

"QUARTERLY ECONOMIC AND FINANCIAL REPORT OF CHILE"

December, 1986

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THE CHILEAN ECONOMY DURING 1986

PRODUCTION AND EMPLOYMENT

1. According to preliminary estimates, GDP increased by 5.7% during 1986. The most dynamic sectors were those that produce tradeable goods. In fact, while Agriculture, Fishing, Mining and Industry as a whole grew by 6.5%, Construction and Services did so by 1.3% and 5.4%, respectively.

During 1986, the level of Gross Domestic Product in 1977 in pesos was 376,6 thousand millions, only slightly lower than that of 1981, which was the highest of the present decade. The above result seems to mark the end of a stage of recovery and the beginning of a new one, in which economic policy intends to create conditions for moderate but steady growth of product and consumption levels.

2. It is important to emphasize the investment effort carried out by the Chilean economy during 1986, which was accompanied by an increase in the volume of resources transferred abroad in compliance with the country's financial obligations. Thus, while gross fixed capital formation amounted to 14.8% of GDP in 1985, it reached 15.0% in 1986. On the other hand, the trade balance surplus was somewhat over US\$ 1 billion, a significant improvement over the figures of preceding years which were US\$ 849 million in 1985 and US\$ 293 million in 1984. In this manner, the net transfer of goods and services

abroad, defined as the net balance of goods and services, was approximately US\$ 710 million during 1986.

3. The unemployment rate showed a steady decline during the four quarters of 1986. According to estimates of the National Bureau of Statistics (INE), while in the first quarter the average monthly unemployment rate was 12.0%, during the fourth quarter it dropped significantly, reaching 8.8%. On the other hand, according to the University of Chile's survey for Greater Santiago, the unemployment rate was 10.6% in December, 1986, while in the same month of 1985 it was 13.8%. This reduction was achieved on the basis of a growth in the number of productive employments of the economy. In fact, during the year, the number of people enrolled in the Government's emergency employment plans (PEM and POJH) decreased from a monthly average of 283 thousand persons during the last quarter of 1985 to 192.6 thousand persons for the same period of 1986. On the other hand, according to INE estimates, the number of new jobs generated by the productive sector between March and December of 1986 was approximately 205.4.
4. The creation of new productive jobs is the result of the increase in activity levels as well as of a flexible wage policy which has tended to let the market determine their level.

On the other hand, the public sector's policy has been aimed at allowing a moderate growth in wages, keeping them in line with the restrictions faced by aggregate expenditure. Thus, during 1986 the average level of real wages was only 2.0% higher than that of 1985, while in December of 1986 it was 2.1% higher than in December of 1985.

INFLATION

5. The rate of inflation, measured as the 12 months variation of the CPI in December of 1986, reached 17.4%, which was in the 15 to 20% range initially estimated by the economic authorities. The highest increases were those of foodstuffs, (23.7%), while home services showed the lowest rate (7.6%). The 1986 inflation rate dropped significantly from that of 1985, which was 26.4%. Although the decrease in fuel prices has contributed to price stabilization, the influence of monetary and fiscal policies has also been strong.

BALANCE OF PAYMENTS

6. According to preliminary figures for 1986, the current account deficit of the balance of payments was lower than estimated in the macroeconomic program agreed upon with the I.M.F. In fact, while the current account deficit was estimated at US\$ 1.1 billion, preliminary figures place it at US\$ 1.3 million. It must be pointed out that this result was achieved in spite of: an average copper price which was 8%

lower than estimated, a GDP growth rate of 5.7% and international interest rates not significantly lower than estimated.

Examination of the composition of the current account shows that its positive evolution is basically explained by the trade balance, which showed a surplus of around US\$ 1.1 billion, US\$ 260 million higher than initially estimated and 29% higher than in 1985. On the other hand, exports (FOB) reached US\$ 4,200 million, an increase of 10.4% over their 1985 level. This was basically achieved by a rise in the value of non-copper exports: mining (2.1%), agricultural and sea products (32.6%) and industrial exports (21.5%). Copper exports, on the contrary, dropped 1.8% with respect to 1985, mainly due to a 3.0% price fall. On the other hand, imports reached US\$ 3,100 million, an increase of 4.9% over 1985, basically explained by higher imports of non-food consumer goods (15.9%), intermediate goods other than oil (18.0%) and capital goods (12.6%). However, import growth, which may be explained to a great extent by a recovery of stocks after their depressed level of 1985, was counterbalanced by lower imports of foodstuffs (-31.5%) and oil (-38.3%). The drop in fuel imports is explained by the fall in international prices.

7. The net outflow of non-financial services was US\$ 388 million in 1986, approximately US\$ 50 million higher than in 1985, and slightly higher than the US\$ 366 million projected in the macroeconomic program. The difference in both years is

explained mainly by insurance compensation payments received in 1985 as a result of the earthquake of March of that year. Financial services amounted to US\$ 1,887 million, US\$ 14 million less than in 1985, and slightly more than the projected US\$ 1,829.5 million.

8. According to preliminary estimates, the capital account registered a balance of US\$ 913 million during 1986, US\$ 320 million less than in 1985. The lower net inflow was due mainly to a reduction in medium and long-term foreign credit disbursements, which amounted to US\$ 1,219 million in 1986, as opposed to US\$ 1,471 million in 1985. Amortizations, on the other hand, were US\$ 431 million during the year, increasing by US\$ 12 million with respect to 1985. Finally, foreign investment was US\$ 319 million during 1986, substantially higher than the US\$ 112 million for 1985. This difference is explained mainly by investment through debt-to-equity swaps, which was US\$ 205 million.
9. The variation of Net International Reserves during 1986 was US\$ 153.6 million. Thus, the stock of Net International Reserves at the end of 1986 was US\$ 1,238.8 million, almost 10% above the level estimated in the macroeconomic program agreed upon with the IMF.
10. The average real rate of exchange was 9.5% higher in 1986 than in 1985. As indicated by the economic authorities, the

objective of the exchange rate policy is to maintain an adequate real effective exchange rate. Thus, the strong devaluation of the dollar in international markets permitted a slight real revaluation of the peso with respect to the dollar (approximately 0.4% during the year) and a significant devaluation of our currency with respect to the rest of the currencies of Europe and Japan.

FISCAL POLICY

11. One of the basic objectives of fiscal policy has been to contribute to the increase of savings and investment. Thus, it is estimated that between 1985 and 1986 public investment in real terms increased 15%, representing 7.6% of GDP in 1986 as opposed to 7% in 1985. On the other hand, public savings - defined as the current account surplus of the non-financial public sector - is estimated to have grown during the same period by 21% in real terms, increasing its share in GDP from 3.8% to 4.4%. In line with the evolution of these items, the public sector deficit dropped to 2.2% in 1986. The reduction of the fiscal deficit has been an important factor in the improvement of the current account, providing in this manner more room for private sector activity, and has contributed to reduce real interest rates, thus favoring the recovery of economic activity.

It must also be emphasized that the limits on external indebtedness of the public sector were easily complied with. Thus, while the limit on short-term indebtedness was US\$ 990 million, the actual level was US\$ 900.5 million. In the same way, the contracting of direct or indirect debts by the Public Sector reached US\$ 95.3 million, lower than the goal of US\$ 700 agreed upon with the IMF.

MONEY AND INTEREST RATES

12. During 1986, the purpose of monetary policy was to support the process of adjustment of aggregate expenditure which would permit a decline in real interest rates. Monetary authorities were alert to accomodate liquidity to the requirements of an economy undergoing a reduction in real interest rates, a decrease in inflation and an increase in activity levels. The resulting expansion of the Central Bank's domestic credit strictly complied with the goals stipulated in the program agreed upon with the IMF. (See Table 1).

13. During 1986, monetary aggregates were in real terms were substantially higher than those of 1985, recovering over the depressed levels of the previous years. The real stock of private sector money (M1) grew by 9.6% in 1986 over its

average level in 1985, and by 33.7% from December 1985 to the same month of 1986. The average real stock of M2 grew 4.9% during the year, while the real stock of M2 did so by 5.6% from December 1985 to December 1986. Among the main causes of this strong recovery are the greater confidence in the exchange rate policy, the substantial drop in nominal interest rates, and the higher level of activity.

14. Real interest rates for 90 to 365 day deposits averaged 4.1% during 1986, substantially below the 8.1% rate recorded in 1985. Similarly, real rates for loans of the same maturity averaged 7.7% during the year, below the 9.4% rate of the previous year. On the other hand, the internal annual real rate of return for fixed-income instruments traded at the Stock Exchange averaged approximately 5.1%, also lower than the 8.7% rate of 1985. The drop in real interest rates has been made possible by the reduction in the public sector deficit, the greater confidence foreign exchange policy, the decline in international interest rates and a monetary policy concerned with neutralizing the transitory fluctuations that affect the credit market.

FOREIGN DEBT

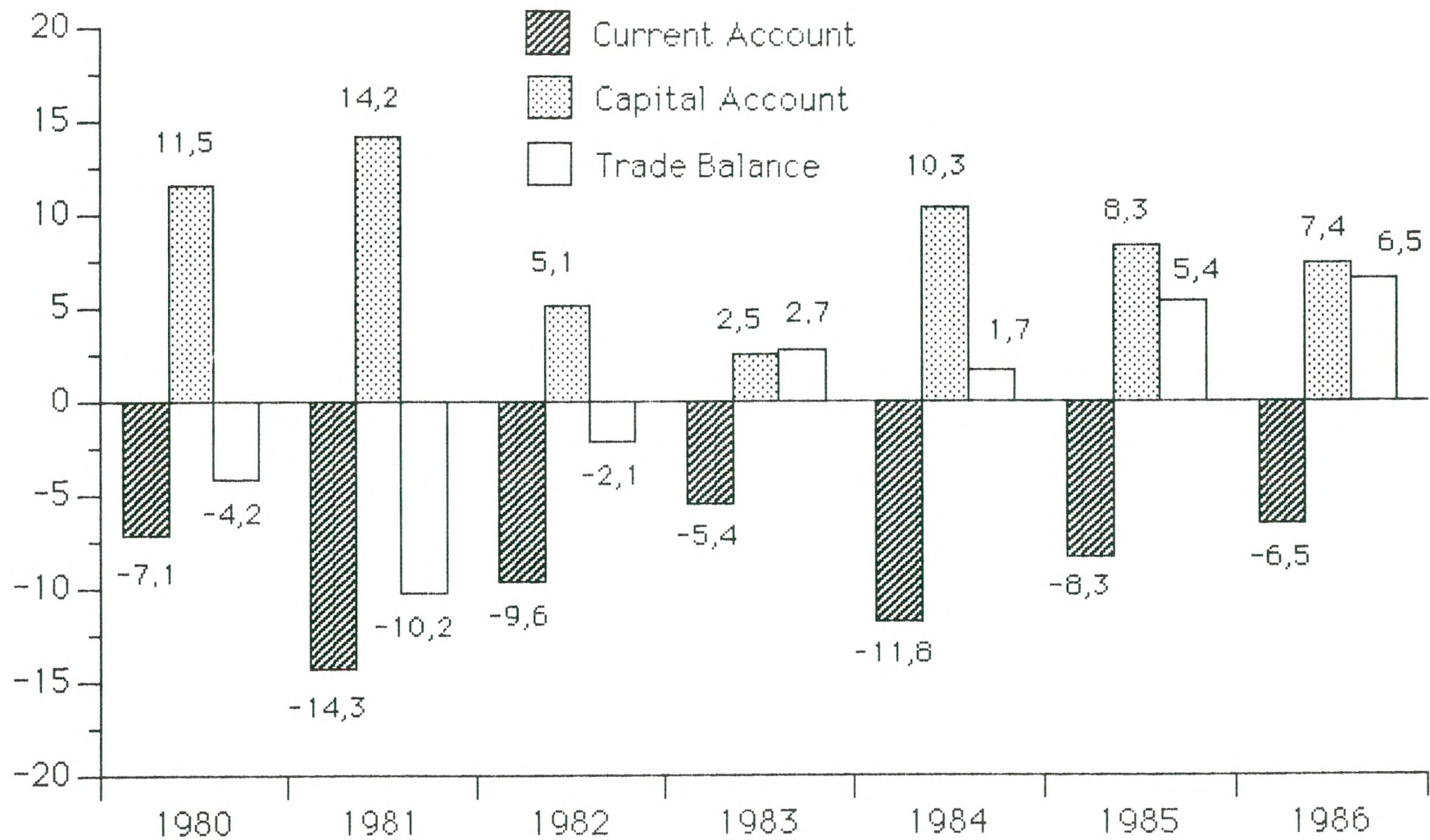
15. Medium and long-term foreign debt increased slightly during 1986, from US\$ 17,650 million in 1985 to US\$ 17,768 million in 1986. On the other hand, short-term debt fell from US\$ 1,668 million at the end of 1985 to US\$ 1,574 million by

