

"QUARTERLY ECONOMIC AND FINANCIAL REPORT OF CHILE"

March, 1984

CONTENTS

<u>GENERAL BACKGROUND</u>	Page
	1
Graphs	23
Table 1 : Central Bank Monetary Program: Targets and Performances: 1984	29
Table 2 : Differences between actual performance and target performance under the I.M.F. Program	30
Table 3 : Central Bank: net International Reserves 1984	31
Table 4 : Net Indebtedness of the Non - Financial Public Sector	32
Table 5 : Contracting and Guaranteeing of medium - and long - term Foreign Debt by the Public Sector	33
Table 6 : Chile: Balance of Payments 1981 - 1984	34
Table 6 - A : Financial Services 1983 - 1984	35
Table 6 - B : Imports, 1981 - 1984.	36
Table 6 - C : Volume and Value of Exports: 1981-84, by Principal Products	38
Table 7 : Chile: Balance of Payments by Quarters, 1984	39
Table 8 : Exports and Imports 1982 - 1983 and Apr. 1984	40
Table 9 : Projected net Inflows of Funds from Official Organizations and Suppliers, 1983 -1984.	41
Table 10 : Foreign Debt of Chile 1981 - 1983 - March 1984	43
Table 11 : Total Medium and Long Term External Debt at Dec. 31, 1982 and Dec. 31, 1983.	44
Table 12 : Schedule of Amortizations of Medium and Long Term External Debt, as of 12.31.83	45
Table 13 : Growth Rates of Gross Domestic Product by Sector	46
Table 13 - A : Growth Domestic Product Expenditure.	47
Table 14 : Labor Force and Unemployment Nationwide	48
Table 15 : Public Finance	49
Table 15 - A : Public Sector Financial Operations, 1984, Estimated	50
Table 15 - B : Public Sector Financial Operations, 1983, Preliminary	51
Table 15 - C : Public Sector Financial Operations, 1982	52
Table 15 - D : Public Sector Financial Operations, 1981	53
Table 16 : Principal Monetary Aggregates	54
Table 16 - A : Financial System: Deposits and Loans	55
Table 17 : Wages and Salaries Index, 1977 - 1983 and Feb. 1984	56
Table 18 : Interest Rates	57
Table 19 : Reference and Preferential Rates of Exchange	58
Table 20 : Price Indexes	59
Table 21 - A : Financial System Indicators at 03.31.84	60

Table 21 - B : Financial System Indicators at 12.31.83	61
Table 21 - C : Financial System Indicators at 09.30.83	62
Table 21 - D : Financial System Indicators at 06.30.83	63
Table 21 - E : Financial System Indicators 03.31.83	64
Table 21 - F : Financial System Indicators at 12.31.82	65
Table 21 - G : Financial System Indicators at 09.30.82	66
Table 21 - H : Financial System Indicators at 06.31.82	67
Table 21 - I : Financial System Indicators at 03.31.82	68
Table 22 - A : Corporate Sector Financial Indicators: Profitability	69
Table 22 - B : Corporate Sector Financial Indicators: Liquidity	70
Table 22 - C : Corporate Sector Financial Indicators: Indebtedness	71
Chronology of Main Economic Measures taken during 1984.	72

I - BACKGROUND

During the first quarter of 1984 all indicators showed a healthy but moderate economic recovery. GDP is estimated to have grown 4.5 percent over the first quarter of 1983, a rate consistent with a 4 to 5 percent increase projected for the year. Inflation remained at a yearly rate of only 10 percent, significantly lower than the 20 percent expected for the year as a whole. The balance of payments ended with an overall surplus of US\$ 45 million in the quarter.

The policies to be pursued during 1984 are designed to foster economic activity and to consolidate the progress made in 1983 in the reestablishment of financial stability and the strengthening of the financial system. Reliance on market forces and price incentives will continue to guide resource allocation in the economy.

With regard to fiscal policy, the government plans to maintain a moderately expansionary stand in 1984. The overall public deficit has been targeted to reach the equivalent of 4.5 percent of GDP during the current year. However, the fiscal program includes a contingency investment expenditure plan, equivalent to up to 0.8 percent of GDP, which could be implemented in the second semester of 1984.

The Central Bank will maintain its prudent monetary course during 1984. According to the program negotiated with the I.M.F., the expansion in Net Domestic Assets of the Central Bank will not surpass Ch.\$ 85 billion. Net International Reserves on the other hand, will at least remain at the level shown at the end of 1983, once the new money facility made available by foreign commercial banks is taken into consideration.

Since late 1982, the Central Bank has been advising domestic financial institutions on the maximum rate they pay on 30 day deposits. This policy, which has proven useful in guiding interest rates and keeping them at a reasonable level during a period of difficult financial conditions, will be maintained until the financial system is further strengthened.

The improvement of the banking system is expected to continue during 1984 as the economy recovers and the authorities set up a series of programs, such as the strengthening of the capital position of some of the intervened banks, the modification of the Banking Law, and the introduction of a permanent deposit insurance scheme. The government sees as essential the reinforcement of the private sector, in order to permit a positive response to the reactivation effort and towards economic policy in general. To this end, issues such as the excessive indebtedness of the private sector and the status of various domestic banks and major conglomerates which are today intervened are being studied. Special care will be taken to make these programs compatible with the limitations imposed by the stand-by program.

Regarding foreign trade, the Government will maintain a unified level of tariff protection of 20 percent. However, it will continue to protect Chilean producers against foreign subsidies, reviewing each case every six months according to strictly technical standards.

The exchange rate policy will be maintained during 1984, as the current peso/dollar parity is considered adequate to sustain economic growth in the context of balance of payments stability. Accordingly, the exchange rate will continue to be adjusted daily to take into account the domestic as well as the external rate of inflation.

The size of Chile's external debt and the resulting debt service burden indicate that the country must increase domestic savings in order to finance an adequate level of investment and economic growth. As a result, the 1984 economic program contains measures to raise domestic savings, and considers only a small increase in the real level of the country's external debt.

II - IMF PROGRAM

The financial program for the second year of the stand-by arrangement includes the following six quantitative performance criteria:

- 1.- Quarterly targets for the net international reserves of the Central Bank.
- 2.- Quarterly limits on the stock of total nonfinancial public sector debt, whether domestic or foreign.
- 3.- Quarterly sublimits on net domestic credit to the nonfinancial public sector.
- 4.- Ceiling on the public sector's contracting and guaranteeing of foreign indebtedness with a maturity of over one year and less than ten years.
- 5.- Subceiling on public sector's contracting and guaranteeing of foreign debt with a maturity of over one year and less than five years.

(Both the Central Bank as well as the Banco del Estado, a state-owned commercial bank, are affected by the ceilings in points(4) and (5))
- 6.- A continuous ceiling on the net domestic assets of the Central Bank.

The evolution of each of these variables during the first quarter of 1984 and a comparison with the limits set by the IMF program can be seen in tables N°s 1 to 5.

At the end of the quarter, all targets were met, the only exception being the sub-limit on net domestic credit to the non-financial public sector, which was slightly surpassed because of a transitory delay in the disbursement of some external credits. With regard to the other quantitative limits, ample margins were left in the case of International Reserves (US\$ 83.8 millions)

Net Domestic Assets (Ch\$ 2.92 billion), Net Indebtedness of the Non-financial public sector (Ch.\$ 4.26 billion), and in the contracting and guaranteeing of foreign debt by the public sector (US\$ 2.38 billion).

