

QUARTERLY ECONOMIC AND FINANCIAL REPORT OF CHILE

DECEMBER, 1988

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I. GENERAL OUTLOOK

According to preliminary estimates, Gross Domestic Product registered a 6.8% growth during 1988, its highest value since 1980 -the year preceding the crisis- and exceeding by far the projected 4 - 5% range for the year. Thus, 1988 becomes the fifth year of consecutive growth, with Gross Domestic Product growing at an average annual rate of 5.4%.

In line with the above, the unemployment rate showed a decreasing trend. During the moving quarter ending in December, this rate reached 6.3% pointing to a 1.6 percentage point decrease compared to the same period of 1987. Real wages, on the other hand, registered a 4.3% increase during the twelve months ending in December (6.5% increase in average relative to the average of 1987).

The annual inflation rate was 12.7%, figure that stayed within the range established as target for the year -a rate of inflation between 10 and 15%- and significantly lower than the 21.5% figure registered in 1987.

The foreign sector continued to improve. The trade surplus reached US\$ 2,218.6 million, exceeding by far the estimated US\$ 1,280 million. The price increase experienced by copper, that registered an average of 117.8 US¢ per pound during 1988 (LME), had a strong influence on the above figures, since the estimated price for the year's projection was 75 US¢ per pound. The current account deficit reached US\$ 167.4 million, with a balance of payments surplus of US\$ 765.4 million, both figures exceeding the projected values of US\$ 970 million and US\$ 30 million, respectively. Concerning this subject, it is worth mentioning that, in order to compare with previous years, the current account figure includes the accrued interest on bank's external debt, that is to say, as if the savings coming from the retiming of interest payments (US\$ 397.5 million) had not taken place at all.

In terms of the program agreed with the International Monetary Fund, all targets were met. Additionally, a US\$ 510.5 million margin in International Reserves and a US\$ 63.0 million in Net Domestic Assets, were achieved. These values are net of the adjustment allowed for the Copper Stabilization Fund, and of the US\$ 170.1 million that correspond to extraordinary disbursements allocated for external debt prepayment. Of the US\$ 510.5 million corresponding to the Reserves margin, US\$

201.1 million originate from a loan granted by the Government of Japan and associated to the SAL (Eximbank-Japan), not included in the original agreements. Concerning the public sector, the target was also achieved. As of December, the public sector registered a \$ 252.81 billion surplus, figure that exceed by US\$ 124.04 billion the agreed target.

II. ACTIVITY AND EMPLOYMENT

According to preliminary estimates, during the fourth quarter of 1988, the Gross Domestic Product (GDP) registered a 7.8% growth compared to the same period of the previous year. Thus, the annual growth rate for GDP equalled 6.8%. The growth in activity took place in all productive sectors, exceeding the economy's average growth the following ones: Commerce (9.8%), Transport and Communications (9.5%), Electricity, Gas and Water (9.1%) and Industry (8.5%).

The national unemployment rate has continued to show a clearly decreasing trend from 1982 on. According to the occupational survey carried out by the National Statistical Bureau (INE), the unemployment rate reached 6.3% during the moving quarter ending in December; figure that represents a 1.6 percentage point decrease relative to the rate registered during the same quarter of 1987.

The higher level of activity during 1988 constituted a favorable element in the creation of new productive jobs. In fact, the level of occupation during the moving quarter ending in December was 4.27 million people, what represents an increase of 255,000 posts (6.4% growth) compared to the same period of the previous year.

It is important to point out that during this period all productive sectors registered an increase in occupation, especially Construction (32.3%), Industry (10.4%), Transport and Communications (8.5%), Mining (7.2%) and Commerce (6.0%).

III. INFLATION AND WAGES

The accumulated rate of inflation for the fourth quarter of 1988, as measured according to the Consumer Price Index (CPI) variation, was 5.3%. The year's accumulated inflation rate, on the other hand, was 12.7%, figure that is significantly lower than the 21.5% registered during 1987. Furthermore, the inflation observed in terms of the Wholesale Price Index (WPI) equalled 1% during the last quarter of the year, pointing to a low 3.3% accumulated variation for the year 1988.

It is worth mentioning that the CPI variation during 1988 was the lowest registered since 1961, with the sole exception of the year 1981. Among the factors that contributed to reduce the inflation rate during the year, the value added tax rebate applied in the middle of the year, the reduction in fuel tax and the reduction in international oil prices are the most important ones. Some of the factors that have had a positive influence of the rate of inflation are the generalized increase experienced by the price of imports and the sustained growth of wages.

In fact, the growth in terms of employment and the increase observed in labor productivity have translated into a significant improvement of real wages. In the course of the twelve month period ending in December, real wages registered a 4.3% increase. All productive sectors, except for Mining, contributed to this growth, particularly Construction (12.3% real increase in twelve months), Communal Services (8.4%), Transport and Communications (6.2%), Industry (6.1%) and Commerce (6.0%). On the other hand, average real wages registered a 5.6% increase during 1988 compared to the average of the previous year.

IV. BALANCE OF PAYMENTS AND INTERNATIONAL RESERVES

1. Last available figures for the balance of payments show a US\$ 765.4 million surplus for 1988, figure that exceeds by US\$ 720.1 million the value registered in 1987 and by US\$ 736.8 million the value projected for 1988 (carried out in November of 1987). This positive balance is explained by a current account deficit of US\$ 167.4 million (79.3% lower than the deficit registered in 1987) and a positive capital account of US\$ 1,157.8 million, similar to the figure obtained

in 1987.

The current account deficit is the combined result of a US\$ 2,218.6 million surplus in the balance of trade, negative financial and non-financial services equal to US\$ 2,562.7 million, and positive transfers for approximately US\$ 176.7 million. Financial services include accrued interests for US\$ 397.5 million (retiming of interest payments).

The trade balance surplus, the almost doubles the equivalent for 1987, results from US\$ 7,051.8 million in exports and US\$ 4,833.2 million in imports (FOB). These figures are 35% and 21% higher, respectively, than the levels reached the previous year. The growth of exports during 1988 exceeded its 1987 growth (24.4%); whereas the growth in imports (21.0%) was lower than that of the previous year (28.9%).

The 35% growth in exports is explained by a 25.7% increase in price and a 7.4% increase in volume. It is worth mentioning that the growth of copper exports is mainly due to the increase in its price, whereas non-copper exports increased on both counts, being the most significant its volume increase (13.6%). The latter results from the exchange rate policy and the export promotion programs that have been carried out during the last years.

Within non-copper exports, it is important to mention the growth in volume experienced by fruits and bulk iron, potassic nitrate and metallic gold, all of which exhibited increases in exported volumes that range from 29% to 81%.

The growth of imports during 1988 results from a 20.3% increase in consumer goods imports, and from an 18.4% increase in intermediate goods imports; figures strongly influenced by the 35.6% increase in crude oil imports (although this figure is similar to the one of the previous year). Capital goods imports, on the other hand, grew by 24.4%, compared to 1987.

Concerning the capital account, there are foreign loan disbursements that amount to US\$ 1,494.4 million, figure that includes the second segment of the structural adjustment loan SAL III, for US\$ 112.4 million, and US\$ 201.1 million granted by the Eximbank of Japan, of free availability. Contributing to the financing of the capital account are US\$ 555.6 million originating in loans associated to D.L. 600 and Article 15, concerned with foreign investment; US\$ 382.8 million coming from multilateral organizations (IDB-IBRD) and short term loans to finance foreign trade and others totalling US\$ 385.6 million. Amortization payments amounted to US\$ 648.5 million, including US\$ 170 million that correspond to Central Bank's pre-payment of the external debt.

2. International reserves, net of short term loans (IMF) and valuing gold and other currencies according to the agreement signed with the IMF, amounted to US\$ 1,967.7 million as of December 31, 1988. This figure exceeds by US\$ 913.8 million (86.7%) its equivalent as of December 31, 1987.

The target agreed with the IMF for December of 1988, including the Copper Stabilization Fund, was equal to US\$ 1,627.4 million, figure that was met by far in December of 1988.

V. MONEY AND INTEREST RATES

The behavior of money during 1988 was quite dissimilar, as it kept reflecting the evolution and dynamics of the various economic variables. During the first semester of the year, currency registered an average 7.6% growth in real terms, whereas M1A grew by 12.6%. This behavior goes in line with the 5.9% product growth during the period and, in the case of M1A, with the sharp fall in the cost of holding money that resulted from the drastic reduction experienced by the rate of inflation. In fact, the nominal interest rate for 30 to 89 days deposits equalled 1.07% during the first semester, 0.85 percentage points lower than the value registered during the same period of 1987.

The second semester showed a more accelerated expansion in terms of these two aggregates and, particularly, M1A's. Currency grew by 23.3% in real terms and M1A increased by 35.9%. This behavior seems to have reflected not only increased economic activity, but also a marked preference for liquid assets and, especially, for current accounts, apparently associated to expectations of lower inflation rates after the reduction in Value Added Tax and, later on, to political events. Nevertheless, the noticeable expansion seems to have slowed down towards the end of the year. The behavior of nominal interest rates during the second semester evidenced a sharp increase compared to the first half of the year, due to an acceleration in the rate of inflation, although they still remained below the rates registered during the second semester of 1987. The 30 to 90 days rate for deposits amounted to 1.28%, whereas for loans equalled 1.66%. These rates

are 0.59 and 0.72 percentage points lower than those of 1987, respectively.

Real interest rates, on the other hand, experienced an increase during the first semester relative to the same period of the previous year for deposit as well as for loan operations. The 90 to 365 days rate for deposits exceeded by 0.38 percentage points the rate of the first semester of 1987, whereas the loans rate did so by 0.42 percentage points. During the second semester of 1988, real rates continued to increase, associated to an increase in economic activity and higher international interest rates. The real interest rate for deposit operation amounted to 4.91% and the real rate for loans equalled 7.90%.

DOMESTIC INTEREST RATES
(Average %)

ITEM	1987				1988			
	I	II	III	IV	I	II	III	IV
A. Rates for deposits								
A.1 30-89 days nominal rates (1)	1,91	1,93	1,58	2,15	0,91	1,22	0,82	1,74
A.2 90-365 days real rates (2)	3,61	4,12	4,44	4,81	4,25	4,24	4,91	4,90
B. Rates for loans								
B.1 30-89 days nominal rates (1)	2,29	2,46	2,06	2,70	1,42	1,68	1,23	2,09
B.2 90-365 days real rates (2)	6,84	7,02	7,39	7,79	7,35	7,34	7,96	7,84
C. International rates								
LIBOR (180 days)	6,37	7,37	7,48	8,02	7,11	7,67	8,67	9,05
PRIME	7,50	8,04	8,38	8,87	8,59	8,77	9,69	10,18

(1) Quarterly average.

(2) Annual rates. Quarterly averages.

VI. FOREIGN INVESTMENT

Preliminary figures indicate that, during the fourth quarter of 1988, authorized foreign investment complying with traditional mechanisms, that is to say according to D.L. 600, amounted to US\$ 219.5 million, what yields an authorized total for the year of US\$ 1,949.5 million as direct investment. On the other hand, total foreign investment entered into the country during the fourth quarter of 1988 amounts to US\$ 172.3 million, of which US\$ 21.7 million were entered directly according to D.L. 600 and US\$ 150.6 million through the mechanisms contained in Chapter XIX of the Foreign Exchange Regulations. These figures exclude the amounts that correspond to loans associated to D.L. 600. In this manner, foreign investment materialized during 1988 amounts to US\$ 1,019.9 million, of which US\$ 117.4 million were entered according to D.L. 600; US\$ 886.0 million through external debt conversion operations carried out with External Debt Promissory Notes (according to the rules contained in Chapter XIX of the Foreign Exchange Regulations of Banco Central de Chile), and US\$ 16.5 million corresponding to capitalization of foreign loans.

VII. EXTERNAL DEBT

Total external debt as of December 31, 1988 amounted to US\$ 17,649 million, figure that is lower by US\$ 1,559 million (8.1%) than total existing debt as of December 31, 1987.

Short term debt, included in total debt, equals to US\$ 2,202 million, showing a US\$ 185 million (9.2%) increase compared to the figure for December 31 of the previous year. This growth is consistent with increased levels of foreign trade activity, part of which is financed with these credits.

Medium and long term debt as of December 31, 1988 amounted to US\$ 15,447 million, figure that is lower by US\$ 1,744 million (10.1%) than the one for December of 1987. Such decrease is explained, for the most part, by external debt conversion operations and, to a lesser extent, by an appreciation of the dollar in international markets that affect in a negative way the value of the external debt denominated in other currencies. Such valuation implied a US\$ 189 million decrease in the debt figure during 1988. The above results allowed the absorption during 1988 of a positive flow of foreign resources by way of medium and long term loans, for a total of US\$ 845.9 million (US\$ 1,494.4 million as disbursements and US\$ 648.5 million as effective amortizations). These disbursements basically proceed from multilateral organizations (34.4%); loans associated to foreign investment (34.5%); and from official organizations (18.8%). Included in the last item it is important to mention the loan granted by the Eximbank of Japan for a total of US\$ 201.1 million under very favorable conditions and free availability.

The resource disbursement corresponding to amortization payments for a total of US\$ 648.5 million includes the repurchase of the country's external debt carried out through a bidding agreement with the creditor banks for a total of US\$ 170 million (26.2% of total amortizations), what represents a reduction of US\$ 298.9 million in nominal external debt. The amortization payments that correspond to multilateral and official organizations amount to 24.4% of the total figure.

By creditor, medium and long term external debt continues to exhibit a significant change, in terms of its composition. It is thus the case that loans contracted with multilateral organizations have increased their participation from 8.2% in 1985 to 18.9% as of December of 1988; loans from official organizations have increased from 3.6% in 1985 to 6.4% as of December of 1988. The loans agreed with banks and financial institutions experienced the opposite variation. Medium and long term debt participation evolved from 83.4% in 1985 to 65.7% as of December of 1988.

This trend has continued during the year 1988 and the participation of banks and financial institutions over total debt has decreased by 8.0 percentage points, whereas the debt of multilateral organizations increased by 4.4; of official organizations by 2.2 and that of suppliers and other related to foreign investment have done so by 1.3. In absolute terms, the debt with banks and financial institutions decreased by 19.9% in 1988 while the debt related to multilateral and official organizations increased by 17.2% and 36.6% respectively, during the same period.

The mechanisms for debt conversion implemented since June 1985 have constituted a very important factor in the reduction of the country's external debt. It is thus the case that US\$ 2,928.1 million, or 17% of the stock of medium and long term debt in existence as of December of 1987 was reconverted during the year 1988 in compliance with the above mentioned mechanisms; this figure exceeds by 48% the amounts reconverted during the year 1987. The operations carried out under Chapters XVIII and XIX of the Foreign Exchange Regulations constitute 61.3% of the total operations carried out during the year.

