

QUARTERLY ECONOMIC AND FINANCIAL REPORT OF CHILE

DECEMBER, 1989

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I. GENERAL OUTLOOK

According to preliminary estimates, Gross Domestic Product grew by 10% in the course of 1989, thus reaching a level that was 22.5% in excess of the figure that prevailed in 1981, which marked the maximum prior of the recession of the beginning of the decade.

In line with the above, the unemployment rate preserved the decreasing tendency it has exhibited since 1983. The figure recorded for the moving quarter ending in the month of December was 5.3%, one percentage point below the one registered during the same quarter of 1988. Real wages, on the other hand, grew by 3.1% in the course of the twelve month period ending in December.

In the external sector, the balance of payments registered a US\$ 420 million surplus during 1989, with a current account deficit of US\$ 905 million and a capital account balance (including errors and omissions) of US\$ 1,325 million. The trade balance surplus equalled US\$ 1,578 million during 1989, figure that is strongly influenced by the increase observed in imports, even though exports continued to exhibit a high growth rate.

II. ACTIVITY AND EMPLOYMENT

Preliminary estimates of Gross Domestic Product (GDP) yield a 10% growth compared to 1988, figure that amply exceeds the 5.5% projection carried out at the beginning of 1989. The higher activity growth was evident in almost all of the productive sectors. Particularly important to point out is the growth registered in the following sectors: Fishing (24.5%), Transport and Communications (14.4%), Commerce (14.2%), Construction (11.5%) and Industry (10.5%), all of which exhibited rates that exceeded the economy's average.

The rate of unemployment preserved the decreasing trend it has exhibited since 1983, and converged at unemployment levels that can be considered to be normal in a medium term context. The survey referred to occupation

carried out by the National Bureau of Statistics (INE) shows that the rate of unemployment at the national level was 5.3% during the moving quarter that includes from October to December, figure that is one percentage point below the one registered in the course of the same period of 1988.

The number of jobs created during the year amounted to 159,000. It is worth mentioning that this larger number of jobs was essentially of a productive nature, since the emergency employment programs called PEM and POJH, that in critical times of unemployment represented a significant percentage of overall employment, no longer exist.

The rate of employment's growth equalled 5.2% during 1989, figure that exceeds the average observed during 1988 (4.9%). The most dynamic sectors of the economy in terms of generation of jobs were: Mining (17.4% growth between December of 1989 and the same month of 1988), Industry (11.3%), Transport (9.6%), Construction (8.3%) and Financial Services (5.4%).

III. INFLATION AND WAGES

The rate of inflation of the fourth quarter of 1989, measured in terms of the variation of the Consumer Price Index (CPI), amounted to 6.8%, whereas the annual inflation figure reached 21.4%. Although this figure does not arise concern related to an eventual inflationary outbreak, it certainly represents a setback when it is compared to the inflation rate registered during 1988 (12.7%). On the other hand, the inflation measured by the Wholesale Price Index (WPI) equalled 4.0% during the fourth quarter of the year, meaning that the accumulated variation amounted to 22.8% during this same year.

Beyond a broad comparison between the rates of 1988 and 1989, however, it is necessary to bear in mind that a series of factors that are not related to what could be described as inflationary tendencies in the economy, have had an influence on the trajectory of inflation in the course of the years mentioned above. In fact, the fall registered by inflation during 1988 was favored by a reduction of the value added tax (VAT) rate from 20% to 16%, by the reduction of the tax applied to fuel, and also by the fall experienced by the international price of oil, of approximately 29.3%. Conversely, the year 1989 witnessed a significant increase of the international price of oil that amounted to approximately 31.5%.

On the other hand, towards the middle of 1989 the Central Bank established an increase of the range within which the official exchange rate may fluctuate without its intervention. According to the above mentioned modification, the maximum variation allowed increased from $\pm 3\%$, relative to the level of the "agreement dollar" established by the Central Bank, to a $\pm 5\%$ variation. This measure, adopted in order to assign the exchange rate a more important role in clearing the exchange market - strategy that seemed particularly cautious within a context of relative restiveness among the economic agents in response to the political process at hand - caused a real devaluation of approximately 7.3% during 1989, factor that also seems to have been relevant in terms of the behaviour exhibited by prices during the second semester of the year.

Nevertheless, beyond the specific variations that could have been experienced by the rate of inflation, the elements that contribute to guarantee a moderate and decreasing behavior in terms of inflation are the maintenance of a macroeconomically stable outlook, together with the full enforcement of the norms regulating the operation of the Central Bank in the framework of the new institutionality.

The growth of real wages reached 3.1% as of december of 1989 compared with the same month of 1988, where the following sectors registered the largest increases: Construction (8.7%), Electricity, Gas and Water (8.0%) and Mining (4.7%). On average, real wages increased by 1.9%.

IV. BALANCE OF PAYMENTS

According to preliminary estimates, the balance of payments registered a US\$ 420 million surplus during 1989 with a current account deficit of US\$ 905 million and a capital account balance (including errors and omissions) of US\$ 1,325 million.

The current account deficit is explained basically by the negative balance of US\$ 2,723 million registered by the services account (a non-financial services deficit of US\$ 773 million and a financial services deficit of US\$ 1,950 million), that was only partially offset by the US\$ 1,578 million surplus of the trade balance and by net transfers of US\$ 240 million received from abroad.

During 1989, the trade surplus exhibited a fall with respect to the level registered by this same indicator during 1988, phenomenon that is basically explained by the sharp increase experienced by imports (34.5%), which amounted to US\$ 6,501.9 million. Exports continued to grow (14.6%) and amounted to US\$ 8,080 million in the course of 1989.

The growth experienced by good imports during 1989 was influenced by a series of factors. On the one hand there was a higher growth in activity that was, as said earlier, larger than originally estimated in the preliminary projections. In second place, the start-up of important investment projects also had a strong influence in terms of increased purchases of capital and intermediate goods from abroad. Undoubtedly, an evaluation of the influence that a higher level of imports has on the perspectives of the economy, must consider its relation to a greater rate of investment and to the access to additional sources of external financing that is generally closely connected to the start-up of large projects.

The growth experienced by exports during 1989 was due to increases in volume of 14.4%, since the average prices grew by only 0.1%. In the specific case of copper exports, there was an increase derived from a higher price as well as from larger volumes exported. On the other hand, the increase registered by non-copper exports originated solely from the expansion of exported volumes (nearly 15%), since the average price of these exports decreased by approximately 3.1%.

With respect to non-copper exports it is worth mentioning the increase experienced by the volume of exports of the following products: Fishmeal, Bulk Iron, Iodine and Metallic Gold, among others. The increases in terms of volumes exported exhibited by these products fluctuate within a range that covers from 12% to 40%.

The capital account showed a positive balance of US\$ 1,325 million. This figure results from foreign investment revenues totalling US\$ 1,583 million (this includes US\$ 1,324 million in capitalization of loans and investment with external debt notes); medium and long term disbursements for US\$ 1,433 million (which include US\$ 669 million in loans associated to foreign investment (D.L. 600 and Article 15) and US\$ 481 million originating from loans granted by multilateral agencies (IBD-IBRD)); short term lines associated to foreign trade for US\$ 714 million; extraordinary amortizations for US\$ 1,557 million and programmed amortizations for a little over US\$ 815 million, of which close to US\$ 82 million corresponded to debt rescue on the part of the Central Bank.

V. MONEY AND INTEREST RATES

After the significant increase experienced by private money (M1A) in the course of 1988, (22.3% real annual average) during 1989 this variable registered a significant slowdown in its growth. Thus, the real annual growth of M1A was 6.9%, exhibiting a sustained decreasing trajectory in the course of the year. In fact, starting with twelve-month growth rates of 17.9% during the first quarter and with 11.3% during the second quarter, it marked rates of 1.6% and -3.2% during the third and fourth quarters, respectively.

Something similar, though of smaller magnitude, happened with the behaviour of currency, which registered a real annual growth of 14.1% during 1988 and a 6.2% growth in the course of 1989. Like M1A, currency exhibited a decreasing tendency during 1989 and its real quarterly increases were 15.7%, 11.1%, 0.7% and -2.5%, respectively, in the course of each quarter of the year. The lower growth of these aggregates took place within a context of high GDP growth and increases in real and nominal interest rates, that were led by monetary policy applied by the Central Bank in order to attain lower growth of monetary aggregates.

Concerning nominal interest rates, they registered a sharp increase in the course of the year due to the higher rate of inflation, and also to the increase in the level of the real interest rates promoted by the Central Bank. Thus, the 30 to 89 days' rate for deposits increased from 1.72% during the first semester of the year, to 2.38% in the course of the second

semester, and the rate for loans increased from 2.27% during the first semester, to 2.9%, in the second.

As it was mentioned before, as a result of the monetary policy implemented by the Central Bank during 1989, the real interest rate experienced a significant increase during this year. Thus, the rate for ninety days indexed deposits - that reflects in an adequate manner the conditions that prevailed in the loan market at the time - increased from an average level of 5.5% during the first quarter of the year 1989, to 8.7% in the last quarter, exhibiting sustained growth in the course of the period.

DOMESTIC INTEREST RATE
(Average %)

ITEM	1987			1988				1989			
	II	III	IV	I	II	III	IV	I	II	III	IV
A. Rates for deposits											
A.1. 30-89 days nominal rates (1)	1.93	1.58	2.15	0.91	1.22	0.82	1.74	1.47	1.96	2.04	2.72
A.2. 90-365 days real rates (2)	4.12	4.44	4.81	4.25	4.24	4.91	4.90	5.47	5.96	6.99	8.68
B. Rates for loans											
B.1. 30-89 days nominal rates (1)	2.46	2.06	2.70	1.42	1.88	1.23	2.09	2.10	2.44	2.58	3.21
B.2. 90-365 days real rates (2)	7.02	7.39	7.79	7.35	7.34	7.96	7.84	8.23	8.59	9.47	11.43
C. International rates											
LIBOR (180 days)	7.37	7.48	8.02	7.11	7.67	8.67	9.05	10.02	9.80	8.84	8.43
PRIME	8.04	8.38	8.87	8.59	8.77	9.69	10.18	10.95	11.36	10.67	10.50

(1) Quarterly averages.

(2) Annual rates. Quarterly averages.

VI. FOREIGN INVESTMENT

Preliminary figures indicate that foreign investment operations authorized during 1989 according to traditional mechanisms (that is to say, subject to the norms contained in D.L. 600) amounted to US\$ 2,958.6 million. On the other hand, the country registered overall incoming foreign investment for a total of US\$ 718.9 million, figure that exceeds by 11.4% the one observed during 1988 (includes the amounts corresponding to loans associated to D.L. 600). It is worth mentioning that the increase registered by authorized investment as well as by materialized investment is fundamentally due to the mining sector.

Besides, an inflow of US\$ 1,323.8 million was registered for external debt operations, a figure that exceeds by 49.2% the one registered during 1988, of which US\$ 1,321.4 million corresponded to operations carried out according to Chapter XIX of the Compendium of Rules on International Exchange of the Central Bank of Chile, and US\$ 2.4 million corresponded to operations dealing with capitalization of foreign loans.

VII. EXTERNAL DEBT

The country's overall external debt as of December 31, 1989, amounted to US\$ 16,250 million, undergoing a reduction of US\$ 1,388 million (7.9%) relative to the balance registered as of December 31, 1988.

This result is explained by the fall experienced by the country's medium and long term debt, that represented 81.4% of the country's overall debt as of the end of December. Short term debt experienced an increase of US\$ 787 million during

1989 (36.0%), which is basically due to the increase exhibited by the country's foreign trade. Presently, around 63.9% of short term debt corresponds to public sector debt and the remaining 36.4% corresponds to private sector debt.

Medium and long term debt was reduced by a total of US\$ 2,175 million during 1989 (14.1%), and amounted to US\$ 13,277 million as of December 31, 1989. This fall is mainly explained by the reduction of private banks' debt, notwithstanding the positive flow of medium and long term loans received in the course of the year (US\$ 646.1 million, made up of disbursements totalling US\$ 1,476.6 million and effective amortizations for US\$ 840.5 million).