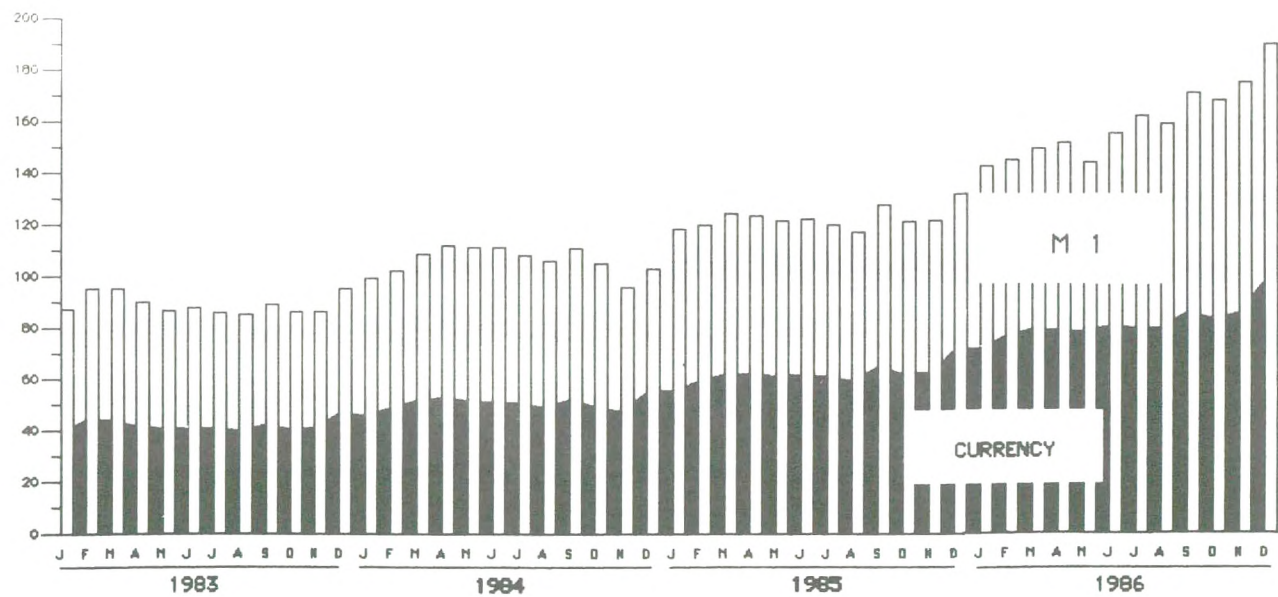
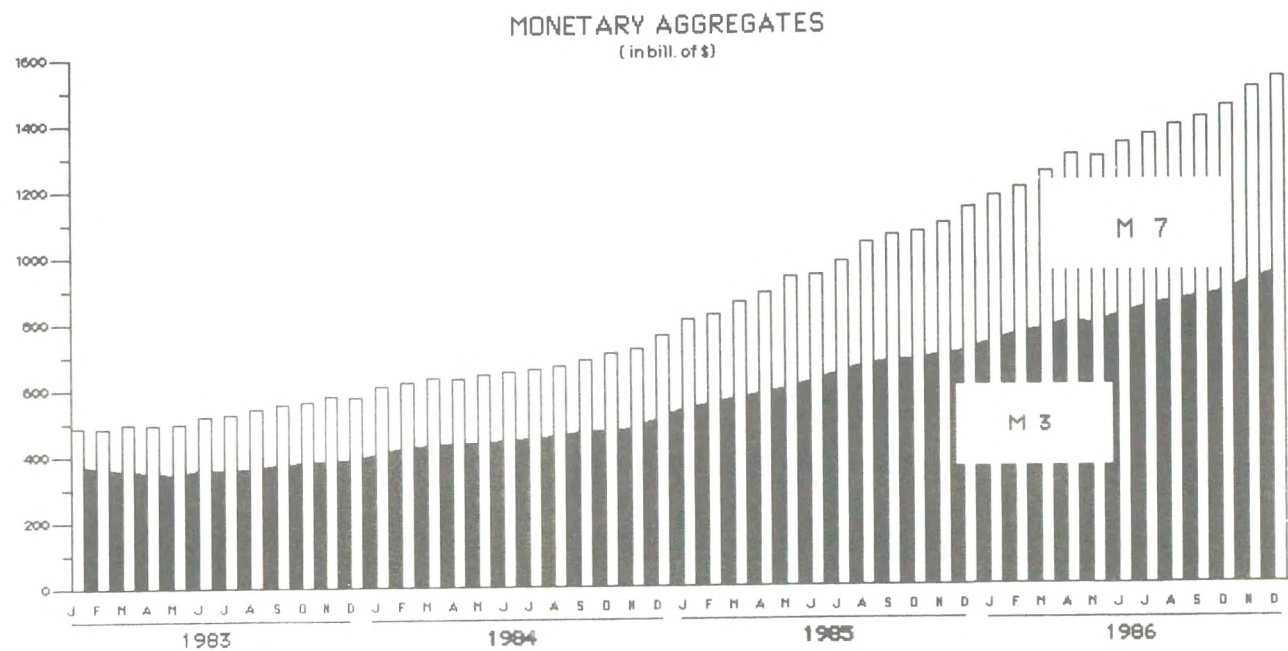
December of 1986. The overall result was a slight rise in total foreign debt, from US\$ 19,318 million in December, 1985, to US\$ 19,342 million in December, 1986.

As is known, Chile's economic program intends to steadily reduce foreign indebtedness. Consequently, the Government has regulated different mechanisms for the conversion of foreign debt into equity or domestic debt. These transactions have reduced foreign debt by US\$ 1,340 million up to the present, of which US\$ 970 million correspond to 1986.

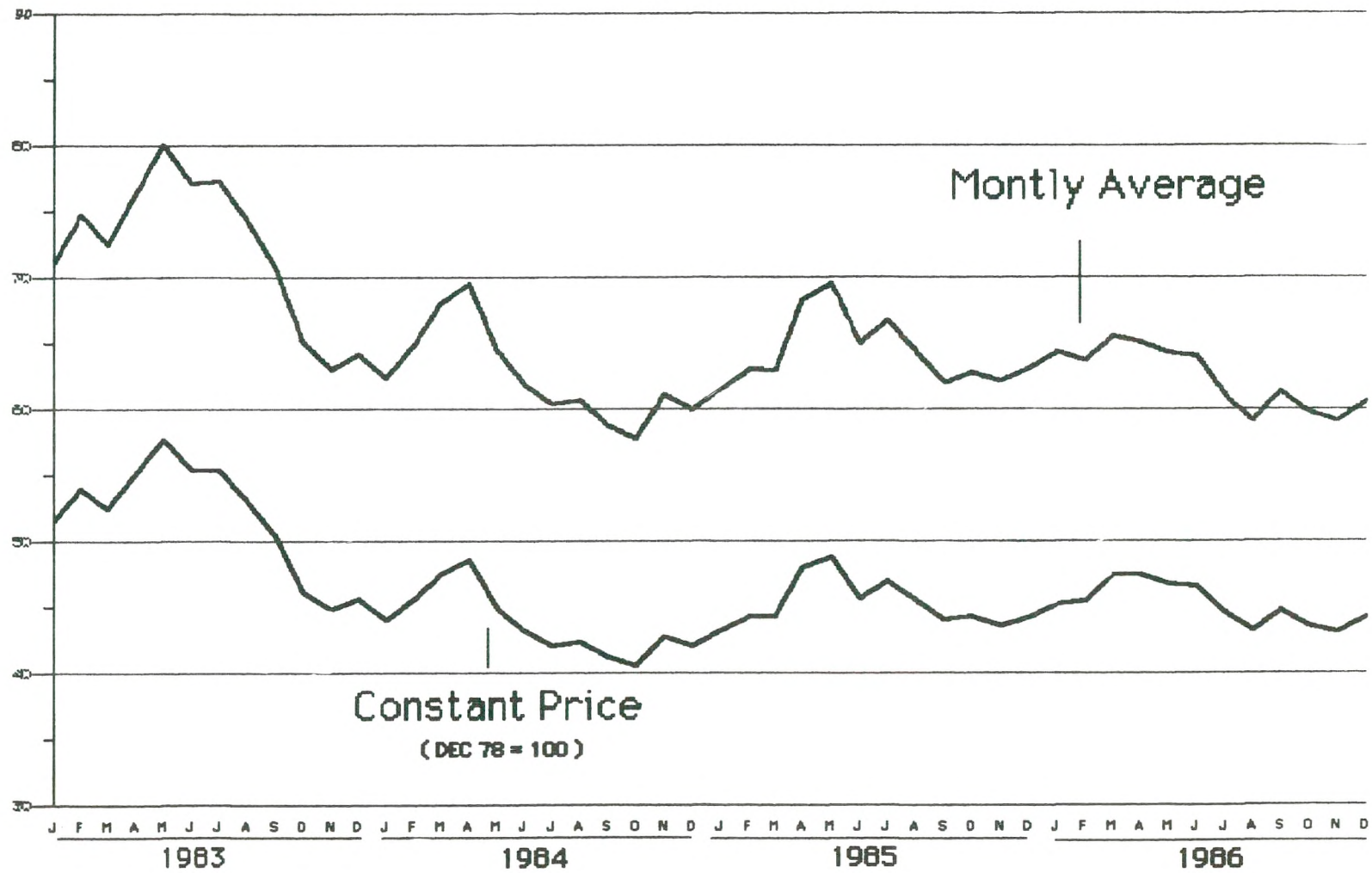
BALANCE OF PAYMENTS

(AS % OF GDP)