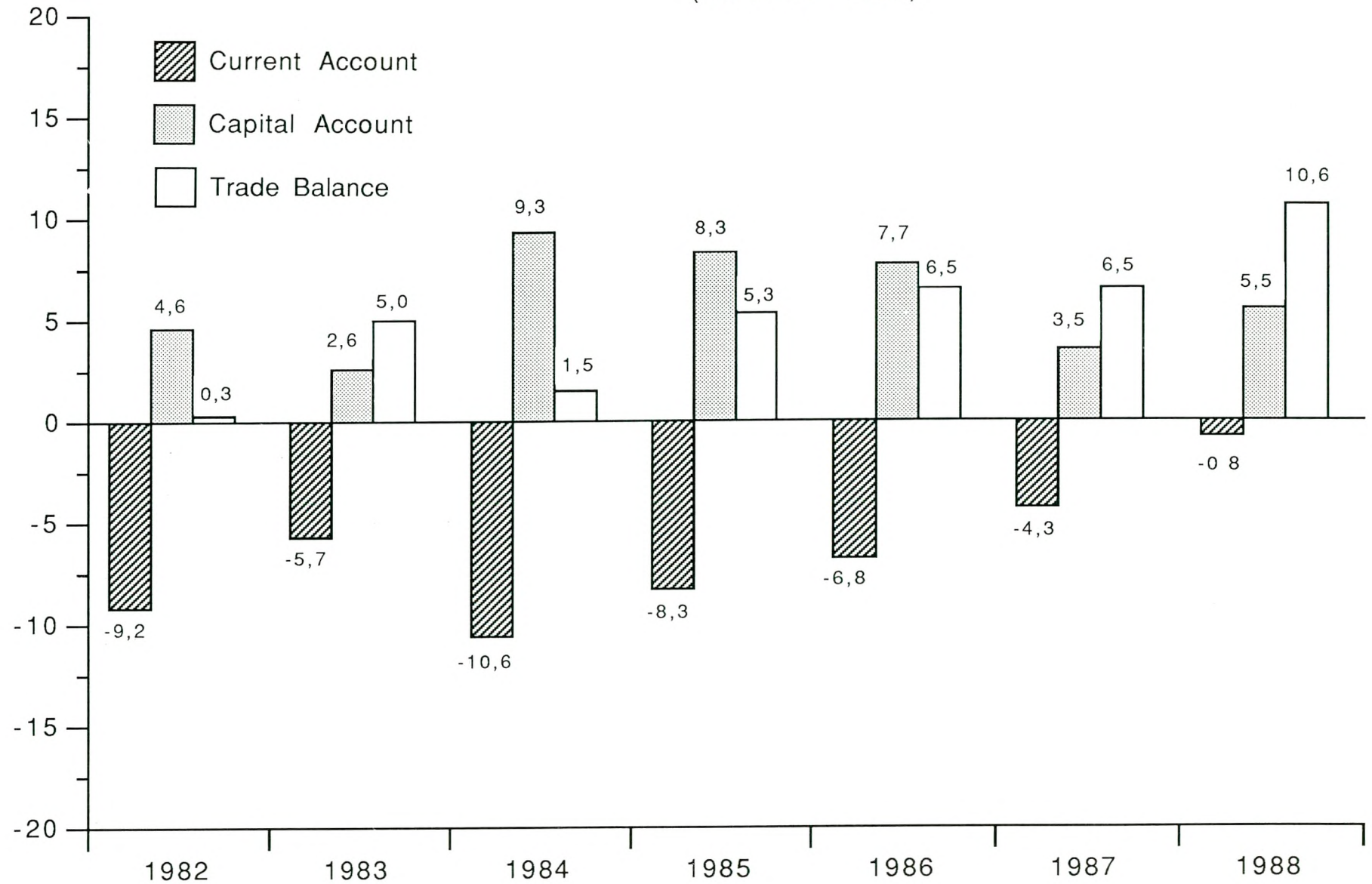
From June 1985 up to this date (December 1988) external debt conversion operations for a total of US\$ 6,220.3 million have been carried out; and they have meant an effective 37.1% reduction of medium and long term debt relative to the stock in existence as of June 30, 1985.

Concerning the above, it is important to point out that 44.1% (US\$2,745.4 million) corresponds to reductions made by the private financial sector (this total includes the debt guaranteed by the public sector). Thus, it is also the case that the mechanisms that have been used the most correspond to those contained in Chapters XVIII and XIX of the Foreign Exchange Regulations. In fact, 63.8% of the operations carried out to date have been effected according to the above-mentioned mechanisms.

In November of 1988 and according to an article contained in the restructuring agreements, Banco Central de Chile bidded promissory notes of its external debt for a nominal value of US\$ 298.9 million, with a real disbursement of US\$ 170 million, that is to say, obtaining a 43.1% discount in the international market.

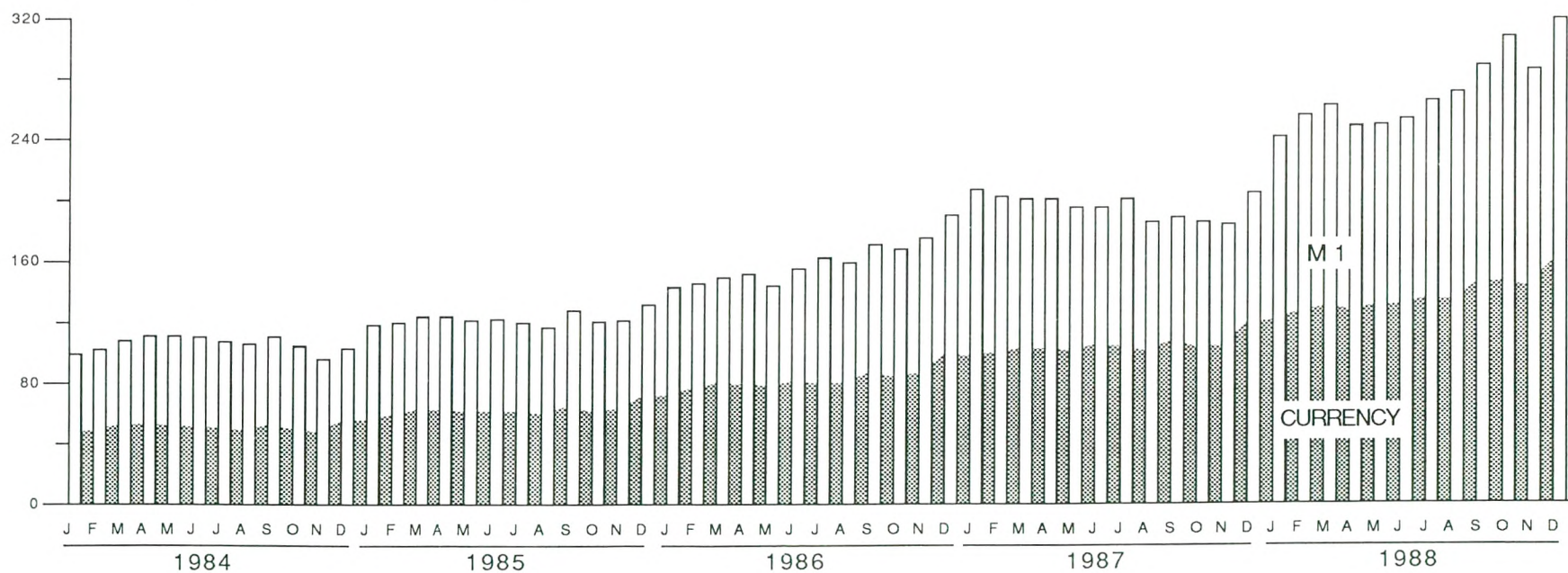
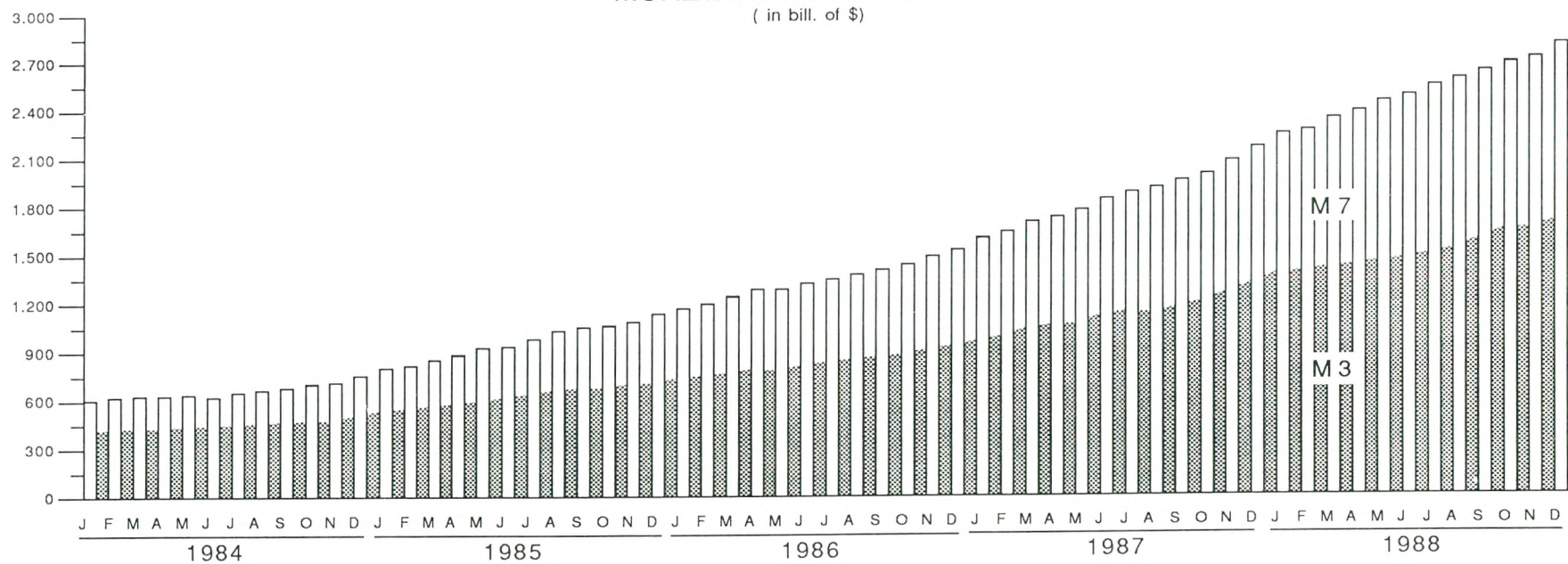
BALANCE OF PAYMENTS

(AS % OF GDP)

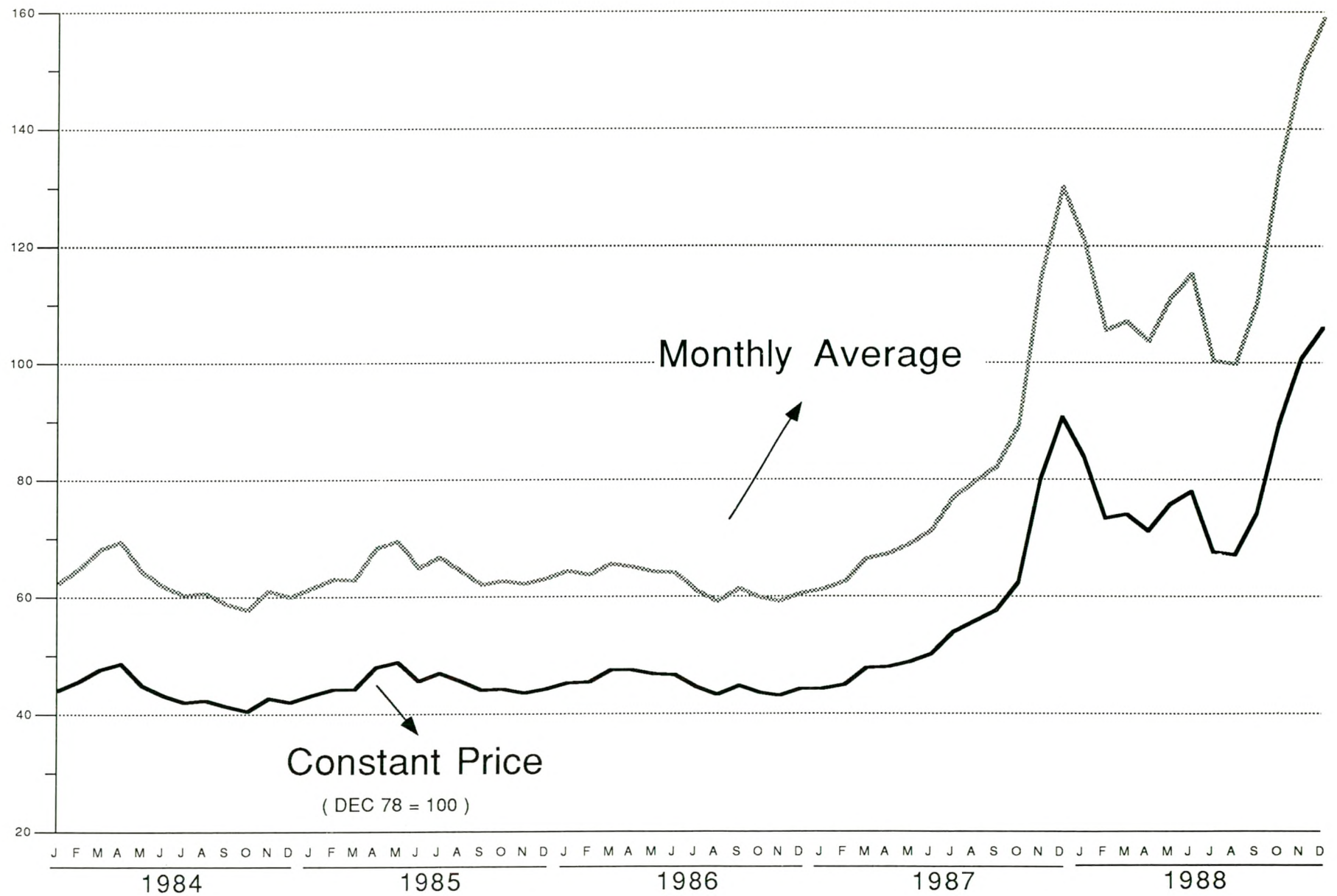


MONETARY AGGREGATES

(in bill. of \$)

