ON STOCKS (OPTIONS). TRADING VOLUMES AND OPEN INTEREST. 1997
Detail by stocks

No. of contracts

	Trading volume						Open interest at end of period					
	1997			1996			1997			1996		
	Call	Put	Total	Call	Put	Total	Call	Put	Total	Call	Put	Total
Telefónica	236,744	165,742	402,486	195,279	52,232	247,511	2,229	4,472	6,701	13,640	1,643	15,283
Endesa	78,524	53,701	132,225	29,304	18,893	48,197	3,634	3,121	6,755	965	1,960	2,925
BBV	69,151	18,571	87,722	26,956	22,510	49,466	630	459	1,089	1,591	687	2,278
Repsol	157,870	54,464	212,334	47,173	52,232	99,405	6,001	1,704	7,705	2,734	1,111	3,845
Iberdrola	136,295	179,699	315,994	142,130	45,865	187,995	542	117	659	4,553	881	5,434
Acesa	23,447	6,663	30,110	38,380	12,046	50,426	252	260	512	5,679	1130	6,809
Argentaria	40,683	6,359	47,042	12,953	3,374	16,327	198	40	238	852	12	864
Fecsa	21,073	7,824	28,897	48,715	17,301	66,016	176	140	316	3,862	46	3,908
Santander	32,881	7,422	40,303	17,609	4,963	22,572	582	239	821	1,639	635	2,274
Sevillana	4,981	3,891	8,872	25,079	4,760	29,839	220	55	275	130	0	130
Unión Fenosa	30,807	8,887	39,694	32,797	4,245	37,042	935	169	1,104	1,654	31	1,685
TOTAL MARKET	832,456	513,223	1,345,679	616,375	238,421	854,796	15,399	10,776	26,175	37,299	8,136	45,435

A.3.7. MEFF RF. MEDIUM AND LONG TERM BOND CONTRACTS. TRADING VOLUMES. 1997

No. of contracts

	Total market	Futures					Options									Total
		3-year bond	5-year bond	10-year bond	DIFF	Total	3-year bond			5-year bond			10-year bond			
							Call	Put	Total	Call	Put	Total	Call	Put	Total	
January	2,214,092	1,267	-	2,059,520	2,054	2,062,841	0	0	0	-	-	-	64,091	87,160	151,251	151,251
February	1,970,658	1,240	-	1,799,860	1,699	1,802,799	0	0	0	-	-	-	61,563	106,296	167,859	167,859
March	2,098,849	926	-	1,876,758	563	1,878,247	0	0	0	-	-	-	92,659	127,943	220,602	220,602
April	2,164,602	1	-	1,935,722	1,985	1,937,708	0	0	0	-	-	-	105,073	121,821	226,894	226,894
May	2,029,845	252	-	1,748,869	679	1,749,800	0	0	0	-	-	-	130,376	149,669	280,045	280,045
June	2,473,541	30	-	2,254,211	1,380	2,255,621	0	0	0	-	-	-	97,988	119,932	217,920	217,920
July	1,597,635	0	-	1,458,450	547	1,458,997	0	0	0	-	-	-	73,221	65,417	138,638	138,638
August	1,571,910	0	-	1,445,367	1,499	1,446,866	0	0	0	-	-	-	65,778	59,266	125,044	125,044
September	2,111,543	0	-	1,984,929	1,975	1,986,904	50	0	50	-	-	-	80,376	44,213	124,589	124,639
October	2,170,298	0	-	2,050,291	1,403	2,051,694	0	0	0	-	-	-	58,800	59,804	118,604	118,604
November	1,112,067	-	5,112	1,008,503	1,277	1,014,892	-	-	-	0	0	0	54,091	43,084	97,175	97,175
December	1,161,331	-	3,441	1,101,673	1,067	1,106,181	-	-	-	0	0	0	22,636	32,514	55,150	55,150
1997	22,676,371	3,716	8,553	20,724,153	16,128	20,752,550	50	0	50	0	0	0	906,652	1,017,119	1,923,771	1,923,821
1996	21,066,011	201,814	-	18,124,849	134,721	18,461,384	1,030	6,200	7,230	-	-	-	1,172,295	1,425,102	2,597,397	2,604,627
1995	14,332,870	428	-	12,835,032	-	12,835,460	0	0	0	-	-	-	793,011	704,399	1,497,410	1,497,410
1994	14,385,826	9,263	-	12,875,082	-	12,884,345	0	0	0	-	-	-	771,062	730,419	1,501,481	1,501,481
1993	5,214,935	11,710	-	4,388,332	-	4,400,042	0	0	0	-	-	-	396,700	418,193	814,893	814,893
1992	1,291,441	223,675	7,358	728,229	-	959,262	44,192	27,422	71,614	0	0	0	112,813	147,752	260,565	332,179
1991	934,694	465,367	48,372	-	-	465,367	286,632	182,695	469,327	11,125	4,350	15,475	-	-	-	469,327
1990	266,137	171,440	-	-	-	171,440	53,430	41,267	94,697	-	-	-	-	-	-	94,697

A.3.9. MEFF RF. 10-YEAR GOVERNMENT BOND CONTRACT. 1997
Trading frequency, no. of trades (daily average) and volume per trade

	Future	Option	
		Call	Put
TRADING FREQUENCY (%)			
From 12 to 9 months to maturity	0.0	4.8	4.8
From 9 to 6 months to maturity	0.0	0.0	0.0
From 6 to 3 months to maturity	58.7	28.7	29.5
From 3 months to 1 month to maturity	100.0	96.9	97.6
From 1 month to 2 weeks to maturity	100.0	100.0	100.0
Last 2 weeks to maturity	100.0	100.0	100.0
NO. OF TRADES (daily average)			
From 12 to 9 months to maturity	0.0	0.6	0.8
From 9 to 6 months to maturity	0.0	0.0	0.0
From 6 to 3 months to maturity	104.3	2.0	2.3
From 3 months to 1 month to maturity	4,412.9	12.5	15.1
From 1 month to 2 weeks to maturity	4,293.3	19.9	22.8
Last 2 weeks to maturity	4,498.7	17.5	20.9
VOLUME PER TRADE (No. of contracts)	18.6	154.3	151.6

N.B: Figures based on the average of all of the maturities in the year, except for options, for which only quarterly maturities are considered.

A.3.10. MEFF RF. MIBOR CONTRACTS. TRADING VOLUMES AND OPEN INTEREST. 1997

No. of contracts

	Trading volumes						Open interest at end of period					
	MIBOR 90+					MIBOR 360+	MIBOR 90+					MIBOR 360+
	Future	Option			Total		Future	Future	Option			
		Call	Put	Total		Call			Put	Total		
January	180,564	17,860	13,715	31,575	212,139	7,475	69,482	26,482	21,732	48,214	117,696	4,863
February	205,695	11,042	6,064	17,106	222,801	6,616	80,192	30,942	24,432	55,374	135,566	4,848
March	202,203	24,321	8,374	32,695	234,898	7,086	54,401	30,605	16,076	46,681	101,082	4,994
April	176,750	24,653	12,765	37,418	214,168	7,387	74,665	45,545	19,991	65,536	140,201	5,791
May	164,665	10,753	5,750	16,503	181,168	6,440	92,583	49,518	22,341	71,859	164,442	6,267
June	218,762	9,895	12,250	22,145	240,907	10,452	67,625	34,806	21,977	56,783	124,408	6,148
July	141,148	12,756	5,420	18,176	159,324	4,312	81,648	30,894	24,157	55,051	136,699	5,740
August	159,360	3,850	9,535	13,385	172,745	6,276	92,630	32,154	27,282	59,436	152,066	6,022
September	283,237	14,850	16,772	31,622	314,859	6,587	104,762	22,816	25,601	48,417	153,179	4,870
October	291,634	13,636	23,028	36,664	328,298	5,757	112,340	24,937	30,552	55,489	167,829	5,379
November	164,346	7,856	11,919	19,775	184,121	4,671	121,177	28,342	34,103	62,445	183,622	5,654
December	137,127	2,137	14,889	17,026	154,153	3,053	98,885	17,285	30,135	47,420	146,305	3,947
1997	2,325,491	153,609	140,481	294,090	2,619,581	76,112	98,885	17,285	30,135	47,420	146,305	3,947
1996	1,188,954	133,228	101,906	235,134	1,424,088	58,193	39,633	17,624	13,912	31,536	71,169	3,520
1995	585,699	39,453	38,932	78,385	664,084	29,751	22,700	9,700	10,578	20,278	42,978	1,856
1994	338,480	7,147	11,895	19,042	357,522	40,378	11,743	1080	700	1780	13,523	3,039
1993	211,762	4,882	3,518	8,400	220,162	3,512	12,949	172	720	892	13,841	398
1992	70,872	1,020	585	1,605	72,477	-	2,056	220	0	220	2,276	-
1991	43,630	3,816	2,867	6,683	50,313	-	1,066	258	251	509	1,574	-
1990	1,730	361	101	462	2,192	-	234	45	15	60	294	-

N.B: The figures on the table have been divided by 10 in order to give the sizes of the old Mibor 90 and Mibor 360 contracts (10 million pesetas) and those of the new Mibor 90+ and Mibor 360+ contracts (100 million pesetas) in homogeneous terms.

A.3.11. MEFF RF. MIBOR 90+ CONTRACTS. 1997
Trading frequency, no. of trades (daily average) and volume per transaction

	Future	Option	
		Call	Put
TRADING FREQUENCY (%)			
From 12 to 9 months to maturity	99.2	11.2	7.6
From 9 to 6 months to maturity	100.0	38.9	31.7
From 6 to 3 months to maturity	100.0	53.6	36.7
From 3 months to 1 month to maturity	100.0	53.1	51.1
From 1 month to 2 weeks to maturity	100.0	19.2	22.5
Last 2 weeks to maturity	100.0	17.5	20.6
NO. OF TRADES (daily average)			
From 12 to 9 months to maturity	22.9	0.3	0.2
From 9 to 6 months to maturity	51.4	1.0	0.7
From 6 to 3 months to maturity	85.6	1.9	1.0
From 3 months to 1 month to maturity	96.5	2.0	1.7
From 1 month to 2 weeks to maturity	81.1	0.6	0.5
Last 2 weeks to maturity	69.1	0.5	0.5
VOLUME PER TRADE (No. of contracts).....	30.1	132.0	127.3

N.B: Figures based on the average of all of the maturities in the year.

A.3.12. FC&M. TRADING VOLUMES AND OPEN INTEREST. 1997

No. of contracts

	Trading volumes				Open interest at end of period			
	Valencia-Late	Navel-Navelina	Clementina	Total	Valencia-Late	Navel-Navelina	Clementina	Total
January	8,241	9,921	945	19,107	183	155	89	427
February	8,090	8,688	-	16,778	146	83	-	229
March	9,553	1,898	-	11,451	196	49	-	245
April	8,806	-	-	8,806	17	-	-	17
May	3,033	-	-	3,033	97	-	-	97
June	719	-	-	719	1	-	-	1
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	57	-	57	-	14	-	14
November	-	52	-	52	-	11	-	11
December	-	43	-	43	-	11	-	11
1997	38,442	20,659	945	60,046	0	11	0	11
1996	48,258	67,079	30,113	145,450	0	138	101	239
1995 (*)	-	27,031	-	27,031	-	80	-	80

(*) Data since september, when FC&M started operations.

A.3.13. MARKET MEMBERS. 1997**No. of members per category**

	MEFF RV		MEFF RF		FC & M	
	31/12/97	Change*	31/12/97	Change*	31/12/97	Change*
Clearing members	40	0	18	-2	4	0
Clearing-custodian	31	0	48	-1	8	0
Clearing-custodian non trader	5	+1	2	+2	0	0
Trader	4	+3	6	-2	4	0
TOTAL	80	+4	74	-5	16	0

No. of market makers

Underlying asset	Instrument	31/12/97	Change*
Ibex 35	Future	15	-2
Ibex 35	Option	13	-3
Stocks	Option	9	+1
10-year bond	Future	5	0
Mibor 90	Future	3	0
FC&M	Future	4	0

(*) Change in absolute terms from 31/12/96 to 31/12/97.

A.3.14. MARKET MEMBERS. CONCENTRATION OF TRADING VOLUMES. 1997
No. of members required to reach a given percentage of total contracts traded

	15%	30%	50%	75%	90%	100%
MEFF RV						
Ibex 35 futures	2	4	7	16	29	68
Ibex 35 options	1	2	5	11	20	60
Stock options	1	2	4	9	17	53
MEFF RF						
Debt futures	2	4	8	17	29	82
Debt options	1	3	5	9	16	64
Mibor futures	2	3	6	13	22	66
Mibor options	1	2	4	8	13	31
DIFF* futures	2	2	2	3	5	13
F C & M						
Valencia-late futures	1	2	2	3	4	8
Navel-navelina futures	1	2	2	3	4	6

(*) Average of Bund and BTP contracts.

N.B: Total trading volumes have been calculated adding-up purchases and sales.

A.3.15. DISTRIBUTION OF TRADING BY ACCOUNT TYPE. 1997*Percentage of total market trading volumes*

	Own account	Clients			Pro memoria Market makers
		Total	Residents	Non-resid.	
IBEX 35 futures	44.3	55.7	28.9	26.8	34.3
IBEX 35 options	49.5	50.5	24.8	25.7	37.5
TOTAL IBEX 35	45.3	54.7	28.1	26.6	34.9
Stock options	38.6	61.4	33.2	28.2	15.3
Bond futures	59.8	40.2	11.8	28.4	22.4
Bond options	35.2	64.8	14.1	50.7	0.0
TOTAL bond	57.7	42.3	12.0	30.3	20.5
MIBOR futures	39.6	60.4	9.4	51.0	21.1
MIBOR options	55.9	44.1	3.7	40.4	0.0
TOTAL MIBOR	41.4	58.6	8.8	49.8	18.8
TOTAL DIFF	78.1	21.9	21.5	0.4	43.9
Total citrus	98.5	1.5	1.5	0.0	98.4

N.B: Total trading volumes have been calculated adding-up purchases and sales.

Market maker figures correspond to all their own account trades, and not only to those executed in market making.

A.3.16. DISTRIBUTION OF TRADING BY CLIENT TYPE. 1997*Percentage of trading*

	MEFF RV	MEFF RF	FC & M
Banks and savings banks	15.1	40.9	-
Broker-dealers and brokers	0.7	2.5	-
Investment funds	15.8	5.5	-
Pension funds	2.0	0.7	-
Insurance companies	0.2	0.0	-
Other financial institutions	34.8	41.2	-
Other corporate	13.0	0.1	63.1
Individuals	18.5	2.7	13.4
Others	0.0	6.5	23.5
TOTAL CLIENTS	100.0	100.0	100.0
Pro memoria: non-residents/total clients	48.2	73.5	0.0

N.B: Total trading volumes have been calculated adding-up purchases and sales.

A.3.17. DISTRIBUTION OF TRADING BY TYPES. 1997

Percentage of total contracts

	Regular session	Off-hours	Cross trades (1)	Pro memoria Spread tr. (2)
IBEX 35 futures	79.8		5.7	22.0
IBEX 35 options	75.2	16.5	8.3	0.0
TOTAL IBEX 35	78.8	15.0	6.2	17.3
Equity options	77.4	16.5	6.1	0.0
Bond futures	88.4	2.0	9.6	3.7
Bond options	1.3	92.8	5.9	0.0
TOTAL bond	80.7	10.0	9.3	3.4
MIBOR futures	91.8	0.5	7.7	2.3
MIBOR options	3.3	88.7	8.0	0.0
TOTAL MIBOR	82.0	10.3	7.7	2.1
TOTAL DIFF	99.3	0.0	0.7	0.4
TOTAL citrus	96.2	0.0	3.7	0.0

(1) Trades agreed to outside the market and notified during regular trading hours.

(2) Purchase (sale) of a number of contracts of a given maturity with the simultaneous sale (purchase) of contracts of a later maturity.

Annex 4

Collective investment institutions

A.4.1. SECURITIES INVESTMENT. NO. OF INSTITUTIONS, TOTAL ASSETS AND NO. OF UNIT HOLDERS

No. of institutions

Units

Year	FIM		FIAMM		SIM	SIMCAV	Total	
	Total	Guaranteed	Total	Guaranteed			Total	Guaranteed
1988	146	0	31	0	219	7	403	0
1989	171	0	41	0	250	8	470	0
1990	206	0	62	0	272	10	550	0
1991	285	0	88	0	270	19	662	0
1992	371	0	106	0	230	25	732	0
1993	441	0	130	0	224	27	822	0
1994	528	0	138	0	222	41	929	0
1995	602	34	154	1	215	53	1,024	35
1996	788	132	181	1	217	68	1,254	133
1997	1,277	391	204	3	218	137	1,836	394

Total assets

Millions of pesetas

Year	FIM		FIAMM		SIM	SIMCAV	Total	
	Total	Guaranteed	Total	Guaranteed			Total	Guaranteed
1988	547,355	0	221,136	0	277,175	11,712	1,057,378	0
1989	540,557	0	329,219	0	293,396	11,804	1,174,976	0
1990	542,812	0	619,722	0	325,115	14,864	1,502,513	0
1991	1,905,972	0	1,964,087	0	349,711	24,688	4,244,458	0
1992	2,992,555	0	3,287,810	0	311,547	35,387	6,627,299	0
1993	5,557,837	0	4,736,734	0	355,531	59,284	10,709,386	0
1994	5,287,287	0	5,962,282	0	321,892	74,924	11,646,385	0
1995	5,199,893	223,791	6,993,227	24,180	322,033	95,442	12,610,595	247,971
1996	9,211,944	1,704,700	9,496,438	45,652	375,622	157,130	19,241,134	1,750,352
1997	16,863,639	4,711,611	10,165,745	60,758	448,336	353,138	27,830,858	4,772,369

No. of unit holders

Thousands

Year	FIM		FIAMM		SIM	SIMCAV	Total	
	Total	Guaranteed	Total	Guaranteed			Total	Guaranteed
1988	518.5	0	42.7	0	-	-	561.2	0.0
1989	446.7	0	104.2	0	-	-	550.9	0.0
1990	376.2	0	193.8	0	-	-	570.0	0.0
1991	663.1	0	482.0	0	94.5	2.3	1,241.9	0.0
1992	900.4	0	776.8	0	83.9	33.6	1,794.7	0.0
1993	1,446.9	0	1,101.4	0	74.6	26.1	2,649.1	0.0
1994	1,440.6	0	1,356.0	0	64.4	32.2	2,893.2	0.0
1995	1,334.3	58.1	1,611.2	8.9	59.6	33.0	3,038.1	67.0
1996	2,184.4	423.5	2,106.7	14.7	57.0	33.3	4,381.5	438.3
1997	3,946.4	1,141.9	2,274.4	17.6	53.6	39.8	6,314.2	1,159.5

A.4.2. SECURITIES INVESTMENT. FIAMM AND FIM. QUARTERLY RETURNS. DETAIL ACCORDING TO PORTFOLIO MIX

Assets weighted averages (%)

	FIAMM	FIM			
		Fixed-income	Mixed fixed-income	Mixed equity	Equity
1993. Q4	2.24	3.25	3.83	8.97	12.62
1994. Q1	1.77	0.23	0.15	0.17	0.04
Q2	1.60	-0.47	-0.92	-3.85	-6.06
Q3	1.55	0.41	0.11	-0.64	-0.81
Q4	1.59	1.06	0.53	-1.28	-2.57
1995. Q1	1.66	1.56	0.94	-2.16	-4.64
Q2	1.87	2.06	2.33	5.15	8.40
Q3	2.09	2.77	2.79	3.73	4.40
Q4	2.15	3.05	3.30	4.02	4.01
1996. Q1	1.93	2.00	2.14	3.73	5.24
Q2	1.80	2.93	3.25	5.87	8.07
Q3	1.56	2.75	2.42	1.55	0.55
Q4	1.52	3.23	4.75	12.16	18.96
1997. Q1	1.16	0.73	1.22	3.27	5.56
Q2	1.14	2.67	5.83	12.40	20.60
Q3	1.02	1.55	2.23	3.70	5.51
Q4	0.98	1.32	1.30	0.28	-0.54

N.B:

Fixed-income funds: FIM with a 100% fixed-income portfolio at end of period.

Mixed fixed-income funds: FIM with a 75% to 100% fixed-income portfolio at end of period.

Mixed equity funds: FIM with a 30% to 75% fixed-income portfolio at end of period.

Equity funds: FIM with a less than 30% fixed-income portfolio at end of period.

A.4.3. SECURITIES INVESTMENT. FIM. DISTRIBUTION OF TOTAL ASSETS AT EFFECTIVE VALUE

Amounts in millions of pesetas

	31-12-97		31-12-96		Change	
	Amount	% of total assets	Amount	% of total assets	Amount	%
1. Total assets	16,863,639	100.00	9,211,944	100.00	7,651,695	83.06
2. Liquidity	884,067	5.24	412,938	4.48	471,129	114.09
3. Portfolio investment	15,984,373	94.79	8,790,714	95.43	7,193,659	81.83
3.1. Domestic portfolio	14,917,687	88.46	8,487,285	92.13	6,430,402	75.77
3.1.1. Shares	1,719,730	10.20	567,836	6.16	1,151,894	202.86
3.1.2. Investment fund units	400	0.00	1,384	0.02	-984	-71.10
3.1.3. Non-Government bonds	1,409,171	8.36	668,949	7.26	740,222	110.65
3.1.4. Govt. bonds	5,123,457	30.38	2,915,545	31.65	2,207,912	75.73
3.1.5. Treasury bills	1,338,017	7.93	739,713	8.03	598,304	80.88
3.1.6. Other Government securities	282,694	1.68	191,844	2.08	90,850	47.36
3.1.7. Reverse repos	4,970,961	29.48	3,384,625	36.74	1,586,336	46.87
3.1.8. Private money market assets	32,399	0.19	14,757	0.16	17,642	119.55
3.1.9. Warrants and options	40,858	0.24	2,632	0.03	38,226	1,452.36
3.2. Foreign portfolio	1,066,686	6.33	303,429	3.29	763,257	251.54
3.2.1. Shares	438,906	2.60	66,148	0.72	372,758	563.52
3.2.2. Investment fund units	29,333	0.17	1,181	0.01	28,152	2,383.74
3.2.3. Bonds	497,293	2.95	212,873	2.31	284,420	133.61
3.2.4. Money market assets	37,747	0.22	18,188	0.20	19,559	107.54
3.2.5. Warrants and options	63,407	0.38	5,039	0.05	58,368	1,158.33
4. Net balance (debtors - creditors)	-4,801	-0.03	8,292	0.09	-13,093	-157.90

A.4.4. SECURITIES INVESTMENT. FIM. BREAKDOWN OF CHANGE IN ASSETS

Amounts in millions of pesetas

	1997								Accumulated			
	First quarter		Second quarter		Third quarter		Fourth quarter		1997		1996	
	Amounts	% of avg. daily assets	Amounts	% of avg. daily assets	Amounts	% of avg. daily assets	Amounts	% of avg. daily assets	Amounts	% of avg. daily assets	Amounts	% of avg. daily assets
Change in assets	2,469,780		1,986,332		1,921,393		1,274,190		7,651,695		4,012,051	
Net subscriptions and redemptions	2,356,470		1,371,497		1,599,815		1,094,414		6,422,197		3,165,110	
Returns	113,310	1.06	614,835	4.88	321,578	2.17	179,776	1.12	1,229,498	9.08	846,941	12.63
Fixed-income interests	151,952	1.42	167,113	1.33	180,750	1.22	179,293	1.12	679,108	5.01	478,269	7.13
Banking interests	8,933	0.08	10,163	0.08	10,094	0.07	13,740	0.09	42,930	0.32	29,334	0.44
Dividends	5,905	0.06	7,133	0.06	12,690	0.09	6,774	0.04	32,502	0.24	13,235	0.20
Total changes in fixed-income prices (whether or not realised)	-52,655	-0.49	182,062	1.44	63,536	0.43	53,593	0.33	246,536	1.82	284,194	4.24
Total changes in equity prices (whether or not realised)	42,160	0.39	272,092	2.16	108,641	0.73	970	0.01	423,863	3.13	158,837	2.37
Results from derivatives	241	0.00	33,733	0.27	9,864	0.07	-4,532	-0.03	39,306	0.29	6,792	0.10
Management fee expenses	-39,068	-0.37	-46,777	-0.37	-55,579	-0.38	-59,490	-0.37	-200,914	-1.48	-102,872	-1.53
Custody fee expenses	-4,119	-0.04	-4,659	-0.04	-5,227	-0.04	-5,615	-0.03	-19,620	-0.14	-11,223	-0.17
Foreign exchange differences	1,562	0.01	947	0.01	375	0.00	-1,013	-0.01	1,871	0.01	626	0.01
Other positive returns	369	0.00	268	0.00	151	0.00	231	0.00	1,019	0.01	347	0.01
Other negative returns	-1,970	-0.02	-7,241	-0.06	-3,717	-0.03	-4,175	-0.03	-17,103	-0.13	-10,598	-0.16

**A.4.5. SECURITIES INVESTMENT. FIM. TOTAL ASSETS,
NO. OF UNIT HOLDERS AND NO. OF INSTITUTIONS**
Distribution by portfolio mix

Total assets

In millions of pesetas

	31-12-97		31-12-96		Change	
	Amount	% of total	Amount	% of total	Amount	%
FIXED-INCOME	9,946,695	59.0	6,844,067	74.3	3,102,628	45.3
MIXED FIXED-INCOME	3,975,481	23.6	1,490,645	16.2	2,484,836	166.7
MIXED EQUITY	1,483,815	8.8	452,668	4.9	1,031,147	227.8
EQUITY	1,457,648	8.6	424,564	4.6	1,033,084	243.3
TOTAL FIM	16,863,639	100.0	9,211,944	100.0	7,651,695	83.1

No. of unit holders

	31-12-97		31-12-96		Change	
	Units	% of total	Units	% of total	Units	%
FIXED-INCOME	2,197,855	55.7	1,523,630	69.8	674,225	44.3
MIXED FIXED-INCOME	924,348	23.4	389,293	17.8	535,055	137.4
MIXED EQUITY	402,588	10.2	135,003	6.2	267,585	198.2
EQUITY	421,642	10.7	136,483	6.2	285,159	208.9
TOTAL FIM	3,946,433	100.0	2,184,409	100.0	1,762,024	80.7

No. of institutions

	31-12-97		31-12-96		Change	
	Units	% of total	Units	% of total	Units	%
FIXED-INCOME	655	51.3	448	56.9	207	46.2
MIXED FIXED-INCOME	282	22.1	142	18.0	140	98.6
MIXED EQUITY	162	12.7	100	12.7	62	62.0
EQUITY	178	13.9	98	12.4	80	81.6
TOTAL FIM	1,277	100.0	788	100.0	489	62.1

N.B:

Fixed-income funds: FIM with a 100% fixed-income portfolio at end of period.

Mixed fixed-income funds: FIM with a 75% to 100% fixed-income portfolio at end of period.

Mixed equity funds: FIM with a 30% to 75% fixed-income portfolio at end of period.

Equity funds: FIM with a less than 30% fixed-income portfolio at end of period.