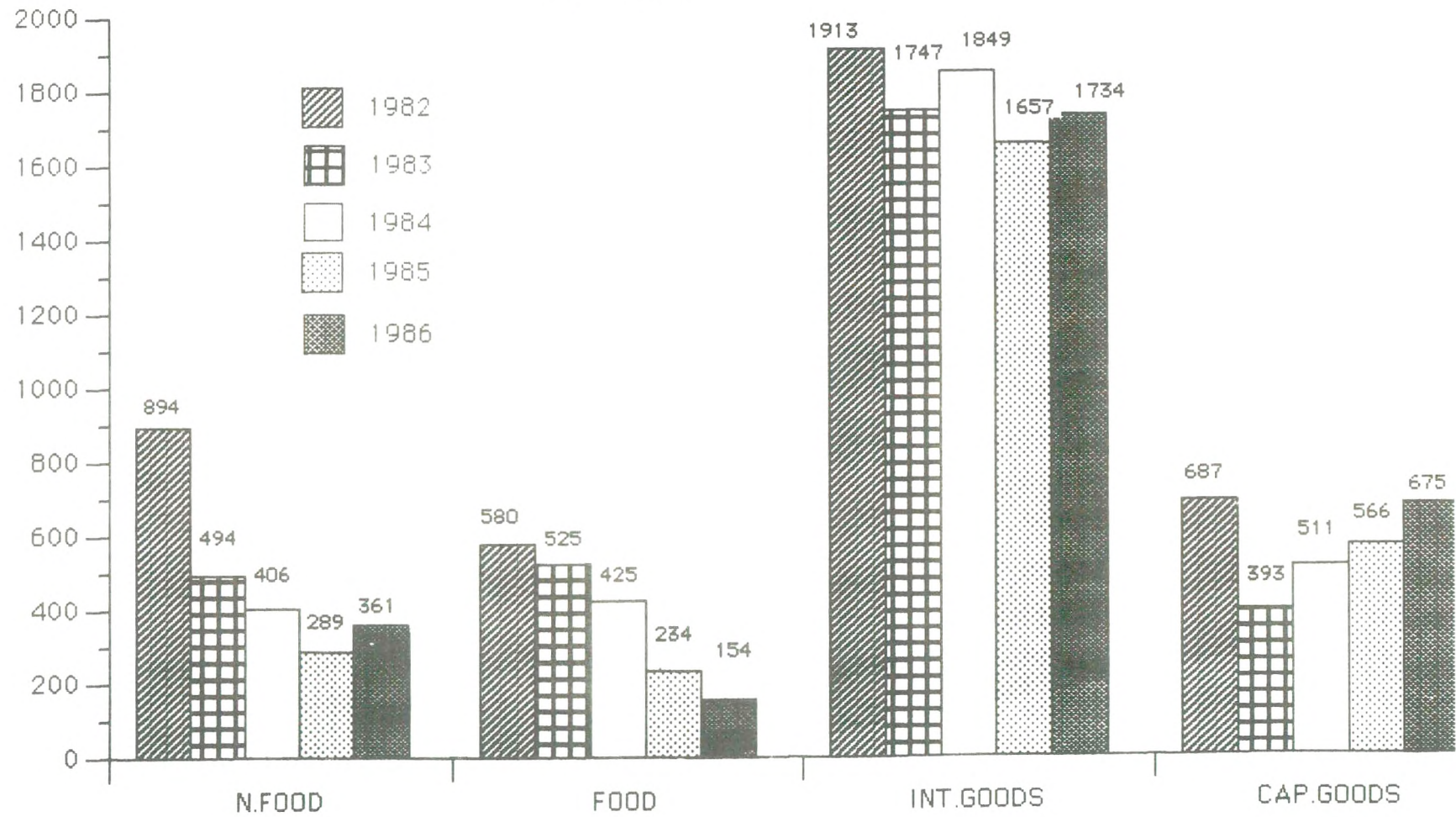


COPPER PRICE

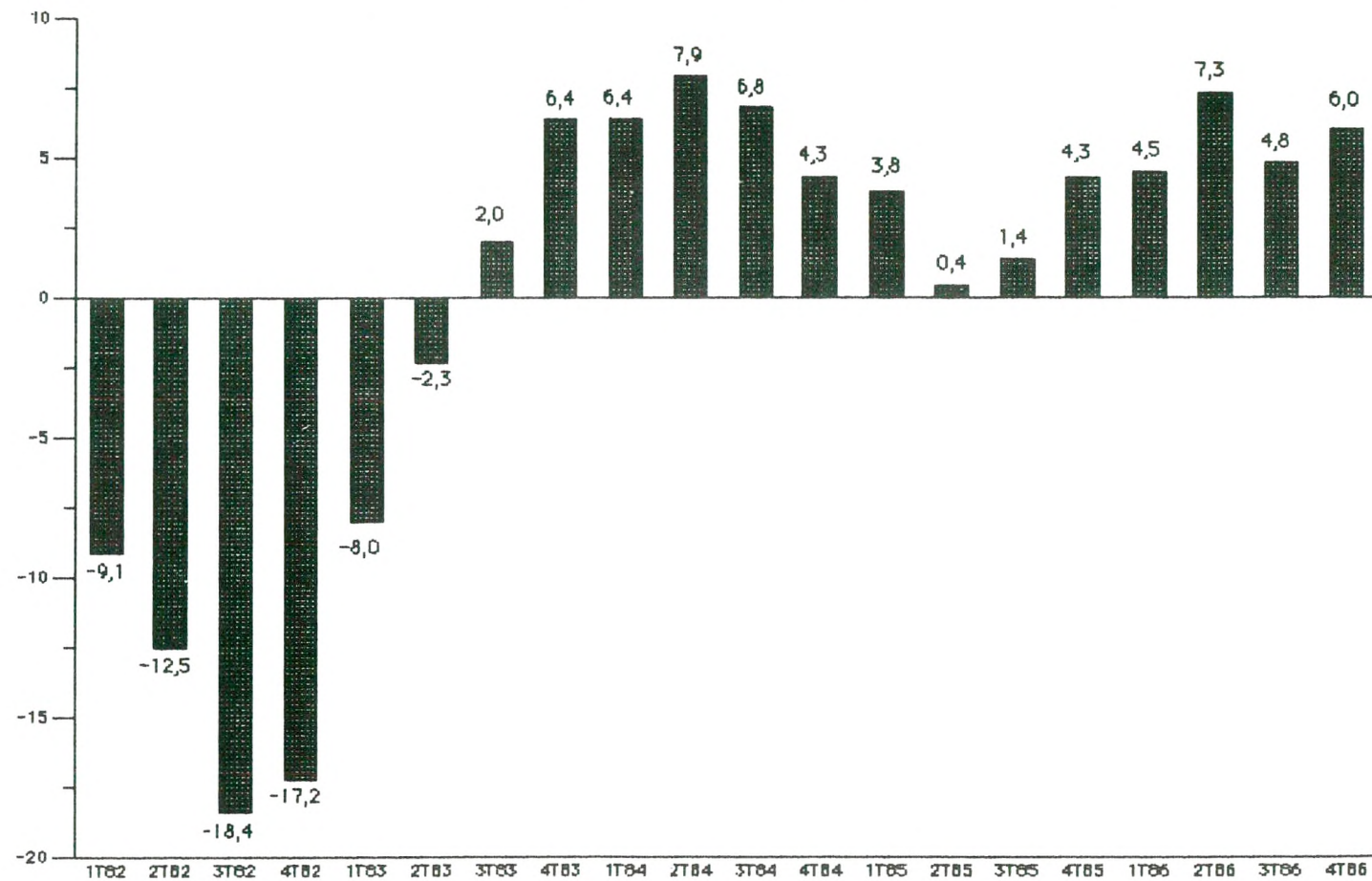


COMPOSITION OF IMPORTS 1982 - 1986 (*)

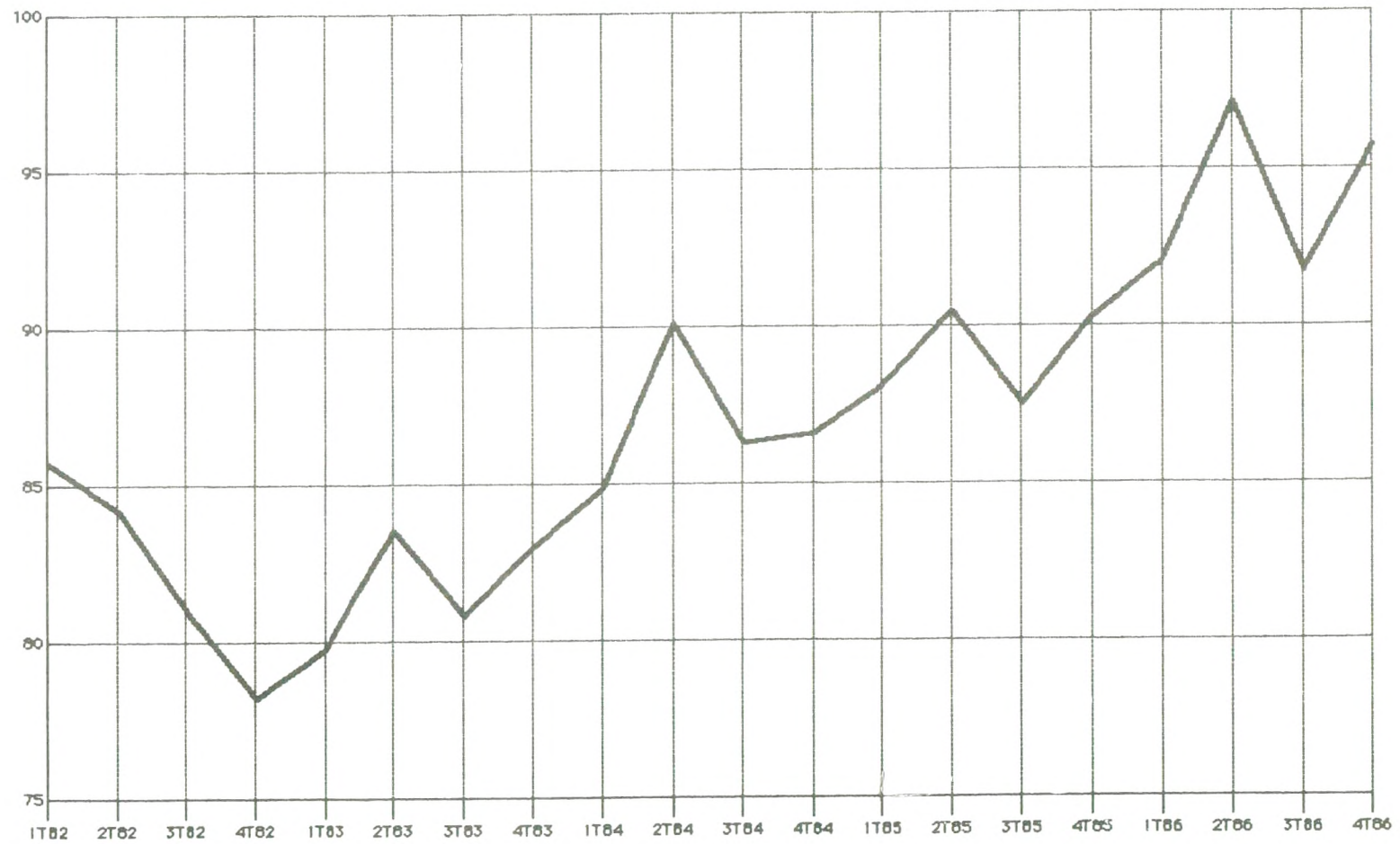
(cif values)



% CHANGE G.D.P 1982 - 1986



GROSS DOMESTIC PRODUCT 1982 - 1986
\$ 1977



T A B L E N o . 1

CENTRAL BANK MONETARY PROGRAM: TARGETS AND PERFORMANCE 1986

(stocks in billions of Chilean pesos)

	P E R F O R M A N C E					T A R G E T S A G R E E D W I T H I . M . F .			
	Dec.85	Mar.86	Jun.86	Sep.86	Dec.86	Mar.86	Jun.86	Sep.86	Dec.86
1. <u>NET INTERNATIONAL RESERVES</u>	<u>202.93</u>	<u>184.28</u>	<u>223.09</u>	<u>197.21</u>	<u>253.96</u>	<u>167.18</u>	<u>203.52</u>	<u>186.71</u>	<u>231.65</u>
(in mill. US\$)	(1,085.2)	(985.5)	(1,161.9)	(996.0)	(1,238.8)	(894.0)	(1,060.0)	(943.0)	(1,130.0)
2. <u>NET DOMESTIC ASSETS</u>	<u>545.01</u>	<u>595.89</u>	<u>615.65</u>	<u>681.40</u>	<u>713.27</u>	<u>616.0</u>	<u>636.0</u>	<u>694.0</u>	<u>730.0</u>
3. <u>FOREIGN MEDIUM AND LONG TERM LIABILITIES</u>	<u>659.70</u>	<u>687.37</u>	<u>744.02</u>	<u>783.03</u>	<u>849.62</u>				
(in mill. US\$)	(3,527.8)	(3,675.8)	(3,875.1)	(3,954.7)	(4,144.5)				
4. <u>LIABILITIES TO PRIVATE SECTOR</u>	<u>88.23</u>	<u>92.80</u>	<u>94.72</u>	<u>95.58</u>	<u>117.61</u>				
Rate of Exchange (peso/dollar)	187.0	187.0	192.0	198.0	205.0	187.0	192.0	198.0	205.0

Note: Exchange rates between U.S. dollar and other foreign currencies correspond to the ones prevailing on Dec. 1985.

Source: Banco Central de Chile.

T A B L E No. 2

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

	Mar.86	Jun.86	Sep.86	Dec.86
I. <u>NET INTERNATIONAL RESERVES</u> (millions of US\$)				
1. Actual	985.5	1,161.9	996.0	1,238.8
2. Target	894.0	1,060.0	943.0	1,130.0
3. Differences (1-2)	91.5	101.9	53.0	108.8
II. <u>NET DOMESTIC ASSETS</u> (millions of Chilean \$)				
1. Actual	595.89	615.65	681.40	713.27
2. Target	616.00	636.00	694.00	730.00
3. Differences (1-2)	-20.11	-20.35	-12.60	-16.73
III. <u>NEW MEDIUM TERM LOANS FROM INTERNATIONAL BANKS</u> (millions of US\$)	<u>150.4</u> <u>1/</u>	<u>203.6</u> <u>2/</u>	<u>82.9</u> <u>3/</u>	<u>193.0</u> <u>4/</u>
IV. <u>RATE OF EXCHANGE</u> (peso/dollar)	187.0	192.0	198.0	205.0

Note: Exchange rates between U.S. dollar and other foreign currencies correspond to the ones prevailing on Dec. 1985.

1/ Includes 115.7 million dollars from International Banks and 34.8 million dollars from World Bank Cofinancing.

2/ Includes 47.6 million dollars from International Banks and 156.0 million dollars from World Bank Cofinancing and SAL Program during the second quarter.

3/ Includes 47.1 million dollars from International Banks and 35.8 million dollars from World Bank Cofinancing and SAL Program during the third quarter.

4/ Includes 44.6 million dollars from International Banks and 148.4 million dollars from World Bank Cofinancing and SAL Program during the fourth quarter.

Source: Banco Central de Chile.

T A B L E No. 3

CENTRAL BANK : NET INTERNATIONAL RESERVES 1986

(millions of US\$ end of month)

	Dec.85	Mar.86	Jun.86	Sep.86	Dec.86
<u>NET INTERNATIONAL RESERVES</u>	<u>1,085.2</u>	<u>985.5</u>	<u>1,161.9</u>	<u>996.1</u>	<u>1,238.8</u>
1. <u>Assets</u>	<u>2,721.4</u>	<u>2,428.6</u>	<u>2,452.0</u>	<u>2,226.2</u>	<u>2,617.4</u>
Gold	74.7	74.8	74.9	75.1	76.3
SDR'S	0.3	0.6	2.8	1.8	0.8
I.M.F. Reserve Position	0.0	0.0	0.0	0.0	-2.2
Foreign Exchange Assets	2,452.0	2,192.8	2,259.3	2,042.5	2,270.3
CCR	194.4	160.4	115.0	106.8	272.2
2. <u>Liabilities</u>	<u>1,636.2</u>	<u>1,443.1</u>	<u>1,290.1</u>	<u>1,230.1</u>	<u>1,378.6</u>
To I.M.F.	1,085.5	1,154.0	1,171.0	1,182.3	1,192.5
CCR	210.7	132.6	119.1	47.8	186.1
Short Term Deposits	325.0	150.0	0.0	0.0	0.0
Bridge Loan	0.0	0.0	0.0	0.0	0.0
Others ^{1/}	15.0	6.5	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.

^{1/} Provision for payments to Paris Club.

Source: Banco Central de Chile.

T A B L E No. 4

NET INDEBTEDNESS OF THE NON-FINANCIAL PUBLIC SECTOR

(billions of Chilean pesos)

	Dec.85	Mar.86	Jun.86	Sep.86
1. Debt to the Domestic Financial System	174.43	173.99	163.48	176.87
2. Outstanding stock of financial instruments issued by the nonfinancial public sector and held by the nonfinancial private sector	80.10	103.04	111.04	102.80
3. Adjustments for Corfo-Indap	0.00	-2.26	-2.68	-2.43
4. Other Adjustments	-62.54	-80.82	-83.49	-78.15
5. Domestic Debt (1+2+3+4)	191.99	193.95	188.35	199.09
6. Foreign Debt	1,129.95	1,141.31	1,188.66	1,251.50
7. Total Debt (5+6)	1,321.94	1,335.26	1,377.02	1,450.59
8. Public Sector Deficit		13.32	20.74	53.23
<u>TARGET</u>		<u>23.20</u>	<u>44.30</u>	<u>59.30</u>
(Rate of exchange)	(187)	(187)	(192)	(198)

Note: Provisional figures.

