

QUARTERLY ECONOMIC AND FINANCIAL REPORT OF CHILE

JUNE, 1983

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## COMMENTARY

During the first semester of 1983 the Chilean economy completed the process of adjustment which began during 1982. This period may be seen as one in which the effects of the economic measures taken during 1982 and the first quarter of 1983 began to show the first positive results. At the same time, the external situation of the economy, which constitutes the main restriction for recovery, was solved as the stand-by agreement with the IMF was complied, the new money facility contract with the international banking community was signed and the rescheduling of 1983-1984 amortizations was agreed.

These facts allowed the implementation of several domestic measures in order to create the necessary conditions for recovery. Special efforts have been made to solve the unemployment situation, to give longer terms to the private sector debts and to maintain a reasonable interest rate.

On a macroeconomic level, the above described situation resulted in:

- a) A drastic reduction in the inflation rate, which from a yearly rate of 45% during the second semester of 1982, was reduced to 21% in yearly terms during the first semester of the present year. For the year it will be in the 20%-22% range.
- b) The unemployment rate was reduced from 21.9% during the fourth quarter of 1982 to 18.8% during the period May-July 1983, and is expected to be in the 15% level at the end of the year.
- c) The monthly real interest rate in short term loans has declined from 4.22% in December 1982 to figures around 1% in June.
- d) The level of international reserves has remained constant during the last 3 months.

- e) The trade balance surplus reached US\$650 million during the first semester which is well within the level we expected for the period.
- f) The preliminary GDP figures for the first quarter of the present year are similar to those of the fourth quarter of last year, while the figures for the second quarter show an increase of 3.7% with respect to the previous quarter. We can deduct that the recovery process began during the second quarter.
- g) The financial sector returned to a normal operational regime, as the loss of deposits in the intervened banks stopped. In fact, the requirement of Central Bank credits by the intervened banks was reduced to zero during the last months.

As may be seen in Tables 1, 2, 4 and 5, Chile complied with the targets set for June in the shadow program approved by the I.M.F. We can trace the successful compliance of the international reserves target to a careful management of all the sources of revenue and expenditure of foreign exchange, including an adequate use of available credit lines. The observance of the net domestic assets target also proved to be the result of a careful credit policy, although the end-of month figures also benefitted from unexpected excess reserve holdings by the banking sector.

In view of Chile's compliance with the shadow program and of the refinancing and new money agreements reached with commercial banks, the I.M.F. on July 27, 1983, took a set of decisions that enabled Chile to purchase on August 15, the drawings corresponding to May 15 and August 15.

These decisions were the following:

- a) A waiver was granted on the observance of the net international reserve target corresponding to June 30, 1983.
- b) The limit on the net domestic assets of the Central Bank was increased to Ch\$95.5 billion during the period July 1-August 15. This amount, which corresponds to the shadow program limit, will decline gradually to match

the original program limit. The reason for this decline is that after August 15, Chile is expected to disburse the new money facility which would be incorporated as a negative item within the net domestic assets. Thus, the new money facility will enable Chile to comply fully with the I.M.F. original limits while providing for a continuous expansion in Central Bank Credit.

At the same time, the Fund's Board of Directors raised the limit on the contracting and guaranteeing of medium and long term debt by the non financial public sector, from US\$2,050 million to US\$5,500 million. This will enable the state guaranty that will be granted according to the agreements reached with the international banking community, to be included within those limits.

#### International Reserves

The level of reserves has remained practically constant during the last 3 months, due to the use of the bridge-loan granted by the B.I.S.

#### Balance of Payments

The trade balance has reached the expected figures, although both exports and imports are beneath the originally estimated levels. In spite of the fact that exports have not increased significantly when compared to the same period of the previous year, this has been due mainly to the fall in prices, because an important increase in exported quantities may be observed in several products.

During the first two quarters the current account deficit was considerably lower than the original projection, mainly because financial services were below the originally estimated figures. Accordingly, figures for the rest of the year were revised.

The projected figures on financial services for the present year are US\$1.784 million. This fact means that the Current Account deficit will reach approximately US\$927 million. On the other hand, the loss of reserves is forecast to reach US\$585 million, which is very close to the original estimate.

Likewise, and in view of the new estimates for 1983, the preliminary estimation for 1984 was changed. The main corrections made were a lower level of foreign trade and of financial services, resulting in a slightly smaller current account deficit than was formerly estimated.

#### Foreign Debt Figures

These figures have been up-dated and revised according to the last available data.

The main difference in Table N°9 is the inclusion of an estimated disbursement of the private sector's supplier's credit.

On the other hand, the main changes in Table N°12 are the following:

- a) The amount subject to rescheduling has increased. This was caused mainly by a change in the composition between government guaranteed and non-guaranteed loans.
- b) The calendar of amortizations of new loans contracted during the first semester was included.

#### Growth Rate

Provisional figures for the first two quarters of the year show that G.D.P. remained practically constant during the first quarter when compared to the fourth quarter of 1982, and that during the second quarter of the present year, it increased slightly compared to the first quarter, although it fell 4.4% with respect to the same period of the previous year.

According to these figures, we maintain our original estimate of a 1983 G.D.P. of practically the same level as that of 1982.

#### Unemployment

According to INE\* figures, the unemployment rate in the Santiago area has gradually declined, passing from 21.9% (4<sup>th</sup> quarter of 1982), to 18.8% in the period May.-July 1983. The Government has been carrying out special programs that will mean reaching a 15% unemployment rate next December.

### Monetary Aggregates

Private Sector Money, M1, increased 9.2% during the first seven months of the year, while M2 (M1 plus Time Deposits) has fallen by 9.7%. On the other hand, the monetary base has remained practically constant during this period.

An extended monetary aggregate, M3A, shows a significant fall during the first two months of the year, reflecting the effects of the intervention of several banks by the economic authorities. Later on, this aggregate shows an important rise. The growth of M2, on the other hand, has been affected by the supply of Central Bank and Treasury notes, which have channelled savings away from the financial sector towards the public sector.

### Interest Rates

The "suggested interest rate" policy that the economic authorities have adopted has had positive results, as may be observed in Table 18, which shows a drastic fall both in nominal and real rates.

### Exchange Rate

The exchange rate system of the last months has proved to be successful. The fact that the economic authorities have followed a coherent set of economic policies has enabled the exchange system to be maintained, and has eliminated expectations of a change in the exchange rate rule that is being followed. Furthermore, quotations of the "parallel" or black market rate, that almost doubled the official exchange rate in early March, are currently less than 10% over the latter.

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\* National Bureau of Statistics

### Inflation

During the first seven months of the year, the C.P.I. grew by 12.2%, thus remaining within the 20-22% range for the year. On the other hand, the W.P.I. grew by 18%, reflecting to a great degree, the lagged effects of devaluation.

### Data on Financial and Private Corporate Sectors

Tables 21 A through 21 F, and 22 A through 22 C provide a complete set of financial indicators of the financial and private corporate sectors. These figures give an overall view of each sector's situation and evolution during this period.

TABLE 1

## CENTRAL BANK MONETARY PROGRAM : TARGETS AND PERFORMANCE : 1983

(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.82                | Mar.83       | Jun.83       | Aug.83 <sup>2/</sup>      | Dec. 82                                 | Mar.83       | Jun.83       | Jun.83       | Sep.83                    | Dec.83                    |
| 1.- <u>NET INTERNATIONAL RESERVES</u>                 | <u>132.79</u>         | <u>57.79</u> | <u>45.48</u> | <u>50.9</u> <sup>1/</sup> | <u>113.7</u> <sup>1/</sup>              | <u>56.64</u> | <u>33.84</u> | <u>35.21</u> | <u>83.5</u> <sup>1/</sup> | <u>82.9</u> <sup>1/</sup> |
| (in mill.US\$)                                        | (1.794)               | (781)        | (615)        | (799)                     | (1.537)                                 | (765)        | (457)        | (457)        | (1.086)                   | (1.077)                   |
| 2.- <u>NET DOMESTIC ASSETS</u>                        | <u>-26.51</u>         | <u>51.25</u> | <u>59.36</u> | <u>46.5</u>               | <u>-20.7</u>                            | <u>51.13</u> | <u>74.63</u> | <u>75.49</u> | <u>13.2</u>               | <u>19.8</u>               |
| 3.- <u>FOREIGN MEDIUM &amp; LONG TERM LIABILITIES</u> | <u>45.98</u>          | <u>45.44</u> | <u>44.64</u> | <u>46.0</u>               | <u>45.6</u>                             | <u>45.43</u> | <u>44.83</u> | <u>46.65</u> | <u>45.7</u>               | <u>45.2</u>               |
| (in mill.US\$)                                        | (621)                 | (614)        | (603)        | (598)                     | (616)                                   | (614)        | (606)        | (606)        | (594)                     | (586)                     |
| 4.- <u>LIABILITIES TO PRIVATE SECTOR</u>              | <u>50.14</u>          | <u>53.44</u> | <u>50.03</u> | <u>51.4</u>               | <u>47.4</u>                             | <u>52.18</u> | <u>53.48</u> | <u>53.48</u> | <u>51.0</u>               | <u>57.5</u>               |
| - Currency                                            | 42.71                 | 46.86        | 43.24        |                           |                                         | 45.60        | 46.90        | 46.90        |                           |                           |
| - Other Local Currency                                | 7.39                  | 6.55         | 6.72         |                           |                                         | 6.55         | 6.55         | 6.55         |                           |                           |
| - Other Foreign Currency                              | 0.04                  | 0.03         | 0.07         |                           |                                         | 0.03         | 0.03         | 0.03         |                           |                           |
| 5.- <u>OTHER DEPOSITS</u>                             | <u>10.16</u>          | <u>10.16</u> | <u>10.16</u> |                           |                                         | <u>10.16</u> | <u>10.16</u> | <u>10.57</u> |                           |                           |
| Rate of Exchange (peso/dollar)                        | 74                    | 74           | 74           | 77                        | 74                                      | 74           | 74           | 77           | 77                        | 77                        |

<sup>1/</sup> Net of other deposits<sup>2/</sup> Estimated

<sup>3/</sup> As the I.M.F. targets and the performance measurement on the net Domestic Assets are over the stock at given day (end of the quarter), the figures are highly affected by daily fluctuations of the components. At the end of June we observed an unexpected transitory increase in the excess reserves of the banking system, which affected as a negative item the N.D.A.

NOTE: We must observe that the targets for September and December, as well as the estimated performance for August, include the disbursements of the new money facility, which are represented as an increase in net international reserves and a parallel accounting contraction in net domestic assets. The latter explains the reduction in N.D.A. figures, even though domestic credit is expanded.

TABLE 2

DIFFERENCES BETWEEN ACTUAL PERFORMANCE AND TARGET PERFORMANCE UNDER THE IMF PROGRAM  
(Stocks in billions of Chilean pesos)

|                                                            | MAR.1983 | JUN.1983 | AUG.1983 <sup>2/</sup> |
|------------------------------------------------------------|----------|----------|------------------------|
| <u>I. NET INTERNATIONAL RESERVES</u>                       |          |          |                        |
| 1. Actual                                                  | 57.79    | 45.48    | 50.9 <sup>1/</sup>     |
| 2. "Shadow" Program                                        | 56.64    | 33.84    | -                      |
| 3. IMF Agreement                                           | 106.83   | 97.21    | 83.5                   |
| 4. Differences (1-2)                                       | 1.15     | 11.64    | -                      |
| 5. Differences (1-3)                                       | -49.04   | -51.73   | -32.6                  |
| <u>II. NET DOMESTIC ASSETS</u>                             |          |          |                        |
| 1. Actual                                                  | 51.25    | 59.36    | 46.5                   |
| 2. "Shadow" Program                                        | 51.13    | 74.63    | -                      |
| 3. IMF Agreement                                           | -6.02    | 4.10     | 13.2                   |
| 4. Differences (1-2)                                       | 0.12     | -15.27   | -                      |
| 5. Differences (1-3)                                       | 57.27    | 55.26    | 33.3                   |
| <u>III. NEW MEDIUM TERM LOANS FROM INTERNATIONAL BANKS</u> | -        | -        | 38.5                   |
| <u>IV. RATE OR EXCHANGE</u><br>(peso/dollar)               | 74       | 74       | 77                     |

SOURCE: BANCO CENTRAL DE CHILE

1/ Net of other deposits (\$10.6 bill.)