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

FIXED-INCOME FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
ARGENT. BONOS INT.FIM	4.22	RF	7.01	RF	10.03	RF	0.89	23.79	69.97	2.11
BBV DOLAR FIM	7.89	RF	3.84	RF	2.30	RF	2.32	17.28	42.03	2.29
ALLIANZ RAS FONDO FIM	1.67	RF	6.43	RF	4.42	RF	2.29	15.59	N/A	1.23
FON 2006 FIM	0.76	RF	5.86	RF	4.38	RF	3.42	15.15	N/A	1.22
FONDCOMERCIO DIVISA FIM	7.06	RF	4.26	RF	1.38	RF	1.71	15.11	N/A	1.76
BBV DIVISA FIM	5.31	RF	4.43	RF	1.37	RF	2.65	14.44	59.01	1.86
FONCAIXA INTERNAC.1 FIM	6.48	RF	2.78	RF	2.42	RF	1.94	14.26	41.95	1.56
MONEYMED FIM	5.15	RF	3.60	RF	2.07	RF	2.66	14.14	39.21	1.60
RENTA INTERNACIONAL FIM	4.58	RF	3.59	RF	2.47	RF	2.43	13.71	72.37	1.87
ARGENTARIA FONDO 22 FIM	-0.12	RF	7.46	RF	3.53	RF	1.94	13.28	N/A	1.35
BBV PATRIMONIO FIM	4.30	RFM	4.24	RFM	1.84	RFM	1.98	12.90	N/A	0.62
FONCAM 8 FIM	1.83	RF	5.27	RF	2.82	RF	2.16	12.60	N/A	0.86
HERRERO INTERNAC. FIM	4.66	RF	3.29	RF	1.60	RF	2.50	12.57	N/A	1.87
IBERCAJA INTERNAC. FIM	4.19	RF	3.38	RF	1.51	RF	2.40	11.96	N/A	1.74
BCH INTERNAC. RF FIM	4.97	RF	3.43	RF	2.00	RF	0.67	11.49	54.41	1.49
SEGRUFONDO DIVISAS FIM	3.34	RF	3.54	RF	1.73	RF	2.26	11.31	65.41	1.41
FONSABADELL F FIM	4.34	RF	3.34	RF	0.79	RF	2.20	11.06	49.29	1.48
FONINDEX INTERN. FIM	6.95	RF	0.53	RFM	2.83	RFM	0.39	11.00	49.94	1.51
RENTACASER FIM	1.22	RF	3.45	RF	3.40	RF	2.24	10.69	N/A	0.94
ATLANTICO DIVISA FIM	4.39	RF	2.51	RF	0.98	RF	2.40	10.66	N/A	1.60
EUROVALOR DIVISA FIM	3.87	RF	3.32	RF	2.00	RF	0.98	10.54	N/A	1.51
CAIXA INTERNACIONAL FIM	3.05	RFM	5.27	RFM	0.69	RFM	1.19	10.53	N/A	1.29
MUTUAFONDO LP FIM	-1.06	RF	5.76	RF	3.33	RF	2.13	10.43	N/A	1.21
FIBANC DIVISAS FIM	4.32	RF	1.96	RF	1.51	RF	2.16	10.30	37.60	1.32
SEGRUFONDO A. DIVISA FIM	5.37	RF	2.51	RF	0.99	RF	1.04	10.22	N/A	1.32
BETA RENTA DIVISAS FIM	3.82	RF	3.05	RF	1.50	RF	1.41	10.12	50.26	1.31
BM FT FIM	0.04	RF	4.77	RF	2.67	RF	2.24	10.01	74.46	1.08
AB DIVISA FIM	5.70	RF	2.17	RF	0.58	RF	1.15	9.87	N/A	1.20
FONBILBAO FT FIM	0.09	RF	4.90	RF	2.49	RF	1.98	9.75	85.26	0.96
FONDO BONOS FIM	0.01	RF	4.47	RF	2.95	RF	2.03	9.75	N/A	0.89
CRECIFONDO FIM	1.65	RF	4.42	RF	1.56	RF	1.74	9.67	N/A	0.93
FONCAIXA INTERNAC.3 FIM	3.47	RF	1.89	RF	2.00	RF	1.91	9.58	33.98	0.87
AC LARGO FT FIM	0.46	RF	4.32	RF	2.19	RFM	1.85	9.08	N/A	0.80
INTERAHORRO FIM	0.08	RF	4.60	RF	2.25	RF	1.87	9.04	N/A	0.83
FONDMAFRE INTERNAC FIM	3.41	RF	2.76	RF	1.12	RF	1.21	8.76	N/A	1.05
CUENTAFONDO RENTA FIM	-0.55	RFM	4.49	RF	2.49	RF	2.06	8.69	70.45	1.10
HISPAMER RENTA 1 FIM	1.31	RF	3.71	RFM	1.80	RF	1.56	8.63	N/A	0.64
CITIFONDO BOND FIM	0.13	RF	3.94	RF	2.52	RF	1.76	8.58	N/A	0.79
SEGRUFONDO I FT FIM	0.48	RF	3.55	RF	1.94	RF	1.99	8.17	66.84	0.63
FONSMANLLEU BORSA FIM	1.32	RFM	2.55	RFM	1.97	RFM	1.93	8.00	N/A	0.72
FONDMAFRE LARGO FIM	0.73	RF	3.37	RF	2.02	RF	1.59	7.93	N/A	0.65
FONDONORTE 2 FIM	0.70	RF	3.56	RF	1.85	RF	1.57	7.88	69.38	0.56
BROKERFOND FIM	0.59	RF	3.33	RF	1.85	RF	1.88	7.85	N/A	0.56
BBV FV FIM	0.74	RF	3.69	RF	1.72	RF	1.47	7.82	65.62	0.55
FONEMPORIUM FIM	0.37	RF	3.51	RF	2.03	RF	1.61	7.71	66.82	0.60
AB FONDO FIM	0.95	RF	3.19	RF	1.73	RF	1.63	7.70	64.28	0.53
FONDO EXTRA FIM	0.48	RF	3.24	RF	2.00	RF	1.72	7.63	71.03	0.59
LUSO RENTA FIM	1.68	RFM	2.93	RF	1.73	RFM	1.07	7.61	N/A	0.45

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

FIXED-INCOME FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
IBERLION AHORRO FIM	0.04	RF	3.77	RF	2.04	RF	1.56	7.59	66.77	0.75
BBV INSTITUCIONES FIM	0.93	RF	3.12	RF	1.74	RF	1.56	7.55	N/A	0.46
EXTRAFONDO AHORRO FIM	2.30	RF	2.38	RF	1.28	RF	1.37	7.53	N/A	0.29
BANCAJA DIVISAS FIM	3.08	RF	1.84	RF	0.65	RF	1.74	7.49	N/A	0.80
BK FONDO BONOS FIM	0.38	RF	2.67	RF	2.03	RF	2.10	7.35	N/A	0.52
FONDOACTIVO FIM	0.98	RF	2.85	RF	1.97	RF	1.29	7.27	43.53	0.39
BANKPYME FT FIM	0.38	RF	3.08	RF	1.95	RF	1.60	7.19	62.62	0.60
BASKEDIVISAS, FIM	1.98	RF	2.15	RF	0.30	RF	2.55	7.15	N/A	0.75
AB AHORRO FIM	0.98	RFM	2.91	RF	1.62	RFM	1.45	7.13	60.24	0.46
BSN RIESGO ABIERTO FIM	3.75	RFM	-4.60	RFM	1.96	RVM	6.14	7.12	N/A	2.11
MADRID DEUDA FT FIM	0.26	RF	3.59	RF	1.62	RF	1.47	7.09	N/A	0.63
BBV DEUDA FT FIM	0.62	RF	3.12	RFM	1.70	RF	1.38	6.99	62.23	0.53
RENTA 4 AHORRO FIM	0.35	RF	2.46	RF	2.39	RF	1.63	6.99	55.82	0.81
IBERAGENTES FT FIM	-0.22	RF	3.59	RF	1.95	RF	1.45	6.91	65.62	0.69
BCH BONOS FV FIM	0.52	RF	3.01	RF	1.66	RF	1.52	6.86	63.76	0.50
BBV HORIZONTE FIM	0.85	RF	2.83	RF	1.63	RF	1.39	6.85	62.75	0.43
FONDIFISA FIM	0.61	RF	3.84	RFM	2.46	RFM	-0.19	6.84	25.88	1.11
MADRID PREMIERE FIM	0.59	RF	2.97	RF	1.57	RF	1.49	6.77	N/A	0.46
TOP RENTA FIM	0.15	RF	3.11	RF	1.64	RF	1.69	6.73	42.10	0.67
PROMOAHORRO FIM	0.43	RF	2.79	RF	1.64	RF	1.63	6.64	N/A	0.46
FONDPREMIER-2 FIM	0.94	RF	2.44	RF	1.54	RF	1.55	6.63	N/A	0.39
FONDCOMERCIO DEUDA FIM	0.87	RF	2.76	RF	1.62	RF	1.22	6.62	N/A	0.42
BRAZAMED FIM	0.30	RF	2.79	RF	1.74	RF	1.63	6.59	49.81	0.50
CHASE GROWTH FIM	2.10	RF	1.61	RF	1.46	RFM	1.26	6.59	N/A	0.16
BIZKAIRENT FT FIM	0.23	RF	3.36	RF	1.48	RF	1.36	6.57	N/A	0.54
ARGENTARIA CAPITAL FIM	0.65	RF	2.86	RF	1.52	RF	1.38	6.55	N/A	0.43
CHASE RF PLUS FIM	1.02	RF	2.40	RF	1.08	RF	1.84	6.49	N/A	0.48
MB FONDO 1 FIM	0.67	RF	2.46	RF	1.73	RF	1.47	6.47	57.81	0.36
MB FONDO 3 FIM	0.25	RF	2.70	RF	1.84	RF	1.54	6.47	61.39	0.46
ARCALIA AHORRO FIM	0.38	RF	3.04	RF	1.76	RF	1.15	6.46	51.05	0.49
BANKAMERICA RF FIM	0.68	RF	2.58	RF	1.65	RF	1.41	6.46	N/A	0.38
FONSNOSTRO FIM	0.67	RF	2.99	RF	1.46	RF	1.16	6.42	46.09	0.49
INDOSUEZ FT FIM	0.65	RF	2.55	RF	1.52	RF	1.49	6.36	61.31	0.53
CAIXA GALICIA INV. FIM	0.58	RF	2.93	RF	1.29	RF	1.42	6.36	42.91	0.46
RENTA 4 BONOS II FIM	0.74	RF	2.77	RF	1.31	RF	1.40	6.35	N/A	0.47
BCH BONOS FT FIM	0.46	RF	2.81	RF	1.58	RF	1.32	6.30	58.63	0.50
ARGENTARIA PREVISIO FIM	0.98	RF	2.29	RF	1.51	RF	1.38	6.30	N/A	0.28
INVERCAJA 31 FIM	0.43	RF	3.04	RF	1.36	RF	1.32	6.28	N/A	0.52
IBERLION FONDTESORO FIM	-0.33	RF	2.93	RF	2.12	RF	1.45	6.28	N/A	0.61
ALMAGRO FIM	0.52	RF	2.55	RF	1.91	RF	1.15	6.25	53.08	0.40
INTERVALOR RENTA FIM	0.14	RF	2.72	RF	1.27	RF	2.00	6.25	N/A	0.51
FONDPREMIER FIM	0.90	RF	2.25	RF	1.39	RF	1.51	6.18	62.77	0.33
DB INVEST FIM	1.01	RF	2.26	RF	1.52	RF	1.24	6.17	46.07	0.37
FONDOGAESCO FIM	1.70	RF	1.50	RF	1.52	RF	1.31	6.17	56.14	0.19
BK FONDO FIJO FIM	0.53	RF	2.27	RF	1.58	RF	1.65	6.17	63.32	0.55
CAVALAHORRO FV FIM	0.48	RF	2.73	RF	1.46	RF	1.36	6.16	66.19	0.50

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

FIXED-INCOME FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
DINFONDO FIM	0.66	RF	2.53	RF	1.62	RF	1.19	6.12	45.91	0.40
MULTIVALOR I FIM	0.38	RF	3.08	RF	1.35	RF	1.20	6.12	44.03	0.52
FONDMUSINI II FIM	0.79	RF	2.38	RF	1.50	RF	1.31	6.11	N/A	0.38
BBV EURO FIM	1.14	RF	2.29	RF	0.46	RF	2.05	6.06	44.19	0.65
FONPROGRESO FIM	0.51	RF	2.75	RF	1.48	RF	1.19	6.05	54.58	0.44
FONDCOMERCIO RENTA FIM	0.56	RF	2.71	RF	1.37	RF	1.28	6.04	51.98	0.41
BETA DEUDA FT FIM	0.46	RF	2.71	RF	1.19	RF	1.56	6.04	63.51	0.46
SOLBANK FONDO 3 FIM	0.55	RF	2.58	RF	1.29	RF	1.50	6.03	N/A	0.45
ALCALA UNO FIM	0.91	RF	2.30	RF	1.37	RF	1.30	6.00	62.94	0.27
IPARFONDO FIM	0.21	RF	3.10	RF	1.38	RF	1.18	5.97	N/A	0.49
URQUIJO LIDER FIM	0.30	RF	2.63	RF	1.58	RF	1.32	5.95	N/A	0.46
FONDEGA RENTA FIM	0.73	RF	2.51	RF	1.27	RF	1.30	5.94	67.39	0.42
BANESDEUDA FV FIM	0.36	RFM	2.56	RF	1.49	RF	1.39	5.91	70.76	0.48
BANESDEUDA FT FIM	0.31	RFM	2.52	RF	1.50	RFM	1.46	5.91	59.10	0.49
FONMEDIC FIM	0.56	RF	2.62	RF	1.36	RF	1.25	5.91	56.12	0.45
ADEPA FT FIM	-0.01	RF	1.21	RF	2.57	RF	2.00	5.88	60.04	0.87
URQUIJO RENTA FIM	0.61	RF	2.52	RF	1.35	RF	1.27	5.86	54.30	0.40
BG URGULL FIM	0.44	RF	2.62	RF	1.38	RF	1.29	5.84	N/A	0.43
KUTXAINVER FIM	0.52	RF	2.84	RF	1.20	RF	1.16	5.83	47.34	0.50
IBERCAJA FUTURO FIM	0.55	RFM	2.64	RF	1.21	RF	1.32	5.83	N/A	0.40
MB FONDO 11 FIM	0.47	RF	2.26	RF	1.61	RF	1.34	5.81	N/A	0.34
FONENGIN FIM	0.52	RFM	2.48	RF	1.44	RF	1.23	5.78	53.32	0.44
BONUSMED FT FIM	0.05	RF	2.66	RF	1.46	RF	1.48	5.75	N/A	0.51
FONMARCH FIM	0.61	RF	2.44	RF	1.33	RF	1.23	5.73	52.98	0.39
INVERMADRID FT FIM	0.63	RF	2.52	RF	1.27	RF	1.20	5.72	54.61	0.37
MERCHRENTA FIM	2.04	RF	1.43	RF	1.31	RF	0.83	5.72	53.21	0.30
FONALAVA FIM	1.71	RF	1.33	RF	1.24	RF	1.28	5.68	N/A	0.12
TECNOFIM FIM	0.47	RF	2.22	RF	1.54	RF	1.33	5.67	51.33	0.35
FONRENTA FIJA FIM	0.52	RF	2.58	RF	1.47	RF	0.98	5.65	59.21	0.44
FG RENTA FIJA FIM	0.62	RF	2.32	RF	1.36	RF	1.24	5.64	49.92	0.32
BI DEUDA INTERNAC. FIM	4.88	RF	2.42	RFM	0.75	RF	-2.39	5.64	N/A	1.14
RENTA 4 BONOS FIM	0.74	RF	2.40	RF	1.20	RF	1.19	5.64	N/A	0.37
FONLAIETANA FIM	0.79	RF	1.81	RF	1.57	RF	1.34	5.63	46.78	0.21
FOMODI FIM	0.86	RF	2.14	RF	1.41	RF	1.09	5.61	50.60	0.27
RENTIMED FIM	-0.01	RF	2.59	RF	1.49	RF	1.45	5.61	39.29	0.53
FONCAIXA 7 FIM	1.07	RF	1.61	RF	1.19	RF	1.62	5.60	49.97	0.17
CREDICOOP RENTA FIM	0.40	RF	2.53	RF	1.34	RF	1.23	5.60	N/A	0.40
ARGENTARIA FV FIM	0.81	RF	2.09	RF	1.29	RF	1.29	5.59	N/A	0.30
FIBANC FT FIM	0.00	RFM	2.51	RF	1.64	RF	1.33	5.58	63.59	0.46
CAIXA PATRIMONI FIM	0.60	RF	2.25	RF	1.46	RF	1.16	5.57	N/A	0.32
FONSABADELL 3 FIM	0.37	RF	2.23	RF	1.55	RF	1.30	5.56	N/A	0.35
EUSKOFONDO FIM	0.28	RF	3.04	RF	1.66	RF	0.49	5.55	66.45	0.60
CAIXABANK RENTA FIM	1.08	RF	1.60	RF	1.15	RF	1.60	5.54	N/A	0.18
FONSABADELL 2 FIM	0.45	RF	2.22	RF	1.51	RF	1.25	5.53	51.15	0.36
EUROVALOR 2 FIM	0.15	RF	2.69	RF	1.49	RF	1.10	5.52	55.86	0.54
FONSABADELL FIM	0.45	RF	2.22	RF	1.51	RF	1.24	5.51	51.35	0.36

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**FIXED-INCOME FIM**

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
FONGRUM FIM	0.40	RF	2.49	RF	1.30	RF	1.22	5.50	47.77	0.40
RENTATLANTICO FIM	0.20	RF	2.47	RF	1.52	RF	1.21	5.50	N/A	0.42
FONDMAPFRE RENTA FIM	0.49	RF	2.43	RF	1.27	RF	1.20	5.49	52.50	0.37
CHASE RENTA FIJA FIM	0.57	RF	2.31	RF	1.06	RF	1.44	5.48	61.91	0.46
CHASE GLOBAL IV FIM	1.45	RF	1.36	RF	1.33	RF	1.20	5.44	N/A	0.05
BASKEFOND FIM	0.50	RF	2.29	RF	1.37	RF	1.18	5.43	54.76	0.33
AC DEUDA FT FIM	0.54	RF	2.39	RF	1.23	RF	1.18	5.43	52.52	0.37
BETA RENTA FIM	0.56	RF	2.08	RF	1.18	RF	1.44	5.35	54.95	0.37
BANEX AHORRO FIM	0.46	RF	2.00	RF	1.04	RF	1.74	5.34	44.51	0.34
IBERLION RENTA FIM	0.53	RF	2.22	RF	1.35	RF	1.13	5.33	55.67	0.35
BANKOA RENTA FONDO FIM	0.09	RF	2.97	RF	1.10	RF	1.08	5.32	N/A	0.53
ALCALA RENTA FIM	0.66	RF	2.26	RF	1.17	RF	1.12	5.30	61.14	0.34
BSN INSTITUCIONES FIM	1.26	RF	1.47	RF	1.30	RF	1.17	5.30	N/A	0.06
IBERLION DINERAL FIM	0.74	RF	1.94	RF	1.34	RF	1.17	5.30	N/A	0.23
FONDEUDA AHORRO FT FIM	0.67	RF	2.02	RF	1.33	RF	1.17	5.29	52.15	0.33
CAJA BURGOS RENTA FIM	0.45	RF	2.43	RF	1.24	RF	1.08	5.28	41.71	0.37
INVERCAJA 21 FIM	0.68	RF	2.15	RF	1.17	RF	1.18	5.28	N/A	0.32
DB INVEST II FIM	1.18	RF	1.57	RF	1.28	RF	1.14	5.26	43.62	0.27
BANIF RENTA FIJA FIM	0.12	RF	2.44	RF	1.45	RF	1.15	5.25	59.95	0.45
SOLBANK FONDO FIM	0.53	RF	2.12	RF	1.27	RF	1.21	5.23	52.31	0.32
MD FOND FIM	0.89	RF	1.89	RF	1.22	RF	1.14	5.23	N/A	0.22
COOPINVEST FIM	1.00	RF	1.65	RF	1.21	RF	1.24	5.21	47.74	0.17
FONDO SANITARIO FIM	0.68	RF	2.08	RF	1.22	RF	1.12	5.20	N/A	0.30
AB FT FIM	0.59	RF	2.17	RF	1.16	RF	1.17	5.18	53.87	0.32
FONBANZANO FIM	0.54	RF	2.33	RF	1.13	RF	1.08	5.17	41.99	0.34
ARGENTARIA TR FIM	1.40	RF	1.31	RF	1.18	RF	1.17	5.16	N/A	0.07
CAIXASABADELL 4-FIX FIM	0.80	RF	1.71	RF	1.32	RF	1.22	5.15	N/A	0.20
RENTMADRID 2 FIM	0.74	RF	1.91	RF	1.25	RF	1.15	5.15	N/A	0.19
ARGENTARIA RENTA FIM	1.35	RF	1.34	RF	1.18	RF	1.17	5.14	N/A	0.07
BG ONDAR RENTA FIM	0.71	RF	1.91	RF	1.26	RF	1.17	5.14	N/A	0.24
ARESFONDO FIM	0.65	RF	2.13	RF	1.11	RF	1.15	5.14	48.52	0.26
INTEGRAL VARIABLE FIM	0.82	RF	1.88	RF	1.18	RF	1.15	5.13	46.21	0.21
RIVA Y G. AHORRO I FIM	0.73	RF	2.26	RF	1.11	RF	0.92	5.11	55.14	0.28
SANTANDER EMPRESA FIM	1.37	RF	1.30	RF	1.20	RF	1.12	5.09	N/A	0.04
CANTABRIA RF FIM	-0.17	RF	2.39	RF	1.20	RF	1.57	5.07	N/A	0.46
INTERES 2.000 FIM	0.22	RF	2.16	RF	1.29	RF	1.31	5.06	44.59	0.44
FONDOMIX FIM	1.34	RF	1.29	RF	1.21	RF	1.12	5.05	34.41	0.03
EUROVALOR-5 FIM	1.28	RF	1.26	RF	1.24	RF	1.18	5.05	N/A	0.08
IBERCAJA AHORRO FIM	0.63	RFM	2.18	RF	1.07	RF	1.08	5.04	49.52	0.32
LLOYDS FONDO 1 FIM	0.56	RF	2.09	RF	1.14	RF	1.15	5.04	48.12	0.32
CAHISPA RENTA FIM	1.79	RF	1.26	RFM	1.47	RFM	0.44	5.04	45.96	0.59
FONVITORIA FIM	0.48	RF	2.04	RF	1.21	RF	1.22	5.03	48.22	0.34
FONTESORERIA FIM	1.26	RF	1.34	RF	1.20	RF	1.14	5.03	N/A	0.08
BBV CASH FIM	1.36	RF	1.24	RF	1.19	RF	1.13	5.01	N/A	0.03
AB RENTA FIM	0.52	RF	2.24	RF	1.19	RF	0.96	5.00	52.33	0.36
INVERDEUDA FT FIM	0.14	RF	2.00	RF	1.21	RF	1.56	5.00	N/A	0.41

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

FIXED-INCOME FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
FONDMUSINI I FIM	0.82	RF	1.96	RF	1.11	RF	1.01	4.99	N/A	0.28
CIBERNEXO FIM	1.27	RF	1.30	RF	1.19	RF	1.13	4.98	N/A	0.05
BARCLAYS TESORERIA FIM	1.30	RF	1.19	RF	1.23	RF	1.16	4.96	N/A	0.06
FONSEGUR FIM	0.65	RF	1.97	RF	1.13	RF	1.11	4.95	53.91	0.31
BBV RENTA FIM	0.86	RF	1.88	RF	1.11	RF	1.02	4.95	41.25	0.22
AC DINERPLUS FIM	1.34	RF	1.20	RF	1.18	RF	1.12	4.94	N/A	0.03
FONCATALANA 2 RF FIM	0.21	RF	1.93	RF	1.37	RF	1.30	4.88	47.83	0.38
FG RENTA FIJA 2 FIM	0.11	RF	2.46	RF	1.17	RF	1.06	4.88	39.54	0.43
VALENCIA AHORRO FIM	0.50	RF	1.99	RF	1.19	RF	1.10	4.86	N/A	0.32
DINERO ACTIVO I FIM	1.21	RF	1.14	RF	1.10	RF	1.32	4.86	N/A	0.06
NOVOCAJAS FIM	0.73	RF	1.51	RF	1.37	RF	1.18	4.86	41.62	0.23
HERRERO RENTA FIJA FIM	0.34	RF	2.38	RF	1.05	RF	1.00	4.84	51.44	0.39
RIVA Y G. AHORRO II FIM	0.70	RF	2.27	RF	0.98	RF	0.81	4.84	45.94	0.28
FONCAIXA BOLSA 38 FIM	3.16	RF	0.76	RF	0.80	RF	0.06	4.84	N/A	0.71
BBV RENTA 91 FIM	0.86	RF	1.76	RF	1.13	RF	1.01	4.83	41.42	0.21
FONDCOMERCIO AHORRO FIM	0.72	RF	1.89	RF	1.11	RF	1.04	4.83	N/A	0.23
FONDCOMERCIO TR FIM	1.25	RF	1.26	RF	1.12	RF	1.10	4.82	N/A	0.00
FONSCATALONIA 1 FIM	1.00	RF	1.71	RF	1.08	RF	0.94	4.81	N/A	0.15
FONDOATLANTICO FIM	0.55	RF	1.89	RF	1.21	RF	1.08	4.81	51.05	0.28
FG TESORERIA FIM	1.18	RF	1.32	RF	1.15	RF	1.07	4.80	42.53	0.08
FONCAIXA 11 FIM	0.92	RF	1.46	RF	1.04	RF	1.26	4.76	44.93	0.16
FONTARRACO FIM	0.87	RF	1.48	RF	1.14	RF	1.18	4.76	33.27	0.14
RENTMADRID FIM	0.72	RF	1.63	RF	1.03	RF	1.27	4.73	38.84	0.17
FONBUSA FIM	0.84	RF	1.57	RF	1.11	RF	1.13	4.73	48.02	0.16
TELEFONICO CORTO FIM	1.25	RF	1.24	RF	1.11	RF	1.04	4.72	N/A	0.05
FONVALOR FIM	0.68	RF	1.89	RF	1.04	RF	1.03	4.71	41.54	0.22
BSN RENTA FIJA FIM	0.39	RF	2.28	RF	1.06	RF	0.89	4.70	60.81	0.39
BI MULTIFONDO FIM	0.23	RFM	3.37	RF	-0.18	RF	1.23	4.70	26.28	0.55
CAIXA GALICIA RENTA FIM	0.69	RF	1.82	RF	1.02	RF	1.10	4.70	N/A	0.25
DINERCASER FIM	1.22	RF	1.24	RF	1.13	RF	1.03	4.70	N/A	0.00
RENTCAJAS FIM	0.79	RF	1.72	RF	1.07	RF	1.02	4.69	44.91	0.20
FONINDEX RENTA FIM	0.32	RFM	2.41	RFM	1.10	RF	0.78	4.68	42.50	0.47
FONDGUISSONA FIM	1.29	RF	1.14	RF	1.11	RF	1.04	4.67	N/A	0.03
GESEGUR RENTA FIM	-0.80	RF	1.52	RF	1.48	RF	2.39	4.65	56.11	0.63
CONSTANTFONS FIM	1.31	RF	1.10	RF	1.10	RF	1.05	4.64	N/A	0.03
FONDICAJA FIM	0.73	RF	1.80	RF	1.04	RF	1.00	4.64	42.59	0.22
MERCAPATRIMONIO RF FIM	0.71	RF	1.81	RF	1.16	RF	0.86	4.63	46.26	0.26
BANKEUROPA FIM	0.87	RF	1.43	RF	0.98	RF	1.24	4.60	42.55	0.16
INVERBAN DINERO FIM	1.25	RF	1.20	RF	1.04	RF	1.02	4.59	N/A	0.08
CANARIAS RENTA FIM	1.18	RF	1.31	RF	0.98	RF	1.05	4.58	N/A	0.12
MULTIFIX FIM	0.51	RF	1.68	RF	1.12	RF	1.19	4.57	43.37	0.25
CANTABRIA DINERO FIM	1.46	RF	1.08	RF	0.96	RF	0.98	4.56	39.34	0.07
FONDUERO RENTA FIM	0.00	RF	1.98	RF	1.14	RF	1.37	4.56	N/A	0.47
INDEXFONDO FIM	1.10	RF	1.16	RF	1.14	RF	1.08	4.56	N/A	0.00
CITIFONDO RF FIM	-0.17	RF	2.29	RF	1.41	RF	0.96	4.55	47.25	0.48
FONDACOFAR FIM	1.16	RF	1.25	RF	1.08	RF	0.98	4.55	39.26	0.06

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

FIXED-INCOME FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
INVER-RIOJA FONDO FIM	1.18	RF	1.31	RF	0.96	RF	1.03	4.55	37.78	0.12
CAIXASABADELL 2-FIX FIM	0.75	RF	1.51	RF	1.13	RF	1.08	4.54	41.67	0.17
FON FINECO II RF FIM	0.68	RF	1.88	RF	1.01	RF	0.87	4.52	46.51	0.27
CAJA MURCIA FIM	1.16	RF	1.29	RF	0.97	RF	1.03	4.52	37.64	0.12
FONDUXO FIM	1.18	RF	1.41	RF	0.97	RF	0.89	4.52	N/A	0.10
IBERCAJA TESORERIA FIM	0.96	RFM	1.44	RF	0.99	RF	1.05	4.52	N/A	0.13
DB GLOBAL FIM	1.25	RF	1.21	RF	1.02	RF	0.96	4.51	N/A	0.08
FONCATALANA 1 RF FIM	0.38	RF	1.90	RF	1.14	RF	1.00	4.49	46.43	0.32
FONDEGA SEGURIDAD FIM	1.20	RF	1.15	RF	1.04	RF	1.01	4.47	N/A	0.07
FONDESPAÑA I FIM	0.76	RF	1.63	RF	1.02	RF	0.98	4.46	42.08	0.20
BSN DEUDA FT FIM	0.81	RF	1.61	RF	1.04	RF	0.93	4.46	N/A	0.19
FONCAIXA 2 FIM	0.71	RF	1.59	RF	1.08	RF	1.01	4.45	39.77	0.21
FONCAIXA 10 FIM	0.70	RF	1.58	RF	1.07	RF	1.02	4.44	40.11	0.22
BT RENTA INTERNAC. 1 FIM	3.33	RF	1.02	RFM	-0.53	RF	0.58	4.44	N/A	0.77
INVERFONDO FIM	0.76	RF	1.62	RF	1.01	RF	0.98	4.44	42.25	0.20
GDS SERVIFONDO FIM	0.84	RF	1.37	RF	0.96	RF	1.19	4.42	42.32	0.16
FONSGIRONA II FIM	1.21	RF	1.09	RF	1.06	RF	0.98	4.41	42.94	0.03
CITIFONDO PREMIUM FIM	0.96	RF	1.20	RF	1.13	RF	1.02	4.38	44.01	0.10
FONDPAAMPLONA FIM	1.03	RF	1.29	RF	0.96	RF	1.03	4.38	38.66	0.12
FONSMANLLEU 2 FIM	0.99	RF	1.42	RF	1.16	RF	0.73	4.37	N/A	0.24
GENERAL RENTA FIM	0.83	RFM	1.53	RFM	0.59	RF	1.35	4.36	43.91	0.21
EUROAGENTES RENTA FIM	1.24	RF	1.20	RF	0.94	RFM	0.92	4.36	34.47	0.12
EDM AHORRO FIM	0.56	RF	1.52	RF	1.19	RF	1.03	4.36	44.59	0.23
CAJA SEGOVIA RENTA FIM	1.19	RF	1.11	RF	1.02	RF	0.96	4.34	38.40	0.03
UNIFOND RENTA FIM	0.14	RF	1.76	RF	0.98	RF	1.38	4.33	32.01	0.35
ARCALIA INTERES FIM	1.14	RF	1.01	RF	0.98	RF	1.12	4.32	40.72	0.06
FONCRECIMIENTO FIM	1.15	RF	1.14	RF	0.99	RF	0.96	4.31	N/A	0.06
MAPFRE FT FIM	0.75	RF	1.52	RF	1.00	RF	0.97	4.30	44.43	0.16
BETA ACTIVOS FIM	1.14	RF	1.09	RF	1.02	RF	0.97	4.29	N/A	0.03
BANKAMERICA AHORRO FIM	0.92	RF	1.27	RF	1.00	RF	1.02	4.29	N/A	0.10
B&T FIMUTUAL 1 FIM	2.94	RF	1.67	RFM	-1.26	RF	0.88	4.26	N/A	0.88
FONDCIRCULO FIM	0.73	RF	1.47	RF	0.97	RF	0.99	4.22	N/A	0.18
CASFONDO FIM	0.96	RFM	1.49	RFM	0.63	RFM	1.06	4.20	46.48	0.14
ASTURFONDO RF FIM	0.58	RF	1.64	RF	0.96	RF	0.92	4.17	39.40	0.21
SB RENTA FIJA FIM	1.15	RF	1.05	RF	0.88	RFM	1.00	4.14	44.54	0.06
CAJACANARIAS RF FIM	1.07	RF	1.19	RF	0.86	RF	0.94	4.13	N/A	0.12
HERRERO ESTUDIOS FIM	1.30	RF	0.99	RF	0.89	RF	0.86	4.11	N/A	0.06
FONDBARCLAYS 1 FIM	0.60	RF	1.60	RFM	0.90	RF	0.93	4.10	46.79	0.28
RURAL GIJON DEUDA FIM	0.94	RF	1.22	RF	0.92	RF	0.95	4.09	41.65	0.09
BBV INTERES FIM	0.74	RF	1.57	RF	0.88	RF	0.84	4.09	35.88	0.23
ABA DINERO FIM	0.82	RF	1.30	RF	0.97	RF	0.95	4.09	N/A	0.16
FONPENEDAS FIM	0.54	RF	1.60	RF	1.20	RF	0.65	4.05	N/A	0.25
SAN FERNANDO MAXIFONDO FIM ..	0.76	RF	1.38	RF	0.93	RF	0.90	4.03	38.93	0.14
P Y G CRECIMIENTO FIM	1.14	RF	0.96	RF	0.94	RF	0.91	4.00	37.55	0.04
CREDIPAS DEUDA FIM.....	0.47	RF	1.63	RF	0.91	RF	0.92	3.99	43.87	0.26
FONSMANLLEU ESTALVI FIM	1.06	RF	0.98	RF	0.96	RF	0.93	3.99	38.88	0.03

