



ECONOMIC AND SOCIAL STABILIZATION FUND

Quarterly Executive Report as of September, 2024

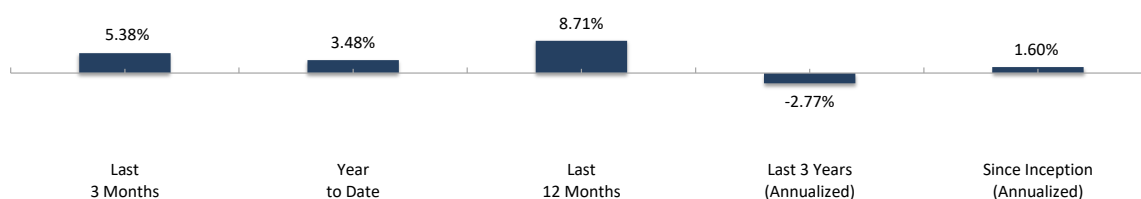
EXECUTIVE SUMMARY

Third Quarter 2024

Market Value
US\$ 4,763 million

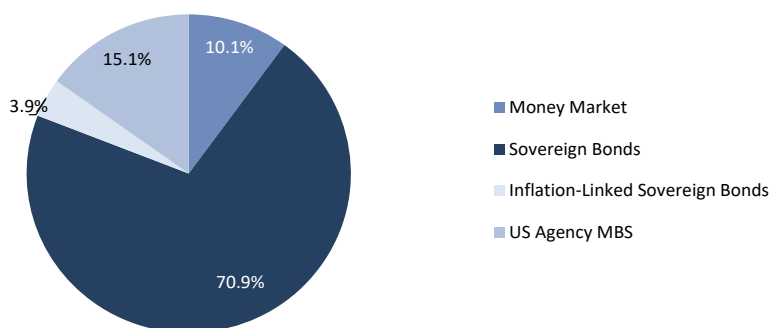
Net Income
US\$ 243.3 million

Net returns in dollars¹



Source: Ministry of Finance, based on information provided by JP Morgan.

Portfolio Composition



Source: Ministry of Finance, based on information provided by JP Morgan.

¹ Returns reported in this document correspond to the Time Weighted Rate of Return (TWR), unless otherwise stated. Returns for periods greater than one year are annualized. For periods of less than one year, the return corresponds to the change during the period. Net returns reported are net of management fees.

I. MARKET VALUE OF THE FUND

Table 1: Quarterly change in market value
(million of dollars)

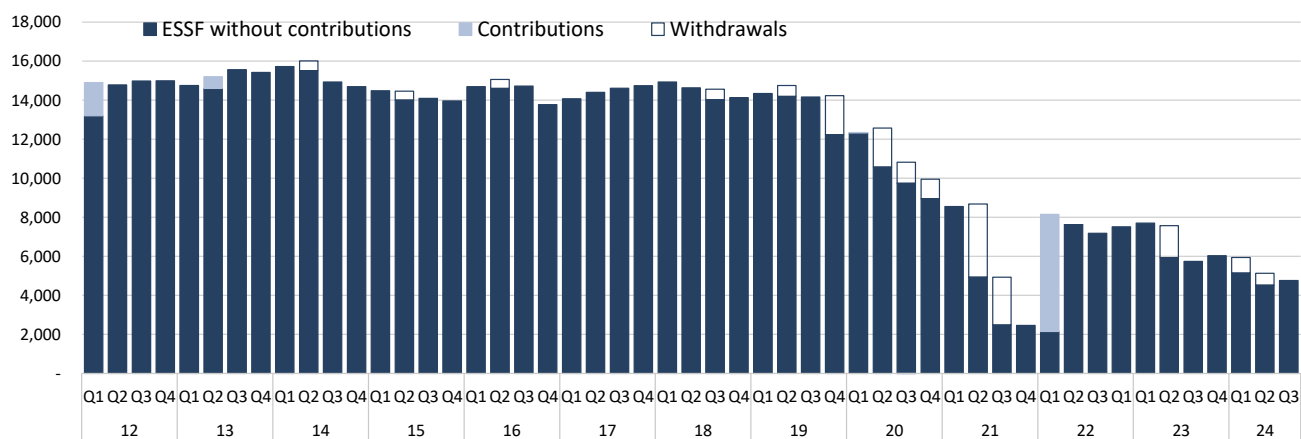
Changes in Market Value (US\$ million)	2023				2024			Since inception ^(a)
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Starting Market Value	7,514.2	7,700.7	5,932.6	5,740.1	6,030.1	5,144.1	4,519.2	0.0
Contributions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27,763.4
Withdrawals	0.0	-1,640.5	0.0	0.0	-800.0	-607.2	0.0	-27,292.8
Accrued Interest	25.3	30.3	28.1	38.0	38.5	37.5	34.5	3,628.6
Capital Gains (Losses)	161.7	-157.6	-220.4	252.5	-124.1	-54.6	209.4	699.6
Admin., Custody and Other Costs ^(b)	-0.5	-0.2	-0.2	-0.5	-0.5	-0.6	-0.5	-36.2
Final Market Value	7,700.7	5,932.6	5,740.1	6,030.1	5,144.1	4,519.2	4,762.6	4,762.6

