



ECONOMIC AND SOCIAL STABILIZATION FUND

Monthly Executive Report as of March 2014

I. Market Value as of March, 2014

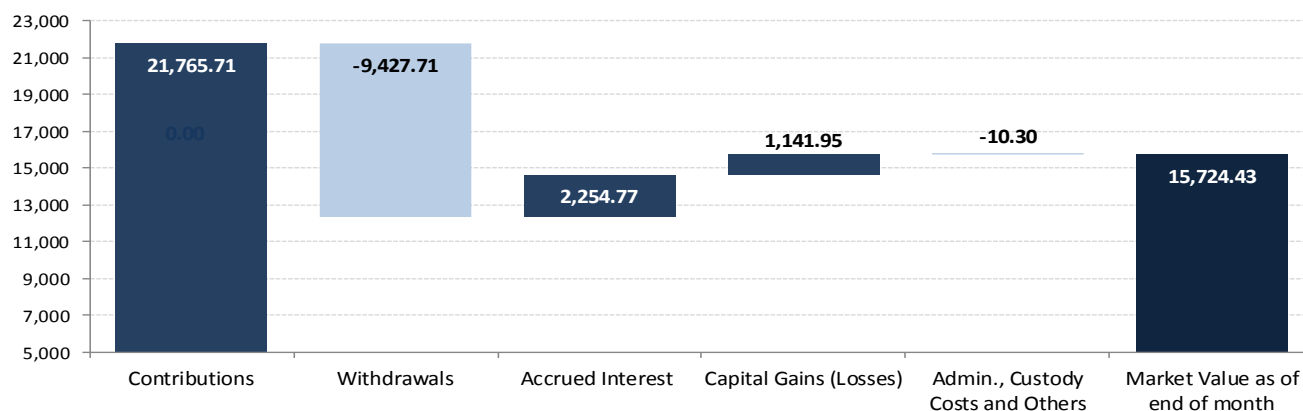
The market value of the Economic and Social Stabilization Fund (ESSF) totaled US\$15,724.4 million as of March of 2014. The market value changed during this month due to: (i) accrued interest of US\$17.7 million (ii) capital losses on investments of US\$66.9 million and (iii) administrative, custody and others costs of US\$ 0.3 million.

Changes in Market Value (US\$ million)	2007	2008	2009	2010	2011	2012	2013	2014	Since Inception ⁽¹⁾		
								January	February	March	
Starting Market Value	0.00	14,032.61	20,210.68	11,284.78	12,720.10	13,156.64	14,997.52	15,419.13	15,561.22	15,773.89	0.00
Contributions	13,100.00	5,000.00	0.00	1,362.33	0.00	1,700.00	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	-9,427.71
Accrued Interest	326.15	623.95	404.27	227.63	236.99	201.89	184.10	15.27	16.86	17.66	2,254.77
Capital Gains (Losses)	606.81	556.08	-50.83	-3.51	200.71	-59.71	-363.71	126.83	196.14	-66.85	1,141.95
Admin., Custody and Other Costs ⁽²⁾	-0.35	-1.96	-1.62	-1.13	-1.16	-1.30	-2.17	0.00	-0.33	-0.27	-10.30
Final Market Value	14,032.61	20,210.68	11,284.78	12,720.10	13,156.64	14,997.52	15,419.13	15,561.22	15,773.89	15,724.43	15,724.43

⁽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 on March 6, 2007.

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

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



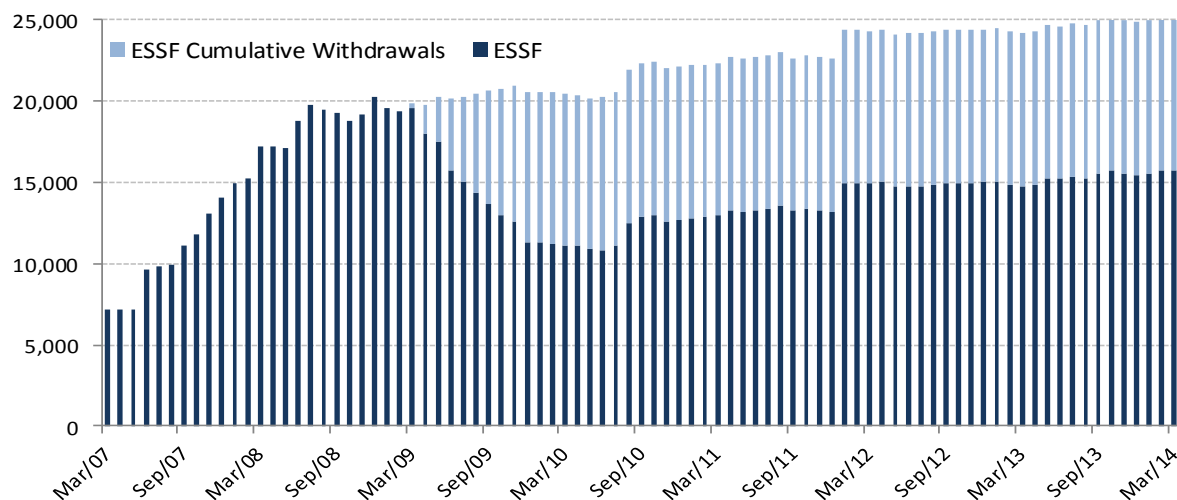
By Asset Class (US\$ million)	2007	2008	2009	2010	2011	2012	2013	2014	Since Inception ⁽¹⁾	
								January	February	March
Money Market ⁽²⁾	4,216.29	5,957.12	3,373.66	3,773.50	3,939.33	4,488.14	5,107.57	5,144.74	5,235.91	5,236.27
Sovereign Bonds	9,323.73	13,583.62	7,508.85	8,501.34	8,755.83	9,987.37	8,524.08	8,675.29	8,733.72	8,584.55
Sovereign Inflation Linked Bonds	492.59	669.93	402.27	445.26	461.48	522.01	541.64	545.41	550.90	643.85
Equities	-	-	-	-	-	-	1,245.83	1,195.79	1,253.36	1,259.76
Market Value	14,032.61	20,210.68	11,284.78	12,720.10	13,156.64	14,997.52	15,419.13	15,561.22	15,773.89	15,724.43

⁽¹⁾ In August a new investment policy that includes equities was implemented.