T A B L E No. 4-A

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

(In millions of US\$)

	Mar.86	Jun.86	Sep.86	Dec.86
A) SHORT-TERM EXTERNAL DEBT OF THE NONFINANCIAL PUBLIC SECTOR	792.1	717.8	777.8	794.6
B) NET INTERNATIONAL RESERVES OF THE BANCO DEL ESTADO	-84.5	-3.3	-30.4	-105.9
- Assets	18.7	20.5	13.1	10.8
- Liabilities	103.2	23.8	43.5	116.7
C) TOTAL	<u>876.6</u>	<u>721.1</u>	<u>808.2</u>	<u>900.5</u>
<u>TARGET</u>	<u>960.0</u>	<u>940.0</u>	<u>1,010.0</u>	<u>990.0</u>

Source: Banco Central de Chile.

T A B L E N o . 5

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

(In millions of US\$)

	Mar.86	Jun.86	Sep.86	Dec.86
1. CONTRACTING AND GUARANTEEING				
More than 1 and up to 5 years	5.9	16.7	20.6	33.3
More than 1 and up to 10 years	7.6	29.5	36.5	101.9
2. REFINANCING AND RESCHEDULING	14.3	40.5	81.5	104.9
<u>TARGETS</u>				
1. CONTRACTING AND GUARANTEEING				
More than 1 and up to 5 years	200.0	200.0	200.0	200.0
More than 1 and up to 10 years	500.0	500.0	500.0	500.0
2. REFINANCING AND RESCHEDULING	170.0	170.0	170.0	170.0

Source: Banco Central de Chile.

T A B L E No. 6

CHILE: BALANCE OF PAYMENTS 1985-1986

(Millions of US\$)

	1985 <u>1/</u>	1986 <u>1/</u>
<u>CURRENT ACCOUNT</u>	<u>-1,328.5</u>	<u>-1,090.7</u>
Trade Balance	849.6	1,099.7
Exports	3,804.1	4,198.8
- Copper	(1,788.7)	(1,757.1)
- Others	(2,015.4)	(2,441.7)
Imports	-2,954.5	-3,099.1
Non Financial Services	-337.8	-387.6
Financial Services	-1,901.0	-1,887.3
Transfers	60.7	84.5
<u>CAPITAL ACCOUNT</u>	<u>1,332.3</u>	<u>1,244.3</u>
Foreign Investment <u>2/</u>	111.7	319.3
Amortization Payments <u>3/</u>	-419.5	-431.3
Extraordinary Amortizations <u>4/</u>	-205.5	-287.2
MLT Disbursements	631.6	573.4
Official and Multilateral Organizations	(424.4)	(232.2)
Suppliers' Credits	(140.4)	(282.9)
- To Public Sector	[66.4]	[129.3]
- To Private Sector	[74.0]	[153.6]
Other	(66.8)	(58.3)
Net Flows of Short-Term Capital <u>5/</u>	375.0	424.8
Use of Trade Lines	(-29.3)	(241.9)
Other Trade Related Flows	(48.7)	(119.9)
Net Change in Assets, valuation adjustments, errors and omissions <u>6/</u>	(355.6)	(63.0)
Financial Program	839.0	645.3
New Money from banks	(714.0)	(370.3)
IBRD-SAL	(125.0)	(275.0)
<u>CHANGE IN NET INTERNATIONAL RESERVES <u>7/</u></u>	<u>3.8</u>	<u>153.6</u>

1/ Provisional.2/ Includes investment with external debt notes and capitalization of loans through Chapter XIX and D.L. 600, which were US\$ 85.9 million in 1985, and US\$ 261.9 million in 1986.3/ Amortization payments after the 1985-1986 rescheduling of bank and Paris Club debt.4/ Considers repayment of loans arising from debt to equity swaps (through D.L.600, Chapters XVIII and XIX, and others. Figures for 1986 omit Chapter XVIII)5/ Excludes short-term loans to the Central Bank, which are subtracted from reserves.6/ Includes counterparts to extraordinary amortizations arising from debt to equity swaps through Chapter XVIII and from portfolio swaps (US\$ 156.2 million in 1985, and 25.3 million in 1986).7/ Definition of Net International Reserves used in IMF program.

Source: Banco Central de Chile

T A B L E No. 6-A

FINANCIAL SERVICES

(Millions of US\$)

	1985 <u>1/</u>	1986 <u>1/</u>
1. <u>INTEREST PAYMENTS</u>	<u>-1,943.0</u>	<u>-1,940.0</u>
Medium and Long-Term	-1,627.3	-1,645.7
I.M.F.	-75.3	-94.4
Short-Term	-240.4	-199.9
2. <u>INTEREST RECEIPTS</u>	<u>196.8</u>	<u>220.6</u>
Medium and Long-Term	7.3	3.6
Short-Term	189.5	217.0
Central Bank	(168.1)	(201.3)
3. <u>PROFITS AND DIVIDENDS</u>	<u>-154.8</u>	<u>-167.9</u>
<u>NET FINANCIAL SERVICES (1-2+3)</u>	<u>-1,901.0</u>	<u>-1,887.3</u>

1/ Provisional.

T A B L E No. 6-B

IMPORTS, 1985 - 1986

(Millions of US\$)

	1985 <u>1/</u>	1986 <u>1/</u>
I. <u>NON FOOD CONSUMER GOODS</u>	<u>287.8</u>	<u>360.7</u>
A - Medical & Pharmaceutical	41.5	40.3
B - Tools	23.7	29.7
C - Industrialized non-food products	206.9	258.3
D - Automobiles	15.7	32.4
II. <u>FOODSTUFFS</u>	<u>234.3</u>	<u>154.4</u>
A - <u>Consumer Goods</u>	<u>51.7</u>	<u>55.7</u>
- Agricultural	(9.2)	(10.7)
- Industrialized food products	(42.5)	(45.0)
B - <u>Intermediate Goods</u>	<u>182.6</u>	<u>98.7</u>
- Agricultural-foodstuffs	(82.0)	(42.1)
- Industrial origin raw materials (edible)	(100.6)	(56.6)
III. <u>INTERMEDIATE GOODS</u>	<u>1,656.5</u>	<u>1,734.3</u>
A - <u>Raw Materials</u>	<u>491.5</u>	<u>573.3</u>
- Agricultural origin-raw materials (non-edibles)	(30.5)	(37.5)
- Industrial origin-raw materials (non-edibles)	(461.0)	(535.8)
B - <u>Equipment-spares and Intermediate Products</u>	<u>641.0</u>	<u>768.4</u>
- Intermediate Industrial Goods	(370.1)	(471.2)
- Machinery & Equipment-spare Parts	(195.4)	(238.1)
- Parts for Assembly of Vehicles	(75.5)	(59.1)
C - <u>Fuels & Lubricants</u>	<u>524.0</u>	<u>392.6</u>
- Crude Petroleum	(447.9)	(276.2)
- Other	(76.1)	(116.4)
IV. <u>TOTAL CURRENT GOODS</u>	<u>2,178.6</u>	<u>2,249.4</u>
V. <u>CAPITAL GOODS</u>	<u>566.1</u>	<u>675.0</u>
A - Machinery & Equipment	430.5	518.3
B - Transportation Equipment	133.5	154.4
C - Other Capital Goods	2.1	2.3
VI. <u>SUB TOTAL</u>	<u>2,744.7</u>	<u>2,924.4</u>
<u>Other Imports</u>	<u>523.6</u>	<u>511.9</u>
VII. <u>TOTAL C.I.F.</u>	<u>3,268.3</u>	<u>3,436.3</u>
VIII. <u>TOTAL F.O.B.</u>	<u>2,954.5</u>	<u>3,099.1</u>

1/ Provisional

Source: Banco Central de Chile.

T A B L E No. 6-C

VOLUME AND VALUE OF EXPORTS: 1985-1986, BY PRINCIPAL PRODUCTS
(Millions of US\$)

PRODUCTS	UNITS	1 9 8 5 1/			1 9 8 6 1/		
		VOLUME	PRICE	VALUE	VOLUME	PRICE	VALUE
Copper	MT	1,353,000	1,322.0	1,788.7	1,369,260	1,283.2	1,757.1
Iron Ore Pellets	MT	2,730,000	24.1	65.8	2,818,000	23.4	65.9
Iron Ore	MT	2,094,000	12.3	25.7	1,833,000	12.3	22.6
Sodium Nitrate	MT	327,000	100.6	32.9	359,180	100.2	36.0
Potassium Nitrate	MT	113,500	155.1	17.6	108,220	160.8	17.4
Iodine	MT	3,016	11,439.0	34.5	3,042	12,853.4	39.1
Fishmeal	MT	1,112,700	250.7	279.0	1,090,000	289.1	315.1
Sawed wood	M3	719,100	70.6	50.8	832,800	76.4	63.6
Pinewood	M3	1,257,300	31.3	39.4	1,023,100	33.9	34.7
Crude Cellulose	MT	220,800	247.7	54.7	281,000	291.5	81.9
White Cellulose	MT	280,400	306.0	85.8	284,200	389.5	110.7
Molybdenum Oxide & Iron Molibdenum	MT	18,800	7,494.7	140.9	20,720	6,472.0	134.1
SUB TOTAL				2,615.8			2,678.2
Others				1,188.3			1,520.6
TOTAL				3,804.1			4,198.8

1/ Provisional.

Source: Banco Central de Chile.

T A B L E N° 7

CHILE: BALANCE OF PAYMENTS BY QUARTERS, 1986 ^{1/}

(Millions of US\$)

	I	II	III	IV	YEAR
CURRENT ACCOUNT	-412.0	22.4	-557.1	-144.0	-1,090.7
1. Trade Balance	299.2	424.8	181.1	194.6	1,099.7
Exports	972.0	1,144.0	1,043.8	1,039.0	4,198.8
- Copper	(397.0)	(469.7)	(432.5)	(457.9)	(1,757.1)
- Others	(575.0)	(674.3)	(611.3)	(581.1)	(2,441.7)
Imports	-672.8	-719.2	-862.7	-844.4	-3,099.1
2. Non Financial Services	-93.4	-87.8	-158.5	-47.9	-387.6
3. Financial Services	-633.0	-347.3	-597.0	-310.0	-1,887.3
4. Transfers	15.2	32.7	17.3	19.3	84.5
CAPITAL ACCOUNT	312.3	154.0	391.2	386.8	1,244.3
1. Foreign Investment ^{2/}	62.2	100.9	60.4	95.8	319.3
2. Amortization Payments ^{3/}	-78.3	-114.4	-148.6	-90.0	-431.3
3. Extraordinary Amortizations ^{4/}	-70.1	-75.1	-57.3	-84.7	-287.2
4. MLT Disbursements	134.2	83.6	155.0	200.6	573.4
Official and Multilateral Organizations	(54.7)	(29.8)	(50.9)	(96.8)	(232.2)
Suppliers' Credits	(75.4)	(47.0)	(93.7)	(66.8)	(282.9)
- To Public Sector	[9.9]	[28.6]	[78.9]	[11.9]	[129.3]
- To Private Sector	[65.5]	[18.4]	[14.8]	[54.9]	[153.6]
Other	(4.1)	(6.8)	(10.4)	(37.0)	(58.3)
5. Net Flows of Short-Term Capital ^{5/}	111.8	-49.5	296.7	65.8	424.8
Use of Short-Term Lines	(46.7)	(-155.0)	(187.4)	(162.8)	(241.9)
Other Short-Term Trade-Related Flows	(-131.2)	(50.9)	(165.0)	(35.2)	(119.9)
Net Change in Assets, valuation adjustments, error and omission ^{6/}	(196.3)	(54.6)	(-55.7)	(-132.2)	(63.0)
6. Financial Program	152.5	208.5	85.0	199.3	645.3
New Money from banks	(152.5)	(83.5)	(85.0)	(49.3)	(370.3)
IRDB - SAL	(0.0)	(125.0)	(0.0)	(150.0)	(275.0)
Change in Net International Reserves ^{7/}	-99.7	176.4	-165.9	242.8	153.6
(increase : +)					
Cumulative Change in Net International Reserves ^{7/} (increase: +)	-99.7	76.7	-89.2	153.6	
MEMORANDUM ITEM =					
Change in Reserves, net of bank's ^{7/} new money and SAL (increase: +)	-252.2	-32.1	-250.9	43.5	-491.7

^{1/} Provisional figures.^{2/} Includes investment with external debt notes and capitalization of loans through Chapter XIX and D.L.600.^{3/} Amortization payments after the 1985-1986 rescheduling of bank and Paris Club Debt.^{4/} Considers repayment of loans arising from debt to equity swaps through Chapter XIX, D.L.600, and from portfolio Swaps.^{5/} Excludes short-term loans to the Central Bank.^{6/} Includes counterparts to extraordinary amortizations arising from portfolio Swaps.^{7/} Definition of Net International Reserves used in IMF program.

Source: Banco Central de Chile.