2/ Estimated

3/ As the I.M.F targets and the performance measurement on the net Domestic Assets are over the stock at given day (end of the quarter), the figures are highly affected by daily fluctuations of the components. At the end of June we observed an unexpected transitory increase in the excess reserves of the banking system, which affected as a negative item the N.D.A.

NOTE: We must observe that the targets for September and December, as well as the estimated performance for August, include the disbursements of the new money facility, which are represented as an increase in net international reserves and a parallel accounting contraction in net domestic assets. The latter explains the reduction in N.D.A. figures, even though domestic credit is expanded.

TABLE 3  
CENTRAL BANK: NET INTERNATIONAL RESERVES <sup>1/</sup> 1933  
(billions of Chilean pesos, end of month)

|                                   | <u>Jan.</u>   | <u>Feb.</u>   | <u>Mar.</u>   | <u>Apr.</u>   | <u>May.</u>   | <u>Jun.</u>   |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <u>NET INTERNATIONAL RESERVES</u> | <u>90.76</u>  | <u>75.41</u>  | <u>57.79</u>  | <u>56.48</u>  | <u>49.28</u>  | <u>45.48</u>  |
| 1.- <u>Assets</u>                 | <u>139.94</u> | <u>130.17</u> | <u>111.99</u> | <u>109.26</u> | <u>106.39</u> | <u>113.02</u> |
| Gold                              | 5.26          | 4.78          | 4.78          | 4.78          | 4.79          | 4.81          |
| SDRs                              | 0.97          | 0.86          | 0.85          | 1.30          | 0.16          | 0.16          |
| IMF Reserve Position              | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          |
| Foreign Exchange Assets           | 125.62        | 113.43        | 96.79         | 90.18         | 95.69         | 98.46         |
| CCR                               | 8.11          | 11.11         | 9.57          | 13.01         | 5.75          | 9.59          |
| 2.- <u>Liabilities</u>            | <u>49.18</u>  | <u>54.76</u>  | <u>54.20</u>  | <u>52.78</u>  | <u>57.11</u>  | <u>67.55</u>  |
| To IMF                            | 33.75         | 33.86         | 33.52         | 33.38         | 33.24         | 32.97         |
| CCR                               | 4.33          | 6.10          | 5.88          | 8.31          | 1.67          | 4.98          |
| Short Term Deposits               | 11.10         | 14.80         | 14.80         | 11.10         | 11.10         | 11.10         |
| Bridge Loan                       | -             | -             | -             | -             | 11.10         | 18.50         |
| RATE OF EXCHANGE (\$/dollar)      | 74            | 74            | 74            | 74            | 74            | 74            |

NOTES:

<sup>1/</sup> Corresponds to the IMF net international reserve definition.

Due to approximations, the sums are not exactly equal to the totals.

SOURCE: Banco Central de Chile

TABLE 4

## NET INDEBTEDNESS OF THE NON-FINANCIAL PUBLIC SECTOR

(billions of Chilean pesos) 1/

|                                                                                         | <u>Dec. 1982</u> | <u>Mar. 1983</u> | <u>Jun. 1983</u> |
|-----------------------------------------------------------------------------------------|------------------|------------------|------------------|
| 1.- DEBT TO THE DOMESTIC FINANCIAL SYSTEM                                               | 3,41             | 20,56            | 35,29            |
| 2.- TOTAL FOREIGN DEBT <u>2/</u>                                                        | 394,87           | 378,40           | 376,33           |
| 3.- NET INCREASE IN TREASURY NOTES HELD BY THE<br>DOMESTIC NON FINANCIAL PRIVATE SECTOR | -                | 2,67             | 18,28            |
| 4.- ADJUSTMENT AND OTHERS <u>3/</u>                                                     | 14,50            | 14,59            | 13,91            |
| TOTAL SUBJECT TO TARGET                                                                 | 412,78           | 416,22           | 443,81           |
| TARGETS                                                                                 |                  | 437,00           | 452,00           |

NOTES: Provisional Figures

1/ Chilean pesos 77 per US\$2/ Includes external debts nominated in local currency

3/ Adjustment in the base Dec.1982 due to a misclassification in the monetary accounts (6,94).  
Also Include outstanding CORA bonds, and adjustments for increase in credit to municipalities  
and credit to the private sector by CORFO and INDAP.

TABLE 5

CONTRACTING AND GUARANTEEING OF MEDIUM-AND LONG-TERM FOREIGN DEBT BY

THE NON FINANCIAL PUBLIC SECTOR

(in millions of US dollars)

|                         | <u>Dec.1982</u> | <u>Mar.1983</u> | <u>Jun.1983</u> |
|-------------------------|-----------------|-----------------|-----------------|
| More than 1 year till 5 | -               | -               | -               |
| More than 5 and till 10 | 399.5           | 485.4           | 485.4           |
| TOTAL                   | 399.5           | 485.4           | 485.4           |
| TARGET CEILING          | 2.050           | 2.050           | 2.050           |

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SOURCE: Banco Central de Chile

TABLE 6

## CHILE: BALANCE OF PAYMENTS 1981-1984

(in millions of US dollars)

|                                                               | 1981 <sup>1/</sup> | 1982 <sup>1/</sup> | 1983               | 1984        |
|---------------------------------------------------------------|--------------------|--------------------|--------------------|-------------|
| <u>CURRENT ACCOUNT</u>                                        | <u>-4,814</u>      | <u>-2,382</u>      | <u>-927</u>        | <u>-890</u> |
| Trade Balance                                                 | -2,598             | 218                | 1,212              | 1.510       |
| Exports                                                       | 3,960              | 3,798              | 4,005              | 4.610       |
| Copper                                                        | 1,757              | 1,735              | 1,942              | 2.230       |
| Others                                                        | 2,203              | 2,063              | 2,063              | 2.380       |
| Imports                                                       | -6,558             | -3,580             | -2,793             | -3.100      |
| Non Financial Services                                        | -888               | -650               | -435               | -500        |
| Financial Services                                            | -1,428             | -2,050             | -1,784             | -2.000      |
| Transfers                                                     | 100                | 100                | 80                 | 100         |
| <u>CAPITAL ACCOUNT</u>                                        | <u>4,884</u>       | <u>1,217</u>       | <u>324</u>         | <u>890</u>  |
| Direct Investment                                             | 376                | 365                | 175                | 200         |
| MLT Amortization Payments                                     | -1,823             | -1,237             | -1,755             | -1,561      |
| Other Payments                                                | -                  | -                  | -229 <sup>2/</sup> | -           |
| MLT Receipts                                                  | 5,197              | 2,643              | 3,073              | 2,251       |
| Short-term financial                                          | 596                | 378                | -530               | -           |
| Short-term commercial,<br>errors and omissions<br>and others. | 538                | -932               | -410               | -           |
| <u>Overall Balance</u>                                        | <u>70</u>          | <u>-1,165</u>      | <u>-603</u>        | <u>-</u>    |
| <u>Valuation Adjustment</u>                                   | <u>-366</u>        | <u>-33</u>         | <u>18</u>          | <u>-</u>    |
| <u>Change in Reserves</u>                                     | <u>-296</u>        | <u>-1.198</u>      | <u>-585</u>        | <u>-</u>    |

<sup>1/</sup> Last provisional figures<sup>2/</sup> Corresponds to loan re-payment and purchase of loans to Banco Andino

## Assumptions:

1. Approximately 30% of medium and long-term debt is at a fixed rate of about 8%
2. For medium and long term variable rate credits, actual spreads over LIBOR/PRIME were considered.
3. Interest on new credits was calculated assuming a spread of 2.125% over average LIBOR/PRIME.
4. A 10% LIBOR and an 11% prime was assumed.
5. Includes financial costs of the refinancing program.
6. Short-term interest expenses include interest payments on re-scheduled financial debts.
7. LME copper prices are projected at a yearly average of \$ 77¢ /lb. in 1983 and 85 ¢/lb. in 1984.
8. Petroleum prices are projected at an annual average of \$ 30/barrel in 1983 and \$ 31/barrel in 1984.

TABLE 6 A1983: PROJECTED FINANCIAL SERVICES

(millions of US dollars)

|                                  |                |
|----------------------------------|----------------|
|                                  | <u>1983</u>    |
| <u>INTEREST EXPENSE</u>          | <u>1.866</u>   |
| Medium and Long-Term             | 1.455          |
| IMF                              | 42             |
| Short-Term                       | 369            |
| <br><u>INTEREST INCOME</u>       | <br><u>173</u> |
| Medium and Long-Term             | 13             |
| Short-Term                       | 173            |
| Central Bank                     | (125)          |
| <br><u>PROFITS AND DIVIDENDS</u> | <br><u>91</u>  |
| <u>FINANCIAL SERVICES</u>        | <u>1.784</u>   |

TABLE 6 B

IMPORTS, 1981, 1982, 1983, 1984  
(Millions of US dollars)

|                                             | 1981         | 1982         | 1983                | 1984                |
|---------------------------------------------|--------------|--------------|---------------------|---------------------|
| <u>1.- CONSUMER GOODS</u>                   | <u>1.907</u> | <u>949</u>   | <u>525</u>          | <u>595</u>          |
| Agricultural                                | 33           | 22           | 12                  | 15                  |
| Industrialized Food Products                | 282          | 168          | 120                 | 130                 |
| Medical & Pharmaceutical                    | 69           | 49           | 40                  | 45                  |
| Tools                                       | 47           | 25           | 16                  | 28                  |
| Industrialized non-food Products            | 1.048        | 561          | 301                 | 330                 |
| Automobiles                                 | 428          | 124          | 36                  | 47                  |
| <u>2.- CAPITAL GOODS</u>                    | <u>1.249</u> | <u>584</u>   | <u>345</u>          | <u>400</u>          |
| Machinery & Equipment                       | 677          | 429          | 265                 | 307                 |
| Transportation Equipment                    | 564          | 153          | 77                  | 90                  |
| Other Capital Goods                         | 8            | 2            | 3                   | 3                   |
| <u>3.- INTERMEDIATE GOODS</u>               | <u>3.208</u> | <u>1.996</u> | <u>1.868</u>        | <u>2.058</u>        |
| Agricultural-food stuffs                    | 273          | 238          | 256                 | 280                 |
| Agricultural Origin-raw materials           | 55           | 39           | 40                  | 44                  |
| Industrial Origin-raw (edibles) materials   | 124          | 99           | 95                  | 105                 |
| Industrial Origin-raw(non-edibles)materials | 568          | 335          | 387                 | 426                 |
| Intermediate Industrial Goods               | 729          | 414          | 284                 | 312                 |
| Machinery & Equipment-spare parts           | 290          | 198          | 186                 | 205                 |
| Fuels & Lubricants                          | 983          | 615          | 590                 | 650                 |
| - Crude Petroleum                           | (703)        | (277)        | (403) <sup>1/</sup> | (453) <sup>2/</sup> |
| - Other                                     | (280)        | (338)        | (187)               | (197)               |
| Parts for assembly of vehicles              | 186          | 58           | 30                  | 36                  |
| <u>SUB TOTAL</u>                            | <u>6.364</u> | <u>3.529</u> | <u>2.738</u>        | <u>3.053</u>        |
| <u>Other Imports</u>                        | <u>1.004</u> | <u>494</u>   | <u>400</u>          | <u>430</u>          |
| <u>TOTAL CIF</u>                            | <u>7.368</u> | <u>4.023</u> | <u>3.138</u>        | <u>3.483</u>        |
| <u>TOTAL FOB</u>                            | <u>6.558</u> | <u>3.580</u> | <u>2.793</u>        | <u>3.100</u>        |