^(a) 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.

^(b) It includes costs associated with consultants, accounting adjustment and

Source: Ministry of Finance, based on information provided by JP Morgan.

Figure 1: Market value
(million of dollars)



Source: Ministry of Finance, based on information provided by JP Morgan.

II. RETURNS

Table 2: Net performance by asset class²
(percent)

Returns ^(a)	Last 3 Months	Year to Date	Last 12 Months	Last 3 Years (Annualized)	Since Inception (Annualized)	Inception
Money Market and Sovereign Bonds	5.42%	3.18%	8.14%	-3.05%	-0.14%	01-Aug-13
Sovereign Inflation-Linked Bonds	3.52%	5.10%	9.49%	0.40%	1.46%	05-Aug-13
US Agency MBS	5.67%	4.72%	-	-	11.61%	02-Nov-23
Return in USD^(b)	5.38%	3.48%	8.71%	-2.77%	1.60%	01-Apr-07
Exchange Rate (CLP)	-5.76%	1.32%	-1.17%	3.70%	2.94%	01-Apr-07
Return in CLP^(c)	-0.69%	4.85%	7.44%	0.83%	4.59%	01-Apr-07

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

^(b) It includes the return of the equity portfolio that was invested from August 21, 2013 to September 27, 2021. In that date, the administrator liquidated all its positions whose resources were transferred to the fixed income portfolio on October 1, 2021.

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

Source: Ministry of Finance, based on information provided by JP Morgan.

Table 3: Net excess returns
(basis points)

Excess Returns ^(a)	Last 3 Months	Year to Date	Last 12 Months	Last 3 Years (Annualized)	Since Inception (Annualized)	Inception
Money Market and Sovereign Bonds	-6	-2	17	-4	1	01-Apr-07
Sovereign Inflation-Linked Bonds	2	17	62	-2	-6	05-Aug-13
US Agency MBS ^(b)	14	22	0	0	-156	02-Nov-23
Total Portfolio^(c)	-3	1	1	-9	-3	01-Apr-07

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

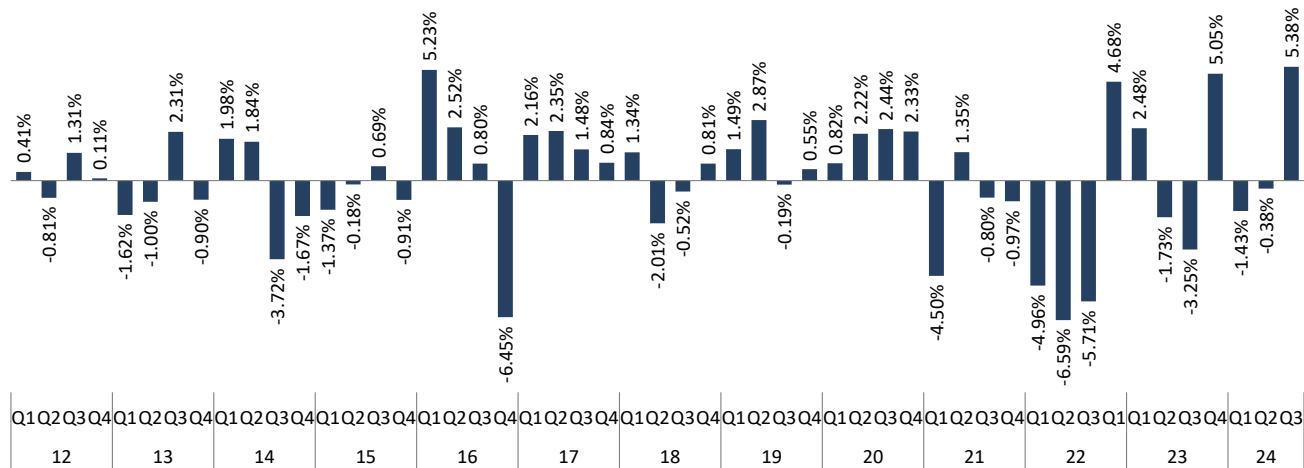
^(b) The excess return of US Agency MBS is affected by the implementation period in November 2023. Excluding that period, the excess return since inception corresponds to 19 basis points.

