

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the Plan period ended December 31, 1998

Commission File Number 1-812

UTC SAVINGS PLAN FOR HOURLY
MANAGEMENT-REPRESENTED EMPLOYEES

UNITED TECHNOLOGIES CORPORATION
One Financial Plaza
Hartford, Connecticut 06101

FINANCIAL STATEMENTS OF THE UTC SAVINGS PLAN FOR HOURLY MANAGEMENT-REPRESENTED
EMPLOYEES

REPORT OF INDEPENDENT ACCOUNTANTS

To the Participants and Administrator of
the UTC Savings Plan for Hourly
Management-Represented Employees

In our opinion, the accompanying statements of net assets available for benefits with fund information and the related statement of changes in net assets available for benefits with fund information present fairly, in all material respects, the net assets available for benefits of the UTC Savings Plan For Hourly Management-Represented Employees at December 31, 1998 and 1997, and the changes in net assets available for benefits for the period ended December 31, 1998, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The fund information in the statement of net assets available for benefits and the statement of changes in net assets available for benefits is presented for purposes of additional analysis rather than to present the net assets available for plan benefits and changes in net assets available for benefits of each fund. The fund information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP
Hartford, Connecticut
June 28, 1999

UTC SAVINGS PLAN FOR HOURLY MANAGEMENT-REPRESENTED EMPLOYEES
Statement of Net Assets Available for Benefits With Fund Information
December 31, 1998

	Income Fund	Equity Fund	Small Company Stock Index Fund	International Equity Index Fund	Global Fund	UTC Common Stock Fund	INVESCO Total Return Fund
Assets:							
Investments, at fair value:							
Beneficial interests in Bankers Trust							
Company Pyramid:							
Large Capitalization Equity Index Fund	\$ -	\$ 869,825	\$ -	\$ -	\$ 42,826	\$ -	\$ -
Russell 2000 Equity Index Fund	-	-	22,461	-	-	-	-
Daily Japanese Equity Index Fund	-	-	-	2,125	-	-	-
Daily Non Japanese Equity Index Fund	-	-	-	7,982	-	-	-
Government/Corporate Fixed Income Index Fund	-	-	-	-	34,904	-	-
Daily International Equity Index Fund	-	-	-	-	42,374	-	-
United Technologies Corporation Common Stock	-	-	-	-	-	266,997	-
Shares of respective registered investment companies	-	-	-	-	-	-	68,399
Investments, at contract value or cost:							
Beneficial interests in investment contracts, at contract value							
	4,798,401	-	-	-	-	-	-
Participant loans, at cost							
	-	-	-	-	-	-	-
Temporary investments, at cost plus accrued interest							
	-	-	-	-	-	1,331	-
Total Investments	4,798,401	869,825	22,461	10,107	120,104	268,328	68,399
Plan receivables	3,752	-	-	-	-	2,997	-
Total Assets	4,802,153	869,825	22,461	10,107	120,104	271,325	68,399
Liabilities:							
Accrued expenses							
	-	-	-	-	-	684	-
Loans payable, net							
	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	684	-
Net Assets Available for Benefits	\$4,802,153	\$ 869,825	\$ 22,461	\$ 10,107	\$ 120,104	\$ 270,641	\$ 68,399
Units of participation	71,760	32,144	1,883	797	41,848	14,854	2,181
Unit value	\$ 66.92	\$ 27.06	\$ 11.93	\$ 12.68	\$ 2.87	\$ 18.22	\$ 31.36

The accompanying notes are an integral part of these financial statements.

UTC SAVINGS PLAN FOR HOURLY MANAGEMENT-REPRESENTED EMPLOYEES
Statement of Net Assets Available for Benefits With Fund Information (Continued)
December 31, 1998