<sup>1/</sup> 13.4 million Barrels at \$ 30/barrel

<sup>2/</sup> 14.6 million barrels at \$ 31/barrel

TABLE 6 C

## VOLUME AND VALUE OF EXPORTS: 1981-82-83-84, BY PRINCIPAL PRODUCTS

(millions of US dollars)

| PRODUCTS          | UNITS | 1 9 8 1   |          |         | 1 9 8 2   |          |         | 1 9 8 3     |          |         | 1 9 8 4   |          |         |
|-------------------|-------|-----------|----------|---------|-----------|----------|---------|-------------|----------|---------|-----------|----------|---------|
|                   |       | Q         | \$       | Value   | Q         | \$       | Value   | Q           | \$       | Value   | Q         | \$       | Value   |
| Copper            | TM    | 1.063.500 | 1.652    | 1.757.0 | 1.208.500 | 1.436.0  | 1.735.0 | 1.210.000.0 | 1.605.0  | 1.942.0 | 1.250.000 | 1.786.0  | 2.232.0 |
| Iron Ore Pellets  | TM    | 3.276.851 | 33.7     | 110.6   | 3.214.197 | 33.6     | 108.2   | 3.100.000.0 | 34.0     | 105.4   | 3.250.000 | 36.0     | 116.0   |
| Iron Ore          | TM    | 3.363.992 | 15.3     | 51.4    | 2.552.870 | 19.6     | 50.0    | 2.618.000.0 | 17.0     | 44.5    | 2.631.000 | 19.0     | 50.0    |
| Sodium Nitrate    | TM    | 330.202   | 106.0    | 35.1    | 268.382   | 105.0    | 28.2    | 320.000.0   | 100.0    | 32.0    | 320.000   | 110.0    | 35.0    |
| Potassium Nitrate | TM    | 104.124   | 151.0    | 15.7    | 102.758   | 158.0    | 16.2    | 117.800.0   | 150.0    | 17.7    | 130.000   | 155.0    | 20.0    |
| Iodine            | TM    | 2.271.0   | 14.102.0 | 32.0    | 2.186     | 13.782.0 | 30.1    | 2.923.0     | 12.075.0 | 35.3    | 3.000     | 13.500.0 | 40.5    |
| Molybdenum        | TM    | 9.109.9   | 11.714.0 | 106.7   | 11.423    | 9.691.0  | 107.4   | 3.677.0     | 6.800.0  | 25.0    | 3.700     | 8.000.0  | 29.6    |
| Fishmeal          | TM    | 455.812   | 429.0    | 195.5   | 768.637   | 332.0    | 255.0   | 760.000.0   | 400.0    | 304.0   | 750.000   | 420.0    | 315.0   |
| Planks            | M3    | 847.439   | 122.0    | 103.8   | 642.064   | 100.0    | 64.2    | 810.000.0   | 90.0     | 73.0    | 860.000   | 105.0    | 90.0    |
| Pinewood          | M3    | 359.060   | 102.0    | 36.5    | 889.055   | 44.0     | 39.6    | 600.000.0   | 35.3     | 21.0    | 800.000   | 45.0     | 36.0    |
| Crude Cellulose   | TM    | 208.960   | 441.0    | 92.1    | 210.577   | 288.0    | 60.8    | 280.000.0   | 240.0    | 67.3    | 280.000   | 270.0    | 76.0    |
| White Cellulose   | TM    | 201.406   | 554.0    | 111.6   | 248.251   | 447.0    | 111.0   | 320.000.0   | 350.0    | 112.0   | 320.000   | 390.0    | 125.0   |
| Molybdenum Oxide  | TM    | 6.223     | 15.343.0 | 97.7    | 9.431     | 9.184.0  | 86.6    | 12.900.0    | 7.000.0  | 90.0    | 14.000    | 9.000.0  | 126.0   |
| Iron Molybdenum   | TM    | 389       | 18.532.0 | 7.2     | 938       | 11.006.0 | 10.3    | 1.500.0     | 8.500.0  | 12.6    | 1.500     | 11.000.0 | 16.5    |
| SUB TOTAL         |       |           |          | 2.752.9 |           |          | 2.702.6 |             |          | 2.881.8 |           |          | 3.309.6 |
| OTHERS            |       |           |          | 1.207.1 |           |          | 1.095.7 |             |          | 1.143.2 |           |          | 1.300.4 |
| TOTAL             |       |           |          | 3.960.0 |           |          | 3.798.3 |             |          | 4.025.0 |           |          | 4.610.0 |

TABLE 7

## CHILE: BALANCE OF PAYMENTS BY QUARTERS, 1983

(in millions of US dollars)

|                                                              | <u>I<sup>1/</sup></u> | <u>II<sup>1/</sup></u> | <u>III</u>  | <u>IV</u>   | <u>YEAR</u>  |
|--------------------------------------------------------------|-----------------------|------------------------|-------------|-------------|--------------|
| <u>CURRENT ACCOUNT</u>                                       | <u>-163</u>           | <u>-138</u>            | <u>-244</u> | <u>-382</u> | <u>-927</u>  |
| Trade Balance                                                | 314                   | 335                    | 327         | 236         | 1.212        |
| Exports                                                      | 947                   | 1.030                  | 1.022       | 1.006       | 4.005        |
| Copper                                                       | 417                   | 494                    | 515         | 516         | 1.942        |
| Others                                                       | 530                   | 536                    | 507         | 490         | 2.063        |
| Imports                                                      | -633                  | -695                   | -695        | -770        | -2.793       |
| Non Financial Services                                       | -102                  | -109                   | -120        | -104        | -435         |
| Financial Services                                           | -395                  | -384                   | -471        | -534        | -1.784       |
| Transfers                                                    | 20                    | 20                     | 20          | 20          | 80           |
| <u>CAPITAL ACCOUNT</u>                                       | <u>-922</u>           | <u>171</u>             | <u>854</u>  | <u>221</u>  | <u>324</u>   |
| Direct Investment                                            | 30                    | 45                     | 50          | 50          | 175          |
| Payments MLT (scheduled)                                     | -317                  | -477                   | -465        | -496        | -1.755       |
| Other Payments                                               | -                     | -167                   | -62         | -           | -229         |
| Short-term financial                                         | -470                  | 296                    | -186        | -170        | -530         |
| Receipts                                                     | 105                   | 118                    | 194         | 210         | 627          |
| Public Sector                                                | (38)                  | (55)                   | (141)       | (157)       | (391)        |
| Private Sector                                               | (67)                  | (63)                   | (53)        | (53)        | (236)        |
| Refinancing of amortization                                  | 90                    | 369                    | 280         | 407         | 1.146        |
| New Money                                                    | -                     | -                      | 1.070       | 230         | 1.300        |
| Short-term commercial                                        | -152                  | 36                     | 23          | 40          | -53          |
| Others                                                       | -117                  | 13                     | -50         | -50         | -204         |
| Errors and Omissions                                         | -91                   | -62                    | -           | -           | -153         |
| <u>Overall balance</u>                                       | <u>-1.085</u>         | <u>33</u>              | <u>610</u>  | <u>-161</u> | <u>-603</u>  |
| <u>Cumulative Balance of Payments</u>                        | <u>-1.085</u>         | <u>-1.052</u>          | <u>-442</u> | <u>-603</u> | <u>-603</u>  |
| <u>Valuation Adjustment</u>                                  | <u>+85</u>            | <u>-67</u>             | <u>-</u>    | <u>-</u>    | <u>18</u>    |
| <u>Changes in Reserves (increase: -)</u>                     | <u>1.000</u>          | <u>34</u>              | <u>-610</u> | <u>161</u>  | <u>585</u>   |
| <u>Cumulative Change in Reserves</u><br>(increase: -)        | <u>1.000</u>          | <u>1.034</u>           | <u>424</u>  | <u>585</u>  | <u>585</u>   |
| MEMORANDUM ITEM =                                            |                       |                        |             |             |              |
| Change in Reserves, net of banks'<br>new money (increase: -) | <u>1.000</u>          | <u>34</u>              | <u>460</u>  | <u>391</u>  | <u>1.885</u> |

<sup>1/</sup> Provisional figures

TABLE 8

## EXPORTS AND IMPORTS 1982-1983

(millions of US dollars)

|      | EXPORTS (FOB) |         |         | IMPORTS (CIF)      |                  |                    |         | IMPORTS (FOB) | TRADE BALANCE |                     |
|------|---------------|---------|---------|--------------------|------------------|--------------------|---------|---------------|---------------|---------------------|
|      | Copper        | Others  | Total   | Consumers<br>Goods | Capital<br>Goods | Intermed.<br>Goods | Total   |               | MONTHLY       | ACCUMULATED<br>YEAR |
| 1982 | 1.735.0       | 2.063.3 | 3.798.3 | 1.470.8            | 675.8            | 1.876.1            | 4.022.7 | 3.580.2       | ...           | 218.1               |
| 1983 |               |         |         |                    |                  |                    |         |               |               |                     |
| Jan. | 110.0         | 141.1   | 251.1   | 72.2               | 39.2             | 105.3              | 216.7   | 192.8         | 58.4          | 58.3                |
| Feb. | 138.2         | 164.5   | 302.7   | 82.7               | 33.3             | 107.7              | 223.7   | 199.1         | 103.6         | 161.9               |
| Mar. | 168.5         | 224.6   | 393.1   | 89.0               | 34.2             | 147.5              | 270.7   | 240.9         | 152.2         | 314.1               |
| Apr. | 134.5         | 198.5   | 333.0   | 68.0               | 36.0             | 148.5              | 252.5   | 224.7         | 108.3         | 422.4               |
| May. | 196.1         | 182.9   | 379.0   | 86.1               | 26.1             | 168.2              | 280.4   | 249.6         | 129.4         | 551.8               |
| Jun. | 163.8         | 154.7   | 318.5   | 73.3               | 28.8             | 145.8              | 247.9   | 220.6         | 97.9          | 649.7               |

TABLE 9

## PROJECTED NET INFLOWS OF FUNDS FROM OFFICIAL ORGANIZATIONS AND SUPPLIERS, 1983-84

(millions of US dollars)

| As of June 30, 1983               | 1983                |          |        | 1984                |          |        |
|-----------------------------------|---------------------|----------|--------|---------------------|----------|--------|
|                                   | Disbursem.          | Amortiz. | Net    | Disbursem.          | Amortiz. | Net    |
| I - OFFICIAL ORGANIZATIONS        | 315.1               | 103.9    | 211.2  | 368.1               | 111.7    | +256.4 |
| IDB                               | 126.8               | 14.3     | 112.5  | 235.5 <sup>a/</sup> | 14.3     | +221.2 |
| IBRD                              | 31.3                | 13.0     | 18.3   | 123.6 <sup>a/</sup> | 21.6     | +102.0 |
| IDA                               | -                   | 0.7      | -0.7   | -                   | 0.7      | -0.7   |
| Eximbank (U.S.A.)                 | 12.0 <sup>c/</sup>  | 2.1      | +9.9   | -9.0 <sup>c/</sup>  | 5.6      | +3.4   |
| AID (U.S.A.)                      | -                   | 16.5     | -16.5  | -                   | 16.4     | -16.4  |
| CCC (U.S.A.)                      | 145.0 <sup>b/</sup> | 7.6      | +137.4 | -                   | 7.1      | -7.1   |
| KFW (W.Germany)                   | -                   | 2.3      | -2.3   | -                   | 2.3      | -2.3   |
| Bco. Central Argentina            | -                   | 15.2     | -15.2  | -                   | 14.8     | -14.8  |
| Eximbank (Japan)                  | -                   | 1.2      | -1.2   | -                   | 1.2      | -1.2   |
| Bco. Do Brasil                    | -                   | 21.1     | -21.1  | -                   | 19.6     | -19.6  |
| East Germany                      | -                   | 0.8      | -0.8   | -                   | 0.2      | -0.2   |
| Bulgaria                          | -                   | 0.6      | -0.6   | -                   | 0.2      | -0.2   |
| EDC (Canada)                      | -                   | 1.0      | -1.0   | -                   | 1.5      | -1.5   |
| EFIC (Australia)                  | -                   | 0.5      | -0.5   | -                   | 0.5      | -0.5   |
| Spanish Government                | -                   | 2.1      | -2.1   | -                   | 1.5      | -1.5   |
| Credit Nacional (France)          | -                   | 2.0      | -2.0   | -                   | 1.8      | -1.8   |
| NIO (Netherlands)                 | -                   | 0.9      | -0.9   | -                   | 0.9      | -0.9   |
| British Government                | -                   | 0.1      | -0.1   | -                   | -        | -      |
| Bco. Comerc. Exterior Mexico      | -                   | 0.9      | -0.9   | -                   | 0.7      | -0.7   |
| Bco. Central Reserva Peru         | -                   | 0.1      | -0.1   | -                   | 0.1      | -0.1   |
| IDC (South Africa)                | -                   | 0.7      | -0.7   | -                   | 0.7      | -0.7   |
| Org. Gub. (USSR)                  | -                   | 0.1      | -0.1   | -                   | -        | -      |
| Kontrollbank (Austria)            | -                   | 0.1      | -0.1   | -                   | -        | -      |
| Eximbank (Korea)                  | -                   | -        | -      | -                   | -        | -      |
| II - SUPPLIERS <sup>c/</sup>      | 92.0                | 213.1    | -121.1 | 215.0               | 216.2    | -1.2   |
| Public Sector                     | 21.0                | 77.1     | -56.1  | 65.0                | 87.2     | -22.2  |
| Private Sector                    | 71.0                | 136.0    | -65.0  | 150.0               | 129.0    | +21.0  |
| - Contracted Credits              | 54.0                | 136.0    | -82.0  | -                   | 129.0    | -129.0 |
| - Credits to be contracted        | 17.0                | -        | -17.0  | 150.0               | -        | +150.0 |
| O T A L                           |                     |          |        |                     |          |        |
| I - Official Organizations        | 315.1               | -103.9   | 211.2  | 368.1               | -111.7   | +256.4 |
| II - Suppliers                    | 92.0                | -213.1   | -121.1 | 215.0               | -216.2   | -1.2   |
| Total (I + II)                    | 407.1               | -317.0   | 90.1   | 583.1               | -327.9   | +255.2 |
| III - Rest of Banks <sup>d/</sup> | -                   | -180.7   | -180.7 | -                   | -137.0   | -137.0 |
| GRAND TOTAL                       | 407.1               | -497.7   | -90.6  | 583.1               | -464.9   | 118.2  |