^(c) It includes the return of the equity portfolio that was invested from August 21, 2013 to September 27, 2021. In that date, the administrator liquidated all its positions whose resources were transferred to the fixed income portfolio on October 1, 2021.

Source: Ministry of Finance, based on information provided by JP Morgan.

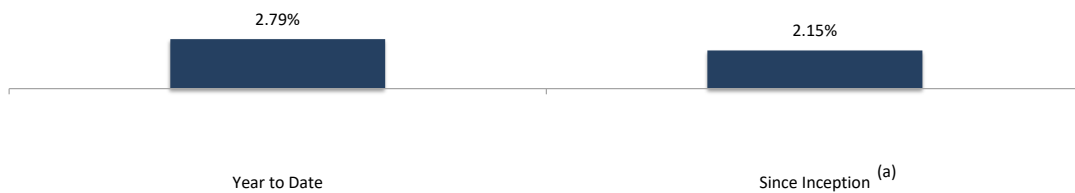
² Returns for periods of more than one year are compound annualized rates while those for less than a year correspond to the change as seen in the stated period. To meet high standards of transparency and provide a better assessment of the gains or losses on investments, the Ministry of Finance discloses the fund's return in different time horizons and currencies. Concerning the time 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. Regarding returns expressed in different currencies, the return in US dollars allows for an assessment that is more in line with the investment policy given that the fund's resources are wholly invested abroad and in foreign currencies. 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.

Figure 2: Quarterly net returns in dollars (TWR)
(percent)



Source: Ministry of Finance, based on information provided by JP Morgan.

Figure 3: Internal rate of return (IRR)
(percent)

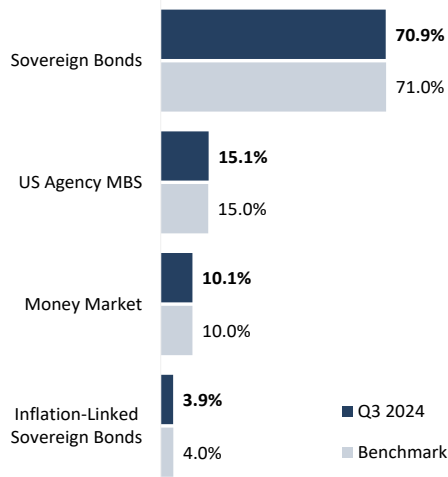


(a) The ESSF portfolio has a starting date of April 1, 2007.

Source: Ministry of Finance, based on information provided by JP Morgan.

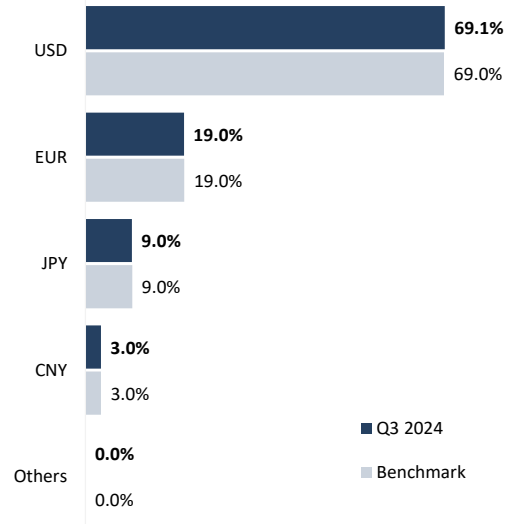
III. PORTFOLIO ALLOCATION

Figure 4: Investments by asset class
(percent of total)