	Fidelity Growth & Income Portfolio	Putnam Fund for Growth and Income	Fidelity Contrafund	Fidelity Low- Priced Stock Fund	PBHG Growth Fund	Putnam New Opportunities Fund	SoGen Internation- al Fund, Inc.
Assets:							
Investments, at fair value:							
Beneficial interests in Bankers Trust Company Pyramid:							
Large Capitalization Equity Index Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Russell 2000 Equity Index Fund	-	-	-	-	-	-	-
Daily Japanese Equity Index Fund	-	-	-	-	-	-	-
Daily Non Japanese Equity Index Fund	-	-	-	-	-	-	-
Government/Corporate Fixed Income Index Fund	-	-	-	-	-	-	-
Daily International Equity Index Fund	-	-	-	-	-	-	-
United Technologies Corporation Common Stock	-	-	-	-	-	-	-
Shares of respective registered investment companies	341,591	99,336	119,070	69,652	80,045	144,300	7,180
Investments, at contract value or cost:							
Beneficial interests in investment contracts, at contract value							
Participant loans, at cost	-	-	-	-	-	-	-
Temporary investments, at cost plus accrued interest	-	-	-	-	-	-	-
Total Investments	341,591	99,336	119,070	69,652	80,045	144,300	7,180
Plan receivables	-	-	-	-	-	-	-
Total Assets	341,591	99,336	119,070	69,652	80,045	144,300	7,180
Liabilities:							
Accrued expenses							
Loans payable, net	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-
Net Assets Available for Benefits	\$ 341,591	\$ 99,336	\$ 119,070	\$ 69,652	\$ 80,045	\$ 144,300	\$ 7,180
Units of participation	7,452	4,841	2,097	3,048	3,134	2,440	312
Unit value	\$ 45.84	\$ 20.52	\$ 56.79	\$ 22.85	\$ 25.54	\$ 59.14	\$ 23.03

The accompanying notes are an integral part of these financial statements.

UTC SAVINGS PLAN FOR HOURLY MANAGEMENT-REPRESENTED EMPLOYEES
Statement of Net Assets Available for Benefits With Fund Information (Continued)
December 31, 1998

	Templeton Foreign Fund A	Templeton Developing Markets Trust A	Loan Fund	Total
Assets:				
Investments, at fair value:				
Beneficial interests in Bankers Trust Company Pyramid:				
Large Capitalization Equity Index Fund	\$ -	\$ -	\$ -	\$ 912,651
Russell 2000 Equity Index Fund	-	-	-	22,461
Daily Japanese Equity Index Fund	-	-	-	2,125
Daily Non Japanese Equity Index Fund	-	-	-	7,982
Government/Corporate Fixed Income Index Fund	-	-	-	34,904
Daily International Equity Index Fund	-	-	-	42,374
United Technologies Corporation Common Stock	-	-	-	266,997
Shares of respective registered investment companies	34,931	17,314	-	981,818
Investments, at contract value or cost:				
Beneficial interests in investment contracts, at contract value				
Participant loans, at cost	-	-	256,444	4,798,401
Temporary investments, at cost plus accrued interest	-	-	-	256,444
Total Investments	34,931	17,314	256,444	1,331
Plan receivables	-	-	-	6,749
Total Assets	34,931	17,314	256,444	7,327,488
Liabilities:				
Accrued expenses	-	-	-	684
Loans payable, net	-	-	-	-
Total Liabilities	-	-	-	684
Net Assets Available for Benefits	\$ 34,931	\$ 17,314	\$ 256,444	\$ 7,333,553
Units of participation	4,163	1,681	256,444	
Unit value	\$ 8.39	\$ 10.30	\$ 1.00	

The accompanying notes are an integral part of these financial statements.

UTC SAVINGS PLAN FOR HOURLY MANAGEMENT-REPRESENTED EMPLOYEES
Statement of Net Assets Available for Benefits With Fund Information
December 31, 1997