<sup>a/</sup> Assumed are disbursements of new loans of the IDB & IBRD which altogether total approximately US\$ 238 million.

<sup>b/</sup> B.O.P. projection considers CCC disbursement of 90.0 million

<sup>c/</sup> Figures of supplier credit with official guarantees are not available

<sup>d/</sup> Renegotiations, Nationalizations, Firms and Individuals (Financial Credits).

SOURCE: Banco Central de Chile

TABLE 10 FOREIGN DEBT OF CHILE 1981 - 1983

(millions of US dollars)

|                                             | <u>12.31.81</u> | <u>Estimated<br/>12.31.82</u> | <u>Estimated<br/>03.31.83</u> | <u>Estimated<br/>06.30.83</u> |
|---------------------------------------------|-----------------|-------------------------------|-------------------------------|-------------------------------|
| I <u>TOTAL FOREIGN DEBT</u><br>(II + III)   | <u>15,542</u>   | <u>17,187</u>                 | <u>16,494</u>                 | <u>16,433</u>                 |
| Public Sector                               | 5,465           | 6,678                         | 6,425                         | 6,576                         |
| (Banco del Estado)                          | (397)           | (779)                         | (772)                         | (783)                         |
| (Central Bank)                              | (528)           | (836)                         | (829)                         | (1,018)                       |
| Private Sector                              | 10,077          | 10,509                        | 10,069                        | 9,857                         |
| (Banks)                                     | (6,516)         | (6,630)                       | (6,223)                       | (5,954)                       |
| (Others)(Non banks)(1)                      | (3,561)         | (3,879)                       | (3,846)                       | (3,903)                       |
| II <u>MEDIUM AND LONG TERM FOREIGN DEBT</u> | <u>12,553</u>   | <u>13,849</u>                 | <u>13,694</u>                 | <u>13,597</u>                 |
| Public Sector                               | 4,415           | 5,175                         | 5,085                         | 5,058                         |
| (Banco del Estado)                          | (393)           | (508)                         | (508)                         | (510)                         |
| (Central Bank)                              | (528)           | (636)                         | (629)                         | (618)                         |
| Private Sector                              | 8,138           | 8,674                         | 8,609                         | 8,539                         |
| (Banks)                                     | (4,577)         | (4,898)                       | (4,881)                       | (4,751)                       |
| (Others) (Non banks)                        | (3,561)         | (3,776)                       | (3,728)                       | (3,788)                       |
| III <u>SHORT TERM FOREIGN DEBT</u>          | <u>2,989</u>    | <u>3,338</u>                  | <u>2,800</u>                  | <u>2,836</u>                  |
| Public Sector                               | 1,050           | 1,503                         | 1,340                         | 1,518                         |
| (Banco del Estado)                          | (4)             | (271)                         | (264)                         | (273)                         |
| (Central Bank)                              | (-)             | (200)                         | (200)                         | (400)                         |
| Private Sector                              | 1,939           | 1,835                         | 1,460                         | 1,318                         |
| (Banks) (2)                                 | (1,939)         | (1,732)                       | (1,342)                       | (1,203)                       |
| (Others) (Non banks) (1)                    | (-)             | (103)                         | (118)                         | (115)                         |
| IV <u>CENTRAL BANK WITH IMF</u>             | <u>49</u>       | <u>6</u>                      | <u>442</u>                    | <u>446</u>                    |

(1) Excludes short-term credits to non-banks for operation in foreign trade. These are estimated at \$ 780 million at 12.31.82. Includes short term credits (Article 14 and 15) from June 1982 on.

(2) Includes short-term credits (Article 14 and 15) from June 1982 on.

TABLE 11

TOTAL MEDIUM AND LONG TERM EXTERNAL DEBT

| At Dec. 31, 1982<br>(millions of US dollars)<br>(According to principal foreign<br>Creditors) |  | STOCKS<br>(31.12.82) |
|-----------------------------------------------------------------------------------------------|--|----------------------|
| I - <u>PUBLIC SECTOR</u>                                                                      |  | 5,174.5              |
| 1. <u>Multinational Organizations</u>                                                         |  | 463.9                |
| - Non Financial Public Sector                                                                 |  | 433.3                |
| - Financial Public Sector                                                                     |  | 30.6                 |
| 2. <u>Foreign Governments</u>                                                                 |  | 742.9                |
| - Non Financial Public Sector                                                                 |  | 636.7                |
| - Financial Public Sector                                                                     |  | 106.2                |
| 3. <u>Private Banks and Financial Institutions</u>                                            |  | 3,372.9              |
| - Non Financial Public Sector                                                                 |  | 2,332.2              |
| - Financial Public Sector                                                                     |  | 1,040.7              |
| 4. <u>Foreign Suppliers</u>                                                                   |  | 374.9                |
| - Non Financial Public Sector                                                                 |  | 369.5                |
| - Financial Public Sector                                                                     |  | 5.4                  |
| 5. <u>Nationalizations</u>                                                                    |  | 75.1                 |
| 6. <u>Official Renegotiations</u>                                                             |  | 51.8                 |
| 7. <u>Renegotiation Special Agreements</u>                                                    |  | 7.8                  |
| - Non Financial Public Sector                                                                 |  | 6.1                  |
| - Financial Public Sector                                                                     |  | 1.7                  |
| 8. <u>Public Bonds</u>                                                                        |  | 42.2                 |
| 9. <u>Private Bonds</u>                                                                       |  | 43.0                 |
| II - <u>PRIVATE SECTOR</u>                                                                    |  | 8,674.0              |
| 1. <u>Banks and Financial Institutions</u>                                                    |  | 4,897.8              |
| - With Foreign Banks and Financial<br>Institutions                                            |  | 4,897.8              |
| - With Foreign Suppliers                                                                      |  | -                    |
| 2. <u>Non Banking Private Sector</u>                                                          |  | 3,776.2              |
| - With Foreign Banks and Financial<br>Institutions                                            |  | 2,781.7              |
| - With Foreign Suppliers                                                                      |  | 994.5                |
| III - <u>TOTAL (I + II)</u>                                                                   |  | 13,848.5             |
| - With Foreign Banks and Financial<br>Institutions                                            |  | 11,052.4             |
| - With Foreign Suppliers                                                                      |  | 2,796.1              |

SOURCE: Banco Central de Chile

TABLE 12

## SCHEDULE OF AMORTIZATIONS OF MEDIUM AND LONG TERM EXTERNAL DEBT, AS OF 06 30.83

(millions of US dollars)

|                                      | <u>1983</u>  | <u>1984</u>  | <u>1985</u>  | <u>1986</u>  | <u>1987</u>  | <u>1988</u>  | <u>1989</u>  | <u>1990</u>  |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| I. <u>BEFORE RENEGOTIATION</u>       | <u>1,755</u> | <u>1,561</u> | <u>2,258</u> | <u>2,714</u> | <u>2,382</u> | <u>1,594</u> | <u>949</u>   | <u>403</u>   |
| Public Debt <u>1/</u>                | 498          | 523          | 613          | 888          | 796          | 737          | 618          | 335          |
| Private Debt <u>2/</u>               | 1,257        | 1,038        | 1,645        | 1,826        | 1,586        | 857          | 331          | 68           |
| II. <u>AFTER RENEGOTIATION 3/ 4/</u> | <u>578</u>   | <u>498</u>   | <u>2,258</u> | <u>2,714</u> | <u>2,382</u> | <u>3,061</u> | <u>2,416</u> | <u>1,870</u> |
| Public Debt                          | 338          | 281          | 613          | 888          | 796          | 1,318        | 1,199        | 917          |
| Private Debt                         | 240          | 217          | 1,645        | 1,826        | 1,586        | 1,743        | 1,217        | 953          |
| III. <u>AFTER RENEGOTIATION 4/</u>   | <u>578</u>   | <u>498</u>   | <u>2,288</u> | <u>2,714</u> | <u>2,382</u> | <u>3,061</u> | <u>2,416</u> | <u>1,870</u> |
| 1. As of Original Schedule           | 578          | 498          | 2,258        | 2,714        | 2,382        | 1,594        | 949          | 403          |
| 2. Rescheduled Debt                  | -. -         | -. -         | 30           | -. -         | -. -         | 1,067        | 1,067        | 1,067        |
| 3. New Credits                       | -. -         | -. -         | -. -         | -. -         | -. -         | 400          | 400          | 400          |

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1/ Includes: BID : US\$ 120 MM.

Bank of Tokyo - Fuji - Endesa: Yens 20.000 MM

C.C.C. - Banco del Estado : US\$ 90 MM

contracted at 06.30.83

2/ Includes: US\$ 59.1 with foreign banks and US\$ 45.0 with suppliers, contracted at 06.30.83

3/ Excludes the amortizations effected in January, 1983. These totalled US\$18 million for the public sector, and US\$37 million for the private sector.

4/ The figures in the "AFTER RENEGOTIATION" category are provisional.

TABLE 13

## GROWTH RATES OF GROSS DOMESTIC PRODUCT BY SECTOR

(percentage change in 12 month)

| SECTOR           | 1980 | 1981 (*) |      |       | 1982 (**) |       |       |       |       | 1983 (**) |       |       | 1984 <u>2/</u> |
|------------------|------|----------|------|-------|-----------|-------|-------|-------|-------|-----------|-------|-------|----------------|
|                  |      | III      | IV   | TOTAL | I         | II    | III   | IV    | TOTAL | I         | II    | TOTAL | <u>2/</u>      |
| Agriculture      | 3,6  | 13,4     | 2,7  | 4,3   | 5,6       | -2,2  | -13,2 | 9,0   | -3,3  | -4,5      | -4,8  | 1,8   | 5,0            |
| Fishing          | 7,5  | 30,6     | -0,7 | 18,1  | 42,7      | 16,6  | -12,4 | -4,0  | 8,8   | 3,7       | 13,5  | 10,0  | 5,0            |
| Mining           | 5,2  | 8,0      | 7,6  | 8,0   | -0,6      | 20,6  | 6,3   | -1,7  | 5,7   | 1,2       | -11,4 | 1,0   | 4,0            |
| Industry         | 6,2  | 6,8      | -9,1 | 2,6   | -19,9     | -22,6 | -23,4 | -20,3 | -21,6 | -9,9      | -0,2  | 3,0   | 7,0            |
| Construction     | 23,9 | 1,6      | 10,0 | 21,1  | -17,4     | -29,7 | -32,4 | -36,3 | -29,0 | -28,9     | -5,9  | -0,2  | 5,0            |
| Commerce         | 12,4 | 21,9     | -9,4 | 6,6   | -9,4      | -13,3 | -25,3 | -21,7 | -17,8 | -18,4     | -11,1 | -3,0  | -0,2           |
| Transport        | 11,1 | 14,3     | -5,0 | 1,1   | -5,7      | -4,6  | -16,1 | -12,5 | -9,9  | -4,6      | -4,6  | -     | 5,0            |
| Others <u>1/</u> | 5,3  | 12,3     | -1,3 | 5,2   | -8,2      | -13,3 | -15,6 | -15,5 | -13,2 | -5,8      | -1,6  | -1,7  | 2,0            |
| TOTAL G.D.P.     | 7,8  | 11,4     | -3,3 | 5,7   | -9,1      | -12,5 | -18,4 | -17,2 | -14,3 | -9,5      | -4,4  | 0,0   | 3,4            |

1/ Includes Financial Services, Personal Services, Housing, Public Administration, Electricity, Gas and Water, Import Duties and Value Added Tax on Imports, banking charges.