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

FIXED-INCOME FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
INVERMONTE FIM	1.18	RF	1.06	RF	0.89	RF	0.79	3.98	41.20	0.06
MAPFRE PROGRESIVO FIM	1.23	RF	1.19	RF	0.72	RF	0.77	3.97	N/A	0.16
CATALUNYA PREVISIO FIM	0.24	RFM	1.86	RF	0.95	RF	0.87	3.97	40.48	0.32
EBN RENTA SEGURA FIM	1.02	RF	1.11	RF	0.90	RF	0.85	3.93	N/A	0.06
FONCAIXA 8 FIM	0.57	RF	1.46	RF	0.95	RF	0.87	3.91	35.62	0.22
FONCAIXA 9 FIM	0.57	RF	1.47	RF	0.93	RF	0.87	3.90	36.62	0.21
FOND C.C.M. FIM	0.97	RF	1.16	RF	0.81	RF	0.91	3.90	N/A	0.12
FONCAIXA 4 FIM	0.54	RF	1.50	RF	0.94	RF	0.86	3.89	36.23	0.22
BIZKAIHORRO FIM	0.84	RF	1.19	RF	0.84	RF	0.95	3.88	N/A	0.09
RENTANAVARRA FIM	0.68	RF	1.35	RF	0.92	RF	0.82	3.81	47.68	0.18
EDM RENTA FIM	0.84	RF	1.10	RF	0.90	RF	0.89	3.78	N/A	0.10
FOND21 FIM	0.35	RF	1.74	RF	0.99	RF	0.60	3.73	N/A	0.25
INVERKOA FIM	1.04	RF	0.91	RF	0.83	RF	0.80	3.63	41.21	0.05
BG ZUHAR FIM	0.58	RF	1.40	RF	0.81	RF	0.75	3.58	39.07	0.20
FONSGIRONA FIM	1.01	RF	0.89	RF	0.86	RF	0.77	3.58	37.64	0.03
SANTANDER AHORRO FIM	1.12	RF	0.93	RF	0.74	RF	0.73	3.57	36.17	0.05
BBV MARCO FIM	0.98	RF	1.54	RF	0.58	RF	0.36	3.51	43.15	0.67
BCH INTERES DIARIO FIM	1.02	RF	0.86	RF	0.83	RF	0.74	3.50	N/A	0.03
RS ACTIVO FIM	0.97	RF	0.88	RF	0.87	RF	0.72	3.49	36.72	0.00
CANTABRIA MONETARIO FIM	1.05	RF	0.81	RF	0.72	RF	0.70	3.33	36.30	0.06
CTA FISCAL ORO III FIM	0.65	RF	0.56	RF	0.81	RF	0.84	2.88	38.37	0.11
CREATIVE FUND FIM	0.80	RF	0.80	RF	0.59	RF	0.59	2.80	N/A	0.05
CONSORFOND FIM	-0.37	RF	1.74	RF	-0.64	RF	0.16	0.88	5.50	1.40
FINGEST GLOBAL FIM	-2.34	RF	-1.88	RF	-4.98	RF	6.79	-2.76	-1.15	3.24
ZARAGOZANO AHORRO FIM	N/A		3.92	RF	1.68	RF	1.43	N/A	N/A	N/A
AC FONDO INTERNAC. FIM	N/A		3.26	RF	-0.10	RF	1.07	N/A	N/A	N/A
DB INVEST LARGO FIM	N/A		2.98	RF	1.78	RF	1.19	N/A	N/A	N/A
RENTA 4 TESORERIA FIM	N/A		1.88	RF	1.24	RF	1.88	N/A	N/A	N/A
AMIRENTA FIM	N/A		1.69	RF	0.93	RF	0.95	N/A	N/A	N/A
FIBANC ACTIVO FIM	N/A		1.56	RF	1.11	RF	1.34	N/A	N/A	N/A
MEDIVALOR FT FIM	N/A		1.44	RF	1.43	RF	1.30	N/A	N/A	N/A
RENTA 4 FONTESORO FIM	N/A		1.42	RF	1.15	RF	1.06	N/A	N/A	N/A
CAJABURGOS TR FIM	N/A		1.39	RF	1.16	RF	1.06	N/A	N/A	N/A
PENTAFONDO RENTA FIM	N/A		1.38	RF	1.40	RFM	1.17	N/A	N/A	N/A
FONDESPAÑA TR FIM	N/A		1.27	RF	1.14	RF	1.09	N/A	N/A	N/A
URQUIJO EMPRESA 1 FIM	N/A		1.21	RF	1.17	RF	1.09	N/A	N/A	N/A
INVERMADRID FT 2 FIM	N/A		1.08	RF	0.98	RF	0.41	N/A	N/A	N/A
AF TESORERIA FIM	N/A		1.06	RF	1.02	RF	0.99	N/A	N/A	N/A
TARRAGONAFONS 10 FIM	N/A		1.01	RF	1.14	RF	1.37	N/A	N/A	N/A
CHASE DOLAR FIM	N/A		1.00	RF	0.18	RF	2.41	N/A	N/A	N/A
RURAL TOLEDO I FIM	N/A		0.98	RF	0.89	RF	0.88	N/A	N/A	N/A
ASTURFONDO AHORRO FIM	N/A		0.97	RF	0.91	RF	1.80	N/A	N/A	N/A
ASTURFONDO RENTAS FIM	N/A		0.89	RF	0.85	RF	1.10	N/A	N/A	N/A
FONDBARCLAYS 4 FIM	N/A		0.85	RF	0.68	RF	0.72	N/A	N/A	N/A
TARRAGONAFONS 2 FIM	N/A		0.79	RF	0.82	RF	1.07	N/A	N/A	N/A
CHASE ORO FIM	N/A		0.78	RF	0.81	RF	1.99	N/A	N/A	N/A

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

FIXED-INCOME FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
BANKPYME GLOB. RENT FIM	N/A		N/A		2.34	RF	2.35	N/A	N/A	N/A
FONDESPAÑA 2001 FIM	N/A		N/A		2.06	RF	1.55	N/A	N/A	N/A
FONPENEDES INVER. FIM	N/A		N/A		1.91	RF	1.12	N/A	N/A	N/A
FONDESP. REN. ACTIVA FIM	N/A		N/A		1.77	RF	1.22	N/A	N/A	N/A
FONDESPAÑA 2000 FIM	N/A		N/A		1.57	RF	1.43	N/A	N/A	N/A
CAIXA CAPITAL FIM	N/A		N/A		1.46	RF	1.51	N/A	N/A	N/A
BK FONDTESORO 2 FIM	N/A		N/A		1.45	RF	2.44	N/A	N/A	N/A
SHERPA RENTA FIJA FIM	N/A		N/A		1.36	RF	1.38	N/A	N/A	N/A
FONDESPAÑA 1999 FIM	N/A		N/A		1.30	RF	1.29	N/A	N/A	N/A
CAJA LABORAL RDTO. FIM	N/A		N/A		1.30	RF	1.37	N/A	N/A	N/A
FONCATALANA CASH FIM	N/A		N/A		1.25	RF	1.10	N/A	N/A	N/A
CAIXA GALICIA PATR FIM	N/A		N/A		1.20	RF	1.15	N/A	N/A	N/A
MADRID DINERO FIM	N/A		N/A		1.13	RF	1.05	N/A	N/A	N/A
BANCAJA EMPRESARIAL FIM	N/A		N/A		1.10	RF	1.07	N/A	N/A	N/A
FONDO VALENCIA EMP. FIM	N/A		N/A		1.10	RF	1.08	N/A	N/A	N/A
BANDESCO AHORRO FIM	N/A		N/A		1.10	RF	1.53	N/A	N/A	N/A
CONSULNOR EUROBO. FIM	N/A		N/A		0.83	RF	0.71	N/A	N/A	N/A
AB EURO DEUDA FIM	N/A		N/A		0.51	RF	0.99	N/A	N/A	N/A
BCH DOLAR FIM	N/A		N/A		-0.36	RF	2.43	N/A	N/A	N/A
CHASE INDICE FIM	N/A		N/A		-3.79	RF	0.95	N/A	N/A	N/A
EUROAGENTES PREMIER FIM	N/A		N/A		N/A		3.26	N/A	N/A	N/A
BBV DOLAR CASH FIM	N/A		N/A		N/A		2.52	N/A	N/A	N/A
CAJA SEGOVIA FUTURO FIM	N/A		N/A		N/A		2.35	N/A	N/A	N/A
BCH EURO FIM	N/A		N/A		N/A		1.61	N/A	N/A	N/A
SANPAOLO PATRIM. FIM	N/A		N/A		N/A		1.37	N/A	N/A	N/A
CAI RENTA FIJA FIM	N/A		N/A		N/A		1.33	N/A	N/A	N/A
FONCAIXA AHORRO 30 FIM	N/A		N/A		N/A		1.25	N/A	N/A	N/A
ESPIRITO SANTO PLUS FIM	N/A		N/A		N/A		0.97	N/A	N/A	N/A
FONINDEX DINERO FIM	N/A		N/A		N/A		0.94	N/A	N/A	N/A
CAIXA CATAL. DIVISA FIM	N/A		N/A		N/A		0.68	N/A	N/A	N/A
FONDESPAÑA FT FIM	N/A		N/A		N/A		0.58	N/A	N/A	N/A

Fixed-income funds: FIM with a 100% fixed-income portfolio at the end of 1997.

(*) Standard deviation of the fund's monthly returns in 1997.

Only investment funds registered at the beginning of the period are included.

N/A: Not applicable.

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**MIXED FIXED-INCOME FIM**

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
SANTANDER INDICE FIM	5.23	RVM	26.94	RVM	5.21	RVM	0.00	40.54	N/A	6.77
RENTA 4 INDICE FIM	3.95	RFM	22.65	RFM	5.40	RFM	-0.22	34.07	N/A	5.20
BCH INT. MIXTO RF FIM	7.94	RFM	7.23	RFM	5.40	RVM	4.00	26.89	83.60	2.13
FONBOLSA PLUS FIM	3.11	RFM	16.99	RFM	4.16	RFM	-0.88	24.52	N/A	4.47
ALMAGRO DIVISAS FIM	7.52	RFM	4.73	RFM	3.37	RVM	2.81	19.67	N/A	2.58
RENTA 4 ACTIVO FIM	1.22	RFM	11.11	RVM	4.34	RVM	-0.92	16.26	N/A	2.42
RENTA 4 INTERNAC. FIM	6.87	RFM	7.81	RFM	3.48	RFM	-2.50	16.25	N/A	3.74
ALHAMBRA FIM	1.83	RFM	9.70	RVM	3.54	RVM	0.33	16.04	68.75	2.07
MB DIVISAS 1 FIM	5.88	RFM	5.50	RFM	1.69	RFM	2.15	16.04	N/A	2.29
FON FINECO AHORRO FIM	3.45	RFM	8.78	RFM	1.98	RFM	0.62	15.49	65.07	1.14
BCH MIXTO RF FIM	1.68	RFM	7.73	RFM	3.20	RFM	2.00	15.31	91.38	1.65
AVA PATRIMONIOS DR FIM	0.47	RF	8.52	RF	2.66	RF	2.76	15.02	N/A	1.81
DINERO ACTIVO II FIM	1.29	RFM	10.10	RVM	2.13	RVM	0.98	15.01	N/A	1.66
BM DINERDIVISA FIM	5.71	RF	2.82	RFM	2.55	RFM	3.03	14.85	N/A	2.25
VALENCIA MIXTO FIM	3.17	RVM	8.63	RFM	2.25	RFM	-0.17	14.40	N/A	2.01
CAVALRENTA FIM	3.04	RVM	8.36	RFM	2.16	RFM	-0.23	13.82	68.15	1.99
BCH MIXTO EUSKADI FIM	1.86	RFM	7.20	RFM	2.36	RFM	1.74	13.72	93.35	1.59
LAREDO FONDO FIM	3.03	RFM	2.74	RFM	2.88	RFM	4.32	13.62	89.38	1.22
BANKAMERICA GLOBAL FIM	1.92	RFM	5.91	RFM	3.02	RFM	1.76	13.17	N/A	1.33
AEGON INVERSION MF FIM	1.89	RFM	7.08	RFM	2.55	RFM	1.03	13.03	N/A	1.45
IBERLION EQUILIBRIO FIM	1.35	RFM	7.63	RVM	2.44	RVM	1.09	12.97	81.64	1.75
FONCAIXA PATRIM. 35 FIM	1.32	RFM	6.19	RFM	3.03	RFM	1.75	12.79	N/A	1.22
AXAFONDO FIM	2.72	RFM	5.22	RFM	2.65	RFM	1.59	12.71	64.83	1.08
FONPROFIT FIM	1.72	RFM	6.70	RFM	3.04	RFM	0.75	12.67	62.33	1.48
URQUIJO CAPITAL FIM	1.44	RFM	7.49	RFM	2.43	RFM	0.85	12.65	75.06	1.60
INVERSABADELL FIM	1.73	RFM	8.08	RFM	2.95	RFM	-0.55	12.58	75.19	1.98
SANTANDER MIXTO FIM	1.81	RFM	6.10	RFM	2.78	RFM	1.29	12.46	68.61	1.32
MERCH-FONTEMAR FIM	4.28	RFM	5.49	RFM	3.76	RFM	-1.59	12.32	66.96	1.85
CAJA LABORAL PT FIM	1.58	RVM	7.07	RFM	2.33	RFM	0.89	12.29	N/A	1.55
INVERMANRESA 2 FIM	1.31	RFM	6.07	RFM	2.62	RFM	1.74	12.20	N/A	1.33
AB FIVA FIM	1.82	RFM	6.53	RFM	2.13	RFM	0.69	11.54	72.92	1.41
FONDMAFRE DIVERSIF. FIM	1.33	RFM	5.76	RFM	2.41	RFM	1.61	11.53	N/A	1.35
FONDONORTE FIM	1.32	RFM	5.69	RFM	2.47	RFM	1.44	11.32	78.53	1.15
CRV FONRENTA FIM	1.35	RFM	5.66	RFM	3.37	RFM	0.48	11.23	66.83	1.31
ABA FONDO FIM	1.11	RFM	7.53	RFM	2.30	RVM	-0.12	11.09	65.41	1.97
CHASE GLOBAL FIM	4.38	RF	3.67	RF	0.92	RFM	1.70	11.06	59.38	0.89
IBER FONDO 2000 FIM	1.28	RFM	5.63	RFM	2.26	RFM	1.51	11.04	N/A	1.19
DEALERFONDO FIM	3.94	RVM	8.50	RVM	-0.94	RFM	-0.68	10.96	N/A	1.57
HERRERO FUTURO FIM	0.64	RFM	7.05	RVM	2.43	RFM	0.43	10.83	N/A	1.52
MARCHFONDO FIM	0.87	RFM	6.55	RFM	2.18	RFM	0.93	10.83	55.90	1.45
SWISS PATRIMONIO FIM	1.31	RFM	6.10	RFM	2.62	RFM	0.28	10.62	N/A	1.52
FONCAIXA PATRIM. 39 FIM	1.59	RFM	4.57	RFM	2.70	RFM	1.25	10.47	N/A	0.89
FONCENHIS FIM	1.03	RFM	5.11	RFM	2.03	RFM	1.93	10.44	N/A	0.91
CUENTAFONDO AHORRO FIM	2.33	RFM	7.24	RFM	2.60	RFM	-1.95	10.39	65.30	2.81
BANESTO MIXTO FIJO FIM	2.03	RFM	5.31	RFM	2.00	RFM	0.53	10.17	73.25	1.29
GIROFONS FIM	2.12	RFM	2.75	RFM	1.59	RFM	3.23	10.04	N/A	0.41

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**MIXED FIXED-INCOME FIM**

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
FONLIFE FIM	1.06	RFM	6.46	RVM	2.95	RVM	-0.72	9.97	N/A	1.49
FONDMUSINI UNIVERS. FIM	1.71	RFM	5.03	RFM	2.10	RFM	0.83	9.97	N/A	1.06
ASC PATRIMONI FIM	0.88	RFM	4.57	RFM	2.39	RFM	1.62	9.76	N/A	0.93
BANCOFAR FUTURO FIM	0.72	RFM	5.37	RFM	1.95	RFM	1.43	9.74	N/A	1.18
MUTUAFONDO DIVISAS FIM	3.42	RF	2.55	RF	1.57	RF	1.85	9.71	67.39	1.06
AI FONDO FIM	1.77	RFM	5.01	RFM	2.21	RFM	0.37	9.62	53.95	1.25
MB FONDO 2 FIM	1.02	RFM	3.91	RFM	2.39	RFM	1.93	9.56	71.92	0.77
FONMUTUAL FIM	0.37	RFM	7.58	RVM	2.99	RVM	-1.61	9.42	64.67	1.96
FONCAIXA PATRIM.16 FIM	1.00	RFM	4.23	RFM	2.57	RFM	1.32	9.41	N/A	0.86
ARGENTARIA GLOBAL FIM	1.90	RFM	4.91	RFM	2.14	RFM	0.17	9.38	N/A	1.05
MB FONDO 4 FIM	1.11	RFM	3.80	RFM	2.21	RFM	1.88	9.30	N/A	0.77
SANT. INTERES PLUS FIM	4.42	RF	2.31	RF	1.32	RF	0.96	9.28	N/A	0.56
ARGENTARIA GLOBAL 2 FIM	1.97	RFM	4.59	RFM	2.07	RFM	0.27	9.15	63.58	0.99
SEGURFONDO FIM	0.85	RFM	3.70	RFM	2.00	RFM	2.25	9.07	67.67	0.56
MUTUAFONDO FIM	0.70	RF	3.14	RF	2.49	RFM	2.30	8.90	71.87	0.51
MULTIGESTORES FIM	0.80	RFM	5.36	RFM	1.99	RFM	0.35	8.69	50.71	1.53
FONPASTOR FIM	0.39	RFM	4.46	RFM	2.04	RFM	1.51	8.63	59.99	0.81
FONBUSA MIXTO FIM	1.93	RFM	3.99	RFM	2.29	RFM	0.14	8.57	N/A	1.14
MB FONDO 5 FIM	1.43	RFM	3.02	RFM	1.84	RFM	1.80	8.34	N/A	0.72
MB FONDO 22 FIM	1.20	RFM	3.39	RFM	1.82	RFM	1.59	8.24	N/A	1.02
DB CAPITAL TRES FIM	2.16	RFM	4.38	RFM	2.08	RFM	-0.58	8.23	N/A	1.53
RENTIFONDO FIM	0.27	RFM	4.57	RFM	1.60	RFM	1.53	8.16	63.68	1.14
BONA-RENDA FIM	3.22	RFM	1.81	RFM	1.66	RFM	1.24	8.16	N/A	0.56
FONDOSUR FIM	0.68	RFM	4.73	RFM	2.07	RFM	0.41	8.07	61.97	1.38
FONDO UAP FIM	0.26	RFM	5.27	RFM	1.90	RFM	0.43	8.01	N/A	1.35
BASKINVER FIM	0.38	RFM	4.91	RFM	1.47	RFM	0.99	7.91	62.29	0.89
INVERMANRESA FIM	1.16	RFM	3.76	RFM	1.58	RFM	1.15	7.85	56.33	0.66
INVERBONOS FIM	-0.07	RFM	4.14	RFM	2.11	RFM	1.35	7.70	56.74	0.95
DB CAPITAL DOS FIM	2.44	RFM	3.24	RFM	1.89	RFM	-0.14	7.61	N/A	1.11
GLOBAL VARIABLE FIM	1.89	RFM	4.12	RFM	2.02	RFM	-0.62	7.57	43.36	0.88
BCH RENTA FIJA 1 FIM	0.68	RFM	3.08	RFM	1.77	RF	1.77	7.49	63.77	0.52
OPEN FUND FIM	0.96	RFM	3.39	RFM	2.09	RFM	0.85	7.47	52.76	0.89
FONMASTER 1 FIM	0.40	RF	2.50	RFM	2.05	RF	2.30	7.44	57.55	0.52
PLUSAHORRO FIM	1.02	RF	4.02	RFM	2.04	RFM	0.19	7.42	57.72	1.13
BCH RENTA FIJA 2 FIM	0.68	RF	2.99	RFM	1.78	RF	1.76	7.40	54.83	0.49
PATRIBOND FIM	1.55	RF	1.78	RFM	1.45	RFM	2.23	7.20	N/A	0.85
SANT. RENTA ACTIVA FIM	1.94	RFM	2.81	RFM	0.87	RFM	1.29	7.08	N/A	0.52
SINDIRENTA FIM	2.56	RFM	1.94	RFM	1.31	RFM	0.97	6.95	43.61	0.34
RURAL NAVARRA FIM	2.14	RFM	3.19	RFM	1.11	RFM	0.33	6.92	N/A	1.05
METROPOLIS RENTA FIM	1.18	RFM	2.20	RFM	1.83	RFM	1.54	6.91	N/A	0.31
FINESFONDO FIM	0.63	RFM	4.75	RFM	1.80	RFM	-0.52	6.76	54.57	1.19
BOLSIMED FIM	1.10	RFM	4.01	RFM	1.32	RFM	0.19	6.75	56.49	0.68
FON 2.000 FIM	2.38	RVM	1.50	RVM	2.09	RVM	0.60	6.72	80.71	0.76
DB CAPITAL UNO FIM	2.11	RFM	2.43	RFM	1.56	RFM	0.45	6.71	N/A	0.74
PROMOGLOBAL I FIM	1.38	RFM	2.58	RFM	1.41	RFM	1.13	6.66	N/A	0.41
VITAL MIXTO FIM	1.65	RFM	3.11	RFM	1.71	RFM	-0.01	6.59	N/A	0.89

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

MIXED FIXED-INCOME FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
CATALUNYA GLOBAL FIM	1.18	RFM	3.77	RFM	1.70	RFM	-0.19	6.57	41.75	1.20
IURISFOND FIM	1.17	RF	1.49	RFM	1.20	RFM	2.54	6.55	48.04	0.40
FIBANC RENTA FIM	0.15	RFM	2.65	RFM	1.80	RFM	1.78	6.52	66.87	0.51
FONDIBAS FUTURO FIM	1.53	RFM	2.84	RFM	1.64	RFM	0.32	6.46	N/A	0.48
TARFONDO FIM	1.08	RF	1.25	RF	1.02	RF	2.95	6.44	47.39	0.77
BSN GLOBAL FIM	1.13	RFM	2.64	RFM	1.40	RFM	1.10	6.40	55.40	0.44
BCN MIXTO FIM	1.05	RFM	5.26	RVM	1.69	RFM	-1.65	6.38	57.35	1.29
BSN DURACION FIM	0.68	RF	2.67	RF	1.51	RF	1.38	6.38	N/A	0.39
PRIVANZA RENTA FIM	0.70	RFM	2.39	RFM	1.78	RFM	1.34	6.35	54.52	0.43
FONBANESTO 2 FIM	0.18	RFM	2.67	RF	1.85	RFM	1.28	6.09	57.91	0.53
BANDESCO RENTA FIJA FIM	0.22	RFM	2.58	RF	1.79	RFM	1.36	6.06	51.70	0.53
EAGLE FUND FIM	0.80	RFM	2.16	RFM	1.55	RFM	1.39	6.03	54.78	0.34
ARQUIUNO FIM	1.04	RFM	3.32	RFM	1.19	RFM	0.37	6.03	53.60	0.62
SANTANDER FUTURO FIM	0.98	RF	2.26	RF	1.44	RF	1.14	5.95	57.34	0.29
SANTANDER FT FIM	0.39	RF	2.81	RF	1.24	RF	1.35	5.91	56.73	0.42
SANT PATRIMONIO FIM	1.29	RFM	2.25	RFM	1.02	RFM	1.17	5.85	66.16	0.34
SANTANDER REPOPLUS FIM	1.95	RF	1.44	RF	1.32	RF	1.02	5.84	N/A	0.23
BCH RENTA FIJA 3 FIM	0.52	RFM	2.65	RFM	1.17	RF	1.39	5.84	53.81	0.43
BBV AHORRO FIM	0.75	RFM	2.32	RFM	1.48	RFM	1.15	5.82	48.82	0.40
MEDIFOND FIM	-0.08	RFM	3.48	RFM	1.81	RFM	0.48	5.77	63.79	0.77
AF AHORRO FIM	1.02	RFM	2.95	RFM	1.12	RFM	0.47	5.66	37.35	0.56
INDOSUEZ GLOBAL FIM	1.38	RFM	2.37	RFM	1.38	RFM	0.41	5.65	N/A	0.66
GESTI GLOBAL FIM	0.70	RFM	3.28	RFM	1.89	RFM	-0.32	5.64	50.51	0.71
CATALUNYA FONS FIM	1.03	RFM	2.28	RFM	1.17	RFM	0.91	5.49	60.71	0.47
BESTINVER GLOBAL FIM	1.38	RFM	1.47	RFM	1.27	RFM	1.21	5.43	N/A	0.08
BANIF LARGO PLAZO FIM	-0.87	RFM	4.00	RFM	1.51	RFM	0.68	5.37	N/A	0.77
ZAMORA FONDO FIM	1.38	RFM	1.61	RFM	0.88	RFM	1.19	5.16	N/A	0.24
BSN BONOS FT FIM	0.63	RF	2.48	RF	1.04	RF	0.92	5.15	67.54	0.40
EXTRAFONDO BANESTO FIM	0.76	RF	0.85	RF	1.93	RFM	1.36	4.99	N/A	0.46
FONCONSUL FIM	0.97	RFM	1.76	RFM	1.01	RFM	1.07	4.89	45.51	0.22
FONBANESTO FIM	0.48	RFM	1.93	RF	1.31	RFM	1.03	4.83	50.24	0.33
UNIVERFONDO FIM	1.63	RF	1.00	RFM	1.11	RFM	1.02	4.83	39.78	0.35
ARGENTARIA I-C FIM	1.00	RFM	1.20	RF	0.84	RF	1.02	4.13	N/A	0.15
FONDIBAS FIM	1.17	RFM	2.13	RFM	0.89	RFM	-0.13	4.12	35.49	0.54
ARGENT. FONDPOSTAL FIM	0.37	RFM	1.78	RFM	1.10	RFM	0.78	4.09	40.69	0.50
ARGENT. BEX RENTA FIM	0.38	RFM	1.94	RFM	1.25	RFM	0.39	4.00	38.62	0.65
PATROFONDO FIM	0.60	RFM	2.30	RFM	1.69	RFM	-0.86	3.75	39.94	0.87
SUPERFONDO ST II FIM	1.05	RFM	0.85	RFM	0.89	RFM	0.58	3.42	36.63	0.15
RENTA 4 MERCADOS FIM	N/A		15.00	RFM	4.70	RFM	-0.59	N/A	N/A	N/A
MEDIVALOR GLOBAL FIM	N/A		7.20	RVM	1.96	RFM	-1.05	N/A	N/A	N/A
SANPAOLO INVERSION FIM	N/A		5.43	RFM	2.10	RVM	0.83	N/A	N/A	N/A
FONDESPAÑA GLOBAL FIM	N/A		3.90	RFM	2.46	RFM	1.65	N/A	N/A	N/A
MATCHED FIM	N/A		1.92	RFM	1.58	RFM	1.65	N/A	N/A	N/A
FONDMAFRE MIXTO FIM	N/A		1.74	RFM	2.20	RFM	1.55	N/A	N/A	N/A
EUROBANC RENTA FIJA FIM	N/A		0.93	RF	0.73	RF	0.92	N/A	N/A	N/A
FONMIX LAIETANA FIM	N/A		N/A		4.03	RFM	2.93	N/A	N/A	N/A

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**MIXED FIXED-INCOME FIM**

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
HISPAMER MIXTO R.F. FIM	N/A		N/A		3.20	RFM	2.90	N/A	N/A	N/A
MB FONDO 33 FIM	N/A		N/A		2.59	RFM	1.79	N/A	N/A	N/A
BETA RENTA PLUS FIM	N/A		N/A		2.44	RFM	1.13	N/A	N/A	N/A
BCH SAYPLUS FIM	N/A		N/A		2.37	RFM	2.28	N/A	N/A	N/A
COMPAEURO FIM	N/A		N/A		2.17	RFM	2.34	N/A	N/A	N/A
FONTOFI FIM	N/A		N/A		1.76	RFM	2.39	N/A	N/A	N/A
FONCAIXA MIXTO 25 FIM	N/A		N/A		1.70	RFM	0.86	N/A	N/A	N/A
FONTALENTO FIM	N/A		N/A		1.35	RFM	1.62	N/A	N/A	N/A
ALCALA INTERVAL FIM	N/A		N/A		1.20	RFM	1.65	N/A	N/A	N/A
PENTAFONDO MIXTO FIM	N/A		N/A		0.30	RF	0.94	N/A	N/A	N/A
URQUIJO EURO FIM	N/A		N/A		-0.59	RFM	-0.35	N/A	N/A	N/A
JORGE JUAN 28 FIM	N/A		N/A		N/A		2.13	N/A	N/A	N/A
MB FONDO 44 FIM	N/A		N/A		N/A		1.96	N/A	N/A	N/A
FONCAIXA MIXTO 28 FIM	N/A		N/A		N/A		1.20	N/A	N/A	N/A
ARG. IBERAG. GLOBAL FIM	N/A		N/A		N/A		1.19	N/A	N/A	N/A
PLUSMADRID AHORRO FIM	N/A		N/A		N/A		1.18	N/A	N/A	N/A
FONDANETO FIM	N/A		N/A		N/A		0.00	N/A	N/A	N/A
BANKPYME MULTI TOP FIM	N/A		N/A		N/A		-0.32	N/A	N/A	N/A
BANKPYME MULTIGEST. FIM	N/A		N/A		N/A		-0.42	N/A	N/A	N/A
PLUSCARTERA DOS FIM	N/A		N/A		N/A		-5.81	N/A	N/A	N/A

Mixed fixed-income funds: FIM with a 75% to 100% fixed-income portfolio at the end of 1997.