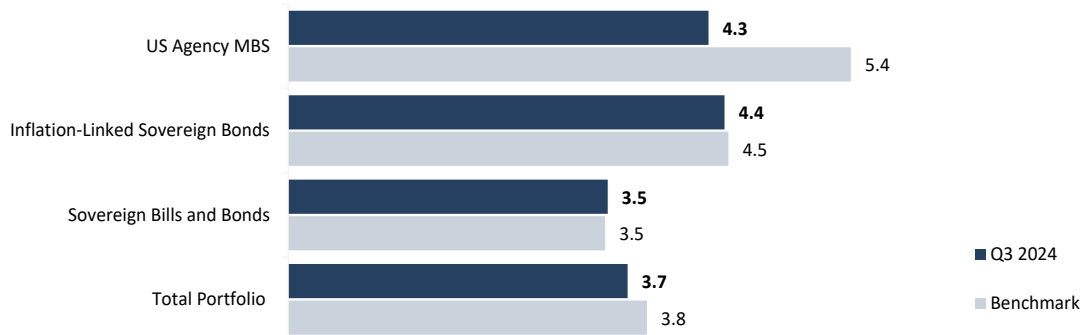
Source: Ministry of Finance, based on information provided by JP Morgan.

Figure 5: Investments by currency
(percent of total)



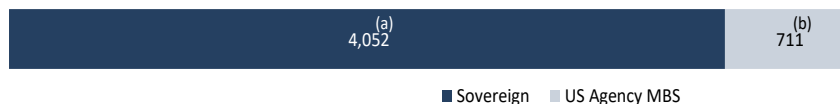
Source: Ministry of Finance, based on information provided by JP Morgan.

Figure 6: Fixed income portfolio duration
(years)



Source: Ministry of Finance, based on information provided by JP Morgan.

Figure 7: Exposure by type of risk
(million of dollars)

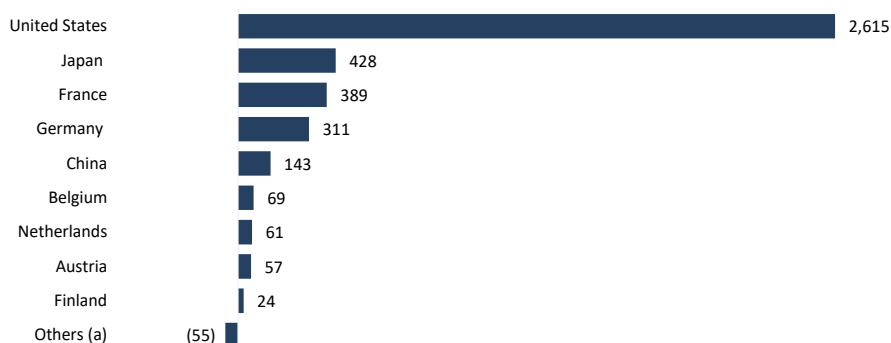


^(a) Includes cash, cash equivalents, bank exposure, and forwards related to the Sovereign portfolio.

^(b) Includes cash, cash equivalents, and bank exposure related to the U.S. Agency MBS portfolio.

Source: Ministry of Finance, based on information provided by JP Morgan.

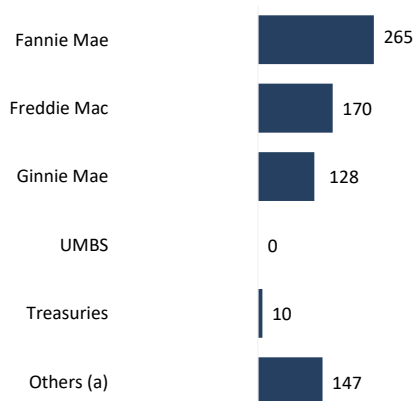
Figure 8: Largest exposures to sovereign bonds and inflation-linked sovereign bonds
(million of dollars)



^(a) It includes cash, cash equivalents and unsettled transactions.