(\*) Provisional

(\*\*) Estimated

SOURCE: Central Bank of Chile, "National Accounts"

2/ Projection

TABLE 14

LABOR FORCE AND UNEMPLOYMENT NATIONWIDE

|                              | 1977<br><u>Oct.Dec.</u> | 1978<br><u>Oct.Dec.</u> | 1979<br><u>Oct.Dec.</u> | 1970<br><u>Oct.Dec.</u> | 1981<br><u>Oct.Dec.</u> | 1982<br><u>Oct.Dec.</u> (**) |
|------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|------------------------------|
| <u>LABOR FORCE</u> (1.000's) | <u>3,199.0</u>          | <u>3,476.6</u>          | <u>3,477.5</u>          | <u>3,635.5</u>          | <u>3,688.0</u>          | <u>3,503.6</u>               |
| % Change (*)                 | 0.5                     | 8.7                     | 0.03                    | 4.5                     | 1.4                     | -5.0                         |
| Unemployment (1.000's)       | 378.5                   | 495.3                   | 474.2                   | 378.4                   | 417.0                   | 679.1                        |

UNEMPLOYMENT RATE

(percentages)

|                            |      |      |      |      |      |      |
|----------------------------|------|------|------|------|------|------|
| Agriculture                | 5.4  | 6.7  | 7.3  | 5.0  | 6.3  | 9.4  |
| Mining                     | 8.8  | 11.0 | 9.0  | 10.5 | 10.6 | 17.7 |
| Industry                   | 9.7  | 12.8 | 12.5 | 11.2 | 11.8 | 26.4 |
| Construction               | 26.7 | 29.6 | 28.9 | 18.7 | 25.8 | 50.0 |
| Commerce                   | 6.9  | 7.9  | 8.9  | 6.9  | 7.5  | 13.6 |
| Transport & Communications | 8.4  | 10.6 | 9.9  | 8.5  | 8.6  | 17.6 |
| Services                   | 7.3  | 8.9  | 7.7  | 5.7  | 6.2  | 10.1 |
| <u>TOTAL</u>               | 11.8 | 14.1 | 13.6 | 10.4 | 11.3 | 19.4 |

(\*) Variation related to the same period of previous year

(\*\*) Provisional

SOURCE: Instituto Nacional de Estadística

TABLE 15

PUBLIC FINANCE

(millions of 1976 US dollars)

|                                                                 | <u>1977</u>    | <u>1978</u>    | <u>1979</u>    | <u>1980</u>    | <u>1981*</u>   | <u>1982*</u>   |
|-----------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <u>FISCAL SPENDING</u>                                          | <u>2,699.2</u> | <u>2,787.6</u> | <u>2,895.7</u> | <u>3,160.7</u> | <u>3,599.8</u> | <u>3,603.3</u> |
| - Fiscal Spending excluding<br>Debt Service                     | 2,264.1        | 2,369.7        | 2,449.8        | 2,796.6        | 3,371.4        | 3,364.1        |
| <u>FISCAL DEFICIT</u>                                           | <u>200.2</u>   | <u>99.2</u>    | <u>-208.3</u>  | <u>-420.9</u>  | <u>-240.0</u>  | <u>293.6</u>   |
| - Deficit/Fiscal Spending (%)                                   | 7.4            | 3.6            | -7.2           | -13.3          | -6.7           | 8.1            |
| - Deficit/Fiscal Spending<br>excluding Debt Service (%)         | 8.8            | 4.2            | -8.5           | -15.1          | -7.1           | 8.7            |
| - Social Spending/Fiscal Spending<br>excluding Debt Service (%) | 50.5           | 50.2           | 47.9           | 50.0           | 54.7           | 59.4           |
| - Social Spending/Fiscal Spending (%)                           | 42.3           | 42.7           | 40.5           | 42.8           | 51.3           | 55.4           |
| - Fiscal Deficit/GNP (%)                                        | 1.8            | 0.8            | -1.7           | -3.1           | -1.6           | 2.4            |

(\*) Provisional

SOURCE: Dirección de Presupuesto, Ministerio de Hacienda

TABLE 16

## PRINCIPAL MONETARY AGGREGATES

(stocks in millions of Chilean pesos)

|        | Bills & Coins<br>in Circulation<br>C | Demand<br>Deposits<br>D1 | Private<br>Money<br>M1 | Time<br>Deposits<br>Dp | M1 + Dp<br>M2 | M3*     | M3A**   | Public<br>Money<br>Dg | Monetary<br>Base<br>E |
|--------|--------------------------------------|--------------------------|------------------------|------------------------|---------------|---------|---------|-----------------------|-----------------------|
| Dec.81 | 43.628                               | 31.597                   | 75.225                 | 226.643                | 301.868       | 372.371 | 450.007 | 55.784                | 83.680                |
| Jan.82 | 41.724                               | 37.819                   | 79.543                 | 237.964                | 317.507       | 377.863 | 450.959 | 51.343                | 80.590                |
| Feb.   | 41.869                               | 38.161                   | 80.030                 | 244.913                | 324.943       | 382.936 | 450.491 | 49.176                | 77.693                |
| Mar.   | 37.842                               | 39.568                   | 77.410                 | 247.504                | 324.914       | 382.876 | 446.315 | 43.321                | 77.268                |
| Apr.   | 41.630                               | 34.021                   | 75.651                 | 240.562                | 316.213       | 376.779 | 437.591 | 41.792                | 73.821                |
| May.   | 39.311                               | 35.175                   | 74.486                 | 245.432                | 319.917       | 378.609 | 436.185 | 38.569                | 78.695                |
| Jun.   | 39.028                               | 30.060                   | 69.088                 | 231.805                | 300.893       | 362.952 | 430.746 | 39.646                | 64.045                |
| Jul.   | 36.510                               | 28.388                   | 64.898                 | 240.036                | 304.934       | 360.230 | 441.900 | 60.338                | 71.326                |
| Aug.   | 35.669                               | 41.947                   | 77.616                 | 234.515                | 312.131       | 369.591 | 433.973 | 44.127                | 69.869                |
| Sep.   | 34.771                               | 34.807                   | 69.578                 | 239.349                | 308.927       | 368.613 | 436.980 | 44.241                | 68.291                |
| Oct.   | 36.674                               | 30.054                   | 66.728                 | 247.234                | 313.962       | 375.670 | 441.925 | 41.603                | 56.431                |
| Nov.   | 34.489                               | 33.569                   | 68.058                 | 245.844                | 313.902       | 379.160 | 447.921 | 37.200                | 55.096                |
| Dec.   | 42.708                               | 38.038                   | 80.746                 | 237.388                | 318.134       | 384.406 | 450.825 | 38.542                | 61.491                |
| Jan.83 | 45.617                               | 57.712                   | 103.329                | 211.542                | 314.871       | 375.393 | 438.485 | 37.425                | 70.166                |
| Feb.   | 46.964                               | 49.490                   | 96.454                 | 198.258                | 294.712       | 358.105 | 422.372 | 36.604                | 74.805                |
| Mar.   | 46.861                               | 44.758                   | 91.619                 | 198.702                | 290.321       | 357.271 | 424.884 | 35.899                | 66.592                |
| Apr.   | 46.571                               | 46.969                   | 93.540                 | 193.282                | 286.822       | 353.277 | 427.003 | 40.486                | 69.318                |
| May.   | 42.633                               | 46.805                   | 89.438                 | 190.461                | 279.899       | 349.638 | 429.735 | 52.557                | 60.373                |
| Jun.   | 43.243                               | 47.317                   | 90.560                 | 198.345                | 288.905       | 361.257 | 430.693 | 37.306                | 63.007                |

1/ Provisional

NOTES: \* M3 = M2 + Savings Accounts + other demand dep.

\*\* M3A = Private and Public Money and Quasimoney

TABLE 17  
 WAGES AND SALARIES INDEX, 1977-83  
 (Base: Dec.78 = 100)

|             | INDEX  | ANNUAL %<br>CHANGE | REAL INDEX (*) | ANNUAL %<br>CHANGE |
|-------------|--------|--------------------|----------------|--------------------|
| 1977 Aver.  | 50.96  | 116.4              | 79.80          | 12.73              |
| 1978 "      | 81.38  | 59.7               | 90.97          | 14.00              |
| 1979 "      | 120.51 | 48.1               | 100.99         | 11.01              |
| 1980 "      | 176.64 | 46.6               | 109.54         | 8.47               |
| 1981 "      | 230.20 | 30.3               | 119.27         | 8.88               |
| <u>1982</u> |        |                    |                |                    |
| Jan.        | 250.02 | 18.5               | 124.34         | 9.2                |
| Feb.        | 249.29 | 18.8               | 124.97         | 10.7               |
| Mar.        | 252.19 | 17.8               | 125.87         | 10.1               |
| Apr.        | 253.69 | 16.1               | 126.74         | 9.9                |
| May.        | 253.17 | 14.6               | 127.13         | 10.6               |
| Jun.        | 250.33 | 11.4               | 124.87         | 6.9                |
| Jul.        | 248.79 | 9.5                | 121.69         | 3.6                |
| Aug.        | 248.82 | 1.7                | 117.90         | -5.6               |
| Sep.        | 250.39 | 2.1                | 113.77         | -8.3               |
| Oct.        | 251.90 | 2.2                | 109.21         | -12.1              |
| Nov.        | 256.39 | 3.5                | 107.59         | -13.7              |
| Dec.        | 265.02 | 5.1                | 109.93         | -12.9              |
| <u>1983</u> |        |                    |                |                    |
| Jan.        | 267.58 | 7.0                | 109.07         | -12.3              |
| Feb.        | 266.91 | 7.1                | 108.67         | -13.0              |
| Mar.        | 269.94 | 7.0                | 107.86         | -14.3              |
| Apr.        | 273.82 | 7.9                | 106.26         | -16.2              |
| May.        | 280.31 | 10.7               | 107.30         | -15.6              |

(\*) Deflated by the C.P.I.