Limits and Targets 1984

	Jan. 1 Mar. 31	Apr. 1 Jun. 30	Jul. 1 Sep. 30	Oct. 1 Dec. 31
(billions of Chilean pesos)				
Net Domestic Assets of the Central Bank	140.0	160.0	180.0	217.0
Outstanding indebtedness of the nonfinancial public sector <u>1/</u>	586.0 <u>2/</u>	628.0 <u>2/</u>	660.0 <u>2/</u>	700.0 <u>2/</u>
Of which: Outstanding domestic indebtedness of the nonfinancial public sector (sublimit) <u>1/</u>	137.0 <u>2/</u>	148.0 <u>2/</u>	160.0 <u>2/</u>	174.0 <u>2/</u>
(millions of US\$)				
Net international reserves of the Central Bank <u>1/</u>	1,000.0	1,115.0	1,205.0	1,190.0
Contracting and guaranteeing of external debt by the public sector <u>3/</u>	3,850.0	3,850.0	3,850.0	3,850.0
Of which: Debt with maturity of more than one year and less than five years	125.0	125.0	125.0	125.0

1/ The limits and targets are tested at the end of each period.

2/ These limits shall be adjusted for revision in the base data for Dec.31, 1983, and shall be raised in accordance with the provisions of the contingency public spending program for the second semester of 1984. The increase in the limit and sublimit may not exceed the following amounts:

	<u>Jul. 1 - Sep. 30</u>	<u>Oct. 1 - Dec. 31</u>
Limit	6	15.5
Sub-Limit	6	15.5

3/ Debt with maturity of more than 12 months and less than 10 years.

III - BALANCE OF PAYMENTS

Balance of Payments figures for 1983 have been slightly corrected, but still remain provisional. The forecast for 1984 that was included in the December issue of this report has been modified in this opportunity, according to the latest developments and changes in conditions affecting the economy. (See Table 6).

One of the changes that has been effected concerns the average price of copper, which was previously estimated at 75 c/lb, LME, and is now projected at 71.3 c/lb. Nonetheless, an increase in the quantity of copper exported will practically offset the drop in its price. Other exports have also been corrected according to the latest data available. As a whole, non-copper exports have been reduced by only US\$ 10 million, although there are some changes in their composition. Among these, it is worth noting the case of molybdenum exports, which increase US\$ 22 million, mainly due to a rise in quantity. On the other hand, metallic silver and gold, as well as gold and silver ore have been reduced as a result of lower prices in the case of silver, and of a reduction both in prices and in exported quantities in the case of gold. In the category of agricultural and sea products, there is a fall in fruits caused by prices that are lower than original estimations, compensated by an increase in the estimated exports of industrial foodstuffs. The latter is due mainly to an increase in the quantity of canned sea-food, which is associated to the opening or reopening of plants and to a better fishcatch.

On the other hand, imports have been increased by US\$ 62 million, owing to the unexpected growth observed during the first quarter compared to the same period of the previous year. At the same time, their composition has been changed to be more in line with the recovery process that the economy is undergoing. Thus imports of foodstuffs and non-food consumer goods have been reduced. On the other hand, imports of capital goods, raw materials, and spare parts and pieces have been increased.

The other important change in the current account deficit may be explained by the rise in interest rates which has been taking place. Estimated figures for financial services were recalculated, assuming an average yearly rate of 11.7% for LIBOR, and 12.5% for PRIME rate. In the case of most medium and long term credits subject to variable rates, there is a six month lag between these rates and actual interest expense.

The effects of higher rates on interest expenses and income will mean a net increase of US\$ 138 million in financial services.

Added to the drop in the projected balance of trade surplus, as well as to minor changes in non-financial services and transfers, the estimated current account deficit increases by roughly US\$ 240 million.

The greater current account deficit estimated for 1984 is expected to be financed without a loss of reserves by means of a greater inflow of short-term capital than was formerly considered, and which has already been taking place. During the first quarter, net capital inflows exceeded the original estimations by US\$ 295 millions providing a means for covering the increase in the current account deficit estimated for the year as a whole.

IV - FOREIGN DEBT

Foreign debt will be maintained almost constant in real terms during 1984.

Tables 10 to 12 show the state of Chile's foreign debt as estimated at March 31, 1984.

Table 10, in particular, presents figures for medium and long term as well as short-term debt, differentiating in each case between private and public sector debt.

Table 12 shows the calendar for the repayment of medium and long term debt until 1992, according to the gross outstanding stock estimated at December 31 1983. In the same table, it is possible to observe the effects of the rescheduling process on the amortizations of the following years.

V - GROWTH RATES

A preliminary estimation of the Gross Domestic Product (GDP) for the first quarter of this year points to a growth of approximately 4.5% over the first quarter of 1983, which offers grounds to conclude that the recovery process started during the second half of 1983 continues under way. Table N°13 shows the growth rates of GDP by different productive sectors. Except for commerce, all of them show positive growth rates in the first quarter.

VI - EMPLOYMENT

According to the Instituto Nacional de Estadística's monthly survey of labor market conditions, employment on a nationwide basis showed a 0.6% decline relative to the previous quarter. This figure seems to be distorted by seasonal factors. (See Table 14). Due to the reduction in employment already mentioned, the unemployment rate reached 15.5% in the first quarter, almost a full percentage point higher than in the previous quarter.

VII - MONETARY AGGREGATES

During the first quarter, there was a healthy expansion in monetary aggregates. Thus, within a context of low inflation, in March M1 grew by 13.8% and M2 by 13.5%. This was made possible by a higher level of economic activity, a lower inflation and a greater confidence on the part of the public in the financial institutions, which can be observed in the 13.3% growth of time deposits during the present year.

MONEY RATES OF CHANGE

(% on average levels of previous period)

MONTH	M1			M1		
	Month	Year	12 Months	Month	Year	12 months
<u>1983</u>						
January	16.4	16.4	9.3	-1.8	-1.8	0.8
February	8.9	26.8	21.1	-4.1	-5.8	-5.7
March	0.1	27.0	21.7	-2.9	-8.5	-10.2
April	-5.4	20.1	17.8	-3.2	-11.4	-10.9
May	-3.7	15.7	17.3	-2.3	-13.5	-13.2
June	1.6	17.5	19.0	3.0	-10.9	-9.0
July	-2.6	11.5	25.7	-0.8	-11.6	-8.2
August	-0.8	13.6	20.4	0.2	-11.5	-9.2
September	4.4	18.7	24.4	2.3	-9.4	-6.1
October	-2.8	15.3	30.0	0.2	-9.3	-5.0
November	0.1	15.4	34.4	-0.4	-9.6	-7.4
December	9.9	26.8	26.8	0.1	-9.6	-9.6
<u>1984</u>						
January	4.2	4.2	13.5	5.8	5.8	-2.6
February	2.9	7.2	7.2	4.9	11.0	6.5
March	6.2	13.8	13.7	2.2	13.5	12.1

The resulting evolution of broader definitions of money supply can be seen in the following table.

VARIATION RATE OF AVERAGE LEVEL OF MONETARY AGGREGATES

	Dec.83	Jan.84	Feb.84	Mar.84
M1	26.8	4.2	7.2	13.8
M2	-9.6	5.8	11.0	13.5
M3	0.3	4.3	8.7	11.2
M4	12.8	4.9	8.0	10.9
M5	20.0	4.1	6.8	9.7
M6	24.6	5.9	9.3	12.0

* Variation of monthly average level for each month in relation to average level in December of the previous year.