T A B L E No. 8

EXPORTS AND IMPORTS: 1984 - 1986

(Millions of US\$)

	EXPORTS (F.O.B.)			IMPORTS (C.I.F)					IMPORTS (F.O.B.)	TRADE BALANCE	
	Copper	Other	Total	Foodstuffs	Non Food Consumers Goods	Capital Goods	Intermed. Goods	Total		Monthly	Accumulated Year
<u>1984</u>	1,603.8	2,046.5	3,650.3	492.1	552.3	597.4	2,095.5	3,737.3	3,357.3	-	293.0
<u>1985</u>	1,788.7	2,015.4	3,804.1	271.4	457.5	646.1	1,893.3	3,268.3	2,954.5	-	849.6
Jan.	106.7	161.6	268.3	23.0	41.6	52.2	181.9	298.7	270.0	-1.7	-1.7
Feb.	115.5	156.9	272.4	12.8	30.8	57.7	137.0	238.3	215.4	57.0	55.3
Mar.	152.7	239.7	392.4	14.9	41.1	73.5	167.3	296.8	268.0	124.4	179.7
Apr.	133.0	231.1	364.1	17.3	39.8	47.8	156.9	261.8	236.5	127.6	307.3
May	175.2	160.4	335.6	17.8	35.7	42.7	189.1	285.3	258.2	77.4	384.7
Jun.	125.4	142.2	267.6	20.9	31.3	48.3	150.5	251.0	227.9	39.7	424.4
Jul.	134.1	177.5	311.6	21.8	37.3	49.6	145.0	253.7	228.2	83.4	507.8
Aug.	156.5	163.6	320.1	30.8	40.1	58.1	171.6	300.6	272.3	47.8	555.6
Sep.	142.8	130.4	273.2	26.6	35.4	43.1	142.8	247.9	223.1	50.1	605.7
Oct.	181.8	174.4	356.2	25.6	44.5	54.5	150.7	275.3	249.3	106.9	712.6
Nov.	179.6	125.4	305.0	36.6	41.3	55.2	154.4	287.5	261.5	43.5	756.1
Dec.	185.4	152.2	337.6	23.3	38.6	63.4	146.1	271.4	244.1	93.5	849.6
<u>1986</u>											
Jan.	123.1	164.3	287.4	9.6	41.9	66.0	169.2	286.7	260.0	27.4	27.4
Feb.	123.7	190.3	314.0	5.7	37.0	45.6	142.3	230.6	208.6	105.4	132.8
Mar.	150.2	220.4	370.6	12.3	38.9	44.1	132.5	227.8	204.2	166.4	299.2
Apr.	165.2	295.1	460.3	10.9	45.4	70.3	153.7	280.3	252.0	208.3	507.5
May	155.9	206.8	362.7	8.6	44.3	52.1	155.5	260.5	234.7	128.0	635.5
Jun.	148.6	172.4	321.0	9.9	44.7	57.8	145.6	258.0	232.5	88.5	724.0
Jul.	142.4	230.1	372.5	10.7	49.9	76.0	195.1	331.7	299.2	73.3	797.3
Aug.	141.1	210.0	351.1	18.0	52.5	65.0	172.1	307.6	278.1	73.0	870.3
Sep.	149.0	171.2	320.2	15.9	56.1	57.0	188.5	317.5	285.4	34.8	905.1
Oct.	162.0	204.1	366.1	27.9	62.8	62.1	167.3	320.1	288.6	77.5	982.6
Nov.	143.3	170.7	314.0	23.0	58.6	69.9	171.3	322.8	291.2	22.8	1,005.4
Dec.	152.6	206.3	358.9	16.4	53.0	66.0	157.3	292.7	264.6	94.3	1,099.7

Source: Banco Central de Chile.

T A B L E No. 9

NET INFLOWS OF FUNDS FROM OFFICIAL ORGANIZATIONS AND SUPPLIERS, 1985-1986
(Millions of US\$)

	1 9 8 5 ESTIMATED *			1 9 8 6 ESTIMATED **		
	Disbursements	Amortizations	Net	Disbursements	Amortizations	Net
I. OFFICIAL AND MULTILATERAL ORGANIZATIONS	424.4	104.0	320.4	232.2	146.5	85.7
IDB	255.3 <u>a/</u>	15.9	239.4	130.1 <u>g/</u>	25.5	104.6
IBRD	108.1 <u>a/</u>	22.0	86.1	77.9 <u>g/</u>	21.2	56.7
IDA	-	0.7	-0.7	-	0.7	-0.7
Eximbank (U.S.A.)	-	1.7	-1.7	-	2.5	-2.5
AID (U.S.A.)	-	6.6	-6.6	-	12.0	-12.0
CCC (U.S.A.)	61.0	19.1	41.9	22.0	54.0	-32.0
KFW (W.Germany)	-	1.1	-1.1	-	2.5	-2.5
Banco Central Argentina	-	10.8	-10.8	-	7.8	-7.8
Eximbank (Japan)	-	0.3	-0.3	-	1.0	-1.0
Banco Do Brasil	-	19.1	-19.1	-	12.4	-12.4
East Germany	-	-	-	-	-	-
Bulgaria	-	0.1	-0.1	-	-	-
EDC (Canada)	-	3.2	-3.2 <u>d/</u>	2.2	2.2 <u>d/</u>	-
EFIC (Australia)	-	-	-	-	-	-
Spanish Government	-	0.1	-0.1	-	-	-
Credit Nacional (France)	-	0.2	-0.2	-	1.0	-1.0
NIO (Netherlands)	-	0.8	-0.8	-	2.0	-2.0
British Government	-	-	-	-	-	-
Bco. Comer. Exterior Mexico	-	0.5	-0.5	-	0.4	-0.4
Bco. Central Reserva Peru	-	0.1	-0.1	-	0.1	-0.1
IDC (South Africa)	-	0.5	-0.5	-	0.2	-0.2
USSR Government	-	-	-	-	-	-
Kontrollbank (Austria)	-	-	-	-	-	-
Eximbank (Korea)	-	-	-	-	-	-
China Government	-	1.2	-1.2	-	1.0	-1.0
II. SUPPLIERS <u>b/</u>	140.4	217.7	-77.3	282.9	154.9	128.0
Public Sector	66.4	52.2	14.2	129.3	49.4	79.9
Private Sector	74.0	165.5	-91.5	153.6	105.5	48.1
- Contracted Credits <u>e/</u>	42.3	54.6	-12.3	124.1	45.5	78.6
- Credits to be Contracted	31.7	110.9	-79.2	29.5	60.0	-30.5
TOTAL						
I. OFFICIAL AND MULTILATERAL ORGANIZATIONS	424.4	104.0	320.4	232.2	146.5	85.7
II. SUPPLIERS	140.4	217.7	-77.3	282.9	154.9	128.0
Total (I + II)	564.8	321.7	243.1	515.1	301.4	213.7
III. REST OF BANKS AND OTHERS	66.8 <u>h/</u>	97.8 <u>c/</u>	-31.0	58.3 <u>h/</u>	129.9 <u>c/</u>	-71.6
GRAND TOTAL <u>f/</u>	631.6	419.5	212.1	573.4	431.3	142.1

* Preliminary.

** Includes amortizations originated by 1985 disbursements.

a/ According to IDB - IBRD statements.

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

c/ Includes Renegotiations, Nationalizations, Firms and Individuals (Financial Credits) and contracted credit with guarantees (Banks).

d/ Includes US\$ 1.6 MM as of 31.12.85 and US\$ 1.6 MM as of 31.12.86 Private Sector Art. 15.

e/ It refers to disbursements and amortizations of Loans entered through Art. 15, and D.L. No. 600.

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

g/ Assumed are disbursements of new loans of the IDB & IBRD.

h/ It refers mainly to new loans with Official Guarantees from banks and other credits contracted during 1982-1984 with foreign banks for specific projects.

Source: Banco Central de Chile.

T A B L E No. 10

FOREIGN DEBT OF CHILE 1982-DECEMBER 1986 *

(Millions of US\$)

ITEM	12.31.82	12.31.83	12.31.84	12.31.85	Estimated 06.30.86	Estimated 09.30.86	Estimated 12.31.86
I. <u>TOTAL FOREIGN DEBT</u> (II + III)	<u>17,153</u>	<u>17,431</u>	<u>18,877</u>	<u>19,318</u>	<u>19,033</u>	<u>19,139</u>	<u>19,342</u>
Public Sector	6,660	8,394	12,347	13,725	13,789	14,060	14,333
(Banco del Estado) (4)	(778)	(877)	(1,386)	(1,387)	(1,283)	(1,267)	(1,342)
(Central Bank)	(837)	(2,378)	(3,673)	(4,358)	(4,270)	(4,353)	(4,379)
(Private Sector with Public Guarantee)	(62)	(413)	(2,130)(6)	(1,994)(6)	(1,997)(6)	(2,020)(6)	(2,012)(6)
Private Sector	10,493	9,037	6,534	5,593	5,244	5,079	5,009
(Banks)	(6,703)	(5,596)	(3,469)	(3,140)	(2,980)	(2,911)	(2,847)
(Others, Non Banks)(1)	(3,790)	(3,441)	(3,065)	(2,453)	(2,264)	(2,168)	(2,162)
II. <u>MEDIUM AND LONG TERM FOREIGN DEBT</u>	<u>13,815</u>	<u>14,832</u>	<u>16,963(5)</u>	<u>17,650(5)</u>	<u>17,794(5)</u>	<u>17,720(5)</u>	<u>17,768(5)</u>
Public Sector	5,157	6,689	10,601	12,161	12,689	12,813	12,949
(Banco del Estado)	(507)	(609)	(1,272)	(1,268)	(1,259)	(1,223)	(1,225)
(Central Bank)	(637)	(2,078)	(3,193)	(4,033)	(4,270)	(4,353)	(4,379)
(Private Sector with Public Guarantee)	(62)	(61)	(1,718)(6)	(1,647)(6)	(1,638)(6)	(1,594)(6)	(1,539)(6)
Private Sector	8,658	8,143	6,362	5,489	5,105	4,907	4,819
(Banks)	(4,971)	(4,795)	(3,369)	(3,045)	(2,858)	(2,759)	(2,680)
(Others, Non Banks)	(3,687)	(3,348)	(2,993)	(2,444)	(2,247)	(2,148)	(2,139)
III. <u>SHORT TERM FOREIGN DEBT</u>	<u>3,338</u>	<u>2,599(2)</u>	<u>1,914</u>	<u>1,668</u>	<u>1,239</u>	<u>1,419</u>	<u>1,574</u>
Public Sector	1,503	1,705	1,742 (3)	1,564 (3)	1,100(3)	1,247(3)	1,384(3)
(Banco del Estado)	(271)	(268)	(114)	(119)	(24)	(44)	(117)
(Central Bank)	(200)	(300)	(480)	(325)	(-)	(-)	(-)
(Private Sector with Public Guarantee)	(-)	(352)(7)	(412)(7)	(347)(7)	(359)(7)	(426)(7)	(473)(7)
Private Sector	1,835	894	172	104	139	172	190
(Banks)	(1,732)	(801)	(100)	(95)	(122)	(152)	(167)
(Others, Non Banks)(1)	(103)	(93)	(72)	(9)	(17)	(20)	(23)
IV. <u>CENTRAL BANK WITH I.F.M.</u>	<u>6</u>	<u>606</u>	<u>782</u>	<u>1,085</u>	<u>1,258</u>	<u>1,309</u>	<u>1,328</u>

* End of month parities.

- (1) Excludes short term loans to non-banks for foreign trade operations. These were estimated at US\$ 737 million for December 1985 and US\$ 791 for September 1986
- (2) Given that the rescheduling agreements for 83-84 were signed on January 25, 1984, the financial short term foreign debt which was rescheduled at medium and long term is included in the short term for 1983 (The agreements became effective only six months after being signed).
- (3) Includes short term Private debt guaranteed by Public Sector, (Financial Private Sector debt).
- (4) Since 1984 foreign debt of BHC and BUF are included in this item.
- (5) Since 1984 it includes short term financial debt rescheduled at medium and long term, previously considered short term (US\$ 1.190 million).
- (6) Includes 1983-84 rescheduling agreements of Private Financial Sector guaranteed by Public Sector; previously considered in Private Sector Debt. (US\$ 1,656.2 MM as of 12.31.84, US\$ 1,659.4 MM as of 12.31.85, US\$ 1,600.7 MM as of 06.30.86, US\$ 1,555.6 MM as of 09.30.86, and US\$ 1,502.2 MM as of 12.31.86).
- (7) It refers to trade facility of Private Financial Sector guaranteed by Public Sector.

Source: Banco Central de Chile.