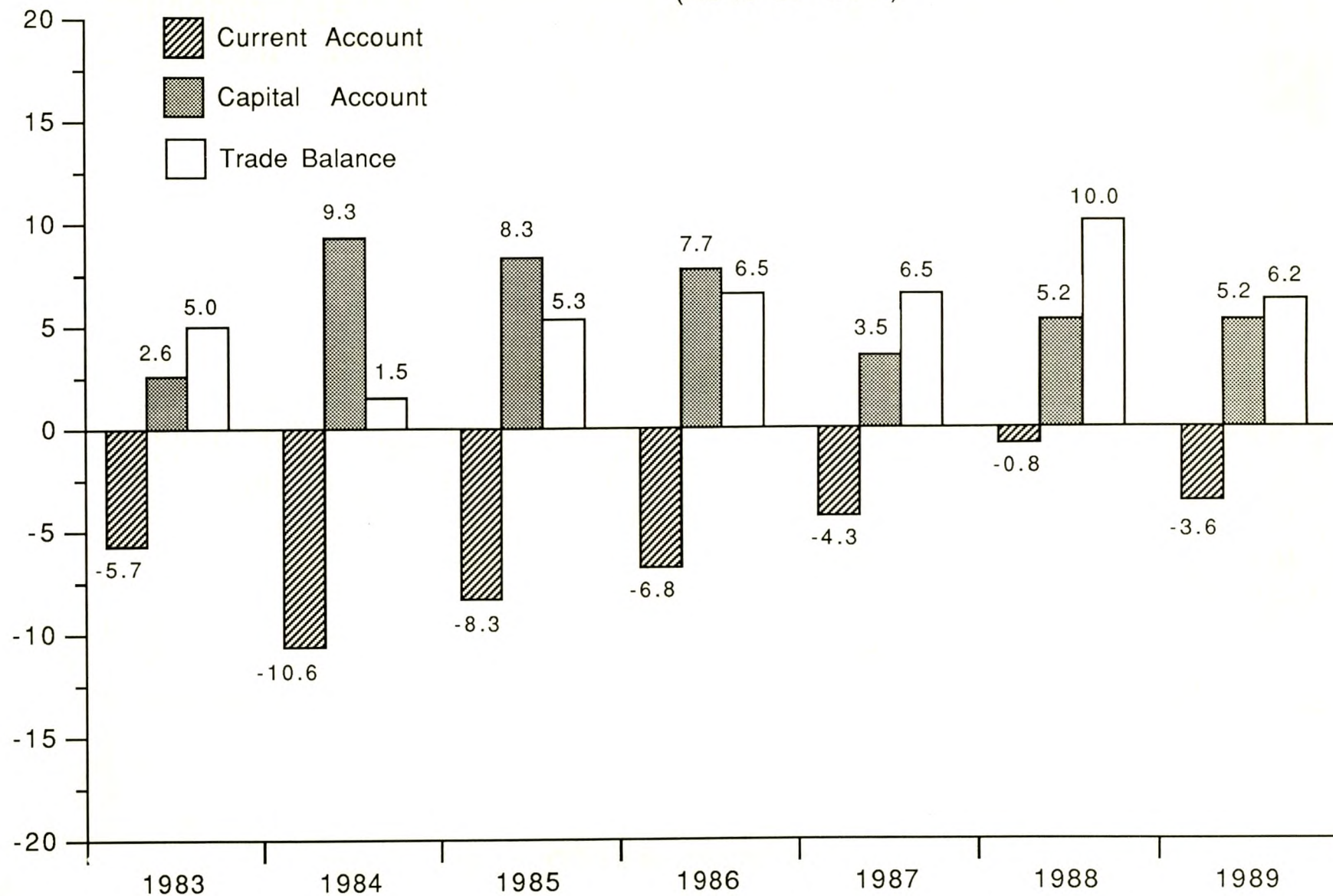
As of December 1989, the country's debt with multilateral organizations constituted 24.6% of the overall figures for medium and long term debt, experiencing an 11.8% increase compared to the debt stock figure registered as of December 1988. As of the same former date, official organizations' debt represented an 8.5% of the overall figure - exhibiting a 13.8% increase compared to December 1988 - and the debt sustained with private banks and financial institutions represented 55.5%, registering a 27.4% fall relative to the month of December 1988. Undoubtedly, the latter development is the most significant in terms of its share in total debt as much as in terms of its fall in absolute terms (it implied a US\$ 2,777.3 million debt reduction).

The debt conversion mechanisms applied for the reduction of debt continued to play an important role. A total of US\$ 2,766.8 million were converted by means of applying these mechanisms during 1989, representing 17.9% of the country's medium and long term outstanding debt as of December 31, 1988. From June 1985 up to December 1989, debt conversions accumulate to US\$ 8,987.3 million, where 82.5% of which corresponds to public sector debt, including government-guaranteed private debt. Within this total, 63.4% has been converted through operations contained in Chapters XVIII and XIX.

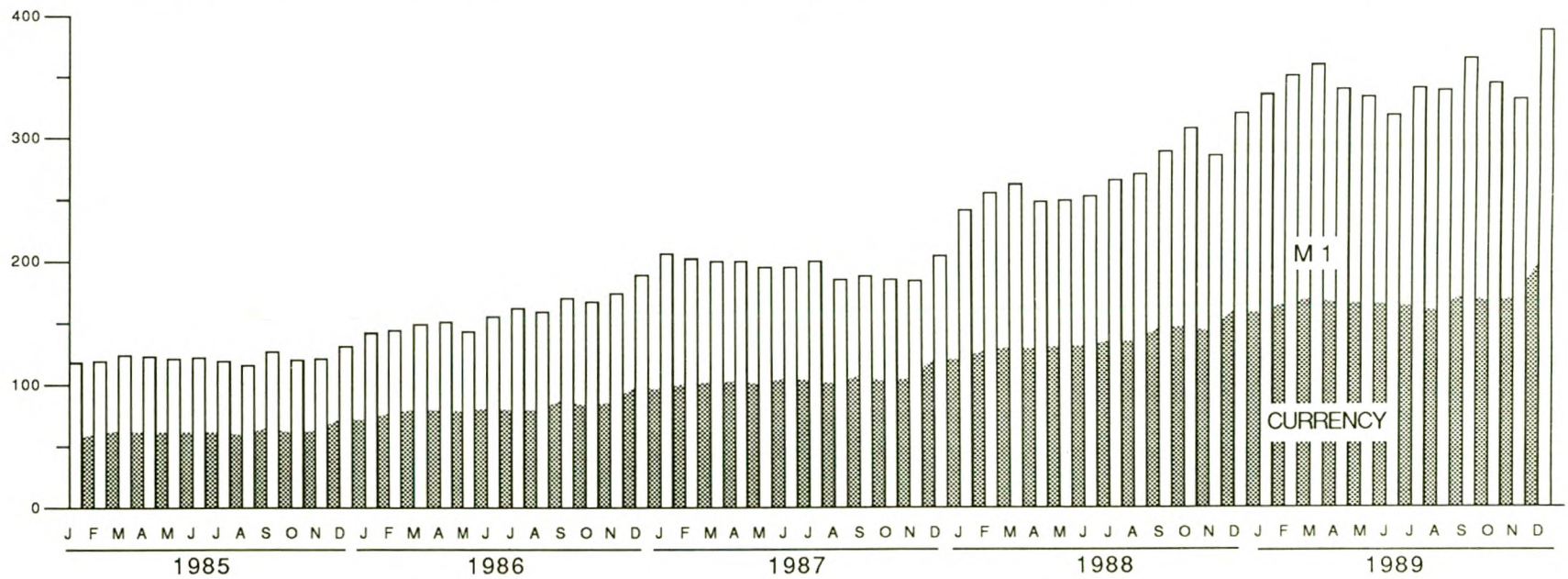
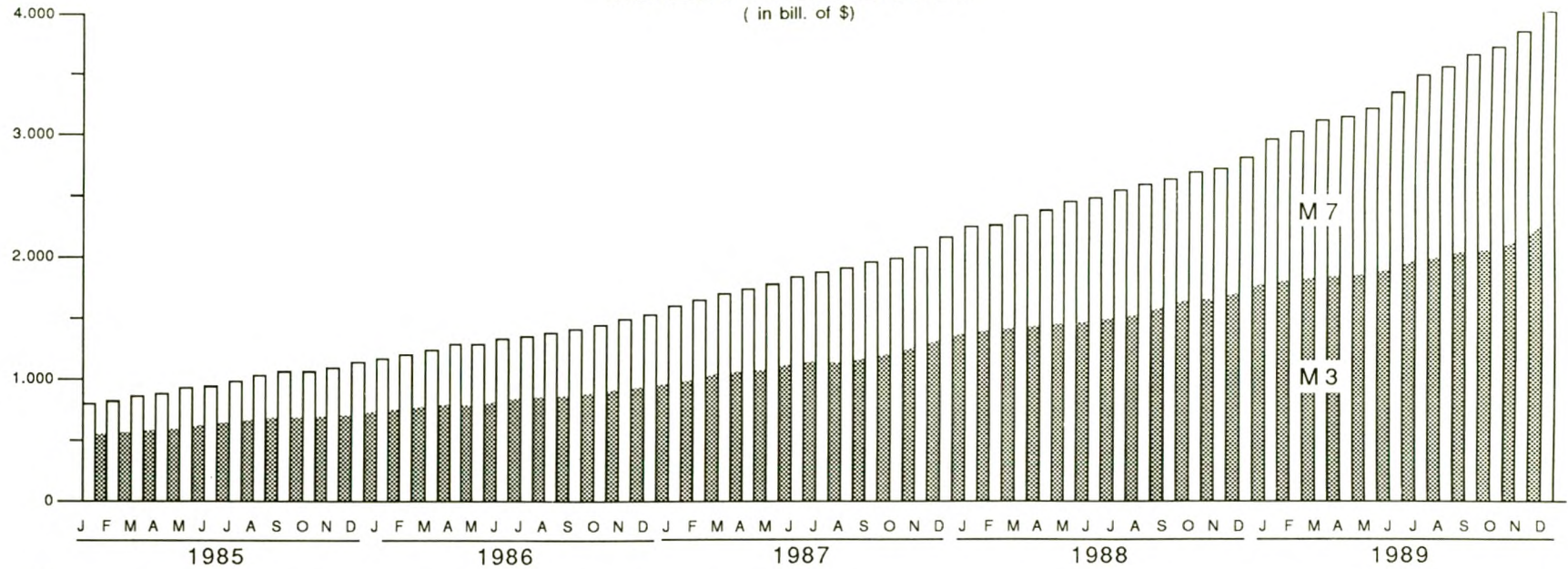
During 1989, the Central Bank reduced its external debt in US\$ 140.7 million by repurchasing its debt through and international bidding operation carried out with the backing of the International Monetary Fund and the World Bank. This operation meant a US\$ 82.3 million disbursement.

BALANCE OF PAYMENTS

(AS % OF GDP)