⁽²⁾ Includes sovereign bills and commercial money market.

By Risk Exposure (US\$ million)	2007	2008	2009	2010	2011	2012	2013	2014	Since Inception ⁽¹⁾	
								January	February	March
Sovereigns	9,283.19	16,617.20	8,913.96	10,112.22	10,949.50	12,746.00	11,450.71	11,553.55	11,805.52	11,973.43
Banks	4,216.29	3,593.47	2,370.82	2,607.88	2,207.14	2,251.52	2,722.58	2,811.89	2,715.01	2,491.23
Agencies	533.12	0.00	0.00	0.00	0.00	0.00	-	-	-	-
Equities	-	0.00	0.00	0.00	0.00	0.00	1,245.83	1,195.79	1,253.36	1,259.76
Market Value	14,032.61	20,210.68	11,284.78	12,720.10	13,156.64	14,997.52	15,419.13	15,561.22	15,773.89	15,724.43

Market Value (US\$ million)



II. Return as of March 2014

Return in March was -0.31% in US dollars and -2.58% in Chilean pesos. Cumulative return during the year totaled 1.98% in US dollars and 7.09% in Chilean pesos. Annualized return since inception was 3.66% in US dollars and 3.95% in Chilean pesos.

Returns ^(a)	March	Last 3 Months	Year to Date	Last 12 Months	Last 3 Years (Annualized)	Since Inception (Annualized) ^(b)
Money Market and Sovereign Bonds	-0.38%	2.09%	2.09%			
Sovereign Inflation Linked Bonds	-0.58%	1.04%	1.04%			
Equities	0.51%	1.12%	1.12%			
Return in USD	-0.31%	1.98%	1.98%	2.36%	1.12%	3.66%
Exchange Rate (CLP)	-2.27%	5.11%	5.11%	16.50%	4.52%	0.29%
Return in CLP ^(c)	-2.58%	7.09%	7.09%	18.86%	5.64%	3.95%

^(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 March 2014

Portfolio by Country and Credit Exposures			Duration			
	US\$ million	% of Total		Years		
Nominal Sovereign Exposure			Sovereign Bills and Bonds	5.7		
U.S.A.	4,854.26	30.9%	Sovereign Inflation Linked Bonds	5.2		
Japan	2,774.68	17.6%	Banking	0.2		
Germany	2,527.11	16.1%	Portfolio Total	4.8		
Switzerland	1,173.53	7.5%	Portfolio by Asset Classes			
Total Nominal Sovereign Exposure	11,329.59	72.1%		US\$ million	% of Total	
Sovereign Inflation Linked Exposure			Sovereign and Banking	13,820.82	87.9%	
U.S.A.	483.95	3.1%	Sovereign Inflation Linked Bonds	643.85	4.1%	
Germany	159.89	1.0%	Equities	1,259.76	8.0%	
Others ⁽¹⁾	0.01	0.0%	Portfolio Total	15,724.43	100.0%	
Total Sovereign Inflation Linked Exposure	643.85	4.1%	Portfolio by Issuer Credit Rating			
Banking Exposure			Credit Rating	Sovereigns	Banking	Fixed Income Total
France	807.30	5.1%	AAA	63.60%	0.00%	63.60%
Germany	364.27	2.3%	AA+	0.00%	0.00%	0.00%
Japan	291.74	1.9%	AA	0.00%	1.70%	1.70%
Hong Kong (China)	192.35	1.2%	AA-	19.18%	0.00%	19.18%
Denmark	184.23	1.2%	A+	0.00%	5.51%	5.51%
United Kingdom	184.22	1.2%	A	0.00%	9.60%	9.60%
Netherlands	149.90	1.0%	A-	0.00%	0.41%	0.41%
Austria	138.31	0.9%	Others	0.00%	0.00%	0.00%
Belgium	133.59	0.8%	Fixed Income Total	82.78%	17.22%	100.00%
Sweden	44.68	0.3%				
Others ⁽¹⁾	0.65	0.0%				
Total Banking Exposure	2,491.23	15.8%				
Equities Exposure						
U.S.A.	651.45	4.1%				
United Kingdom	97.55	0.6%				
Japan	91.15	0.6%				
Germany	47.75	0.3%				
Canada	46.37	0.3%				
France	46.24	0.3%				
Switzerland	43.06	0.3%				
Hong Kong (China)	38.95	0.2%				
Australia	36.39	0.2%				
South Korea	20.94	0.1%				
Spain	16.49	0.1%				
Sweden	15.31	0.1%				
Brazil	14.36	0.1%				
Netherlands	14.19	0.1%				
Italy	12.00	0.1%				
Others ⁽¹⁾	67.56	0.4%				
Total Equities Exposure	1,259.76	8.0%				
Portfolio Total	15,724.43	100.0%				

⁽¹⁾ includes cash and cash equivalents