CODE:

M1 = Currency + Demand deposits
M2 = M1 + Time Deposits
M3 = M2 + Savings Deposits
M4 = M3 + Central Bank Documents
M5 = M4 + Treasury Bills (PRT)
M6 = M5 + Mortgage Bonds

Finally, it is interesting to note that no significant changes in the structure of the demand for financial assets seems to have occurred, as is shown in the following table:

COMPOSITION OF M6

(% share of M6)*

	Dec.82	Dec.83	Jan.84	Feb.84	Mar.84
Currency	8.0	8.1	7.5	7.7	8.0
Demand Deposits	8.2	8.4	8.7	8.4	8.7
Time Deposits	52.9	33.7	33.9	34.8	34.1
Savings Deposits	13.7	16.5	15.6	15.4	15.4
Central Bank Documents	2.3	10.4	10.7	9.9	10.1
Treasury Bills	2.8	7.5	6.9	6.5	6.6
Mortgage Bonds	12.1	15.4	16.7	17.3	17.1
* Approximated percentages					

PRIVATE MONETARY AGGREGATES

(averages in Ch\$ billions)

	C	M1	M2	M3	M4	M5	M6	Total Priv. Liab.
<u>1982</u>								
Dec.	36.91	75.05	320.42	384.13	394.91	406.55	462.46	484.77
<u>1983</u>								
Jan.	39.31	87.36	314.69	378.50	398.25	410.92	468.31	488.92
Feb.	44.11	95.17	301.84	362.24	395.73	410.01	467.33	485.57
Mar.	43.94	95.28	293.18	356.17	404.47	420.44	478.94	496.27
Apr.	41.58	90.10	283.88	350.35	398.54	419.54	478.35	495.10
May.	40.85	86.81	277.26	343.42	394.89	422.25	481.81	498.12
Jun.	40.90	88.17	285.54	355.18	407.28	438.92	500.32	517.87
Jul.	40.68	85.91	283.17	356.26	410.62	445.98	508.92	526.20
Aug.	40.16	85.26	283.68	360.25	419.79	459.50	524.25	541.91
Sep.	42.26	89.05	290.16	371.75	425.85	468.19	535.73	552.75
Oct.	40.40	86.53	290.72	378.65	431.33	474.53	544.43	563.03
Nov.	41.20	86.58	289.54	382.14	439.60	483.97	557.37	577.00
Dec.	46.70	95.18	289.73	385.27	445.46	489.05	577.75	598.02
<u>1984</u>								
Jan.	46.13	99.19	306.43	401.71	467.17	509.32	611.73	633.53
Feb.	48.91	102.06	321.59	418.69	481.12	522.25	631.56	651.84
Mar.	51.83	108.36	328.74	428.32	493.93	536.33	646.83	669.40

RELATIONS

C	=	Currency
M1	=	C + D1
M2	=	M1 + Time Deposits
M3	=	M2 + (Demand and Time Savings)
M4	=	M3 + Central Bank Documents
M5	=	M4 + Treasury Bills
M6	=	M5 + Mortgage Bonds
Total Priv. Liab.	=	M6 + Private Sector Foreign currency deposits

BREAKDOWN OF PRIVATE MONETARY AGGREGATES

(averages in Ch\$ billion)

	C	D1	Dp	S + DD	C.B. Docs.	Treas. Bills	Mort. Bonds	Priv.Sec f.c.dep.
<u>1982</u>								
Dec.	36.91	38.14	245.37	63.71	10.78	11.64	55.91	22.28
<u>1983</u>								
Jan.	39.31	48.05	227.33	63.81	19.75	12.67	57.39	20.61
Feb.	44.11	51.06	206.06	60.40	33.49	14.28	57.32	18.24
Mar.	43.94	51.34	197.90	62.99	48.30	15.97	58.50	17.33
Apr.	41.58	48.52	193.78	66.46	48.20	21.00	58.81	16.75
May.	40.85	45.96	190.45	66.16	51.47	27.36	59.56	16.31
Jun.	40.90	47.27	197.37	69.64	52.10	31.64	61.40	17.55
Jul.	40.68	45.23	197.26	73.09	54.36	35.36	62.94	17.28
Aug.	40.16	45.10	198.42	76.57	59.54	39.71	64.75	17.66
Sep.	42.46	46.79	201.11	81.59	54.10	42.34	67.54	17.02
Oct.	40.40	46.13	204.19	87.93	52.68	43.20	69.90	18.60
Nov.	41.20	45.38	202.96	92.60	57.46	44.37	73.40	20.53
Dec.	46.70	48.48	194.55	95.54	60.19	43.59	88.70	20.27
<u>1984</u>								
Jan.	46.13	53.06	207.24	95.28	65.46	42.15	102.41	21.80
Feb.	48.91	53.15	219.53	97.10	62.43	41.13	109.31	20.28
Mar.	51.83	56.53	220.38	99.58	65.61	42.40	110.50	22.57

ABBREVIATIONS

C	=	Currency
D1	=	Private Sector Current Accounts
Dp	=	Private Sector Time Deposits
S + DD	=	Demand and Time Savings/Deposits + Other Private Sector Deposits (less 30 days.)
Treas. Bills	=	Index - linked Treasury Bills
Mort. Bonds	=	Mortgage bonds
Priv. Sec. f.c. depts.	=	Private Sector foreign currency deposits
C.B. Docs.	=	Central Bank Documents.

VIII - RATES OF INTEREST & BOND YIELDS

Nominal rates of interest during 1983 and up to March, 1984 maintained a decreasing trend. On the other hand, real rates of interest, after having declined, experienced an increase as of November, 1983. This is mainly accounted for by an unexpected fall in the inflation rate. Nonetheless, during March, real interest rates declined once again as a consequence of the seasonal increase of inflation, occurred during that month.

The evolution of interest rates and that of the internal rate of return of bonds, are included below :

EVOLUTION OF SHORT-TERM NOMINAL AND REAL INTEREST RATES*

DATE	DEPOSITS		LOANS	
	NOMINAL	REAL	NOMINAL	REAL
<u>1982</u>	3.31	1.70	4.18	2.55
<u>1983</u>				
JAN.	2.87	1.05	4.05	2.25
FEB.	2.26	2.16	3.31	3.21
MAR.	2.17	0.26	3.11	1.19
APR.	2.14	-0.83	3.03	0.22
MAY.	2.26	0.85	3.23	1.80
JUN.	2.07	0.46	2.99	1.37
JUL.	1.89	0.06	2.86	0.90
AUG.	1.88	-0.80	2.76	0.06
SEP.	1.91	-0.38	2.84	0.53
OCT.	1.93	-0.46	2.82	0.41
NOV.	1.93	0.62	2.74	1.42
DEC.	1.86	1.25	2.64	2.03
<u>1984</u>				
JAN.	1.58	1.48	2.35	2.25
FEB.	1.15	1.35	2.12	2.32
MAR.	0.93	-1.53	1.70	-0.78

* Monthly rates for non-indexed operations of 30-89 days.

The variation in the internal return rate of some fixed income instruments such as Mortgage Bonds, Indexed Savings Certificates "E"(CAR) and Indexed Savings Certificate "F"(CAR) and of the set of instruments : Indexed Treasury Notes (PRT), Preferential Dollar Notes (PDP) and Preferential Notes of the Central Bank of Chile (PPBC) may be appreciated in the following chart.

INTERNAL RETURN RATE (%)

DATE	MORTGAGE BONDS	CAR E and CAR F	AVERAGE PRT PPBC, PDP (*)
<u>1983</u>			
JAN.	18 - 8.60	15.42 - 10.85	-
FEB.	21 - 9.60	12.88 - 9.83	-
MAR.	13.10	14.44	-
APR.	11.94	11.82	-
MAY.	11.54	10.43	-
JUN.	11.19	10.18	9.34
JUL.	10.72	9.90	9.53
AUG.	9.68	8.13	8.15
SEP.	8.60	7.31	7.26
OCT.	8.38	6.89	7.01
NOV.	8.57	6.05	6.96
DEC.	8.72	7.85	7.55
<u>1984</u>			
JAN.	8.14	7.28	7.47
FEB.	8.32	8.57	7.45
MAR.	9.65	7.16	7.24

SOURCE : Stock Exchange of Santiago

(*) No broken-down information for this type of instruments is available

EVOLUTION OF SHORT-TERM RATES OF INTEREST IN INDEXED OPERATIONS*

DATE	DEPOSITS	LOANS
<u>1983</u>		
JAN.	5.93	10.44
FEB.	12.50	12.28
MAR.	9.96	11.68
APR.	8.39	10.60
MAY.	9.15	9.33
JUN.	8.20	10.52
JUL.	8.32	9.34
AUG.	8.75	9.73
SEP.	6.88	9.32
OCT.	5.33	9.03
NOV.	5.23	9.73
DEC.	6.09	8.27
<u>1984</u>		
JAN.	6.87	8.38
FEB.	8.25	9.05
MAR.	7.48	7.96

NOTE : Refers to annual real rates

* Annual rates for indexed operations of 90-365 days.

