



# ECONOMIC AND SOCIAL STABILIZATION FUND

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Monthly Executive Report as of September 2012

## I. Market Value as of September, 2012

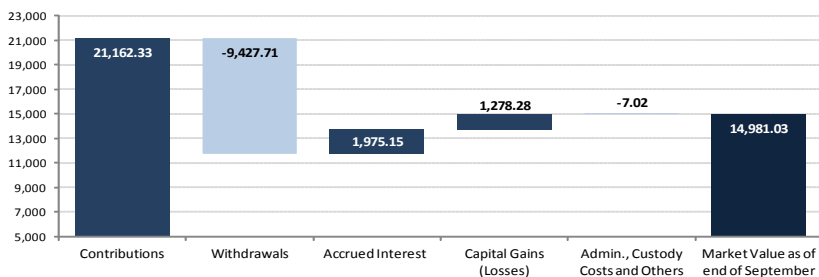
The market value of the Economic and Social Stabilization Fund (ESSF) totaled US\$14,981,03 million as of September de 2012. The market value changed during this month due to: (i) accrued interest of US\$16,55 million, (ii) capital gains on investments of US\$111,52 million and (iii) administrative, custody and others costs of US\$0.19 million.

Changes in Market Value (US\$ million)	2007	2008	2009	2010	2011	2012				Since Inception <sup>(1)</sup>	
						Q1	Q2	July	August	September	
Starting Market Value	0.00	14,032.61	20,210.68	11,284.78	12,720.10	13,156.64	14,905.88	14,786.35	14,719.26	14,853.14	0.00
Contributions	13,100.00	5,000.00	0.00	1,362.33	0.00	1,700.00	0.00	0.00	0.00	0.00	21,162.33
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	58.51	49.21	14.63	17.24	16.55	1,975.15
Capital Gains (Losses)	606.81	556.08	-50.83	-3.51	200.71	-8.87	-168.55	-81.73	116.65	111.52	1,278.28
Admin., Custody and Other Costs <sup>(2)</sup>	-0.35	-1.96	-1.62	-1.13	-1.16	-0.41	-0.19	0.00	0.00	-0.19	-7.02
<b>Final Market Value</b>	<b>14,032.61</b>	<b>20,210.68</b>	<b>11,284.78</b>	<b>12,720.10</b>	<b>13,156.64</b>	<b>14,905.88</b>	<b>14,786.35</b>	<b>14,719.26</b>	<b>14,853.14</b>	<b>14,981.03</b>	<b>14,981.03</b>

<sup>(1)</sup> 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

<sup>(2)</sup> It includes costs associated with consultants and others.

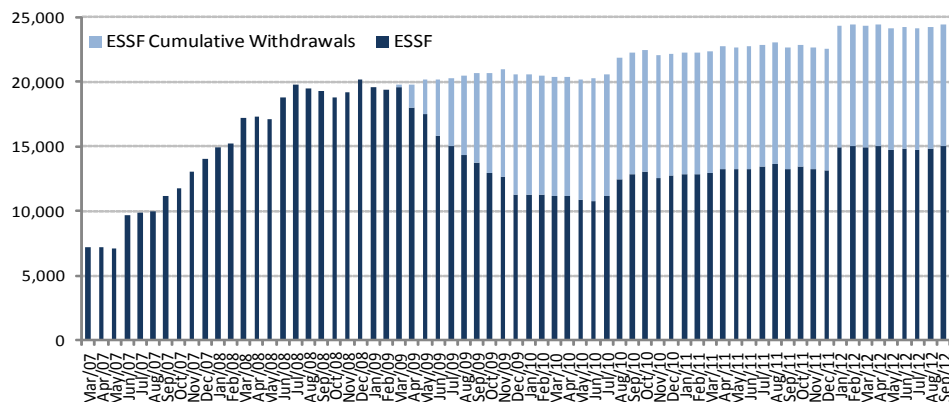
Changes in Market Value Since Inception  
(US\$ million)



By Asset Class (US\$ million)	2007	2008	2009	2010	2011	2012				
						Q1	June	July	August	September
Money Market	4,216.29	5,957.12	3,373.66	3,773.50	3,939.33	4,462.22	4,491.08	4,403.76	4,457.76	4,532.63
Sovereign Bonds	9,323.73	13,583.62	7,508.85	8,501.34	8,755.83	9,923.02	9,782.26	9,800.04	9,880.10	9,925.50
Inflation Indexed Sov. Bonds	492.59	669.93	402.27	445.26	461.48	520.64	513.02	515.45	515.28	522.89
<b>Market Value</b>	<b>14,032.61</b>	<b>20,210.68</b>	<b>11,284.78</b>	<b>12,720.10</b>	<b>13,156.64</b>	<b>14,905.88</b>	<b>14,786.35</b>	<b>14,719.26</b>	<b>14,853.14</b>	<b>14,981.03</b>