(*) Standard deviation of the fund's monthly returns in 1997.

Only investment funds registered at the beginning of the period are included.

N/A: Not applicable.

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

MIXED-EQUITY FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
GESTINOVA ACCIONES FIM	11.75	RV	22.84	RV	7.37	RV	1.07	48.97	N/A	6.21
JPM SPAIN RV FIM	5.90	RVM	26.59	RVM	5.22	RVM	1.98	43.84	N/A	6.28
ARGENTARIA INDICE FIM	4.66	RVM	27.66	RVM	5.89	RVM	-0.47	40.82	N/A	6.61
FONSNOSTRO II FIM	4.69	RV	24.46	RV	5.04	RVM	2.03	39.63	N/A	4.34
BCH INT. MIXTO ACC. FIM	11.01	RV	13.43	RV	8.42	RV	1.42	38.47	N/A	4.54
FONSABADELL BOLSA FIM	3.48	RVM	24.72	RVM	5.94	RVM	-2.32	33.56	N/A	6.17
DB ALEMANIA FIM	14.65	RVM	8.51	RV	7.16	RVM	-2.52	29.94	N/A	5.60
BCH MIXTO RV FIM	3.32	RVM	16.65	RVM	4.25	RVM	2.65	28.97	119.48	3.58
KUTXAVALOR FIM	3.09	RVM	23.68	RVM	5.08	RVM	-3.99	28.63	105.54	5.93
CANTABRIA ACCIONES FIM	5.11	RVM	15.35	RVM	2.33	RVM	3.66	28.62	N/A	4.20
RENTA 4 GLOBAL FIM	2.91	RVM	10.64	RVM	11.42	RVM	0.71	27.76	N/A	2.92
AEGON INVERSION MV FIM	4.18	RVM	16.85	RVM	4.83	RVM	-0.06	27.55	N/A	3.83
BCH MIXTO ACCIONES FIM	3.20	RVM	16.14	RVM	4.83	RVM	1.33	27.32	145.53	3.67
CHIP FUND FIM	11.69	RVM	11.03	RVM	3.22	RVM	-0.57	27.26	66.90	3.28
CUENTAFONDO BOLSA FIM	5.75	RVM	21.83	RVM	5.66	RVM	-6.83	26.83	130.88	7.24
BANIF UNIVERSAL FIM	8.59	RVM	14.11	RVM	3.12	RVM	-0.78	26.78	N/A	3.92
SOLBANK PLUS FIM	4.78	RVM	17.14	RVM	4.79	RVM	-1.63	26.52	N/A	4.48
DB MIXTA FIM	5.52	RV	14.12	RV	5.19	RV	-0.38	26.19	126.61	4.57
IBERLION VALOR FIM	2.31	RVM	17.22	RVM	3.70	RVM	1.33	26.02	141.27	4.00
PRIVANZA BOLSA FIM	4.45	RVM	22.87	RVM	4.07	RVM	-5.89	25.69	104.53	6.84
PRIVANZA VAL.INMOB. FIM	4.87	RVM	9.99	RVM	7.13	RVM	1.59	25.53	N/A	2.82
IBERCAJA CAPITAL FIM	3.60	RVM	13.92	RVM	5.13	RVM	1.01	25.33	102.65	3.35
CITIFONDO AGIL FIM	2.74	RVM	16.88	RVM	3.68	RVM	0.64	25.30	N/A	4.00
FONJALON II FIM	5.66	RVM	15.49	RVM	4.17	RVM	-1.48	25.24	N/A	3.72
FONDCOYUNTURA FIM	7.35	RV	17.08	RV	4.02	RV	-4.30	25.12	N/A	4.74
CAJA LABORAL CRECIM FIM	3.17	RVM	15.88	RVM	4.18	RVM	0.39	25.04	N/A	3.69
FONDEGA GLOBAL FIM	3.41	RVM	16.55	RVM	3.49	RVM	-0.57	24.02	N/A	3.84
BANZAFONDO FIM	2.75	RVM	15.83	RVM	3.43	RVM	0.69	23.95	86.91	3.71
FONQUIVIR FIM	4.52	RVM	9.99	RVM	4.69	RVM	2.86	23.80	117.00	2.27
BETA VALOR FIM	3.00	RVM	14.17	RVM	4.31	RVM	0.70	23.52	84.25	3.07
INGENIEROS RENTA FIM	3.52	RVM	14.53	RVM	4.04	RVM	0.13	23.51	N/A	3.60
HERRERO CRECIMIENTO FIM	3.88	RVM	14.90	RVM	4.56	RVM	-1.10	23.43	125.20	3.72
EUROVALOR 1 FIM	3.07	RVM	14.59	RVM	3.87	RVM	0.18	22.92	142.62	3.86
FONDMAFRE BOLSA FIM	3.18	RVM	13.11	RVM	3.64	RV	1.58	22.87	132.81	3.30
FONPENTOR FIM	1.90	RVM	11.92	RVM	5.00	RVM	2.37	22.60	N/A	2.00
PLUSMADRID 2 FIM	2.75	RVM	12.62	RVM	3.73	RVM	1.75	22.13	N/A	3.14
CRV FONDBOLSA FIM	3.95	RVM	13.96	RVM	4.33	RVM	-1.53	21.71	N/A	3.74
PLUSMADRID FIM	2.82	RVM	12.21	RVM	3.56	RVM	1.62	21.42	103.22	3.14
FONNAVARRA FIM	3.40	RVM	14.45	RVM	3.05	RVM	-0.60	21.23	90.66	2.74
FONDBARCLAYS 3 FIM	3.48	RVM	13.10	RVM	3.46	RVM	0.09	21.19	100.13	3.20
AUREA MIXTO FIM	5.56	RVM	11.55	RFM	8.06	RVM	-5.03	20.84	50.47	4.08
INVERBANSER FIM	4.27	RVM	11.36	RVM	3.03	RVM	0.99	20.81	114.98	2.89
GENERAL PLUSFONDO FIM	3.58	RV	23.41	RV	-2.81	RVM	-2.84	20.70	84.99	3.92
CHASE BOLSA FIM	3.44	RVM	9.53	RVM	4.26	RVM	1.85	20.30	93.15	2.44
FINVERBOLSA FIM	2.74	RVM	15.06	RVM	4.66	RV	-2.86	20.18	N/A	3.88
PROMOGLOBAL II FIM	2.74	RVM	12.34	RVM	3.38	RVM	0.62	20.06	N/A	2.93
PRIVANZA DIVISA FIM	6.84	RVM	6.85	RVM	5.57	RVM	-0.67	19.70	57.25	3.35
FONDEGA BOLSA FIM	2.72	RVM	13.40	RVM	2.85	RVM	-0.24	19.51	121.63	3.05

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**MIXED-EQUITY FIM**

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
FON FINECO I FIM	5.59	RVM	9.75	RVM	1.87	RVM	1.21	19.49	117.84	1.62
BK FONDO MIXTO FIM	3.60	RVM	12.08	RVM	2.83	RVM	-0.08	19.31	N/A	2.74
BG IZARBE FIM	3.41	RVM	13.47	RVM	4.85	RVM	-3.04	19.29	76.62	3.02
BBV RENDIMIENTO FIM	2.83	RVM	11.42	RVM	4.31	RVM	-0.29	19.17	84.39	3.60
PATRISA FIM	2.99	RVM	9.71	RVM	2.87	RVM	2.52	19.16	N/A	2.41
FONPATRIMONIO FIM	3.74	RVM	11.57	RVM	3.26	RVM	-0.56	18.85	98.21	2.89
BSN MIXTO ACCIONES FIM	1.62	RFM	10.23	RVM	4.34	RVM	1.66	18.83	N/A	2.99
BSN INVERSIONES FIM	3.02	RVM	9.07	RVM	3.36	RVM	1.83	18.27	N/A	2.25
MERCH-UNIVERSAL FIM	4.40	RVM	10.39	RVM	7.18	RVM	-4.84	17.54	97.41	3.75
FONDO 19 FIM	3.21	RVM	9.51	RVM	3.60	RVM	0.31	17.46	94.44	2.34
IBERLION INTERNAC FIM	2.68	RVM	10.98	RVM	1.66	RVM	1.26	17.31	N/A	2.44
BANDESCO DIVISAS FIM	7.53	RVM	4.79	RVM	3.13	RVM	0.90	17.24	N/A	2.35
FONDGESKOA FIM	2.01	RVM	13.54	RVM	3.37	RVM	-2.15	17.16	78.48	3.42
SANT. CRECI. ACTIVO FIM	2.96	RVM	9.44	RFM	3.26	RVM	0.54	16.98	N/A	1.92
BANESTO MIXTO VAR. FIM	4.13	RVM	9.37	RVM	3.25	RVM	-0.52	16.98	88.32	2.78
SANTANDER 80/20 FIM	2.02	RVM	8.61	RFM	3.73	RVM	1.76	16.95	80.99	2.23
INBORSA FIM	2.51	RVM	9.24	RVM	3.00	RVM	1.34	16.88	N/A	2.18
CAIXA GALICIA MIX FIM	1.81	RVM	11.21	RVM	3.77	RVM	-0.56	16.84	N/A	2.77
AHORROFONDO FIM	1.87	RVM	11.05	RVM	3.68	RVM	-0.41	16.82	82.57	2.75
KUTXAFOND FIM	1.65	RVM	10.74	RVM	2.96	RVM	0.74	16.77	80.64	2.58
FONDCOMERCIO MIXTO FIM	1.95	RVM	8.75	RVM	3.53	RVM	1.32	16.31	N/A	2.50
IM 93 MIXTO FIM	1.05	RVM	12.30	RV	5.22	RVM	-2.70	16.17	N/A	4.04
FIDEFONDO FIM	1.37	RVM	11.68	RVM	2.54	RVM	-0.11	15.96	N/A	2.52
RV FOND FIM	2.72	RVM	8.71	RVM	3.22	RVM	0.38	15.71	N/A	1.90
FONDMUSINI III FIM	2.51	RVM	8.48	RVM	2.91	RVM	1.05	15.63	N/A	1.97
FINANCIALFOND FIM	2.86	RFM	7.55	RVM	2.51	RVM	1.60	15.21	N/A	1.52
AC DIVISA FIM	7.00	RVM	10.74	RVM	1.26	RVM	-4.31	14.81	N/A	3.87
CITIFONDO LIDER FIM	1.68	RVM	9.08	RVM	2.08	RVM	1.17	14.54	91.27	2.03
BOLSINDEX FIM	1.61	RVM	7.75	RVM	3.05	RVM	1.14	14.12	75.74	1.70
SECURITY FUND FIM	3.41	RFM	8.40	RVM	2.52	RVM	-0.76	14.04	78.24	1.91
HIGH RATE FIM	3.50	RFM	4.70	RVM	3.70	RVM	1.38	13.92	N/A	1.55
FONDO PERMANENCIA FIM	3.82	RVM	6.29	RVM	4.39	RVM	-1.48	13.49	N/A	2.44
PRISMAFONDO FIM	2.08	RFM	6.72	RVM	2.80	RVM	1.11	13.23	N/A	1.43
LUSO VALORES FIM	3.28	RFM	5.06	RFM	1.42	RFM	2.37	12.65	N/A	1.37
IBERCAJA RENTA FIM	1.84	RVM	6.85	RVM	3.24	RVM	0.07	12.42	71.22	1.78
FONGAUDI FIM	2.76	RFM	7.64	RVM	2.56	RVM	-0.98	12.32	N/A	1.73
INDOSUEZ PATRIMONIO FIM	1.24	RFM	6.28	RVM	2.48	RVM	1.66	12.10	66.37	1.92
FONFOMENTO FIM	2.57	RFM	6.68	RVM	2.09	RFM	0.34	12.09	N/A	1.50
ELECTROFONDO FIM	-2.46	RVM	11.89	RV	3.23	RV	-0.54	12.05	N/A	3.48
FONDOMIX DOS FIM	1.65	RVM	5.89	RVM	2.57	RVM	0.84	11.32	63.71	1.57
FONVALCEM FIM	1.22	RFM	4.72	RFM	3.19	RVM	1.07	10.55	63.66	1.89
BBV INVERSION 94 FIM	1.11	RFM	6.32	RVM	2.27	RVM	0.52	10.50	N/A	1.58
ALCALA BOLSA FIM	1.94	RFM	4.66	RFM	1.57	RFM	1.46	9.95	N/A	0.80
FONPENEDES MIXT FIM	0.43	RVM	6.61	RVM	4.28	RVM	-1.67	9.79	N/A	2.02
FONDIVISA BANKINTER FIM	4.37	RFM	2.54	RVM	1.21	RVM	1.06	9.46	N/A	1.87
IM 93 RENTA FIM	1.64	RFM	5.33	RVM	2.46	RVM	-0.36	9.30	52.91	1.55
DB CAPITAL CUATRO FIM	2.27	RFM	5.44	RFM	2.24	RFM	-0.86	9.30	N/A	1.93
FONINDEX BOLSA FIM	1.36	RFM	2.16	RFM	1.00	RFM	3.38	8.12	N/A	0.75

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

MIXED-EQUITY FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
RURAL BOLSA FIM	2.05	RVM	7.48	RVM	-0.06	RVM	-1.55	7.92	N/A	2.62
GESEGUR RENTA 2 FIM	-0.15	RF	3.04	RVM	5.46	RVM	-1.16	7.24	N/A	3.23
ALCALA AHORRO FIM	1.05	RFM	2.42	RFM	1.13	RFM	2.07	6.84	N/A	0.32
GENERAL COMMERCE FIM	2.25	RVM	6.85	RVM	-0.77	RVM	-1.70	6.58	45.90	1.88
PSN PLAN DE AHORRO FIM	1.17	RFM	3.22	RFM	1.63	RFM	0.40	6.55	48.40	0.74
FONINDEX MIXTO FIM	1.33	RFM	1.98	RFM	-0.48	RFM	3.06	6.00	45.91	0.92
EUROAGENTES BOLSA FIM	3.41	RVM	12.61	RV	0.06	RV	-9.22	5.78	33.07	4.53
GENERAL BOLSA FIM	1.84	RVM	5.33	RVM	-0.89	RVM	-0.82	5.43	20.43	1.31
TECNIFONDO FIM	2.16	RVM	-1.30	RVM	3.15	RVM	1.05	5.11	72.37	0.76
GADECO FONMIX FIM	-0.44	RF	1.94	RVM	5.33	RVM	-1.85	4.93	N/A	3.65
FONDGALLEGO 21 FIM	1.01	RVM	6.07	RVM	3.45	RVM	-5.72	4.50	N/A	2.94
IBEXMED FIM	-1.43	RV	6.45	RV	1.17	RV	-3.30	2.65	N/A	2.94
MEDIVALOR R.V. FIM	N/A		23.45	RV	5.19	RV	0.88	N/A	N/A	N/A
CAIXA INDEX FIM	N/A		22.25	RVM	4.98	RVM	-2.01	N/A	N/A	N/A
AC AUSTRALASIA FIM	N/A		13.83	RVM	-9.01	RVM	-18.45	N/A	N/A	N/A
AC IBEROAMERICA FIM	N/A		12.23	RV	6.09	RVM	-4.11	N/A	N/A	N/A
FONDBARCLAYS 5 FIM	N/A		10.38	RVM	3.20	RVM	0.61	N/A	N/A	N/A
ARGENTARIA FONDH.2 FIM	N/A		1.38	RFM	1.27	RFM	1.32	N/A	N/A	N/A
GESTINOVA LATIN. FIM	N/A		0.17	RVM	1.27	RVM	-7.77	N/A	N/A	N/A
FONDCHART FIM	N/A		N/A		7.00	RVM	-0.25	N/A	N/A	N/A
CHASE CRECIMIENTO FIM	N/A		N/A		5.93	RVM	2.96	N/A	N/A	N/A
GLOBAL ASSETS FUND FIM	N/A		N/A		5.22	RVM	-1.51	N/A	N/A	N/A
BANCAJA PATRIMONIOS FIM	N/A		N/A		5.21	RVM	0.52	N/A	N/A	N/A
SEQUEFONDO FIM	N/A		N/A		4.56	RVM	2.30	N/A	N/A	N/A
RENTA 4 CAPIT. PLUS FIM	N/A		N/A		4.40	RVM	-2.43	N/A	N/A	N/A
EUROVALENCIA VCG FIM	N/A		N/A		4.25	RVM	-7.71	N/A	N/A	N/A
FONDMONTECO FIM	N/A		N/A		3.91	RVM	1.69	N/A	N/A	N/A
ARCALIA COYUNTURA FIM	N/A		N/A		3.38	RVM	0.73	N/A	N/A	N/A
BANKOA BOLSA FIM	N/A		N/A		3.28	RVM	-3.02	N/A	N/A	N/A
AB EURO GLOBAL FIM	N/A		N/A		3.05	RVM	-0.09	N/A	N/A	N/A
BK MIXTO 2 FIM	N/A		N/A		2.86	RVM	0.49	N/A	N/A	N/A
ATLANTICO MIXTO FIM	N/A		N/A		2.76	RVM	-0.19	N/A	N/A	N/A
SEGURFONDO GLOBAL FIM	N/A		N/A		2.71	RVM	0.57	N/A	N/A	N/A
CAIXASABAD. 6-MIXT FIM	N/A		N/A		2.34	RFM	0.09	N/A	N/A	N/A
MIDLAND RENTA MIXTA FIM	N/A		N/A		2.07	RVM	0.72	N/A	N/A	N/A
ASTURFONDO MIX-R.F. FIM	N/A		N/A		1.74	RVM	1.45	N/A	N/A	N/A
BESTINVER MIXTO FIM	N/A		N/A		1.09	RVM	1.85	N/A	N/A	N/A
CAI RENTA MIXTO FIM	N/A		N/A		N/A		2.61	N/A	N/A	N/A
INVERTRES FONDO I FIM	N/A		N/A		N/A		2.41	N/A	N/A	N/A
INVERTRES FONDO II FIM	N/A		N/A		N/A		2.31	N/A	N/A	N/A
ALCALA GLOBAL FIM	N/A		N/A		N/A		1.96	N/A	N/A	N/A
FONVAMED FIM	N/A		N/A		N/A		0.48	N/A	N/A	N/A
ARTE FINANCIERO FIM	N/A		N/A		N/A		0.40	N/A	N/A	N/A
MARCH BOLSA FIM	N/A		N/A		N/A		-0.09	N/A	N/A	N/A
EUROAGENTES CAPITAL FIM	N/A		N/A		N/A		-0.85	N/A	N/A	N/A
BARCLAYS BOLSA FIM	N/A		N/A		N/A		-0.88	N/A	N/A	N/A
CAIXA INVERSIO 1 FIM	N/A		N/A		N/A		-1.78	N/A	N/A	N/A
ARGENTARIA ORO FIM	N/A		N/A		N/A		-2.05	N/A	N/A	N/A

Mixed equity funds: FIM with a 30% to 75% fixed-income portfolio at the end of 1997.

(*) Standard deviation of the fund's monthly returns in 1997.

Only investment funds registered at the beginning of the period are included.

N/A: Not applicable.

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**EQUITY FIM**

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
FONMEXICO FIM	18.93	RV	16.67	RV	16.97	RV	-1.00	60.68	100.88	9.54
EDIFON FIM	12.69	RV	26.44	RV	9.98	RV	-0.37	56.12	N/A	5.25
ARGENTARIA BOL.INT. FIM	16.34	RV	13.91	RV	10.37	RV	4.59	52.98	119.17	4.88
BANKPYME SWISS FIM	11.82	RV	18.58	RV	3.98	RV	7.46	48.16	159.91	4.18
BETA ACCIONES FIM	6.73	RV	27.27	RV	8.22	RV	0.59	47.87	N/A	6.07
BCH INT. ACCIONES FIM	11.72	RV	16.99	RV	9.93	RV	2.21	46.85	N/A	5.56
SANT. BOLSA PLUS FIM	7.75	RV	28.62	RV	6.17	RV	-0.39	46.58	N/A	6.77
RENTA 4 BOLSA FIM	4.14	RV	30.07	RV	5.79	RV	1.91	46.03	N/A	6.13
ARCALIA BOLSA FIM	6.30	RV	27.78	RV	7.96	RV	-0.76	45.54	50.21	5.89
BOLSACASER FIM	3.56	RV	23.31	RVM	8.00	RV	4.44	44.03	N/A	4.33
PREVIBOLSA FIM	6.25	RV	25.43	RV	7.48	RV	0.33	43.71	N/A	5.98
AC ACCIONES FIM	4.14	RVM	22.89	RVM	7.44	RVM	4.33	43.45	N/A	4.29
SAN FERNANDO BOLSA FIM	3.64	RVM	23.08	RVM	7.45	RVM	4.38	43.07	N/A	4.30
BSN RENTA VARIABLE FIM	6.49	RV	23.43	RV	6.77	RV	1.77	42.82	N/A	5.25
CHASE BOLSA PLUS FIM	10.94	RVM	16.02	RVM	8.51	RV	2.26	42.82	N/A	4.35
IBERCAJA BOLSA FIM	6.19	RV	21.04	RV	9.08	RV	1.36	42.10	N/A	5.32
FONCONDOR ACCIONES FIM	7.36	RV	26.07	RV	5.89	RV	-0.87	42.06	N/A	5.97
FONBOLSA FIM	7.58	RV	23.50	RV	7.02	RV	-0.43	41.58	194.37	5.54
SANT LATIN AMERICAN FIM	18.16	RV	19.21	RV	5.91	RV	-5.20	41.42	59.03	7.91
BESTINFOND FIM	12.34	RV	16.04	RV	3.40	RV	4.62	41.01	N/A	3.19
BANDESCO RV FIM	10.71	RV	22.03	RV	5.82	RV	-1.49	40.82	N/A	5.79
CECAR BOLSA FIM	6.63	RV	22.77	RV	6.77	RV	0.52	40.51	N/A	4.86
AB BOLSA FIM	5.47	RV	24.89	RV	6.62	RV	-0.23	40.13	227.49	6.00
FG ACCIONES FIM	7.75	RV	22.93	RV	5.12	RV	0.59	40.07	142.10	5.73
BANIF RV FIM	7.12	RV	27.37	RV	5.61	RV	-2.80	40.05	181.85	6.24
BSN ACCIONES FIM	5.82	RV	22.82	RV	6.37	RV	1.19	39.89	244.94	5.25
AB BOLSAPLUS FIM	6.58	RV	23.43	RV	7.14	RV	-1.00	39.53	N/A	5.63
RIVA Y G. ACC. I FIM	5.32	RV	23.29	RV	5.16	RV	2.04	39.34	115.34	4.45
FONCAFIX FIM	4.67	RV	21.39	RV	7.14	RV	1.63	38.35	156.71	4.53
BM-DINERBOLSA FIM	6.85	RV	26.80	RV	6.54	RV	-4.25	38.21	148.31	7.30
PROMOBOLSA FIM	5.01	RV	25.53	RV	4.83	RV	-0.19	37.93	163.07	5.83
BOLSA 35 FIM	6.22	RV	23.45	RV	5.95	RV	-0.86	37.73	N/A	6.31
PLUSCARTERA FIM	5.99	RV	23.20	RV	5.90	RV	-0.64	37.41	146.37	5.07
EDM INVERSION FIM	5.50	RV	23.03	RV	1.76	RV	4.02	37.39	127.84	4.02
BSN REVALORIZACION FIM	5.49	RV	20.22	RV	5.75	RV	2.39	37.32	N/A	4.06
ARGENT. BEX BOLSA FIM	4.09	RV	23.60	RV	5.80	RV	0.82	37.23	141.64	5.63
BETA CRECIMIENTO FIM	6.80	RV	21.15	RV	6.06	RV	-0.07	37.15	144.03	5.03
FONDBARCLAYS 2 FIM	6.20	RV	23.57	RV	5.89	RV	-1.33	37.12	166.30	6.04
DB ACCIONES FIM	6.80	RV	22.16	RV	6.34	RV	-1.34	36.88	N/A	6.20
IBERLION BOLSA FIM	4.62	RV	23.23	RV	4.78	RV	1.28	36.81	180.79	5.75
FONDUERO BOLSA FIM	10.25	RV	16.71	RV	6.68	RV	-0.46	36.65	N/A	4.14
URQUIJO CRECIMIENTO FIM	6.56	RV	20.34	RV	6.25	RV	0.09	36.37	152.81	4.91
SEGURFONDO RV FIM	4.14	RVM	20.38	RV	8.22	RV	0.47	36.30	N/A	5.17
LLOYDS BOLSA FIM	4.60	RV	22.06	RV	5.38	RV	0.99	35.88	N/A	5.28
FONBILBAO ACCIONES FIM	2.83	RV	22.98	RV	5.94	RV	1.38	35.80	196.29	5.66
ARG. POSTAL BOLSA FIM	3.79	RV	23.61	RV	5.12	RV	0.65	35.75	157.64	5.59

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

EQUITY FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
CITIFONDO RV FIM	2.85	RV	27.01	RV	4.51	RV	-0.93	35.26	233.98	6.52
TELEFONICO VARIABLE FIM	6.26	RV	21.45	RV	5.57	RV	-0.78	35.17	N/A	5.21
SANT SPANIENFONDEN FIM	7.58	RV	19.44	RV	5.36	RV	-0.28	34.99	194.22	5.13
AVA PATRIMONIOS RV FIM	4.81	RV	25.57	RV	6.37	RV	-3.75	34.75	N/A	6.39
BCH ACCIONES FIM	4.21	RV	23.36	RV	4.57	RV	0.18	34.68	211.22	5.75
AF RENTA VARIABLE FIM	3.39	RV	24.36	RV	5.13	RV	-0.54	34.44	N/A	5.83
URQUIJO INDICE FIM	3.59	RV	21.35	RV	6.25	RV	0.64	34.42	174.61	5.26
BOLSATLANTICO FIM	3.56	RV	24.94	RV	4.93	RV	-1.55	33.66	N/A	5.67
BK FONDO FIM	6.05	RV	21.69	RV	5.23	RV	-1.68	33.53	199.49	5.21
NAVARRA ACCIONES FIM	5.59	RV	21.25	RV	7.20	RV	-2.71	33.52	117.98	5.52
BCH MERRILL FIM	7.95	RV	14.16	RV	7.91	RV	0.27	33.35	N/A	4.32
BANIF SIGLO XXI FIM	14.87	RV	13.93	RV	2.90	RV	-1.09	33.18	N/A	4.82
FONVENTURE FIM	8.07	RV	19.43	RV	5.06	RV	-2.13	32.71	235.19	5.48
INVERBAN FONBOLSA FIM	4.38	RV	21.93	RV	5.11	RV	-0.81	32.69	163.75	5.66
URQUIJO GLOBAL FIM	12.11	RV	10.81	RV	4.97	RV	1.65	32.56	91.38	4.38
INDEXBOLSA FIM	5.85	RVM	21.78	RV	4.94	RV	-2.02	32.54	174.02	5.79
BI MULTIVARIABLE II FIM	14.12	RV	7.69	RV	8.76	RV	-1.08	32.22	36.74	4.50
MADRID BOLSA FIM	4.96	RV	22.84	RV	4.44	RV	-1.85	32.17	N/A	6.00
GESDIVISA FIM	6.45	RVM	17.39	RVM	4.58	RV	1.08	32.10	N/A	4.12
BI MULTIVARIABLE FIM	8.46	RV	15.30	RV	9.12	RV	-3.29	31.97	-5.92	5.10
BOLSALIDER FIM	6.19	RV	18.95	RVM	5.73	RV	-1.31	31.81	N/A	3.66
SANTANDER ACCIONES FIM	5.09	RV	17.05	RV	5.92	RV	0.46	30.89	180.17	4.51
FONCAIXA BOLSA 5 FIM	3.31	RV	22.60	RV	4.88	RV	-1.52	30.81	154.33	5.71
FONDCOMERCIO BOLSA FIM	4.33	RV	21.15	RV	5.40	RV	-1.94	30.64	N/A	6.67
ESPIRITO STO VALOR FIM	5.15	RVM	17.16	RV	4.59	RV	1.14	30.32	N/A	3.89
BI MVARIALE III FIM	7.82	RV	18.79	RV	3.26	RVM	-1.49	30.28	44.60	4.10
CAJA LABORAL BOLSA FIM	3.57	RV	21.29	RV	5.16	RV	-1.40	30.25	N/A	5.46
INDOSUEZ BOLSA FIM	3.34	RV	23.23	RV	4.72	RV	-2.38	30.19	143.19	5.35
BBV BOLSA FIM	4.81	RV	17.45	RV	2.38	RV	3.27	30.15	121.75	4.64
METAVALOR FIM	3.85	RV	19.85	RV	3.60	RV	0.86	30.05	119.72	5.75
FONALCALA FIM	4.06	RVM	15.64	RVM	4.75	RVM	3.11	29.98	186.37	2.81
EUROVALOR 4 FIM	3.76	RV	19.39	RV	4.63	RV	0.05	29.69	158.48	5.06
BBV INDICE FIM	4.34	RV	19.54	RV	6.19	RV	-2.37	29.32	125.94	6.18
FONDEJECUTIVOS FIM	1.95	RVM	22.70	RV	6.31	RV	-3.11	28.86	N/A	5.68
CREDIPAS BOLSA FIM	2.67	RFM	22.44	RV	3.76	RV	-1.63	28.31	42.78	5.54
FONCAIXA BOLSA 33 FIM	3.30	RV	20.34	RV	5.37	RV	-2.16	28.16	143.23	5.95
DB MIXTA II FIM	5.65	RVM	14.82	RVM	5.36	RV	0.13	27.98	136.85	4.36
BANIF RV INTERNAC. FIM	10.63	RV	13.31	RV	4.92	RV	-3.04	27.51	97.97	4.89
SANTANDER VALOR FIM	5.00	RV	17.18	RV	3.52	RV	-0.37	26.91	N/A	4.69
BBV FONBANCAYA FIM	3.58	RVM	15.22	RVM	2.48	RVM	3.63	26.75	87.96	2.90
ALMAGRO VALORES FIM	3.14	RVM	16.61	RV	4.76	RV	0.38	26.46	130.95	4.70
MERCHFONDO FIM	3.72	RV	20.13	RV	11.21	RV	-9.00	26.08	107.76	6.95
FINGEST BOLSA FIM	3.27	RVM	16.35	RV	5.60	RV	-1.17	25.39	57.28	5.34
BOLSA INTERNACIONAL FIM	8.27	RV	14.24	RV	8.36	RV	-6.62	25.17	68.13	6.09
BASKINVER II FIM	2.24	RV	16.36	RVM	4.13	RV	0.76	24.82	N/A	3.71
BOLSAPASTOR FIM	4.74	RV	14.67	RV	4.42	RV	-0.51	24.78	N/A	3.85