SOURCE: Instituto Nacional de Estadísticas, INE

TABLE 18

## RATES OF INTEREST

(monthly rates in Banking System)

|           | SHORT TERM DEPOSITS <sup>1/</sup> |                    | SHORT TERM LOANS <sup>1/</sup> |                    | P.D.B.C. <sup>2/</sup> |       |               |
|-----------|-----------------------------------|--------------------|--------------------------------|--------------------|------------------------|-------|---------------|
|           | NOMINAL                           | REAL <sup>3/</sup> | NOMINAL                        | REAL <sup>3/</sup> | NOMINAL                | REAL  | <sup>3/</sup> |
| Dec. 1982 | 4,59                              | 3,35               | 5,47                           | 4,22               | 3,89                   | 2,66  |               |
| Jan. 1983 | 2,85                              | 1,03               | 4,01                           | 2,17               | 2,76                   | 0,94  |               |
| Feb.      | 2,23                              | 2,13               | 3,24                           | 3,14               | 2,21                   | 2,11  |               |
| Mar.      | 2,15                              | 0,25               | 3,08                           | 1,16               | 1,98                   | 0,08  |               |
| Apr.      | 2,13                              | -0,84              | 3,09                           | 0,09               | 1,96                   | -1,01 |               |
| May.      | 2,25                              | 0,84               | 3,21                           | 1,79               | 2,23                   | 0,82  |               |
| Jun.      | 2,05                              | 0,44               | 2,97                           | 1,35               | 1,90                   | 0,30  |               |

## NOTES:

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 19REFERENCE AND PREFERENTIAL RATES OF EXCHANGE

(chilean pesos/US dollar, end of month)

|           | <u>OBSERVED</u> | <u>REFERENTIAL</u> | <u>PREFERENTIAL</u> |
|-----------|-----------------|--------------------|---------------------|
| Jan. 1982 | 39,00           | -                  | -                   |
| Feb.      | 39,00           | -                  | -                   |
| Mar.      | 39,00           | -                  | -                   |
| Apr.      | 39,00           | -                  | -                   |
| May.      | 39,00           | -                  | -                   |
| Jun.      | 43,02           | -                  | -                   |
| Jul.      | 46,65           | -                  | -                   |
| Aug.      | 55,34           | -                  | 49,96               |
| Sep.      | 63,04           | 66,03              | 51,02               |
| Oct.      | 66,27           | 66,98              | 52,79               |
| Nov.      | 69,19           | 69,21              | 55,09               |
| Dec.      | 72,39           | 71,54              | 57,52               |
| Jan. 1983 | 74,04           | 72,82              | 59,13               |
| Feb.      | 76,38           | 73,12              | 59,96               |
| Mar.      | 74,48           | 73,39              | 60,77               |
| Apr.      | 73,69           | 73,65              | 61,16               |
| May.      | 75,10           | 75,22              | 62,43               |
| Jun.      | 77,03           | 77,12              | 64,04               |

SOURCE: Banco Central de Chile

TABLE 20

PRICE INDEXES

|           | WHOLESALE PRICES |               | CONSUMER PRICES |               |
|-----------|------------------|---------------|-----------------|---------------|
|           | <u>INDEX</u>     | <u>% VAR.</u> | <u>INDEX</u>    | <u>% VAR.</u> |
| Dec. 1981 | 5.739,54         | -3,9          | 199,68          | 9,5           |
| Dec. 1982 | 8.011,72         | 39,6          | 241,08          | 20,7          |
| Jan. 1983 | 8.096,22         | 1,1 (1)       | 245,32          | 1,8 (1)       |
| Feb.      | 8.077,04         | -0,2          | 245,61          | 0,1           |
| Mar.      | 8.281,55         | 2,5           | 250,26          | 1,9           |
| Apr.      | 8.524,55         | 2,9           | 257,70          | 3,0           |
| May.      | 8.854,88         | 3,9           | 261,25          | 1,4           |
| Jun.      | 9.087,42         | 2,6           | 265,32          | 1,6           |

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(1) Monthly variations

SOURCE: Instituto Nacional de Estadísticas, INE

TABLE 21 -A

## FINANCIAL SYSTEM INDICATORS

(in percent)

AT: 06.30.83

|                                                                                  | Private<br>Chilean<br>Banks | Interv.<br>Banks | Non-Interv.<br>Banks | Foreign<br>Banks<br>in Chile | Banco<br>del<br>Estado | Financ.<br>Instit. | Total<br>System |
|----------------------------------------------------------------------------------|-----------------------------|------------------|----------------------|------------------------------|------------------------|--------------------|-----------------|
| <b>A - CAPITAL ADEQUACY</b>                                                      |                             |                  |                      |                              |                        |                    |                 |
| 1. <u>Physical Fixed Assets</u><br>Capital                                       | 95.2                        | 77.2             | 118.7                | 57.6                         | 16.6                   | 68.0               | 67.6            |
| 2. <u>Past due loans</u> ( <u>cartera vencida</u> )<br>Capital                   | 182.8                       | 270.1            | 68.3                 | 34.4                         | 26.9                   | 15.3               | 112.9           |
| 3. <u>Debt</u><br>Capital                                                        | 15.2                        | 15.3             | 14.9                 | 7.6                          | 7.4                    | 8.0                | 11.4            |
| 4. <u>Loans sold to Central Bank</u><br>Capital                                  | 52.8                        | 2.9              | 74.8                 | 21.0                         | 0.0                    | 19.7               | 32.9            |
| <b>B - ASSET QUALITY</b>                                                         |                             |                  |                      |                              |                        |                    |                 |
| 1. <u>Past due Loans</u><br>Total Loans                                          | 14.8                        | 21.8             | 5.5                  | 6.2                          | 5.2                    | 2.7                | 12.3            |
| 2. <u>Loans Loss Reserves</u> (Provi<br>siones)/ Total Loans                     | 5.1                         | 6.5              | 3.3                  | 3.5                          | 8.2                    | 4.0                | 5.4             |
| 3. <u>Loans sold to C.B.</u><br>Total Loans                                      | 4.3                         | 2.9              | 6.1                  | 3.8                          | 0.0                    | 3.4                | 3.6             |
| <b>C - LIABILITY STRUCTURE</b>                                                   |                             |                  |                      |                              |                        |                    |                 |
| 1. <u>Demand Deposits</u><br>Total Liabilities except<br>cap. and res.           | 8.3                         | 6.2              | 11.0                 | 12.0                         | 21.1                   | 4.4                | 11.0            |
| 2. <u>Time Deposits</u><br>Total Liabilities except<br>cap. and res.             | 16.8                        | 12.8             | 22.2                 | 33.2                         | 35.6                   | 47.6               | 22.7            |
| 3. <u>Total Foreign Liabilities</u><br>Total Liabilities except<br>cap. and res. | 48.6                        | 50.1             | 46.7                 | 39.7                         | 34.4                   | 5.5                | 45.0            |
| <b>D - MANAGEMENT</b>                                                            |                             |                  |                      |                              |                        |                    |                 |
| 1. <u>Administration Expenses</u><br>Total Loans and Fin. Invest.                | 0.4                         | 0.3              | 0.6                  | 0.8                          | 0.2                    | 1.5                | 0.5             |
| 2. <u>Remuneration Expenses</u><br>Total Loans and Fin. Invest.                  | 0.8                         | 0.7              | 1.1                  | 1.5                          | 1.4                    | 1.6                | 1.1             |
| 3. <u>Fixed Expenses</u><br>Operating Profits                                    | 418.7                       | 2.410.2          | 154.5                | 101.1                        | 94.2                   | 109.1              | 114.5           |
| <b>E - INCOME</b>                                                                |                             |                  |                      |                              |                        |                    |                 |
| 1. <u>Net Profits</u><br>Capital                                                 | (44.3)                      | (70.8)           | (9.5)                | (0.4)                        | 2.5                    | 0.2                | (23.4)          |
| 2. <u>Net Profits-Other net Income</u><br>Capital                                | (47.2)                      | (73.6)           | (12.7)               | (3.0)                        | (1.9)                  | (6.4)              | (26.7)          |
| 3. <u>Net Profits</u><br>Total Assets                                            | (2.5)                       | (4.0)            | (0.5)                | (0.0)                        | 0.3                    | 0.0                | (1.6)           |

SOURCE: Superintendencia de Bancos e Instituciones Financieras

TABLE 21 B

## FINANCIAL SYSTEM INDICATORS

(in percent)

AT: 03.31.83

|                                                                                  | Private<br>Chilean<br>Banks | Interv.<br>Banks | Non-Interv.<br>Banks | Foreign<br>Banks<br>in Chile | Banco<br>del<br>Estado | Financ.<br>Instit. | Total<br>System' |
|----------------------------------------------------------------------------------|-----------------------------|------------------|----------------------|------------------------------|------------------------|--------------------|------------------|
| <b>A - CAPITAL ADEQUACY</b>                                                      |                             |                  |                      |                              |                        |                    |                  |
| 1. <u>Physical Fixed Assets</u><br>Capital                                       | 90.6                        | 76.3             | 109.4                | 56.2                         | 13.3                   | 59.8               | 64.8             |
| 2. <u>Past due Loans (cartera vencida)</u><br>Capital                            | 154.3                       | 224.9            | 61.2                 | 27.8                         | 33.8                   | 13.6               | 98.1             |
| 3. <u>Debt</u><br>Capital                                                        | 15.5                        | 15.9             | 15.0                 | 8.1                          | 7.3                    | 7.7                | 11.9             |
| 4. <u>Loans sold to Central Bank</u><br>Capital                                  | 57.0                        | 42.8             | 75.6                 | 23.0                         | 0.0                    | 22.5               | 35.5             |
| <b>B - ASSET QUALITY</b>                                                         |                             |                  |                      |                              |                        |                    |                  |
| 1. <u>Past due Loans</u><br>Total Loans                                          | 12.1                        | 17.7             | 4.8                  | 4.6                          | 6.6                    | 2.4                | 10.3             |
| 2. <u>Loans Loss Reserves (Provi</u><br><u>siones)/ Total Loans</u>              | 4.7                         | 6.4              | 2.5                  | 2.6                          | 8.0                    | 4.0                | 4.9              |
| 3. <u>Loans sold to C.B.</u><br>Total Loans                                      | 4.5                         | 3.4              | 5.9                  | 3.8                          | 0.0                    | 4.0                | 3.8              |
| <b>C - LIABILITY STRUCTURE</b>                                                   |                             |                  |                      |                              |                        |                    |                  |
| 1. <u>Demand Deposits</u><br>Total Liabilities except<br>cap. and res.           | 9.0                         | 7.1              | 11.6                 | 14.2                         | 21.9                   | 4.1                | 11.6             |
| 2. <u>Time Deposits</u><br>Total Liabilities except<br>cap. and res.             | 17.3                        | 12.9             | 23.5                 | 34.1                         | 35.9                   | 47.7               | 22.7             |
| 3. <u>Total Foreign Liabilities</u><br>Total Liabilities except<br>cap. and res. | 49.9                        | 51.7             | 47.4                 | 39.3                         | 35.3                   | 6.1                | 45.7             |
| <b>D - MANAGEMENT</b>                                                            |                             |                  |                      |                              |                        |                    |                  |
| 1. <u>Administration Expenses</u><br>Total Loans and Fin. Invest.                | 0.2                         | 0.2              | 0.3                  | 0.4                          | 0.1                    | 0.8                | 0.2              |
| 2. <u>Remuneration Expenses</u><br>Total Loans and Fin. Invest.                  | 0.4                         | 0.3              | 0.6                  | 0.8                          | 0.8                    | 0.9                | 0.5              |
| 3. <u>Fixed Expenses</u><br>Operating Profits                                    | 607.1                       | 5.014.6          | 142.6                | 97.5                         | 103.1                  | 107.6              | 189.0            |
| <b>E - INCOME</b>                                                                |                             |                  |                      |                              |                        |                    |                  |
| 1. <u>Net Profits</u><br>Capital                                                 | (32.8)                      | (55.4)           | (2.1)                | 1.0                          | 1.5                    | 1.3                | (17.3)           |
| 2. <u>Net Profits-Other net Income</u><br>Capital                                | (33.8)                      | (55.8)           | (4.8)                | (0.3)                        | (2.0)                  | (2.5)              | (19.1)           |
| 3. <u>Net Profits</u><br>Total Assets                                            | (1.8)                       | (3.0)            | (0.2)                | 0.1                          | 0.2                    | 0.1                | 1.2              |

SOURCE: Superintendencia de Bancos e Instituciones Financieras

TABLE 21 C

## FINANCIAL SYSTEM INDICATORS

(in percent)

AT: 12.31.82.