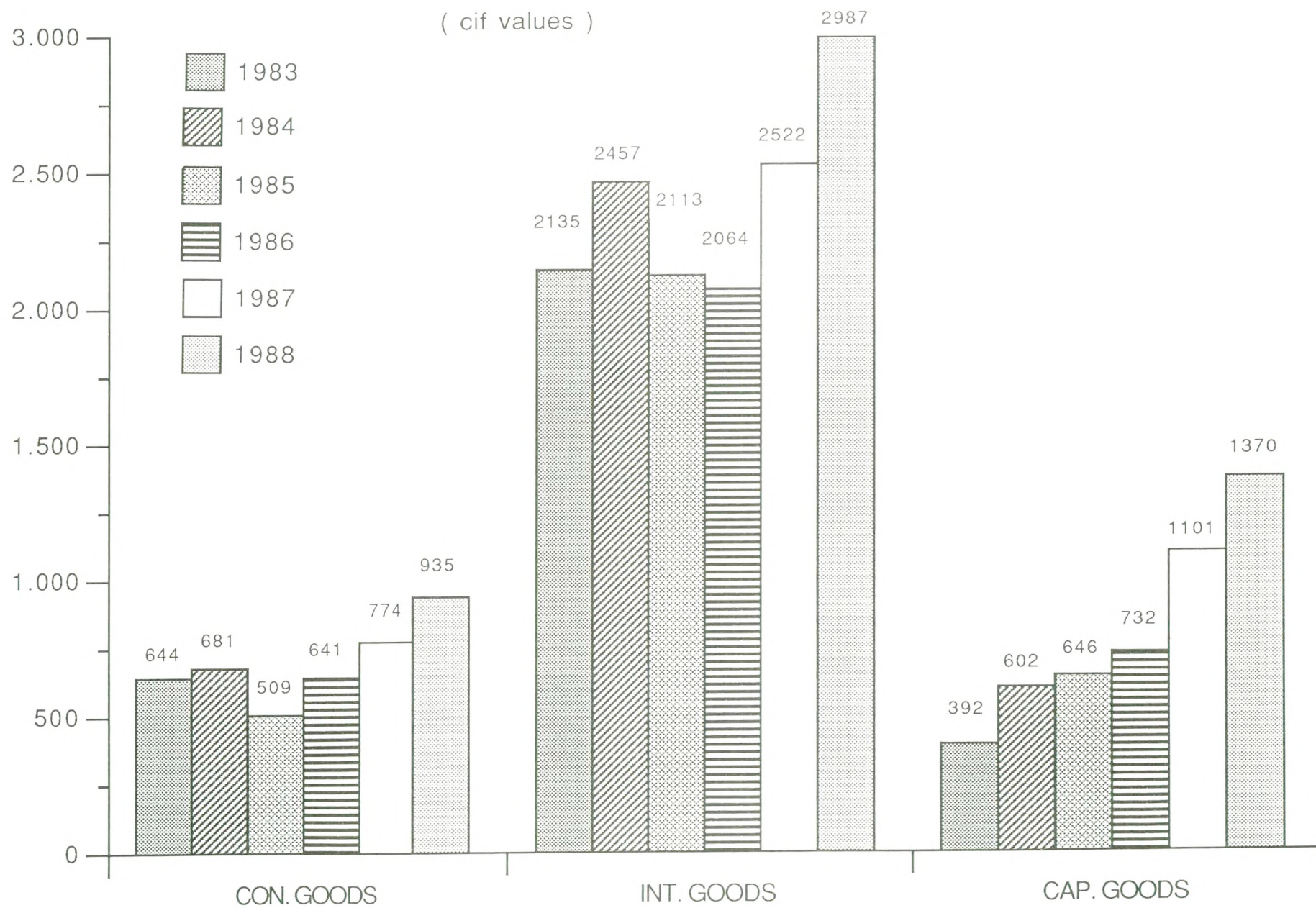


COPPER PRICE

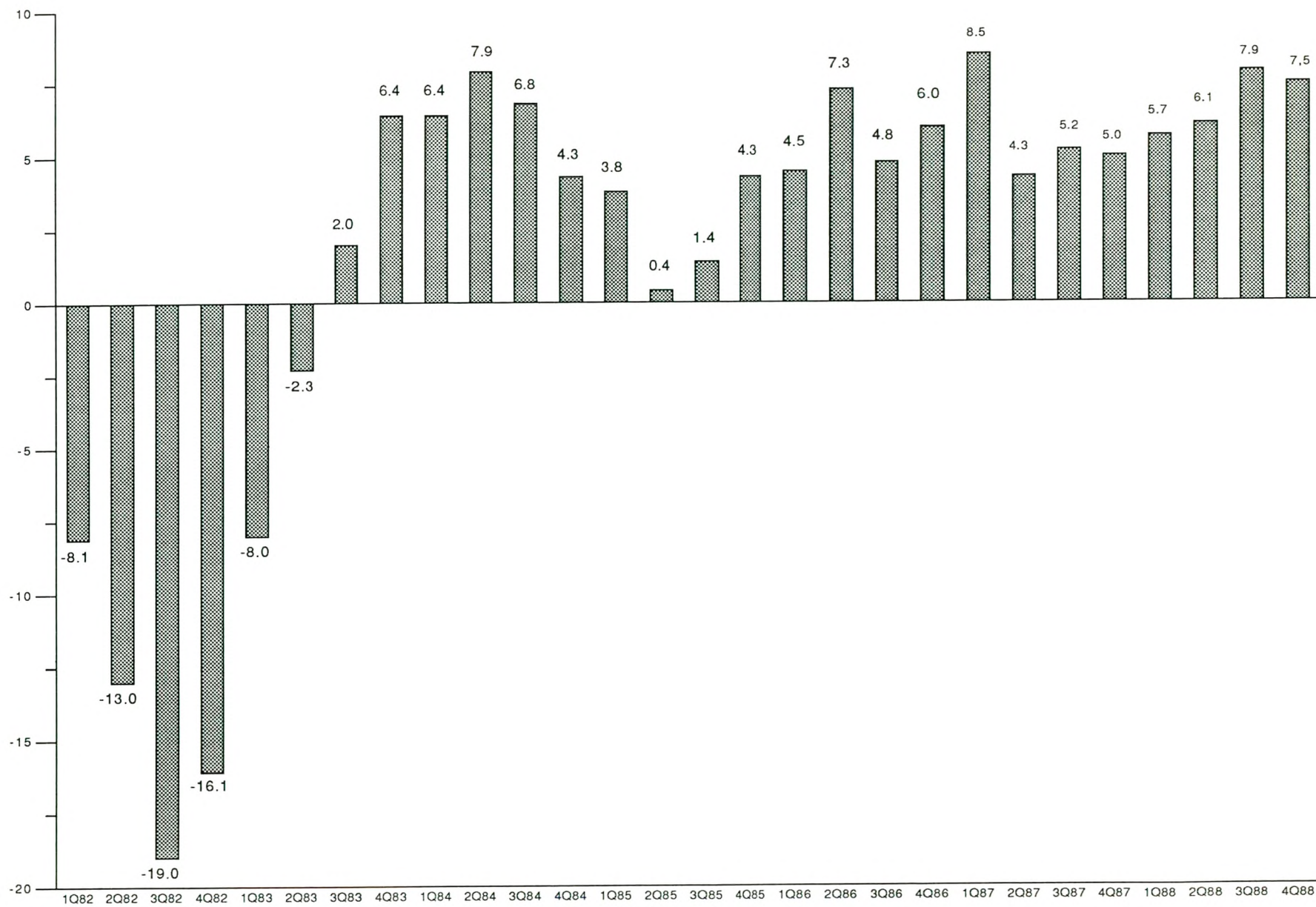


COMPOSITION OF IMPORTS 1983 - 1988

(cif values)



% CHANGE G.D.P 1982 - 1988



GROSS DOMESTIC PRODUCT 1982 - 1988

\$ 1977

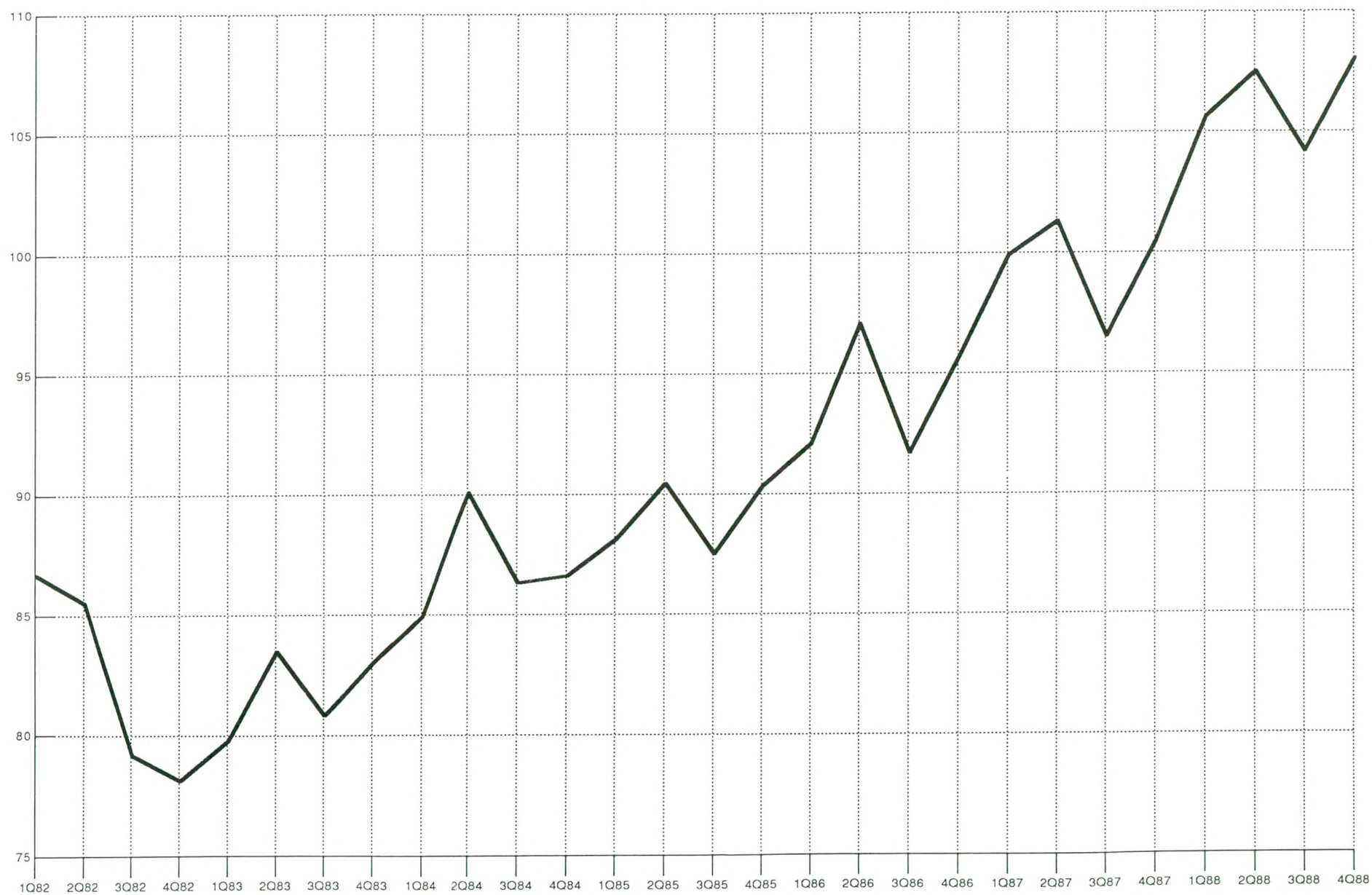


TABLE N° 1

CENTRAL BANK MONETARY PROGRAM : TARGETS AND PERFORMANCE 1988
(Stocks in billions of Chilean pesos)

ITEM	PERFORMANCE					TARGETS AGREED WITH I.M. F. (ORIGINAL AGREEMENT) (1)				
	Dec.87	Mar.88	Jun.88	Sep.88	Dec.88	Dec.87	Mar.88	Jun.88	Sep.88	Dec.88
1. NET INTERNATIONAL RESERVES	237.12	269.17	350.43	329.25	501.76	198.90	187.44	215.00	206.83	302.18
(In mill. US\$)	(1,053.87)	(1,121.54)	(1,424.51)	(1,327.62)	(1,967.73)	(884.0)	(781.0)	(874.0)	(834.0)	(1,185.0)
2. NET DOMESTIC ASSETS	915.90	892.27	837.33	893.28	856.59	951.0	964.0	965.0	996.0	989.0
3. FOREIGN MEDIUM AND LONG TERM LIABILITIES	1,007.85	1,008.42	1,039.50	1,052.40	1,166.90					
(In mill. US\$)	(4,479.33)	(4,201.75)	(4,225.61)	(4,243.55)	(4,576.08)					
4. LIABILITIES TO PRIVATE SECTOR	145.17	153.2	148.21	170.06	191.4					
Rate of Exchange (peso/dollar)	225.0	240.0	246.0	248.0	255.0	225.0	240.0	246.0	248.0	255.0

Note: Exchange rates between U.S. dollar and other foreign currencies correspond to the ones prevailing on Dec. 1986 during 1987, and to those prevailing on Dec.1987 during 1988.

(1) It does not include the Copper Stabilization Fund Adjustment.

Source: Banco Central de Chile.

TABLE N° 2

DIFFERENCES BETWEEN ACTUAL PERFORMANCE AND TARGET PERFORMANCE UNDER THE I.M.F. PROGRAM

ITEM	Dec.87	Mar.88	Jun.88	Sep.88	Dec.88
I. INTERNATIONAL RESERVES (millions of US\$)					
1. Actual	1,053.9	1,121.5	1,424.5	1,327.6	1,967.7
2. Target	884.0	853.0	1,092.7	1,193.5	1,457.3
- Original agreement		781.0	874.0	834.0	1,185.0
- Copper Stabilization Fund Adjustment		71.8	218.7	359.5	442.4
- External Debt					170.1
- Pre-Payment Adjustment					
3. Differences (1-2)	169.9	268.5	331.8	134.1	510.4
II. NET DOMESTIC ASSETS (millions of Chilean \$)					
1. Actual	915.90	892.27	837.33	893.28	856.6
2. Target	951.00	947.0	911.2	906.8	919.6
- Original agreement		964.0	965.0	996.0	989.0
- Copper Stabilization Fund Adjustment		17.2	53.8	89.2	112.8
- External Debt					43.40
- Pre-Payment Adjustment					
3. Differences (1-2)	-35.10	-54.73	-73.87	-13.52	-63.00
III. NEW MEDIUM TERM LOANS FROM INTERNATIONAL BANKS (millions of US\$)	125.0 1/	0.0	0.0	0.0	0.0
IV. RATE OF EXCHANGE (peso/dollar)	225.0	240.0	246.0	248.0	255.0

Note: Exchange rates between U.S. dollar and other foreign currencies correspond to the ones prevailing on Dec. 1986 during 1987, and the ones prevailing on Dec.1987 during 1988.

1/ Includes 100.0 million dollars from World Banks SAL Program during the second quarter and 125.0 million dollars during the fourth quarter.

Source: Banco Central de Chile.

