



# ECONOMIC AND SOCIAL STABILIZATION FUND

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Quarterly Executive Report as of September 2011

## I. As of September 2011

Changes in Market Value (US\$ million)	2007	2008	2009	2010	1Q	2011 2Q	July	August	September	Since Inception <sup>(1)</sup>
Starting Market Value	0.00	14,032.61	20,210.68	11,284.78	12,720.10	12,941.80	13,271.17	13,411.40	13,577.25	-
Contributions	13,100.00	5,000.00	0.00	1,362.33	0.00	0.00	0.00	0.00	0.00	19,462.33
Withdrawals	0.00	0.00	-9,277.71	-150.00	0.00	0.00	0.00	0.00	0.00	-9,427.71
Accrued Interest	326.15	623.95	404.27	227.63	62.58	61.78	20.30	20.41	15.48	1,762.55
Capital Gains (Losses)	606.81	556.08	-50.83	-3.51	159.37	267.91	119.94	145.56	-369.31	1,432.01
Admin., Custody and Other Costs <sup>(2)</sup>	-0.35	-1.96	-1.62	-1.13	-0.26	-0.32	0.00	-0.11	-0.15	-5.90
<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>12,941.80</b>	<b>13,271.17</b>	<b>13,411.40</b>	<b>13,577.25</b>	<b>13,223.27</b>	<b>13,223.27</b>

(1) The ESSF was established by the merger of the fiscal assets saved under Decree Law N°3.653 (981) 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 2011	Q3 2011	Difference
Sovereign	USD	5,590.5	5,466.7	-123.8
	EUR	4,505.4	4,385.8	-119.6
	JPY	1,112.5	1,121.6	9.1
Banks	USD	1,040.6	1,150.6	109.9
	EUR	804.0	900.6	96.6
	JPY	218.2	198.1	-20.1
Supranational	USD	0.0	0.0	0.0
	EUR	0.0	0.0	0.0
	JPY	0.0	0.0	0.0
Total	USD	6,631.1	6,617.2	-13.8
	EUR	5,309.4	5,286.4	-23.0
	JPY	1,330.7	1,319.6	-11.0
<b>Total</b>		<b>13,271.2</b>	<b>13,223.3</b>	<b>-47.9</b>
<b>Duration (years)</b>		<b>2.37</b>	<b>2.37</b>	<b>0.05</b>
<b>Duration (days)</b>		<b>865</b>	<b>865</b>	<b>19</b>

Source: Ministry of Finance based on JPMorgan information

Portfolio by currency	Q2 2011	Q3 2011	Difference
USD	50.0%	50.0%	0.1%
EUR	40.0%	40.0%	0.0%
JPY	10.0%	10.0%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

Source: Ministry of Finance based on Chilean Central Bank information

Sovereign Exposure	Q2 2011	Q3 2011	Difference
United states	42.1%	41.3%	-0.8%
Germany	33.9%	33.2%	-0.8%
Japan	8.4%	8.5%	0.1%
<b>Total</b>	<b>84.5%</b>	<b>83.0%</b>	<b>-1.5%</b>

Banking Exposure	Q2 2011	Q3 2011	Difference
Germany	4.2%	4.4%	0.2%
Belgium	0.8%	1.5%	0.6%
France	2.6%	1.4%	-1.2%
United States	0.0%	1.3%	1.3%
Austria	1.6%	1.3%	-0.3%
Australia	0.8%	1.2%	0.4%
Denmark	0.0%	1.1%	1.1%
Japan	0.7%	1.0%	0.3%
Israel	0.0%	1.0%	1.0%
Switzerland	0.8%	1.0%	0.2%
Netherlands	2.5%	0.8%	-1.7%
United Kingdom	0.2%	0.7%	0.6%
Sweden	0.2%	0.3%	0.2%
Spain	0.7%	0.0%	-0.7%
Italy	0.4%	0.0%	-0.4%
Others	0.0%	0.0%	0.0%
<b>Total</b>	<b>15.5%</b>	<b>17.0%</b>	<b>1.5%</b>

Supranational Exposure	Q2 2011	Q3 2011	Difference
Supranational	0.0%	0.0%	0.0%
<b>Total</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>
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Source: Ministry of Finance based on JPMorgan information

	2007 <sup>(a)</sup>	2008	2009	2010	2011	2011	2011	Since Inception
					Q1	Q2	Q3	
Return in USD	8.89%	7.63%	2.47%	1.83%	1.74%	2.54%	-0.37%	5.48%
Benchmark in USD	9.10%	7.76%	2.63%	1.99%	1.71%	2.50%	-0.25%	5.63%
Excess return (bp)	-21	-13	-16	-16	3	4	-12	-15
Exchange rate (CLP)	-8.07%	26.80%	-19.50%	-7.52%	2.93%	-2.27%	9.34%	-1.02%
Return in CLP <sup>(b)</sup>	0.82%	34.43%	-17.03%	-5.69%	4.67%	0.27%	8.97%	4.46%

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

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

### Q3 2011 <sup>(a)</sup>

Standard Deviation	6.73%
Tracking Error (expost) (bp)	19

<sup>(a)</sup> Calculated from the last 30 monthly returns, annualized.

Other Flows in US\$	Q3 2011
Administration (BCCh)	-151,594
Custody (JP Morgan)	-113,052
Others	0
<b>Total Costs</b>	<b>-264,646</b>
Securities Lending	899,191
<b>Total Other flows</b>	<b>634,545</b>

Source: Ministry of Finance based on JPMorgan and BCCh 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 longterm 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.