



ECONOMIC AND SOCIAL STABILIZATION FUND

Monthly Executive Report as of January 2014

I. Market Value as of January, 2014

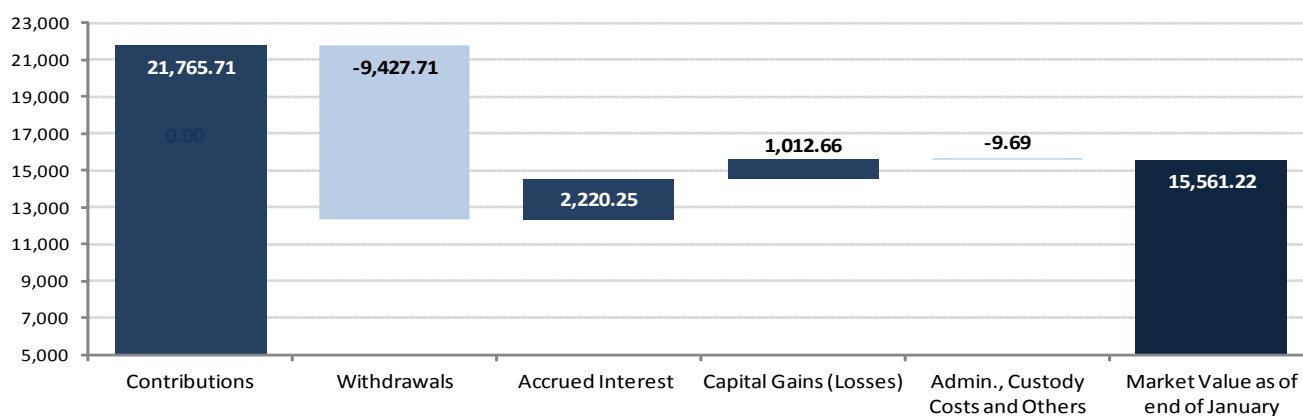
The market value of the Economic and Social Stabilization Fund (ESSF) totaled US\$15,561.2 million as of January of 2014. The market value changed during this month due to: (i) accrued interest of US\$15.3 million and (ii) capital gains on investments of US\$126.8 million.

Changes in Market Value (US\$ million)	2007	2008	2009	2010	2011	2012	2013	2014 January	Since Inception ⁽¹⁾
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	0.00
Contributions	13,100.00	5,000.00	0.00	1,362.33	0.00	1,700.00	603.39	0.00	21,765.71
Withdrawals	0.00	0.00	-9,277.71	-150.00	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	2,220.25
Capital Gains (Losses)	606.81	556.08	-50.83	-3.51	200.71	-59.71	-363.71	126.83	1,012.66
Admin., Custody and Other Costs ⁽²⁾	-0.35	-1.96	-1.62	-1.13	-1.16	-1.30	-2.17	0.00	-9.69
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	15,561.22

⁽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 1

⁽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 January
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
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
Sovereign Inflation Linked Bonds	492.59	669.93	402.27	445.26	461.48	522.01	541.64	545.41
Equities	-	-	-	-	-	-	1,245.83	1,195.79
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

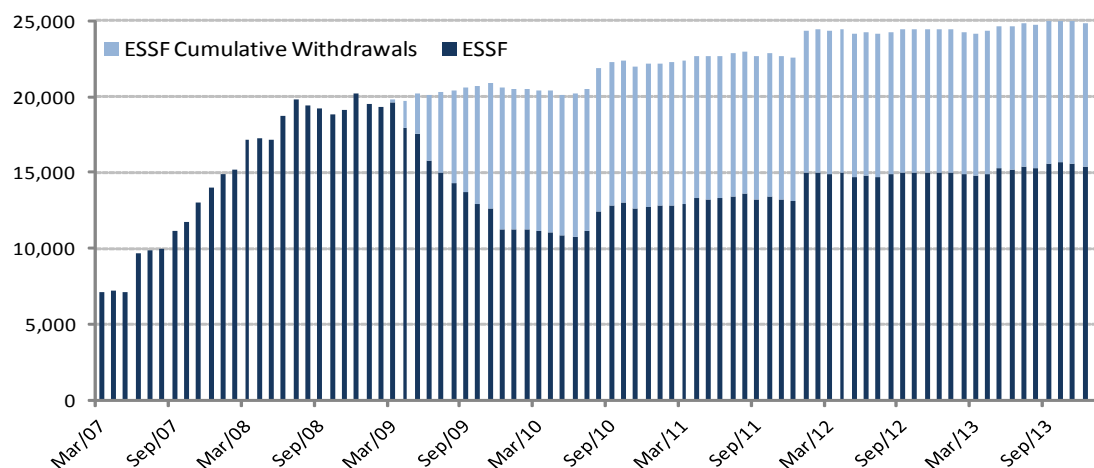
⁽¹⁾ In August a new investment policy that includes equities was implemented.