TABLE N° 3

CENTRAL BANK : NET INTERNATIONAL RESERVES 1988

(Millions of US\$ end of month)

ITEM	Sep.87	Dec.87	Mar.88	Jun.88	Sep.88	Dec.88
NET INTERNATIONAL RESERVES	869.2	1,053.9	1,121.7	1,424.5	1,327.6	1,967.7
1. Assets	2,372.2	2,801.4	2,860.6	2,957.7	2,932.6	3,705.7
Gold	76.7	76.8	76.6	76.7	76.8	77.0
SDR'S	0.4	35.1	0.5	2.0	0.5	46.3
I.M.F. Reserve Position	0.0	0.0	0.0	0.0	0.0	0.0
Foreign Exchange Assets	2,203.8	2,364.8	2,535.8	2,720.0	2,733.4	3,194.5
CCR	91.3	324.7	247.7	159.0	121.9	387.9
2. Liabilities	1,503.0	1,747.5	1,738.9	1,533.2	1,605.0	1,738.0
To I.M.F.	1,292.4	1,259.7	1,402.0	1,421.0	1,437.1	1,382.0
CCR	60.6	262.8	191.9	112.2	77.9	356.0
Short Term Deposits	150.0	225.0	145.0	0.0	90.0	0.0
Bridge Loan	0.0	0.0	0.0	0.0	0.0	0.0
Others (1)	0.0	0.0	0.0	0.0	0.0	0.0

Note: Corresponds to the I.M.F. net international reserve definition. Exchange rates between U.S. dollar and other foreign currencies correspond to the ones prevailing on Dec. 1985 during 1986, and to those prevailing on Dec. 1986 during 1987 and Dec. 87 during 1988.

(1) Provision for payments to Paris Club.

Source: Banco Central de Chile.

TABLE N° 4

NET INDEBTEDNESS OF THE NON - FINANCIAL PUBLIC SECTOR

(Billions of Chilean pesos)

ITEM	Jun.87	Sep.87	Dec.87	Mar.88	Jun.88	Sep.88	Dec.88
1. Debt to the Domestic Financial System	126.49	128.21	69.61	-54.41	-96.92	-145.70	-295.59
2. Outstanding stock of financial instrument issued by the non-financial public sector and held by the non-financial private sector.	116.45	101.44	105.31	85.43	85.55	48.06	44.63
3. Adjustments for Corfo-Indap	0.63	1.23	1.61	-0.89	0.39	0.71	0.61
4. Other Adjustments	-74.60	-65.88	-27.75	-10.40	-7.81	-5.40	-8.02
5. Domestic Debt (1+2+3+4)	168.97	165.00	148.78	19.74	-18.80	-102.32	-258.37
6. Foreign Debt	1,433.62	1,520.35	1,550.45	1,628.52	1,663.56	1,686.88	1,803.09
7. Total Debt (5+6)	1,602.59	1,685.35	1,699.23	1,648.26	1,644.76	1,584.50	1,544.72
8. Public Sector Deficit	13.64	12.61	10.37	-98.20	-142.62	-167.31	-252.81
TARGET	32.50	59.00	48.45	-29.29	-90.40	-105.95	-128.77
- Original agreement				3.80	16.60	25.50	28.00
- Copper Stabilization Fund Adjustment				30.10	67.00	102.46	126.48
- Corfo's stock sale adjustment				2.99	40.00	29.00	30.29
(Rate of exchange)	(211)	(222)	(225)	(240)	(246)	(248)	(255)

Note: Provisional figures.

TABLE N° 4 - A

SHORT-TERM EXTERNAL INDEBTEDNESS OF THE NON - FINANCIAL PUBLIC SECTOR AND BANCO DEL ESTADO

(In millions of US\$)

ITEM	Jun.87	Sep.87	Dec.87	Mar.88	Jun.88	Sep.88	Dec.88
A) SHORT-TERM EXTERNAL DEBT OF THE NON-FINANCIAL PUBLIC SECTOR	799.8	792.8	801.4	837.1	745.1	825.9	799.5
B) NET INTERNATIONAL RESERVES OF THE BANCO DEL ESTADO	-73.1	-40.2	-16.4	-21.9	-22.0	-29.9	-23.2
- Assets	12.6	48.6	10.7	10.4	13.0	7.1	15.1
- Liabilities	85.7	88.8	27.1	32.3	35.0	37.0	38.3
C) TOTAL (A - B)	872.9	833.0	817.8	859.0	767.1	855.8	822.7
TARGET	1,055.0	1,055.0	1,055.0	992.0	992.0	992.0	992.0

Source: Banco Central de Chile.

TABLE N° 5

CONTRACTING AND GUARANTEEING OF MEDIUM-AND LONG-TERM FOREIGN DEBT BY THE PUBLIC SECTOR

(In millions of US\$)

ITEM	Jun.87	Sep.87	Dec.87	Mar.88	Jun.88	Sep.88	Dec.88
CONTRACTING AND GUARANTEEING							
More than 1 and up to 5 years	8.8	30.0	38.4	3.0	3.0	3.0	44.0
More than 1 and up to 10 years	508.0	567.8 1/	601.4 1/	65.4	104.2	129.8	186.9
(Refinancing and Rescheduling)	(25.6)	(64.2)	(88.7)	(11.0) 2/	(28.4) 2/	(44.7) 2/	(60.8) 2/
TARGETS							
CONTRACTING AND GUARANTEEING							
More than 1 and up to 5 years	190.0	190.0	190.0	190.0	190.0		190.0
More than 1 and up to 10 years	1,200.0	1,200.0	1,200.0	600.0	600.0		600.0

1/ It includes retiming for US\$ 447 millions and Paris Club rescheduling.

2/ It corresponds to the effective deposit of the agreement with the Paris Club signed in 1987

Source : Banco Central de Chile.

TABLE N° 6

CHILE: BALANCE OF PAYMENTS 1987-1988 1/
(Millions of US\$)

ITEM	1987	1988
CURRENT ACCOUNT	-808.3	-167.4
Trade Balance	1,229.4	2,218.6
Exports	5,223.7	7,051.8
- Copper	(2,234.7)	(3,416.2)
- Others	(2,989.0)	(3,635.6)
Imports	-3,994.3	-4,833.2
Non-Financial Services	-463.2	-643.1
Financial Services	-1,700.3	-1,919.6
Transfers	125.8	176.7
CAPITAL ACCOUNT	668.9	1,157.8
Foreign Investments 2/	923.5	1,019.9
Amortization Payments 3/	-310.2	-648.5
Extraordinary Amortizations 4/	-826.1	-970.2
MLT Disbursements	830.4	1,180.9
Official and Multilateral Organizations	(310.9)	(434.1)
Suppliers' Credits 5/	(450.4)	(679.3)
- To Public Sector	[142.9]	[59.0]
- To Private Sector	[307.5]	[620.3]
Other	(69.1)	(67.5)
Net Flows of Short-Term Capital 6/	-172.8	-135.3
Use of Trade Lines	(141.4)	(385.6)
Other Trade Related Flows	(-99.1)	(-24.7)
Net change in Assets, valuation adjustments, errors and omissions	(-215.1)	(-496.2)
Financial Program	224.1	313.5
New Money from banks	(0.0)	(0.0)
IBRD-SAL	(224.1)	(112.4)
Eximbank Japan	(0.0)	(201.1)
Retiming of Interest Payments 7/	0.0	397.5
CHANGE IN NET INTERNATIONAL RESERVES 8/	-139.4	990.4

1/ Provisional.

2/ Includes investment with external debt notes and capitalization of loans through Chapter XIX and D.L. 600, which were US\$ 826 million in 1987, and which are estimated at US\$ 902.5 million in 1988.

3/ Amortization payments after the 1988-1991 rescheduling of bank and Paris Club debt. Includes US\$ 170.2 of Central Bank pre-payments.

4/ Considers repayment of loans arising from debt to equity swaps through D.L.600, Chapters XIX, and others. Figures omit Chapter XVIII.

5/ Includes loans associated to foreign investment (D.L. 600), and loans to the private sector entered under the provisions of article 15.

6/ Excludes short-term loans to the Central Bank, which are subtracted from reserves.

7/ Counterparts to accrued interest on rescheduled debt included in Financial Services whose actual payment, due to the retiming agreement, has been post-poned.

8/ Definition of Net International Reserves used in IMF program services.

Source: Banco Central de Chile.

TABLE N° 6 - A

FINANCIAL SERVICES 1/

(Millions of US\$)

ITEM	1 9 8 7	1 9 8 8
1. INTEREST PAYMENTS	-1,664.3	-1,797.6
Medium and Long-Term	-1,387.4	-1,424.9
I.M.F.	-97.2	-103.6
Short-Term	-179.7	-269.1
2. INTEREST RECEIPTS	178.0	180.9
Medium and Long-Term	1.4	5.5
Short-Term	176.6	175.4
Central Bank	(151.6)	(148.4)
3. PROFITS AND DIVIDENDS	-214.0	-302.9
NET FINANCIAL SERVICES (1+2+3)	-1,700.3	-1,919.6

1/ Provisional.

TABLE N° 6 - B

IMPORTS, 1987 - 1988 2/

(Millions of US\$)

ITEM	1987 1/	1988 1/
I. CONSUMER GOODS	584.0	788.7
- Foodstuffs	63.2	93.5
- Agricultural	(12.9)	(15.3)
- Industrial Food Products	(50.3)	(78.2)
- Non-Food Consumer Goods	520.8	695.2
- Medical and Pharmaceutical	(50.2)	(61.1)
- Tools	(38.2)	(44.0)
- Industrialized of Non-food products	(347.2)	(448.9)
- Automobiles	(85.2)	(141.2)
II. INTERMEDIATE GOODS	2,223.5	2,734.8
- Raw Materials	823.9	983.8
- Food	(110.2)	(145.8)
- Agricultural foodstuffs	[39.5]	[61.2]
- Industrial origin Raw-Materials	[70.7]	[84.6]
- Non-Food	(713.7)	(838.0)
- Agricultural origin-raw materials	[44.4]	[50.9]
- Industrial origin-raw materials	[669.3]	[787.1]
- Equipment-spares and Intermediate Products	943.6	1,128.5
- Intermediate Industrial Goods	(576.3)	(651.0)
- Machinery & Equipment-spare Parts	(277.9)	(352.6)
- Parts for Assembly of Vehicles	(89.4)	(124.9)
- Fuel & Lubricants	456.0	622.5
- Crude Petroleum	(374.8)	(508.4)
- Other	(81.2)	(114.1)
III. TOTAL CURRENT GOODS	2,807.5	3,523.5
V. CAPITAL GOODS	981.5	1,258.3
- Machinery & Equipment	(718.3)	(877.7)
- Transportation Equipment	(259.5)	(375.7)
- Other Capital Goods	(3.7)	(4.9)
VI. SUB-TOTAL	3,789.0	4,781.8
Other Imports	607.3	510.0
VII. TOTAL C.I.F.	4,396.3	5,291.8
VIII. TOTAL F.O.B.	3,994.3	4,833.2

1/ Provisional

2/ New classification of imports in which Food is broken down into two components which are included in Consumer Goods and Raw Materials.

Source: Banco Central de Chile.

TABLE N° 6 - C

VOLUME AND VALUE OF EXPORTS: 1987 - 1988, BY PRINCIPAL PRODUCTS 1/

(Millions of US\$)

PRODUCTS	UNITS	1987			1988		
		VOLUME	PRICE	VALUE	VOLUME	PRICE	VALUE
Copper	MT	1,368,200	1,633.3	2,234.7	1,355,800	2,519.7	3,416.2
Iron Ore Pellets	MT	3,626,000	22.3	80.9	3,605,000	21.4	77.0
Iron Ore	MT	1,758,000	11.4	20.0	3,077,000	10.7	32.8
Sodium Nitrate	MT	299,800	114.4	34.3	311,480	118.1	36.8
Potassium Nitrate	MT	94,000	161.7	15.2	131,190	149.4	19.6
Iodine	MT	3,102	15,893.0	49.3	3,939	16,501.7	65.0
Fishmeal	MT	1,109,900	326.7	362.6	926,160	495.5	458.9
Sawed wood	M3	983,700	86.9	85.5	905,570	107.0	96.9
Pinewood	M3	1,270,100	39.4	50.0	1,353,420	44.6	60.3
Crude Cellulose	MT	232,100	437.3	101.5	175,190	572.5	100.3
White Cellulose	MT	295,000	553.9	163.4	303,110	688.9	208.8
Molybdenum Oxide & Iron Molybdenum	MT	20,200	6,712.9	135.6	17,880	7,606.3	136.0
SUB TOTAL				3,333.0			4,708.6
Others				1,890.6			2,343.2
TOTAL				5,223.6			7,051.8

1/ Provisional figures.

Source : Banco Central de Chile.

TABLE N° 7

CHILE: BALANCE OF PAYMENTS BY QUARTERS 1988 1/
(Millions of US\$)

ITEM	I	II	III	IV	YEAR
CURRENT ACCOUNT	-153.8	119.1	-443.4	310.7	-167.4
1. Trade Balance	582.4	593.6	340.1	702.5	2,218.6
Exports	1,668.6	1,729.3	1,593.2	2,060.7	7,051.8
-Copper	(661.3)	(752.9)	(736.7)	(1,265.3)	(3,416.2)
-Others	(1,007.3)	(976.4)	(856.5)	(795.4)	(3,635.6)
Imports	-1,086.2	-1,135.7	-1,253.1	-1,358.2	-4,833.2
2. Non-Financial Services	-165.1	-172.3	-169.6	-136.1	-643.1
3. Financial Services	-603.8	-363.6	-657.3	-294.9	-1,919.6
4. Transfers	32.7	61.4	43.4	39.2	176.7
CAPITAL ACCOUNT	298.1	183.8	346.5	329.4	1,157.8
1. Foreign Investment 2/	156.8	151.8	539.0	172.3	1,019.9
2. Amortization Payments 3/	-104.1	-109.3	-145.0	-290.1	-648.5
3. Extraordinary Amortizations 4/	-120.6	-137.7	-521.8	-190.1	-970.2
4. MLT Disbursements	192.7	275.9	375.3	337.0	1,180.9
Official and Multilateral Organizations	(80.0)	(137.3)	(114.2)	(102.6)	(434.1)
Suppliers' Credits	(98.9)	(125.4)	(234.7)	(220.3)	(679.3)
-To Public Sector	[20.3]	[24.9]	[3.6]	[10.2]	[59.0]
-To Private Sector 5/	[78.6]	[100.5]	[231.1]	[210.1]	[620.3]
Other	(13.8)	(13.2)	(26.4)	(14.1)	(67.5)
5. Net Flows of Short-Term Capital 6/	177.9	24.1	-278.0	-59.3	-135.3
Use of Short-Term Lines	(230.1)	(66.7)	(72.4)	(16.4)	(385.6)
Other Short-Term Trade-Related Flows	(-36.3)	(40.7)	(44.3)	(-73.4)	(-24.7)
Net Change in Assets, valuation adjustments, error and omissions	(-15.9)	(-83.3)	(-394.7)	(-2.3)	(-496.2)
6. Retiming of Interest Payments 7/	-4.6	-21.0	377.0	46.1	397.5
7. Financial Program	0.0	0.0	0.0	313.5	313.5
New Money from banks	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
IRBD - SAL	(0.0)	(0.0)	(0.0)	(112.4)	(112.4)
Eximbank Japan	(0.0)	(0.0)	(0.0)	(201.1)	(201.1)
Change in Net International Reserves 8/ (increase: +)	144.3	302.9	-96.9	640.1	990.4
Use of short-term credits by the Central Bank	-80.0	-145.0	90.0	-90.0	-225.0
Change in Gross International Reserves	64.3	157.9	-6.9	550.1	765.4
MEMORANDUM ITEM =					
Change in Net Reserves, net of bank's / new money Eximbank and SAL (increase: +)	144.3	302.9	-96.9	326.6	676.9

1/ Provisional.