T A B L E No. 11

TOTAL MEDIUM AND LONG TERM EXTERNAL DEBT
(According to Principal Foreign Creditors)

(Millions of US\$)

ITEM	STOCKS (12.31.83)	STOCKS (12.31.84)	STOCKS (12.31.85)	ESTIMATED (09.30.86)	ESTIMATED (12.31.86)
I. <u>PUBLIC SECTOR (1)</u>	<u>6,689.3</u>	<u>10,601.1</u>	<u>12,161.3</u>	<u>12,813.0</u>	<u>12,949.2</u>
1. <u>Multinational Organizations</u>	<u>645.1</u>	<u>935.4</u>	<u>1,425.3</u>	<u>1,690.8</u>	<u>1,904.8</u>
- Non Financial Public Sector	616.6	908.9	1,361.3	1,627.8	1,841.4
- Financial Public Sector (1)	28.5	26.5	64.0	63.0	63.4
2. <u>Foreign Governments</u>	<u>790.8</u>	<u>606.1</u>	<u>629.6</u>	<u>638.7</u>	<u>646.7</u>
- Non Financial Public Sector	603.6	554.7	594.5	611.8	622.4
- Financial Public Sector (1)	187.2	51.4	35.1	26.9	24.3
3. <u>Private Banks and Financial Institutions</u>	<u>4,864.4</u>	<u>8,722.3</u>	<u>9,799.8</u>	<u>10,114.7</u>	<u>10,053.4</u>
- Non Financial Public Sector	2,402.5	2,635.1	2,956.9	3,040.2	3,003.2
- Financial Public Sector (1)	2,461.9	4,386.4	5,201.8	5,485.8	5,515.9
- Private Sector with Public Guarantee	-	1,700.8(3)	1,641.1(3)	1,588.7(3)	1,534.3(3)
4. <u>Foreign Suppliers</u>	<u>307.7</u>	<u>264.9</u>	<u>214.5</u>	<u>309.3</u>	<u>286.3</u>
- Non Financial Public Sector	306.4	264.9	214.5	304.5	281.9
- Financial Public Sector (1)	1.3	-	-	-	-
- Private Sector with Public Guarantee	-	-	-	4.8	4.4
5. <u>Bonds</u>	<u>81.3</u>	<u>72.4</u>	<u>92.1</u>	<u>59.5</u>	<u>58.0</u>
II. <u>PRIVATE SECTOR</u>	<u>8,142.2</u>	<u>6,362.1</u>	<u>5,488.6</u>	<u>4,906.9</u>	<u>4,819.2</u>
1. <u>Banks and Financial Institutions</u>	<u>4,795.2</u>	<u>3,368.7</u>	<u>3,044.6</u>	<u>2,759.2</u>	<u>2,680.6</u>
- With Foreign Banks and Financial Institutions	4,635.2	3,228.7	2,904.6	2,628.3	2,559.8
- Bonds (C D's and FRN's)	160.0	140.0	140.0	130.9	120.8
2. <u>Non Banking Private Sector</u>	<u>3,347.0</u>	<u>2,993.4</u>	<u>2,444.0</u>	<u>2,147.7</u>	<u>2,138.6</u>
- With Foreign Banks and Financial Institutions	2,577.6	2,275.1	1,777.8	1,546.6	1,469.4
- With Other Creditors (2)	769.4	718.3(4)	666.2(4)	601.1(4)	669.2(4)
III. <u>TOTAL (I + II)</u>	<u>14,831.5</u>	<u>16,963.2</u>	<u>17,649.9</u>	<u>17,719.9</u>	<u>17,768.4</u>
- With Foreign Banks and Financial Institutions	12,077.2	14,226.1	14,482.2	14,289.6	14,082.6
- With Other Creditors (5)	2,754.3	2,737.1	3,167.7	3,430.3	3,685.8

(1) Includes Banco del Estado and Banco Central.

(2) Includes: supplier credits, non-bank credits associated to foreign investment (D.L.No.600), and others (labelled Art.14, Art. 15)

(3) Includes US\$ 1,656.2 MM as of 12.31.84; US\$ 1,659.4 as of 12.31.85; US\$ 1,600.7 as of 06.30.86, US\$ 1,555.6 as of 09.30.86 and US\$ 1,502.2 as of 12.31.86 corresponding to Financial Institutions' 1983-84 rescheduling agreements.

(4) Includes US\$ 9.6 MM as of 12.31.84 ,US\$ 8.0 MM as of 12.31.85, US\$ 7.4 MM as of 06.30.86, US\$ 14.8 MM as of 09.30.86 and 14.6 as of 12.31.86 with foreign Governments' institutions (EDC Canada and IDC Australia).

(5) Includes Public and Private Bonds.

Source: Banco Central de Chile.

T A B L E No. 12

SCHEDULE OF AMORTIZATIONS OF MEDIUM AND LONG TERM EXTERNAL DEBT, AS OF 31.12.86 3/

(Millions of US\$)

ITEM	1986	1987	1988	1989	1990	1991	1992
1. Public and Private Debt	2,073.4	2,080.5	1,607.8	1,153.4	779.1	994.3	689.0
2. Rescheduled Debt (Public and Financial Private Sector 1983-1984) <u>1/</u>	-	-	-	-	-	-	-
3. New Money 1983, 1984 and 1985, 1986	-	-	-	-	-	1,095.2	1,095.2
4. Rescheduled Debt (Public and Financial Private Sector 1985-1987)	-1,642.1	-1,676.5	-	18.2	36.5	36.5	36.5
With Foreign Governments	(-65.5)	-	-	(18.2)	(36.5)	(36.5)	(36.5)
With Private Banks and Financial Institutions <u>1/</u>	(-1,576.6) <u>2/</u>	(-1,676.5) <u>2/</u>	-	-	-	-	-
5. Rescheduled Debt (Public and Financial Private Sector 1988-1991) <u>1/</u>	-	-	-1,116.3 <u>2/</u>	-569.4 <u>2/</u>	-293.7 <u>2/</u>	-314.0 <u>2/</u>	-
TOTAL	431.3	404.0	491.5	602.2	521.9	1,812.0	1,820.7

1/ Amortizations refer to the amounts refinanced by the Public Sector and Domestic Financial Sector2/ It refers to the total to be refinanced with the Creditor Banks.3/ Includes 1988-91 Program negotiated with creditor Banks on February 1987.

Source: Banco Central de Chile.

T A B L E N o . 13

GROWTH RATES OF GROSS DOMESTIC PRODUCT BY SECTOR 1/

(Percentage change in 12 months)

SECTOR	1 9 8 4					1 9 8 5 (*)					1 9 8 6 (*)				
	I	II	III	IV	TOTAL	I	II	III	IV	TOTAL	I	II	III	IV	TOTAL
Agriculture	10.4	12.1	3.8	-2.0	7.1	7.5	6.5	1.7	4.4	5.6	13.9	6.1	6.8	6.5	8.7
Fishing	-1.5	15.5	20.6	12.4	11.5	34.9	-18.9	3.6	11.2	5.6	-18.7	55.9	-6.8	18.7	10.0
Mining	8.0	11.0	1.1	-1.4	4.4	-3.7	-3.6	9.0	7.2	2.2	4.6	10.5	-2.4	-5.6	1.5
Industry	10.9	9.7	10.2	8.5	9.8	2.8	-1.2	-0.5	3.7	1.2	2.2	8.6	8.4	12.3	8.0
Elect., Gas and Water	8.1	8.4	5.1	6.4	7.0	3.7	-0.7	4.7	6.6	3.5	6.4	8.3	5.9	5.4	6.5
Construction	7.6	-0.7	-0.4	11.1	4.2	16.7	11.4	18.8	17.6	16.1	7.4	3.5	-5.3	-0.1	1.3
Commerce	-0.2	6.3	9.7	3.9	5.0	5.0	0.9	-1.1	2.3	1.7	3.5	7.3	4.3	6.7	5.5
Transport	5.2	7.5	7.4	4.0	6.0	3.5	3.7	3.4	11.4	5.5	6.3	7.7	10.0	8.2	8.1
Others <u>2/</u>	5.4	6.7	6.3	3.4	5.4	1.6	-1.2	-1.3	1.1	0.0	2.9	5.3	5.6	5.1	4.7
TOTAL G.D.P.	6.4	7.9	6.8	4.3	6.3	3.8	0.4	1.4	4.3	2.4	4.5	7.3	4.8	6.0	5.7

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

T A B L E No. 13-A

GROSS DOMESTIC PRODUCT SPENDING

(Rate Annual Variation)

ITEM	1980	1981	1982*	1983*	1984**	1985**	1986**
Overall Household Consumption and Private Non-Profit Institutions	6.8	10.7	-12.1	-3.4	1.3	-1.1	4.9
Overall Government Consumption Spending	-8.1	-3.1	-1.3	-0.6	1.5	-0.3	-2.1
Inventory Variation	-	-	-	-	-	-	-
Gross Composition of Fixed Capital	21.9	16.8	-33.9	-14.9	9.0	14.8	7.1
Exports of Goods and Services	14.3	-9.0	4.7	0.6	6.8	6.9	9.8
Minus: Imports of Goods and Services	18.7	15.7	-36.3	-15.1	16.5	-11.0	9.7
Gross Domestic Product Spending	7.8	5.5	-14.1	-0.7	6.3	2.4	5.7

(*) Provisional figures.

(**) Estimated figures.

Source: Banco Central de Chile.

T A B L E No. 13-B

LABOR FORCE AND UNEMPLOYMENT NATIONWIDE

(Thousand persons)

ECONOMIC ACTIVITY	UNEMPLOYMENT			EMPLOYMENT			LABOR FORCE		
	Oct.-Dec.85	Oct.-Dec.86	%	Oct.-Dec.85	Oct.-Dec.86	%	Oct.-Dec.85	Oct.-Dec.86	%
<u>TOTAL</u>	<u>481.3</u>	<u>374.3</u>	<u>-22.2</u>	<u>3,537.4</u>	<u>3,895.7</u>	<u>10.1</u>	<u>4,018.7</u>	<u>4,270.0</u>	<u>6.3</u>
Agriculture	30.0	23.3	-22.3	585.9	801.4	36.8	615.9	824.7	33.9
Mining	3.6	3.7	2.8	80.6	84.1	4.3	84.2	87.8	4.3
Industry	59.3	50.0	-15.7	487.0	530.9	9.0	546.3	580.9	6.3
Electricity, Gas and Water	2.4	1.3	-45.8	27.6	24.3	-12.0	30.0	25.6	-14.7
Construction	51.1	41.5	-18.8	126.5	184.1	45.5	177.6	225.6	27.0
Commerce	63.7	56.9	-10.7	652.4	650.1	-0.4	716.1	707.0	-1.3
Transport and Communications	29.1	14.7	-49.5	209.4	230.2	9.9	238.5	244.9	2.7
Financial Sectors	16.7	8.8	-47.3	148.3	155.9	5.1	165.0	164.7	-0.2
Other Services	118.0	104.7	-11.3	1,219.3	1,233.9	1.2	1,337.3	1,338.6	0.1
Unspecified Act.	0.3	0.3	0.0	0.4	0.8	100.0	0.7	1.1	57.1
Seeking employment for the first time	107.1	69.1	-35.5	-	-	-	107.1	69.1	-35.5

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

T A B L E N° 14

PUBLIC FINANCE
(Millions of Chilean pesos)

	1980	1981	1982	1983	1984	1985 (*)
<u>FISCAL SPENDING</u>	<u>216,787.7</u>	<u>291,544.7</u>	<u>323,376.3</u>	<u>400,246.2</u>	<u>501,271.2</u>	<u>782,302.0</u>
- Fiscal Spending Excluding Debt Service	210,563.3	288,684.7	319,160.6	387,256.8	466,709.1	650,398.0
<u>FISCAL REVENUES</u>	<u>239,381.9</u>	<u>319,935.6</u>	<u>300,662.4</u>	<u>348,275.5</u>	<u>442,290.0</u>	<u>642,039.0</u>
<u>FISCAL DEFICIT</u>	<u>-22,594.2</u>	<u>-28,390.9</u>	<u>22,713.9</u>	<u>51,970.7</u>	<u>58,981.2</u>	<u>140,263.0</u>
- Deficit/Fiscal Spending (%)	-10.4	-9.7	7.0	13.0	11.8	17.9
- Deficit/Fiscal Spending Excluding Debt Service (%)	-10.7	-9.8	7.1	13.4	12.6	21.6
- Social Spending/Fiscal Spending Excluding Debt Service (%)	50.1	55.0	59.3	59.2	59.9	57.4
- Social Spending/Fiscal Spending (%)	48.7	54.4	58.5	57.3	56.0	50.1
- Fiscal Deficit/GNP (%)	-2.1	-2.2	1.8	3.3	3.1	5.4
- Fiscal Deficit/GNP (%) Excluding Debt Service	-2.7	-2.5	1.5	2.5	1.3	3.2

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.

T A B L E N° 15

PUBLIC SECTOR, FINANCIAL OPERATIONS, 1986 (*)

(Millions of Pesos)

	General Govern- ment	Public Enter- prises	CORFO Corpora- tions	CODELCO	Total Public Sector, Gross	Adjust- ments	Total Public Sector, Net
Current Revenues	878,573	402,919	354,226	389,519	2,025,237	288,234	1,737,003
Current Expenditures	839,062	234,048	273,587	190,393	1,537,090	0	1,537,090
Transfers	0	155,433	44,204	123,119	322,756	288,234	34,522
Current Account Surplus (Deficit)	39,511	13,437	36,435	76,007	165,390	0	165,390
Capital Revenues	83,663	4,143	9,892	14,526	112,224	12,100	100,124
Capital Expenditures	200,341	35,915	52,255	60,922	349,434	12,100	337,334
Overall Surplus (Deficit)	-77,167	-18,335	-5,929	29,610	-71,820	0	-71,820
Financing	77,167	18,335	5,929	-29,610	71,820		71,820
Net External	106,575	5,627	5,433	15,086	132,721		132,721
- Borrowings	131,761	42,062	46,415	239,283	459,521		459,521
- Amortizations	-25,185	-36,435	-40,981	-224,198	-326,800		-326,800
Net Internal	-29,408	12,708	495	-44,696	-60,901		-60,901

(*) Projected as of May 1986.

Source: Dirección de Presupuestos, Ministerio de Hacienda.

