



ECONOMIC AND SOCIAL STABILIZATION FUND

Monthly Executive Report as of September 2013

I. Market Value as of September, 2013

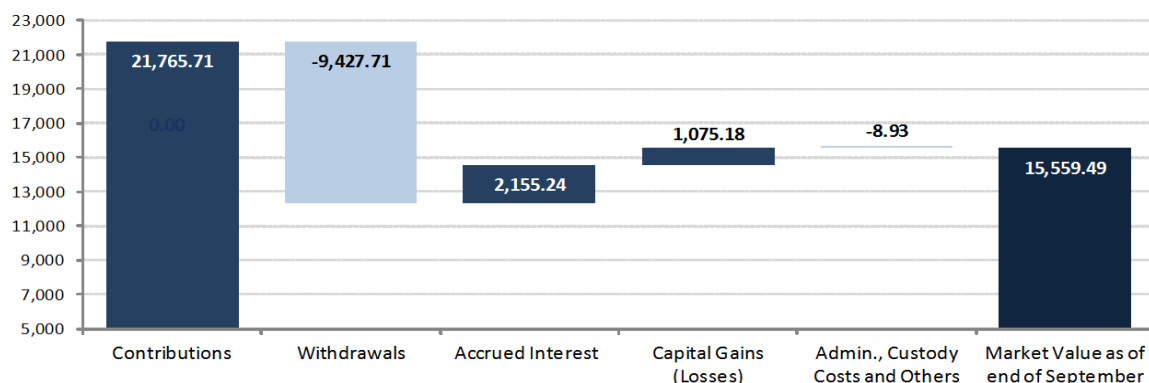
The market value of the Economic and Social Stabilization Fund (ESSF) totaled US\$15,559.5 million as of September of 2013. The market value changed during this month due to: (i) accrued interest of US\$16.5 million (ii) capital gains on investments of US\$263.9 million, and (iii) administrative, custody and others costs of US\$ 0.4 million.

Changes in Market Value (US\$ million)	2007	2008	2009	2010	2011	2012	2013					Since Inception ⁽¹⁾
							1Q	2Q	July	August	September	
Starting Market Value	0.00	14,032.61	20,210.68	11,284.78	12,720.10	13,156.64	14,997.52	14,754.65	15,207.83	15,378.85	15,279.54	0.00
Contributions	13,100.00	5,000.00	0.00	1,362.33	0.00	1,700.00	0.00	603.39	0.00	0.00	0.00	21,765.71
Withdrawals	0.00	0.00	-9,277.71	-150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-9,427.71
Accrued Interest	326.15	623.95	404.27	227.63	236.99	201.89	42.52	45.87	16.06	13.46	16.45	2,155.24
Capital Gains (Losses)	606.81	556.08	-50.83	-3.51	200.71	-59.71	-284.88	-195.56	154.97	-112.78	263.89	1,075.18
Admin., Custody and Other Costs ⁽²⁾	-0.35	-1.96	-1.62	-1.13	-1.16	-1.30	-0.51	-0.51	0.00	0.00	-0.39	-8.93
Final Market Value	14,032.61	20,210.68	11,284.78	12,720.10	13,156.64	14,997.52	14,754.65	15,207.83	15,378.85	15,279.54	15,559.49	15,559.49

⁽¹⁾ The ESSF was established by the merger of the fiscal assets saved under Decree Law N° 3.653 (1981) with those of the Copper Income Compensation Fund. The first payment into the new fund was made

⁽²⁾ It includes costs associated with consultants and others.