2/ Includes investment with external debt notes and capitalization of loans through Chapter XIX and D.L. 600, which were US\$ 826 million in 1987, and US\$ 902.5 million in 1988.

3/ Amortization payments after the 1988-1991 rescheduling of bank and Paris Club debt. Includes US\$ 170.2 of Central Bank pre-payments.

4/ Considers repayment of loans arising from debt to equity swaps through D.L.600, Chapter XIX, and others. Figures omit Chapter XVIII and others.

5/ Includes loans associated to foreign investment (D.L. 600), and loans to the private sector entered under the provisions of article 15.

6/ Excludes short-term loans to the Central Bank, which are subtracted from reserves.

7/ Counterparts to accrued interest on rescheduled debt included in Financial Services whose actual payment, due to the retiming agreement, has been post-poned.

8/ Definition of Net International Reserves used in IMF program services.

Source: Banco Central de Chile.

TABLE N° 8

EXPORTS AND IMPORTS: 1985 - 1988
(Millions of US\$)

DATE	EXPORTS (F.O.B.)			IMPORTS (C.I.F.)						IMPORTS (F.O.B.)	TRADE MONTHLY	BALANCE ACCUMULATE YEAR
	Copper	Other	Total	CONSUMER GOODS		INTERMEDIATE GOODS		Capital Goods	Total			
				Foodstuffs	Non Food	(Foodstuffs)2/	Total					
1985	1,788.7	2,015.4	3,804.1	51.7	457.5	(219.7)	2,113.0	646.1	3,268.3	2,954.7	-	849.4
1986	1,757.1	2,441.7	4,198.8	55.7	585.3	(113.2)	2,063.6	731.7	3,436.3	3,099.1	-	1,099.7
1987	2,234.7	2,989.0	5,223.7	82.9	690.9	(126.6)	2,521.8	1,100.8	4,396.4	3,994.3	-	1,229.4
Jan.	141.9	192.9	334.8	6.3	50.1	(11.0)	186.6	90.3	333.3	300.9	33.9	33.9
Feb.	117.8	249.1	366.9	4.2	51.7	(8.1)	211.5	64.2	331.6	300.9	66.0	99.9
Mar.	136.5	286.2	422.7	4.0	61.4	(9.1)	219.3	90.2	374.9	338.5	84.2	184.1
Apr.	156.5	340.5	497.0	4.9	57.3	(10.1)	189.9	78.6	330.7	298.2	198.8	382.9
May.	148.3	259.9	408.2	7.3	55.3	(9.4)	189.9	108.1	360.6	329.1	79.1	462.0
Jun.	164.4	213.2	377.6	10.2	53.8	(9.8)	205.7	82.0	351.7	318.4	59.2	521.2
Jul.	193.8	285.4	479.2	6.5	57.5	(7.8)	241.2	99.5	404.7	366.5	112.7	633.9
Aug.	178.3	233.1	411.4	5.5	61.0	(10.8)	248.2	97.3	412.0	376.8	34.6	668.5
Sep.	189.3	227.2	416.5	7.5	56.9	(13.9)	200.4	98.0	362.8	329.1	87.4	755.9
Oct.	212.2	225.5	437.7	13.4	62.3	(10.0)	218.2	85.7	379.6	347.9	89.8	845.7
Nov.	227.8	206.6	434.4	7.8	65.7	(17.7)	222.0	111.6	407.1	372.5	61.9	907.6
Dec.	367.9	269.4	637.3	5.3	57.9	(8.9)	188.9	95.3	347.4	315.5	321.8	1,229.4
1988 1/	3,416.2	3,635.6	7,051.8	104.3	831.0	(154.0)	2,986.6	1,369.9	5,291.8	4,833.2	-	
Jan.	247.0	275.3	522.3	6.1	53.6	(10.4)	258.8	109.9	428.4	389.0	133.3	133.3
Feb.	197.3	312.2	509.5	4.5	52.1	(8.7)	194.3	83.4	334.3	305.2	204.3	337.6
Mar.	217.0	419.8	636.8	11.7	64.8	(9.7)	220.7	133.8	431.0	392.0	244.8	582.4
Apr.	240.7	394.5	635.2	4.0	54.3	(5.6)	210.8	99.7	368.8	333.9	301.3	883.7
May.	220.7	315.3	536.0	10.1	64.0	(15.5)	275.1	106.3	455.5	418.1	117.9	1,001.6
Jun.	291.5	266.6	558.1	10.1	65.8	(17.0)	248.4	98.4	422.7	383.7	174.4	1,176.0
Jul.	250.8	310.6	561.4	7.8	66.8	(9.1)	238.8	110.8	424.2	387.3	174.1	1,350.1
Aug.	225.8	294.1	519.9	9.1	78.3	(21.4)	284.6	127.2	499.2	461.2	58.7	1,408.8
Sep.	260.1	251.8	511.9	9.1	78.2	(17.4)	248.5	108.4	444.2	404.6	107.3	1,516.1
Oct.	319.7	245.0	564.7	15.2	83.4	(19.2)	262.9	116.6	478.1	435.0	129.7	1,645.8
Nov.	453.0	244.3	697.3	9.2	89.8	(6.9)	239.3	147.3	485.6	448.9	248.4	1,894.2
Dec.	492.6	306.1	798.7	7.4	79.9	(13.1)	304.4	128.1	519.8	474.3	324.4	2,218.6

1/ Provisional.

2/ If this item is added to "Foodstuffs" included in Consumer Goods, the total for "Foodstuffs" presented in previous reports is obtained.

Source: Banco Central de Chile.

TABLE N° 9

NET INFLOWS OF FUNDS FROM OFFICIAL ORGANIZATIONS AND SUPPLIERS, 1987 - 1988
(Millions of US\$)

ITEM	1987			1988 1/		
	Disbursements	Amortizations**	Net	Disbursements	Amortizations**	Net
I. OFFICIAL AND MULTILATERAL ORGANIZATIONS 2/	370.6	144.7	225.9	688.0	158.0	530.0
1. MULTINATIONAL ORGANIZATIONS	344.2	91.0 e/	253.2	401.6	104.0 e/	297.6
IDB	199.9 a/	58.4	141.5	239.4 a/	50.3	189.1
IBRD	94.4 a/	29.5	64.9	143.4 a/	40.4	103.0
IDA	-	0.9	-0.9	-	0.7	-0.7
IFC	49.9	2.2	47.7	18.8	12.6	6.2
2. GOVERNMENTAL ORGANIZATIONS	26.4	53.7	-27.3	286.4	54.0	232.4
a. Direct Loan	12.8	25.4	-12.6	260.6	21.7	238.9
Eximbank (U.S.A.)	-	0.2	-0.2	3.2	-	3.2
AID (U.S.A.)	-	3.8	-3.8	2.0	0.9	1.1
KFW (W. Germany)	-	0.2	-0.2	31.3	-	31.3
Banco Central Argentina	-	6.0	-6.0	-	4.5	-4.5
Eximbank (Japan)	-	0.1	-0.1	211.8	-	211.8
Banco Do Brasil	-	11.2	-11.2	-	9.3	-9.3
EDC (Canada)	12.8	2.5	10.3	12.3	4.5	7.8
NIO (Holanda)	-	-	-	-	0.7	-0.7
Crédit National (France)	-	0.1	-0.1	-	-	-
China Popular	-	-	-	-	0.9	-0.9
IDC (South Africa)	-	0.3	-0.3	-	0.5	-0.5
CCC (USA)	-	1.0	-1.0	-	0.4	-0.4
b. Other Loan with Official Guarantee	13.6	28.3	-14.7	25.8	32.3	-6.5
Bco.USA (GAR. CCC)	13.6	28.3	-14.7	20.8	32.3	-11.5
Bco.USA (GAR. AID)	-	-	-	5.0	-	5.0
II. SUPPLIERS b/	388.0	118.3	269.7	333.4	224.4	109.0
Public Sector	142.9	46.9	96.0	59.0	50.4	8.6
Private Sector	245.1	71.4	173.7	274.4	174.0	100.4
- Contracted Credits c/	243.1	69.4	173.7	274.4	174.0	100.4
- Credits to be Contracted	2.0	2.0	-	-	-	-
TOTAL						
I. OFFICIAL AND MULTILATERAL ORGANIZATIONS 2/	370.6	144.7	225.9	688.0	158.0	530.0
II. SUPPLIERS	388.0	118.3	269.7	333.4	224.4	109.0
Total (I + II)	758.6	263.0	495.6	1,021.4	382.4	639.0
III. REST OF BANKS f/	71.8	47.2	24.6	360.6	266.1	94.5
GRAND TOTAL d/	830.4	310.2	520.2	1,382.0	648.5	733.5

1/ Preliminary.

2/ Includes Private Sector.

** Includes amortizations originated by 1986 disbursements.

a/ According to Central Bank of Chile statements.

b/ Figures of supplier credits with official guarantees are not available. Includes Nationalization and other creditors.

c/ It refers to disbursement and amortizations of Loans entered through Art. 15, and D.L. N° 600.

d/ Excludes Central Bank Credit of US\$ 785 MM from Banks, US\$ 300 MM Co-financing, and IBRD-SAL.

e/ Excludes IBRD-SAL.

f/ It refers mainly to new loans with Official Guarantees from bank and other credits contracted with foreign banks for specific projects.

Source: Banco Central de Chile.

TABLE N° 10

FOREIGN DEBT OF CHILE 1982 - DECEMBER 1988 (*)

(Millions of US\$)

ITEM	1982	1983	1984	1985	1986	1987	PRELIMINARY	
							06.30.88	12.31.88
I. TOTAL EXTERNAL DEBT (II + III)	17,153	17,431	18,877	19,444	19,501	19,208	18,417	17,649
PUBLIC SECTOR	6,660	9,795	12,343	14,079	15,763	16,380	15,494	14,673
Public Financial Sector	1,615	3,254	5,058	5,713	5,725	6,001	5,345	4,847
(Banco del Estado)	(778)	(877)	(1,386)	(1,356)	(1,296)	(1,078)	(1,041)	(926)
(Central Bank)	(837)	(2,377)	(3,672)	(4,357)	(4,429)	(4,923)	(4,304)	(3,921)
Public Non-Financial Sector	4,983	4,726	5,155	6,018	6,630	7,103	6,605	7,014
(Treasury)	(1,133)	(1,129)	(1,276)	(1,990)	(2,614)	(2,993)	(3,035)	(3,512)
(Others)	(3,850)	(3,597)	(3,879)	(4,028)	(4,016)	(4,110)	(3,570)	(3,502)
Private Sector with Public Guarantee	62	1,815	2,130	2,348	3,408	3,276	3,544	2,812
PRIVATE SECTOR	10,493	7,636	6,534	5,365	3,738	2,828	2,923	2,976
(Banks and Financial Institutions)	(6,703)	(4,195)	(3,469)	(2,786)	(1,463)	(737)	(412)	(457)
(Corporate and Private Debtors) (1)	(3,790)	(3,441)	(3,065)	(2,579)	(2,275)	(2,091)	(2,511)	(2,519)
II. MEDIUM AND LONG TERM EXTERNAL DEBT	13,815	14,832	16,963	17,650	17,814	17,191	16,269	15,447
PUBLIC SECTOR	5,157	8,090	10,601	12,515	14,379	14,725	14,055	13,072
Public Financial Sector	1,144	2,686	4,464	5,269	5,608	5,749	5,310	4,809
(Banco del Estado)	(507)	(609)	(1,272)	(1,237)	(1,179)	(1,051)	(1,006)	(888)
(Central Bank)	(637)	(2,077)	(3,192)	(4,032)	(4,429)	(4,698)	(4,304)	(3,921)
Public Non-Financial Sector	3,951	3,941	4,419	5,245	5,836	6,302	5,860	6,211
(Treasury)	(1,109)	(1,105)	(1,276)	(1,990)	(2,614)	(2,993)	(3,035)	(3,512)
(Others)	(2,842)	(2,836)	(3,143)	(3,255)	(3,222)	(3,309)	(2,825)	(2,699)
Private Sector with Public Guarantee	62	1,463	1,718	2,001	2,935	2,674	2,885	2,052
PRIVATE SECTOR	8,658	6,742	6,362	5,135	3,435	2,466	2,214	2,375
(Banks and Financial Institutions)	(4,971)	(3,394)	(3,369)	(2,691)	(1,296)	(502)	(183)	(149)
(Corporate and Private Debtors) (1)	(3,687)	(3,348)	(2,993)	(2,444)	(2,139)	(1,964)	(2,031)	(2,226)
III. SHORT TERM EXTERNAL DEBT	3,338	2,599	1,914	1,794	1,687	2,017	2,148	2,202
PUBLIC SECTOR	1,503	1,705	1,742	1,564	1,384	1,655	1,439	1,601
Public Financial Sector	471	568	594	444	117	252	35	38
(Banco del Estado)	(271)	(268)	(114)	(119)	(117)	(27)	(35)	(38)
(Central Bank)	(200)	(300)	(480)	(325)	(0)	(225)	(0)	(0)
Public Non-Financial Sector	1,032	785	736	773	794	801	745	803
(Treasury)	(24)	(24)	(0)	(0)	(0)	(0)	(0)	(0)
(Others)	(1,008)	(761)	(736)	(773)	(794)	(801)	(745)	(803)
Private Sector with Public Guarantee	0	352	412	347	473	602	659	760
PRIVATE SECTOR	1,835	894	172	230	303	362	709	601
(Banks and Financial Institutions)	(1,732)	(801)	(100)	(95)	(167)	(235)	(229)	(308)
(Corporate and Private Debtors) (1)	(103)	(93)	(72)	(135)	(136)	(127)	(480)	(293)
IV. CENTRAL BANK WITH I.M.F.	6	606	782	1,085	1,328	1,452	1,345	1,322

(*) Excludes external debt repayable in local currency.
Includes reductions owing to external debt conversion (Art. 18, 19 and others).

(1) Excludes short-term credits to non-banks for operation in foreign trade.