INTERNAL RATE OF RETURN OF SOME FIXED INCOME INSTRUMENTS 1/

DATE	INTERNAL RATE OF RETURN (real annual rate)
<u>1983</u>	
JAN.	14.66
FEB.	12.86
MAR.	13.45
APR.	11.99
MAY.	10.92
JUN.	10.10
JUL.	9.87
AUG.	8.74
SEP.	7.86
OCT.	7.90
NOV.	7.66
DEC.	7.87
<u>1984</u>	
JAN.	7.63
FEB.	7.61
MAR.	7.54

SOURCE : Stock Exchange Report, Stock Exchange of Santiago

1/ CAR-E, CAR-F, Mortgage Bonds, CORA Bonds, PPS, Indexed Treasury Bills (PRT), Preferential Dollar Promissory Notes (PDP), Central Bank Promissory Notes Payable to Bearer (PPBC)

IX - INFLATION

Table N°20 shows the behavior of the Consumer Price Index (CPI) at March 1984. During the first quarter, accrued inflation reached 2.4%. However, it should be considered that that figure is not seasonally adjusted. Given that February is typically a non-inflation month and March a high inflation one, no obstacles are anticipated to meet the challenge of 20% inflation target for the whole of the year.

X - FINANCIAL SYSTEM

Tables N°s. 21 - A to 21 - I show a series of ratios for the local financial system where the quarterly evolution of this sector until March 1984 can be observed.

XI - CORPORATE SECTOR

During the first quarter of 1984, the Corporate sector experienced an important improvement, changing a negative trend which had become evident as of 1981. This is inferred from the analysis of statements of conditions provided by a sample of 150 incorporated societies which operate in the country.

Within the factors that have contributed to this recovery, the reprogramming of debts initiated in March of last year, the lower rates of interest and the greater aggregated demand registered during all of 1983, appear as outstanding.

Below, we point out the main results obtained during the first quarter of the year, discussing the Profitability, Liquidity and Indebtedness indicators.

With regard to the first variable, the preliminary results indicate a distinct improvement in the profitability of enterprises during the quarter, as compared to the preceding one. In Chart N° 22-A the evolution of these indexes may be observed, as of 1980. The profit margin, for instance, improved from -3.79 in December 1983, to 9.94, last March. The profitability condition detected for this first quarter allows us to anticipate that enterprises foresee a positive year for 1984.

As to liquidity, in Chart N° 22-B, an improvement may be appreciated with respect to the preceding years, the liquidity ratio during the first quarter having reached 1.34, whereas the "Acid Test" reached 0.92 times. In December 1983 both figures were 0.97 and 0.68, respectively. The latter indicator enables us to appreciate the capacity of enterprises to serve their short term commitments without the need of having to depend on the sale of their inventories. In addition, the average period of collection, another indirect liquidity indicator, has remained relatively stable, which indicates that enterprises have not been driven to substantially modify their credit policy. One of the factors which has had a positive influence in improving the liquidity of enterprises, has been the reprogramming of the productive debts, which has basically brought about a substitution of short term liabilities for longer term indebtedness.

Another element which has contributed to a greater liquidity, is the rise in physical sales observed as from the second quarter of 1983, which has been accompanied by a strong reduction in stocks. Finally, a higher quantity of credit for working capital made available by the authority, precisely with the purpose of not involving the liquidity of productive sectors, may be added to the aforementioned.

In relation with levels of indebtedness, the analysis of available figures allows us to determine that this aspect has remained stable as compared to previous quarters. In Chart N° 22-C are shown the evolution of different indebtedness ratios. In general these indicators reveal a stabilization of liability levels, with respect to capital and total

assets. However, if we consider the evolution of these indicators throughout 1983 and during the first quarter of 1984, an improvement in the situation of enterprises, which has gradually allowed them to amortize undertaken agreements, may be detected.

XII - INDICATORS OF THE PRODUCTIVE SECTOR

An improvement in global levels of activity has been detected during the first quarter of this year, as may be concluded from both the analysis of some of the main indicators of activity and the evolution of the Production and Sales Indices prepared by the Instituto Nacional de Estadísticas and the Sociedad de Fomento Fabril (SOFOFA).

The growth observed as from the second half of 1983 becomes more and more evident on analyzing the performance of the different productive sectors in the first three months of the year. The growth of, among others, the Construction, Sales, Farming and Mining Sectors are particularly significant.

Information provided by the Instituto Nacional de Estadísticas (INE) points to a 12.2% rise in physical industrial production for the first quarter of 1984 over a similar period last year. It may be of interest to note that 24 out of the 28 groups that the Index considers show positive variation rates during the January-March 1984/1983 period. This is particularly significant since these groups represent an aggregate value of 91.8% of the weighting of industrial activity in the country.

Some of the items with the highest growth in production during this quarter were: Pottery and China Manufactures (205.5%), Construction of Machinery, excluding electrical (115.0%), Furniture and Fittings, excluding metal-work (48.3%), Machinery: electric appliances (46.9%), Rubber Products (44.6%), Textiles (30.3%), Clothing (23.2%), and Glass and Glass Products (27.6%).

Similarly, statistics prepared by the Sociedad de Fomento Fabril show an upswing of 12.6% in physical industrial production for the January-March 1984 period, relative to the first quarter of the previous year.

These results show that, after a period of prolonged decline, industrial production has now completed 12 consecutive months of recovery.

The following table shows the variations in twelve months of Industrial Production and confirms the recovery of the Sector.

INDUSTRIAL PRODUCTION: GENERAL INDICES

(% Variation in 12 months)

MONTH	SOFOFA	INE
<u>1983</u>		
APR.	1.5	2.4
MAY.	6.1	9.7
JUN.	4.4	7.0
JUL.	3.8	7.5
AUG.	1.1	3.2
SEP.	11.0	8.4
OCT.	12.1	9.4
NOV.	15.6	6.8
DEC.	13.0	9.6
<u>1984</u>		
JAN.	16.0	17.2
FEB.	11.5	12.1
MAR.	8.7	8.3

It should be added that the outlook of industrial sales in the first quarter of 1984 is also favorable, as compared to last year. The indicator prepared by SOFOFA registers a 6.6% growth in physical sales, whereas the one prepared by INE shows a 9.6% increase in deliveries in the period under study.

The recovery process of the Industrial Sector has been accompanied by a boost in the demand levels of other productive sectors, among which the following should be noted:

a) Construction

During the months of January and February last, housing starts in 80 "comunas" of the country showed an increase in area of 3.1%, relative to the same period in 1983.

A similar situation can be detected in deliveries of cement and iron for construction, which increased by 9.8% and 62.2% respectively in the first quarter, against the first quarter last year.

Yet another indicator that shows the recovery of the sector is the volume of housing mortgage loans operations, which grew by 100.8% in January - February 1984, compared to 1983. This was due to the special credit programs directed to low and medium income level prospective home-buyers that the authorities launched. These very same programs have made it possible for the sector's unemployment rate to decline from 37.8% in the October-December '83 quarter to 31.5% in the January-March '84 quarter.

b) Commerce

Data supplied by the Internal Revenue Service show that total sales of the different sub-sectors grew by 5.8% in real terms during 1983. Similarly, data on employment levels in this sector show signs of improvement, with the unemployment rate falling from 11.1% in October-December 1983 to 7.9% in January-March 1984.

c) Transport and Communications

This sector shows that the volume of freight carried by the State Railroads increased 9.0% during the first quarter of this year over the first quarter of last year. A similar performance can be observed in volume of tons shipped via the Empresa Portuaria de Chile (EMPORCHIL), which rose by

17.7% during the first quarter over the same period in 1983.