By Risk Exposure (US\$ million)	2007	2008	2009	2010	2011	2012				
						Q1	June	July	August	September
Sovereigns	9,283.19	16,617.20	8,913.96	10,112.22	10,949.50	12,661.71	12,527.64	12,527.20	12,598.54	12,690.13
Banks	4,216.29	3,593.47	2,370.82	2,607.88	2,207.14	2,244.17	2,258.72	2,192.06	2,254.61	2,290.90
Supranational	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Agencies	533.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Market Value</b>	<b>14,032.61</b>	<b>20,210.68</b>	<b>11,284.78</b>	<b>12,720.10</b>	<b>13,156.64</b>	<b>14,905.88</b>	<b>14,786.35</b>	<b>14,719.26</b>	<b>14,853.14</b>	<b>14,981.03</b>

**Market Value**  
(US\$ million)



## II. Return as of September, 2012

Return in September was 001% in US dollars and -001% in Chilean pesos. Cumulative return during the year totaled 001% in US dollars and -009% in Chilean pesos. Annualized return since inception was 005% in US dollars and 002% in Chilean pesos.

Returns <sup>(a)</sup>	September	Last 3 Months	Year to Date	Last 12 Months	Last 3 Years (Annualized)	Since Inception (Annualized) <sup>(b)</sup>
Local Currency	-0.04%	0.47%	1.27%	1.99%	2.77%	3.80%
Exchange Rate Return	0.90%	0.84%	-0.36%	-1.60%	-1.05%	0.73%
<b>Return in USD</b>	0.86%	1.31%	0.91%	0.39%	1.72%	4.53%
Exchange Rate (CLP)	-2.22%	-7.70%	-9.78%	-8.65%	-4.84%	-2.45%
<b>Return in CLP <sup>(c)</sup></b>	<b>-1.36%</b>	<b>-6.39%</b>	<b>-8.87%</b>	<b>-8.26%</b>	<b>-3.12%</b>	<b>2.08%</b>

<sup>(a)</sup> Time Weighted Return (it is calculated as the growth rate of the funds that were invested throughout the period).

<sup>(b)</sup> It is calculated from March 31, 2007, when the performance of Central Bank of Chile started to be measured.

<sup>(c)</sup> Return in CLP corresponds to the sum of the percentage change of the exchange rate CLP/USD and the return in USD.

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 2012

Portfolio by Credit Exposure	US\$ million	% from Total
<i>Sovereign Exposure by Country</i>		
United States	6,355.82	42.43%
Germany	5,056.42	33.75%
Japan	1,277.89	8.53%
<b>Total Sovereign Exposure</b>	<b>12,690.13</b>	<b>84.71%</b>
<i>Banking Exposure by Country</i>		
Japan	563.52	3.76%
Germany	320.32	2.14%
Sweden	268.44	1.79%
Australia	221.11	1.48%
Holland	207.70	1.39%
Switzerland	187.91	1.25%
France	180.12	1.20%
Denmark	134.10	0.90%
Norway	100.02	0.67%
Austria	50.10	0.33%
United States	50.03	0.33%
Others	7.53	0.05%
<b>Total Banking Exposure</b>	<b>2,290.90</b>	<b>15.29%</b>
<b>Total</b>	<b>14,981.03</b>	<b>100.00%</b>

Portfolio by Currency	US\$ million	% from Total
<i>Sovereign</i>		
USD	6,355.82	42.43%
EUR	5,056.42	33.75%
JPY	1,277.89	8.53%
<b>Total</b>	<b>12,690.13</b>	<b>84.71%</b>
<i>Banks</i>		
USD	1,119.30	7.47%
EUR	936.71	6.25%
JPY	234.89	1.57%
<b>Total</b>	<b>2,290.90</b>	<b>15.29%</b>
<i>Supranational</i>		
USD	0.00	0.00%
EUR	0.00	0.00%
JPY	0.00	0.00%
<b>Total</b>	<b>0.00</b>	<b>0.00%</b>
<i>Agencies</i>		
USD	0.00	0.00%
EUR	0.00	0.00%
JPY	0.00	0.00%
<b>Total</b>	<b>0.00</b>	<b>0.00%</b>
<b>Total</b>	<b>14,981.03</b>	<b>100.00%</b>

Portfolio by Issuer Credit Rating			
Credit Rating	Sovereigns	Banks	Total
AAA	76.18%	1.25%	77.43%
AA+	0.00%	0.00%	0.00%
AA	0.00%	3.13%	3.13%
AA-	8.53%	0.00%	8.53%
A+	0.00%	8.73%	8.73%
A	0.00%	1.53%	1.53%
A-	0.00%	0.60%	0.60%
BBB+	0.00%	0.00%	0.00%
Others	0.00%	0.05%	0.05%
<b>Total</b>	<b>84.71%</b>	<b>15.29%</b>	<b>100.00%</b>

Duration	Years
Sovereign	3.00
Banks	0.16
Supranational	0.00
Agencies	0.00
<b>Total</b>	<b>2.54</b>