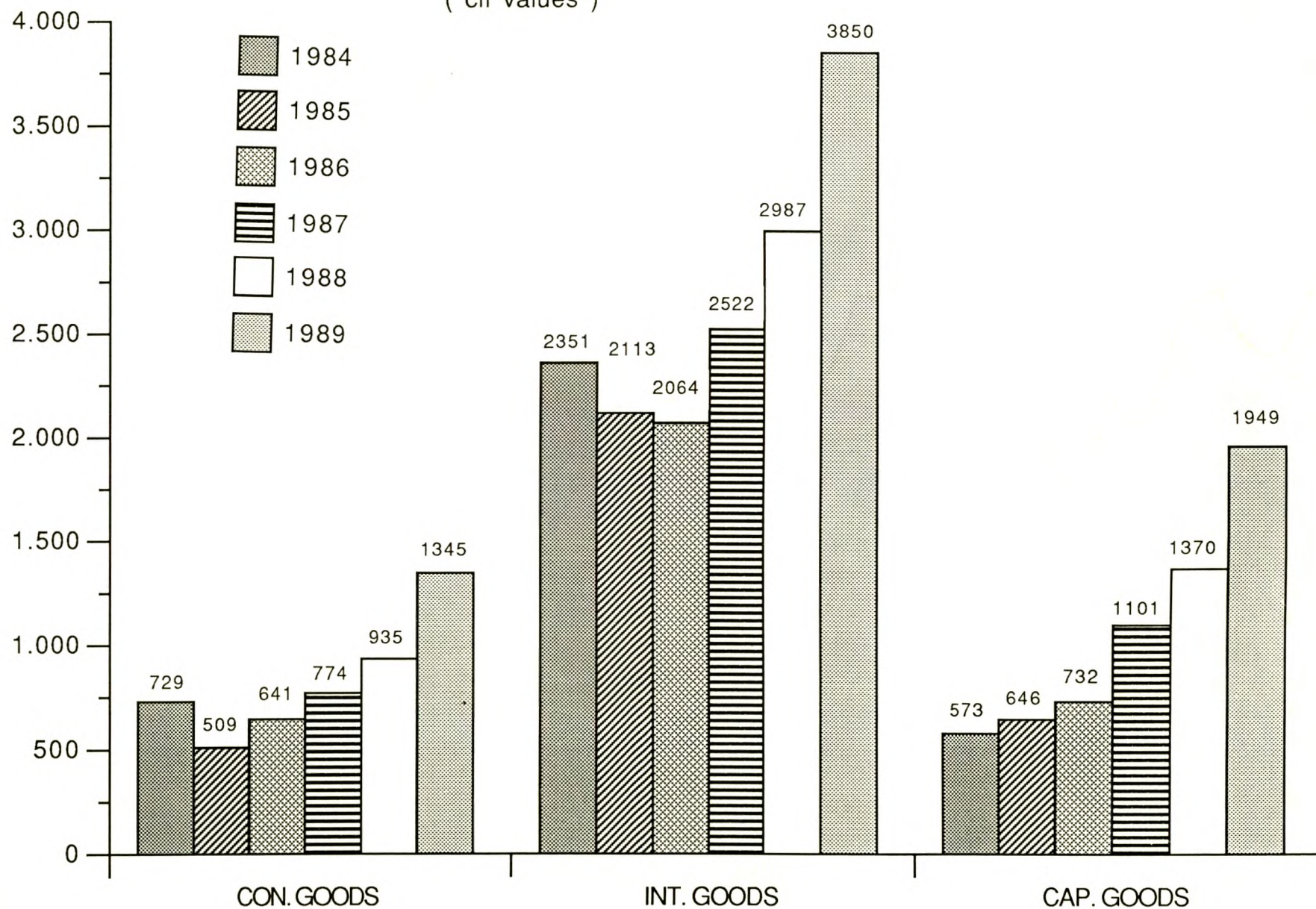


MONETARY AGGREGATES (in bill. of \$)

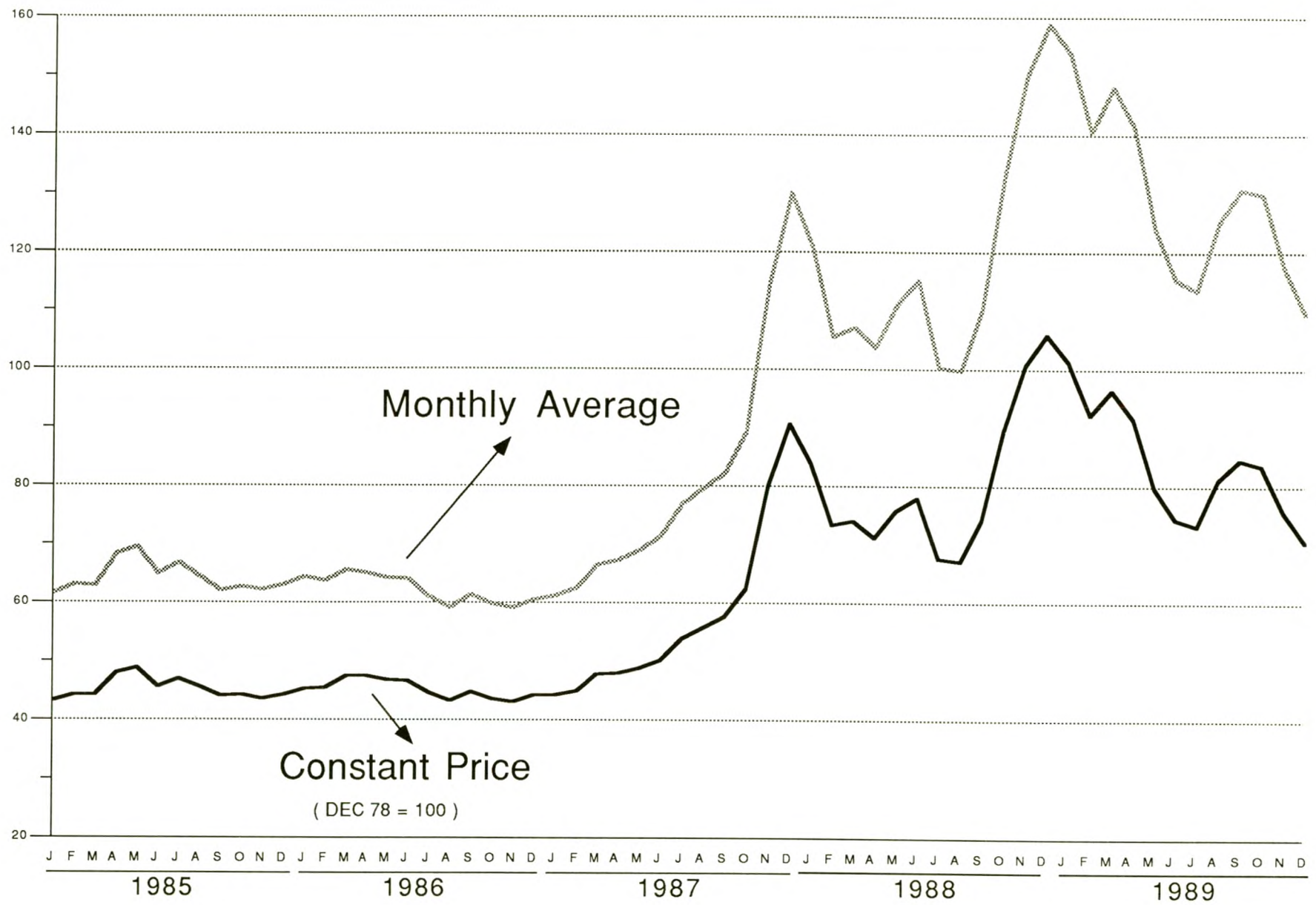


COMPOSITION OF IMPORTS 1984 - 1989

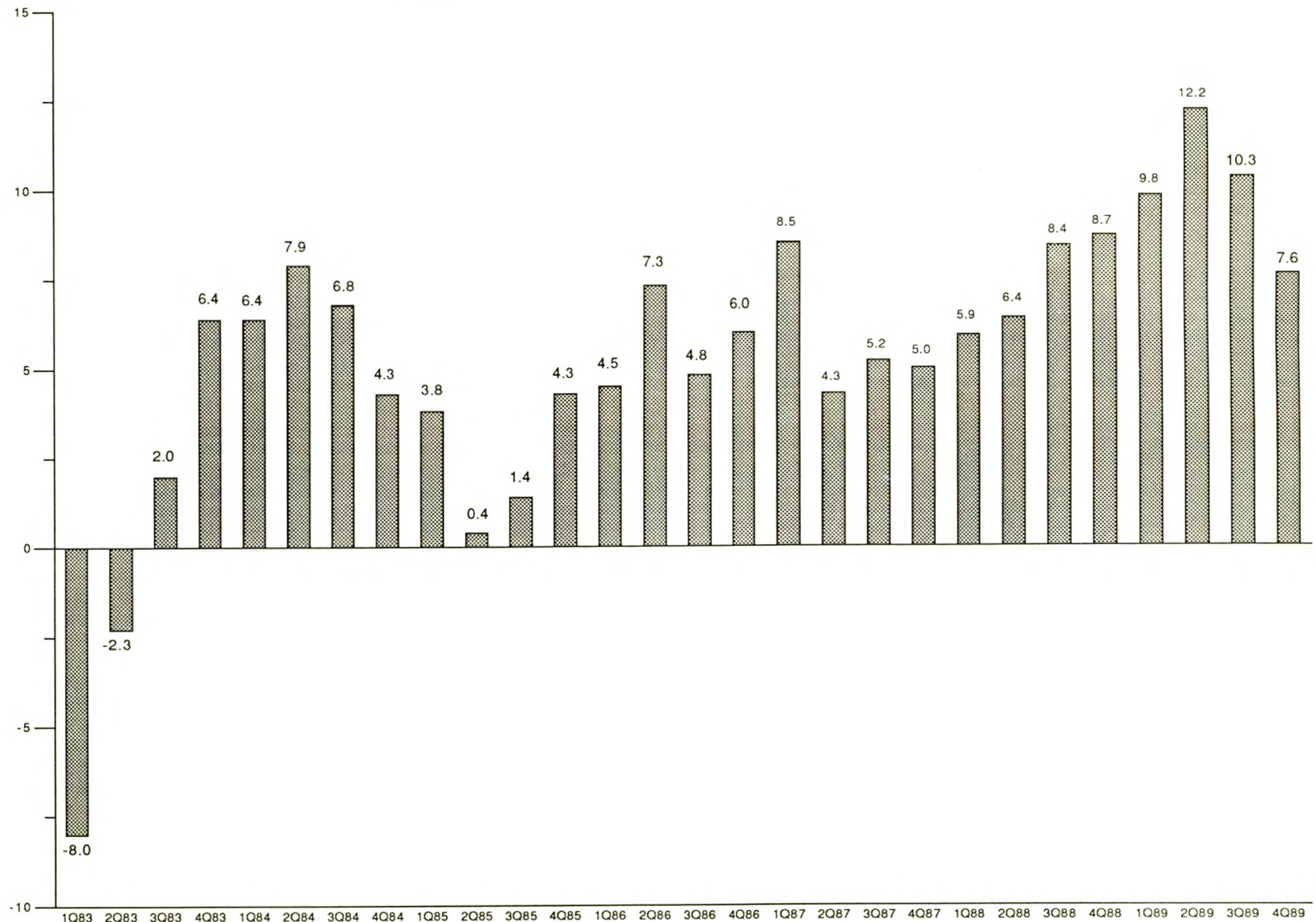
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COPPER PRICE



% CHANGE G.D.P 1983 - 1989



GROSS DOMESTIC PRODUCT 1983 - 1989

\$ 1977

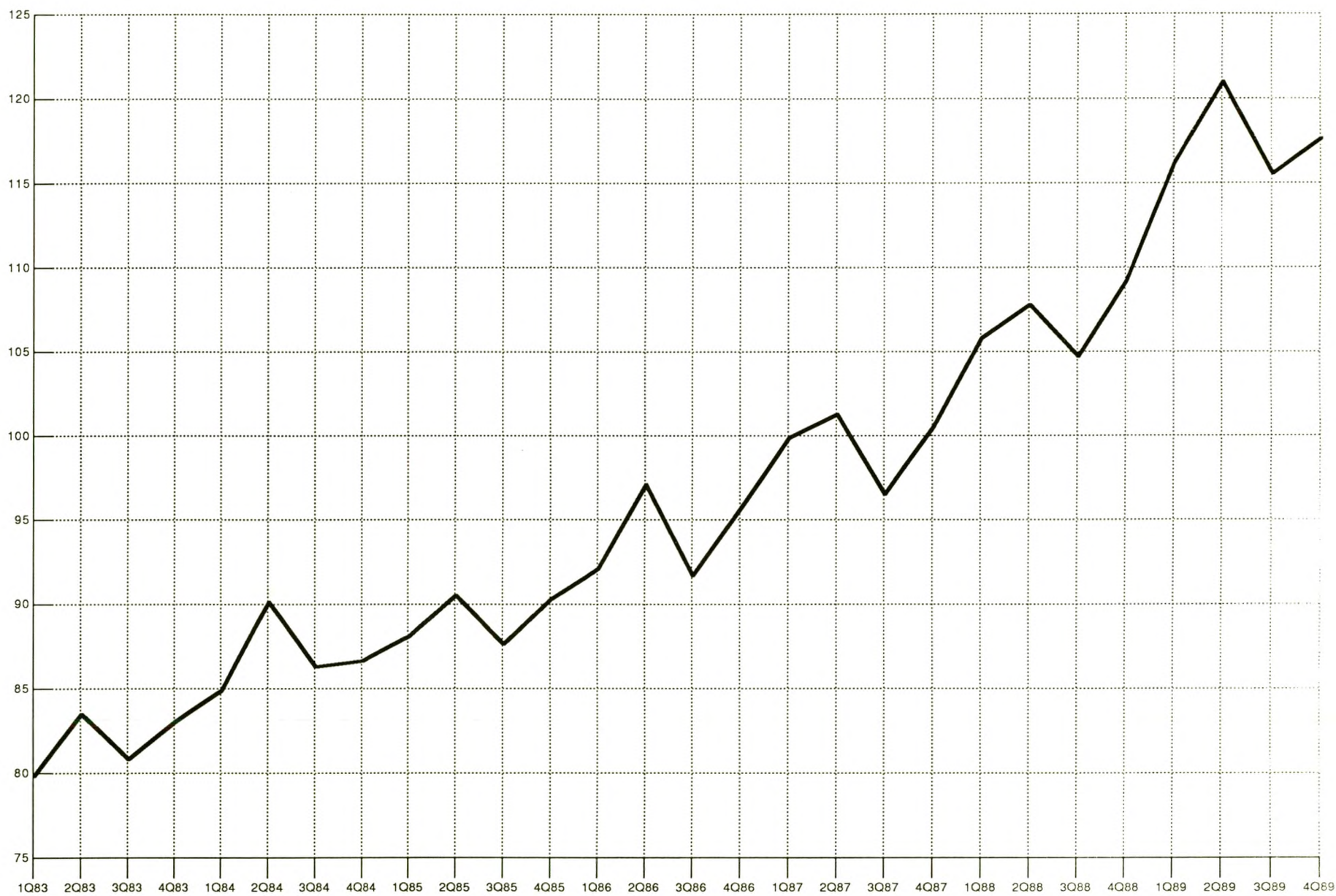


TABLE N° 1

CENTRAL BANK MONETARY PROGRAM : TARGETS AND PERFORMANCE 1988 AND 1989.
(Stocks in billions of Chilean pesos)