	Income Fund	Equity Fund	Small Company Stock Index Fund	International Equity Index Fund	Global Fund	UTC Common Stock Fund	INVESCO Total Return Fund
Assets:							
Investments, at fair value:							
Beneficial interests in Bankers Trust							
Company Pyramid:							
Large Capitalization Equity Index Fund	\$ -	\$ 492,470	\$ -	\$ -	\$ 33,343	\$ -	\$ -
Russell 2000 Equity Index Fund	-	-	10,189	-	-	-	-
Daily Japanese Equity Index Fund	-	-	-	853	-	-	-
Daily Non Japanese Equity Index Fund	-	-	-	2,560	-	-	-
Government/Corporate Fixed Income Index Fund	-	-	-	-	27,280	-	-
Daily International Equity Index Fund	-	-	-	-	31,992	-	-
United Technologies Corporation Common Stock	-	-	-	-	-	104,700	-
Shares of respective registered investment companies	-	-	-	-	-	-	43,015
Investments, at contract value or cost:							
Beneficial interests in investment							
contracts, at contract value	3,777,373	-	-	-	-	-	-
Participant loans, at cost	-	-	-	-	-	-	-
Temporary investments, at cost plus accrued interest	-	-	-	-	-	1,572	-
Total Investments	3,777,373	492,470	10,189	3,413	92,615	106,272	43,015
Plan receivables	1,171	-	-	-	-	224	-
Total Assets	3,778,544	492,470	10,189	3,413	92,615	106,496	43,015
Liabilities:							
Accrued expenses	-	-	-	-	-	676	-
Loans payable, net	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	676	-
Net Assets Available for Benefits	\$3,778,544	\$ 492,470	\$ 10,189	\$ 3,413	\$ 92,615	\$ 105,820	\$ 43,015
Units of participation	61,248	23,427	842	324	38,950	8,761	1,479
Unit value	\$ 61.70	\$ 21.02	\$ 12.10	\$ 10.53	\$ 2.38	\$ 12.08	\$ 29.09

The accompanying notes are an integral part of these financial statements.

UTC SAVINGS PLAN FOR HOURLY MANAGEMENT-REPRESENTED EMPLOYEES
Statement of Net Assets Available for Benefits With Fund Information (Continued)
December 31, 1997

	Fidelity Growth & Income Portfolio	Putnam Fund for Growth and Income	Fidelity Contrafund	Fidelity Low- Priced Stock Fund	PBHG Growth Fund	Putnam New Opportun- ities Fund	SoGen Interna- tional Fund, Inc.
Assets:							
Investments, at fair value:							
Beneficial interests in Bankers Trust							
Company Pyramid:							
Large Capitalization Equity Index Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Russell 2000 Equity Index Fund	-	-	-	-	-	-	-
Daily Japanese Equity Index Fund	-	-	-	-	-	-	-
Daily Non Japanese Equity Index Fund	-	-	-	-	-	-	-
Government/Corporate Fixed Income Index Fund	-	-	-	-	-	-	-
Daily International Equity Index Fund	-	-	-	-	-	-	-
United Technologies Corporation Common Stock	-	-	-	-	-	-	-
Shares of respective registered investment companies	166,622	43,507	22,980	56,551	54,493	45,721	7,965
Investments, at contract value or cost:							
Beneficial interests in investment contracts, at contract value							
Participant loans, at cost	-	-	-	-	-	-	-
Temporary investments, at cost plus accrued interest	-	-	-	-	-	-	-
Total Investments	166,622	43,507	22,980	56,551	54,493	45,721	7,965
Plan receivables	-	-	-	-	-	-	-
Total Assets	166,622	43,507	22,980	56,551	54,493	45,721	7,965
Liabilities:							
Accrued expenses							
Loans payable, net	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-
Net Assets Available for Benefits	\$ 166,622	\$ 43,507	\$ 22,980	\$ 56,551	\$ 54,493	\$ 45,721	\$ 7,965
Units of participation	4,373	2,224	493	2,250	2,146	931	313
Unit value	\$ 38.10	\$ 19.56	\$ 46.63	\$ 25.13	\$ 25.39	\$ 49.10	\$ 25.45

The accompanying notes are an integral part of these financial statements.

UTC SAVINGS PLAN FOR HOURLY MANAGEMENT-REPRESENTED EMPLOYEES
Statement of Net Assets Available for Benefits With Fund Information (Continued)
December 31, 1997

	Templeton Foreign Fund A	Templeton Developing Markets Trust A	Loan Fund	Total
Assets:				
Investments, at fair value:				
Beneficial interests in Bankers Trust Company Pyramid:				
Large Capitalization Equity Index Fund	\$ -	\$ -	\$ -	\$ 525,813
Russell 2000 Equity Index Fund	-	-	-	10,189
Daily Japanese Equity Index Fund	-	-	-	853
Daily Non Japanese Equity Index Fund	-	-	-	2,560
Government/Corporate Fixed Income Index Fund	-	-	-	27,280
Daily International Equity Index Fund	-	-	-	31,992
United Technologies Corporation Common Stock	-	-	-	104,700
Shares of respective registered investment companies	30,483	18,525	-	489,862
Investments, at contract value or cost:				
Beneficial interests in investment contracts, at contract value				
Participant loans, at cost	-	-	214,335	3,777,373
Temporary investments, at cost plus accrued interest	-	-	-	214,335
Total Investments	30,483	18,525	214,335	1,572
Plan receivables	-	-	-	5,186,529
Total Assets	30,483	18,525	214,335	1,395
Liabilities:				
Accrued expenses	-	-	-	676
Loans payable, net	-	-	-	-
Total Liabilities	-	-	-	676
Net Assets Available for Benefits	\$ 30,483	\$ 18,525	\$ 214,335	\$ 5,187,248
Units of participation	3,064	1,432	214,335	
Unit value	\$ 9.95	\$ 12.94	\$ 1.00	

