



ECONOMIC AND SOCIAL STABILIZATION FUND

Quarterly Executive Report as of September 2012

I. As of September 2012

Changes in Market Value (US\$ million)	2007	2008	2009	2010	2011	2012 Q1	2012 Q2	2012 Q3	Since Inception ⁽¹⁾
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	-
Contributions	13,100.00	5,000.00	0.00	1,362.33	0.00	1,700.00	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	-9,427.71
Accrued Interest	326.15	623.95	404.27	227.63	236.99	58.51	49.21	48.43	1,975.15
Capital Gains (Losses)	606.81	556.08	-50.83	-3.51	200.71	-8.87	-168.55	146.44	1,278.28
Admin., Custody and Other Costs ⁽²⁾	-0.35	-1.96	-1.62	-1.13	-1.16	-0.41	-0.19	-0.19	-7.02
Final Market Value	14,032.61	20,210.68	11,284.78	12,720.10	13,156.64	14,905.88	14,786.35	14,981.03	14,981.03

⁽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.

US\$ million	Currency	Q2 2012	Q3 2012	Difference
Sovereign	USD	6,230.5	6,355.8	125.3
	EUR	5,065.0	5,056.4	-8.5
	JPY	1,232.2	1,277.9	45.7
Banks	USD	1,108.4	1,119.3	10.9
	EUR	913.9	936.7	22.8
	JPY	236.4	234.9	-1.5
Supranational	USD	0.0	0.0	0.0
	EUR	0.0	0.0	0.0
	JPY	0.0	0.0	0.0
Total	USD	7,338.9	7,475.1	136.2
	EUR	5,978.9	5,993.1	14.3
	JPY	1,468.6	1,512.8	44.2
Total		14,786.4	14,981.0	194.7
Duration (years)		2.46	2.54	0.08
Duration (days)		898	927	29

Source: Ministry of Finance based on JPMorgan information.

Portfolio by currency	Q2 2012	Q3 2012	Difference
USD	49.6%	49.9%	0.3%
EUR	40.4%	40.0%	-0.4%
JPY	9.9%	10.1%	0.2%
Total	100.0%	100.0%	0.0%

Source: Ministry of Finance based on Central Bank of Chile information.

Sovereign Exposure	Q2 2012	Q3 2012	Difference
United States	42.1%	42.4%	0.3%
Germany	34.3%	33.8%	-0.5%
Japan	8.3%	8.5%	0.2%
Subtotal	84.7%	84.7%	0.0%

Banking Exposure	Q2 2012	Q3 2012	Difference
Japan	3.2%	3.8%	0.6%
Germany	1.0%	2.1%	1.2%
Sweden	2.7%	1.8%	-0.9%
Australia	0.7%	1.5%	0.7%
Netherlands	3.1%	1.4%	-1.7%
Switzerland	0.4%	1.3%	0.9%
France	0.7%	1.2%	0.5%
Denmark	0.0%	0.9%	0.9%
Norway	0.0%	0.7%	0.7%
Austria	2.4%	0.3%	-2.1%
United States	0.0%	0.3%	0.3%
Israel	0.5%	0.0%	-0.5%
United Kingdom	0.4%	0.0%	-0.4%
Finland	0.1%	0.0%	-0.1%
Others	0.0%	0.1%	0.0%
Subtotal	15.3%	15.3%	0.0%

Supranational Exposure	Q2 2012	Q3 2012	Difference
Supranational	0.0%	0.0%	0.0%
Total	0.0%	0.0%	0.0%
Total	100.0%	100.0%	-

Source: Ministry of Finance based on JPMorgan information.

	2007 ^(a)	2008	2009	2010	2011	2012			Since Inception ^(a)
						Q1	Q2	Q3	
Return in USD	8.89%	7.63%	2.47%	1.83%	3.41%	0.41%	-0.81%	1.31%	4.53%
Benchmark in USD	9.10%	7.76%	2.63%	1.99%	3.41%	0.43%	-0.79%	1.31%	4.66%
Excess return (bp)	-21	-13	-16	-16	0	-2	-2	0	-13
Exchange rate (CLP)	-8.07%	26.80%	-19.50%	-7.52%	11.34%	-6.08%	4.08%	-7.70%	-2.45%
Return in CLP ^(b)	0.82%	34.43%	-17.03%	-5.69%	14.75%	-5.67%	3.27%	-6.39%	2.08%

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

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

Q3 2012 ^(a)

Standard Deviation	5.15%
Tracking Error (ex post) (bp)	16

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

Other Flows in US\$	Q3 2012
Administration (BCCh)	-192,004
Custody (JP Morgan)	0
Others	0
Total Costs	-192,004
Securities Lending	749,957
Total Other Flows	557,954

Source: Ministry of Finance based on JPMorgan and Central Bank of Chile information.

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.