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**EQUITY FIM**

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
FONTIBREFONDO FIM	4.72	RVM	14.30	RV	6.39	RV	-2.72	23.88	104.69	5.51
BANKPYME TOP CLASS FIM	5.29	RV	10.36	RV	5.36	RV	1.12	23.80	N/A	3.92
FIBANC CRECIMIENTO FIM	5.65	RV	16.11	RV	4.92	RV	-3.94	23.63	134.00	4.24
IBERLION EUROPA FIM	7.30	RV	10.51	RV	5.86	RV	-2.11	22.88	N/A	4.36
CAPITAL 2.000 FIM	7.02	RVM	14.03	RV	3.95	RV	-4.55	21.09	63.03	4.13
INTERVALOR BOLSA FIM	1.45	RV	14.38	RV	7.31	RV	-2.89	20.93	N/A	4.57
URQUIJO UNIVERSAL FIM	3.09	RVM	12.79	RVM	3.03	RVM	0.60	20.51	N/A	3.78
BANIF ENER.-COMUNIC FIM	-0.80	RV	14.96	RV	4.37	RV	1.25	20.51	N/A	4.20
EUROFONDO FIM	4.34	RV	13.39	RV	3.24	RV	-2.64	18.93	102.00	4.30
SEGURFONDO BOLSA FIM	5.16	RVM	10.27	RV	3.42	RV	-2.59	16.83	N/A	4.56
MADRID DIVISA FIM	9.44	RVM	6.79	RV	-0.32	RV	-1.10	15.23	N/A	4.64
BZ DIVISA FIM	5.72	RF	1.92	RF	1.33	RF	2.93	12.38	N/A	1.40
GREEN FUND FIM	3.40	RVM	16.94	RV	2.72	RV	-9.62	12.25	110.87	6.06
FONDFINANZAS FIM	0.22	RF	1.46	RF	0.33	RF	3.21	5.28	N/A	0.78
BANIF EMERGENTES FIM	12.66	RV	6.38	RV	-0.34	RV	-17.30	-1.22	N/A	6.79
BANIF RV JAPON FIM	3.44	RV	17.09	RV	-9.65	RV	-12.04	-3.75	17.63	5.80
EJECUTIVOS PLUS FIM	N/A		30.56	RV	6.95	RV	-2.35	N/A	N/A	N/A
PENTAFONDO VARIABLE FIM	N/A		24.67	RV	5.19	RV	-0.73	N/A	N/A	N/A
CAJABURGOS BOLSA FIM	N/A		24.11	RV	5.35	RV	0.71	N/A	N/A	N/A
AB LATINOAMERICA FIM	N/A		19.35	RV	8.68	RV	-15.24	N/A	N/A	N/A
MUTUAFONDO BOLSA FIM	N/A		19.24	RV	4.12	RV	1.14	N/A	N/A	N/A
SMB BOLSA 1 FIM	N/A		15.50	RV	4.14	RV	0.04	N/A	N/A	N/A
DB EUROPA BOLSA FIM	N/A		12.82	RV	10.23	RV	-1.12	N/A	N/A	N/A
BBV EUROBOLSA FIM	N/A		10.13	RV	4.80	RV	-0.40	N/A	N/A	N/A
BSN ACC. EUROPEAS FIM	N/A		10.06	RV	5.95	RV	0.85	N/A	N/A	N/A
ESPIRITO STO GLOBAL FIM	N/A		9.39	RVM	2.78	RV	1.41	N/A	N/A	N/A
AC EUROFONDO FIM	N/A		7.18	RV	5.37	RV	-0.31	N/A	N/A	N/A
EUROAGENTES GLOBAL FIM	N/A		N/A		10.35	RFM	7.90	N/A	N/A	N/A
ARGENTARIA EUROPA FIM	N/A		N/A		9.38	RV	2.10	N/A	N/A	N/A
ARGENTARIA EMERGEN.FIM	N/A		N/A		9.34	RVM	-4.64	N/A	N/A	N/A
ARGENTARIA AMERICA FIM	N/A		N/A		9.10	RV	4.02	N/A	N/A	N/A
BANKPYME COMUNICAC. FIM	N/A		N/A		8.74	RV	-6.37	N/A	N/A	N/A
AB EURO ACCIONES FIM	N/A		N/A		7.54	RV	-1.85	N/A	N/A	N/A
KUTXAVALOREURO FIM	N/A		N/A		6.53	RV	0.75	N/A	N/A	N/A
BANIF MIXTO FIM	N/A		N/A		6.29	RV	-3.95	N/A	N/A	N/A
EUROCEM BOLSA FIM	N/A		N/A		6.28	RV	2.53	N/A	N/A	N/A
BANESTO BOLSAS EUR. FIM	N/A		N/A		6.08	RV	-4.11	N/A	N/A	N/A
NAVARRA INDICE FIM	N/A		N/A		5.78	RV	0.05	N/A	N/A	N/A
CAIXASABADELL 7-RV FIM	N/A		N/A		5.57	RV	-1.77	N/A	N/A	N/A
SHERPA R.V. FIM	N/A		N/A		5.36	RV	0.07	N/A	N/A	N/A
ASTURFONDO BOLSA FIM	N/A		N/A		5.29	RV	0.32	N/A	N/A	N/A
FONDESPAÑA BOLSA FIM	N/A		N/A		5.26	RVM	0.04	N/A	N/A	N/A
CIBER BK VARIABLE FIM	N/A		N/A		4.89	RV	-0.22	N/A	N/A	N/A
GESRIOJA FIM	N/A		N/A		4.89	RV	0.29	N/A	N/A	N/A
BANKAMERICA BOLSA FIM	N/A		N/A		4.82	RV	0.71	N/A	N/A	N/A
BANKPYME IBERBOLSA FIM	N/A		N/A		4.71	RV	2.60	N/A	N/A	N/A

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997

EQUITY FIM

	First quarter		Second quarter		Third quarter		Fourth quarter	Returns		Standard deviation (*) (%)
	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	Type of FIM	Returns (%)	1997	Accrued since 1992	
FIBANC EUROPA 50 FIM	N/A		N/A		3.71	RV	0.60	N/A	N/A	N/A
FONSVALLADOLID FIM	N/A		N/A		3.47	RV	-1.35	N/A	N/A	N/A
ZARAGOZANO R.V. FIM	N/A		N/A		3.36	RV	-1.55	N/A	N/A	N/A
GESTINOVA BOL.PLUS FIM	N/A		N/A		2.79	RV	2.09	N/A	N/A	N/A
INDOSUEZ UNIVERSAL FIM	N/A		N/A		2.71	RVM	0.08	N/A	N/A	N/A
GESTINOVA MULTIFON. FIM	N/A		N/A		2.49	RV	-5.91	N/A	N/A	N/A
PHARMAFUND, FIM	N/A		N/A		2.15	RV	9.53	N/A	N/A	N/A
DREAM TEAM FONDO FIM	N/A		N/A		2.14	RV	0.18	N/A	N/A	N/A
BBV MULTIFONDO FIM	N/A		N/A		1.45	RV	-7.37	N/A	N/A	N/A
BBV TOP 50 FIM	N/A		N/A		1.18	RV	-3.67	N/A	N/A	N/A
MADRID EMER. GLOBAL FIM	N/A		N/A		0.89	RFM	1.78	N/A	N/A	N/A
FONSABADELL INT. V FIM	N/A		N/A		-0.42	RV	-0.02	N/A	N/A	N/A
FONBOLSA EURO FIM	N/A		N/A		N/A		7.04	N/A	N/A	N/A
ARG. PRIVAT. GLOBAL FIM	N/A		N/A		N/A		5.51	N/A	N/A	N/A
CAI BOLSA 10 FIM	N/A		N/A		N/A		4.98	N/A	N/A	N/A
MADRID NEW YORK FIM	N/A		N/A		N/A		4.84	N/A	N/A	N/A
ARG. ALTO CRECIM. FIM	N/A		N/A		N/A		4.53	N/A	N/A	N/A
IBERCAJA BOLSA INT. FIM	N/A		N/A		N/A		4.35	N/A	N/A	N/A
BANKPYME MULTIOCIO FIM	N/A		N/A		N/A		3.29	N/A	N/A	N/A
CAIXA INVERSIO 2 FIM	N/A		N/A		N/A		2.50	N/A	N/A	N/A
MADRID OPORTUNIDAD FIM	N/A		N/A		N/A		1.91	N/A	N/A	N/A
GESCARTERA RV FIM	N/A		N/A		N/A		-0.26	N/A	N/A	N/A
FONINDEX FONDEFON FIM	N/A		N/A		N/A		-2.29	N/A	N/A	N/A
MADRID EUROPEA FIM	N/A		N/A		N/A		-2.88	N/A	N/A	N/A
BAV FONDO DE FONDOS FIM	N/A		N/A		N/A		-2.90	N/A	N/A	N/A
RENTA 4 SECTOR GAP FIM	N/A		N/A		N/A		-4.06	N/A	N/A	N/A

Equity funds: FIM with a less than 30% fixed-income portfolio at the end of 1997.

(*) Standard deviation of the fund's monthly returns in 1997.

Only investment funds registered at the beginning of the period are included.

N/A: Not applicable.

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**FIM WITH EXTERNALLY GUARANTEED FIXED RETURNS (FIXED-INCOME)**

	Returns (%)						Standard deviation (*)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1995	
FONDO NUEVO FIM	1.68	8.06	4.96	3.90	19.83	N/A	1.81
BSN 2006-1 FIM	-1.64	9.04	5.85	3.08	17.02	N/A	2.28
FONCATALANA 3 FIM	5.74	5.10	2.46	2.12	16.28	22.76	0.96
BCH 2002 FIM	0.26	8.07	2.25	4.69	15.99	44.29	1.63
BBV BONO 2005 FIM	-0.39	7.68	4.06	3.28	15.26	51.34	1.56
BBV PLAN RENTAS 10 FIM	-0.47	6.78	3.75	3.08	13.66	N/A	1.43
FONDCOMERCIO 100% FIM	-0.11	6.72	3.57	2.93	13.64	47.32	1.36
ARGENT. DOBLE-BEX FIM	-1.28	6.74	3.19	4.06	13.15	N/A	1.36
FONCAIXA 2.004 FIM	0.06	6.45	3.32	2.29	12.57	40.32	1.32
BBV PLAN RENTA FIM	0.15	5.61	3.43	2.75	12.40	N/A	1.18
BANKINTER GARANT. 4 FIM	0.05	5.80	2.93	2.40	11.57	37.60	1.14
DOBLEMED FIM	-0.51	6.18	3.00	2.16	11.16	N/A	1.15
ARGENTARIA 5 AÑOS-A FIM	0.65	5.39	2.52	2.04	10.97	N/A	1.13
BBV BONO 2002 FIM	0.24	5.49	2.70	2.15	10.93	N/A	1.08
ARGENTARIA 5 AÑOS-B FIM	0.57	5.49	2.54	1.95	10.90	N/A	1.14
TELEFONICO FIJO FIM	0.01	5.40	2.97	2.05	10.76	39.23	1.07
BANIF OBLIGACIONES FIM	0.93	5.20	2.39	1.81	10.68	N/A	0.98
URQUIJO GARANT. 2 FIM	0.28	5.43	2.62	1.93	10.59	N/A	1.05
IBERCAJA PT II FIM	-0.04	5.74	2.77	1.77	10.55	N/A	1.21
ATLANTICO PLUS 2 FIM	-0.37	5.44	3.10	2.04	10.52	N/A	1.11
BK SEGURVIDA FIM	0.17	5.17	2.77	2.03	10.47	36.34	0.98
VALENCIA GARANT. 1 FIM	0.49	5.08	2.42	2.10	10.43	N/A	1.02
BCH 2004 FIM	0.26	5.43	2.37	1.94	10.31	N/A	1.03
ATLANTICO PLUS FIM	-0.27	5.34	2.84	1.92	10.10	N/A	1.07
BM GARANTIZADO FIM	0.23	5.06	2.47	1.98	10.03	37.85	1.01
ARGENTARIA V ANIV. FIM	0.91	4.69	2.17	1.73	9.79	35.16	0.80
BCH RENTAS 5 FIM	-0.22	3.64	4.49	1.52	9.70	N/A	0.85
INVERDUERO 2000 FIM	-0.17	4.35	2.24	2.75	9.43	27.19	0.90
URQUIJO GARANTIZADO FIM	0.46	4.61	2.36	1.66	9.36	35.46	0.89
BK GARANTIZADO 8 FIM	2.22	3.71	1.49	1.47	9.18	N/A	0.95
OPEN BANK GAR. 2000 FIM	0.65	4.17	2.18	1.88	9.14	N/A	0.70
SANTANDER RENTA FIM	0.16	4.80	2.45	1.39	9.03	33.07	0.97
FONCATALANA 5 FIM	0.22	4.65	1.99	1.84	8.94	32.58	0.84
BCH 5 FIM	-0.10	5.05	1.83	1.91	8.90	N/A	0.98
CATALUNYA DOBLE FIM	-0.21	4.85	2.32	1.71	8.90	N/A	0.95
COOPVALOR V FIM	0.35	4.64	1.83	1.82	8.88	N/A	0.77
TELEFONICO BK FT FIM	0.19	4.23	2.35	1.60	8.58	30.60	0.79
FONCAIXA 14 FIM	-0.12	4.73	1.98	1.58	8.36	N/A	0.94
IBERCAJA PT III FIM	0.18	4.56	1.82	1.50	8.26	N/A	0.89
BCH 2000-A FIM	0.81	4.34	1.31	1.57	8.24	N/A	0.65
RURAL GARANTIZADO FIM	0.56	4.22	1.72	1.52	8.23	N/A	0.73
BCH 2000 FIM	0.60	4.28	1.56	1.54	8.19	30.91	0.70
BCH 1999 FIM	0.64	4.45	1.65	1.23	8.15	N/A	0.73
ATLANTICO PLUS 3 FIM	-0.39	4.61	1.97	1.57	7.92	N/A	0.92
FONDPREMIER 4 FIM	0.02	4.53	1.67	1.49	7.88	31.80	0.85
AC RENTA FIJA FIM	-0.08	4.37	1.71	1.54	7.70	30.26	0.80
BBV BONO 2000 FIM	0.30	3.97	1.71	1.49	7.65	29.08	0.71
SOLBANK 2000 GARAN. FIM	-0.57	4.47	2.01	1.58	7.63	N/A	0.78

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**FIM WITH EXTERNALLY GUARANTEED FIXED RETURNS (FIXED-INCOME)**

	Returns (%)						Standard deviation (*)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1995	
CAI RENTA FIM	-0.08	4.32	1.69	1.45	7.52	30.29	0.79
CAJA LABORAL RENTA FIM	1.16	2.98	1.64	1.52	7.49	17.47	0.65
CHASE GLOBAL II FIM	0.39	3.72	1.71	1.41	7.40	29.49	0.67
URQUIJO GARANT. 4 FIM	0.29	3.82	1.62	1.48	7.37	N/A	0.63
GARANTIA PLUS FIM	0.22	3.22	1.59	2.15	7.35	N/A	0.62
KUTXASEG1 FIM	1.29	3.19	1.32	1.34	7.31	N/A	0.68
PASTOR FIJO 1 FIM	1.13	3.95	0.92	1.14	7.30	N/A	0.62
VITAL G3 FIM	0.58	3.37	1.71	1.43	7.26	N/A	0.62
BANCOFAR RENTA FIM	0.90	3.49	1.30	1.28	7.13	N/A	0.49
FONDO DEUDA GARANT. FIM	0.11	3.53	1.71	1.59	7.09	N/A	0.61
ARGENTARIA 2000-A FIM	0.12	3.98	1.58	1.20	7.01	N/A	0.70
BCH 3 FIM	-0.10	4.10	1.38	1.44	6.95	N/A	0.76
COOPVALOR III FIM	0.83	2.91	1.55	1.44	6.89	N/A	0.42
GARANTIA PLUS 2 FIM	1.74	2.21	1.25	1.42	6.78	N/A	0.54
MADRID RDTO 3 FIM	0.40	3.33	1.40	1.41	6.68	N/A	0.58
ABBEY RENTA FIJA FIM	0.46	3.14	1.50	1.42	6.66	17.25	0.61
BBV BONO 99 FIM	0.33	3.42	1.47	1.30	6.65	24.91	0.60
CAIXA CATALUNYA 3 FIM	0.07	3.57	1.55	1.33	6.65	N/A	0.66
SANT RENTA 1999 FIM	0.60	2.97	1.55	1.32	6.58	22.78	0.52
FONCOMERCIO ORO FIM	0.30	3.38	1.46	1.28	6.55	25.41	0.60
1999 BANKINTER FIM	0.55	3.03	1.44	1.35	6.50	N/A	0.53
BCH RENTAS 3 FIM	0.03	3.65	1.39	1.31	6.50	N/A	0.67
AB FONDGARANTIA FIM	0.24	3.31	1.45	1.34	6.46	24.47	0.59
VITAL G1 FIM	0.19	3.27	1.51	1.35	6.45	N/A	0.51
UNIFOND MIXTO FIM	1.96	2.21	1.09	1.02	6.42	14.83	0.24
BK GARANTIA 99 FIM	0.53	3.01	1.41	1.32	6.40	N/A	0.53
ARGENTARIA 2000-B FIM	-0.25	3.84	1.39	1.22	6.30	N/A	0.71
CAIXA GALICIA GARAN.FIM	0.62	2.86	1.38	1.27	6.25	N/A	0.47
FONCAIXA 2.000 FIM	0.10	3.27	1.34	1.24	6.06	24.52	0.64
AC RENDIMIENTO FIM	0.53	2.75	1.35	1.26	6.02	N/A	0.45
ARGENTARIA 3 AÑOS-C FIM	0.48	3.09	1.22	1.12	6.02	N/A	0.55
CAI GARANTIZADO FIM	0.46	2.78	1.33	1.28	5.97	N/A	0.48
BK FONDO RF FIM	0.65	2.58	1.35	1.25	5.96	N/A	0.43
COOPVALOR FONDO FIM	1.00	2.24	1.40	1.19	5.95	19.78	0.30
CAIXA CATALUNYA FT FIM	0.35	2.93	1.29	1.22	5.90	22.31	0.52
IBERAGENTES 2000 FIM	0.67	2.15	1.35	1.60	5.90	N/A	0.35
ARGENTARIA 3 AÑOS-A FIM	0.46	2.91	1.28	1.13	5.89	N/A	0.49
BCH 1999 A FIM	0.65	2.51	1.34	1.28	5.89	N/A	0.39
FONCAIXA 15 FIM	0.35	2.95	1.22	1.21	5.84	N/A	0.53
FONDUERO GARANT. FIM	-0.10	2.87	1.39	1.53	5.79	N/A	0.69
BM TESORERIA FIM	0.76	2.15	1.63	1.08	5.74	N/A	0.35
FONDCOMERCIO 1999 FIM	0.37	2.80	1.25	1.21	5.74	N/A	0.47
URQUIJO GARANT. 3 FIM	0.75	2.40	1.36	1.06	5.68	N/A	0.38
ARGENTARIA 3 AÑOS-B FIM	0.63	2.54	1.21	1.14	5.63	20.68	0.40
BCH 1998 FIM	0.56	2.64	1.16	1.17	5.63	22.19	0.46
ARGENTARIA 3 AÑOS FIM	0.65	2.48	1.19	1.15	5.57	20.66	0.40
UNIFOND V FIM	0.93	2.10	1.21	1.19	5.54	N/A	0.26
HERRERO 125-SERIE 1 FIM	0.67	2.32	1.27	1.12	5.48	N/A	0.35

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**FIM WITH EXTERNALLY GUARANTEED FIXED RETURNS (FIXED-INCOME)**

	Returns (%)						Standard deviation (*)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1995	
CHASE GLOBAL III FIM	0.55	2.43	1.26	1.07	5.40	20.02	0.38
UNIFOND IV FIM	0.84	2.09	1.17	1.18	5.37	N/A	0.27
EUROVALOR-98A FIM	0.57	2.32	1.16	1.20	5.35	N/A	0.38
AC HORIZONTE SEGURO FIM	1.16	0.73	1.81	1.52	5.32	N/A	0.49
BBV BONO 25 M FIM	0.57	2.32	1.19	1.04	5.21	N/A	0.36
UNIFOND III FIM	1.18	1.54	1.12	1.27	5.21	N/A	0.16
BBV BONO 98 FIM	0.96	1.91	1.21	0.98	5.16	18.72	0.25
BBV PLAN RENTAS 25M FIM	0.71	2.13	1.18	1.03	5.14	N/A	0.34
SG GARANTIZADO FIM	-0.87	3.78	2.91	-0.83	5.00	N/A	0.87
ARGENTARIA I-D FIM	0.94	1.91	1.02	1.02	4.97	13.04	0.20
ARGENTARIA I-B FIM	0.93	1.84	1.03	1.08	4.96	13.14	0.20
IBERAGENTES CORTO FIM	0.87	1.66	1.19	1.15	4.96	17.87	0.23
IBERCAJA PATRIMONIO FIM	0.54	2.03	1.11	0.88	4.64	18.06	0.33
BCH RENTAS 1 FIM	1.14	1.14	0.91	1.36	4.63	N/A	0.19
UNIFOND II FIM	1.06	1.23	0.88	1.37	4.62	N/A	0.18
BANKOA-AHORRO FONDO FIM	1.10	1.12	1.14	1.13	4.58	10.74	0.00
BCH RENTAS 1 A FIM	1.17	1.26	0.97	1.08	4.54	N/A	0.13
BCH RENTAS 1 B FIM	1.17	1.28	0.90	1.04	4.46	N/A	0.18
BCH RENTAS 1 C FIM	1.13	1.26	0.90	0.92	4.28	N/A	0.16
UNIFOND I FIM	0.98	1.26	0.87	1.08	4.25	N/A	0.16
ARGENTARIA I-A FIM	1.01	1.20	0.86	1.02	4.16	12.49	0.14
IBERCAJA CRECIMIENTO FIM	0.79	1.55	0.92	0.83	4.15	N/A	0.23
BBV BONO 2004 FIM	N/A	6.57	3.76	3.02	N/A	N/A	N/A
FONSEGUR GARANT. FIM	N/A	5.41	2.73	2.37	N/A	N/A	N/A
BBV BONO 2001 FIM	N/A	5.11	2.24	1.76	N/A	N/A	N/A
C.GALICIA BETA GAR. FIM	N/A	4.99	2.27	1.71	N/A	N/A	N/A
URQUIJO GARANT. 5 FIM	N/A	4.90	2.23	1.70	N/A	N/A	N/A
BCH RENTAS 5 A FIM	N/A	4.83	2.02	1.77	N/A	N/A	N/A
BBV PLAN RENTAS 5 FIM	N/A	4.67	2.14	1.78	N/A	N/A	N/A
BCH 2002 A FIM	N/A	4.66	2.19	1.80	N/A	N/A	N/A
FONCAIXA 19 FIM	N/A	4.60	2.15	1.82	N/A	N/A	N/A
CAIXA CATALUNYA 5 FIM	N/A	4.47	2.38	1.85	N/A	N/A	N/A
CAIXA G. ALFA GAR. FIM	N/A	4.43	1.74	1.64	N/A	N/A	N/A
UNIFOND XI FIM	N/A	4.41	1.80	1.54	N/A	N/A	N/A
UNIFOND X FIM	N/A	4.33	1.78	1.47	N/A	N/A	N/A
UNIFOND IX FIM	N/A	4.23	1.68	1.43	N/A	N/A	N/A
BCH RENTAS 4 FIM	N/A	4.15	1.25	1.33	N/A	N/A	N/A
RURAL VALOR FIM	N/A	3.76	2.24	1.67	N/A	N/A	N/A
FONDAVILA GARANT. 3 FIM	N/A	3.64	1.58	1.58	N/A	N/A	N/A
ARG. FONDRENTAS 3-A FIM	N/A	3.55	1.42	1.24	N/A	N/A	N/A
ARG. FONDRENTAS 3-B FIM	N/A	3.53	1.41	1.25	N/A	N/A	N/A
BK GARANTIZADO 9 FIM	N/A	3.47	1.34	1.32	N/A	N/A	N/A
BCH 1999 B FIM	N/A	3.26	1.30	1.28	N/A	N/A	N/A
HERRERO FONDPLAZO 2 FIM	N/A	3.19	1.32	1.30	N/A	N/A	N/A
ASTURFONDO DOS FIM	N/A	3.13	1.37	1.34	N/A	N/A	N/A
ATLANTICO PLUS 4 FIM	N/A	3.00	1.44	1.31	N/A	N/A	N/A
ARGENTARIA 2000-C FIM	N/A	2.98	1.76	1.53	N/A	N/A	N/A
UNIFOND VIII FIM	N/A	2.97	1.32	1.19	N/A	N/A	N/A

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**FIM WITH EXTERNALLY GUARANTEED FIXED RETURNS (FIXED-INCOME)**

	Returns (%)						Standard deviation (*)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1995	
ARGENTARIA 2000-D FIM	N/A	2.96	1.80	1.52	N/A	N/A	N/A
GARANTIA PLUS 3 FIM	N/A	2.90	1.43	1.41	N/A	N/A	N/A
UNIFOND VII FIM	N/A	2.90	1.24	1.12	N/A	N/A	N/A
UNIFOND VI FIM	N/A	2.83	1.19	1.07	N/A	N/A	N/A
BK GARANTIZADO 10 FIM	N/A	2.32	1.32	1.37	N/A	N/A	N/A
GARANTIA PLUS 4 FIM	N/A	2.29	2.12	1.71	N/A	N/A	N/A
PASTOR FIJO 2 FIM	N/A	2.10	1.49	1.29	N/A	N/A	N/A
FONCATALANA 6 FIM	N/A	1.94	1.23	1.25	N/A	N/A	N/A
EUROVALOR 99A FIM	N/A	1.73	0.76	1.48	N/A	N/A	N/A
BCH RENTAS 1 D FIM	N/A	1.38	1.00	1.00	N/A	N/A	N/A
BCH RENTAS 1 E FIM	N/A	1.31	0.87	0.94	N/A	N/A	N/A
BCH RENTAS 1 F FIM	N/A	1.31	0.86	0.73	N/A	N/A	N/A
GARANMED FIM	N/A	1.29	1.04	1.40	N/A	N/A	N/A
FONDCOMERCIO 2007 FIM	N/A	N/A	5.40	3.78	N/A	N/A	N/A
BBV BONO 2007 FIM	N/A	N/A	4.95	3.71	N/A	N/A	N/A
GESTINOVA BONO 2003 FIM	N/A	N/A	3.87	2.99	N/A	N/A	N/A
KUTXAGARANTIZADO-2 FIM	N/A	N/A	3.61	1.72	N/A	N/A	N/A
FONPENEDES GARANTIT FIM	N/A	N/A	2.95	2.08	N/A	N/A	N/A
BBV BONO 2002-A FIM	N/A	N/A	2.72	2.38	N/A	N/A	N/A
FONDCOMERCIO 2002 FIM	N/A	N/A	2.70	2.47	N/A	N/A	N/A
MADRID FONDLIBR. 5 FIM	N/A	N/A	2.23	1.96	N/A	N/A	N/A
BCH RENTAS 5 B FIM	N/A	N/A	2.14	1.85	N/A	N/A	N/A
PASTOR GARAN.5A FIM	N/A	N/A	2.14	1.47	N/A	N/A	N/A
FONCAIXA FUTURO 22 FIM	N/A	N/A	1.95	1.78	N/A	N/A	N/A
FONCAIXA FUTURO 23 FIM	N/A	N/A	1.79	1.68	N/A	N/A	N/A
URQUIJO GARANT. 6 FIM	N/A	N/A	1.74	1.54	N/A	N/A	N/A
CAJA MURCIA GARANT.FIM	N/A	N/A	1.56	1.54	N/A	N/A	N/A
BCH RENTAS 3 A FIM	N/A	N/A	1.52	1.59	N/A	N/A	N/A
FONJALON GARANTIZ. FIM	N/A	N/A	1.51	1.40	N/A	N/A	N/A
CAI GARANTIZADO II FIM	N/A	N/A	1.48	1.55	N/A	N/A	N/A
F.VALENCIA GARAN. 2 FIM	N/A	N/A	1.47	1.45	N/A	N/A	N/A
MADRID FONDLIBR. 3 FIM	N/A	N/A	1.46	1.41	N/A	N/A	N/A
TARRAGONAFONS 3 FIM	N/A	N/A	1.45	1.60	N/A	N/A	N/A
BG RENTA ASEGURADA FIM	N/A	N/A	1.43	1.42	N/A	N/A	N/A
GESTINOVA BONO 25M FIM	N/A	N/A	1.38	1.34	N/A	N/A	N/A
SANT. RENTA 2000 FIM	N/A	N/A	1.36	1.53	N/A	N/A	N/A
SANTANDER FV FIM	N/A	N/A	1.34	1.53	N/A	N/A	N/A
RURALDEUDA FIM	N/A	N/A	1.31	1.59	N/A	N/A	N/A
ARGENT.EXTRA TESOR. FIM	N/A	N/A	1.27	1.29	N/A	N/A	N/A
BK RENTA TRIMESTRAL FIM	N/A	N/A	1.26	1.45	N/A	N/A	N/A
BBV BONO 25 M-A FIM	N/A	N/A	1.23	1.15	N/A	N/A	N/A
C.GALIC. PLUS REN.1 FIM	N/A	N/A	1.13	1.24	N/A	N/A	N/A
ARGENTARIA 5 AÑOS-C FIM	N/A	N/A	1.08	4.66	N/A	N/A	N/A
GARANMED 2 FIM	N/A	N/A	1.08	1.25	N/A	N/A	N/A
ARGENTARIA 5 AÑOS-D FIM	N/A	N/A	1.05	4.61	N/A	N/A	N/A
FONDESP. ANUAL GAR. FIM	N/A	N/A	1.05	1.72	N/A	N/A	N/A
ARG. FONDERENTAS 3-D FIM	N/A	N/A	1.04	3.38	N/A	N/A	N/A
ARG. FONDERENTAS 3-C FIM	N/A	N/A	1.02	3.44	N/A	N/A	N/A

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**FIM WITH EXTERNALLY GUARANTEED FIXED RETURNS (FIXED-INCOME)**

	Returns (%)						Standard deviation (*)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1995	
BCH RENTAS 1 G FIM	N/A	N/A	1.01	0.91	N/A	N/A	N/A
CAJABURG. PLAZO MES FIM	N/A	N/A	1.00	0.95	N/A	N/A	N/A
BCH RENTAS 1 K FIM	N/A	N/A	0.92	0.94	N/A	N/A	N/A
CAIXA CAT. RENDA 1B FIM	N/A	N/A	0.86	1.14	N/A	N/A	N/A
BCH RENTAS 1 H FIM	N/A	N/A	0.74	0.92	N/A	N/A	N/A
ARG.FONDRENT.CREC.B FIM	N/A	N/A	N/A	4.71	N/A	N/A	N/A
ARG.FONDRENT.CREC.A FIM	N/A	N/A	N/A	4.55	N/A	N/A	N/A
GESTINOVA PLAN 10 FIM	N/A	N/A	N/A	3.41	N/A	N/A	N/A
ARGENTARIA 2000-E FIM	N/A	N/A	N/A	2.97	N/A	N/A	N/A
ARGENTARIA 2000-F FIM	N/A	N/A	N/A	2.57	N/A	N/A	N/A
FONDARAGON G. FIM	N/A	N/A	N/A	2.07	N/A	N/A	N/A
BCH 2002-B FIM	N/A	N/A	N/A	1.79	N/A	N/A	N/A
BCH RENTAS 5 C FIM	N/A	N/A	N/A	1.78	N/A	N/A	N/A
RURAL VALOR III FIM	N/A	N/A	N/A	1.76	N/A	N/A	N/A
BCH RENTAS 4 A FIM	N/A	N/A	N/A	1.61	N/A	N/A	N/A
ASTURFON. C G GAR.I FIM	N/A	N/A	N/A	1.56	N/A	N/A	N/A
LUSO GARANT. 2000 FIM	N/A	N/A	N/A	1.53	N/A	N/A	N/A
TARRAGONAFONS 5 FIM	N/A	N/A	N/A	1.52	N/A	N/A	N/A
MADRID RDTO. 2 A-G FIM	N/A	N/A	N/A	1.51	N/A	N/A	N/A
ARG. FONDRENTAS 1-A FIM	N/A	N/A	N/A	1.40	N/A	N/A	N/A
ARG. FONDRENTAS 1-B FIM	N/A	N/A	N/A	1.38	N/A	N/A	N/A
BCH 2000-B FIM	N/A	N/A	N/A	1.35	N/A	N/A	N/A
SANT. RENTA 2002 FIM	N/A	N/A	N/A	1.29	N/A	N/A	N/A
ARG. EXTRA TESOR. 2 FIM	N/A	N/A	N/A	1.27	N/A	N/A	N/A
AC RENTAS 6 M FIM	N/A	N/A	N/A	1.02	N/A	N/A	N/A
BCH RENTAS 1 M FIM	N/A	N/A	N/A	0.98	N/A	N/A	N/A
BCH RENTAS 1 N FIM	N/A	N/A	N/A	0.95	N/A	N/A	N/A

FIM with externally guaranteed fixed returns (fixed-income): FIM with a fixed minimum return granted to unit holders. Guarantee in force at the end of 1997.