ITEM	PERFORMANCE					TARGETS AGREED WITH I.M. F. (ORIGINAL AGREEMENT) (1)				
	Dec.88	Mar.89	Jun.89	Sep.89	Dec.89	Dec.88	Mar.89	Jun.89	Sep.89	Dec.89
1. NET INTERNATIONAL RESERVES	501.76	555.68	552.45	533.11	630.36	302.18	382.00	401.66	(3)	651.20
(In mill. US\$)	(1,967.73)	(2,213.86)	(2,158.01)	(2,066.32)	(2,415.19)	(1,185.0)	(1,522.0)	(1,569.0)		(2,495.0)
2. NET DOMESTIC ASSETS	856.59	376.11	388.42	408.98	365.28	989.0	548.0	547.0	(3)	344.0
3. FOREIGN MEDIUM AND LONG TERM LIABILITIES	1,166.90	737.16 (2)	748.96	755.87	764.56					
(In mill. US\$)	(4,576.08)	(2,936.89)	(2,925.63)	(2,929.73)	(2,929.34)					
4. LIABILITIES TO PRIVATE SECTOR	191.40	194.63	191.91	186.22	231.08					
Rate of Exchange (peso/dollar)	255	251	256	258	261	255	251	256	258	261

Note: Exchange rates between U.S. dollar and other foreign currencies correspond to the ones prevailing on Dec. 1987 during 1988, and to those prevailing on Dec.1988 during 1989.

(1) It does not include the Copper Stabilization Fund Adjustment, or any other adjustment.

(2) Since January 1989, the Structural Adjustment Loan (SAL) is not included into foreign medium and long term liabilities.

(3) The last agreement with the IMF does not consider any targets for September 1989.

TABLE N° 2

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

ITEM	Dec.88	Mar.89	Jun.89	Sep.89	Dec.89
I. INTERNATIONAL RESERVES (millions of US\$)					
1. Actual	1,967.7	2,213.9	2,158.0	2,066.3	2,415.2
2. Target	1,457.3	1,589.0	1,942.9	2/	2,403.7
- Original agreement	1,185.0	1,522.0	1,569.0		2,495.0
- Copper Stabilization Fund Adjustment	442.4	67.0	373.9		2.5
- External Debt Pre-Payment Adjustment	170.1				93.8
3. Differences (1-2)	510.4	624.9	215.1		11.5
II. NET DOMESTIC ASSETS (millions of Chilean \$)					
1. Actual	856.6	376.1	388.4	409.0	365.3
2. Target	919.6	531.2	451.3	2/	367.8
- Original agreement	989.0	548.0	547.0		344.0
- Copper Stabilization Fund Adjustment	112.8	16.8	95.7		0.7
- External Debt Pre-Payment Adjustment	43.4				24.5
3. Differences (1-2)	-63.0	-155.1	-62.9		-2.5
III. NEW MEDIUM TERM LOANS FROM INTERNATIONAL BANKS (millions of US\$)	112.4 1/	12.6 1/	0.0	0.0	0.0
IV. RATE OF EXCHANGE (peso/dollar)	255.0	251.0	256.0	258.0	261.0

Note: Exchange rates between U.S. dollar and other foreign currencies correspond to the ones prevailing on Dec. 1987 during 1988, and the ones prevailing on Dec. 1988 during 1989.

1/ Corresponds to World Bank's SAL program.

2/ The last agreement with the IMF does not consider any targets for September 1989.

Source: Banco Central de Chile.

TABLE N° 3

CENTRAL BANK : NET INTERNATIONAL RESERVES

(Millions of US\$ end of month)

ITEM	Sep.88	Dec.88	Mar.89	Jun.89	Sep.89	Dec.89
NET INTERNATIONAL RESERVES	1,327.6	1,967.7	2,213.9	2,158.0	2,066.3	2,415.2
1. Assets	2,932.6	3,705.7	3,798.9	3,666.8	3,426.1	4,196.4
Gold	76.8	77.0	77.2	77.3	77.5	44.0
SDR'S	0.5	46.3	1.2	0.2	0.9	24.9
I.M.F. Reserve Position	0.0	0.0	0.0	0.0	0.0	0.0
Foreign Exchange Assets	2,733.4	3,194.5	3,445.5	3,382.8	3,191.2	3,656.9
CCR	121.9	387.9	275.0	206.5	156.5	470.6
2. Liabilities	1,605.0	1,738.0	1,585.0	1,508.8	1,359.7	1,781.2
To I.M.F.	1,437.1	1,382.0	1,316.4	1,287.7	1,260.1	1,300.8
CCR	77.9	356.0	268.6	221.1	99.6	475.3
Short Term Deposits	90.0	0.0	0.0	0.0	0.0	5.1
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. 1987 during 1988, and to the ones prevailing on Dec. 88 during 1989.

(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	Mar.88	Jun.88	Sep.88	Dec.88	Mar.89	Jun.89	Sep.89
1. Debt to the Domestic Financial System	-54.41	-96.92	-145.70	-295.59	-433.74	-528.52	-560.22
2. Outstanding stock of financial instrument issued by the non-financial public sector and held by the non-financial private sector.	85.43	85.55	48.06	44.63	48.14	48.04	46.59
3. Adjustments for Corfo-Indap	-0.89	0.39	0.71	0.61	-5.03	-9.89	-18.26
4. Other Adjustments	-10.40	-7.81	-5.40	-8.02	-19.36	-24.22	-100.12 1/
5. Domestic Debt (1+2+3+4)	19.74	-18.80	-102.32	-258.37	-409.99	-514.59	-632.01
6. Foreign Debt	1,628.52	1,663.56	1,686.88	1,803.09	1,653.57	1,686.63	1,718.79
7. Total Debt (5+6)	1,648.26	1,644.76	1,584.56	1,544.72	1,243.58	1,172.04	1,086.78
8. Public Sector Deficit	-98.20	-142.62	-167.31	-252.81	-99.61	-197.66	-293.55
TARGET	-29.29	-90.40	-105.95	-128.77	-90.96	-177.27	-220.66
- Original agreement	3.80	16.60	25.50	28.00	-0.20	-26.10	-13.00
- Copper Stabilization Fund Adjustment	30.10	67.00	102.46	126.48	90.76	151.17	207.66
- Corfo's stock sale adjustment	2.99	40.00	29.00	30.29	0.00	0.00	0.00
(Rate of exchange)	(240)	(246)	(248)	(255)	(251)	(256)	(261)

Note: Provisional figures.

1/ Includes adjustment for SINAP'S prepayments

TABLE N° 4 - A

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

(In millions of US\$)

ITEM	Jun.88	Sep.88	Dec.88	Mar.89	Jun.89	Sep.89	Dec.89
A) SHORT-TERM EXTERNAL DEBT OF THE NON-FINANCIAL PUBLIC SECTOR	745.0	825.9	802.5	894.6	845.5	917.7	963.5
B) NET INTERNATIONAL RESERVES OF THE BANCO DEL ESTADO	-22.0	-29.9	-23.2	-31.6	-29.6	-49.3	-94.9
- Assets	13.0	7.1	15.1	6.4	17.6	8.5	7.9
- Liabilities	35.0	37.0	38.3	38.0	47.2	57.8	102.8
C) TOTAL (A - B)	767.0	855.8	825.7	926.2	875.1	967.0	1,058.4
TARGET	992.0	992.0	992.0	1,042.0	1,042.0	1,092.0	1,092.0

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.88	Sep.88	Dec.88	Mar.89	Jun.89	Sep.89	Dec.89
CONTRACTING AND GUARANTEEING							
More than 1 and up to 5 years	3.0	3.0	44.0	0.0	2.5	2.5	47.5
More than 1 and up to 10 years	104.2	129.8	186.9	22.2	32.4	32.4	77.4
(Refinancing and Rescheduling)	(28.4) 1/	(44.7) 1/	(60.8) 1/	(0.0)	(0.0)	(0.0)	(0.0)
TARGETS							
CONTRACTING AND GUARANTEEING							
More than 1 and up to 5 years	190.0	190.0	190.0	195.0	195.0	195.0	195.0
More than 1 and up to 10 years	600.0	600.0	600.0	622.0	622.0	622.0	622.0

1/ 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 1988-1989 1/
(Millions of US\$)

ITEM	1 9 8 8	1 9 8 9
CURRENT ACCOUNT	-167.4	-905.0
Trade Balance	2,218.6	1,578.1
Exports	7,051.8	8,080.0
- Copper	(3,416.2)	(4,021.4)
- Others	(3,635.6)	(4,058.6)
Imports	-4,833.2	-6,501.9
Non-Financial Services	-643.1	-772.6
Financial Services	-1,919.6	-1,950.1
Transfers	176.7	239.6
CAPITAL ACCOUNT	1,157.8	1,325.3
Foreign Investments 2/	1,011.1	1,582.6
Amortization Payments 3/	-649.0	-815.5
Extraordinary Amortizations 4/	-970.2	-1,557.4
MLT Disbursements	1,208.4	1,433.4
Official and Multilateral Organizations	(451.7)	(545.1)
Suppliers' Credits 5/	(689.2)	(803.1)
- To Public Sector	[59.0]	[77]
- To Private Sector	[630.2]	[726.1]
Other	(67.5)	(85.2)
Net Flows of Short-Term Capital 6/	-153.5	669.6
Use of Trade Lines	(371.0)	(819.3)
Other Trade Related Flows	(-2.6)	(105.3)
Net change in Assets, valuation adjustments, errors and omissions	(-521.9)	(-255.0)
Financial Program	313.5	12.6
New Money from banks	(0.0)	(0.0)
IBRD-SAL	(112.4)	(12.6)
Eximbank Japan	(201.1)	(0.0)
Retiming of Interest Payments 7/	397.5	-
CHANGE IN NET INTERNATIONAL RESERVES 8/	990.4	420.3

1/ Provisional.

2/ Includes investment with external debt notes and capitalization of loans through Chapter XIX and D.L. 600, which were US\$ 903 million in 1988, and US\$ 1,323.8 million in 1989.

3/ Amortization payments after the 1988-1991 rescheduling of bank and Paris Club debt. It includes US\$ 170.2 of Central Bank pre-payments in 1988, and US\$ 81.7 million in 1989.

4/ Considers repayment of loans arising from debt to equity swaps through D.L.600, Chapters XIX, and others. Figures omit Chapter XVIII, but include export returns with external debt notes.

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 8	1 9 8 9
1. INTEREST PAYMENTS	-1,797.6	-1,803.9
Medium and Long-Term	-1,448.0	-1,390.0
I.M.F.	-103.6	-115.0
Short-Term	-246.0	-298.9
2. INTEREST RECEIPTS	180.9	236.6
Medium and Long-Term	5.5	5.2
Short-Term	175.4	231.4
Central Bank	(148.4)	(204.1)
3. PROFITS AND DIVIDENDS	-302.9	-382.8
NET FINANCIAL SERVICES (1+2+3)	-1,919.6	-1,950.1

1/ Provisional.