T A B L E 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
<u>1982</u>									
Dec.	36,908	38,140	75,048	245,376	320,424	384,134	449,025	39,452	61,746
<u>1983</u>									
Dec.	46,703	48,476	95,179	194,553	289,732	385,274	454,628	43,507	70,137
<u>1984</u>									
Dec.	54,772	47,602	102,374	278,251	380,625	502,294	575,601	46,181	82,455
<u>1985</u>									
Jan.	55,213	62,557	117,770	287,733	405,504	533,602	617,570	55,813	86,489
Feb.	58,771	60,347	119,118	299,369	418,487	548,264	629,361	51,509	89,573
Mar.	61,790	61,769	123,558	307,872	431,430	564,900	645,992	51,698	92,910
Apr.	61,457	61,394	122,852	316,227	439,079	577,380	659,345	47,545	92,729
May	60,688	60,119	120,808	330,367	451,174	593,761	687,939	59,952	94,071
Jun.	61,015	60,683	121,698	344,191	465,890	615,605	707,541	58,635	95,396
Jul.	60,609	58,448	119,057	363,390	482,447	639,990	727,650	54,220	94,495
Aug.	58,926	57,383	116,309	380,488	496,798	662,189	749,673	52,521	94,713
Sep.	64,248	62,560	126,808	376,505	503,313	675,391	767,486	57,503	102,511
Oct.	61,157	59,050	120,207	383,915	504,122	676,909	777,786	65,183	99,709
Nov.	62,119	58,862	120,981	393,866	514,847	694,343	805,353	73,965	100,471
Dec.	70,666	60,715	131,381	394,252	525,633	703,911	807,887	68,256	110,538
<u>1986</u>									
Jan.	71,367	70,762	142,129	404,250	546,379	732,176	839,978	67,169	113,793
Feb.	76,136	68,271	144,407	414,174	558,581	752,494	862,066	66,279	117,736
Mar.	78,815	69,969	148,784	413,330	562,114	768,324	874,958	66,360	121,703
Apr.	78,543	72,650	151,193	409,883	561,076	790,248	902,009	64,051	122,659
May	77,976	65,498	143,474	404,837	548,311	783,727	925,363	90,852	128,723
Jun.	79,809	74,878	154,687	409,284	563,971	808,672	947,047	89,441	128,734
Jul.	79,386	82,325	161,711	436,430	598,141	835,515	968,980	81,884	127,989
Aug.	79,015	79,513	158,528	444,830	603,358	850,157	974,522	69,155	127,954
Sep.	85,578	84,902	170,480	436,838	607,318	863,473	991,905	73,523	138,370
Oct.	82,880	84,540	167,420	453,045	620,465	876,256	994,811	61,672	133,572
Nov.	85,288	88,954	174,242	467,981	642,223	908,180	1,043,281	80,724	137,174
Dec.	97,286	92,003	189,289	466,183	655,472	933,234	1,094,549	113,064	151,818

* M3 = M2 + Savings Accounts + Other Demand dep.

** M3A = Private and Public Money and Quasimoney.

Source: Banco Central de Chile.

T A B L E 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\$)
<u>1983</u>						
Dec.	143,660	342,368	131.9	187.3	539,387	4,140
<u>1984</u>						
Dec.	171,916	448,963	142.9	203.2	776,974	3,172
<u>1985</u>						
Jan.	194,438	465,147	145.4	217.6	845,307	3,078
Feb.	183,735	486,013	141.0	234.5	874,593	2,977
Mar.	191,616	498,663	150.6	245.9	904,060	2,913
Apr.	192,414	518,751	151.9	271.7	950,982	2,805
May.	208,784	542,921	153.6	293.5	965,174	2,648
Jun.	212,908	565,274	149.3	308.5	982,175	2,663
Jul.	205,456	596,448	145.6	319.7	980,231	2,209
Aug.	210,532	623,382	148.4	363.2	1,004,014	2,228
Sep.	230,735	620,515	151.2	346.7	1,036,483	2,211
Oct.	229,666	629,884	137.8	372.1	1,055,655	2,208
Nov.	237,949	643,778	143.3	386.0	1,081,353	2,217
Dec.	247,315	638,378	141.2	410.0	1,104,429	2,156
<u>1986</u>						
Jan.	263,916	660,675	133.6	443.5	1,104,883	2,062
Feb.	263,553	682,343	130.6	443.5	1,135,123	2,045
Mar.	279,577	687,395	134.4	495.5	1,134,759	2,037
Apr.	286,762	709,245	145.3	512.5	1,153,621	2,010
May.	331,643	701,037	143.9	518.4	1,149,828	1,997
Jun.	324,230	713,806	144.5	507.4	1,142,684	1,950
Jul.	293,005	744,707	136.9	508.9	1,139,689	1,932
Aug.	305,920	765,318	132.9	522.1	1,154,368	1,967
Sep.	332,445	763,571	133.1	666.1	1,172,785	2,009
Oct.	303,829	785,793	135.4	538.6	1,190,177	2,047
Nov.	322,829	808,628	142.1	548.6	1,223,238	2,045
Dec.	364,806	805,983	163.0	557.3	1,256,271	2,033

(*) 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

T A B L E N° 17

WAGES AND SALARIES INDEX, 1977 - Dec. 1986

(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
<u>1985</u>				
Jan.	149.28	21.0	95.57	-4.6
Feb.	151.04	21.8	94.79	-6.0
Mar.	152.45	22.2	93.06	-5.9
Apr.	156.74	23.3	93.54	-5.8
May.	159.31	24.3	93.20	-5.8
Jun.	160.15	23.9	90.36	-8.3
Jul.	163.61	25.9	91.13	-7.2
Aug.	165.51	25.9	91.38	-7.8
Sep.	168.65	28.3	92.00	-4.5
Oct.	170.83	27.9	91.80	1.5
Nov.	173.80	26.8	91.93	0.2
Dec.	179.81	28.8	93.92	1.9
<u>1986</u>				
Jan.	184.49	23.6	93.84	-1.8
Feb.	185.44	22.8	93.48	-1.4
Mar.	187.88	23.2	93.27	0.2
Apr.	191.61	22.2	93.86	0.3
May.	196.09	23.1	95.37	2.3
Jun.	197.03	23.0	94.57	4.7
Jul.	199.95	22.2	95.03	4.3
Aug.	201.53	21.8	95.18	4.2
Sep.	203.31	20.6	94.57	2.3
Oct.	205.68	20.4	94.24	2.7
Nov.	211.23	21.5	95.44	3.8
Dec.	215.46	19.8	95.89	2.1

(*) Deflated by C.P.I.

Source: Instituto Nacional de Estadísticas

T A B L E 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/
<u>1982</u>						
Dec.	4.60	3.40	5.50	4.30	3.86	2.66
<u>1983</u>						
Dec.	1.86	1.26	2.64	2.04	1.73	1.13
<u>1984</u>						
Dec.	2.98	1.58	4.21	2.81	2.67	1.25
<u>1985</u>						
Jan.	1.92	-1.18	3.03	-0.07	1.51	-1.59
Feb.	2.57	0.57	3.56	1.56	2.03	0.03
Mar.	2.74	-0.06	3.32	0.52	2.40	-0.40
Apr.	3.42	1.12	3.94	1.64	2.71	0.41
May.	2.92	0.92	3.41	1.41	2.66	0.66
Jun.	2.65	-1.05	3.14	-0.56	2.36	-1.34
Jul.	3.12	1.82	3.59	2.29	2.57	1.27
Aug.	1.79	0.89	2.28	1.38	1.72	0.82
Sep.	1.44	0.24	1.89	0.69	1.31	0.11
Oct.	1.71	0.21	2.09	0.59	1.50	0.00
Nov.	1.72	0.12	2.13	0.53	1.41	-0.19
Dec.	1.92	0.62	2.34	1.04	1.49	0.19
<u>1986</u>						
Jan.	1.74	-0.96	2.23	-0.47	1.38	-1.32
Feb.	2.01	1.11	2.75	1.85	1.67	0.77
Mar.	1.31	-0.19	1.92	0.42	1.11	-0.39
Apr.	1.59	0.19	2.10	0.70	1.61	0.21
May.	1.49	0.79	1.99	1.29	1.57	0.87
Jun.	1.04	-0.26	1.58	0.28	1.00	-0.30
Jul.	1.41	0.41	1.84	0.84	1.32	0.32
Aug.	1.18	0.58	1.69	1.09	1.16	0.56
Sep.	0.91	-0.59	1.47	-0.03	0.98	-0.52
Oct.	1.57	0.07	1.93	0.43	1.43	-0.07
Nov.	1.64	0.24	2.03	0.63	1.43	0.03
Dec.	1.61	0.11	2.03	0.53	1.42	-0.08

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

42.

T A B L E N° 19

REFERENCE AND PREFERENTIAL RATES OF EXCHANGE

(Chilean pesos / US\$, monthly average)

DATE	OBSERVED	REFERENTIAL	PREFERENTIAL
<u>1982</u> Dec.	72.39	71.54	57.51
<u>1983</u> Dec.	87.07	87.07	72.33
<u>1984</u> Dec.	126.23	126.16	88.28
<u>1985</u> Jan.	128.98	128.38	89.62
Feb.	131.84	131.62	91.20
Mar.	145.69	145.50	93.76
Apr.	148.76	148.24	95.86
May.	152.15	151.71	98.41
Jun.	155.06	155.49	100.60
Jul.	170.81	170.52	-1/
Aug.	176.49	173.16	-
Sep.	178.19	174.74	-
Oct.	179.19	175.95	-
Nov.	180.68	177.49	-
Dec.	182.48	179.21	-
<u>1986</u> Jan.	184.80	181.17	-
Feb.	186.74	183.15	-
Mar.	189.22	185.81	-
Apr.	189.19	187.19	-
May.	187.93	189.26	-
Jun.	188.79	190.89	-
Jul.	190.36	191.92	-
Aug.	194.46	193.57	-
Sep.	198.32	194.73	-
Oct.	199.73	195.80	-
Nov.	201.95	198.06	-
Dic.	203.67	200.39	-

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

T A B L E N° 20

PRICE INDEXES

DATE	WHOLESALE PRICES		CONSUMER PRICES	
	INDEX (Dec. 74=100)	Monthly Var.	INDEX (Dec. 78=100)	Monthly Var.
<u>1984</u>				
Dec.	13,685.64	36.5 <u>1/</u>	365.12	23.0 <u>1/</u>
<u>1985</u>				
Dec.	17,825.57	30.3 <u>1/</u>	461.57	26.4 <u>1/</u>
<u>1986</u>				
Dec.	21,077.17	18.2 <u>1/</u>	541.68	17.4 <u>1/</u>
<u>1985</u>				
Jan.	14,391.50	5.2	376.58	3.1
Feb.	14,826.90	3.0	384.15	2.0
Mar.	15,112.46	1.9	394.95	2.8
Apr.	15,610.84	3.3	403.96	2.3
May.	16,021.90	2.6	412.10	2.0
Jun.	16,644.57	3.9	427.28	3.7
Jul.	17,037.13	2.4	432.80	1.3
Aug.	17,156.23	0.7	436.64	0.9
Sep.	17,470.35	1.8	441.95	1.2
Oct.	17,720.55	1.4	448.61	1.5
Nov.	17,826.92	0.6	455.79	1.6
Dec.	17,825.57	-0.0	461.57	1.3
<u>1986</u>				
Jan.	18,202.77	2.1	473.94	2.7
Feb.	18,515.28	1.7	478.23	0.9
Mar.	18,741.58	1.2	485.41	1.5
Apr.	18,954.28	1.1	492.15	1.4
May.	18,797.23	-0.8	495.66	0.7
Jun.	19,162.47	1.9	502.28	1.3
Jul.	19,828.32	3.5	507.27	1.0
Aug.	20,406.60	2.9	510.47	0.6
Sep.	20,647.92	1.2	518.29	1.5
Oct.	21,252.39	2.9	526.16	1.5
Nov.	21,181.01	-0.3	533.56	1.4
Dec.	21,077.17	-0.5	541.68	1.5

1/ December to December variations.

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

T A B L E N° 21

FINANCIAL SYSTEM INDICATORS

(Percent)

At.: 31.12.86

ITEM	PRIVATE CHILEAN BANKS				Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
	Total	Interv. Banks	Non-Interv. Banks					
A - CAPITAL ADEQUANCY								
1. <u>Physical Fixed Assets</u> Capital	36.3	20.9	67.2	10.7	39.5	45.7	31.0	
2. <u>Past due Loans</u> (Cart.Ven.) Capital	24.1	23.5	25.3	23.1	8.0	10.9	20.9	
3. <u>Debt</u> Capital	10.1	8.3	13.2	8.7	6.8	10.9	9.2	
4. <u>Loans Sold to Central Bank</u> Capital	312.7	365.6	206.4	0.0	13.0	76.6	184.9	
B - ASSET QUALITY								
1. <u>Past due Loans</u> Total Loans	2.4	2.9	1.8	4.8	1.8	1.0	2.7	
2. <u>Loans Loss Res. (Prov.)</u> Total Loans	5.6	6.7	4.2	8.3	5.1	3.6	5.9	
3. <u>Loans Sold to Central Bank</u> Total Loans	31.6	45.6	15.1	0.0	2.9	6.9	23.8	
C - LIABILITY STRUCTURE								
1. <u>Demand Deposits</u> Total Liabilities Except Capital and Resv.	10.1	7.4	13.2	11.2	16.1	8.4	11.0	
2. <u>Time Deposits</u> Total Liabilities Except Capital and Resv.	16.5	13.8	19.5	23.9	36.3	58.0	20.8	
3. <u>Total Foreign Liabilities</u> Total Liabilities Except Capital and Resv.	38.9	43.5	33.6	41.2	29.7	0.6	37.8	
D - MANAGEMENT								
1. <u>Administration Expenses</u> Total Loans and Fin. Inv.	0.5	0.4	0.8	0.2	1.1	2.2	0.6	
2. <u>Remuneration Expenses</u> Total Loans and Fin. Inv.	1.0	0.8	1.4	1.7	1.6	3.6	1.2	
3. <u>Fixed Expenses</u> Operating Profits	44.8	35.0	56.3	38.8	52.7	59.3	44.9	
E - INCOME								
1. <u>Net Profits</u> Capital	0.5	0.0	1.6	10.2	6.0	21.7	3.9	
2. <u>Net Prof-Other net Inc.</u> Capital	7.6	11.6	(0.5)	6.5	4.2	17.6	6.8	
3. <u>Net Profits</u>	0.0	0.0	0.1	0.8	0.6	1.3	0.2	

Source: Superintendencia de Bancos e Instituciones Financieras.