(*) Standard deviation of the fund's monthly returns in 1997.

Only investment funds registered at the beginning of the period are included.

N/A: Not applicable.

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**FIM WITH EXTERNALLY GUARANTEED VARIABLE RETURNS (VARIABLE-INCOME)**

	Returns (%)						Standard deviation (*)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1995	
S. BOLSA AGEgurado FIM	8.80	19.60	3.51	3.46	39.35	N/A	4.12
BBV CAPITAL FIM	3.04	22.00	7.32	0.35	35.38	72.69	5.00
EUROVALOR-IBEX-35A FIM	2.03	24.95	4.53	1.11	34.73	N/A	5.70
FONCAIXA 17 FIM	3.38	13.09	14.83	-1.09	32.79	N/A	4.70
ABBEY BOLSA FIM	3.22	23.26	4.62	-0.39	32.59	N/A	4.92
URQUIJO IBEX GARAN. FIM	4.73	18.30	4.82	-0.08	29.75	N/A	4.74
FONDPREMIER 3 FIM	2.82	15.62	4.04	0.32	24.07	44.57	3.41
FONCAIXA 18 FIM	2.42	9.66	10.49	-0.28	23.75	N/A	3.30
ZARAGOZANO RENTA FIM	-0.97	19.11	4.69	-0.29	23.13	N/A	4.60
CAJABURGOS VALOR FIM	1.74	14.54	3.40	0.06	20.58	38.17	3.27
ARGENT. FONDIBEX FIM	1.49	7.85	2.71	4.10	17.04	N/A	2.10
ARGENT. FONDIBEX 99 FIM	1.74	7.77	2.68	3.62	16.66	N/A	2.00
FONCATALANA 4 GLOB. FIM	-0.20	12.46	3.56	0.37	16.66	37.48	3.24
BBV IBEX PROTEGIDO FIM	0.50	11.61	3.14	0.72	16.52	N/A	3.04
FONDO RENTA GARANT. FIM	1.28	10.90	3.13	-0.13	15.68	N/A	2.66
BCH IBEX 35 A FIM	0.98	9.86	2.70	0.79	14.82	N/A	2.41
FIBANC INDICE FIM	N/A	26.52	5.51	-0.58	N/A	N/A	N/A
RURAL VALOR II FIM	N/A	25.05	3.27	1.79	N/A	N/A	N/A
FONDESPAÑA RV FIM	N/A	20.39	3.46	1.73	N/A	N/A	N/A
BANIF IBEX 35 FIM	N/A	19.90	4.97	0.78	N/A	N/A	N/A
DB BOLSA GAR. 2000 FIM	N/A	18.63	4.09	0.64	N/A	N/A	N/A
MADRID BOLSA 100 FIM	N/A	18.32	4.80	0.86	N/A	N/A	N/A
AB IBEXPLUS GARANT. FIM	N/A	16.73	4.89	3.11	N/A	N/A	N/A
BK 2000 IBEX FIM	N/A	15.83	4.28	-2.58	N/A	N/A	N/A
BANIF BOLSA 99 FIM	N/A	15.62	3.00	0.00	N/A	N/A	N/A
FONDMAPFRE B. GARAN.FIM	N/A	15.45	5.57	0.23	N/A	N/A	N/A
SBD IBEX FIM	N/A	14.77	6.15	-2.54	N/A	N/A	N/A
S.BOLSA EUROPEA AS. FIM	N/A	14.50	5.50	2.63	N/A	N/A	N/A
BCH IBEX 35 C FIM	N/A	13.49	9.47	0.08	N/A	N/A	N/A
S.BOLSA EUROP. AS.2 FIM	N/A	13.44	11.25	3.09	N/A	N/A	N/A
ABBEY BOLSA II FIM	N/A	12.52	6.52	0.82	N/A	N/A	N/A
EUROVALOR IBEX 35B FIM	N/A	12.39	4.32	0.70	N/A	N/A	N/A
ARGENT. FONDBOLSA-A FIM	N/A	12.20	3.35	0.41	N/A	N/A	N/A
ARGENT. FONDBOLSA-B FIM	N/A	12.19	3.37	0.59	N/A	N/A	N/A
S.BOLSA ASEGURADO 2 FIM	N/A	12.03	1.94	2.81	N/A	N/A	N/A
IBERCAJA INDEX FIM	N/A	11.94	3.02	0.54	N/A	N/A	N/A
MADRID BOLSA 50 FIM	N/A	11.64	3.39	1.20	N/A	N/A	N/A
S.BOLSA ASEGURADO 3 FIM	N/A	11.50	2.76	1.43	N/A	N/A	N/A
BSN INDICES FIM	N/A	11.24	3.38	0.43	N/A	N/A	N/A
BBV IBEX 2 PROTEG. FIM	N/A	10.79	3.72	0.74	N/A	N/A	N/A
FONDPREMIER 5 FIM	N/A	10.71	5.24	0.38	N/A	N/A	N/A
OPEN BANK IBEX 35 FIM	N/A	10.42	2.63	0.75	N/A	N/A	N/A
FONCAIXA 20 FIM	N/A	10.24	7.33	1.31	N/A	N/A	N/A
BCH IBEX 35 B FIM	N/A	9.40	2.59	2.79	N/A	N/A	N/A
AB IBEXAHORRO GAR. FIM	N/A	7.83	2.77	0.90	N/A	N/A	N/A
BM-BOLSA SUPERGAR. FIM	N/A	7.35	2.50	1.74	N/A	N/A	N/A
CAI BOLSA GARANT. FIM	N/A	6.27	2.85	0.89	N/A	N/A	N/A
PLUSVALIA 2000 FIM	N/A	0.75	1.47	1.73	N/A	N/A	N/A

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**FIM WITH EXTERNALLY GUARANTEED VARIABLE RETURNS (VARIABLE-INCOME)**

	Returns (%)						Standard deviation (*)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1995	
MADRID EUR. GAR.100 FIM	N/A	N/A	7.12	-0.08	N/A	N/A	N/A
BBV EUROINDICES GAR FIM	N/A	N/A	5.43	2.72	N/A	N/A	N/A
CAIXA CREIXEMENT FIM	N/A	N/A	5.15	-0.16	N/A	N/A	N/A
FON FINECO EUROLID. FIM	N/A	N/A	4.97	0.78	N/A	N/A	N/A
C. LAB. BOLSA GAR. FIM	N/A	N/A	4.80	-0.47	N/A	N/A	N/A
URQUIJO IBEX GAR. 2 FIM	N/A	N/A	4.57	1.02	N/A	N/A	N/A
MARCH IBEX GARANT. FIM	N/A	N/A	4.50	0.99	N/A	N/A	N/A
BG CAPITAL ASEGUR. FIM	N/A	N/A	3.76	1.22	N/A	N/A	N/A
FONDCOMERCIO IBEX FIM	N/A	N/A	3.52	0.15	N/A	N/A	N/A
C.LAB.BOLSA GAR.II FIM	N/A	N/A	3.35	-1.33	N/A	N/A	N/A
CAJABUR. IBEX GAR. FIM	N/A	N/A	3.32	-0.54	N/A	N/A	N/A
BK 2000 IBEX 2 FIM	N/A	N/A	3.19	0.54	N/A	N/A	N/A
KUTXAINDEX FIM	N/A	N/A	3.06	1.07	N/A	N/A	N/A
FONCAIXA FUTURO 24 FIM	N/A	N/A	2.94	-0.46	N/A	N/A	N/A
VITAL IBEX PLUS FIM	N/A	N/A	2.92	1.26	N/A	N/A	N/A
FONCOMERCIO IBEX 2 FIM	N/A	N/A	2.88	-0.57	N/A	N/A	N/A
AC CAPITAL 2 FIM	N/A	N/A	2.82	1.45	N/A	N/A	N/A
BM-IBEX PLUS GAR. FIM	N/A	N/A	2.79	-1.05	N/A	N/A	N/A
VITAL IBEX FIM	N/A	N/A	2.75	1.11	N/A	N/A	N/A
ZARAGOZANO BOLSA FIM	N/A	N/A	2.73	-1.00	N/A	N/A	N/A
BANESTO GARANT 2000 FIM	N/A	N/A	2.71	1.35	N/A	N/A	N/A
FONCAIXA 21 FIM	N/A	N/A	2.69	1.14	N/A	N/A	N/A
GESTINOVA IBEX GAR. FIM	N/A	N/A	2.66	-0.17	N/A	N/A	N/A
GESTINOVA INDI. GAR.FIM	N/A	N/A	2.40	-1.62	N/A	N/A	N/A
ARGENT. FONDBOLSA-C FIM	N/A	N/A	2.30	1.47	N/A	N/A	N/A
INDEXNAVARRA-1 FIM	N/A	N/A	2.29	2.72	N/A	N/A	N/A
CRV NORIBEX GARANT. FIM	N/A	N/A	2.28	0.92	N/A	N/A	N/A
CAJA INGEN. GARANT. FIM	N/A	N/A	2.25	0.90	N/A	N/A	N/A
BANESTO GARAN.2001 FIM	N/A	N/A	2.21	-0.71	N/A	N/A	N/A
SANT. SP500 ASEG. FIM	N/A	N/A	2.21	1.71	N/A	N/A	N/A
ARGENT. FONDBOLSA-D FIM	N/A	N/A	2.19	1.44	N/A	N/A	N/A
ZARAGOZANO RENTA II FIM	N/A	N/A	2.16	0.15	N/A	N/A	N/A
BANIF BOL.MUNDIALES FIM	N/A	N/A	2.01	0.96	N/A	N/A	N/A
BCH EUROPA FIM	N/A	N/A	1.95	2.83	N/A	N/A	N/A
IBERCAJA INDEX 2 FIM	N/A	N/A	1.95	0.40	N/A	N/A	N/A
FIBANC EUROPA GARAN.FIM	N/A	N/A	1.76	1.34	N/A	N/A	N/A
IBERCAJA EUROBOLSAS FIM	N/A	N/A	1.70	1.11	N/A	N/A	N/A
FONCATALANA 7 GLOB. FIM	N/A	N/A	1.55	0.71	N/A	N/A	N/A
RURAL AHORRO FIM	N/A	N/A	1.42	1.21	N/A	N/A	N/A
SBD IBEX2 FIM	N/A	N/A	1.08	-2.47	N/A	N/A	N/A
EUROV.IBEX-35 ASEG. FIM	N/A	N/A	0.98	0.49	N/A	N/A	N/A
EUROBOLSA ATLANTICO FIM	N/A	N/A	0.96	-4.18	N/A	N/A	N/A
BANESTO GARAN.2001A FIM	N/A	N/A	0.86	1.30	N/A	N/A	N/A
SANT. LATIN.ASEGUR. FIM	N/A	N/A	0.12	-4.88	N/A	N/A	N/A
GARANTIBEX-35 FIM	N/A	N/A	0.02	2.55	N/A	N/A	N/A
AC CAPITAL 1 FIM	N/A	N/A	0.01	0.87	N/A	N/A	N/A
FONBOLSA STAR FIM	N/A	N/A	-1.52	-1.45	N/A	N/A	N/A
MADRID BOLSA EXTRA FIM	N/A	N/A	N/A	7.55	N/A	N/A	N/A

(Continued)

A.4.6. SECURITIES INVESTMENT. FIM. INDIVIDUAL RETURNS. 1997**FIM WITH EXTERNALLY GUARANTEED VARIABLE RETURNS (VARIABLE-INCOME)**

	Returns (%)						Standard deviation (*)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1995	
EUROVALOR IBEX 35C FIM	N/A	N/A	N/A	6.70	N/A	N/A	N/A
BANESTO G BOLSA 2000A FIM	N/A	N/A	N/A	4.96	N/A	N/A	N/A
BK PLUSVALIA 2 FIM	N/A	N/A	N/A	3.65	N/A	N/A	N/A
S.BOLSA EUROP. AS.3 FIM	N/A	N/A	N/A	3.25	N/A	N/A	N/A
UNIFOND BOLSA I FIM	N/A	N/A	N/A	2.72	N/A	N/A	N/A
BSN SELECCION GAR. FIM	N/A	N/A	N/A	2.27	N/A	N/A	N/A
ARG.FONDBOLSA INT.B FIM	N/A	N/A	N/A	2.04	N/A	N/A	N/A
ARG.FONDBOLSA INT.A FIM	N/A	N/A	N/A	1.87	N/A	N/A	N/A
IBERCAJA INDEX 3 FIM	N/A	N/A	N/A	1.26	N/A	N/A	N/A
ARG. FONDBOLSA 1-A FIM	N/A	N/A	N/A	1.17	N/A	N/A	N/A
ARG. FONDBOLSA 1-B FIM	N/A	N/A	N/A	1.15	N/A	N/A	N/A
CAJA INGEN. GARAN.2 FIM	N/A	N/A	N/A	0.85	N/A	N/A	N/A
BBV IBEX 3 FIM	N/A	N/A	N/A	0.24	N/A	N/A	N/A
GAREXMED FIM	N/A	N/A	N/A	0.01	N/A	N/A	N/A
FONDCOMERCIO IBEX 3 FIM	N/A	N/A	N/A	-0.01	N/A	N/A	N/A
BI FONDO 2002 FIM	N/A	N/A	N/A	-0.38	N/A	N/A	N/A

FIM with externally guaranteed variable returns (variable-income): FIM with a variable minimum return granted to unit holders. Guarantee in force at the end of 1997.

(*) Standard deviation of the fund's monthly returns in 1997.

Only investment funds registered at the beginning of the period are included.

N/A: Not applicable.

FIM WITH INTERNALLY GUARANTEED VARIABLE RETURNS (VARIABLE-INCOME)

	Returns (%)						Standard deviation (*)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1995	
AB IBEXFONDO GARAN. FIM	3.65	15.90	4.50	-1.25	23.97	N/A	4.26
KUTXAINDEX2 FIM	N/A	N/A	N/A	7.65	N/A	N/A	N/A
AB IBEXFONDO 2 FIM	N/A	N/A	N/A	-0.04	N/A	N/A	N/A
SBD INTERN. GARANT. FIM	N/A	N/A	N/A	-1.46	N/A	N/A	N/A
AB IBEXPLUS 2 FIM	N/A	N/A	N/A	-6.98	N/A	N/A	N/A
EJECUTIVOS 200 FIM	N/A	N/A	N/A	-14.48	N/A	N/A	N/A

FIM with internally guaranteed variable returns (variable-income): FIM with a variable minimum return granted to the fund itself. Guarantee in force at the end of 1997.

(*) Standard deviation of the fund's monthly returns in 1997.

Only investment funds registered at the beginning of the period are included.

N/A: Not applicable.

At year-end 1997 there were no registered investment funds with internally guaranteed fixed returns.

A.4.7. SECURITIES INVESTMENT. FIAMM. DISTRIBUTION OF TOTAL ASSETS AT EFFECTIVE VALUE

Amounts in millions of pesetas

	31-12-97		31-12-96		Change	
	Amount	% of total assets	Amount	% of total assets	Amount	%
1. Total assets	10,165,745	100.00	9,496,438	100.00	669,307	7.05
2. Liquidity	583,178	5.74	389,312	4.10	193,866	49.80
3. Portfolio investment	9,591,444	94.35	9,109,234	95.92	482,210	5.29
3.1. Domestic portfolio	9,428,172	92.74	9,039,213	95.19	388,959	4.30
3.1.1. Non-Government bonds	93,587	0.92	47,295	0.50	46,292	97.88
3.1.2. Govt. Bonds	167,559	1.65	95,538	1.01	72,021	75.38
3.1.3. Treasury bills	3,979,837	39.15	4,356,507	45.88	-376,670	-8.65
3.1.4. Other Government securities	51,999	0.51	42,228	0.44	9,771	23.14
3.1.5. Reverse repos	4,991,614	49.10	4,422,602	46.57	569,012	12.87
3.1.6. Private money market assets	142,560	1.40	74,867	0.79	67,693	90.42
3.1.7. Warrants and options	1,016	0.01	176	0.00	840	-
3.2. Foreign portfolio	163,272	1.61	70,021	0.74	93,251	133.18
3.2.1. Bonds	128,628	1.27	41,085	0.43	87,543	213.08
3.2.2. Money market assets	34,511	0.34	27,664	0.29	6,847	24.75
3.2.3. Warrants and options	133	0.00	1,272	0.01	-1,139	-89.54
4. Net balance (debtors - creditors)	-8,877	-0.09	-2,108	-0.02	-6,769	321.11

A.4.8. SECURITIES INVESTMENT. FIAMM. BREAKDOWN OF CHANGE IN ASSETS

Amounts in millions of pesetas

	1997								Accumulated			
	First quarter		Second quarter		Third quarter		Fourth quarter		1997		1996	
	Amounts	% of avg. daily funds	Amounts	% of avg. daily funds	Amounts	% of avg. daily funds	Amounts	% of avg. daily funds	Amounts	% of avg. daily funds	Amounts	% of avg. daily funds
Change in assets	249,319		71,529		200,221		148,238		669,307		2,503,211	
Net subscriptions and redemptions	138,458		-40,182		99,210		50,261		247,747		1,937,937	
Returns	110,861	1.15	111,711	1.14	101,011	1.02	97,977	0.97	421,560	4.27	565,274	6.68
Fixed-income interests	144,783	1.50	137,006	1.40	129,457	1.30	122,537	1.78	533,783	5.41	642,845	7.60
Banking interests	6,404	0.07	6,292	0.06	6,742	0.07	6,370	0.06	25,808	0.26	28,565	0.34
Total changes in fixed-income prices (whether or not realised)	-6,534	-0.07	2,109	0.02	-1,063	-0.01	3,673	0.04	-1,815	-0.02	14,179	0.17
Results from derivatives	-308	0.00	405	0.00	395	0.00	325	0.00	817	0.01	1,768	0.02
Management fee expenses	-29,394	-0.30	-30,205	-0.31	-30,620	-0.31	-30,914	-0.31	-121,133	-1.23	-105,661	-1.25
Custody fee expenses	-2,251	-0.02	-2,351	-0.02	-2,340	-0.02	-2,590	-0.03	-9,532	-0.10	-8,166	-0.10
Foreign exchange differences	-371	0.00	-62	0.00	-27	0.00	110	0.00	-350	0.00	-1,295	-0.02
Other positive returns	53	0.00	49	0.00	9	0.00	-21	0.00	90	0.00	42	0.00
Other negative returns	-1,521	-0.02	-1,532	-0.02	-1,542	-0.02	-1,513	-0.02	-6,108	-0.06	-7,003	-0.08

A.4.9. SECURITIES INVESTMENT. FIAMM. INDIVIDUAL RETURNS. 1997

	Returns (%)						Standard deviation (*) (%)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1992	
SANTANDER DIVISA FIAMM	4.58	3.12	2.80	1.85	12.91	N/A	1.75
FONDHIPOTECARIO FIAMM	1.35	1.48	1.21	1.58	5.74	48.48	0.13
HISPAMER DINERO 1 FIAMM	1.40	1.53	1.02	1.55	5.62	N/A	0.14
MUTUAFONDO DINERO FIAMM	1.46	1.36	1.34	1.31	5.60	N/A	0.06
MULTIFONDO PASTOR FIAMM	1.39	1.45	1.37	1.15	5.47	44.87	0.08
SG MIBOR FIAMM	1.31	1.32	1.23	1.39	5.36	N/A	N/A
FIBANC PREMIER FIAMM	1.54	1.16	1.08	1.23	5.10	N/A	0.09
PROFIT DINERO FIAMM	1.32	1.29	1.17	1.22	5.09	46.82	0.06
BANIF MONETARIO FIAMM	1.24	1.41	1.17	1.17	5.09	N/A	0.06
CITICASH FUND FIAMM	1.34	1.27	1.21	1.14	5.05	N/A	N/A
CAVALDINER PLUS FIAMM	1.35	1.28	1.19	1.14	5.05	N/A	0.03
ALCALA DINERO FIAMM	0.89	1.82	0.92	1.28	5.01	N/A	0.14
BNP CASH FIAMM	1.23	1.32	1.22	1.15	5.01	N/A	0.06
SANTANDER TR FIAMM	1.33	1.33	1.19	1.04	4.98	46.50	0.05
SEGURFONDO FIAMM	1.25	1.21	1.19	1.22	4.96	47.62	0.06
FONDIRECTO FIAMM (GE)	1.11	1.38	1.07	1.29	4.94	46.82	0.17
FONDO 25 FIAMM	1.30	1.27	1.17	1.11	4.93	N/A	0.06
CAVALDINER ORO FIAMM	1.33	1.24	1.15	1.09	4.89	N/A	0.03
MULTIF. 2 PASTOR FIAMM	1.16	1.22	1.22	1.21	4.89	N/A	0.08
BSN DINERO FIAMM	1.26	1.26	1.16	1.07	4.83	47.37	0.04
DB DINERPLUS FIAMM	1.37	1.23	1.10	1.03	4.82	N/A	0.08
EUROVALOR TR FIAMM	1.23	1.22	1.16	1.11	4.80	N/A	0.07
FONDCOMERCIO MT FIAMM	1.20	1.30	1.13	1.08	4.79	46.16	0.09
BCH FONDIMO 1 FIAMM	1.26	1.27	1.10	1.07	4.78	45.71	0.06
INVERCATALANA 3 FIAMM	1.13	1.33	1.17	1.06	4.77	45.15	0.08
CHASE AHORRO I FIAMM	1.30	1.18	1.13	1.07	4.77	N/A	0.05
VALENCIA ORO FIAMM	1.28	1.20	1.14	1.06	4.76	N/A	0.03
LUSO DINERO FIAMM	1.28	1.18	1.12	1.09	4.76	N/A	0.04
KUTXAPLUS FIAMM	1.24	1.23	1.12	1.07	4.74	46.25	0.06
INDOSUEZ ORO FIAMM	1.30	1.17	1.10	1.05	4.71	45.82	0.03
EUROVALOR 3 FIAMM	1.26	1.19	1.11	1.06	4.70	45.83	0.06
BETA DINERO FIAMM	1.18	1.22	1.12	1.10	4.70	46.17	0.04
BCH FONDIMO 2 FIAMM	1.25	1.25	1.07	1.05	4.70	45.83	0.05
PRIVANZA DINERO FIAMM	1.22	1.23	1.09	1.07	4.69	45.23	0.06
GDS SERVIFONDO II FIAMM	1.25	1.14	1.10	1.10	4.68	44.50	0.04
BBV DINERO FIAMM	1.15	1.25	1.12	1.08	4.68	45.32	0.06
BANKOIA TESORERIA FIAMM	1.27	1.19	1.08	1.03	4.65	N/A	0.07
FIBANC FONDINER FIAMM	1.38	1.04	1.00	1.14	4.63	40.26	0.08
AC CUENTA FT FIAMM	1.20	1.18	1.08	1.06	4.61	44.26	0.03
HERRERO TESORERIA FIAMM	1.25	1.14	1.10	1.05	4.61	N/A	N/A
PREMIERMED FIAMM	1.24	1.14	1.09	1.07	4.61	N/A	N/A
TOP CASH FIAMM	1.26	1.37	1.73	0.17	4.60	44.05	0.31
BANKPYME FV FIAMM	1.11	1.28	1.07	1.07	4.60	N/A	0.12
PROMOACTIVOS FIAMM	1.23	1.19	1.07	1.02	4.59	44.71	0.03
LLOYDS TESORERIA FIAMM	1.12	1.18	1.12	1.08	4.58	N/A	0.04
BK DINERO 96 FIAMM	1.08	1.27	1.12	1.03	4.57	N/A	0.11
DB DINER II FIAMM	1.25	1.18	1.07	0.98	4.56	N/A	0.06
EXTRADIN. BANESTO FIAMM	1.12	1.22	1.11	1.02	4.55	N/A	0.06
BANIF DINERO FIAMM	1.06	1.30	1.08	1.03	4.54	45.71	0.04
SANT MONETARIO FIAMM	1.33	1.10	1.03	1.01	4.54	N/A	0.06
EXTRAD.BANVITORIA FIAMM	1.14	1.23	1.08	1.02	4.54	N/A	0.06
CAVALDINER 2 FIAMM	1.21	1.16	1.08	1.02	4.54	N/A	0.03

(Continued)

A.4.9. SECURITIES INVESTMENT. FIAMM. INDIVIDUAL RETURNS. 1997

	Returns (%)						Standard deviation (*) (%)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1992	
DINER B&M FIAMM	1.16	1.13	1.07	1.10	4.53	43.88	0.07
DB DINER FIAMM	1.24	1.18	1.06	0.98	4.53	43.86	0.06
BSN TR FT FIAMM	1.17	1.18	1.10	1.01	4.53	45.67	0.04
FONDEUDA EFVO FT FIAMM	1.15	1.17	1.09	1.04	4.52	44.41	0.05
PLUSMED FIAMM	1.27	1.13	1.05	1.00	4.52	N/A	0.03
URQUIJO MONETARIO FIAMM	1.17	1.16	1.07	1.04	4.51	N/A	0.03
CATALUNYA PLUS FIAMM	1.17	1.14	1.11	1.00	4.49	N/A	N/A
TIBESTFOND FIAMM	1.19	1.16	1.03	1.02	4.48	44.87	0.03
CAI DINERO FIAMM	1.18	1.18	1.05	0.99	4.47	N/A	0.03
INVERCATALANA 1 FIAMM	1.13	1.16	1.06	1.02	4.43	43.08	0.04
BBV MONETARIO FIAMM	1.11	1.19	1.07	1.00	4.43	N/A	0.07
NAVARRA TESORERIA FIAMM	1.21	1.10	1.06	0.99	4.43	N/A	N/A
AC DINERO FIAMM	1.22	1.08	1.05	1.00	4.42	42.97	N/A
BG MONETARIO FIAMM	1.19	1.12	1.04	1.00	4.42	N/A	0.03
RURAL DINERO FIAMM	1.11	1.16	1.07	1.01	4.42	N/A	0.05
MERCHBANC FT FIAMM	1.22	1.09	1.05	0.98	4.41	44.12	N/A
ZARADINER FIAMM	1.18	1.07	1.04	1.04	4.40	44.37	0.04
RURALRENTA FV FIAMM	1.18	1.14	1.02	0.99	4.40	42.37	0.04
PREVICUENTA FIAMM	1.08	1.01	1.09	1.13	4.39	42.94	0.07
DINERCAM FIAMM	1.22	1.06	1.03	1.00	4.38	N/A	N/A
BK DINERO FIAMM	1.26	1.09	0.99	0.96	4.37	45.62	0.06
UNIFOND DINERO FIAMM	1.10	1.22	0.95	1.03	4.37	42.25	0.07
CRV FONDINERO FIAMM	1.12	1.16	0.99	1.01	4.36	N/A	0.03
FONDCOMERCIO DR FIAMM	1.10	1.17	1.02	0.99	4.35	42.37	0.07
SUPERFONDO ST FIAMM	1.19	1.14	1.07	0.88	4.35	41.85	0.04
ESPIRITO SANTO DR FIAMM	1.26	1.14	1.00	0.88	4.35	N/A	0.04
FONDO 111 FIAMM	1.16	1.13	1.00	0.96	4.32	N/A	0.03
FONSCATALONIA 2 FIAMM	1.15	1.13	1.02	0.96	4.32	N/A	N/A
DINERFONDO FIAMM	1.14	1.14	1.00	0.96	4.31	41.98	0.03
INVERCATALANA 2 FIAMM	1.04	1.14	1.06	0.99	4.31	41.79	0.06
BK DINERO 95 FIAMM	1.12	1.16	0.99	0.97	4.31	N/A	0.07
CAJACANARIAS DR FIAMM	1.14	1.14	1.00	0.96	4.30	N/A	0.03
B.C.H. FONDIMO 3 FIAMM	1.15	1.17	0.96	0.95	4.30	N/A	0.06
MEDINER FIAMM	1.17	1.01	0.94	1.11	4.29	39.24	0.08
BBV ACTIVOS FT FIAMM	1.07	1.13	1.04	0.98	4.29	42.91	0.08
SANTANDER DR FT FIAMM	1.21	1.18	0.94	0.89	4.28	42.31	0.05
FONCAIXA 6 FIAMM	1.55	1.36	1.20	1.13	4.27	33.80	0.03
VITALDINERO FIAMM	1.05	1.19	1.01	0.96	4.27	N/A	0.07
URQUIJO DINERO FIAMM	1.15	1.09	0.98	0.97	4.26	42.58	0.03
DINERMADRID FT FIAMM	1.14	1.11	1.00	0.95	4.26	43.43	0.03
CAIXA GALICIA DR FIAMM	1.12	1.09	1.02	0.96	4.26	N/A	0.04
DINERATLANTICO FIAMM	1.16	1.09	1.00	0.93	4.25	42.50	0.03
IBERDINERO II FT FIAMM	1.18	1.06	1.00	0.94	4.25	42.88	0.03
JP MORGAN DINERO FIAMM	1.16	1.10	1.02	0.89	4.24	41.87	0.04
AHORRO ACTIVO FT FIAMM	1.23	1.03	1.00	0.92	4.24	42.44	0.03
URQUIJO TESORERIA FIAMM	1.15	1.08	0.98	0.96	4.24	N/A	0.03
CREDIT AGRIC. MERCADINERO FIAMM ...	1.11	1.12	0.99	0.95	4.24	N/A	0.04
LLOYDS MONEY FIAMM	1.11	1.07	1.00	0.96	4.22	42.76	0.05
CAJA MURCIA DR FIAMM	1.12	1.11	0.98	0.95	4.22	40.56	0.03
FONJALON FIAMM	1.12	1.11	0.97	0.95	4.22	N/A	0.06