The accompanying notes are an integral part of these financial statements.

UTC SAVINGS PLAN FOR HOURLY MANAGEMENT-REPRESENTED EMPLOYEES
Statement of Net Assets Available for Benefits With Fund Information
December 31, 1998

	Income Fund	Equity Fund	Small Company Stock Index Fund	International Equity Index Fund	Global Fund	UTC Common Stock Fund	INVESCO Total Return Fund
Additions to net assets attributed to:							
Investment Income:							
Net appreciation / (depreciation) in fair value of investments	\$ -	\$ 166,849	\$ (722)	\$ 1,100	\$ 19,926	\$ 72,328	\$ 3,809
Interest	342,643	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	3,153
Total Investment Income	342,643	166,849	(722)	1,100	19,926	72,328	6,962
Contributions:							
Participants'	558,419	171,381	12,878	4,065	27,558	98,722	14,488
Employer's	528,834	72,220	1,956	291	3,717	22,056	1,658
Total Contributions	1,087,253	243,601	14,834	4,356	31,275	120,778	16,146
Repayments on loans	99,917	12,847	138	52	2,647	3,936	374
Deductions from net assets attributed to:							
Distributions to participants	344,665	16,666	28	51	6,322	8,036	411
Loans to participants	120,704	32,498	801	122	5,802	7,065	1,601
Administrative expenses	2,336	305	-	43	154	8	43
Total Deductions	467,705	49,469	829	216	12,278	15,109	2,055
Net increase / (decrease) prior to transfers	1,062,108	373,828	13,421	5,292	41,570	181,933	21,427
Inter-fund transfers	(30,634)	3,527	(1,149)	1,402	(14,081)	(17,112)	3,957
Assets transferred out of Plan	(7,865)	-	-	-	-	-	-
Net increase / (decrease)	1,023,609	377,355	12,272	6,694	27,489	164,821	25,384
Net Assets Available for Benefits December 31, 1997	3,778,544	492,470	10,189	3,413	92,615	105,820	43,015
Net Assets Available for Benefits December 31, 1998	\$4,802,153	\$ 869,825	\$ 22,461	\$ 10,107	\$ 120,104	\$ 270,641	\$ 68,399

The accompanying notes are an integral part of these financial statements.

UTC SAVINGS PLAN FOR HOURLY MANAGEMENT-REPRESENTED EMPLOYEES
Statement of Net Assets Available for Benefits With Fund Information (Continued)
December 31, 1998

	Fidelity Growth & Income Portfolio	Putnam Fund for Growth and Income	Fidelity Contrafund	Fidelity Low- Priced Stock Fund	PBHG Growth Fund	Putnam New Opportun- ities Fund	SoGen Interna- tional Fund, Inc.
Additions to net assets attributed to:							
Investment Income:							
Net appreciation / (depreciation) in fair value of investments	\$ 50,149	\$ 2,035	\$ 12,301	\$ (4,709)	\$ 1,401	\$ 17,251	\$ (702)
Interest	-	-	-	-	-	-	-
Dividends	16,426	8,324	8,648	5,209	-	4,322	620
Total Investment Income	66,575	10,359	20,949	500	1,401	21,573	(82)
Contributions:							
Participants'	79,168	26,929	49,882	20,252	30,747	60,331	3,103
Employer's	11,960	4,335	3,076	2,139	4,274	6,973	544
Total Contributions	91,128	31,264	52,958	22,391	35,021	67,304	3,647
Repayments on loans	3,282	1,081	1,699	893	1,012	174	97
Deductions from net assets attributed to:							
Distributions to participants	17,344	700	1,105	125	2,051	2,417	5
Loans to participants	2,132	1,986	1,582	335	77	75	339
Administrative expenses	-	-	39	8	8	11	-
Total Deductions	19,476	2,686	2,726	468	2,136	2,503	344
Net increase / (decrease) prior to transfers	141,509	40,018	72,880	23,316	35,298	86,548	3,318
Inter-fund transfers	33,460	15,811	23,210	(10,215)	(9,746)	12,031	(4,103)
Assets transferred out of Plan	-	-	-	-	-	-	-
Net increase / (decrease)	174,969	55,829	96,090	13,101	25,552	98,579	(785)
Net Assets Available for Benefits December 31, 1997	166,622	43,507	22,980	56,551	54,493	45,721	7,965
Net Assets Available for Benefits December 31, 1998	\$ 341,591	\$ 99,336	\$ 119,070	\$ 69,652	\$ 80,045	\$ 144,300	\$ 7,180