Other data concerning this sector point to an increase of 4.7% in the number of telephone lines installed during the first two months of the year, as compared with 1983.

d) Mining

During the first two months of the year the main mining products show rises in production and sales. Copper production, for example, grew by 5.1% compared to last year. In the same way, iron production rose by 11.5% in this period. Similarly, nitrate and coal show an increased production of 15.5% and 6.8% respectively.

e) Utilities Sector

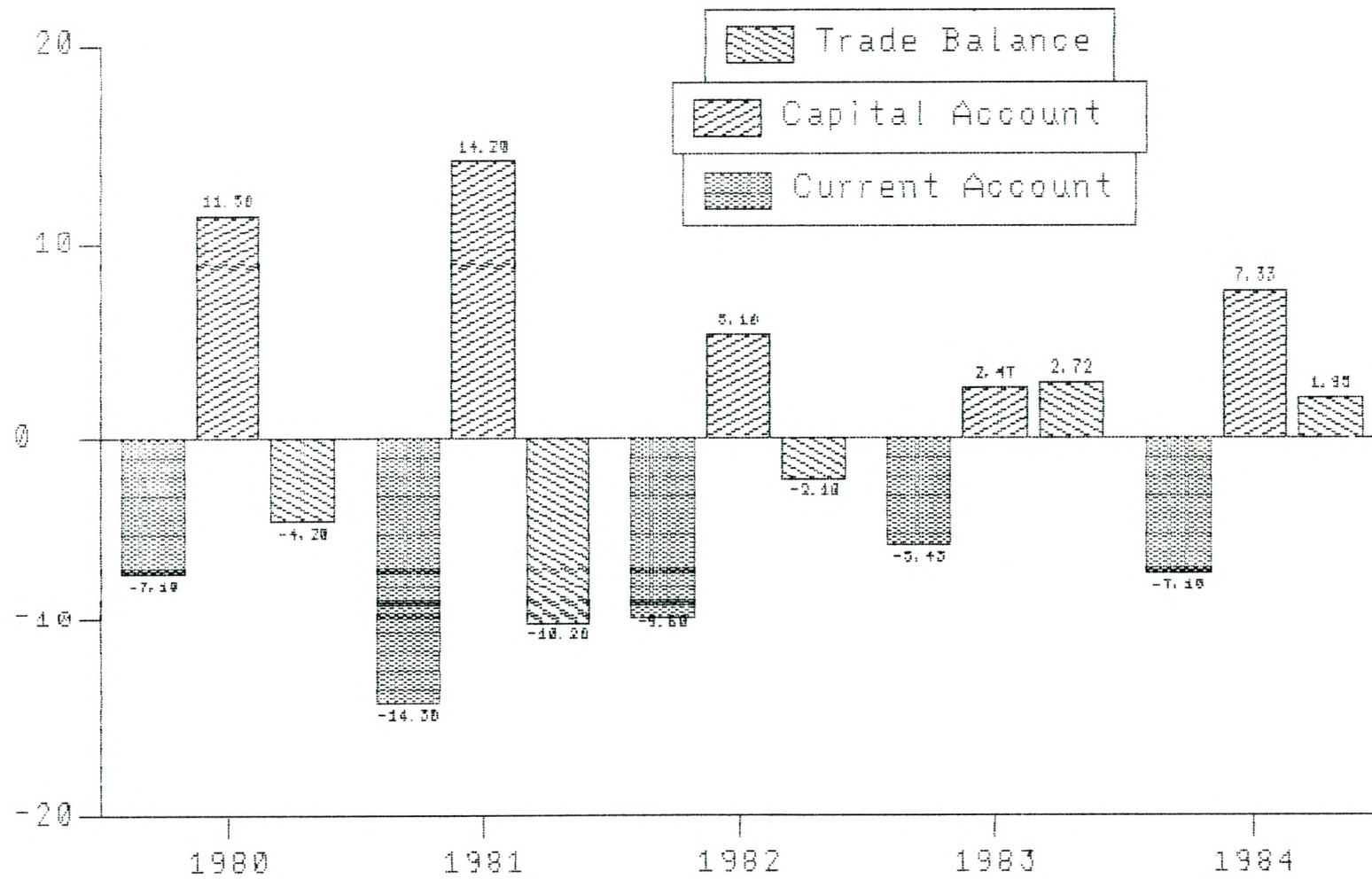
During the first quarter of the year production of electric energy rose by 9.8%, compared to the average for the first quarter in 1983. Water billings also rose by 5.3% in the first two months of the year. The data on electric energy confirms the boost of the Industrial Sector as from the second half of 1983.

f) Farming Sector

Farming shows increased levels of activity for the agricultural year 83/84. Statistics on acreage planted with the 14 basic crops rose by 20.6% in the last season. Further information is provided by the increases in imports of raw materials for agriculture such as fertilizers, chemicals and others. Similarly, the volume of seasonal agricultural credit increased by 12 % in real terms, relative to the previous season.

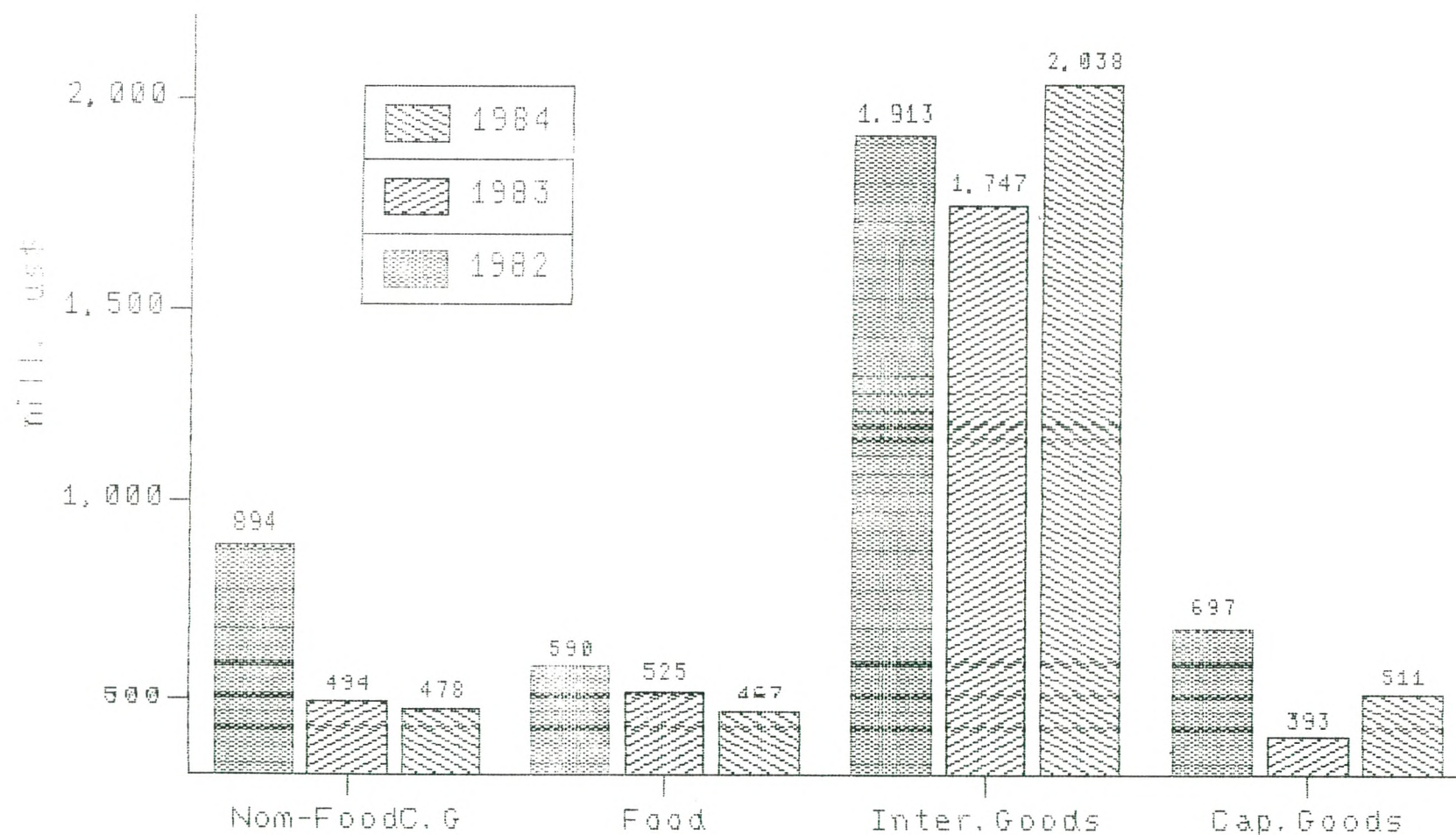
The recovery of this sector may be attributed to the stronger real price of numerous products, as well as to the measures that the authorities adopted in order to correct some distortions in the foreign trade of farm products.