(Continued)

A.4.9. SECURITIES INVESTMENT. FIAMM. INDIVIDUAL RETURNS. 1997

	Returns (%)						Standard deviation (*) (%)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1992	
DINERNAVARRA FIAMM	1.22	1.10	0.97	0.84	4.20	41.18	0.03
DINERPAMPLONA FIAMM	1.12	1.09	0.99	0.93	4.20	N/A	0.03
BIZKAIFONDO FIAMM	1.14	1.10	0.94	0.94	4.19	42.62	0.05
CUENTAFONDO FIAMM	1.10	1.05	0.97	1.01	4.19	36.60	0.07
FONGENERAL DINERO FIAMM	1.11	1.10	0.98	0.93	4.19	N/A	0.03
FON FINECO DINERO FIAMM	1.11	1.07	1.00	0.94	4.19	N/A	N/A
SANPAOLO FIAMM	1.19	1.03	1.00	0.92	4.19	N/A	0.04
GAESCO FONDO FT FIAMM	1.27	0.96	0.98	0.90	4.18	41.61	0.08
CAVALTESORO FV FIAMM	1.16	1.05	0.98	0.92	4.18	N/A	0.03
MARCH DINERO FIAMM	1.11	1.09	0.98	0.93	4.18	N/A	0.03
FONDCIRCULO DR FIAMM	1.10	1.11	0.96	0.93	4.17	N/A	0.03
SOLBANK DINERO FIAMM	1.18	1.00	0.94	0.98	4.17	N/A	0.03
BI MULTIDINERO FIAMM	1.13	1.02	0.96	0.97	4.14	38.35	N/A
INTERCASH FIAMM	1.14	1.02	0.99	0.93	4.14	N/A	N/A
FONDPREMIER DR FIAMM	1.13	0.99	1.06	0.89	4.14	N/A	0.07
FONMANRESA FIAMM	1.09	1.11	0.90	0.97	4.13	40.62	0.05
KUTXARENT FIAMM	1.09	1.09	0.97	0.92	4.13	41.81	0.06
BCH MONETARIO FT FIAMM	1.07	1.07	0.98	0.92	4.11	42.62	0.05
GESTI ALMAGRO FIAMM	1.16	1.02	0.95	0.91	4.11	N/A	0.04
FINGEST DINERO FIAMM	1.07	1.08	0.98	0.90	4.10	41.54	0.12
FONDINERO FIAMM	1.04	1.08	0.99	0.94	4.10	N/A	0.04
FONPENEDAS DINER FIAMM	1.07	1.11	0.89	0.97	4.10	N/A	0.11
ARGENT. BEX DINER FIAMM	1.02	1.09	0.88	1.03	4.09	42.15	0.10
BG DINERO FIAMM	1.16	1.05	0.93	0.89	4.09	41.74	0.03
AB DINERPLUS FIAMM	1.08	1.08	0.95	0.92	4.08	42.36	0.06
DINERBANC FIAMM	1.12	1.02	0.99	0.90	4.08	N/A	0.03
INDOSUEZ TR FIAMM	1.14	1.04	0.89	0.94	4.07	40.96	0.04
DINERBURGOS FIAMM	1.13	1.02	0.96	0.90	4.07	40.05	0.03
FONGESTION FIAMM	1.08	1.08	0.94	0.90	4.06	40.26	0.03
INVERDINER FIAMM	1.08	1.08	0.94	0.91	4.06	40.43	0.03
FONCAIXA 12 FIAMM	1.10	1.00	0.96	0.94	4.06	42.02	0.03
IBERLION DINERO FIAMM	1.04	1.12	0.94	0.90	4.06	39.85	0.04
DINERO21 FIAMM	1.09	1.07	0.98	0.85	4.06	41.73	0.05
FONDJOVER FIAMM	1.04	1.12	0.94	0.90	4.06	39.85	0.05
NOVODINER FIAMM	1.08	1.08	0.94	0.90	4.05	40.66	0.03
BENKERS TESORERIA FIAMM	1.06	1.11	0.92	0.90	4.05	N/A	0.04
FONDMADRID FIAMM	1.10	1.06	0.93	0.88	4.04	41.46	0.04
DINERACTIVO FIAMM	1.00	1.10	0.99	0.89	4.04	39.65	0.06
IBERAGENTES DR FT FIAMM	1.04	1.05	0.96	0.92	4.03	41.20	N/A
DINERCOOP FIAMM	1.17	0.97	0.96	0.87	4.03	40.66	0.03
LAIDINER DOS FIAMM	1.17	1.02	0.93	0.83	4.02	40.19	0.03
FONDO LUSO FIAMM	1.11	1.03	0.92	0.89	4.02	41.03	0.03
INGENIEROS DINERO FIAMM	1.05	1.01	0.98	0.91	4.01	N/A	0.04
FONDMAFRE DINERO FIAMM	1.11	1.00	0.94	0.89	4.00	40.90	0.03
DINERABADELL FIAMM	1.10	0.97	0.93	0.94	4.00	N/A	0.03
LAIDINER FIAMM	1.16	1.01	0.92	0.83	3.99	40.31	0.03
FONCUENTA FIAMM	1.20	0.93	0.97	0.83	3.99	40.39	0.07
BANKEUROPA MT FIAMM	1.09	0.98	0.95	0.93	3.99	N/A	0.04
BROKERDINER FIAMM	1.16	1.03	0.93	0.80	3.98	41.31	0.06
IBERCUENTA FIAMM	1.02	1.09	0.91	0.88	3.96	39.97	0.05

(Continued)

A.4.9. SECURITIES INVESTMENT. FIAMM. INDIVIDUAL RETURNS. 1997

	Returns (%)						Standard deviation (*) (%)
	First quarter	Second quarter	Third quarter	Fourth quarter	1997	Accrued since 1992	
CITIMONEY FIAMM	1.06	1.03	0.93	0.88	3.96	40.60	0.03
ARG. POSTALDINER FIAMM	0.99	1.07	0.85	0.98	3.95	42.22	0.10
IBERCAJA DINERO FIAMM	1.04	1.04	0.92	0.90	3.95	41.12	0.04
CAVALDINER FIAMM	1.12	1.00	0.91	0.85	3.95	39.94	0.03
ATLAS RENTA FIAMM	1.04	1.06	0.91	0.87	3.95	40.29	0.06
HERRERO MONETARIO FIAMM	1.12	1.01	0.91	0.86	3.95	40.01	0.03
CAJA LABORAL DR FIAMM	1.15	0.98	0.89	0.84	3.93	40.17	0.03
FONDESPAÑA II FIAMM	1.05	1.04	0.92	0.87	3.93	N/A	0.03
DINER 2000 FIAMM	1.09	1.02	0.91	0.86	3.93	N/A	0.06
KUTXARENT2 FIAMM	0.99	1.04	0.94	0.90	3.93	N/A	0.04
FONDUERO DINERO FIAMM	1.02	0.98	0.94	0.92	3.92	N/A	N/A
AHORROMED FIAMM	1.05	0.98	0.93	0.90	3.92	N/A	N/A
EBN CAPITAL FIAMM	1.11	0.99	0.91	0.85	3.91	40.19	0.03
VALENCIA DINERO FIAMM	1.10	0.98	0.92	0.85	3.91	N/A	0.03
CAIXASAB. 1-DINER FIAMM	1.00	1.04	0.93	0.88	3.90	40.68	0.03
ZARAGOZANO DR FIAMM	1.09	0.98	0.91	0.85	3.90	40.38	0.05
BBV DINER RENTA FIAMM	1.09	0.99	0.91	0.85	3.89	40.32	0.03
FONTARRACO DINERO FIAMM	1.09	1.00	0.90	0.85	3.88	39.86	0.03
DINERKOA FIAMM	1.06	1.00	0.90	0.86	3.88	40.66	0.03
CATALUNYA DINER FIAMM	1.05	0.98	0.95	0.84	3.87	40.44	0.03
CANARIAS DINERO FIAMM	1.03	1.01	0.90	0.86	3.85	N/A	0.03
DINERMED FIAMM	1.10	0.95	0.88	0.83	3.81	40.21	0.03
FONDBARCLAYS DR FIAMM	1.18	0.82	0.91	0.83	3.79	42.96	0.06
DINERNAVARRA 2 FIAMM	1.05	0.94	0.90	0.83	3.77	N/A	N/A
CTA FISCAL ORO FIAMM	0.99	1.01	0.82	0.81	3.67	41.02	0.06
CTA FISCAL ORO I FIAMM	0.98	1.01	0.82	0.81	3.67	40.74	0.06
BK MONETARIO FIAMM	0.97	1.01	0.82	0.81	3.65	40.69	0.06
MULTIDINERO FIAMM	0.86	1.04	0.81	0.84	3.60	36.32	0.09
FONDBARCLAYS DR 2 FIAMM	N/A	3.64	1.36	0.41	N/A	N/A	N/A
KUTXADINERO FIAMM	N/A	1.77	1.09	1.06	N/A	N/A	N/A
FONDINERO GALLEGO FIAMM	N/A	1.41	1.26	1.21	N/A	N/A	N/A
DINERMADRID FT 2 FIAMM	N/A	1.11	2.81	0.50	N/A	N/A	N/A
MADRID FOND ORO FIAMM	N/A	1.11	1.14	1.10	N/A	N/A	N/A
ABBAY DINERO FT FIAMM	N/A	1.11	1.03	0.95	N/A	N/A	N/A
HERRERO DINERO FIAMM	N/A	1.08	0.98	0.93	N/A	N/A	N/A
ARG. BEX DINER 2 FIAMM	N/A	1.07	1.06	1.02	N/A	N/A	N/A
AR. POSTALDINER 2 FIAMM	N/A	1.03	1.09	1.01	N/A	N/A	N/A
TARRAGONAFONS 1 FIAMM	N/A	1.01	0.88	0.84	N/A	N/A	N/A
ASTURFONDO DINERO FIAMM	N/A	0.99	0.94	0.91	N/A	N/A	N/A
BANDESCO MONETAR. FIAMM	N/A	N/A	1.09	1.05	N/A	N/A	N/A
CITIDINERO FIAMM	N/A	N/A	1.06	1.10	N/A	N/A	N/A
CAJA LAB. AHORRO FIAMM	N/A	N/A	1.03	1.12	N/A	N/A	N/A
DINERNAVARRA-3 FIAMM	N/A	N/A	0.98	0.91	N/A	N/A	N/A

(*) Standard deviation of the fund's monthly returns in 1997.

Only investment funds registered at the beginning of the period are included.

N/A: Not applicable.

(GE): FIAMM with externally guaranteed returns.

A.4.10. SECURITIES INVESTMENT. GUARANTEED FUNDS (*). DISTRIBUTION OF TOTAL ASSETS AT EFFECTIVE VALUE

Amounts in millions of pesetas

	31/12/97		31/12/96		Change	
	Amount	% of total assets	Amount	% of total assets	Amount	%
1. Total assets	4,772,369	100.00	1,750,352	100.00	3,022,017	172.65
2. Liquidity	255,456	5.35	79,781	4.56	175,675	220.20
3. Portfolio investment	4,534,421	95.01	1,682,256	96.11	2,852,165	169.54
3.1. Domestic portfolio	4,290,230	89.90	1,661,341	94.91	2,628,889	158.24
3.1.1. Shares	7,219	0.15	1,974	0.11	5,245	265.70
3.1.2. Investment fund units	0	0.00	0	0.00	0	-
3.1.3. Non-Government bonds	793,038	16.62	190,499	10.88	602,539	316.30
3.1.4. Govt. bonds	2,331,275	48.85	998,072	57.02	1,333,203	133.58
3.1.5. Treasury bills	284,298	5.96	91,495	5.23	192,803	210.73
3.1.6. Other Government securities	163,580	3.43	107,866	6.16	55,714	51.65
3.1.7. Reverse repos	676,127	14.17	269,063	15.37	407,064	151.29
3.1.8. Private money market assets	708	0.01	633	0.04	75	11.85
3.1.9. Warrants and options	33,985	0.71	1,739	0.10	32,246	1,854.28
3.2. Foreign portfolio	244,191	5.12	20,915	1.19	223,276	1,067.54
3.2.1. Shares	0	0.00	0	0.00	0	-
3.2.2. Investment fund units	0	0.00	0	0.00	0	-
3.2.3. Bonds	172,317	3.61	19,063	1.09	153,254	803.93
3.2.4. Money market assets	16,563	0.35	393	0.02	16,170	4,114.50
3.2.5. Warrants and options	55,311	1.16	1,459	0.08	53,852	3,691.02
4. Net balance (debtors - creditors)	-17,508	-0.37	-11,685	-0.67	-5,823	49.83

A.4.11. SECURITIES INVESTMENT. SIM. DISTRIBUTION OF TOTAL ASSETS AT EFFECTIVE VALUE

Amounts in millions of pesetas

	12/31/97		12/31/96		Change	
	Amount	% of total assets	Amount	% of total assets	Amount	%
1. Total assets	448,336	100.00	375,622	100.00	72,714	19.36
2. Liquidity	14,521	3.24	13,055	3.48	1,466	11.23
3. Portfolio investment	429,642	95.83	360,114	95.87	69,528	19.31
3.1. Domestic portfolio	374,564	83.55	322,742	85.92	51,822	16.06
3.1.1. Shares	207,029	46.18	141,691	37.72	65,338	46.11
3.1.2. Investment fund units	2,019	0.45	1,185	0.32	834	70.38
3.1.3. Non-Government bonds	14,013	3.13	17,331	4.61	-3,318	-19.14
3.1.4. Govt. Bonds	34,338	7.66	42,118	11.21	-7,780	-18.47
3.1.5. Treasury bills	9,023	2.01	7,956	2.12	1,067	13.41
3.1.6. Other Government securities	2,800	0.62	4,158	1.11	-1,358	-32.66
3.1.7. Reverse repos	99,519	22.20	101,541	27.03	-2,022	-1.99
3.1.8. Private money markets assets	5,808	1.30	6,636	1.77	-828	-12.48
3.1.9. Warrants and options	15	0.00	126	0.03	-111	-88.10
3.2. Foreign portfolio	55,078	12.28	37,372	9.95	17,706	47.38
3.2.1. Shares	28,498	6.36	17,143	4.56	11,355	66.24
3.2.2. Investment fund units	3,892	0.87	1,638	0.44	2,254	137.61
3.2.3. Bonds	21,642	4.83	17,521	4.66	4,121	23.52
3.2.4. Money market assets	1,003	0.22	1,038	0.28	-35	-3.37
3.2.5. Warrants and options	43	0.01	32	0.01	11	34.38
4. Net balance (debtors - creditors)	4,173	0.93	2,453	0.65	1,720	70.12

A.4.12. SECURITIES INVESTMENT. SIMCAV. DISTRIBUTION OF TOTAL ASSETS AT EFFECTIVE VALUE

Amounts in millions of pesetas

	12/31/97		12/31/96		Change	
	Amount	% of total assets	Amount	% of total assets	Amount	%
1. Total assets	353,138	100.00	157,130	100.00	196,008	124.74
2. Liquidity	13,754	3.89	3,237	2.06	10,517	324.90
3. Portfolio investment	338,432	95.84	148,081	94.24	190,351	128.55
3.1. Domestic portfolio	282,991	80.14	130,913	83.32	152,078	116.17
3.1.1. Shares	135,278	38.31	66,601	42.39	68,677	103.12
3.1.2. Investment fund units	293	0.08	53	0.03	240	452.83
3.1.3. Non-Government bonds	17,651	5.00	9,182	5.84	8,469	92.23
3.1.4. Govt. Bonds	30,708	8.70	22,219	14.14	8,489	38.21
3.1.5. Treasury bills	16,865	4.78	5,535	3.52	11,330	204.70
3.1.6. Other Government securities	2,721	0.77	1,546	0.98	1,175	76.00
3.1.7. Reverse repos	79,221	22.43	25,725	16.37	53,496	207.95
3.1.8. Private money markets assets	149	0.04	49	0.03	100	-
3.1.9. Warrants and options	105	0.03	3	0.00	102	3,400.00
3.2. Foreign portfolio	55,441	15.70	17,168	10.93	38,273	222.93
3.2.1. Shares	32,013	9.07	7,984	5.08	24,029	300.96
3.2.2. Investment fund units	3,012	0.85	552	0.35	2,460	445.65
3.2.3. Bonds	17,387	4.92	8,169	5.20	9,218	112.84
3.2.4. Money market assets	3,017	0.85	421	0.27	2,596	616.63
3.2.5. Warrants and options	12	0.00	42	0.03	-30	-71.43
4. Net balance (debtors - creditors)	952	0.27	5,812	3.70	-4,860	-83.62

A.4.13. REAL STATE INVESTMENT. FII. NO. OF FUNDS, ASSETS AND NO. OF UNIT HOLDERS

Year	No. of FII	Assets (*)	No. of funds
1995	4	11,906	1,897
1996	4	14,158	2,174
1997	4	21,942	4,617

(*) Millions of pesetas.

A.4.14. REAL STATE INVESTMENT. FII. DISTRIBUTION OF TOTAL ASSETS

Amounts in millions of pesetas

	31/12/97		31/12/96		Change	
	Amount	% of total assets	Amount	% of total assets	Amount	%
1. Total assets	21,942	100.0	14,158	100.0	7,784	55.0
2. Liquidity	192	0.9	119	0.8	73	61.3
3. Securities portfolio	5,435	24.8	1,784	12.6	3,651	204.7
4. Housing	9,932	45.3	7,732	54.6	2,200	28.5
5. Other buildings	6,210	28.3	4,217	29.8	1,993	47.3
6. Others	173	0.8	306	2.2	-133	-43.5
Pro- memoria:						
Investment in rent	17,549	80.0	8,165	57.7	9,384	114.9

A.4.15. SECURITIES INVESTMENT. FOREIGN IIC MARKETED IN SPAIN

	31/12/97	31/12/96	Change	
			Absolute	%
Investment volume (millions of pesetas)	580,018	289,757	290,261	100.2
Of which: guaranteed IIC (*)	152,893	135,732	17,161	12.6
No. of investors	68,332	43,851	24,481	55.8
Of which: guaranteed IIC (*)	26,074	26,748	-674	-2.5
No. of IIC (**)	110	87	23	26.4
Investment funds	38	31	7	22.6
Securities investment companies ...	72	56	16	28.6
Country of origin				
Luxembourg	88	72		
United Kingdom	8	8		
Germany	6	0		
Ireland	3	4		
France	3	1		
Belgium	2	2		

(*) IIC with guaranteed returns.

(**) Many foreign IICs consist of several sub-funds (compartments). In some cases, these compartments are the ones for which a minimum return is granted.

Annex 5

Securities firms and management companies

A.5.1. SECURITIES FIRMS. NUMBER, BRANCHES AND COMMISSIONED AGENTS

	No. of firms		No. of branches		No. of commissioned agents	
	31-12-97	31-12-96	31-12-97	31-12-96	31-12-97	31-12-96
Broker-dealers	46	45	34	18	4,853	4,107
Stock Exchange members	34	32	25	17	610	540
Non-members	12	13	9	1	4,243	3,567
Brokers	60	58	12	20	842	873
Stock Exchange members	17	16	1	2	265	54
Non-members	43	42	11	18	577	819
TOTAL	106	103	46	38	5,695	4,980
Stock Exchange members	51	48	26	19	875	594
Non-members	55	55	20	19	4,820	4,386

**A.5.2. SECURITIES FIRMS.
PARTICIPATION OF FINANCIAL ENTITIES IN THE SHARE CAPITAL**

At 31-12-1997

	Total	No. of securities firms								Remainder
		Participated by domestic financial entities				Participated by foreign financial entities				
		Total	>50%	10-50%	<10%	Total	>50%	10-50%	<10%	
Broker-dealers	46	19	17	2	0	19	17	2	0	8
Stock Exchange members	34	15	13	2	0	12	10	2	0	7
Non-members	12	4	4	0	0	7	7	0	0	1
Brokers	60	11	8	3	0	7	5	2	0	42
Stock Exchange members	17	0	0	0	0	0	0	0	0	17
Non-members	43	11	8	3	0	7	5	2	0	25
TOTAL	106	30	25	5	0	26	22	4	0	50
Stock Exchange members	51	15	13	2	0	12	10	2	0	24
Non-members	55	15	12	3	0	14	12	2	0	26

A.5.3. SECURITIES FIRMS. AGGREGATED BALANCE SHEET

In millions of pesetas

Assets	Total broker-dealers and brokers		Yearly average (*)					
			Total		Stock Exchange Members		Non-members	
	12/31/97	12/31/96	1997	1996	1997	1996	1997	1996
1. Treasury	388	583	515	477	420	417	95	59
2. Financial intermediaries								
Direct investment	214,916	165,414	142,128	104,313	117,626	88,910	24,503	15,403
2.1. Demand deposits	53,152	26,272	40,787	21,224	32,576	14,582	8,211	6,642
2.2. Other balances	161,764	139,142	101,341	83,089	85,050	74,328	16,292	8,762
3. Trading portfolio	894,331	819,022	1,010,561	838,824	891,254	724,175	119,307	114,649
3.1. Shares	203,908	83,156	181,690	55,633	168,769	50,218	12,920	5,415
3.2. Fixed-income	680,797	729,610	814,990	778,340	708,824	669,028	106,166	109,313
3.2.1. To maturity	36,430	96,742	140,631	133,369	116,357	105,552	24,274	27,816
3.2.2. Reverse repos	644,367	632,868	674,360	644,972	592,468	563,476	81,892	81,496
3.3. Options	16,241	10,284	21,484	6,555	21,082	6,553	402	2
3.4. Less provisions for valuation	-6,615	-4,028	-7,603	-1,704	-7,421	-1,623	-182	81
4. Credit to clients	22,153	10,780	16,802	12,057	14,839	10,107	1,964	1,949
5. Permanent equity portfolio (net)	9,647	8,834	9,283	8,573	9,055	8,371	227	202
6. Doubtful invest., defaults or in litigation (net)	101	323	307	163	216	130	92	33
7. Expired investments	2	0	131	82	23	12	107	70
8. Tangible fixed assets	11,774	10,903	11,211	11,134	6,740	5,604	4,472	5,530
9. Sundry accounts	28,177	27,240	31,386	27,494	25,921	18,964	5,465	8,530
TOTAL ASSETS.....	1,181,489	1,043,099	1,222,325	1,003,116	1,066,094	856,691	156,231	146,425

(*) Average of monthly balances.

(Continued)

A.5.3. SECURITIES FIRMS. AGGREGATED BALANCE SHEET

In millions of pesetas

Liabilities	Total broker-dealers and brokers		Yearly average (*)					
			Total		Stock Exchange members		Non-members	
	12/31/97	12/31/96	1997	1996	1997	1996	1997	1996
1. Equity	107,257	99,637	115,320	105,521	76,598	67,581	38,721	37,940
1.1 Share capital	65,309	64,744	65,721	62,369	43,381	37,893	22,340	24,476
1.2. Reserves	42,115	35,026	50,089	43,310	33,647	29,715	16,442	13,595
1.3. Less own shares and shareholders	-167	-133	-490	-158	-430	-27	-61	-130
2. Results for the fiscal year	43,927	20,325	33,686	15,696	27,728	10,877	5,958	4,819
3. Direct financing from financial intermediaries	859,403	662,963	829,591	658,183	739,244	573,559	90,348	84,624
3.1. Deposits and other balances	314,192	195,999	244,395	135,582	229,172	114,227	15,223	21,355
3.2. Repos	545,211	466,964	585,196	522,601	510,072	459,333	75,125	63,268
4. Financing from clients	73,299	65,437	65,926	51,790	60,761	48,410	5,166	3,380
4.1. Residents	72,734	65,059	65,376	51,037	60,222	47,665	5,154	3,372
4.1.1. Repos	39,694	43,895	39,949	35,765	39,734	35,496	215	270
4.1.2. Transient balances	33,040	21,164	25,427	15,272	20,488	12,170	4,940	3,102
4.2. Non-residents	565	378	550	753	539	745	11	8
4.2.1. Repos	170	152	168	501	168	501	0	0
4.2.2. Transient balances	395	226	382	252	371	244	11	8
5. Subordinated financing and other debentures	1,990	15,436	9,733	14,089	9,733	14,087	0	3
6. Securities borrowed	13,502	120,609	92,083	115,359	87,881	112,798	4,202	2,561
7. Sundry accounts	82,111	58,692	75,986	42,478	64,150	29,379	11,837	13,099
TOTAL LIABILITIES	1,181,489	1,043,099	1,222,325	1,003,116	1,066,094	856,691	156,231	146,425

(*) Average of monthly balances.