The accompanying notes are an integral part of these financial statements.

UTC SAVINGS PLAN FOR HOURLY MANAGEMENT-REPRESENTED EMPLOYEES
Statement of Net Assets Available for Benefits With Fund Information (Continued)
December 31, 1998

	Templeton Foreign Fund A	Templeton Developing Markets Trust A	Loan Fund	Total
Additions to net assets attributed to:				
Investment Income:				
Net appreciation / (depreciation) in fair value of investments	\$ (5,915)	\$ (3,987)	\$ -	\$ 331,114
Interest	-	-	19,798	362,441
Dividends	3,518	361	-	50,581
Total Investment Income	(2,397)	(3,626)	19,798	744,136
Contributions:				
Participants'	10,368	4,224	-	1,172,515
Employer's	882	199	-	665,114
Total Contributions	11,250	4,423	-	1,837,629
Repayments on loans	253	326	(128,728)	-
Deductions from net assets attributed to:				
Distributions to participants	-	-	24,714	424,640
Loans to participants	399	235	(175,753)	-
Administrative expenses	-	-	-	2,955
Total Deductions	399	235	(151,039)	427,595
Net increase / (decrease) prior to transfers	8,707	888	42,109	2,154,170
Inter-fund transfers	(4,259)	(2,099)	-	-
Assets transferred out of Plan	-	-	-	(7,865)
Net increase / (decrease)	4,448	(1,211)	42,109	2,146,305
Net Assets Available for Benefits December 31, 1997	30,483	18,525	214,335	5,187,248
Net Assets Available for Benefits December 31, 1998	\$ 34,931	\$ 17,314	\$ 256,444	\$ 7,333,553

The accompanying notes are an integral part of these financial statements.

UTC SAVINGS PLAN FOR HOURLY MANAGEMENT-REPRESENTED EMPLOYEES

Notes to Financial Statements

NOTE 1 - DESCRIPTION OF THE PLAN

General. The UTC Savings Plan for Hourly Management-Represented Employees (formerly the UT Automotive Savings Plan for Hourly Management-Represented Employees) (the Plan), is a defined contribution savings plan administered by United Technologies Corporation (UTC). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). During 1998, non-union hourly employees of certain divisions of Carrier and UT Automotive Corporation (UTA) were eligible to participate in the Plan after completing at least one year of service. The following is a brief description of the Plan. For more complete information, participants should refer to the Plan document which is available from UTC. As described in Note 6, UTC sold its UTA subsidiary on May 4, 1999.

Contributions and Vesting. Participants may elect to contribute, through payroll deductions, between 1 and 16 percent of their total compensation. Participant contributions, plus actual earnings thereon, are fully vested at all times under the Plan. Carrier and UTA (the Employer) contribute specified amounts to the Plan in accordance with the terms outlined in the respective employment agreements. Generally, the Employer's contributions, plus actual earnings thereon, become fully vested after two years of Plan participation.

Participant Accounts. Each participant's account is credited with the participant's contributions and allocations of (a) UTC's contributions based on a percentage of the participant's contribution and (b) Plan earnings based on account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Forfeited balances of terminated participants' nonvested amounts are used to reduce future Employer contributions. For the period ended December 31, 1998 approximately \$2,900 of forfeitures were used to fund Employer's contributions.