BALANCE OF PAYMENTS (as % of GDP)

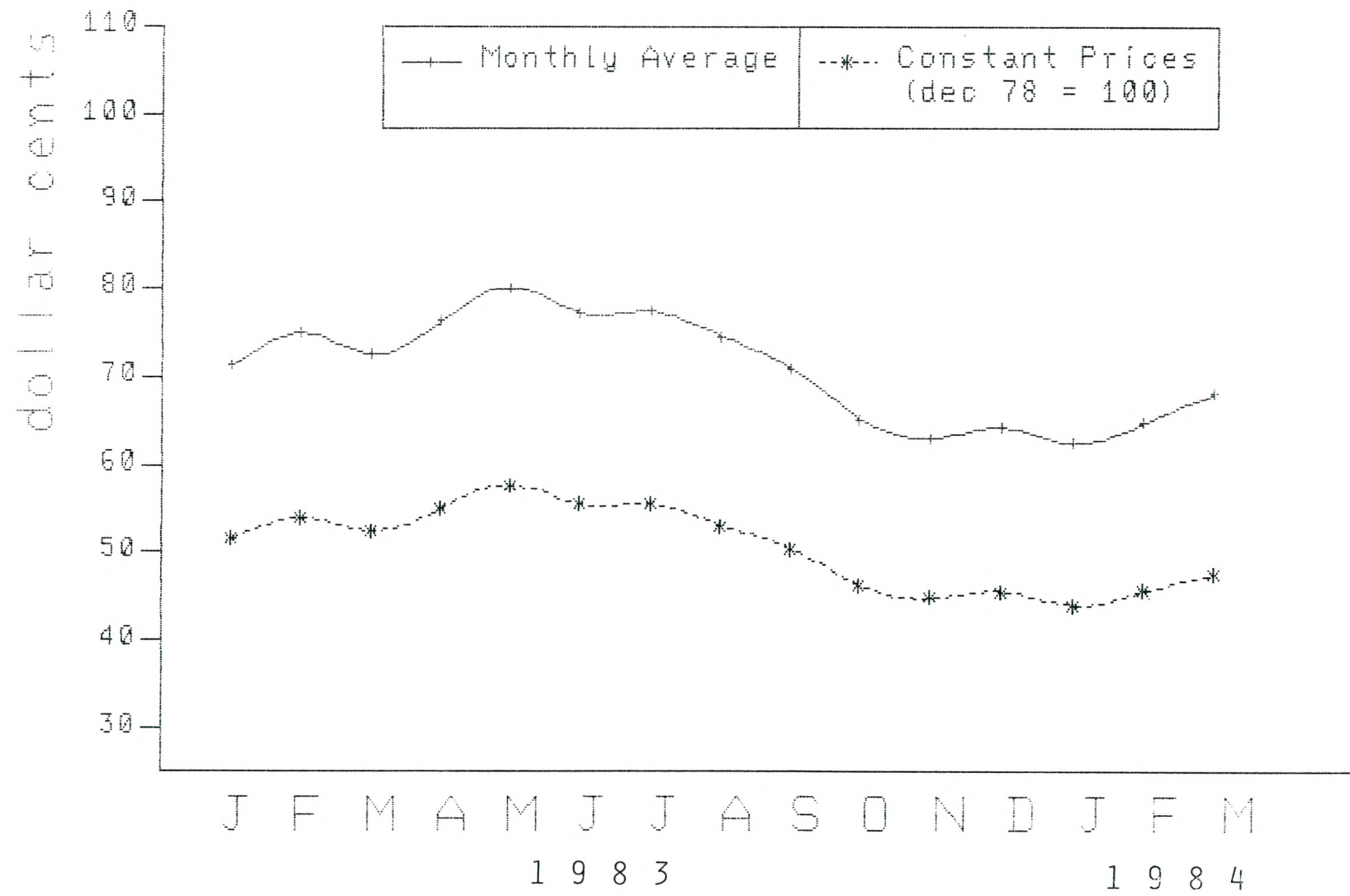


COMPOSITION OF IMPORTS 1982-1983-1984 (*) (cif values)