|                                                                                  | Private<br>Chilean<br>Banks | Interv.<br>Banks | Non-Interv.<br>Banks | Foreign<br>Banks<br>in Chile | Banco<br>del<br>Estado | Financ.<br>Instit. | Total<br>System |
|----------------------------------------------------------------------------------|-----------------------------|------------------|----------------------|------------------------------|------------------------|--------------------|-----------------|
| <b>A - CAPITAL ADEQUACY</b>                                                      |                             |                  |                      |                              |                        |                    |                 |
| 1. <u>Physical Fixed Assets</u><br>Capital                                       | 76.5                        | 59.6             | 99.1                 | 59.1                         | 15.2                   | 67.2               | 59.3            |
| 2. <u>Past due Loans (cartera vencida)</u><br>Capital                            | 41.9                        | 42.9             | 40.5                 | 27.4                         | 38.8                   | 21.3               | 38.8            |
| 3. <u>Debt</u><br>Capital                                                        | 15.4                        | 15.7             | 15.0                 | 8.9                          | 6.5                    | 6.7                | 9.7             |
| 4. <u>Loans sold to Central Bank</u><br>Capital                                  | 58.4                        | 44.1             | 77.6                 | 25.6                         | 0.0                    | 25.4               | 39.8            |
| <b>B - ASSET QUALITY</b>                                                         |                             |                  |                      |                              |                        |                    |                 |
| 1. <u>Past due Loans</u><br>Total Loans                                          | 3.2                         | 3.3              | 3.1                  | 4.0                          | 6.9                    | 3.6                | 3.8             |
| 2. <u>Loans Loss Reserves (Provi</u><br><u>siones)/ Total Loans</u>              | 2.5                         | 2.9              | 2.0                  | 2.5                          | 7.1                    | 3.0                | 3.3             |
| 3. <u>Loans sold to C.B.</u><br>Total Loans                                      | 4.4                         | 3.4              | 6.0                  | 3.7                          | 0.0                    | 4.2                | 3.9             |
| <b>C - LIABILITY STRUCTURE</b>                                                   |                             |                  |                      |                              |                        |                    |                 |
| 1. <u>Demand Deposits</u><br>Total Liabilities except<br>cap. and res.           | 10.5                        | 9.6              | 11.6                 | 12.7                         | 22.8                   | 2.8                | 4.9             |
| 2. <u>Time Deposits</u><br>Total Liabilities except<br>cap. and res.             | 22.2                        | 21.4             | 23.4                 | 36.7                         | 35.2                   | 58.0               | 25.9            |
| 3. <u>Total Foreign Liabilities</u><br>Total Liabilities except<br>cap. and res. | 55.0                        | 57.6             | 51.3                 | 39.8                         | 36.9                   | 5.0                | 49.4            |
| <b>D - MANAGEMENT</b>                                                            |                             |                  |                      |                              |                        |                    |                 |
| 1. <u>Administration Expenses</u><br>Total Loans and Fin. Invest.                | 0.9                         | 0.8              | 1.2                  | 1.4                          | 0.4                    | 2.5                | 0.9             |
| 2. <u>Remuneration Expenses</u><br>Total Loans and Fin. Invest.                  | 1.8                         | 1.4              | 2.4                  | 2.7                          | 2.7                    | 3.4                | 2.0             |
| 3. <u>Fixed Expenses</u><br>Operating Profits                                    | 119.4                       | 129.4            | 109.1                | 77.1                         | 113.2                  | 102.4              | 119.1           |
| <b>E - INCOME</b>                                                                |                             |                  |                      |                              |                        |                    |                 |
| 1. <u>Net Profits</u><br>Capital                                                 | (6.4)                       | (5.9)            | (7.1)                | (4.2)                        | 6.0                    | (8.6)              | (2.5)           |
| 2. <u>Net Profits-Other net Income</u><br>Capital                                | (8.5)                       | (7.5)            | (9.9)                | (6.4)                        | 0.9                    | (13.4)             | (5.4)           |
| 3. <u>Net Profits</u><br>Total Assets                                            | (0.3)                       | (0.3)            | (0.3)                | (0.3)                        | 0.6                    | (0.9)              | (0.2)           |

SOURCE: Superintendencia de Bancos e Instituciones Financieras

TABLE 21 D

## FINANCIAL SYSTEM INDICATORS

(in percent)

AT: 09.30.82.

|                                                                                  | Private<br>Chilean<br>Banks | Interv.<br>Banks | Non-Interv.<br>Banks | Foreign<br>Banks<br>in Chile | Banco<br>del<br>Estado | Financ.<br>Instit. | Tot<br>Sys |
|----------------------------------------------------------------------------------|-----------------------------|------------------|----------------------|------------------------------|------------------------|--------------------|------------|
| <u>A - CAPITAL ADEQUACY</u>                                                      |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Physical Fixed Assets</u><br>Capital                                       | 68.9                        | 53.8             | 89.0                 | 57.7                         | 14.8                   | 65.8               | 54.1       |
| 2. <u>Past due Loans (cartera vencida)</u><br>Capital                            | 46.4                        | 44.8             | 48.6                 | 70.6                         | 43.9                   | 29.9               | 49.3       |
| 3. <u>Debt</u><br>Capital                                                        | 14.1                        | 14.2             | 14.0                 | 7.9                          | 6.6                    | 8.6                | 11.3       |
| 4. <u>Loans sold to Central Bank</u><br>Capital                                  | 48.7                        | 35.1             | 66.8                 | 0.0                          | 0.0                    | 23.6               | 30.9       |
| <u>B - ASSET QUALITY</u>                                                         |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Past due Loans</u><br>Total Loans                                          | 3.9                         | 3.9              | 4.0                  | 10.9                         | 8.6                    | 4.4                | 5.3        |
| 2. <u>Loans Loss Reserves (Provi</u><br><u>siones)/ Total Loans</u>              | 1.7                         | 1.5              | 2.0                  | 3.6                          | 5.8                    | 2.3                | 2.5        |
| 3. <u>Loans sold to C.B.</u><br>Total Loans                                      | 4.1                         | 3.0              | 5.5                  | 0.0                          | 0.0                    | 3.5                | 3.3        |
| <u>C - LIABILITY STRUCTURE</u>                                                   |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Demand Deposits</u><br>Total Liabilities except<br>cap. and res.           | 12.5                        | 11.9             | 13.2                 | 12.5                         | 27.8                   | 7.2                | 14.1       |
| 2. <u>Time Deposits</u><br>Total Liabilities except<br>cap. and res.             | 28.4                        | 28.0             | 29.0                 | 39.6                         | 34.8                   | 62.7               | 30.9       |
| 3. <u>Total Foreign Liabilities</u><br>Total Liabilities except<br>cap. and res. | 50.2                        | 53.4             | 45.8                 | 35.6                         | 29.2                   | 3.7                | 44.1       |
| <u>D - MANAGEMENT</u>                                                            |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Administration Expenses</u><br>Total Loans and Fin. Invest.                | 0.9                         | 0.7              | 1.1                  | 1.2                          | 0.4                    | 1.8                | 0.8        |
| 2. <u>Remuneration Expenses</u><br>Total Loans and Fin. Invest.                  | 1.7                         | 1.3              | 2.2                  | 2.3                          | 2.6                    | 2.6                | 1.9        |
| 3. <u>Fixed Expenses</u><br>Operating Profits                                    | 99.5                        | 96.0             | 103.4                | 84.6                         | 104.9                  | 94.2               | 98.0       |
| <u>E - INCOME</u>                                                                |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Net Profits</u><br>Capital                                                 | 5.4                         | 7.0              | 3.3                  | 8.9                          | 4.3                    | 5.4                | 5.7        |
| 2. <u>Net Profits Other net Income</u><br>Capital                                | 3.6                         | 5.4              | 1.1                  | 7.7                          | 2.8                    | 2.8                | 4.1        |
| 3. <u>Net Profits</u><br>Total Assets                                            | 0.3                         | 0.4              | 0.2                  | 0.9                          | 0.5                    | 0.5                | 0.4        |

SOURCE: Superintendencia de Bancos e Instituciones Financieras

## FINANCIAL SYSTEM INDICATORS

(in percent)

AT: 06.31.82.

|                                                                                  | Private<br>Chilean<br>Banks | Interv.<br>Banks | Non-Interv.<br>Banks | Foreign<br>Banks<br>in Chile | Banco<br>del<br>Estado | Financ.<br>Instit. | Tot<br>Sys |
|----------------------------------------------------------------------------------|-----------------------------|------------------|----------------------|------------------------------|------------------------|--------------------|------------|
| <b>A - CAPITAL ADEQUACY</b>                                                      |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Physical Fixed Assets</u><br>Capital                                       | 64.2                        | 49.9             | 83.1                 | 57.2                         | 14.8                   | 60.2               | 52.0       |
| 2. <u>Past due Loans (cartera vencida)</u><br>Capital                            | 56.3                        | 48.9             | 66.0                 | 60.3                         | 33.9                   | 29.6               | 52.5       |
| 3. <u>Debt</u><br>Capital                                                        | 13.5                        | 13.2             | 13.9                 | 8.4                          | 5.8                    | 7.6                | 11.0       |
| 4. <u>Loans sold to Central Bank</u><br>Capital                                  | 0.0                         | 0.0              | 0.0                  | 0.0                          | 0.0                    | 0.0                | 0.0        |
| <b>B - ASSET QUALITY</b>                                                         |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Past due Loans</u><br>Total Loans                                          | 5.0                         | 4.5              | 5.6                  | 9.0                          | 7.0                    | 4.3                | 5.7        |
| 2. <u>Loans Loss Reserves (Provi</u><br>siones)/ Total Loans                     | 1.5                         | 1.3              | 1.8                  | 2.2                          | 7.4                    | 2.0                | 2.4        |
| 3. <u>Loans sold to C.B.</u><br>Total Loans                                      | 0.0                         | 0.0              | 0.0                  | 0.0                          | 0.0                    | 0.0                | 0.0        |
| <b>C - LIABILITY STRUCTURE</b>                                                   |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Demand Deposits</u><br>Total Liabilities except<br>cap. and res.           | 14.1                        | 12.8             | 15.7                 | 16.7                         | 34.0                   | 6.2                | 16.3       |
| 2. <u>Time Deposits</u><br>Total Liabilities except<br>cap. and res.             | 27.9                        | 27.0             | 29.1                 | 39.3                         | 40.0                   | 75.4               | 31.4       |
| 3. <u>Total Foreign Liabilities</u><br>Total Liabilities except<br>cap. and res. | 50.4                        | 54.5             | 45.2                 | 33.6                         | 22.5                   | 2.6                | 43.3       |
| <b>D - MANAGEMENT</b>                                                            |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Administration Expenses</u><br>Total Loans and Fin. Invest.                | 0.6                         | 0.5              | 0.8                  | 0.8                          | 0.3                    | 1.4                | 0.6        |
| 2. <u>Remuneration Expenses</u><br>Total Loans and Fin. Invest.                  | 1.2                         | 1.0              | 1.6                  | 1.5                          | 2.0                    | 2.0                | 1.4        |
| 3. <u>Fixed Expenses</u><br>Operating Profits                                    | 99.7                        | 97.2             | 102.5                | 96.8                         | 111.3                  | 90.1               | 101.4      |
| <b>E - INCOME</b>                                                                |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Net Profits</u><br>Capital                                                 | 3.2                         | 4.4              | 1.8                  | 1.8                          | 3.2                    | 7.1                | 3.2        |
| 2. <u>Net Profits-Other net Income</u><br>Capital                                | 1.8                         | 3.0              | 0.3                  | 0.9                          | 2.1                    | 4.5                | 1.9        |
| 3. <u>Net Profits</u><br>Total Assets                                            | 0.2                         | 0.3              | 0.1                  | 0.2                          | 0.4                    | 0.8                | 0.3        |

SOURCE: Superintendencia de Bancos e Instituciones Financieras

TABLE 21 F

## FINANCIAL SYSTEM INDICATORS

(in percent)

AT : 03.31.82.