TABLE N° 6 - B

IMPORTS, 1988 - 1989 2/

(Millions of US\$)

ITEM	1988 1/	1989 1/
I. CONSUMER GOODS	788.7	1,142.3
- Foodstuffs	93.5	99.2
- Agricultural	(15.3)	(16.6)
- Industrial Food Products	(78.2)	(82.6)
- Non-Food Consumer Goods	695.2	1,043.1
- Medical and Pharmaceutical	(61.1)	(68.5)
- Tools	(44.0)	(57.6)
- Industrialized of Non-food products	(448.9)	(603.9)
- Automobiles	(141.2)	(313.1)
II. INTERMEDIATE GOODS	2,734.8	3,527.3
- Raw Materials	983.8	1,121.9
- Food	(145.8)	(121.2)
- Agricultural foodstuffs	[61.2]	(26.6)
- Industrial origin Raw-Materials	[84.6]	94.6]
- Non-Food	(838.0)	(1,000.7)
- Agricultural origin-raw materials	[50.9]	[52.0]
- Industrial origin-raw materials	[787.1]	[948.7]
- Equipment-spares and Intermediate Products	1,128.5	1,608.9
- Intermediate Industrial Goods	(651.0)	(967.4)
- Machinery & Equipment-spare Parts	(352.6)	(468.9)
- Parts for Assembly of Vehicles	(124.9)	(172.6)
- Fuel & Lubricants	622.5	796.5
- Crude Petroleum	(508.4)	(628.5)
- Other	(114.1)	(168.0)
III. TOTAL CURRENT GOODS	3,523.5	4,669.6
IV. CAPITAL GOODS	1,258.3	1,826.1
- Machinery & Equipment	(877.7)	(1,268.1)
- Transportation Equipment	(375.7)	(551.8)
- Other Capital Goods	(4.9)	(6.2)
V. SUB-TOTAL	4,781.8	6,495.7
Other Imports	510.0	638.6
VI. TOTAL C.I.F.	5,291.8	7,134.3
VII. TOTAL F.O.B.	4,833.2	6,501.9

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: 1988 - 1989, BY PRINCIPAL PRODUCTS 1/

(Millions of US\$)

PRODUCTS	UNITS	1988			1989		
		VOLUME	PRICE	VALUE	VOLUME	PRICE	VALUE
Copper	MT	1,355,800	2,519.7	3,416.2	1,540,600	2,610.3	4,021.4
Iron Ore Pellets	MT	3,605,000	21.4	77.0	3,332,000	24.5	81.6
Iron Ore	MT	3,077,000	10.7	32.8	3,685,000	11.6	42.7
Sodium Nitrate	MT	311,480	118.1	36.8	307,360	107.7	33.1
Potassium Nitrate	MT	131,190	149.4	19.6	123,650	152.0	18.8
Iodine	MT	3,939	16,501.7	65.0	4,640	16,982.8	78.8
Fishmeal	MT	926,160	495.5	458.9	1,293,560	391.9	507.0
Sawed wood	M3	905,570	107.0	96.9	825,150	109.1	90.0
Pinewood	M3	1,353,420	44.6	60.3	861,600	40.5	34.9
Crude Cellulose	MT	175,190	572.5	100.3	176,710	468.6	82.8
White Cellulose	MT	303,110	688.9	208.8	305,200	779.5	238.3
Molybdenum Oxide & Iron Molybdenum	MT	17,880	7,606.3	136.0	18,090	7,936.8	143.6
SUB TOTAL				4,708.6			5,373.0
Others				2,343.2			2,707.0
TOTAL				7,051.8			8,080.0

1/ Provisional figures.

Source : Banco Central de Chile.

TABLE N° 7

CHILE: BALANCE OF PAYMENTS BY QUARTERS 1989 1/
(Millions of US\$)

ITEM	I	II	III	IV	YEAR
CURRENT ACCOUNT	-251.6	-317.9	-269.4	-66.1	-905.0
1. Trade Balance	622.7	410.5	229.8	315.1	1,578.1
Exports	2,060.9	2,030.6	1,970.8	2,017.7	8,080.0
-Copper	(956.7)	(864.0)	(1,109.5)	(1,091.2)	(4,021.4)
-Others	(1,104.2)	(1,166.6)	(861.3)	(926.5)	(4,058.6)
Imports	-1,438.2	-1,620.1	-1,741.0	-1,702.6	-6,501.9
2. Non-Financial Services	-112.6	-262.6	-218.3	-179.1	-772.6
3. Financial Services	-827.3	-556.5	-321.7	-244.6	-1,950.1
4. Transfers	65.6	90.7	40.8	42.5	239.6
CAPITAL ACCOUNT	470.6	262.1	177.6	414.9	1,325.2
1. Foreign Investment 2/	241.7	556.8	170.4	613.7	1,582.6
2. Amortization Payments 3/	-222.8	-149.1	-222.8	-220.8	-815.5
3. Extraordinary Amortizations 4/	-202.1	-610.1	-278.8	-466.4	-1,557.4
4. MLT Disbursements	290.7	321.4	325.4	495.9	1,433.4
Official and Multilateral Organizations	(104.0)	(113.9)	(121.0)	(206.2)	(545.1)
Suppliers' Credits	(167.7)	(201.5)	(172.1)	(261.8)	(803.1)
-To Public Sector					[77.0]
-To Private Sector 5/					[726.1]
Other	(19.0)	(6.0)	(32.3)	(27.9)	(85.2)
5. Net Flows of Short-Term Capital 6/	350.5	143.1	183.4	-7.5	669.5
Use of Short-Term Lines	(333.8)	(200.5)	(168.1)	(116.9)	(819.3)
Other Short-Term Trade-Related Flows	(-19.6)	(54.1)	(14.2)	(56.5)	(105.2)
Net Change in Assets, valuation adjustments, error and omissions	(36.3)	(-111.5)	(1.1)	(-180.9)	(-255.0)
6. Financial Program	12.6	0.0	0.0	0.0	12.6
New Money from banks	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
IRBD - SAL	(12.6)	(0.0)	(0.0)	(0.0)	(12.6)
Eximbank Japan	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Change in Net International Reserves 7/ (increase: +)	219.1	-55.9	-91.7	348.8	420.3
Use of short-term credits by the Central Bank	0.0	0.0	1.0	4.2	5.2
Change in Gross International Reserves (Net Int. Reserves plus CB short-term credits).	219.1	-55.9	-90.7	353.0	425.5
MEMORANDUM ITEM =					
Change in Net Reserves, net of bank's / new money Eximbank and SAL (increase: +)	206.5	-55.9	-91.7	348.8	407.7

1/ Provisional

2/ Includes investment with external debt notes and capitalization of loans through Chapter XIX and D.L. 600, which were US\$ 1,323.8 million in 1989.

3/ Amortization payments after the 1988-1991 rescheduling of bank and Paris Club debt. Includes US\$ 81.7 million of Central Bank prepayments in the fourth.

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, but include export returns with external debt notes

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

Source: Banco Central de Chile.

TABLE N° 8
EXPORTS AND IMPORTS: 1985 - 1989
(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) 1/	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
1988	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
1989												
Jan.	356.1	294.1	650.2	9.0	87.9	(10.8)	293.7	156.7	547.3	498.6	151.6	151.6
Feb.	253.2	357.7	610.9	7.5	74.5	(9.6)	248.0	126.2	456.2	414.2	196.7	348.3
Mar.	347.4	452.4	799.8	9.4	110.0	(6.7)	306.6	153.2	579.2	525.4	274.4	622.7
Apr.	254.2	428.6	682.8	9.3	79.0	(15.3)	334.3	133.3	555.9	507.7	175.1	797.8
May	350.5	356.1	706.6	15.6	90.2	(8.4)	298.9	130.2	534.9	481.0	225.6	1,023.4
Jun.	259.3	381.9	641.2	10.5	106.8	(12.6)	373.4	201.7	692.4	631.4	9.8	1,033.2
Jul.	301.5	258.3	559.8	7.1	100.5	(11.1)	366.8	163.2	637.6	582.2	-22.4	1,010.8
Aug.	430.2	341.1	771.3	6.1	110.6	(14.9)	405.2	185.8	707.7	635.5	135.8	1,146.6
Sep.	377.8	261.9	639.7	7.3	102.8	(17.2)	309.8	152.8	572.7	523.3	116.4	1,263.0
Oct.	389.8	302.5	692.3	7.8	118.1	(19.5)	301.1	155.9	582.9	521.5	170.8	1,433.8
Nov.	386.3	288.3	674.6	10.8	148.4	(7.8)	298.1	200.7	658.0	605.4	69.2	1,503.0
Dec.	315.1	335.7	650.8	10.4	105.2	(13.3)	314.5	189.3	619.4	575.7	75.1	1,578.1

1/ 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, 1988 - 1989

(Millions of US\$)

ITEM	1988			1989 1/		
	Disbursements	Amortizations	Net	Disbursements	Amortizations	Net
I. OFFICIAL AND MULTILATERAL ORGANIZATIONS 2/	688.0	158.0	530.0	764.1	292.1	472.0
1. MULTINATIONAL ORGANIZATIONS a/ d/	401.6	104.0	297.6	533.9	188.2	345.7
IDB	239.4	50.3	189.1	278.6	113.5	165.1
IBRD	143.4	40.4	103.0	202.6	72.5	130.1
IDA	-	0.7	-0.7	-	0.6	-0.6
IFC	18.8	12.6	6.2	52.7	1.6	51.1
2. GOVERNMENTAL ORGANIZATIONS	286.4	54.0	232.4	230.2	103.9	126.3
a. Direct Loan	260.6	21.7	238.9	220.5	79.5	141.0
Eximbank (U.S.A.)	3.2	-	3.2	-	2.0	-2.0
AID (U.S.A.)	2.0	0.9	1.1	-	22.5	-22.5
KFW (W. Germany)	31.3	-	31.3	95.2	4.4	90.8
Banco Central Argentina	-	4.5	-4.5	-	2.7	-2.7
Eximbank (Japan)	211.8	-	211.8	118.0	0.4	117.6
Miti (Japan)	-	-	-	-	6.7	-6.7
Banco Do Brasil	-	9.3	-9.3	-	6.7	-6.7
EDC (Canada)	12.3	4.5	7.8	7.3	6.2	1.1
NIO (Holanda)	-	0.7	-0.7	-	0.7	-0.7
Credit National (France)	-	-	-	-	0.3	-0.3
COFACE (France)	-	-	-	-	5.2	-5.2
China Popular	-	0.9	-0.9	-	0.7	-0.7
IDC (South Africa)	-	0.5	-0.5	-	0.8	-0.8
CCC (USA)	-	0.4	-0.4	-	18.9	-18.9
Kontrolbank (Austria)	-	-	-	-	0.5	-0.5
ECGD (England)	-	-	-	-	0.2	-0.2
CESCE (Spain)	-	-	-	-	0.6	-0.6
b. Other Loan with Official Guarantee	25.8	32.3	-6.5	9.7	24.4	-14.7
Bco.USA (GAR. CCC)	20.8	32.3	-11.5	9.7	20.8	-11.1
Bco.USA (GAR. AID)	5.0	-	5.0	-	-	-
Whit the CORFO Guarantee	-	-	-	-	3.6	-3.6
II. SUPPLIERS b/	333.4	224.4	109.0	360.5	249.4	111.1
Public Sector	59.0	50.4	8.6	77.0	65.5	11.5
Private Sector	274.4	174.0	100.4	283.5	183.9	99.6
- Contracted Credits c/	274.4	174.0	100.4	283.5	183.9	99.6
- Credits to be Contracted	-	-	-	-	-	-
TOTAL						
I. OFFICIAL AND MULTILATERAL ORGANIZATIONS 2/	688.0	158.0	530.0	764.1	292.1	472.0
II. SUPPLIERS	333.4	224.4	109.0	360.5	249.4	111.1
Total (I + II)	1,021.4	382.4	639.0	1,124.6	541.5	583.1
III. REST OF BANKS e/	360.6	266.1	94.5	308.8	249.9	58.9
GRAND TOTAL	1,382.0	648.5	733.5	1,433.4	791.4	642.0

1/ Preliminary.

2/ Includes Private Sector.

a/ According to Central Bank of Chile statements.

b/ Figures of supplier credits with official guarantees are not available.