24

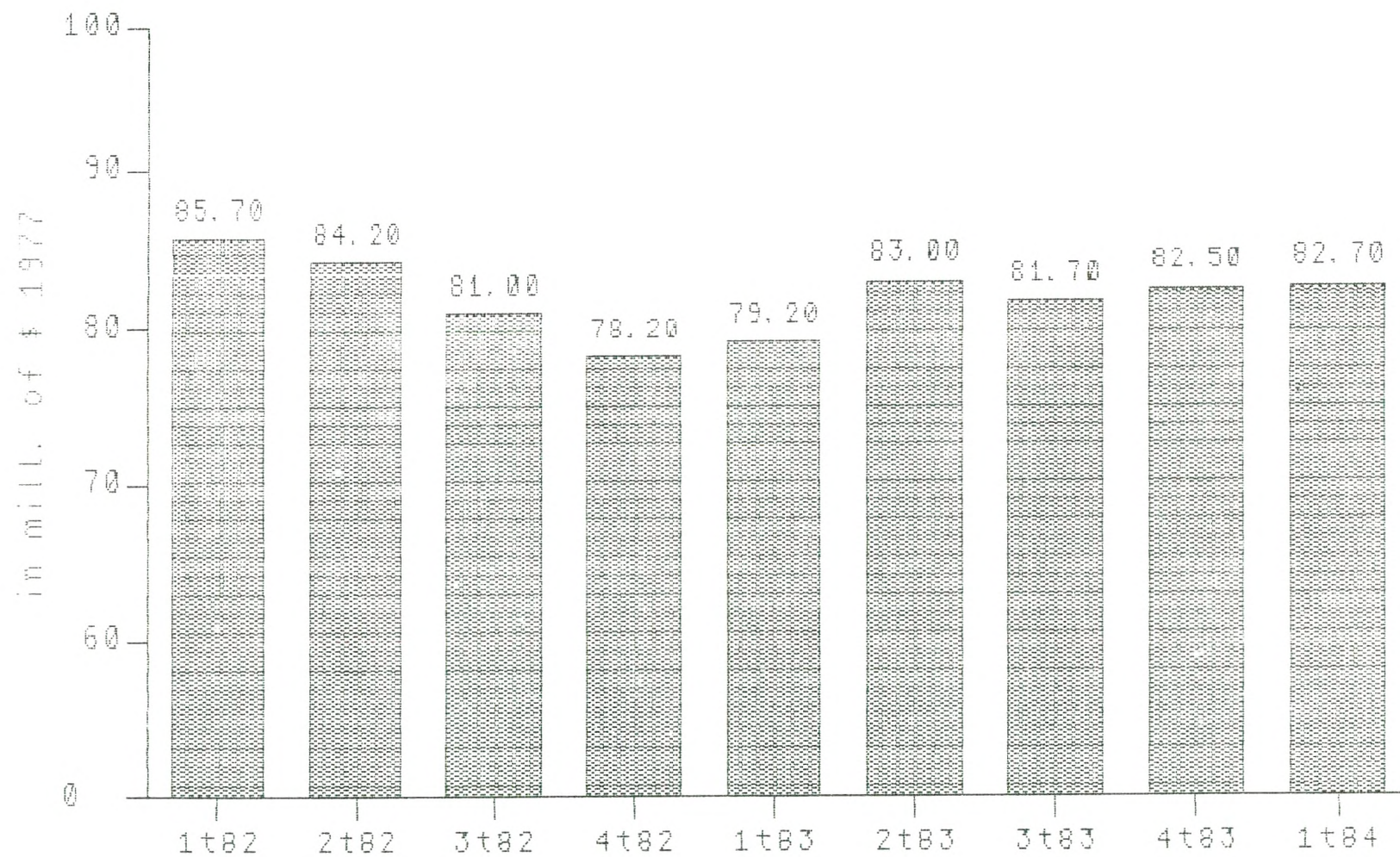


COPPER PRICE

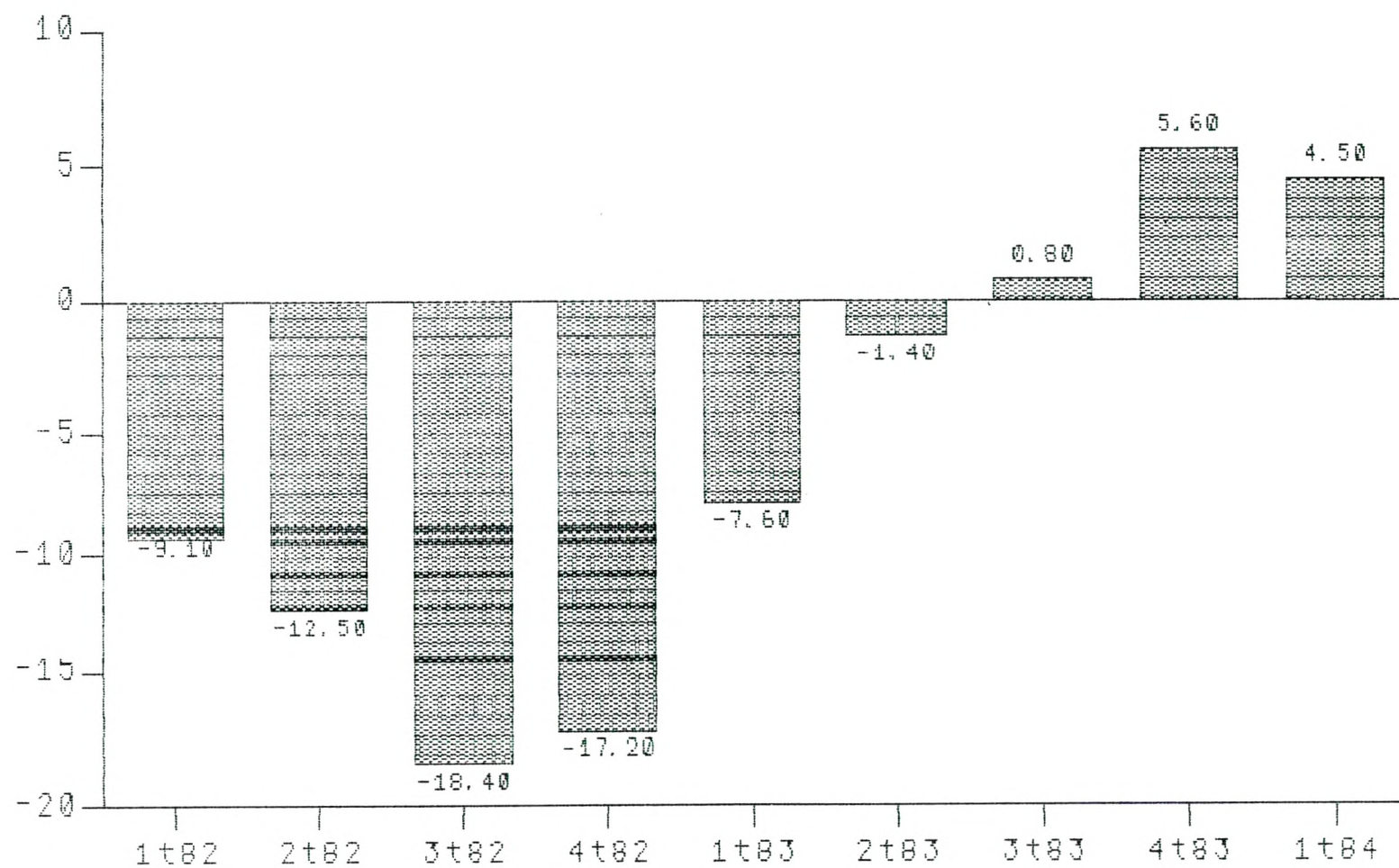


GROSS DOMESTIC PRODUCT 1982-1983-1t 84

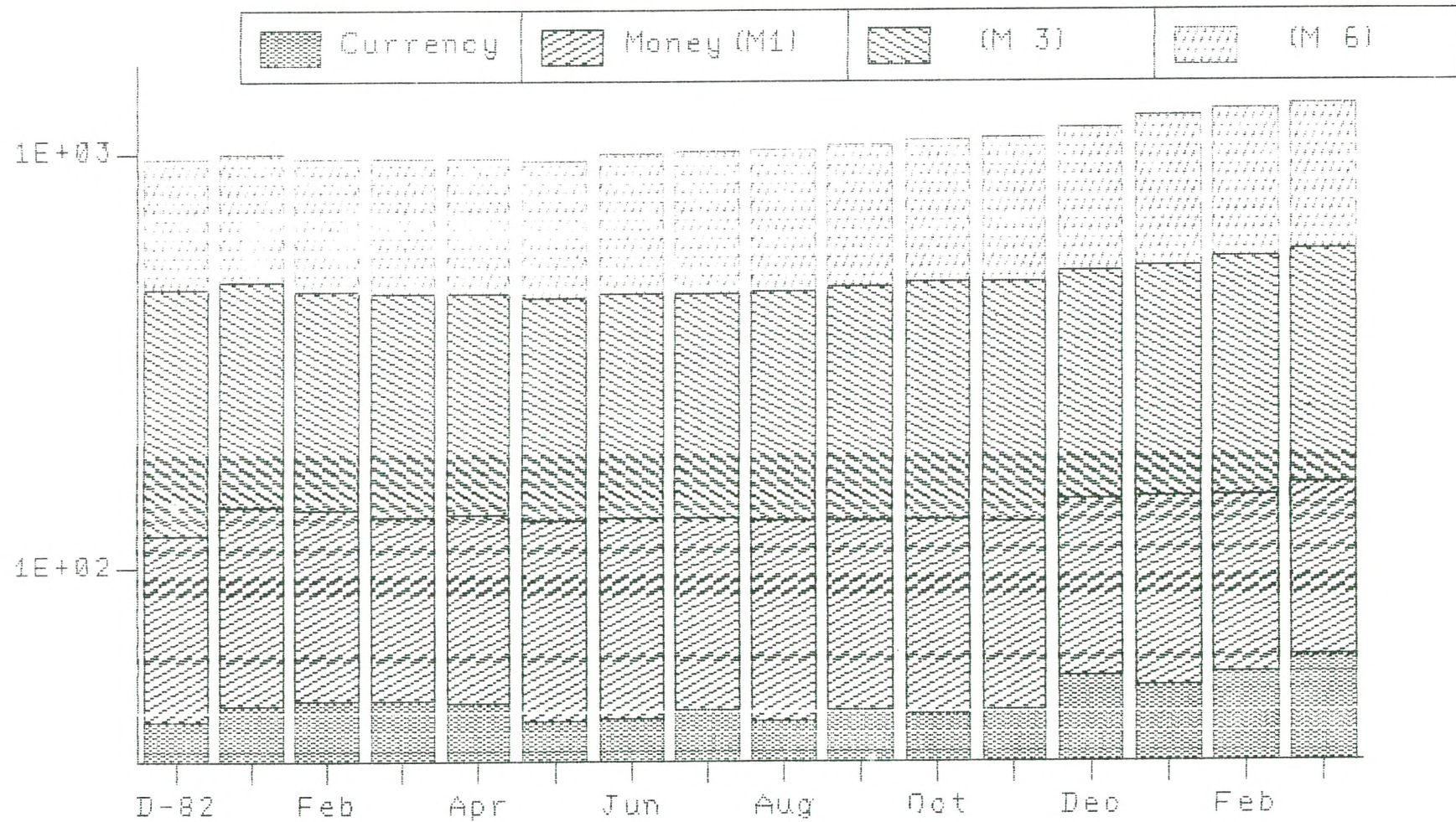
26



% CHANGE G. D. P. 1982-1983-1t 84



MONETARY AGGREGATES (in bill. of \$)



T A B L E N° 1

CENTRAL BANK MONETARY PROGRAM: TARGETS AND PERFORMANCE: 1984
(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.83	Mar.84	Mar.84	Jun.84	Sep.84	Dec.84
1. <u>NET INTERNATIONAL RESERVES</u>	<u>91.79</u>	<u>96.46</u>	<u>89.00</u>	<u>101.47</u>	<u>113.27</u>	<u>116.62</u>
(in mill. US\$)	(1.192.0)	(1.083.8)	(1.000.0)	(1.115.0)	(1.205.0)	(1.190.0)
2. <u>NET DOMESTIC ASSETS</u>	<u>114.70</u>	<u>137.08</u>	<u>140.0</u>	<u>160.0</u>	<u>180.0</u>	<u>217.0</u>
3. <u>FOREIGN MEDIUM AND LONG TERM</u>						
<u>LIABILITIES</u>	<u>146.55</u>	<u>168.98</u>				
(in mill. US\$)	(1.903.2)	(1.898.7)				
4. <u>LIABILITIES TO PRIVATE SECTOR</u>	<u>59.94</u>	<u>64.56</u>				
Rate of Exchange (peso/dollar)	77	89	89	91	94	98

SOURCE: Banco Central de Chile

T A B L E N° 2

DIFFERENCES BETWEEN ACTUAL PERFORMANCE AND TARGET PERFORMANCE UNDER THE I.M.F. PROGRAM
(stocks in billions of Chilean pesos)

Mar. 1984

I	<u>NET INTERNATIONAL RESERVES</u>	
	1. Actual	96.46
	2. I.M.F. Agreement	89.00
	3. Differences (1-2)	7.46
II	<u>NET DOMESTIC ASSETS</u>	
	1. Actual	137.08
	2. I.M.F. Agreement	140.00
	3. Differences (1-2)	-2.92
III	<u>NEW MEDIUM TERM LOANS FROM</u> <u>INTERNATIONAL BANKS</u>	
IV	<u>RATE OF EXCHANGE</u> (peso/dollar)	89

SOURCE: Banco Central de Chile

T A B L E N° 3

CENTRAL BANK: NET INTERNATIONAL RESERVES 1984 ¹
(millions of US\$ end of month)

	<u>Dec.83</u>	<u>Mar.84</u>
<u>NET INTERNATIONAL RESERVES</u>	<u>1.192,1</u>	<u>1.083,8</u>
1. <u>Assets</u>	<u>2.273,9</u>	<u>2.315,5</u>
Gold	66,6	69,1
SDRs	5,7	0,1
I.M.F. Reserve Position	-13,5	-15,5
Foreign Exchange Assets	2.047,7	2.164,6
CCR	167,4	97,1
2. <u>Liabilities</u>	<u>1.081,8</u>	<u>1.231,7</u>
To I.M.F.	640,9	640,9
CCR	140,8	130,7
Short Term Deposits	300,0	460,0
Bridge Loan	-	-

1/ Corresponds to the I.M.F. net international reserve definition.

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

SOURCE: Banco Central de Chile

T A B L E N° 4

NET INDEBTEDNESS OF THE NON-FINANCIAL PUBLIC SECTOR
(billions of Chilean pesos)

	<u>Mar. 1984</u>
1. Debt to the Domestic Financial System	91,62
2. Outstanding stock of financial instruments issued by the nonfinancial public sector and held by the nonfinancial private sector	51,36