(2) In January the external debt to the public non financial sector was reduced in US\$ 388 MM. for privatization of CAP, ENAEX, CHILECTRA METROPOLITANA, CHILECTRA GENERACION and ENTEL.

(3) In January the external debt to the private sector with public guarantee was incremented by US\$ 356 MM. for privatization of CAP, ENAEX, CHILECTRA METROPOLITANA, CHILECTRA GENERACION and ENTEL.

(4) In January the external debt to the private sector was incremented in US\$ 32 MM. for privatization of CAP and CHILECTRA METROPOLITANA
Source: Banco Central de Chile.

TABLE N° 11

TOTAL MEDIUM AND LONG TERM EXTERNAL DEBT (*)
(According to Principal Foreign Creditors)
(Millions of US\$)

ITEM	1982	1983	1984	1985	1986	1987	PRELIMINARY	
							06.30.88	12.31.88
1. MULTINATIONAL ORGANIZATIONS	444.4	645.1	946.3	1,444.3	1,928.4	2,493.1	2,625.8	2,921.2
Public Sector	444.4	645.1	935.4	1,425.3	1,904.9	2,418.1	2,544.8	2,825.2
- Financial	30.4	28.5	26.5	64.0	63.3	104.1	148.8	169.9
- Non-Financial	414.0	616.6	908.9	1,361.3	1,841.6	2,314.0	2,396.0	2,655.3
Private Sector	0.0	0.0	10.9	19.0	23.5	75.0	81.0	96.0
- Financial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Non-Financial	0.0	0.0	10.9	19.0	23.5	75.0	81.0	96.0
2. GOVERNMENTAL ORGANIZATIONS	833.6	801.5	615.7	637.7	769.6	722.0	745.5	986.4
Public Sector	820.4	790.8	606.1	629.6	755.0	696.7	720.5	934.1
- Financial	102.1	187.2	51.4	35.1	23.2	16.2	13.6	10.6
- Non-Financial	718.3	603.6	554.7	594.5	731.8	680.5	701.6	920
- Private Sector with Public Guarantee	0.0	0.0	0.0	0.0	0.0	0.0	5.3	3.5
Private Sector	13.2	10.7	9.6	8.1	14.6	25.3	25.0	52.3
- Financial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Non-Financial	13.2	10.7	9.6	8.1	14.6	25.3	25.0	52.3
3. PRIVATE BANKS AND FINANCIAL INSTITUTIONS	11,245.7	12,318.5	14,438.5	14,714.3	14,127.7	12,667.5	11,544.5	10,147.8
Public Sector	3,490.0	6,346.8	8,794.7	10,245.9	11,363.6	11,112.0	10,294.1	8,835.4
- Financial	1,003.2	2,461.9	4,386.4	5,201.8	5,521.6	5,628.5	5,147.5	4,628.9
- Non-Financial (1)	2,486.8	2,483.8	2,707.5	3,049.0	2,913.2	2,814.0	2,270.3	2,157.8
- Private Sector with Public Guarantee	0.0	1,401.1	1,700.8	1,995.1	2,928.8	2,669.5	2,876.3	2,048.7
Private Sector	7,755.7	5,971.7	5,643.8	4,468.4	2,764.1	1,555.5	1,250.4	1,312.4
- Financial (1)	4,971.0	3,394.1	3,368.7	2,690.6	1,296.0	501.6	182.7	149.2
- Non-Financial	2,784.7	2,577.6	2,275.1	1,777.8	1,468.1	1,053.9	1,067.7	1,163.2
4. SUPPLIERS	845.2	634.1	517.5	381.4	524.5	738.6	754.1	754.5
Public Sector	402.0	307.7	264.9	214.5	355.4	497.8	495.3	478.1
- Financial	2.3	1.3	0.0	0.0	0.0	0.0	0.0	0.0
- Non-Financial (1)	399.7	306.4	264.9	214.5	349.2	493.4	491.7	478.1
- Private Sector with Public Guarantee	0.0	0.0	0.0	0.0	6.2	4.4	3.6	0.0
Private Sector	443.2	326.4	252.6	166.9	169.1	240.8	258.8	276.4
- Financial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Non-Financial	443.2	326.4	252.6	166.9	169.1	240.8	258.8	276.4
5. CORPORATE AND PRIVATE CREDITORS	445.7	432.3	445.2	472.2	463.3	569.5	598.8	637.5
Private Sector	445.7	432.3	445.2	472.2	463.3	569.5	598.8	637.5
- Financial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Non-Financial	445.7	432.3	445.2	472.2	463.3	569.5	598.8	637.5
MEDIUM AND LONG TERM DEBT	13,814.6	14,831.5	16,963.2	17,649.9	17,813.5	17,190.7	16,268.7	15,447.4

(*) Excludes IMF credits and Debt Repayable in Local currency

Includes Reductions owing to External Debt Conversion (Art. 18, 19 and others).

(1) Includes Public and Private Sector Bonds, respectively

Source: Banco Central de Chile.

TABLE N° 12

SCHEDULE OF AMORTIZATIONS OF MEDIUM AND LONG TERM EXTERNAL DEBT, AS OF 12.31.88

(Millions of US\$)

ITEM	1989	1990	1991	1992	1993	1994	1995
1. Public and Private Debt	1,195.6	870.7	932.8	667.1	817.0	782.8	736.9
2. Rescheduled Debt (Public and Financial Private Sector 1983-1984) 1/	-	-	-	-	193.5	193.5	193.5
3. New Money 1983, 1984 and 1985, 1986	-	-	901.0	901.0	236.0	139.0	139.0
4. Rescheduled Debt (Public and Financial Private Sector 1985-1987/1988-1991)	-534.0	-256.5	-258.8	73.1	437.0	418.4	400.5
With Foreign Governments	(35.4)	(37.2)	(55.2)	(73.1)	(54.5)	(35.9)	(18.0)
With Private Banks and Financial Institutions 1/	-(569.4) 2/	-(293.7) 2/	-(314.0) 2/	-	(382.5)	(382.5)	(382.5)
TOTAL	661.6	614.2	1,575.0	1,641.2	1,683.5	1,533.7	1,469.9

1/ Amortizations refer to the amounts refinanced by the Public Sector and Domestic Financial Sector.

2/ It refers to the total to be refinanced with the Creditor Banks.

Source: Banco Central de Chile.

TABLE N° 13

GROWTH RATES OF GROSS DOMESTIC PRODUCT BY SECTOR 1/

(Percentage change in 12 months)

SECTOR	1986 (*)					1987 (*)					1988 (*)				
	I	II	III	IV	TOTAL	I	II	III	IV	TOTAL	I	II	III	IV	TOTAL
Agriculture	13.9	6.1	6.8	6.5	8.7	5.9	2.8	5.0	4.4	4.5	5.0	6.0	3.7	2.6	4.7
Fishing	-18.7	55.9	-6.8	18.7	10.0	28.4	-17.9	-28.1	-10.6	-8.0	-5.8	1.2	24.8	0.0	2.6
Mining	4.6	10.5	-2.4	-5.6	1.5	0.2	-3.3	-1.2	4.5	0.0	-2.9	-1.7	5.3	8.2	2.4
Industry	2.2	8.6	8.4	12.3	8.0	10.8	2.5	5.6	3.8	5.5	9.3	7.6	9.5	7.6	8.5
Elect., Gas and Water	6.4	8.3	5.9	5.4	6.5	5.3	4.2	3.5	2.4	3.8	9.1	8.1	9.6	9.5	9.1
Construction	7.4	3.5	-5.3	-0.1	1.3	4.1	11.2	19.2	8.5	10.6	5.8	3.1	4.3	3.0	4.0
Commerce	3.5	7.3	4.3	6.7	5.5	11.1	5.6	6.6	7.1	7.5	8.3	9.6	10.6	10.6	9.8
Transport	6.3	7.7	10.0	8.2	8.1	12.6	11.3	7.1	9.7	10.1	10.6	6.6	13.3	7.4	9.5
Others 2/	2.9	5.3	5.6	5.1	4.7	8.8	6.1	4.3	4.0	5.8	3.5	5.5	5.9	7.5	5.6
TOTAL G.D.P.	4.5	7.3	4.8	6.0	5.7	8.5	4.3	5.2	5.0	5.7	5.7	6.1	7.9	7.5	6.8

1/ Over the same period of the previous year.

2/ Includes Financial Services, Personal Services, Housing, Public Administration, Import Duties and Banking Charges.

(*) Estimated.

Source : Banco Central de Chile.

TABLE N° 13-A

GROSS DOMESTIC PRODUCT SPENDING

(Rate Annual Variation)

ITEM	1982*	1983*	1984**	1985**	1986**	1987**	1988**
Overall Household Consumption and Private Non-Profit Institutions	-12.1	-3.4	1.3	-1.1	4.9	4.8	9.8
Overall Government Consumption Spending	-1.3	-0.6	1.5	-0.3	-2.1	-2.1	0.9
Inventory Variation	-	-	-	-	-	-	-
Gross Composition of Fixed Capital	-33.9	-14.9	9.0	14.8	7.1	16.3	8.5
Exports of Goods and Services	4.7	0.6	6.8	6.9	9.8	8.8	6.0
Minus: Imports of Goods and Services	-36.3	-15.1	16.5	-11.0	9.7	17.0	11.2
Gross Domestic Product Spending	-14.1	-0.7	6.3	2.4	5.7	5.7	6.8

(*) Provisional figures.

(**) Estimated figures.

Source: Banco Central de Chile.

TABLE N° 13-B

LABOR FORCE AND UNEMPLOYMENT NATIONWIDE

(Thousand persons)

ECONOMIC ACTIVITY	UNEMPLOYMENT			EMPLOYMENT			LABOR FORCE		
	Oct.-Dic.87	Oct.-Dic.88	%	Oct.-Dic.87	Oct.-Dic.88	%	Oct.-Dic.87	Oct.-Dic.88	%
TOTAL	343.6	285.8	-16.8	4,010.8	4,265.8	6.4	4,354.4	4,551.6	4.5
Agriculture	24.7	18.8	-23.9	836.8	864.6	3.3	861.5	883.4	2.5
Mining	4.5	3.1	-31.1	81.5	87.4	7.2	86.0	90.5	5.2
Industry	52.8	38.6	-26.9	606.9	669.8	10.4	659.7	708.4	7.4
Electricity, Gas and Water	1.4	0.5	-64.3	24.6	24.9	1.2	26.0	25.4	-2.3
Construction	34.5	34.9	1.2	208.4	275.7	32.3	242.9	310.6	27.9
Commerce	46.5	42.7	-8.2	690.1	731.2	6.0	736.6	773.9	5.1
Transport and Communications	19.4	13.1	-32.5	252.8	274.4	8.5	272.2	287.5	5.6
Financial Sector	10.9	13.2	21.1	176.6	181.7	2.9	187.5	194.9	3.9
Other Services	90.0	65.8	-26.9	1,132.4	1,155.2	2.0	1,222.4	1,221.0	-0.1
Unspecified Act.	0.2	0.0	0.0	0.7	0.9	28.6	0.9	0.9	0.0
Seeking employment for the first time	58.7	55.1	-6.1	-	-	-	58.7	55.1	-6.1

Note: The statistics on labor force and unemployment, since November 1986, differ from those published previously because they are originated from a new sample design (Sample from the Integrated Program of Household Inquiry-PIDEH), based on the XV Population and IV Housing Census which has been adjusted to the more recent changes in the administrative political division.

Source: Instituto Nacional de Estadísticas.

TABLE N° 14

PUBLIC FINANCE
CONSOLIDATED IN DOMESTIC AND FOREIGN CURRENCY

(Millions of Chilean pesos)

ITEM	1981	1982	1983	1984	1985	1986	1987
FISCAL SPENDING	318,191.1	352,089.5	451,317.9	567,095.2	880,137.0	1,021,597.9	1,237,379.9
- Fiscal Spending Excluding Debt Service	299,620.3	326,980.4	401,935.4	496,105.4	683,213.4	848,897.5	1,020,559.1
FISCAL REVENUES	340,328.7	323,032.2	391,452.4	482,913.0	701,283.7	916,008.2	1,230,257.8
FISCAL DEFICIT	-22,137.6	29,057.3	59,865.5	84,182.2	178,853.3	105,589.7	7,122.1
- Deficit / Fiscal Spending (%)	-7.0	8.3	13.3	14.8	20.3	10.3	0.6
- Deficit Excluding Debt Service / Spending Excluding Debt Service	-13.6	1.2	2.6	2.7	-2.6	-7.9	-20.5
- Deficit / Fiscal Spending Excluding Debt Service (%)	-7.4	8.9	14.9	17.0	26.2	12.4	0.7
- Social Spending / Fiscal Spending Excluding Debt Service (%)	54.7	59.4	60.0	61.1	58.7	57.3	54.4
- Social Spending /Fiscal Spending (%)	51.3	55.3	54.5	54.5	46.9	49.1	46.2
- Fiscal Deficit / GNP (%)	-1.7	2.3	3.8	4.5	6.9	3.3	0.2
- Fiscal Deficit Excluding Debt Service / GNP (%)	-3.2	0.3	0.7	0.7	-0.7	-2.1	-5.0

Note: The definition of "fiscal sector" is different from that of the "non-financial public sector" of Table N° 4, where the actual performance and targets agreed upon with the IMF are shown. The "fiscal sector" includes all the resources controlled by the Treasury, i.e., those of centralized services plus allocations to decentralized institutions. The term "Deficit" also differs in that the definition presented in this table includes amortizations payments on domestic and foreign public sector debt.

Source: Dirección de Presupuesto, Ministerio de Hacienda.

TABLE N° 15

PUBLIC SECTOR, FINANCIAL OPERATIONS, 1987 (*)

(Millions of Pesos)

ITEM	General Government	Public Enterprises	CORFO Corporations	CODELCO	Total Public Sector, Gross	Adjustments	Total Public Sector, Net
Current Revenues	1,180,482	535,345	391,398	499,405	2,606,630	348,017	2,258,613
Current Expenditures	1,064,549	342,879	288,877	264,715	1,961,020	0	1,961,020
Transfers	0	163,820	67,899	166,303	398,022	348,017	50,005
Current Account Surplus (Deficit)	115,933	28,647	34,622	68,387	247,589	0	247,589
Capital Revenues	151,080	10,168	19,124	6,419	186,791	9,710	177,081
Capital Expenditures	260,019	32,891	58,010	72,006	422,926	9,710	413,216
Overall Surplus (Deficit)	6,993 -6,993	5,923 -5,923	-4,264 4,264	2,800 -2,800	11,452 -11,452	0	11,452 (**) -11,452
Financing							

(*) Provisional figures.

(**) Excluded impact on debt of indexations to inflation and net credit to the Private Sector, by Ch. \$ 26,856 million. Taken these into account, the overall deficit would be Ch. \$ 15,404 millions.

Source: Dirección de Presupuestos, Ministerio de Hacienda.