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

d/ Excludes IBRD-SAL

e/ 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 1984 - 1989 (*)
(Millions of US\$)

ITEM	1984	1985	1986	1987	1988	PRELIMINARY		
						06.30.89	09.30.89	12.31.89
I. TOTAL EXTERNAL DEBT (II + III)	18,877	19,444	19,501	19,208	17,638	16,775	16,443	16,250
PUBLIC SECTOR	12,343	14,079	15,763	16,380	14,692	12,941	12,518	12,025
Public Financial Sector	5,058	5,713	5,725	6,001	4,847	4,188	3,891	3,376
(Banco del Estado)	(1,386)	(1,356)	(1,296)	(1,078)	(926)	(798)	(806)	(820)
(Central Bank)	(3,672)	(4,357)	(4,429)	(4,923)	(3,921)	(3,390)	(3,085)	(2,556)
Public Non-Financial Sector	5,155	6,018	6,630	7,103	7,033	6,416	6,508	6,739
(Treasury)	(1,276)	(1,990)	(2,614)	(2,993)	(3,512)	(3,507)	(3,526)	(3,676)
(Others)	(3,879)	(4,028)	(4,016)	(4,110)	(3,521)	(2,909)	(2,982)	(3,063)
Private Sector with Public Guarantee	2,130	2,348	3,408	3,276	2,812	2,337	2,119	1,910
PRIVATE SECTOR	6,534	5,365	3,738	2,828	2,946	3,834	3,925	4,225
(Banks and Financial Institutions)	(3,469)	(2,786)	(1,463)	(737)	(456)	(631)	(614)	(626)
(Corporate and Private Debtors) (1)	(3,065)	(2,579)	(2,275)	(2,091)	(2,490)	(3,203)	(3,311)	(3,599)
II. MEDIUM AND LONG TERM EXTERNAL DEBT	16,963	17,650	17,814	17,191	15,452	14,083	13,601	13,277
PUBLIC SECTOR	10,601	12,515	14,379	14,725	13,091	11,215	10,688	10,124
Public Financial Sector	4,464	5,269	5,608	5,749	4,809	4,141	3,833	3,268
(Banco del Estado)	(1,272)	(1,237)	(1,179)	(1,051)	(888)	(751)	(748)	(717)
(Central Bank)	(3,192)	(4,032)	(4,429)	(4,698)	(3,921)	(3,390)	(3,085)	(2,551)
Public Non-Financial Sector	4,419	5,245	5,836	6,302	6,230	5,570	5,590	5,776
(Treasury)	(1,276)	(1,990)	(2,614)	(2,993)	(3,512)	(3,507)	(3,526)	(3,676)
(Others)	(3,143)	(3,255)	(3,222)	(3,309)	(2,718)	(2,063)	(2,064)	(2,100) (2)
Private Sector with Public Guarantee	1,718	2,001	2,935	2,674	2,052	1,504	1,265	1,080 (3)
PRIVATE SECTOR	6,362	5,135	3,435	2,466	2,361	2,868	2,913	3,153
(Banks and Financial Institutions)	(3,369)	(2,691)	(1,296)	(502)	(149)	(139)	(138)	(134)
(Corporate and Private Debtors) (1)	(2,993)	(2,444)	(2,139)	(1,964)	(2,212)	(2,729)	(2,775)	(3,019) (4)
III. SHORT TERM EXTERNAL DEBT	1,914	1,794	1,687	2,017	2,186	2,692	2,842	2,973
PUBLIC SECTOR	1,742	1,564	1,384	1,655	1,601	1,726	1,830	1,901
Public Financial Sector	594	444	117	252	38	47	58	108
(Banco del Estado)	(114)	(119)	(117)	(27)	(38)	(47)	(58)	(103)
(Central Bank)	(480)	(325)	(0)	(225)	(0)	(0)	(0)	(5)
Public Non-Financial Sector	736	773	794	801	803	846	918	963
(Treasury)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
(Others)	(736)	(773)	(794)	(801)	(803)	(846)	(918)	(963)
Private Sector with Public Guarantee	412	347	473	602	760	833	854	830
PRIVATE SECTOR	172	230	303	362	585	966	1,012	1,072
(Banks and Financial Institutions)	(100)	(95)	(167)	(235)	(307)	(492)	(476)	(492)
(Corporate and Private Debtors) (1)	(72)	(135)	(136)	(127)	(278)	(474)	(536)	(580)
IV. CENTRAL BANK WITH I.M.F.	782	1,085	1,328	1,452	1,322	1,193	1,170	1,268

(*) 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\$ 542 MM. for privatization of ENDESA, ENTEL, ENACAR, TELEFONICA DEL SUR y C.T.C.

(3) In January the external debt to the private sector with public guarantee was incremented by US\$ 209 MM. for privatization of ENDESA.

(4) In January the external debt to the private sector was incremented in US\$ 333 MM. for privatization of ENDESA, ENTEL, ENACAR, TELEFONICA DEL SUR y C.T.C.

Source: Banco Central de Chile.

TABLE N° 11

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

ITEM	1984	1985	1986	1987	1988	Preliminary		
						06.30.89	09.30.89	12.31.89
1. MULTINATIONAL ORGANIZATIONS	946.3	1,444.3	1,928.4	2,493.1	2,921.2	2,996.4	3,052.4	3,264.7
Public Sector	935.4	1,425.3	1,904.9	2,418.1	2,825.2	2,709.3	2,752.0	2,913.1
- Financial	26.5	64.0	63.3	104.1	169.9	154.5	157.3	159.8
- Non-Financial	908.9	1,361.3	1,841.6	2,314.0	2,655.3	2,554.8	2,594.7	2,753.3
Private Sector	10.9	19.0	23.5	75.0	96.0	287.1	300.4	351.6
- Financial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Non-Financial	10.9	19.0	23.5	75.0	96.0	287.1	300.4	351.6
2. GOVERNMENTAL ORGANIZATIONS	615.7	637.7	769.6	722.0	996.1	1,031.2	1,054.8	1,133.7
Public Sector	606.1	629.6	755.0	696.7	952.3	912.0	891.2	923.1
- Financial	51.4	35.1	23.2	16.2	10.6	8.7	7.6	7.0
- Non-Financial	554.7	594.5	731.8	680.5	938.2	899.8	881.8	916.1
- Private Sector with Public Guarantee	0.0	0.0	0.0	0.0	3.5	3.5	1.8	0.0
Private Sector	9.6	8.1	14.6	25.3	43.8	119.2	163.6	210.6
- Financial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Non-Financial	9.6	8.1	14.6	25.3	43.8	119.2	163.6	210.6
3. PRIVATE BANKS AND FINANCIAL INSTITUTIONS	14,438.5	14,714.3	14,127.7	12,667.5	10,144.8	8,615.9	8,045.0	7,367.5
Public Sector	8,794.7	10,245.9	11,363.6	11,112.0	8,835.4	7,246.3	6,674.2	5,930.2
- Financial	4,386.4	5,201.8	5,521.6	5,628.5	4,628.9	3,978.1	3,667.6	3,101.4
- Non-Financial (1)	2,707.5	3,049.0	2,913.2	2,814.0	2,157.8	1,767.9	1,743.3	1,748.5
- Private Sector with Public Guarantee	1,700.8	1,995.1	2,928.8	2,669.5	2,048.7	1,500.3	1,263.3	1,080.3
Private Sector	5,643.8	4,468.4	2,764.1	1,555.5	1,309.4	1,369.6	1,370.8	1,437.3
- Financial (1)	3,368.7	2,690.6	1,296.0	501.6	149.1	139.0	137.7	134.3
- Non-Financial	2,275.1	1,777.8	1,468.1	1,053.9	1,160.3	1,230.6	1,233.1	1,303.0
4. SUPPLIERS	517.5	381.4	524.5	738.6	759.7	766.0	801.7	800.0
Public Sector	264.9	214.5	355.4	497.8	478.1	347.4	370.5	357.5
- Financial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Non-Financial (1)	264.9	214.5	349.2	493.4	478.1	347.4	370.5	357.5
- Private Sector with Public Guarantee	0.0	0.0	6.2	4.4	0.0	0.0	0.0	0.0
Private Sector	252.6	166.9	169.1	240.8	281.6	418.6	431.2	442.5
- Financial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Non-Financial	252.6	166.9	169.1	240.8	281.6	418.6	431.2	442.5
5. CORPORATE AND PRIVATE CREDITORS	445.2	472.2	463.3	569.5	632.3	673.1	647.0	710.9
Private Sector	445.2	472.2	463.3	569.5	632.3	673.1	647.0	710.9
- Financial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Non-Financial	445.2	472.2	463.3	569.5	632.3	673.1	647.0	710.9
MEDIUM AND LONG TERM DEBT	16,963.2	17,649.9	17,813.5	17,190.7	15,454.1	14,082.6	13,600.9	13,276.8

(*) 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 12.31.89

(Millions of US\$)

ITEM	1990	1991	1992	1993	1994	1995	1996
1. Public and Private Debt	1,011.9	890.7	832.7	941.6	860.3	820.6	774.9
2. New Money 1983, 1984 and 1985 /1986	-	576.2	576.2	154.3	92.1	93.3	120.0
3. Rescheduled Debt (Public and Financial Private Sector 1983-1984 , 1985-1987, 1988-1991)	-255.8	-258.2	73.7	414.2	395.3	380.4	359.6
With Foreign Governments (Paris Club)	(37.9)	(55.8)	(73.7)	(54.6)	(35.7)	(20.8)	
With Private Bankers and Financial Institutions 1/	-(293.7) 2/	-(314.0) 2/	-	(359.6)	(359.6)	(359.6)	(359.6)
TOTAL	756.1	1,208.7	1,482.6	1,510.1	1,347.7	1,294.3	1,254.5

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	1987 (*)					1988 (*)					1989 (*)				
	I	II	III	IV	TOTAL	I	II	III	IV	TOTAL	I	II	III	IV	TOTAL
Agriculture	5.9	2.8	5.0	4.4	4.5	5.1	6.4	6.1	5.6	5.7	1.4	5.6	2.8	1.7	3.0
Fishing	28.4	-17.9	-28.1	-10.6	-8.0	-5.8	1.2	24.8	0.0	2.6	33.7	21.7	28.5	10.5	24.0
Mining	0.2	-3.3	-1.2	4.5	0.0	-1.1	0.0	8.4	9.2	4.2	5.3	12.0	11.0	5.5	8.4
Industry	10.8	2.5	5.6	3.8	5.5	9.3	7.6	9.5	8.4	8.7	10.7	14.1	8.5	7.2	10.0
Elect., Gas and Water	5.3	4.2	3.5	2.4	3.8	9.1	8.1	9.9	10.2	9.3	7.5	8.0	0.8	3.3	4.8
Construction	4.1	11.2	19.2	8.5	10.6	7.5	5.2	6.5	5.2	6.1	13.7	10.0	16.7	5.8	11.5
Commerce	11.1	5.6	6.6	7.1	7.5	8.3	9.6	10.5	10.5	9.8	15.0	17.0	12.5	11.1	13.8
Transport	12.6	11.3	7.1	9.7	10.1	10.6	6.6	13.5	15.0	11.5	14.4	18.1	14.7	10.9	14.4
Others 2/	8.8	6.1	4.3	4.0	5.8	3.7	5.7	6.0	7.8	5.8	8.2	9.4	10.0	8.1	8.9
TOTAL G.D.P.	8.5	4.3	5.2	5.0	5.7	6.0	6.4	8.4	8.7	7.4	9.7	12.1	10.4	7.8	10.0

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	1983*	1984**	1985**	1986**	1987**	1988**	1989**
Overall Household Consumption and Private Non-Profit Institutions	-3.4	1.3	-1.1	4.9	4.8	9.6	9.1
Overall Government Consumption Spending	-0.6	1.5	-0.3	-2.1	-2.1	4.7	0.9
Inventory Variation	-	-	-	-	-	-	-
Gross Composition of Fixed Capital	-14.9	9.0	14.8	7.1	16.2	10.7	19.1
Exports of Goods and Services	0.6	6.8	6.9	9.8	8.8	6.1	14.8
Minus: Imports of Goods and Services	-15.1	16.5	-11.0	9.7	17.0	12.1	26.3
Gross Domestic Product Spending	-0.7	6.3	2.4	5.7	5.7	7.4	10.0

(*) 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 88	Oct - Dic 89	%	Oct - Dic 88	Oct - Dic 89	%	Oct - Dic 88	Oct - Dic 89	%
TOTAL	285.8	249.8	-12.6	4,265.8	4,424.8	3.7	4,551.6	4,674.6	2.7
Agriculture	18.8	16.5	-12.2	864.6	856.8	-0.9	883.4	873.3	-1.1
Mining	3.1	4.4	41.9	87.4	102.6	17.4	90.5	107.0	18.2
Industry	38.6	37.2	-3.6	669.8	745.5	11.3	708.4	782.7	10.5
Electricity, Gas and Water	0.5	0.5	0.0	24.9	23.2	-6.8	25.4	23.7	-6.7
Construction	34.9	36.5	4.6	275.7	298.5	8.3	310.6	335.0	7.9
Commerce	42.7	37.1	-13.1	731.2	755.5	3.3	773.9	792.6	2.4
Transport and Communications	13.1	11.8	-9.9	274.4	300.8	9.6	287.5	312.6	8.7
Financial Sector	13.2	8.6	-34.8	181.7	191.6	5.4	194.9	200.2	2.7
Other Services	65.8	51.7	-21.4	1,155.2	1,150.0	-0.5	1,221.0	1,201.7	-1.6
Unspecified Act.	0.0	0.0	-	0.9	0.3	-66.7	0.9	0.3	-66.7
Seeking employment for the first time	55.1	45.5	-17.4	-	-	-	55.1	45.5	-17.4