Changes in Market Value Since Inception (US\$ million)



By Asset Class (US\$ million)	2007	2008	2009	2010	2011	2012	2013				
							1Q	2Q	July	August ⁽¹⁾	September
Money Market ⁽²⁾	4,216.29	5,957.12	3,373.66	3,773.50	3,939.33	4,488.14	4,385.13	4,571.79	4,759.92	5,320.50	5,367.89
Sovereign Bonds	9,323.73	13,583.62	7,508.85	8,501.34	8,755.83	9,987.37	9,854.70	10,100.34	10,083.09	8,776.21	8,967.56
Sovereign Inflation Linked Bonds	492.59	669.93	402.27	445.26	461.48	522.01	514.82	535.70	535.84	588.45	598.91
Equities	-	-	-	-	-	-	-	-	-	594.37	625.14
Market Value	14,032.61	20,210.68	11,284.78	12,720.10	13,156.64	14,997.52	14,754.65	15,207.83	15,378.85	15,279.54	15,559.49

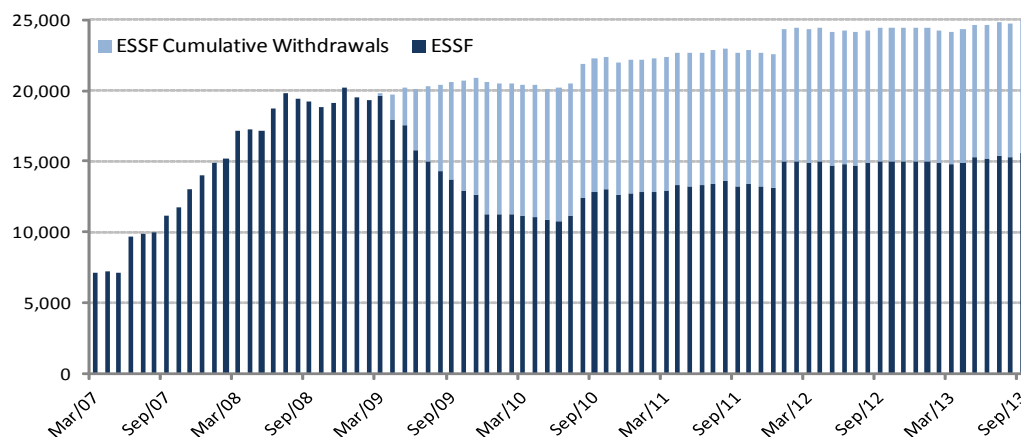
⁽¹⁾ A new investment policy including equities was implemented.

⁽²⁾ Includes sovereign bills and commercial money market.

By Risk Exposure (US\$ million)	2007	2008	2009	2010	2011	2012	2013				
							1Q	2Q	July	August ⁽¹⁾	September
Sovereigns	9,283.19	16,617.20	8,913.96	10,112.22	10,949.50	12,746.00	12,523.65	12,904.21	13,070.44	11,910.95	12,068.94
Banks	4,216.29	3,593.47	2,370.82	2,607.88	2,207.14	2,251.52	2,230.99	2,303.62	2,308.41	2,774.21	2,865.41
Agencies	533.12	-	-	-	-	-	-	-	-	-	-
Equities	-	-	-	-	-	-	-	-	-	594.37	625.14
Market Value	14,032.61	20,210.68	11,284.78	12,720.10	13,156.64	14,997.52	14,754.65	15,207.83	15,378.85	15,279.54	15,559.49

⁽¹⁾ A new investment policy including equities was implemented.

Market Value (US\$ million)



II. Return as of September, 2013

Return in September was 1.83% in US dollars and 0.14% in Chilean pesos. Cumulative return during the year totaled -0.35% in US dollars and 4.74% in Chilean pesos. Annualized return since inception was 3.78% in US dollars and 2.72% in Chilean pesos.

Returns ^(a)	September	Last 3 Months	Year to Date	Last 12 Months	Last 3 Years (Annualized)	Since Inception
Money Market and Sovereign Bonds	1.70%					
Sovereign Inflation Linked Bonds	1.78%					
Equities	5.18%					
Return in USD	1.83%	2.31%	-0.35%	-0.24%	1.00%	3.78%
Exchange Rate (CLP)	-1.70%	-0.18%	5.09%	6.91%	1.20%	-1.07%
Return in CLP^(c)	0.14%	2.14%	4.74%	6.66%	2.20%	2.72%

^(a) Time Weighted Return (it's calculated as the growth rate of the funds that were invested throughout the period).