TABLE N° 16

MONETARY AGGREGATES
(Monthly average, in millions of Chilean pesos)

DATE	Bills & Coins in Circulation C	Demand Deposits D1	Private Money M1	Time Deposits Dp	M1 + DP M2	M3 (*)	M3A (**)	Public Money Dg	Monetary Base E
1982									
Dec.	36,908	38,140	75,048	245,376	320,424	384,134	449,025	39,452	61,746
1983									
Dec.	46,703	48,476	95,179	194,553	289,732	385,274	454,628	43,507	70,137
1984									
Dec.	54,772	47,602	102,374	278,251	380,625	502,294	575,601	46,181	82,455
1985									
Dec.	70,666	60,715	131,381	394,252	525,633	703,911	807,887	68,256	110,538
1986									
Dec.	97,286	92,003	189,289	466,183	655,472	933,234	1,094,549	113,064	151,818
1987									
Jan.	96,481	109,988	206,469	484,026	690,495	959,745	1,125,857	120,293	151,771
Feb.	99,510	102,440	201,950	509,726	711,676	987,284	1,143,676	105,844	152,958
Mar.	101,439	98,185	199,624	548,767	748,391	1,037,987	1,179,999	88,647	156,540
Apr.	101,552	98,123	199,675	558,850	758,525	1,058,984	1,217,227	96,367	160,316
May	100,222	94,306	194,528	568,993	763,521	1,067,519	1,258,826	127,308	159,562
Jun.	103,768	90,876	194,644	604,491	799,135	1,116,879	1,311,285	130,189	164,781
Jul.	103,096	97,062	200,158	617,257	817,415	1,143,199	1,338,813	134,442	167,847
Aug.	100,188	84,644	184,832	620,292	805,124	1,132,893	1,315,205	117,231	159,013
Sep.	106,117	81,795	187,912	638,774	826,686	1,164,411	1,343,425	114,071	167,082
Oct.	102,469	82,227	184,696	666,206	850,902	1,196,587	1,386,212	126,151	164,655
Nov.	103,562	79,999	183,561	717,347	900,908	1,254,142	1,449,658	127,072	170,549
Dec.	118,741	84,880	203,621	743,700	947,321	1,314,582	1,514,455	133,550	187,869
1988									
Jan.	119,629	121,060	240,689	756,224	996,913	1,372,577	1,608,870	171,301	193,510
Feb.	125,770	129,141	254,911	753,066	1,007,977	1,385,408	1,636,278	179,546	196,476
Mar.	129,010	132,524	261,534	755,932	1,017,466	1,413,516	1,652,559	168,956	199,164
Apr.	127,537	120,498	248,035	768,915	1,016,950	1,427,794	1,599,764	101,367	206,476
May	129,537	119,526	249,063	777,118	1,026,181	1,449,588	1,645,648	121,749	209,615
Jun.	130,483	121,959	252,442	773,205	1,025,647	1,459,807	1,652,340	123,189	203,937
Jul.	134,003	131,089	265,092	785,208	1,050,300	1,489,875	1,672,713	115,869	208,550
Aug.	133,582	136,812	270,394	801,743	1,072,137	1,520,329	1,689,922	103,613	208,578
Sep.	143,915	143,731	287,646	844,609	1,132,255	1,580,415	1,749,905	99,280	221,404
Oct.	145,880	161,356	307,236	887,653	1,194,889	1,640,805	1,830,536	107,891	227,857
Nov.	142,392	142,921	285,313	904,502	1,189,815	1,646,333	1,834,099	106,733	223,885
Dec.	158,145	161,182	319,327	919,522	1,238,849	1,696,493	1,920,137	140,477	247,964

(*) M3 = M2 + Saving Accounts + Other Demand dep.

(**) M3A = Private and Public Money and Quasimoney.

Source: Banco Central de Chile.

TABLE N° 16 - A

FINANCIAL SYSTEM: DEPOSITS AND LOANS (*)
(Monthly Average)

DATE	LOCAL CURRENCY DEPOSITS		FOREIGN CURRENCY DEPOSITS		EFFECTIVE LOANS (1)	
	Demand Dep. (Mill. \$)	Time Dep.	Demand Dep. (Mill. US\$)	Time Dep.	Local Curr. (Mill. \$)	Foreign Curr. (Mill. US\$)
1983						
Dec.	143,660	342,368	131.9	187.3	539,387	4,140
1984						
Dec.	171,916	448,963	142.9	203.2	776,974	3,172
1985						
Dec.	247,315	638,378	141.2	410.0	1,104,429	2,156
1986						
Dec.	364,806	805,983	163.0	557.3	1,256,271	2,033
1987						
Jan.	380,267	815,013	176.8	566.1	1,265,599	2,029
Feb.	361,434	849,736	162.3	575.6	1,288,475	2,043
Mar.	374,711	903,516	149.9	580.7	1,323,711	2,026
Apr.	408,781	934,666	155.8	587.6	1,355,008	2,024
May	431,962	953,278	179.8	589.7	1,392,224	2,039
Jun.	433,610	1,000,584	177.4	597.3	1,424,009	2,067
Jul.	419,596	1,018,432	162.4	624.2	1,445,640	2,110
Aug.	412,627	1,025,190	161.2	641.4	1,464,110	2,140
Sep.	436,643	1,046,038	170.8	652.9	1,483,631	2,133
Oct.	449,398	1,073,385	152.6	663.1	1,510,673	2,112
Nov.	455,001	1,134,782	149.1	681.6	1,536,926	2,145
Dec.	496,064	1,159,364	167.5	708.8	1,586,518	2,073
1988						
Jan.	527,579	1,179,354	179.1	720.1	1,655,723	2,043
Feb.	502,235	1,186,454	209.7	771.8	1,692,865	2,012
Mar.	524,562	1,201,078	212.2	812.4	1,704,494	2,010
Apr.	540,019	1,214,373	217.3	859.3	1,745,563	1,893
May	567,752	1,234,822	203.9	880.6	1,774,889	1,904
Jun.	581,720	1,238,123	216.2	896.1	1,804,162	1,895
Jul.	577,034	1,247,331	217.4	934.2	1,829,193	1,931
Aug.	585,357	1,276,544	237.8	981.8	1,852,212	1,976
Sep.	592,023	1,329,601	223.1	926.0	1,884,440	2,019
Oct.	586,441	1,388,498	204.9	877.7	1,925,655	2,045
Nov.	596,075	1,413,148	206.3	939.6	1,935,425	2,103
Dec.	648,565	1,423,127	206.1	956.1	1,987,286	2,164

(*) Includes deposits and loans to private and public sector.

(1) Includes loans with the system's own resources and loans with Central Bank resources.

Source: Banco Central de Chile.

TABLE N° 17

WAGES AND SALARIES INDEX, 1977 - December 1988

(Base: Dec. 82 = 100)

DATE	INDEX	ANNUAL % CHANGE	REAL INDEX (*)	ANNUAL% CHANGE
1977 Aver.	19.23	116.4	72.24	21.5
1978 "	30.71	59.7	82.56	14.3
1979 "	45.38	47.8	91.59	10.9
1980 "	66.65	46.9	99.47	8.6
1981 "	86.86	30.3	108.39	9.0
1982 "	95.28	9.7	108.71	0.3
1983 "	108.33	13.7	96.81	-10.9
1984 "	129.97	20.0	97.05	0.2
1985 "	162.60	25.1	92.72	-4.5
1986 "	198.30	22.0	94.56	2.0
1987 "	237.27	19.7	94.40	-0.2
1987				
Jan.	218.95	18.7	95.55	1.8
Feb.	221.04	19.2	94.82	1.4
Mar.	222.53	18.4	93.92	0.7
Apr.	226.14	18.0	93.24	-0.7
May	229.47	17.0	93.20	-2.3
Jun.	233.92	18.7	94.35	-0.2
Jul.	237.63	18.8	94.26	-0.8
Aug.	240.10	19.1	93.90	-1.3
Sep.	247.19	21.6	94.87	0.3
Oct.	251.78	22.4	94.35	0.1
Nov.	255.40	20.9	93.90	-1.6
Dec.	263.07	22.1	96.40	0.5
1988				
Jan.	269.24	23.0	97.95	2.5
Feb.	272.08	23.1	98.62	4.0
Mar.	275.96	24.0	98.17	4.5
Apr.	279.48	23.6	98.67	5.8
May	283.93	23.7	99.77	7.0
Jun.	291.58	24.6	101.84	7.9
Jul.	295.19	24.2	102.96	9.2
Aug.	298.41	24.3	103.26	10.0
Sep.	299.56	21.2	102.69	8.2
Oct.	300.26	19.3	101.39	7.5
Nov.	304.95	19.4	101.06	7.6
Dec.	309.07	17.5	100.51	4.3

(*) Deflated by C.P.I.

Source: Instituto Nacional de Estadísticas.

TABLE N° 18
INTEREST RATES
(Monthly rates in Banking System)

DATE	SHORT TERM DEPOSITS (1)		SHORT TERM LOANS (1)		P. D. B. C. (2)	
	Nominal	Real (3)	Nominal	Real (3)	Nominal	Real (3)
1982						
Dec.	4.60	3.40	5.50	4.30	3.86	2.66
1983						
Dec.	1.86	1.26	2.64	2.04	1.73	1.13
1984						
Dec.	2.98	1.58	4.21	2.81	2.67	1.25
1985						
Dec.	1.92	0.62	2.34	1.04	1.49	0.19
1986						
Dec.	1.61	0.11	2.03	0.53	1.42	-0.08
1987						
Jan.	1.74	-0.26	2.16	0.16	1.40	-0.60
Feb.	2.10	0.40	2.55	0.85	1.90	0.20
Mar.	1.88	0.28	2.37	0.77	1.62	0.02
Apr.	1.83	-0.57	2.33	-0.07	1.51	-0.89
May	2.23	0.73	2.78	1.28	2.11	0.61
Jun.	1.72	1.02	2.27	1.57	1.70	1.00
Jul.	1.11	-0.58	1.68	-0.02	1.15	-0.55
Aug.	1.85	0.45	2.26	0.86	1.83	0.43
Sep.	1.77	-0.13	2.25	0.35	1.68	-0.22
Oct.	2.13	-0.26	2.64	0.23	1.87	-0.52
Nov.	2.45	0.54	2.97	1.05	2.18	0.27
Dec.	1.88	1.58	2.48	2.17	2.09	1.78
1988						
Jan.	0.77	0.07	1.35	0.65	0.65	-0.05
Feb.	0.93	0.53	1.50	1.10	0.86	0.46
Mar.	1.04	-0.84	1.42	-0.47	1.02	-0.88
Apr.	1.83	1.02	2.19	1.38	1.76	0.96
May	1.04	0.54	1.56	1.05	1.08	1.03
Jun.	0.78	0.18	1.28	0.68	0.78	0.18
Jul.	0.64	0.54	1.16	1.06	0.78	0.68
Aug.	0.68	-0.12	1.10	0.30	0.70	-0.01
Sep.	1.13	0.23	1.44	0.54	0.96	0.06
Oct.	1.34	-0.16	1.66	0.16	1.24	-0.26
Nov.	1.87	-0.03	2.18	0.27	1.69	-0.22
Dec.	2.01	0.11	2.44	0.53	1.90	-0.01

(1) Short term (30-89 days) deposits and loans in the Commercial Banking System.

(2) Discount rate on "Pagarés Descontables del Banco Central" in the secondary market.

(3) To express interest rates in real terms, the monthly inflation rate (Consumer Price Index) is discounted from the nominal rate.

Source: Banco Central de Chile.

TABLE N° 19

REFERENCE AND PREFERENTIAL RATES OF EXCHANGE

(Chilean pesos / US\$, monthly average)

DATE	OBSERVED	REFERENTIAL	PREFERENTIAL (1)
1982			
Dec.	72.39	71.54	57.51
1983			
Dec.	87.07	87.07	72.33
1984			
Dec.	126.23	126.16	88.28
1985			
Dec.	182.48	179.21	-
1986			
Dec.	203.67	200.39	-
1987			
Jan.	204.54	202.65	-
Feb.	206.01	205.25	-
Mar.	207.82	208.61	-
Apr.	211.49	211.48	-
May	212.54	214.63	-
Jun.	218.18	218.32	-
Jul.	224.13	220.35	-
Aug.	224.58	221.66	-
Sep.	225.15	224.25	-
Oct.	229.27	226.82	-
Nov.	233.83	229.85	-
Dec.	235.34	232.47	-
1988			
Jan.	243.73	242.98	-
Feb.	240.00	244.21	-
Mar.	243.33	244.60	-
Apr.	241.88	244.89	-
May	245.15	246.02	-
Jun.	248.31	246.58	-
Jul.	248.32	246.67	-
Aug.	245.59	246.59	-
Sep.	245.67	246.11	-
Oct.	247.09	246.84	-
Nov.	246.44	247.87	-
Dec.	244.63	249.10	-

(1) The Executive Committee of the Central Bank of Chile, in Session N° 1657 of June, 27, 1985 revoked as of July, 1, 1985, Agreement N° 1466 dated September, 3, 1982 of the Executive Committee.

Source: Banco Central de Chile.

TABLE N° 20

PRICE INDEXES

DATE	WHOLESALE PRICES		CONSUMER PRICES	
	INDEX (Dec.74=100)	Monthly Var.	INDEX (Dec.78=100)	Monthly Var.
1984				
Dec.	13,685.64	36.5 (1)	365.12	23.0 (1)
1985				
Dec.	17,825.57	30.3 (1)	461.57	26.4 (1)
1986				
Dec.	21,077.17	18.2 (1)	541.68	17.4 (1)
1987				
Jan.	20,901.13	-0.8	552.45	2.0
Feb.	21,084.69	0.9	562.01	1.7
Mar.	21,677.89	2.8	571.23	1.6
Apr.	22,378.74	3.2	584.70	2.4
May	22,788.58	1.8	593.55	1.5
Jun.	23,105.82	1.4	597.70	0.7
Jul.	23,920.60	3.5	607.74	1.7
Aug.	24,557.51	2.7	616.43	1.4
Sep.	25,148.82	2.4	628.16	1.9
Oct.	25,920.53	3.1	643.31	2.4
Nov.	26,128.41	0.8	655.73	1.9
Dec.	24,675.56	-5.6	657.88	0.3
1988				
Jan.	24,267.73	-1.7	662.66	0.7
Feb.	24,127.43	-0.6	665.09	0.4
Mar.	24,299.50	0.7	677.65	1.9
Apr.	24,563.07	1.1	682.87	0.8
May	24,757.10	0.8	686.10	0.5
Jun.	25,087.96	1.3	690.22	0.6
Jul.	25,208.54	0.5	691.16	0.1
Aug.	25,073.63	-0.5	696.71	0.8
Sep.	25,245.56	0.7	703.26	0.9
Oct.	25,500.58	1.0	713.95	1.5
Nov.	25,449.66	-0.2	727.46	1.9
Dec.	25,493.62	0.2	741.32	1.9

(1) December to December variations.