|                                                                                  | Private<br>Chilean<br>Banks | Interv.<br>Banks | Non-Interv.<br>Banks | Foreign<br>Banks<br>in Chile | Banco<br>del<br>Estado | Financ.<br>Instit. | Tot<br>Sys |
|----------------------------------------------------------------------------------|-----------------------------|------------------|----------------------|------------------------------|------------------------|--------------------|------------|
| <b>A - CAPITAL ADEQUACY</b>                                                      |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Physical Fixed Assets</u><br>Capital                                       | 66.9                        | 55.2             | 79.6                 | 53.3                         | 17.6                   | 54.4               | 54.7       |
| 2. <u>Past due Loans (cartera vencida)</u><br>Capital                            | 48.0                        | 48.2             | 47.7                 | 43.2                         | 21.6                   | 23.7               | 41.4       |
| 3. <u>Debt</u><br>Capital                                                        | 14.2                        | 15.1             | 13.2                 | 7.0                          | 6.9                    | 8.2                | 11.0       |
| 4. <u>Loans sold to Central Bank</u><br>Capital                                  | 0.0                         | 0.0              | 0.0                  | 0.0                          | 0.0                    | 0.0                | 0.0        |
| <b>B - ASSET QUALITY</b>                                                         |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Past due Loans</u><br>Total Loans                                          | 3.9                         | 3.8              | 4.1                  | 6.9                          | 3.8                    | 3.2                | 4.1        |
| 2. <u>Loans Loss Reserves (Provi</u><br>siones)/ Total Loans                     | 1.3                         | 1.2              | 1.4                  | 1.1                          | 5.5                    | 1.7                | 2.0        |
| 3. <u>Loans sold to C.B.</u><br>Total Loans                                      | 0.0                         | 0.0              | 0.0                  | 0.0                          | 0.0                    | 0.0                | 0.0        |
| <b>C - LIABILITY STRUCTURE</b>                                                   |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Demand Deposits</u><br>Total Liabilities except<br>cap. and res.           | 13.5                        | 13.0             | 14.1                 | 12.0                         | 31.0                   | 4.0                | 15.5       |
| 2. <u>Time Deposits</u><br>Total Liabilities except<br>cap. and res.             | 31.2                        | 30.4             | 32.1                 | 46.7                         | 33.4                   | 79.0               | 33.9       |
| 3. <u>Total Foreign Liabilities</u><br>Total Liabilities except<br>cap. and res. | 46.1                        | 49.1             | 42.3                 | 32.6                         | 16.0                   | 3.2                | 38.1       |
| <b>D - MANAGEMENT</b>                                                            |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Administration Expenses</u><br>Total Loans and Fin. Invest.                | 0.3                         | 0.3              | 0.4                  | 0.4                          | 0.1                    | 0.6                | 0.3        |
| 2. <u>Remuneration Expenses</u><br>Total Loans and Fin. Invest.                  | 0.7                         | 0.6              | 0.9                  | 0.8                          | 1.0                    | 0.9                | 0.7        |
| 3. <u>Fixed Expenses</u><br>Operating Profits                                    | 93.2                        | 89.2             | 97.6                 | 96.9                         | 92.1                   | 90.7               | 93.4       |
| <b>E - INCOME</b>                                                                |                             |                  |                      |                              |                        |                    |            |
| 1. <u>Net Profits</u><br>Capital                                                 | 1.5                         | 1.8              | 1.1                  | 0.7                          | 1.5                    | 3.5                | 1.4        |
| 2. <u>Net Profits-Other net Income</u><br>Capital                                | 0.6                         | 1.0              | 0.3                  | 0.2                          | 0.9                    | 1.7                | 0.7        |
| 3. <u>Net Profits</u><br>Total Assets                                            | 0.1                         | 0.1              | 0.1                  | 0.1                          | 0.2                    | 0.4                | 0.1        |

SOURCE: Superintendencia de Bancos e Instituciones Financieras

TABLE 22 - A

## CORPORATE SECTOR FINANCIAL INDICATORS: PROFITABILITY

|        | Net Profit Margin | <u>Net Profits</u><br>Net Worth | <u>Net Profits</u><br>Total Assets | <u>Net Profits before</u><br><u>taxes and financial</u><br><u>costs</u><br>Total Assets | <u>Net Profits before taxes,</u><br><u>financial costs and</u><br><u>inflation adjustment</u><br>Total Assets |
|--------|-------------------|---------------------------------|------------------------------------|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
|        | (%)               | (%)                             | (%)                                | (%)                                                                                     | (%)                                                                                                           |
| Dec.80 | 4.87              | 4.38                            | 2.74                               | 7.29                                                                                    | 5.60                                                                                                          |
| Mar.81 | -0.14             | -0.03                           | -0.02                              | 1.22                                                                                    | 0.97                                                                                                          |
| Jun.81 | 2.05              | 0.81                            | 0.52                               | 3.20                                                                                    | 2.62                                                                                                          |
| Sep.81 | 1.61              | 0.99                            | 0.62                               | 4.45                                                                                    | 4.16                                                                                                          |
| Dec.81 | -1.27             | -1.00                           | -0.59                              | 5.73                                                                                    | 5.38                                                                                                          |
| Mar.82 | -3.34             | -0.46                           | -0.28                              | 1.49                                                                                    | 1.53                                                                                                          |
| Jun.82 | -24.30            | -7.32                           | -4.09                              | -0.40                                                                                   | 1.32                                                                                                          |
| Sep.82 | -25.98            | -9.68                           | -5.38                              | -0.65                                                                                   | 1.77                                                                                                          |
| Dec.82 | -32.83            | -17.99                          | -9.02                              | -3.23                                                                                   | 1.63                                                                                                          |
| Mar.83 | -36.92            | -5.19                           | -2.60                              | -1.15                                                                                   | -0.99                                                                                                         |

SOURCE: Superintendencia de Valores y Seguros

NOTE: These figures correspond to an average of the ratios of 150 firms.

TABLE 22 - B

CORPORATE SECTOR FINANCIAL INDICATORS: LIQUIDITY

|        | Current Ratio | Acid-Test Ratio | <u>Receivables</u><br>Sales (%) | Average Collection<br>Period Ratio (days) |
|--------|---------------|-----------------|---------------------------------|-------------------------------------------|
| Dec.80 | 1.40          | 0.91            | 18.53                           | 67.63                                     |
| Mar.81 | 1.50          | 0.96            | 75.72                           | 67.39                                     |
| Jun.81 | 1.55          | 0.99            | 36.85                           | 66.33                                     |
| Sep.81 | 1.43          | 0.91            | 24.53                           | 66.72                                     |
| Dec.81 | 1.25          | 0.84            | 17.14                           | 62.56                                     |
| Mar.82 | 1.28          | 0.95            | 84.25                           | 74.98                                     |
| Jun.82 | 1.23          | 0.92            | 43.33                           | 77.99                                     |
| Sep.82 | 1.10          | 0.84            | 23.58                           | 64.13                                     |
| Dec.82 | 1.10          | 0.85            | 14.99                           | 54.71                                     |
| Mar.83 | 0.99          | 0.75            | 60.61                           | 53.94                                     |

TABLE 22 - C

CORPORATE SECTOR FINANCIAL INDICATORS: INDEBTEDNESS

|        | Total Debt/Capital<br>(%) | <u>Total Debt</u><br>Total Assets (%) | <u>Long Term Debt</u><br>Capital (%) |
|--------|---------------------------|---------------------------------------|--------------------------------------|
| Dec.80 | 0.60                      | 37.62                                 | 28.65                                |
| Mar.81 | 0.55                      | 35.30                                 | 26.70                                |
| Jun.81 | 0.57                      | 36.47                                 | 30.26                                |
| Sep.81 | 0.62                      | 38.17                                 | 32.26                                |
| Dec.81 | 0.68                      | 40.65                                 | 36.71                                |
| Mar.82 | 0.62                      | 38.29                                 | 32.61                                |
| Jun.82 | 0.79                      | 44.05                                 | 43.39                                |
| Sep.82 | 0.80                      | 44.38                                 | 48.52                                |
| Dec.82 | 1.00                      | 49.88                                 | 68.55                                |
| Mar.83 | 0.99                      | 49.86                                 | 66.34                                |

CHRONOLOGY OF NEW OR REVISED ECONOMIC LAWS  
AND ECONOMIC POLICY MEASURES

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APRIL

APR.07 : Changes in export financing regulations

The new regulations, while maintaining the existing mechanisms, i. e, domestic and external credit, simplify administrative procedures. Thus, the maximum term for each type of financing was eliminated.

APR.19 : The Central Bank will pay interest on reserve requirements on local currency time deposits.

The rate paid on reserve requirements on non-indexed deposits will be a certain percentage of the interest rate affecting the first rediscount tranche established in the Financial Regulations Compendium.

APR.22 : The system for the renegotiation of up to 30% of private sector indebtedness was extended to those debts of the transportation sector with non financial institutions.

APR.29 : An official announcement of the 1983-1984 restructuring of Chilean external debt was made.

MAY

MAY 01 : The stand-still period was extended for another 90 days.

MAY 12 : Social Security pensions, as of May 1<sup>st</sup>, 1983, were raised by 17.09%, compensating the inflation rate of the period comprised between October 1982 and April 1983.

MAY 20 : A gradual elimination of the 95% marginal reserve requirement rate on deposits and savings accounts, was decided. Accordingly, a schedule for the gradual reduction of the rate, till it reached 0% in July, was established.

MAY 30 : The monthly subsidy granted to the private sector for each additional worker was raised from \$1,200 to \$2,000.

JUNE

JUN.14 : As of July 1<sup>st</sup>, salaries of public sector workers and of those not subject to collective bargaining, were raised by 5%.

JUN.22 : Term extension for debtors on loans granted by the system of mortgage bonds.

By a resolution of its Executive Committee, the Central Bank regulated the refinancing system by which it will compensate banks and financial institutions for the financial cost caused by the extension of the terms of mortgage loans granted up to March 1<sup>st</sup>, 1983, by means of the issue of mortgage bonds expressed in U.F. 1/

The term extension includes:

- a) 40% of dividends whose original maturities fell between June 1<sup>st</sup>, 1983, and June 30, 1984.
- b) 30% of those that were originally due between July 1<sup>st</sup>, 1984, and June 30, 1985.
- c) 20% of dividends with original maturities between July 1<sup>st</sup>, 1985, and June 30, 1986.
- d) 10% of dividends with original maturities falling between July 1<sup>st</sup>, 1986, and June 30, 1987.

This mechanism allows an overall solution, since it includes all those debts that stem from loans granted through the issue of mortgage bonds expressed in Unidades de Fomento.

The implementation of this system, together with the reprogramming debt system that has been in force since last April, covers all productive activities, as well as those debts originated by the acquisition of houses.

These regulations apply exclusively to mortgage loans associated to bonds expressed in Unidades de Fomento, issued by banks and financial institutions.

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1/ U.F.: Unidad de Fomento: a unit that is adjusted daily according to the Consumer Price Index variation.

JULYJUL.05 : Supplement for public works and housing budget

In order to bolster investment in public works and housing during the third and fourth quarters of the present year, a ~~Ch\$~~US\$5,200 million supplement to this sector's budget was allotted.

This supplement was made possible by anticipating the drawing of some quotas of an I.D.B. loan that the country was about to receive, as well as by Government resources.

The funds will be distributed as follows: ~~Ch\$~~US\$2,200 million to public works, ~~Ch\$~~US\$1,000 million to housing, and ~~Ch\$~~US\$2,000 million to housing projects that will be channelled through local Government.

JUL.23 : Law number 18.233 gives State Guaranty to Foreign Debt Rescheduling and approves contracting of external loans

Among the law's main points are the following:

## A. State guaranty is given to the following liabilities:

1. The US\$1,300 million loan contracted by the Central Bank, including interest, commissions and other fees.
2. The rescheduling of the 1983 and 1984 amortizations of liabilities of the public sector and the private financial sector.
3. The 1983 and 1984 amortizations owed by banks and financial institutions that will not be rescheduled.
4. The Central Bank's debts originated in the non-remittance of amortization payments made by Chilean debtors for amortizations due in 1983 and 1984.
5. Short-term trade-related credits granted between January 31<sup>st</sup>, 1983, and December 31<sup>st</sup>, 1984.

## B. The state warranty granted according to numbers 1, 2 and 3, may not surpass US\$3,600 million of principal plus interest, commissions and other fees.

## C. State warranty given to debts referred to in number 5, may at no time exceed US\$2,000 of principal, besides interest, commissions and other fees.

D. The President of the country is given the power to grant the state warranty to public institutions for a sum of up to US\$800 million 1/ for those foreign currency external loans that they may contract with, or that are guaranteed by, foreign official institutions.

E. The state warranty will not be granted to subsidiaries of foreign financial institutions.

JUL. 28 : Signature of the US\$1.300 mill. contract with international banking community.

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1/ This sum refers to principal. The warranty is also given to interest, commissions and other fees.