T A B L E N° 21-A

FINANCIAL SYSTEM INDICATORS

(Percent)

At.: 30.09.86

ITEM	PRIVATE CHILEAN BANKS			Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
	Total	Interv. Banks	Non-Interv. Banks				
A - CAPITAL ADEQUACY							
1. <u>Physical Fixed Assets</u> Capital	53.4	34.4	83.9	47.0	15.9	45.7	43.9
2. <u>Past due Loans</u> (Cart.Ven.) Capital	40.3	37.8	44.4	11.9	31.9	14.7	32.5
3. <u>Debt</u> Capital	12.3	11.2	13.9	7.0	11.4	10.0	11.0
4. <u>Loans Sold to Central Bank</u> Capital	414.3	539.7	212.5	18.9	0.0	90.3	240.9
B - ASSET QUALITY							
1. <u>Past due Loans</u> Total Loans	3.0	3.2	2.8	2.4	4.5	1.3	3.2
2. <u>Loans Loss Res. (Prov.)</u> Total Loans	5.5	5.9	5.0	5.4	12.9	4.4	6.6
3. <u>Loans Sold to Central Bank</u> Total Loans	31.0	46.3	13.2	3.8	0.0	8.0	23.4
C - LIABILITY STRUCTURE							
1. <u>Demand Deposits</u> Total Liabilities Except Capital and Resv.	8.2	6.0	10.5	13.7	9.5	4.4	9.1
2. <u>Time Deposits</u> Total Liabilities Except Capital and Resv.	16.5	13.8	19.5	35.9	24.9	57.5	21.0
3. <u>Total Foreign Liabilities</u> Total Liabilities Except Capital and Resv.	39.5	43.7	34.8	30.1	39.7	0.7	38.0
D - MANAGEMENT							
1. <u>Administration Expenses</u> Total Loans and Fin. Inv.	0.4	0.3	0.6	0.8	0.2	1.7	0.4
2. <u>Remuneration Expenses</u> Total Loans and Fin. Inv.	0.8	0.6	1.1	1.2	1.3	2.8	1.0
3. <u>Fixed Expenses</u> Operating Profits	47.8	36.1	61.0	49.0	40.4	56.4	46.5
E - INCOME							
1. <u>Net Profits</u> Capital	(1.1)	0.0	(2.8)	7.7	8.1	15.0	2.9
2. <u>Net Prof-Other net Inc.</u> Capital	6.9	17.1	(9.4)	5.9	(2.8)	12.4	4.7
3. <u>Net Profits</u> Total Assets	(0.0)	0.0	(0.1)	0.7	0.5	0.9	0.1

Source: Superintendencia de Bancos e Instituciones Financieras.

T A B L E N° 21-B

FINANCIAL SYSTEM INDICATORS

(Percent)

At.: 30.06.86

ITEM	PRIVATE CHILEAN BANKS			Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
	Total	Interv. Banks	Non-Interv. Banks				
A - CAPITAL ADEQUACY							
1. <u>Physical Fixed Assets</u> Capital	55.2	34.4	89.8	45.7	15.1	38.6	44.2
2. <u>Past due Loans</u> (Cart.Ven.) Capital	37.9	32.2	47.2	10.2	29.0	12.0	29.9
3. <u>Debt</u> Capital	12.8	11.6	14.5	6.8	12.1	9.7	11.4
4. <u>Loans Sold to Central Bank</u> Capital	415.4	541.0	205.7	19.4	0.0	88.1	238.4
B - ASSET QUALITY							
1. <u>Past due Loans</u> Total Loans	2.9	2.8	2.9	2.2	4.2	1.2	3.0
2. <u>Loans Loss Res. (Prov.)</u> Total Loans	6.5	7.8	4.8	5.1	13.2	4.0	7.3
3. <u>Loans Sold to Central Bank</u> Total Loans	31.2	46.6	12.8	4.2	0.0	8.6	23.7
C - LIABILITY STRUCTURE							
1. <u>Demand Deposits</u> Total Liabilities Except Capital and Resv.	8.4	6.1	11.1	14.5	9.0	6.3	9.2
2. <u>Time Deposits</u> Total Liabilities Except Capital and Resv.	15.4	13.0	18.1	34.2	24.1	52.8	19.8
3. <u>Total Foreign Liabilities</u> Total Liabilities Except Capital and Resv.	39.6	44.0	34.7	29.3	39.6	0.9	38.1
D - MANAGEMENT							
1. <u>Administration Expenses</u> Total Loans and Fin. Inv.	0.3	0.2	0.4	0.6	0.1	1.2	0.3
2. <u>Remuneration Expenses</u> Total Loans and Fin. Inv.	0.5	0.4	0.7	0.8	0.8	1.8	0.6
3. <u>Fixed Expenses</u> Operating Profits	42.9	29.8	60.3	50.2	40.9	53.6	43.8
E - INCOME							
1. <u>Net Profits</u> Capital	(1.0)	0.0	(2.6)	4.7	5.5	9.7	1.8
2. <u>Net Prof-Other net Inc.</u> Capital	0.4	5.4	(7.8)	3.4	(2.5)	7.7	0.5
3. <u>Net Profits</u> Total Assets	(0.0)	0.0	(0.1)	0.4	0.3	0.6	0.1

Source: Superintendencia de Bancos e Instituciones Financieras.

T A B L E N° 21-C

FINANCIAL SYSTEM INDICATORS

(Percent)

At.: 31.03.86

ITEM	PRIVATE CHILEAN BANKS			Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
	Total	Interv. Banks	Non-Interv. Banks				
A - CAPITAL ADEQUACY							
1. <u>Physical Fixed Assets</u> Capital	48.1	29.8	88.8	47.2	14.9	57.7	41.2
2. <u>Past due Loans</u> (Cart.Ven.) Capital	42.3	40.5	46.3	9.9	19.6	40.2	31.8
3. <u>Debt</u> Capital	11.4	9.6	15.0	7.1	12.2	7.8	10.8
4. <u>Loans Sold to Central Bank</u> Capital	309.0	362.8	189.8	19.6	0.0	111.0	190.4
B - ASSET QUALITY							
1. <u>Past due Loans</u> Total Loans	3.8	4.5	2.9	2.0	2.8	4.8	3.5
2. <u>Loans Loss Res. (Prov.)</u> Total Loans	5.2	5.8	4.6	5.0	12.9	2.8	6.4
3. <u>Loans Sold to Central Bank</u> Total Loans	27.6	40.6	11.7	4.0	0.0	13.1	20.8
C - LIABILITY STRUCTURE							
1. <u>Demand Deposits</u> Total Liabilities Except Capital and Resv.	7.5	5.8	9.6	12.7	10.2	5.3	8.7
2. <u>Time Deposits</u> Total Liabilities Except Capital and Resv.	16.0	13.1	19.4	33.3	22.9	46.9	19.8
3. <u>Total Foreign Liabilities</u> Total Liabilities Except Capital and Resv.	40.0	43.6	35.8	29.2	41.4	1.3	38.6
D - MANAGEMENT							
1. <u>Administration Expenses</u> Total Loans and Fin. Inv.	0.1	0.1	0.2	0.3	0.1	0.6	0.1
2. <u>Remuneration Expenses</u> Total Loans and Fin. Inv.	0.3	0.3	0.4	0.4	0.4	0.9	0.3
3. <u>Fixed Expenses</u> Operating Profits	73.1	94.1	62.1	48.5	35.2	64.8	56.5
E - INCOME							
1. <u>Net Profits</u> Capital	(2.3)	(2.6)	(1.6)	2.0	2.6	(0.9)	(0.5)
2. <u>Net Prof-Other net Inc.</u> Capital	(6.0)	(7.2)	(3.6)	1.3	1.2	(1.4)	(3.2)
3. <u>Net Profits</u> Total Assets	(0.1)	(0.1)	(0.1)	0.2	0.1	(0.1)	(0.0)

Source: Superintendencia de Bancos e Instituciones Financieras.

T A B L E 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 Total Assets	Net Profits Before Taxes Financial Cost and Inflation Adjustment 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	2.66	3.57
Dec.84	1.93	1.45	0.73	5.41	6.79
<u>1985</u>					
Mar.	1.19	0.23	0.11	1.24	1.86
Jun.	-21.79	-9.65	-4.38	-2.30	-0.34
Sep.	-3.09	-2.01	-0.92	2.14	4.29
Dec.	-1.48	-1.27	-0.60	2.80	5.10
<u>1986</u>					
Mar.	1.13	0.25	0.12	1.61	2.54
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

Source: Superintendencia de Valores y Seguros

T A B L E 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
<u>1985</u>				
Mar.	1.00	0.70	12.1	44.16
Jun.	1.07	0.75	11.2	41.01
Sep.	1.09	0.80	11.8	43.04
Dec.	1.37	1.00	11.8	42.92
<u>1986</u>				
Mar.	1.38	1.03	10.8	39.39
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

Source: Superintendencia de Valores y Seguros

T A B L E N° 22 - C

CORPORATE SECTOR FINANCIAL INDICATORS: INDEBTEDNESS

DATE	Total Debt / Capital	Total Debt Total Assets (%)	Long Term Debt 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
<u>1985</u>			
Mar.	1.05	51.32	65.17
Jun.	1.20	54.59	77.05
Sep.	1.20	54.51	77.29
Dec.	1.11	52.60	79.83
<u>1986</u>			
Mar.	1.01	50.27	73.29
Jun.	1.05	51.28	76.04
Sep.	1.08	51.92	79.19
Dec.	1.04	51.01	75.22

Source: Superintendencia de Valores y Seguros

PRINCIPAL ECONOMIC MEASURES ADOPTED
DURING OCTOBER, NOVEMBER AND DECEMBER, 1986

OCTOBER

11 The ordinary interest rate that will be in force from October 11, 1986, until the day prior to its next publication in the Official Gazette was established. The corresponding values are as follows:

	Rate
- Non-readjustable operations in local currency	
at less than 90 days	17.64% annually
At 90 days or more	24.72% annually
- Readjustable operations in local currency	6.80% annually
- Operations in U.S.A. dollars or expressed	
in foreign currency	9.50% annually

(Certificate N° 1986/10 of the Superintendency of Banks and Financial Institutions, published in Official Gazette of October 11, 1986).

30 The Executive Committee of Central Bank of Chile extended the variety of goods that enjoy access to refinancing with charge to resources of the line of financing for exports of capital assets; it was established that the 15% that the importer must pay in cash is the minimum amount of the F.O.B. value payable in this manner. (Circular Letter N° 2,217, Superintendency of Banks and Financial Institutions).

NOVEMBER

12 The ordinary interest rate that will be in force from November 12, 1986, up to the day prior to its next publication in the Official Gazette was determined. Values are as follows:

	Rate
- Non-readjustable operations in local currency	
at less than 90 days	23.28% annually
At 90 days or more	26.76% annually
- Readjustable operations in local currency	6.80% annually
- Operations in U.S.A. dollars or expressed	
in foreign currency	9.37% annually

(Certificate N° 1986/11 of the Superintendency of Banks and Financial Institutions, published in Official Gazette of November 12, 1986).

- 27 The General Banking Act was amended, contained in Decree with Force of Law 252, of 1960; changes were also introduced in the Organic Law of the Superintendency of Banks and Financial Institutions (Law 18,576, Ministry of Finance, Official Gazette of November 27, 1986).

DECEMBER

- 2 The Budget Law of the Public Sector for the year 1987 was approved. Said Law establishes income and expenses for Pesos 1,092,907 million and US\$ 853 million. The Budget for the Fiscal Sector amounts to Pesos 815,067 million and US\$ 671 million.

(Law 18,580, Ministry of Finance, Official Gazette of December 2, 1986).

- 12 The ordinary interest rate that will be in force from December 12, 1986 until the day prior to its next publication in the Official Gazette was established. Values are as follows:

	Rate
- Non-readjustable operations in local currency	
at less than 90 days	24.36% annually
At 90 days or more	28.68% annually
- Readjustable operations in local currency	6.70% annually
- Operations in U.S.A. dollars or expressed in foreign currency	9.07% annually

(Certificate N° 1986/12 of the Superintendency of Banks and Financial Institutions, published in Official Gazette of December 2, 1986).

- 19 The Executive Committee of Central Bank of Chile, in the exercise of the power granted it by Decree Law 3,475, 1980, Article 3, last paragraph, decided that in cases of partial shipments the 3% tax established in said Article may be totally credited to Customs duties originating in the first Import Statement.

In case the amount to be credited is higher than the encumbrances affecting the respective import, the surplus of said tax may only be imputed to the payment of duties originating in future imports carried out with charge to said Import Report. (Resolution N° 1,771 of December 17, 1986, of the Executive Committee of Central Bank of Chile).