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	1984	1985	1986	1987	1988	1989 (*)
FISCAL SPENDING	567,095.2	880,137.0	1,021,597.9	1,237,379.9	1,810,424.9	2,136,091.0
- Fiscal Spending Excluding Debt Service	496,105.4	683,213.4	848,897.5	1,020,559.1	1,299,570.8	1,407,587.5
FISCAL REVENUES	482,913.0	701,283.7	916,008.2	1,230,257.8	1,704,617.0	2,048,081.6
FISCAL DEFICIT	84,182.2	178,853.3	105,589.7	7,122.1	105,807.9	88,009.4
- Deficit / Fiscal Spending (%)	14.8	20.3	10.3	0.6	5.8	4.1
- Deficit Excluding Debt Service / Spending Excluding Debt Service	2.7	-2.6	-7.9	-20.5	-31.2	-45.5
- Deficit / Fiscal Spending Excluding Debt Service (%)	17.0	26.2	12.4	0.7	8.1	6.3
- Social Spending / Fiscal Spending Excluding Debt Service (%)	61.1	58.7	57.3	54.4	52.5	51.6
- Social Spending / Fiscal Spending (%)	54.5	46.9	49.1	46.2	40.3	37.8
- Fiscal Deficit / GNP (%)	4.5	6.9	3.3	0.2	2.0	1.2
- Fiscal Deficit Excluding Debt Service / GNP (%)	0.7	-0.7	-2.1	-5.0	-7.5	-9.4

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.

(*) Provisional figures.

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	1,178,452	534,861	391,241	495,943	2,600,497	345,348	2,255,149
Current Expenditures	1,064,417	342,438	289,421	264,078	1,960,354	0	1,960,354
Transfers	0	163,822	67,899	163,237	394,958	345,348	49,610
Current Account Surplus (Deficit)	114,035	28,601	33,921	68,628	245,185	0	245,185
Capital Revenues	152,621	10,169	19,124	6,352	188,266	9,657	178,609
Capital Expenditures	262,215	32,817	58,076	72,555	425,663	9,657	416,006
Overall Surplus (Deficit)	4,441 -4,441	5,953 -5,953	-5,031 5,031	2,425 -2,425	7,788 -7,788	0	7,788 (**) -7,788
Financing							

(**) 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. \$ 19,068 millions.

TABLE N° 15 - A

PUBLIC SECTOR, FINANCIAL OPERATIONS, 1988 (*)

(Millions of Pesos)

ITEM	General Government	Public Enterprises	CORFO Corporations	CODELCO	Total Public Sector, Gross	Adjustments	Total Public Sector, Net
Current Revenues	1,551,343	662,973	227,844	862,349	3,304,509	538,918	2,765,591
Current Expenditures	1,430,260	490,604	136,168	350,197	2,407,229	6,537	2,400,692
Transfers	0	161,689	61,450	393,515	616,654	532,381	84,273
Current Account Surplus (Deficit)	121,083	10,680	30,226	118,637	280,626	0	280,626
Capital Revenues	220,743	13,453	20,664	7,557	262,417	17,873	244,544
Capital Expenditures	336,999	33,151	52,248	101,321	523,719	17,873	505,846
Overall Surplus (Deficit)	4,827 -4,827	-9,018 9,018	-1,358 1,358	24,873 -24,873	19,324 -19,324	0 0	19,324 (**) -19,324
Financing							

(*) Provisional figures.

(**) Excluded impact on debt of indexations to inflation and net credit to the Private Sector, by Ch. \$ 7,253 million. Taken these into account, the overall deficit would be Ch. \$ 9,400 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
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									
Dec.	118,741	84,880	203,621	743,700	947,321	1,314,582	1,514,455	133,550	187,869
1988									
Dec.	158,141	161,214	319,355	918,907	1,238,262	1,695,921	1,920,022	140,477	247,964
1989									
Dec.	195,245	190,718	385,963	1,287,595	1,673,558	2,242,545	2,463,133	153,632	303,940
1988									
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.	158,141	161,214	319,355	918,907	1,238,262	1,695,921	1,920,022	140,477	247,964
1989									
Jan.	157,299	176,978	334,277	981,337	1,315,614	1,776,649	2,044,104	185,701	253,341
Feb.	163,676	185,332	349,008	991,708	1,340,716	1,801,011	2,038,949	150,177	251,749
Mar.	168,323	189,242	357,565	989,670	1,347,235	1,823,090	2,042,323	140,617	259,595
Apr.	164,874	172,696	337,570	1,009,390	1,346,960	1,837,502	2,095,243	169,548	272,276
May	164,497	167,474	331,971	1,015,114	1,347,085	1,850,414	2,173,725	227,502	268,536
Jun.	164,438	152,214	316,652	1,057,707	1,374,359	1,889,865	2,193,754	230,327	281,508
Jul.	162,060	177,333	339,393	1,106,019	1,445,412	1,956,221	2,242,368	223,421	268,298
Aug.	158,480	178,878	337,358	1,140,733	1,478,091	1,994,754	2,226,439	167,383	247,645
Sep.	171,358	191,481	362,839	1,151,484	1,514,323	2,039,345	2,263,708	157,231	273,562
Oct.	165,888	176,751	342,639	1,179,763	1,522,402	2,046,691	2,287,258	174,519	268,710
Nov.	167,565	162,738	330,303	1,241,191	1,571,494	2,108,980	2,340,788	162,624	254,793
Dec.	195,245	190,718	385,963	1,287,595	1,673,558	2,242,545	2,463,133	153,632	303,940

(*) 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\$)
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						
Dec.	496,064	1,159,364	167.5	708.8	1,586,518	2,073
1988						
Dec.	648,565	1,423,127	206.1	956.1	1,987,286	2,164
1989						
Dec.	813,211	1,825,674	362.5	1,221.5	2,742,268	2,330
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
1989						
Jan.	662,862	1,484,627	211.0	996.9	2,026,886	2,211
Feb.	623,881	1,504,021	221.6	1,036.7	2,060,630	2,232
Mar.	667,000	1,499,699	240.2	1,058.5	2,087,711	2,326
Apr.	595,567	1,536,109	231.7	1,064.4	2,114,030	2,372
May	749,138	1,550,893	223.0	1,085.0	2,165,193	2,392
Jun.	747,529	1,581,184	222.0	1,108.8	2,216,519	2,387
Jul.	696,905	1,626,952	241.4	1,119.0	2,272,302	2,348
Aug.	663,920	1,673,053	255.7	1,154.6	2,335,751	2,295
Sep.	714,038	1,679,198	273.0	1,192.0	2,459,795	2,244
Oct.	707,134	1,713,157	296.9	1,243.1	2,547,299	2,249
Nov.	723,459	1,781,376	335.9	1,282.7	2,634,776	2,314
Dec.	813,211	1,825,674	362.5	1,221.5	2,742,268	2,330

(*) 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, 1980 - September 1989

(Base: Dec. 82 = 100)

DATE	INDEX	ANNUAL % CHANGE	REAL INDEX (*)	ANNUAL% CHANGE
1985 Aver.	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
1988 "	289.98	22.2	100.57	6.5
1989 "	345.77	19.2	102.51	1.9
1987				
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	98.66	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	102.68	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
1989				
Jan.	315.94	17.3	101.61	3.7
Feb.	320.04	17.6	102.80	4.2
Mar.	324.08	17.4	102.16	4.1
Apr.	331.14	18.5	103.30	4.7
May	337.10	18.7	103.14	3.4
Jun.	341.82	17.2	102.77	0.9
Jul.	348.28	18.0	102.84	-0.1
Aug.	352.72	18.2	103.12	-0.1
Sep.	357.29	19.3	102.28	-0.4
Oct.	362.12	20.6	100.76	-0.6
Nov.	371.70	21.9	101.67	0.6
Dec.	387.02	25.2	103.66	3.1

(*) 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)
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						
Dec.	1.88	1.58	2.48	2.17	2.09	1.78
1988						
Dec.	2.01	0.11	2.44	0.53	1.90	-0.01
1989						
Dec.	2.43	0.32	2.95	0.83	2.08	-0.02
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
1989						
Jan.	2.04	0.93	2.56	1.44	2.04	0.94
Feb.	1.38	1.28	2.23	2.13	1.71	1.61
Mar.	0.99	-0.89	1.51	-0.38	0.60	-1.30
Apr.	2.04	1.03	2.50	1.49	1.86	0.86
May	1.55	-0.45	2.08	0.08	1.51	-0.49
Jun.	2.29	0.48	2.74	0.92	2.17	0.37
Jul.	2.25	0.44	2.75	0.93	2.22	0.42
Aug.	2.10	1.09	2.62	1.60	2.63	1.63
Sep.	1.78	-0.31	2.37	0.26	1.53	-0.57
Oct.	2.62	-0.27	3.09	0.18	2.16	-0.74
Nov.	3.11	1.39	3.59	1.86	2.60	0.90
Dec.	2.43	0.32	2.95	0.83	2.08	-0.02

(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

REFERENTIAL AND PREFERENTIAL RATES OF EXCHANGE

(Chilean pesos / US\$, monthly average)

DATE	OBSERVED	REFERENTIAL	PREFERENTIAL (1)
1985			
Dec.	182.48	179.21	-
1986			
Dec.	203.67	200.39	-
1987			
Dec.	235.34	232.47	-
1988			
Dec.	244.63	249.10	-
1989			
Dec.	294.59	280.87	-
1987			
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	-
1989			
Jan.	247.11	250.73	-
Feb.	245.84	252.86	-
Mar.	249.64	253.05	-
Apr.	251.36	252.55	-
May	252.44	254.56	-
Jun.	261.66	256.06	-
Jul.	272.81	259.89	-
Aug.	276.65	263.54	-
Sep.	280.15	266.70	-
Oct.	282.78	269.42	-
Nov.	288.42	274.66	-
Dec.	294.59	280.87	-

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

Source: Banco Central de Chile.

TABLE N° 20

PRICE INDEXES

DATE	WHOLESALE PRICES		CONSUMER PRICES	
	INDEX (Dec.74=100)	Monthly Var.	INDEX (Apr.89=100)	Monthly Var.
1985				
Dec.	17,825.57	30.3 (1)	59.73	26.4 (1)
1986				
Dec.	21,077.17	18.2 (1)	70.10	17.4 (1)
1987				
Dec.	24,675.56	17.1 (1)	85.13	21.5 (1)
1988				
Dec.	25,493.62	3.3 (1)	95.93	12.7 (1)
1989				
Dec.	31,305.18	22.8 (1)	116.47	21.4 (1)
1987				
Oct.	25,920.53	3.1	83.25	2.4
Nov.	26,128.41	0.8	84.85	1.9
Dec.	24,675.56	-5.6	85.13	0.3
1988				
Jan.	24,267.73	-1.7	85.75	0.7
Feb.	24,127.43	-0.6	86.07	0.4
Mar.	24,299.50	0.7	87.69	1.9
Apr.	24,563.07	1.1	88.37	0.8
May	24,757.10	0.8	88.78	0.5
Jun.	25,087.96	1.3	89.32	0.6
Jul.	25,208.54	0.5	89.44	0.1
Aug.	25,073.63	-0.5	90.16	0.8
Sep.	25,245.56	0.7	91.01	0.9
Oct.	25,500.58	1.0	92.39	1.5
Nov.	25,449.66	-0.2	94.14	1.9
Dec.	25,493.62	0.2	95.93	1.9
1989				
Jan.	25,760.70	1.0	97.00	1.1
Feb.	26,327.19	2.2	97.12	0.1
Mar.	26,701.04	1.4	98.97	1.9
Apr.	27,208.23	1.9	100.00	1.0
May	27,841.52	2.3	101.96	2.0
Jun.	28,335.64	1.8	103.76	1.8
Jul.	28,912.87	2.0	105.65	1.8
Aug.	29,531.18	2.1	106.71	1.0
Sep.	30,104.99	1.9	108.98	2.1
Oct.	30,885.55	2.6	112.12	2.9
Nov.	31,335.34	1.5	114.05	1.7
Dec.	31,305.18	-0.1	116.47	2.1

(1) December to December variations.