Source: Instituto Nacional de Estadísticas, I.N.E.

TABLE N° 21

FINANCIAL SYSTEM INDICATORS

(Percent)

At: 12.31.88

ITEM	Private Chilean Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A. CAPITAL ADEQUACY					
1. Physical Fixed Assets / Capital	43.3	25.8	16.9	59.3	34.3
2. Past due Loans (Cart.Ven.) / Capital	18.1	5.9	22.4	7.9	15.1
3. Debt / Capital	13.1	5.7	15.0	11.7	11.2
4. Loans Sold to Central Bank / Capital	357.2	1.4	0.0	38.4	193.7
B. ASSET QUALITY					
1. Past due Loans / Total Loans	1.9	1.8	2.8	0.7	2.0
2. Loans Loss Res. (Prov.) Total Loans	5.1	2.6	6.3	2.8	4.9
3. Loans Sold to Central Bank / Total Loans	38.0	0.4	0.0	3.6	26.0
C. LIABILITY STRUCTURE					
1. Demand Deposits / Total Liabilities Except Capital and Resv.	12.6	17.6	15.1	8.2	13.8
2. Time Deposits / Total Liabilities Except Capital and Resv.	28.4	37.0	30.7	64.1	30.6
3. Total Foreign Liabilities / Total Liabilities Except Capital and Resv.	32.6	27.0	28.1	0.1	30.4
D. MANAGEMENT					
1. Administration Expenses / Total Loans and Fin. Inv.	0.6	1.0	0.3	2.8	0.7
2. Remuneration Expenses / Total Loans and Fin. Inv.	1.3	1.5	2.1	4.4	1.5
3. Fixed Expenses / Operating Profits	43.8	43.6	34.2	53.5	40.5
E. INCOME					
1. Net Profits / Capital	0.5	7.1	14.5	39.3	5.1
2. Net Prof-Other net Inc. / Capital	-4.3	5.4	15.1	28.8	1.9
3. Net Profits / Total Assets	0.0	0.8	0.8	2.6	0.3

Source: Superintendencia de Bancos e Instituciones Financieras.

TABLE N° 21 - A

FINANCIAL SYSTEM INDICATORS

(Percent)

At: 09.30.88

ITEM	Private Chilean Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A. CAPITAL ADEQUACY					
1. Physical Fixed Assets / Capital	43.3	25.5	9.5	54.1	30.6
2. Past due Loans (Cart.Ven.) / Capital	23.4	5.8	13.6	9.7	16.2
3. Debt / Capital					
4. Loans Sold to Central Bank / Capital	374.3	5.3	0.0	46.3	182.7
B. ASSET QUALITY					
1. Past due Loans / Total Loans	2.5	1.7	2.8	1.0	2.4
2. Loans Loss Res. (Prov.) Total Loans	5.2	2.8	6.5	2.8	5.1
3. Loans Sold to Central Bank / Total Loans	39.8	1.6	0.0	4.6	27.2
C. LIABILITY STRUCTURE					
1. Demand Deposits / Total Liabilities Except Capital and Resv.	12.9	20.6	10.9	8.7	13.6
2. Time Deposits / Total Liabilities Except Capital and Resv.	26.9	34.8	31.9	64.0	29.5
3. Total Foreign Liabilities / Total Liabilities Except Capital and Resv.	33.2	26.6	31.2	0.1	31.4
D. MANAGEMENT					
1. Administration Expenses / Total Loans and Fin. Inv.	0.5	0.7	0.3	2.1	0.5
2. Remuneration Expenses / Total Loans and Fin. Inv.	0.8	1.0	1.3	2.6	0.9
3. Fixed Expenses / Operating Profits	40.6	46.1	31.4	48.4	39.1
E. INCOME					
1. Net Profits / Capital	0.9	7.1	6.4	28.4	3.8
2. Net Prof-Other net Inc. / Capital	0.3	7.2	9.4	24.5	4.1
3. Net Profits / Total Assets	0.1	0.8	0.6	1.9	0.3

Source: Superintendencia de Bancos e Instituciones Financieras.

TABLE N° 21 - B

FINANCIAL SYSTEM INDICATORS

(Percent)

At: 06.30.88

ITEM	Private Chilean Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A. CAPITAL ADEQUACY					
1. Physical Fixed Assets / Capital	49.8	28.7	11.6	58.0	35.4
2. Past due Loans (Cart.Ven.) / Capital	23.4	5.8	18.2	12.3	17.6
3. Debt / Capital	12.8	6.0	9.2	11.1	10.3
4. Loans Sold to Central Bank / Capital	389.5	6.8	0.0	51.9	196.6
B. ASSET QUALITY					
1. Past due Loans / Total Loans	1.8	1.6	3.9	1.2	2.0
2. Loans Loss Res. (Prov.) / Total Loans	4.7	3.5	7.4	3.5	4.9
3. Loans Sold to Central Bank / Total Loans	29.4	1.8	0.0	5.1	22.4
C. LIABILITY STRUCTURE					
1. Demand Deposits / Total Liabilities Except Capital and Resv.	12.5	21.1	12.2	11.9	13.7
2. Time Deposits / Total Liabilities Except Capital and Resv.	24.4	34.3	33.5	57.5	27.9
3. Total Foreign Liabilities / Total Liabilities Except Capital and Resv.	34.3	26.3	33.4	0.1	32.5
D. MANAGEMENT					
1. Administration Expenses / Total Loans and Fin. Inv.	0.3	0.5	0.2	1.4	0.3
2. Remuneration Expenses / Total Loans and Fin. Inv.	0.7	0.8	1.0	2.3	0.8
3. Fixed Expenses / Operating Profits	42.6	43.3	36.0	55.4	41.5
E. INCOME					
1. Net Profits / Capital	0.7	5.4	4.5	19.4	3.0
2. Net Prof-Other net Inc. / Capital	0.3	5.1	6.5	16.2	3.2
3. Net Profits / Total Assets	0.0	0.6	0.4	1.2	0.2

Source: Superintendencia de Bancos e Instituciones Financieras.

TABLE N° 21 - C

FINANCIAL SYSTEM INDICATORS

(Percent)

At: 03.31.88

ITEM	Private Chilean Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A. CAPITAL ADEQUACY					
1. Physical Fixed Assets / Capital	47.9	28.8	12.9	47.6	34.7
2. Past due Loans (Cart.Ven.) / Capital	23.0	6.2	20.8	12.8	18.2
3. Debt / Capital	13.0	5.7	9.0	10.9	10.2
4. Loans Sold to Central Bank / Capital	390.4	7.3	0.0	51.3	197.4
B. ASSET QUALITY					
1. Past due Loans / Total Loans	1.8	1.7	4.7	1.3	2.1
2. Loans Loss Res. (Prov.) / Total Loans	4.4	3.5	7.6	3.2	4.7
3. Loans Sold to Central Bank / Total Loans	30.3	2.0	0.0	5.1	23.1
C. LIABILITY STRUCTURE					
1. Demand Deposits / Total Liabilities Except Capital and Resv.	10.8	16.2	11.3	9.9	11.6
2. Time Deposits / Total Liabilities Except Capital and Resv.	24.9	33.9	33.9	61.1	28.2
3. Total Foreign Liabilities / Total Liabilities Except Capital and Resv.	34.6	28.7	34.3	0.1	33.3
D. MANAGEMENT					
1. Administration Expenses / Total Loans and Fin. Inv.	0.2	0.3	0.1	0.7	0.2
2. Remuneration Expenses / Total Loans and Fin. Inv.	0.3	0.5	0.5	1.1	0.4
3. Fixed Expenses / Operating Profits	35.8	37.0	24.3	50.6	33.5
E. INCOME					
1. Net Profits / Capital	0.4	4.5	2.1	11.1	2.0
2. Net Prof-Other net Inc. / Capital	2.8	4.1	8.0	10.5	4.5
3. Net Profits / Total Assets	0.0	0.6	0.2	0.8	0.1

Source: Superintendencia de Bancos e Instituciones Financieras.

TABLE N° 22 - A

CORPORATE SECTOR FINANCIAL INDICATORS: PROFITABILITY

DATE	Net Profit Margin	Net Profits Net Worth	Net Profits Total Assets	Net Profits Before Taxes and Financial Cost	Net Profits Before Taxes Financial Cost and Inflation Adjustment
				Total Assets	Total Assets
	(%)	(%)	(%)	(%)	(%)
Dec.80	4.87	4.38	2.74	7.29	5.60
Dec.81	-1.27	-1.00	-0.59	5.73	5.38
Dec.82	-32.83	-17.99	-9.02	-3.23	1.63
Dec.83	-3.79	-2.91	-1.51	2.6	3.57
Dec.84	1.93	1.45	0.73	5.41	6.79
Dec.85	-1.48	-1.27	-0.60	2.80	5.10
1986					
Jun.	9.86	4.33	2.12	4.34	5.04
Sep.	9.67	6.01	2.90	6.22	7.58
Dec.	11.18	8.96	4.39	8.06	9.29
1987					
Mar.	16.16	2.96	1.52	2.29	2.39
Jun.	16.05	5.92	3.25	4.76	5.08
Sep.	18.09	9.70	5.54	7.76	8.06
Dec.	18.82	13.89	8.26	11.44	12.85
1988					
Mar.	22.52	4.21	2.53	3.22	3.27
Jun.	25.03	10.37	6.43	7.62	8.05
Sep.	38.97	14.95	10.06	12.05	11.19

Source: Superintendencia de Valores y Seguros.

TABLE N° 22 - B

CORPORATE SECTOR FINANCIAL INDICATORS: LIQUIDITY

DATE	Current Ratio	Acid-Test Ratio	<u>Receivables</u> Sales %	Average Collection Period Ratio (days)
Dec.80	1.40	0.91	18.5	67.63
Dec.81	1.25	0.84	17.2	62.56
Dec.82	1.10	0.85	15.0	54.71
Dec.83	0.99	0.69	11.7	42.54
Dec.84	1.02	0.70	12.4	45.11
Dec.85	1.37	1.00	11.8	42.92
1986				
Jun.	1.33	0.98	12.2	44.53
Sep.	1.32	0.98	13.0	47.48
Dec.	1.25	0.94	13.6	49.53
1987				
Mar.	1.22	0.91	13.7	49.94
Jun.	1.15	0.85	13.4	48.82
Sep.	1.19	0.85	13.6	49.72
Dec.	1.32	0.98	14.1	51.55
1988				
Mar.	1.37	1.05	12.8	46.61
Jun.	1.39	1.03	12.1	44.01
Sep.	1.51	1.08	13.2	48.17

Source: Superintendencia de Valores y Seguros.

TABLE N° 22 - C

CORPORATE SECTOR FINANCIAL INDICATORS: INDEBTEDNESS

DATE	Total Debt / Capital	<u>Total Debt</u> Total Assets (%)	<u>Long Term Debt</u> Capital %
Dec.80	0.60	37.62	28.65
Dec.81	0.68	40.65	36.71
Dec.82	1.00	49.88	68.55
Dec.83	0.93	48.25	59.02
Dec.84	0.99	49.86	62.67
Dec.85	1.11	52.60	79.83
1986			
Jun.	1.05	51.28	76.04
Sep.	1.08	51.92	79.19
Dec.	1.04	51.01	75.22
1987			
Mar.	0.95	48.78	66.44
Jun.	0.93	48.08	63.01
Sep.	0.75	42.85	48.89
Dec.	0.68	40.49	43.18
1988			
Mar.	0.66	39.80	40.43
Jun.	0.61	37.96	36.92
Sep.	0.49	32.69	31.09

Source: Superintendencia de Valores y Seguros.

**MAIN ECONOMIC MEASURES
ADOPTED DURING THE FOURTH QUARTER OF 1988**

OCTOBER

- 15 The ordinary interest rate that will be in force during the period starting on October 15, 1988 until the day prior to its next publication in the Official Gazette was determined. The percentages, per item, are:

RATES

- Non-adjustable operations in national currency	
- Less than 90 días	17.16% annually
- 90 days or over	20.04% annually
- Adjustable operations in national currency	7.41% annually
- Operations in USDollars or expressed in foreign currency	11.34% annually

(Certificate Nr. 1988/10 of the Superintendency of Banks and Financial Institutions, published in the Official Gazette on October 15, 1988).

NOVEMBER

- 14 The ordinary interest rate that will be in force during the period starting on November 14, 1988 until the day prior to its next publication in the Official Gazette was determined. The percentages, per item, are:

RATES

- Non-adjustable operations in national currency	
- Less than 90 días	20.04% annually
- 90 days or over	22.56% annually
- Adjustable operations in national currency	7.41% annually
- Operations in USDollars or expressed in foreign currency	11.50% annually

(Certificate Nr. 1988/11 of the Superintendency of Banks and Financial Institutions, published in the Official Gazette on November 14, 1988).

DECEMBER

- 1 The name of "Banco Industrial y de Comercio Exterior" was changed and will be called "Banco Bice" hereafter.

(Resolution Nr. 190 of the Superintendency of Banks and Financial Institutions, published in the Official Gazette on December 1, 1988).

- 3 The Government of the Republic of Chile agreed for a loan in Yens or other foreign currencies with the Export-Import Bank of Japan (Eximbank of Japan) for up to the equivalent of USDollars 200,000,000 (Two hundred million dollars of the United States of America).

(Decree Nr. 1020 of the Ministry of Finance, published in the Official Gazette on December 3, 1988).

- 14 The ordinary interest rate that will be in force during the period starting on December 14, 1988 until the day prior to its next publication in the Official Gazette was determined. The percentages, per item, are:

RATES

- Non-adjustable operations in national currency	
- Less than 90 días	26.16% annually
- 90 days or over	27.96% annually
- Adjustable operations in national currency	7.63% annually
- Operations in USDollars or expressed in foreign currency	11.63% annually

(Certificate Nr. 1988/12 of the Superintendency of Banks and Financial Institutions, published in the Official Gazette on December 14, 1988).

- 17 The merge agreed between Banco Osorno y La Union and Banco del Trabajo was approved; Banco Osorno y la Union receives all the assets of Banco del Trabajo and assumes all of the latter's liabilities.

(Resolution Nr. 210 of the Superintendency of Banks and Financial Institutions, published in the Official Gazette on December 17, 1988).

- 29 A capital increase was approved for Chile's office of Banco de la Nación Argentina from \$ 1,871,022,279 to \$ 2,036,241,529.-

(Resolution Nr. 246 of the Superintendency of Banks and Financial Institutions, published in the Official Gazette on December 29, 1988).

- 30 The branch of the Manufacturers Hanover Trust Company that operates in Chile with the name of "Manufacturers Hanover Bank Chile" was authorized to increase its capital from \$ 1,715,000,000 to \$ 2,455,460,000.-

(Resolution Nr. 247 of the Superintendency of Banks and Financial Institutions, published in the Official Gazette of December 30, 1988).