A.5.4. SECURITIES FIRMS. AGGREGATED PROFIT & LOSS ACCOUNT

In millions of pesetas

	Total			Stock Exchange Members			Non-members		
	1997	1996	Chg. (%)	1997	1996	Chg. (%)	1997	1996	Chg. (%)
FINANCIAL MARGIN	12,516	16,215	-22.8	10,429	13,249	-21.3	2,087	2,966	-29.6
Interest receivable	52,810	55,756	-5.3	45,075	45,636	-1.2	7,735	10,120	-23.6
Interest payable	40,294	39,541	1.9	34,646	32,387	7.0	5,648	7,154	-21.1
NET INCOME FROM SECURITIES TRADING	10,584	2,008	427.1	9,744	1,049	828.9	840	959	-12.4
Income from securities	378,037	158,006	139.3	344,604	155,264	121.9	33,433	2,742	1,119.3
Losses from securities	367,453	155,998	135.5	334,860	154,215	117.1	32,593	1,783	1,728.0
NET COMMISSIONS	101,397	63,483	59.7	69,268	36,328	90.7	32,129	27,155	18.3
Commissions received	143,373	91,874	56.1	93,204	48,264	93.1	50,169	43,610	15.0
Brokering	92,844	60,208	54.2	64,795	34,886	85.7	28,049	25,322	10.8
Placement and underwriting	11,724	5,082	130.7	10,724	4,651	130.6	1,000	431	132.0
IIC subscriptions and redemptions	14,810	10,156	45.8	6,112	3,821	60.0	8,698	6,335	37.3
Portfolio management	2,362	1,581	49.4	1,468	715	105.3	894	866	3.2
Others	21,633	14,847	45.7	10,105	4,191	141.1	11,528	10,656	8.2
Commissions paid	41,976	28,391	47.8	23,936	11,936	100.5	18,040	16,455	9.6
ORDINARY MARGIN	124,497	81,706	52.4	89,441	50,626	76.7	35,056	31,080	12.8
OPERATING COSTS	57,164	46,123	23.9	32,976	24,294	35.7	24,188	21,829	10.8
Staff costs	35,967	28,248	27.3	20,635	15,046	37.1	15,332	13,202	16.1
General	21,197	17,875	18.6	12,341	9,248	33.4	8,856	8,627	2.7
OPERATING MARGIN	67,333	35,583	89.2	56,465	26,332	114.4	10,868	9,251	17.5
DEPRECIATION AND OTHER ALLOWANCES	7,245	6,676	8.5	5,481	5,699	-3.8	1,764	977	80.6
Depreciation	3,473	2,286	51.9	2,011	1,363	47.5	1,462	923	58.4
Other allowances	3,772	4,390	-14.1	3,470	4,336	-20.0	302	54	459.3
OTHER PROFIT & LOSS	2,565	1,344	90.8	728	562	29.5	1,837	782	134.9
EARNINGS BEFORE TAXES	62,653	30,251	107.1	51,712	21,195	144.0	10,941	9,056	20.8
CORPORATE INCOME TAX	18,726	9,966	87.9	15,013	6,839	119.5	3,713	3,127	18.7
EARNINGS AFTER TAXES	43,927	20,285	116.5	36,699	14,356	155.6	7,228	5,929	21.9

A.5.5. SECURITIES FIRMS. AGGREGATED PROFIT & LOSS ACCOUNT. QUARTERLY EVOLUTION

In millions of pesetas

	1997	Quarter			
		Q1 97	Q2 97	Q3 97	Q4 97
FINANCIAL MARGIN	12,516	3,756	3,503	3,725	1,532
Interest receivable	52,810	12,937	13,717	14,291	11,865
Interest payable	40,294	9,181	10,214	10,566	10,333
NET INCOME FROM SECURITIES TRADING	10,584	3,003	4,648	5,550	-2,617
Income from securities	378,037	67,825	138,728	146,836	24,648
Losses from securities	367,453	64,822	134,080	141,286	27,265
NET COMMISSIONS	101,397	23,975	25,780	22,719	28,923
Commissions received	143,373	33,595	36,394	31,770	41,614
Brokering	92,844	21,859	25,502	20,997	24,486
Placement and underwriting	11,724	3,259	2,585	1,279	4,601
IIC subscriptions and redemptions	14,810	3,197	3,668	3,939	4,006
Portfolio management	2,362	305	496	519	1,042
Others	21,633	4,975	4,143	5,036	7,479
Commissions paid	41,976	9,620	10,614	9,051	12,691
ORDINARY MARGIN	124,497	30,734	33,931	31,994	27,838
OPERATING COSTS	57,164	13,198	13,856	13,792	16,318
Staff costs	35,967	8,559	8,838	8,672	9,898
General	21,197	4,639	5,018	5,120	6,420
OPERATING MARGIN	67,333	17,536	20,075	18,202	11,520
DEPRECIATION AND OTHER ALLOWANCES	7,245	582	3,726	6,127	-3,190
Depreciation	3,473	674	698	1,111	990
Other allowances	3,772	-92	3,028	5,016	-4,180
OTHER PROFIT & LOSS	2,565	634	619	494	818
EARNINGS BEFORE TAXES	62,653	17,588	16,968	12,569	15,528
CORPORATE INCOME TAX	18,726	0	0	0	18,726
EARNINGS AFTER TAXES	43,927	17,588	16,968	12,569	-3,198

A.5.6. SECURITIES FIRMS. RETURN ON EQUITY (BEFORE TAXES). 1997

	Average returns (%)	No. of firms in a given interval of returns						
		< 15%	15%-30%	31%-45%	46%-60%	61%-75%	76%-100%	> 100%
Broker-dealers	61.9	11	10	5	4	6	5	5
Stock Exchange members ..	74.9	5	8	4	3	4	5	5
Non-members	24.4	6	2	1	1	2	0	0
Brokers	41.2	21	11	13	3	0	5	7
Stock Exchange members ..	61.0	4	4	2	1	0	3	3
Non-members	36.5	17	7	11	2	0	2	4
Total	58.4	32	21	18	7	6	10	12
Stock Exchange members ..	74.2	9	12	6	4	4	8	8
Non-members	29.1	23	9	12	3	2	2	4

A.5.7. SECURITIES FIRMS. EQUITY COVERAGE OF THE SOLVENCY RATIO AT 12/31/1997

Amounts in millions of pesetas

	Aggregated excess over requirement (1)	Average	No. of firms with excess over requirement:						
			<100	<200	<500	<600	<700	<800	>800
Broker-dealers	71,381	1,544	2	3	7	6	2	4	22
Stock Exchange members ..	55,438	1,631	1	3	5	3	1	3	18
Non-members	15,943	1,329	1	0	2	3	1	1	4
Brokers	9,703	163	30	15	10	3	1	0	1
Stock Exchange members ..	1,764	104	11	3	3	0	0	0	0
Non-members	7,939	185	19	12	7	3	1	0	1
TOTAL	81,084	765	32	18	17	9	3	4	23
Stock Exchange members ..	57,202	1,122	12	6	8	3	1	3	18
Non-members	23,882	434	20	12	9	6	2	1	5

(1) Excess of computable shareholders' equity over requirements to meet the solvency ratio.

A.5.8. SECURITIES FIRMS. TRADED VOLUME

Amount in billions of pesetas

	Total			Third-party account			Own account		
	1997	1996	Chg. (%)	1997	1996	Chg. (%)	1997	1996	Chg. (%)
Distribution by instruments									
Money market assets and fixed-income	840.0	666.9	26.0	773.6	608.0	27.2	66.4	58.9	12.7
Equities	56.6	27.6	105.0	48.2	23.2	107.6	8.4	4.4	91.3
Derivatives	330.6	205.9	60.5	287.6	177.2	62.3	43.0	28.7	49.7
TOTAL	1,227.1	900.4	36.3	1,109.4	808.4	37.2	117.8	92.0	28.0
Distribution by type of firm									
Stock Exchange members	276.4	187.1	47.7	163.4	98.2	66.4	113.0	88.9	27.1
Broker-dealers	261.9	175.6	49.1	148.9	87.4	70.4	113.0	88.2	28.1
Brokers	14.6	11.5	26.6	14.5	10.8	34.2	0.1	0.7	-91.7
Non-members	950.7	713.4	33.3	946.0	710.2	33.2	4.7	3.2	48.4
Broker-dealers	12.2	10.7	14.2	7.6	7.9	-3.9	4.6	2.8	65.1
Brokers	938.5	702.7	33.6	938.4	702.3	33.6	0.1	0.4	-68.6
TOTAL	1,227.1	900.5	36.3	1,09.4	808.4	37.2	117.8	92.1	27.9

A.5.9. SECURITIES FIRMS. RESULTS FROM OWN ACCOUNT ACTIVITY

Amount in millions of pesetas

	Total		Financial margin		Securities trading		Other allowances (*)	
	1997	1996	1997	1996	1997	1996	1997	1996
Distribution by instruments								
Money market assets and fixed-income	14,460	18,368	12,516	16,215	1,944	2,153	-	-
Equities	49,513	10,393	-	-	49,513	10,393		
Derivatives	-44,809	-10,474	-	-	-41,037	-6,099	-3,772	-4,375
Other profit & loss	164	-4,439	-	-	164	-4,439		
TOTAL	19,328	13,848	12,516	16,215	10,584	2,008	-3,772	-4,375
Distribution by type of firm								
Broker-dealers	16,703	14,298	10,429	13,249	9,744	1,049	-	-
Stock Exchange members	16,379	9,644	10,008	12,858	9,743	1,079	-3,372	-4,293
Non-members	324	318	421	391	1	-30	-98	-43
Brokers	2,625	3,925	2,087	2,966	840	959	-	-
Stock Exchange members	2,039	2,918	1,270	2,143	796	813	-27	-38
Non-members	586	968	817	823	44	146	-275	-1
TOTAL	19,328	13,848	12,516	16,215	10,584	2,008	-3,772	-4,375

(*) Deferred income arising from the valuation of hedging derivatives.

A.5.10. SECURITIES FIRMS. COMMISSIONS RECEIVED

Amount in millions of pesetas

	1997	1996	Chg. (%)	Structure (%)	
				1997	1996
Distribution by type of service					
Brokering	92,844	60,208	54.2	64.8	65.5
<i>Distribution by instruments</i>					
Money market assets and fixed-income	19,317	19,772	-2.3	20.8	32.8
Equities	60,413	31,128	94.1	65.1	51.7
Derivatives	13,114	9,308	40.9	14.1	15.5
<i>Distribution by type of firm</i>					
Broker-dealers	64,795	34,886	85.7	69.8	57.9
Stock Exchange members	58,477	31,396	86.3	63.0	52.1
Non-members	6,318	3,490	81.0	6.8	5.8
Brokers	28,049	25,322	10.8	30.2	42.1
Stock Exchange members	2,374	1,290	84.0	2.6	2.1
Non-members	25,675	24,032	6.8	27.7	39.9
IIC subscriptions and redemptions	14,810	10,156	45.8	10.3	11.1
Placement and underwriting	11,724	5,082	130.7	8.2	5.5
Corporate services	6,246	2,827	120.9	4.4	3.1
Portfolio management and custody of securities	4,312	3,214	34.2	3.0	3.5
Others	13,437	10,387	29.4	9.4	11.3
TOTAL	143,373	91,874	56.1	100.0	100.0
Distribution by type of firm					
Broker-dealers	93,204	48,264	93.1	65.0	52.5
Stock Exchange members	85,720	44,218	93.9	59.8	48.1
Non-members	7,484	4,046	85.0	5.2	4.4
Brokers	50,169	43,610	15.0	35.0	47.5
Stock Exchange members	10,175	5,456	86.5	7.1	5.9
Non-members	39,994	38,154	4.8	27.9	41.5
TOTAL	143,373	91,874	56.1	100.0	100.0
Pro memoria:					
Total commissions paid	41,976	28,391	47.8		

A.5.11. SECURITIES FIRMS. CONSOLIDATED GROUPS. CATEGORY, CONCENTRATION AND STRUCTURE

Categories according to the legal definition in Royal Decree 1343/92

Group categories:	No. of			
	Groups		Firms	
	1997	1996	1997	1996
Non-resident credit entities (Title I of R.D. 1343/92)	11	10	33	27
Broker-dealers and brokers (Title II of R.D. 1343/92)	19	19	125	115
Other financial entities (Title IV of R.D. 1343/92)	20	23	116	118
TOTAL	50	52	274	260

Concentration

No. of consolidated firms per group	No. of			
	Groups		Firms	
	1997	1996	1997	1996
Five or more	18	18	174	159
Less than five	32	34	100	101
TOTAL	50	52	274	260

Structure

Type of firm	1997		1996	
	No.	%	No.	%
Broker-dealer and broker commissioned agents	60	21.9	52	20.0
IIC and FTH management companies	45	16.4	43	16.5
Brokers	34	12.4	36	13.8
Broker-dealers	22	8.0	23	8.8
Holding companies	23	8.4	22	8.5
Instrumental firms	11	4.0	21	8.1
Advisory and consultancy services	16	5.8	16	6.2
Portfolio management companies	13	4.7	12	4.6
Pension fund management companies	11	4.0	8	3.1
Computer services	5	1.8	6	2.3
Real estate holding companies	1	0.4	4	1.5
Other financial firms (*)	33	12.0	17	6.5
TOTAL	274	100.0	260	100.0

(*) Pension and retirement fund marketing, insurance marketing, foreign exchange brokers, SIM, non operating or in-liquidation firms. or in winding-up procedures.

A.5.12. SECURITIES FIRMS. CONSOLIDATED GROUPS. AGGREGATE BALANCE SHEET

In millions of pesetas

Assets	Consolidated total (1)		Securities firms (2)		Difference (3)			
	12/31/97	12/31/96	12/31/97	12/31/96	12/31/97		12/31/96	
						%		%
Fixed assets	23,267	20,106	16,384	13,803	6,883	29.6	6,303	31.3
Tangible fixed assets	17,779	16,529	11,774	10,918	6,005	33.8	5,611	33.9
Intangible fixed assets	5,488	3,577	4,610	2,885	878	16.0	692	19.3
Goodwill	697	883	0	0	697	100.0	883	100.0
Permanent equity portfolio (net)	12,804	10,946	9,647	8,833	3,157	24.7	2,113	19.3
Doubtful investments, defaults or in litigation (net)	161	277	101	313	60	37.3	-36	-
Trading portfolio (net)	918,856	841,471	893,325	818,560	25,531	2.8	22,911	2.7
Credit to clients	24,950	16,476	22,153	10,783	2,797	11.2	5,693	34.6
Financial intermediaries	225,609	172,568	214,916	165,507	10,693	4.7	7,061	4.1
Treasury	443	604	388	583	55	12.4	21	3.5
Sundry accounts	30,682	28,468	23,569	24,368	7,113	23.2	4,100	14.4
TOTAL ASSETS	1,237,469	1,091,799	1,180,483	1,042,750	56,986	4.6	49,049	4.5

(1) Consolidated groups plus broker-dealers and brokers not included in consolidated groups.

(2) Total broker-dealers and brokers.

(3) Difference between (1) and (2).

(Continued)

A.5.12. SECURITIES FIRMS. CONSOLIDATED GROUPS. AGGREGATE BALANCE SHEET

In millions of pesetas

Liabilities	Consolidated total (1)		Securities firms (2)		Difference (3)			
	12/31/97	12/31/96	12/31/97	12/31/96	12/31/97		12/31/96	
						%		%
Equity	141,670	126,207	107,257	99,637	34,413	24.3	26,570	21.1
Share capital	71,369	68,458	65,309	64,744	6,060	8.5	3,714	5.4
Reserves	61,482	45,825	56,162	41,668	5,320	8.7	4,157	9.1
Less own shares and shareholders	-11,001	-5,442	-14,214	-6,775	3,213	-	1,333	-
Reserves in consolidated companies	19,820	17,366	0	0	19,820	100.0	17,366	100.0
Results for the fiscal year	51,390	23,208	43,927	20,381	7,463	14.5	2,827	12.2
Minority shareholders	3,147	2,972	0	0	3,147	100.0	2,972	100.0
Negative difference on consolidation	577	667	0	0	577	100.0	667	100.0
Subordinated financing and other debentures	2,021	16,051	1,990	15,436	31	1.5	615	3.8
Financing from financial intermediaries	876,035	791,422	872,905	783,560	3,130	0.4	7,862	1.0
Financing from clients	82,013	73,100	85,369	72,302	-3,356	-	798	1.1
Special funds	570	569	518	501	52	9.1	68	12.0
Soundry accounts	80,046	57,603	68,517	50,933	11,529	14.4	6,670	11.6
TOTAL LIABILITIES	1,237,469	1,091,799	1,180,483	1,042,750	56,986	4.6	49,049	4.5

(1) Consolidated groups plus broker-dealers and brokers not included in consolidated groups.

(2) Total broker-dealers and brokers.

(3) Difference between (1) and (2).

A.5.13. SECURITIES FIRMS. CONSOLIDATED GROUPS. AGGREGATED PROFIT & LOSS ACCOUNT

In millions of pesetas

	Consolidated total (1)		Securities firms (2)		Difference (3)			
	12/31/97	12/31/96	12/31/97	12/31/96	12/31/97		12/31/96	
						%		%
FINANCIAL MARGIN	14,009	17,825	12,516	16,215	1,493	10.7	1,610	9.0
Interest receivable	54,619	57,386	52,810	55,756	1,809	3.3	1,630	2.8
Interest payable	40,610	39,561	40,294	39,541	316	0.8	20	0.1
NET INCOME FROM SECURITIES TRADING	11,047	2,230	10,584	2,008	463	4.2	222	10.0
Profit from trading portfolio	379,878	158,815	378,037	158,006	1,841	0.5	809	0.5
Losses from trading portfolio	368,831	156,585	367,453	155,998	1,378	0.4	587	0.4
NET COMMISSIONS	130,091	79,522	101,397	63,483	28,694	22.1	16,039	20.2
Commissions received	200,980	122,687	143,373	91,874	57,607	28.7	30,813	25.1
Commissions paid	70,889	43,165	41,976	28,391	28,913	40.8	14,774	34.2
ORDINARY MARGIN	155,147	99,577	124,497	81,706	30,650	19.8	17,871	17.9
OPERATING COSTS	81,539	65,892	64,409	52,799	17,130	21.0	13,093	19.9
Staff costs	45,564	35,802	35,967	28,248	9,597	21.1	7,554	21.1
General costs, depreciation and other allowances	35,975	30,090	28,442	24,551	7,533	20.9	5,539	18.4
OTHER PROFIT & LOSS	1,707	1,517	2,565	1,344	-858	-	173	11.4
EARNINGS BEFORE TAXES	75,315	35,202	62,653	30,251	12,662	16.8	4,951	14.1
TAXES ON EARNINGS	23,264	11,729	18,726	9,966	4,538	19.5	1,763	15.0
EARNINGS AFTER TAXES	52,051	23,473	43,927	20,285	8,124	15.6	3,188	13.6
EARNINGS ALLOCATED TO EXTERNAL PARTNERS ..	661	344			661	100.0	344	100.0
CONSOLIDATED SECTOR EARNINGS	51,390	23,129	43,927	20,285	7,463	14.5	2,844	12.3

(1) Consolidated groups plus broker-dealers and brokers not included in consolidated groups.

(2) Total broker-dealers and brokers.

(3) Difference between (1) and (2).

A.5.14. SECURITIES FIRMS. CONSOLIDATED GROUPS. COMMISSIONS RECEIVED AND PAID. 1997

Distribution by type of service

In millions of pesetas

	Consolidated total (1)		Securities firms (2)		Difference (2)		
	Amount	Structure (%)	Amount	Structure (%)	Amount	Structure (%)	Contribution (%)
COMMISSIONS RECEIVED	200,980	100.0	143,373	100.0	57,607	100.0	28.7
Brokering	93,759	46.7	92,844	64.8	915	1.6	1.0
Subscriptions, redemptions and management of IIC and FP	67,370	33.5	14,810	10.3	52,560	91.2	78.0
Underwriting and placement	11,331	5.6	11,724	8.2	-393	-0.7	-
Portfolio management	3,622	1.8	2,362	1.6	1,260	2.2	34.8
Advisory services	6,791	3.4	3,595	2.5	3,196	5.5	47.1
Custody and registration of securities	1,951	1.0	1,950	1.4	1	0.0	0.1
Others from operations on securities	5,377	2.7	4,936	3.4	441	0.8	8.2
Computer services	470	0.2			470	0.8	-
Office rental	34	0.0			34	0.1	-
Others non-related to securities	10,275	5.1	11,152	7.8	-877	-1.5	-
COMMISSIONS PAID	70,889	100.0	41,976	100.0	28,913	100.0	40.8
Securities transactions	56,534	79.8	30,816	73.4	25,718	88.9	45.5
Not from securities transactions	14,355	20.2	11,160	26.6	3,195	11.1	22.3
TOTAL NET INCOME FROM COMMISSIONS	130,091	100.0	101,397	100.0	28,694	100.0	22.1

Distribution of commissions received by type of firm

In millions of pesetas

	Revenue		Expenses		Net commissions	
	Amount	Structure (%)	Amount	Structure (%)	Amount	Structure (%)
Broker-dealers and brokers	132,221	65.8	36,069	50.9	96,152	74
IIC and FTH management companies	61,483	30.6	33,844	47.7	27,639	21
Advisory and consultancy services	2,708	1.3	76	0.1	2,632	2
Holding companies	1,138	0.6	54	0.1	1,084	1
Portfolio management companies	693	0.3	111	0.2	582	0
Broker-dealer and broker commissioned agents	1,601	0.8	558	0.8	1,043	1
Pension fund management companies	471	0.2	176	0.2	295	0
Real estate holding companies	0	0.0	0	0.0	0	0
Instrumental firms	426	0.2	1	0.0	425	0
Other financial entities	239	0.1	0	0.0	239	0
TOTAL	200,980	100.0	70,889	100.0	130,091	100

(1) Consolidated groups plus broker-dealers and brokers not included in consolidated groups. (2) Total broker-dealers and brokers. (3) Difference between (1) and (2).

**A.5.15. SECURITIES FIRMS. CONSOLIDATED GROUPS.
DETAIL OF WRITE-OFFS ON THE PROFIT & LOSS ACCOUNT. 1997**

Amounts in millions of pesetas

	Write-offs		Amount after consolidation
	Amount	Structure (%)	
REVENUES	26,728	100.0	637,680
Commissions received	18,765	70.2	200,980
Interest received	5,347	20.0	54,619
Other revenues	2,375	8.9	2,203
Profits from trading portfolio	241	0.9	379,878
EXPENSES	21,450	100.0	562,365
Commissions paid	17,847	83.2	70,889
Interest payable	809	3.8	40,610
General overheads and provisions	2,093	9.8	35,975
Other expenses	357	1.7	496
Staff costs	333	1.6	45,564
Losses from trading portfolio	11	0.1	368,831
NET	5,278		75,315

**A.5.16. COLLECTIVE INVESTMENT INSTITUTION MANAGEMENT COMPANIES
(SGIC) AND PORTFOLIO MANAGEMENT COMPANIES (SGC). NUMBER
OF COMPANIES AND ASSETS UNDER MANAGEMENT OR ADVICE**

Amounts in millions of pesetas

	SGIC			SGC		
	12/31/97	12/31/96	Chg. (%)	12/31/97	12/31/96	Chg. (%)
No. of companies	133	136	-2.2	58	57	1.8
ASSETS UNDER MANAGEMENT OR ADVICE						
Total						
No. of portfolios	1,766	1,183	49.3	6,475	5,121	26.4
Assets	27,598,550	19,059,381	44.8	1,062,593	976,635	8.8
Distribution by type of portfolio						
IIC				39	28	39.3
Number	1,766	1,183	49.3	89,620	38,626	132.0
Assets handled	27,598,550	19,059,381	44.8			
Investment funds						
Number	1,482	969	52.9	-	-	-
Assets	27,029,384	18,708,382	44.5	-	-	-
SIM						
Number	163	158	3.2	16	14	14.3
Assets	274,688	227,143	20.9	16,016	13,624	17.6
SIMCAV						
Number	121	56	116.1	23	14	64.3
Assets	569,166	123,856	359.5	73,604	25,002	194.4
Other portfolios managed						
Number	-	-	-	6,177	4,816	28.3
Assets	-	-	-	499,581	275,534	81.3
Advisory service contracts						
Number	-	-	-	259	277	-6.5
Assets	-	-	-	473,392	662,475	-28.5

**A.5.17. COLLECTIVE INVESTMENT INSTITUTION MANAGEMENT COMPANIES (SGIIC)
AND PORTFOLIO MANAGEMENT COMPANIES (SGC). AGGREGATE BALANCE SHEET**

In millions of pesetas

Assets	SGIIC					SGC				
	12-31-97		12-31-96		Chg. (%)	12-31-97		12-31-96		Chg. (%)
	Amount	%	Amount	%		Amount	%	Amount	%	
1. NON DISBURSED SHARES	37	0.0	87	0.1	-57.5	127	1.4	120	1.5	5.8
2. FIXED ASSETS	5,192	2.3	4,599	2.9	12.9	1,071	11.6	1,514	18.4	-29.3
3. DEFERRED EXPENSES	63	0.0	89	0.1	-29.2	8	0.1	81	1.0	-90.1
4. CURRENT ASSETS	217,597	97.6	155,259	97.0	40.2	8,048	87.0	6,532	79.2	23.2
4.1. DEBTORS	43,488	19.5	22,796	14.2	90.8	1,330	14.4	1,283	15.6	3.7
4.2. SECURITIES PORTFOLIO	155,386	69.7	126,772	79.2	22.6	5,603	60.5	4,659	56.5	20.3
4.2.1. Government funds	137,093	61.5	110,257	68.9	24.3	3,189	34.5	2,672	32.4	19.3
4.2.2. Listed securities	13,612	6.1	12,906	8.1	5.5	2,127	23.0	1,542	18.7	37.9
4.2.3. Other securities	4,015	1.8	2,584	1.6	55.4	300	3.2	474	5.7	-36.7
4.2.4. Interest	869	0.4	1,264	0.8	-31.3	15	0.2	15	0.2	0.0
4.2.5. Provisions	-203	-0.1	-239	-0.1	-15.1	-28	-0.3	-44	-0.5	-36.4
4.3. TREASURY STOCK	-	-	-	-	-	-	-	-	-	-
4.4. TREASURY	18,150	8.1	5,495	3.4	230.3	1,059	11.4	529	6.4	100.2
4.5. ACCRUALS	573	0.3	196	0.1	192.3	56	0.6	61	0.7	-8.2
TOTAL ASSETS	222,889	100.0	160,034	100.0	39.3	9,254	100.0	8,247	100.0	12.2

(Continued)

**A.5.17. COLLECTIVE INVESTMENT INSTITUTION MANAGEMENT COMPANIES (SGIIC)
AND PORTFOLIO MANAGEMENT COMPANIES (SGC). AGGREGATE BALANCE SHEET**

In millions of pesetas

Liabilities	SGIIC					SGC				
	12-31-97		12-31-96		Chg. (%)	12-31-97		12-31-96		Chg. (%)
	Amount	%	Amount	%		Amount	%	Amount	%	
1. EQUITY	145,109	65.1	104,836	65.5	38.4	7,635	82.5	6,630	80.4	15.2
1.1. Subscribed capital	40,595	18.2	32,238	20.1	25.9	5,024	54.3	4,790	58.1	4.9
1.2. Reserves	56,926	25.5	41,994	26.2	35.6	2,191	23.7	1,596	19.4	37.3
1.3. Results previous fiscal years	1,064	0.5	977	0.6	8.9	-55	-0.6	-140	-1.7	-60.7
1.4. Result for the fiscal year	76,079	34.1	51,075	31.9	49.0	628	6.8	648	7.9	-3.1
1.5. Interim dividends	-29,555	-13.3	-21,448	-13.4	37.8	-153	-1.7	-264	-3.2	-42.0
2. DEFERRED INCOME	8	0.0	9	0.0	-11.1	0	0.0	2	0.0	-100.0
3. PROVISIONS FOR RISKS AND EXPENSES	7,131	3.2	5,062	3.2	40.9	175	1.9	271	3.3	-35.4
4. LONG-TERM CREDITORS	549	0.3	590	0.4	-6.9	485	5.2	461	5.6	5.2
5. SHORT-TERM CREDITORS	70,092	31.5	49,537	31.0	41.5	959	10.4	883	10.7	8.6
TOTAL LIABILITIES	222,889	100.0	160,034	100.0	39.3	9,254	100.0	8,247	100.0	12.2

A.5.18. COLLECTIVE INVESTMENT INSTITUTION MANAGEMENT COMPANIES (SGIIC) AND PORTFOLIO MANAGEMENT COMPANIES (SGC). AGGREGATED PROFIT & LOSS ACCOUNT

Amounts in millions of pesetas

	SGIIC				SGC			
	Fiscal year		Change		Financiar year		Change	
	1997	1996	Absolute terms	%	1997	1996	Absolute terms	%
FINANCIAL MARGIN	7,950	7,952	-2	0.0	393	481	-88	-18.3
Interest receivable	8,024	7,903	121	1.5	425	423	2	0.5
Interest payable	74	-49	123	-	32	-58	90	-155.2
NET INCOME FROM SECURITIES TRADING	3,085	690	2,395	347.1	10	-51	61	-119.6
Profit from trading portfolio	3,619	911	2,708	297.3	127	130	-3	-2.3
Losses from trading portfolio	534	221	313	141.6	117	181	-64	-35.4
NET COMMISSIONS	126,091	83,358	42,733	51.3	3,404	3,035	369	12.2
Commissions received	335,453	213,597	121,856	57.0	3,404	3,035	369	12.2
IIC management	326,722	211,135	115,587	54.7	251	135	116	85.9
Subscription/redemption	8,490	2,022	6,468	319.9	-	-	-	-
Portfolio management	-	-	-	-	1,603	969	-	65.4
Fixed fees	-	-	-	-	846	505	-	67.5
Variable fees	-	-	-	-	757	464	-	63.1
Advisory services	180	169	11	6.5	658	804	-146	-18.2
Other income	61	271	-210	-77.5	892	1,127	-235	-20.9
Commissions paid	209,362	130,239	79,123	60.8	-	-	-	-
Marketing of funds	209,362	130,239	79,123	60.8	-	-	-	-
ORDINARY MARGIN	137,126	92,000	45,126	49.1	3,807	3,465	342	9.9
OPERATING COSTS	23,938	18,259	5,679	31.1	2,692	2,368	324	13.7
Staff costs	10,751	8,946	1,805	20.2	1,363	1,246	117	9.4
General	13,187	9,313	3,874	41.6	1,329	1,122	207	18.4
OPERATING MARGIN	113,188	73,741	39,447	53.5	1,115	1,097	18	1.6
DEPRECIATION AND OTHER ALLOWANCES ...	1,164	1,056	108	10.2	171	111	60	54.1
Depreciation	956	981	-25	-2.5	125	110	15	13.6
Other allowances	208	75	133	177.3	46	1	45	4,500.0
OTHER PROFIT & LOSS	-428	-158	-270	170.9	-6	-31	25	-80.6
EARNINGS BEFORE TAXES	111,596	72,527	39,069	53.9	938	955	-17	-1.8
CORPORATE INCOME TAX	35,517	21,452	14,065	65.6	310	307	3	1.0
EARNINGS AFTER TAXES	76,079	51,075	25,004	49.0	628	648	-20	-3.1

Annex 6

Composition of the CNMV Board

COMPOSITION OF THE CNMV BOARD

President:	Juan Fernández-Armesto
Vice President:	Luis Ramallo García
Commissioners:	José Manuel Barberán López Jaime Caruana Lacorte ¹ Miguel Martín Fernández ² José M. ^a Roldán Alegre ³ Francisco de Vera Santana
Secretary:	Antonio J. Alonso Ureba

¹ Director General of the Treasury and Financial Policy.

² Deputy Governor of the Bank of Spain.

³ Appointed effective 13 January 1998 to replace José María Gondra Romero, whose mandate expired on 4 November 1997.

Annex 7

Composition of the CNMV Advisory Committee

COMPOSITION OF THE CNMV ADVISORY COMMITTEE

President:	Mr. Luis Ramallo García
Secretary:	Mr. Antonio J. Alonso Ureba

REGULAR MEMBERS

<i>Issuers:</i>	Mr. Agustín Ramos Varillas Mr. Luis Menéndez Onrubia Mr. Manuel Vecino Riera
<i>Investors:</i>	Mr. Mariano Rabadán Fornés Mr. Jesús Barreiro Sanz
<i>Stock Exchange Members:</i>	Mr. José Antonio de Bonilla y Moreno Mr. Enrique Piñel López Mr. Jaime Aguilar Fernández-Hontoria Mr. Gregorio Arranz Pumar
<i>Consumers and Users Council:</i>	Mr. Manuel Pardos Vicente

Autonomous Communities:

<i>Valencian Government:</i>	Mr. José Manuel Uncio Lacasa
<i>Basque Government:</i>	Mr. Juan Miguel Bilbao Garai
<i>Catalonian Government:</i>	Mr. Francesc Xavier Ruiz del Portal i Bravo

ALTERNATIVE MEMBERS

<i>Issuers:</i>	Mr. Pablo Lamberto Urrutía Mr. José Antonio Guzmán González Mr. José Luis Martín Navarro Ferrer
<i>Investors:</i>	Mr. Antonio Malpica Muñoz Mr. Francisco Javier Palomar

Stock Exchange Members: Mr. Fernando de Roda Lamsfus
Mr. Ignacio García Barrero
Mr. Carlos Morales Martinol
Mr. Pablo Prada Hernández

Consumers and Users Council: Mr. Enrique García López

Autonomous Communities:

Valencian Government: Mr. Julián Fernando Talens Escartí

Basque Government: Mr. Miguel Bengoechea Romero

Catalonian Government: Mr. Jaume Pera i Lloveras