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

TABLE N° 21

FINANCIAL SYSTEM INDICATORS

(Percent)

At: 12.31.89

ITEM	Private Chilean Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A. CAPITAL ADEQUACY					
1. Physical Fixed Assets / Capital	46.1	24.6	26.6	52.2	36.7
2. Past due Loans (Cart.Ven.) / Capital	18.2	5.4	19.3	9.5	14.4
3. Debt / Capital	-	-	-	-	10.6
4. Subordinated Portfolio / Capital	173.6	0.0	0.0	0.9	92.0
B. ASSET QUALITY					
1. Past due Loans / Total Loans	1.8	1.4	2.1	0.8	1.8
2. Loans Loss Res. (Prov.) Total Loans	4.8	2.1	5.0	2.7	4.4
3. Subordinated Portfolio / Total Loans	17.5	0.0	0.0	0.1	11.5
C. LIABILITY STRUCTURE					
1. Demand Deposits / Total Liabilities Except Capital and Resv.	14.7	19.0	13.2	9.4	15.1
2. Time Deposits / Total Liabilities Except Capital and Resv.	33.6	37.3	31.2	63.2	34.2
3. Total Foreign Liabilities / Total Liabilities Except Capital and Resv.	27.7	32.3	27.8	0.0	28.1
D. MANAGEMENT					
1. Administration Expenses / Total Loans and Fin. Inv.	-	-	-	-	0.9
2. Remuneration Expenses / Total Loans and Fin. Inv.	-	-	-	-	1.9
3. Fixed Expenses / Operating Profits	-	-	-	-	-
E. INCOME					
1. Net Profits / Capital	8.2	8.2	9.1	59.0	9.1
2. Net Prof-Other net Inc. / Capital	3.0	7.2	11.6	46.4	6.2
3. Net Profits / Total Assets	0.4	0.7	0.5	4.0	0.5

Source: Superintendencia de Bancos e Instituciones Financieras.

TABLE N° 21 - A

FINANCIAL SYSTEM INDICATORS

(Percent)

At: 09.30.89

ITEM	Private Chilean Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A. CAPITAL ADEQUACY					
1. Physical Fixed Assets / Capital	45.4	24.6	24.7	50.7	36.0
2. Past due Loans (Cart.Ven.) / Capital	23.3	6.9	16.5	6.4	17.0
3. Debt / Capital	-	-	-	-	-
4. Loans Sold to Central Bank / Capital	333.9	0.0	0.0	18.9	176.7
B. ASSET QUALITY					
1. Past due Loans / Total Loans	2.4	1.8	1.9	0.6	2.2
2. Loans Loss Res. (Prov.) Total Loans	5.2	2.1	6.0	2.1	4.8
3. Loans Sold to Central Bank / Total Loans	33.8	0.0	0.0	1.9	22.6
C. LIABILITY STRUCTURE					
1. Demand Deposits / Total Liabilities Except Capital and Resv.	14.2	17.4	13.6	6.5	14.5
2. Time Deposits / Total Liabilities Except Capital and Resv.	31.8	36.3	32.6	68.9	33.2
3. Total Foreign Liabilities / Total Liabilities Except Capital and Resv.	29.4	32.3	27.4	0.0	29.1
D. MANAGEMENT					
1. Administration Expenses / Total Loans and Fin. Inv.	-	-	-	-	0.6
2. Remuneration Expenses / Total Loans and Fin. Inv.	-	-	-	-	1.2
3. Fixed Expenses / Operating Profits	-	-	-	-	-
E. INCOME					
1. Net Profits / Capital	0.8	6.6	8.6	32.4	4.2
2. Net Prof-Other net Inc. / Capital	-1.5	6.0	3.3	23.4	1.8
3. Net Profits / Total Assets	0.0	0.5	0.4	2.0	0.2

Source: Superintendencia de Bancos e Instituciones Financieras.

TABLE N° 21 - B

FINANCIAL SYSTEM INDICATORS

(Percent)

At: 06.30.89

ITEM	Private Chilean Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A. CAPITAL ADEQUACY					
1. Physical Fixed Assets / Capital	44.2	24.9	23.2	50.2	35.3
2. Past due Loans (Cart.Ven.) / Capital	21.0	6.0	16.1	6.6	15.5
3. Debt / Capital	-	-	-	-	10.9
4. Loans Sold to Central Bank / Capital	336.5	0.0	0.0	19.0	179.5
B. ASSET QUALITY					
1. Past due Loans / Total Loans	2.2	1.7	2.0	0.7	2.0
2. Loans Loss Res. (Prov.) Total Loans	5.2	2.4	6.3	2.5	5.0
3. Loans Sold to Central Bank / Total Loans	34.9	0.0	0.0	1.9	23.6
C. LIABILITY STRUCTURE					
1. Demand Deposits / Total Liabilities Except Capital and Resv.	13.7	21.0	15.6	4.3	15.2
2. Time Deposits / Total Liabilities Except Capital and Resv.	31.3	32.5	31.8	71.7	32.1
3. Total Foreign Liabilities / Total Liabilities Except Capital and Resv.	29.4	28.0	26.2	0.1	28.2
D. MANAGEMENT					
1. Administration Expenses / Total Loans and Fin. Inv.	-	-	-	-	0.4
2. Remuneration Expenses / Total Loans and Fin. Inv.	-	-	-	-	0.8
3. Fixed Expenses / Operating Profits	-	-	-	-	-
E. INCOME					
1. Net Profits / Capital	0.5	4.1	5.6	19.4	2.3
2. Net Prof-Other net Inc. / Capital	-0.1	3.9	4.0	12.9	1.6
3. Net Profits / Total Assets	0.0	0.3	0.3	1.3	0.1

Source: Superintendencia de Bancos e Instituciones Financieras.

TABLE N° 21- C

FINANCIAL SYSTEM INDICATORS

(Percent)

At: 03.31.89

ITEM	Private Chilean Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A. CAPITAL ADEQUACY					
1. Physical Fixed Assets / Capital	43.7	24.5	18.3	41.7	34.0
2. Past due Loans (Cart.Ven.) / Capital	19.6	5.4	16.6	6.6	14.6
3. Debt / Capital	12.6	5.5	13.3	8.9	10.6
4. Loans Sold to Central Bank / Capital	347.7	0.0	0.0	16.5	184.0
B. ASSET QUALITY					
1. Past due Loans / Total Loans	2.1	1.6	2.0	0.8	2.0
2. Loans Loss Res. (Prov.) / Total Loans	5.2	2.5	6.2	2.6	4.9
3. Loans Sold to Central Bank / Total Loans	36.7	0.0	0.0	2.1	24.9
C. LIABILITY STRUCTURE					
1. Demand Deposits / Total Liabilities Except Capital and Resv.	13.3	18.5	13.2	7.0	14.1
2. Time Deposits / Total Liabilities Except Capital and Resv.	29.4	34.8	32.0	69.2	31.2
3. Total Foreign Liabilities / Total Liabilities Except Capital and Resv.	31.9	27.5	29.8	0.1	30.4
D. MANAGEMENT					
1. Administration Expenses / Total Loans and Fin. Inv.	0.2	0.2	0.1	0.8	0.2
2. Remuneration Expenses / Total Loans and Fin. Inv.	0.4	0.4	0.6	1.3	0.4
3. Fixed Expenses / Operating Profits	103.7	118.3	261.2	221.6	123.0
E. INCOME					
1. Net Profits / Capital	0.3	1.4	0.6	9.1	0.8
2. Net Prof-Other net Inc. / Capital	0.5	1.4	0.1	5.2	0.8
3. Net Profits / Total Assets	0.0	0.1	0.0	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.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
Dec.86	11.18	8.96	4.39	8.06	9.29
Dec.87	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
Dec.	28.83	17.25	11.90	14.57	13.98
1989					
Mar.	28.63	4.49	3.18	3.67	3.48
Jun.	26.55	8.32	5.79	6.96	6.93
Sep.	25.16	11.38	7.95	9.65	9.95
Dec.	23.54	13.49	9.29	11.49	12.14

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.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	42.90
Dec.86	1.25	0.94	13.6	49.53
Dec.87	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
Dec.	1.41	1.16	13.8	50.26
1989				
Mar.	1.62	1.26	13.0	47.55
Jun.	1.42	1.08	11.5	42.03
Sep.	1.42	1.38	11.9	42.27
Dec.	1.52	1.18	14.1	51.35

Source: Superintendencia de Valores y Seguros.

TABLE N° 22 - C

CORPORATE SECTOR FINANCIAL INDICATORS: INDEBTEDNESS

DATE	Total Debt / Capital	<u>Total Debt</u> <u>Total Assets</u> (%)	<u>Long Term Debt</u> <u>Capital</u> %
Dec.83	0.93	48.25	59.02
Dec.84	0.99	49.86	62.67
Dec.85	1.11	52.60	79.83
Dec.86	1.04	51.01	75.22
Dec.87	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
Dec.	0.45	30.98	24.86
1989			
Mar.	0.41	29.08	23.86
Jun.	0.44	30.34	24.05
Sep.	0.43	30.11	24.21
Dec.	0.45	31.11	26.57

Source: Superintendencia de Valores y Seguros.

**MAIN ECONOMIC MEASURES
ADOPTED DURING THE FOURTH QUARTER OF 1989**

OCTOBER

- 05 The General Directorate of Public Works was authorized to contract a loan for US\$ 1,498,444 (one million four hundred and ninety eight thousand four hundred and forty four dollars of the United States of America) with Starexport Trading S.A. from Brazil, that will be destined to the parcial financing of the purchase of 75 trucks.

(Decree Nr. 791 of the Ministry of Finance, published in the Official Gazette on October 5, 1989).

- 10 The Constitutional Organic Law of the Central Bank of Chile that establishes the bank as an autonomous entity, of constitutional rank, of a technical type, with juridic personality, own capital and indefinite duration, was approved. The initial capital will amount to \$ 500,000,000,000 (five hundred thousand million pesos).

(Law Nr. 18,840 of the Ministry of Finance, published in the Official Gazette on October 10, 1989).

- 14 The ordinary interest rate that will be in force from October 14, until the day prior to its next publication in the Official Gazette was determined. The percentages, per item, are the following:

RATES

- Non-adjustable operations in national currency:	
Less than 90 days	28.56% annually
90 days or over	37.92% annually
- Adjustable operations in national currency	9.44% annually
- Operations in USDollars or expressed in foreign currency	11.96% annually

(Certificate Nr. 1989/10 issued by the Superintendency of Banks and Financial Institutions, published in the Official Gazette on October 14, 1989).

NOVEMBER

- 14 The ordinary interest rate that will be in force from November 14, 1989 until the day prior to its next publication in the Official Gazette was determined. The percentages, per item, are the following:

RATES

- Non-adjustable operations in national currency:	
Less than 90 days	40.20% annually
90 days or over	44.16% annually
- Adjustable operations in national currency	10.26% annually
- Operations in USDollars or expressed in foreign currency	11.75% annually

(Certificate Nr. 1989/11 issued by the Superintendency of Banks and Financial Institutions, published in the Official Gazette on November 14, 1989).

- 15 The consolidation of the Bank BHIF with Banco Nacional was approved. The action took place through the contribution of the assets of the later to Bank BHIF, entity that assumes all the liabilities of Banco Nacional.

DECEMBER

- 13 The ordinary interest rate that will be in force from December 13, 1989 until the day prior to its next publication in the Official Gazette was determined. The values established were the following:

RATES

- Non-adjustable operations in national currency:	
Less than 90 days	43.20% annually
90 days or over	51.36% annually
- Adjustable operations in national currency	10.85% annually
- Operations in USDollars or expressed in other foreign currency	11.49% annually

(Certificate Nr. 1989/12 issued by the Superintendency of Banks and Financial Institutions, published in the Official Gazette on December 13, 1989).

- 16 The contraction of a foreign loan was authorized with the International Development Bank (IDB) for US\$ 360,000,000 (three hundred and sixty million dollars of the United States of America). The loan will be destined to the parcial financing of a Global Program for Multisectorial Loans, whose total cost is estimated at US\$ 600,000,000 (six hundred million dollars of the United States of America).

(Decree Nr. 1,054 of the Ministry of Finance, published in the Official Gazette on December 16, 1989).