^(b) It's calculated from March 31, 2007, when the performance of Central Bank of Chile started to be measured.

^(c) CLP return corresponds to the sum of the percentage change of the CLP/USD exchange rate and the USD return.

Returns for periods of more than one year are compound annualized rates while those for less than a year correspond to the change as seen in the stated period. With a view to meeting high standards of transparency and providing a better assessment of the gains or losses on investments, the Ministry of Finance discloses the fund's return in different time horizons and currencies. With respect to the horizon, it is important to note that, in keeping with the medium- and long-term investment policy, the return assessment should focus on that period, disregarding fluctuations that may occur monthly or quarterly. With regard to returns expressed in different currencies, the return in US dollars allows for an assessment which is more in line with the investment policy given that the fund's resources are wholly invested abroad and in foreign currency. The return in Chilean pesos is also disclosed. This return reflects changes in the peso-dollar exchange rate and, therefore, may experience greater fluctuations. Finally, as with any investment, returns obtained in the past do not guarantee future positive results.

II. Portfolio Composition and Duration as of September 2013

Portfolio by Country and Credit Exposures	US\$ million	% of Total	Duration	Years
Nominal Sovereign Exposure			Sovereign Bills and Bonds	5.9
U.S.A.	5,008.93	32.2%	Sovereign Inflation Linked Bonds	5.1
Germany	2,797.92	18.0%	Banking	0.2
Japan	2,448.19	15.7%	Portfolio Total	4.8
Switzerland	1,214.98	7.8%		
Total Nominal Sovereign Exposure	11,470.03	73.7%		
Sovereign Inflation Linked Exposure			Portfolio by Asset Classes	
U.S.A.	442.36	2.8%	Sovereign and Banking	14,335.44 92.1%
Germany	156.55	1.0%	Sovereign Inflation Linked Bonds	598.91 3.8%
Total Sovereign Inflation Linked Exposure	598.91	3.8%	Equities	625.14 4.0%
			Portfolio Total	15,559.49 100.0%
Banking Exposure			Portfolio by Issuer Credit Rating	
Germany	935.38	6.0%	Credit Rating	Sovereigns Banking Fixed Income Total
Japan	525.76	3.4%	AAA	64.82% 0.00% 64.82%
Netherlands	271.91	1.7%	AA+	0.00% 0.00% 0.00%
Austria	236.17	1.5%	AA	0.00% 1.57% 1.57%
Belgium	225.53	1.4%	AA-	16.49% 0.41% 16.91%
United Kingdom	171.03	1.1%	A+	0.00% 5.83% 5.83%
Denmark	132.15	0.8%	A	0.00% 8.15% 8.15%
France	111.19	0.7%	A-	0.00% 2.72% 2.72%
Israel	105.02	0.7%	Fixed Income Total	81.31% 18.69% 100.00%
Finland	40.63	0.3%		
Sweden	18.55	0.1%		
Others	92.10	0.6%		
Total Banking Exposure	2,865.41	18.4%		
Equities Exposure				
U.S.A.	316.62	2.0%		
United Kingdom	50.80	0.3%		
Japan	50.62	0.3%		
Canada	23.47	0.2%		
France	22.16	0.1%		
Switzerland	21.23	0.1%		
Germany	21.19	0.1%		
Hong Kong	20.79	0.1%		
Australia	18.70	0.1%		
South Korea	10.92	0.1%		
Brazil	7.97	0.1%		
Sweden	7.52	0.0%		
Spain	7.50	0.0%		
Netherlands	7.09	0.0%		
Others	38.54	0.2%		
Total Equities Exposure	625.14	4.0%		
Portfolio Total	15,559.49	100.0%		