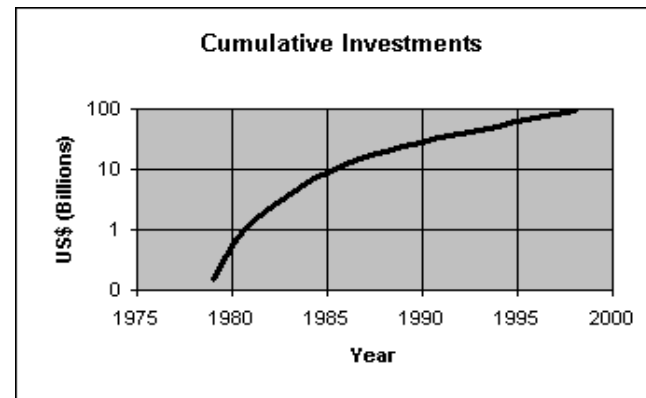
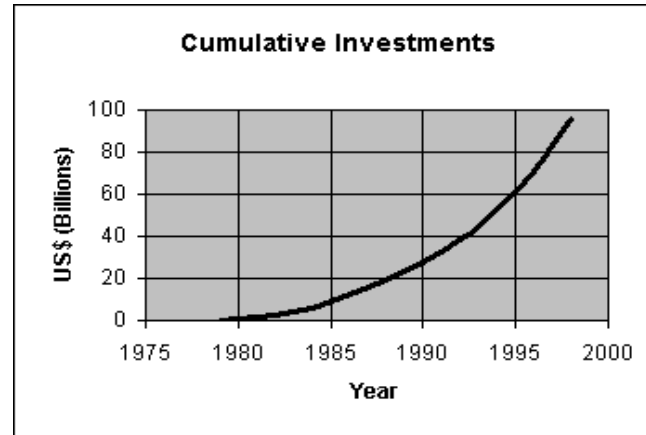


VERIFICATION OF THE PRD'S FDI GROWTH RATE

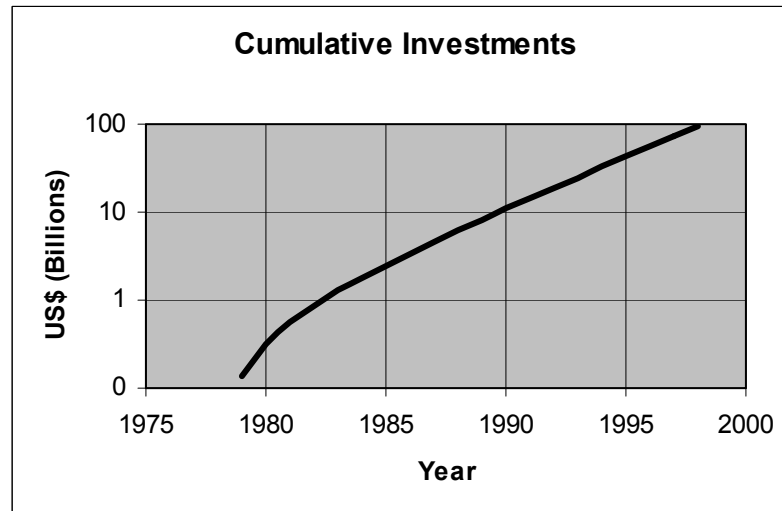
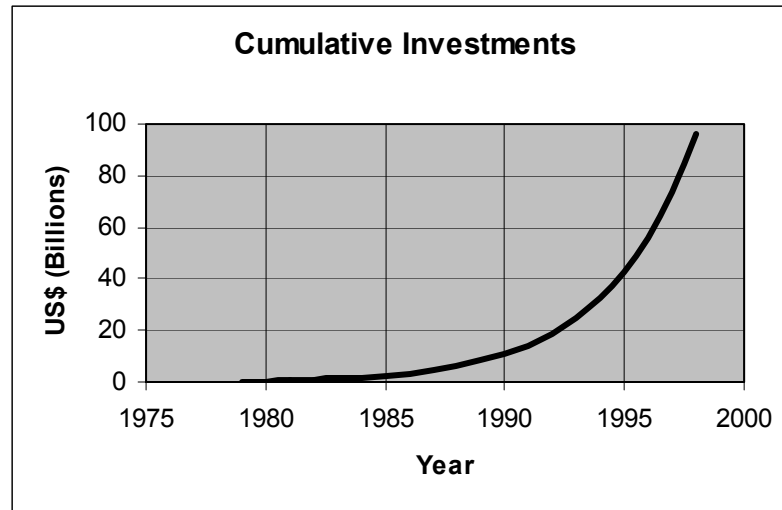
Assume a non-constant of growth: The Average Rate of Growth (ROG) above is computed from a simple arithmetic average of the annual ROG for 19 years (FY) summarizing a very dynamic growth rate.

Hypothetical Direct Foreign Investment				
Year	Date	ROG	FY In (\$B)	Cum. In (\$B)
1	1979	NAN	0.147	0.147
2	1980	173.5%	0.402	0.549
3	1981	86.6%	0.750	1.299
4	1982	33.3%	1.000	2.299
5	1983	70.0%	1.700	3.999
6	1984	29.4%	2.200	6.199
7	1985	27.3%	2.800	8.999
8	1986	14.3%	3.200	12.199
9	1987	6.2%	3.400	15.599
10	1988	14.7%	3.900	19.499
11	1989	2.6%	4.000	23.499
12	1990	10.0%	4.400	27.899
13	1991	13.6%	5.000	32.899
14	1992	8.0%	5.400	38.299
15	1993	11.1%	6.000	44.299
16	1994	31.7%	7.900	52.199
17	1995	13.9%	9.000	61.199
18	1996	11.1%	10.000	71.199
19	1997	20.0%	12.000	83.199
20	1998	8.3%	13.000	96.199
Average ROG:		30.8%		



Assume a constant rate of growth of 30.8%: Often, growth is summarized in this manner over multiple years since growth rates vary widely every year due to a variety of global economic factors. Note that the two graphs use the same data but the scales are different.

Average Foreign Direct Investment				
Year	Date	ROG	FY In (\$B)	Cum. In (\$B)
1	1979	30.8%	0.138545	0.139
2	1980	30.8%	0.181	0.320
3	1981	30.8%	0.237	0.557
4	1982	30.8%	0.310	0.867
5	1983	30.8%	0.406	1.272
6	1984	30.8%	0.530	1.803
7	1985	30.8%	0.694	2.497
8	1986	30.8%	0.907	3.404
9	1987	30.8%	1.187	4.591
10	1988	30.8%	1.553	6.144
11	1989	30.8%	2.031	8.175
12	1990	30.8%	2.656	10.831
13	1991	30.8%	3.474	14.305
14	1992	30.8%	4.545	18.850
15	1993	30.8%	5.944	24.794
16	1994	30.8%	7.775	32.569
17	1995	30.8%	10.170	42.739
18	1996	30.8%	13.302	56.041
19	1997	30.8%	17.399	73.440
20	1998	30.8%	22.758	96.199
Average ROG:		30.8%		



* This analysis was done by Jerry R. Smith, May, 2002.