Source: Ministry of Finance, based on information provided by JP Morgan.

Figure 9: Largest exposures to US Agency MBS
(million of dollars)



^(a) It includes cash, cash equivalents and payables.

Source: Ministry of Finance, based on information provided by JP Morgan.

Table 4: Portfolio by issuer credit rating
(percent of the fixed-income portfolio)

Fixed Income Portfolio by Issuer Credit Rating				
Credit Rating	Sovereigns Bills and Bonds	Inflation-Linked Sov. Bonds	US Agency MBS	Total Fixed Income
AAA	47.4%	3.9%	15.1%	66.5%
AA+	11.4%	0.0%	0.0%	11.4%
AA	2.2%	0.0%	0.0%	2.2%
AA-	7.8%	0.0%	0.0%	7.8%
A+	10.0%	0.0%	0.0%	10.0%
A	3.2%	0.0%	0.0%	3.2%
A-	0.0%	0.0%	0.0%	0.0%
Others ^(a)	-1.2%	0.0%	0.0%	-1.2%
Total fixed income	81.0%	3.9%	15.1%	100.0%

^(a) It includes cash, cash equivalents and unsettled transactions.

Source: Ministry of Finance, based on information provided by JP Morgan.

IV. OTHER INDICATORS

A commonly used indicator for monitoring the market risk of the portfolio is return volatility. In the quarter the standard deviation of returns of the ESSF was 7.59%.³ The tracking error ex-post, an indicator used to measure how closely the portfolio returns track the returns of the benchmark, was 11 basis points at the quarter-end.⁴

Table 5: Standard deviation and tracking error

	Q3 2024 ^(a)
Standard deviation (percentage)	7.59
Tracking error ex-post (basis points)	11

^(a) Calculated using monthly returns of the last 3 years, annualized.

Source: Ministry of Finance, based on information provided by JP Morgan.

V. SECURITIES LENDING INCOME AND ADMINISTRATION COSTS

The cost associated with the management of the fund by those responsible for the investment⁵ was US\$ 356,548 during the quarter, while expenses associated with the custody service⁶ were US\$ 148,080. Additionally, there were other outflows for US\$ 12,308. Finally, the securities lending program generated revenues of US\$ 217,506 during the quarter.

Table 6: Summary of other flows for the quarter

(In dollars)

	Q3 2024
Outflows	
Administration	356,548
Custody	148,080
Others	12,308
Total	516,936
Inflows	
Securities Lending	217,506
Others	-
Total	217,506

Source: Ministry of Finance, based on information provided by JP Morgan and the Central Bank of Chile.

³ Standard deviation of annualized gross monthly returns for the past three years.

⁴ Standard deviation of annualized gross monthly excess returns of the portfolio against the benchmark for the past three years.

⁵ The Central Bank of Chile is responsible for the investment of the sovereign fixed income portfolio (85% of the fund) and the US Agency MBS portfolio (15% of the fund). In the case of the last one, the administration is delegated to BNP Paribas and Western Asset Management.

⁶ The Custodian bank is JP Morgan.

VI. APPENDIX

Benchmarks

A benchmark is defined for each asset class of the strategic asset allocation and corresponds to a representative index of the corresponding market.

<i>Benchmark</i>	Percent of Total Portfolio
Sovereign Fixed Income	
ICE Bofa US Treasury Bills Index	10.0%
Bloomberg Global Aggregate - Treasury: U.S. 1-10 Yrs	40.0%
Bloomberg Euro Aggregate - Treasury: Aaa 1-10 Yrs ¹	19.0%
Bloomberg Euro Aggregate - Treasury: Aa 1-10 Yrs ²	
Bloomberg Global Aggregate - Treasury: Japan 1-10 Yrs	9.0%
Bloomberg Global Aggregate - Treasury: China 1-10 Yrs	3.0%
Bloomberg Global Inflation-Linked: U.S. TIPS 1-10 Yrs	4.0%
US Agency MBS	
Bloomberg US Mortgage-Backed Securities Index	15.0%
Total	100.0%

¹ Luxembourg is excluded.

² Estonia and Ireland are excluded.