⁽²⁾ Includes sovereign bills and commercial money market.

By Risk Exposure (US\$ million)	2007	2008	2009	2010	2011	2012	2013	2014 January
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
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
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
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

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

Market Value (US\$ million)



II. Return as of January 2014

Return in January was 0.92% in US dollars and 5.40% in Chilean pesos. Cumulative return during the year totaled 0.92% in US dollars and 5.40% in Chilean pesos. Annualized return since inception was 3.59% in US dollars and 3.80% in Chilean pesos.

Returns ^(a)	January	Last 3 Months	Year to Date ^(b)	Last 12 Months	Last 3 Years (Annualized)	Since Inception (Annualized) ^(c)
Money Market and Sovereign Bonds	1.38%	-0.88%	1.38%			
Sovereign Inflation Linked Bonds	0.61%	-0.69%	0.61%			
Equities	-4.02%	-0.83%	-4.02%			
Return in USD	0.92%	-0.86%	0.92%	-0.57%	1.16%	3.59%
Exchange Rate (CLP)	4.48%	7.60%	4.48%	16.08%	4.22%	0.21%
Return in CLP ^(d)	5.40%	6.74%	5.40%	15.51%	5.38%	3.80%

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

^(b) YTD returns for Sovereign Bills and Bonds, Inflation Linked Bonds, and the externally managed Equity portfolios are only reflecting five months returns from August 2013.

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

^(d) 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 January 2014

Portfolio by Country and Credit Exposures	US\$ million	% of Total
Nominal Sovereign Exposure		
U.S.A.	4,876.13	31.3%
Germany	2,617.38	16.8%
Japan	2,359.92	15.2%
Switzerland	1,154.71	7.4%
Total Nominal Sovereign Exposure	11,008.14	70.7%
Sovereign Inflation Linked Exposure		
U.S.A.	389.81	2.5%
Germany	155.53	1.0%
Others ⁽¹⁾	0.07	0.0%
Total Sovereign Inflation Linked Exposure	545.41	3.5%
Banking Exposure		
France	754.56	4.8%
Germany	672.83	4.3%
Japan	456.63	2.9%
Austria	248.23	1.6%
China	194.18	1.2%
United Kingdom	138.14	0.9%
Netherlands	128.28	0.8%
Denmark	107.60	0.7%
Sweden	77.47	0.5%
Belgium	32.90	0.2%
Others ⁽¹⁾	1.06	0.0%
Total Banking Exposure	2,811.89	18.1%
Equities Exposure		
U.S.A.	617.38	4.0%
United Kingdom	96.79	0.6%
Japan	92.61	0.6%
Germany	45.04	0.3%
Canada	43.73	0.3%
France	42.53	0.3%
Switzerland	40.48	0.3%
Hong Kong (China)	37.64	0.2%
Australia	32.51	0.2%
South Korea	20.00	0.1%
Spain	15.18	0.1%
Sweden	14.41	0.1%
Netherlands	13.36	0.1%
Brazil	12.50	0.1%
Italy	10.68	0.1%
Others ⁽¹⁾	60.96	0.4%
Total Equities Exposure	1,195.79	7.7%
Portfolio Total	15,561.22	100.0%

⁽¹⁾ includes cash and cash equivalents

Duration	Years
Sovereign Bills and Bonds	5.9
Sovereign Inflation Linked Bonds	4.9
Banking	0.2
Portfolio Total	4.7

Portfolio by Asset Classes	US\$ million	% of Total
Sovereign and Banking	13,820.02	88.8%
Sovereign Inflation Linked Bonds	545.41	3.5%
Equities	1,195.79	7.7%
Portfolio Total	15,561.22	100.0%

Portfolio by Issuer Credit Rating	Sovereigns	Banking	Fixed Income Total
Credit Rating			
AAA	64.0%	0.0%	64.0%
AA+	0.0%	0.0%	0.0%
AA	0.0%	1.7%	1.7%
AA-	16.4%	0.0%	16.4%
A+	0.0%	7.3%	7.3%
A	0.0%	9.4%	9.4%
A-	0.0%	1.1%	1.1%
Others	0.0%	0.0%	0.0%
Fixed Income Total	80.4%	19.6%	100.0%