Trustee and Recordkeeper. All of the Plan's assets are held by Bankers Trust Company, the Plan Trustee. Fidelity Institutional Retirement Services Company performs participant account recordkeeping responsibilities.

Investment Options. Participants may elect to allocate their contributions in any whole percentage among the following funds. Participants are permitted to transfer their accounts between investment funds daily in any whole percentage or whole dollar amount. The investment funds are as follows:

- . The Income Fund invests in contracts issued by five insurance companies. See Note 3. In December of 1997, UTC approved a reverse unit split of the units of participation and the unit value of the Income Fund effective as of January 1, 1998. As a result, the units of participation and the unit value was decreased and increased, respectively, by a factor of ten. All units of participation and unit value amounts presented herein have been restated to reflect the reverse unit split.
- . The Equity Fund invests in a portfolio of common stocks replicating the Standard & Poor's Composite Index of 500 stocks (S&P 500).
- . The Small Company Stock Index Fund invests in a portfolio of common stocks replicating the Russell 2000 Index.
- . The International Equity Index Fund invests in the equities of a mix of stock markets outside the U.S.
- . The Global Fund invests in both U.S. and foreign investments to replicate the performance, in approximately equal portions, of three indices: the S&P 500, the EAFE Index (an international stock index of large companies in Europe, Australia and the Far East), and the Lehman Brothers Government/Corporate Index.
- . The UTC Common Stock Fund consists principally of 2,455 and 1,438 shares of UTC Common Stock at December 31, 1998 and 1997, respectively. See Note 6.
- . The INVESCO Total Return Fund, a registered investment company, principally invests in both equity and fixed or variable income securities to achieve a moderate total return from capital appreciation and current income.
- . The Fidelity Growth & Income Portfolio, a registered investment company, principally invests in U.S. and foreign equity securities that pay current dividends and show potential earnings growth.
- . The Putnam Fund for Growth and Income, a registered investment company, principally invests in equity securities of companies that pay regular dividends to shareowners.
- . The Fidelity Contrafund, a registered investment company, principally invests in equity securities of U.S. and foreign companies believed to be undervalued or out of favor.
- . The Fidelity Low-Priced Stock Fund, a registered investment company, principally invests in equity securities of companies believed to be undervalued, overlooked or out of favor, which are generally priced at \$35 or less.
- . The PBHG Growth Fund, a registered investment company, principally invests in equity securities of companies believed to have an outlook for strong earnings growth.

. The Putnam New Opportunities Fund, a registered investment company, principally invests in equity securities of companies in certain emerging industry groups.

. The SoGen International Fund, Inc., a registered investment company, invests in U.S. and foreign equity, fixed income and gold-related securities and cash.

. The Templeton Foreign Fund A (formerly the Templeton Foreign Fund I), a registered investment company, principally invests in equity securities of companies in developed and developing countries outside the U.S.

. The Templeton Developing Markets Trust A (formerly the Templeton Developing Markets I), a registered investment company, principally invests in equity securities of companies in developing countries.

Participant Loans. Certain participants with at least two years of Plan participation are allowed to borrow up to 50 percent of their account balances, excluding employer contributions. Loan amounts can range from \$1,000 to \$50,000 and must be repaid within 5 years. The loans are secured by the balance in the participant's account and bear interest at Bankers Trust's prime rate plus one percent. Principal and interest are paid ratably through payroll deductions.

Payment of Benefits. Generally, benefits are paid in a lump sum to a terminating participant. A participant terminating due to retirement may elect to receive benefits in installments over two to twenty years. At the participant's election, the portion of a lump sum distribution attributable to the UTC Common Stock Fund may be paid in shares of UTC Common Stock instead of cash. Distributions in UTC Common Stock for the period ended December 31, 1998 were approximately \$1,400.

Other. Participants who transfer to a new UTC location with a different savings plan may have the option of transferring their account balances in accordance with the provisions of the new savings plan.

NOTE 2 - SUMMARY OF ACCOUNTING PRINCIPLES

Basis of Accounting. The financial statements of the Plan are prepared under the accrual method of accounting, except for benefits which are recorded when paid.

Master Trust. The Plan's assets are kept in a Master Trust maintained by the Trustee. Under the Master Trust agreement, the assets of certain employee savings plans of UTC and its subsidiaries are combined. Participating Plans purchase units of participation in the investment funds based on their contribution to such funds and the unit value of the applicable investment fund at the end of the trading day in which a transaction occurs. The unit value of each fund is determined at the close of each day by dividing the sum of uninvested cash, accrued income and the current value of investments by the total number of outstanding units in such funds. Income from the funds' investments increases the Plans' unit values. Distributions to participants reduce the number of participation units held by the Plans.

At December 31, 1998, the Plan's interest in the Master Trust comprised 451,079 units of the 522,172,913 total units of participation, or 0.09%. At December 31, 1997, the Plan's interest in the Master Trust comprised 366,592 units of the total 534,787,672 units of participation, or 0.07%.

Investment Valuation. The Income Fund's investment contracts are stated at contract value which represents contributions plus earnings, less Plan withdrawals. All other funds are stated at fair value, as determined by the Trustee, typically by reference to published market data.

Plan Expenses. Plan administrative expenses, including Trustee and recordkeeping fees, were paid directly by the employer in 1998. The employer also paid certain investment management fees for the Bankers Trust managed funds. All other administrative and investment expenses were paid out of Plan assets.

Use of Estimates. The preparation of financial statements requires UTC to make estimates and assumptions that affect the reported amounts in the financial statements. Actual results could differ from those estimates.

NOTE 3 - INVESTMENT CONTRACTS

Under these contracts, each insurance company guarantees repayment in full of the principal amount invested plus interest credited at a fixed rate for a specified period. Interest is credited to each contract based on an annual interest rate set each year by the individual insurance companies. This rate, which differs among contracts, takes into account any difference between prior year credited interest and the actual amount of investment earnings allocable to the contract in accordance with the established allocation procedures of the insurance company. The interest rates earned for 1998 and 1997 were 8.5% and 8.1%, respectively.

The following is a summary of the investment contracts held in the Income Fund and the portion allocable to the Plan:

	December 31, 1998	December 31, 1997
CIGNA	\$ 1,590,214,600	\$ 1,456,403,738
Aetna	471,765,293	437,582,101
Travelers	398,145,628	367,508,974
Prudential	252,192,024	231,133,416
Metropolitan Life	1,019,271,695	780,096,192
	\$ 3,731,589,240	\$ 3,272,724,421

Amount of the contracts allocable to the Plan \$ 4,798,401 \$ 3,777,373

NOTE 4 - PLAN TERMINATION

Although it has not expressed any intent to do so, UTC has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

NOTE 5 - TAX STATUS

The Internal Revenue Service has determined and informed UTC by letter dated February 27, 1998, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan administrator and tax counsel believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC.

NOTE 6 - SUBSEQUENT EVENTS

During 1998, UTC approved the merger of certain defined contribution plans of Tyler Refrigeration Corporation (a subsidiary of Carrier Corporation) into the Plan effective January 1, 1999. Participants of the former Tyler Refrigeration Corporation defined contribution plans are eligible to participate in the Plan effective January 1, 1999. On February 26, 1999, approximately \$25,300,000 of net assets was transferred into the Plan.

On April 30, 1999, the Board of Directors of UTC declared a 2 for 1 stock split in the form of a stock dividend payable May 17, 1999 to shareowners of record at the close of business on May 7, 1999. The share amounts reflected herein do not reflect the stock split.

On May 4, 1999, UTC completed its sale of UTA to Lear Corporation. UTA employees have the option to transfer their account balances or leave their investments in the Plan. These employees were permitted to continue making contributions to the Plan through May 31, 1999.

SIGNATURES

The Plan (or other persons who administer the employee benefit plan), pursuant to the requirements of the Securities Exchange Act of 1934, has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

UTC SAVINGS PLAN FOR HOURLY
MANAGEMENT-REPRESENTED EMPLOYEES

Dated: June 28, 1999

By: /s/ Daniel P. O'Connell
Daniel P. O'Connell
Corporate Director, Employee Benefits and Human
Resources Systems
United Technologies Corporation

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-18743) of United Technologies Corporation of our report dated June 28, 1999 appearing in the UTC Savings Plan for Hourly, Management-Represented Employees Annual Report on Form 11-K for the year ended December 31, 1998.

/s/ PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP
Hartford, Connecticut
June 28, 1999