3. Adjustments for Corfo-Indap	-0,42
4. Domestic Debt (1+2+3)	<u>142,56</u>
5. Foreign Debt	<u>439,18</u>
6. Total (4+5)	<u>581,74</u>
<u>TARGETS</u>	
1. Total	586,0
2. Sublimit for domestic Debt	137,0
(Rate of exchange)	(89)

NOTES: Provisional figures.

T A B L E N° 5

CONTRACTING AND GUARANTEEING OF MEDIUM-AND LONG-TERM FOREIGN DEBT BY THE PUBLIC SECTOR
(in millions of US\$)

Mar. 1984

More than 1 and up to 5 years	-
More than 5 and up to 10 years	1.471,8
Total	1.471,8

Targets

- More than 1 and up to 5 years	125,0
- More than 5 and up to 10 years	3.850,0

SOURCE: Banco Central de Chile

CHILE: BALANCE OF PAYMENTS 1981-1984
(in millions of US\$)

	<u>1981</u>	<u>1982</u>	<u>1983</u> ^{1/}	<u>1984</u> ^{2/}
<u>CURRENT ACCOUNT</u>	<u>-4.733</u>	<u>-2.304</u>	<u>-1.073</u>	<u>-1.488</u>
Trade Balance	-2.677	63	1.009	919
Exports	3.836	3.706	3.827	4.034
Copper	1.738	1.685	1.871	1.862
Others	2.098	-2.021	1.956	2.172
Imports	-6.513	-3.643	-2.818	-3.115
Non Financial Services	-701	-555	-471	-510
Financial Services	-1.463	-1.921	-1.703	-1.986
Transfers	108	109	92	89
<u>CAPITAL ACCOUNT</u>	<u>4.800</u>	<u>1.139</u>	<u>532</u>	<u>1.488</u>
Direct Investment	362	384	148	121
MLT Amortization Payments	-1.818	-1.258	-1.814	-1.550
Other Payments 3/	-	-	-236	-141
MLT Receipts 4/	5.089	2.609	3.096	2.653
Short-Term Financial	955	347	-564 ^{5/}	372
Short-Term Commercial	212	-943	-98	33
Errors and Omissions and Others				
<u>Overall Balance</u>	<u>67</u>	<u>-1.165</u>	<u>-541</u> ^{5/}	<u>-</u>
<u>Valuation Adjustment</u>	<u>-365</u>	<u>-33</u>	<u>-14</u>	<u>-</u>
<u>Change in Reserves</u>	<u>-298</u>	<u>-1.198</u>	<u>-555</u>	<u>-</u>

1/ Provisional

2/ Estimated

3/ Corresponds to loan re-payment and purchase of loans to Banco Andino, plus other re-payments.

4/ Includes refinancing of scheduled amortization payments.

5/ Includes increase of short term credits from Central Bank (US\$ 100 mill.). Therefore, the overall balance according to the I.M.F. definition would be -641 and short-term financial capital would be -664.

Assumptions for 1984

1. Approximately 14% of medium and long-term debt as of Dec. 31, 1983, 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. Average interest rates for 1984 were assumed at 11.7% for Libor and 12.5% for Prime. In the case of most medium and long-term debt there is a 6 months lag between interest rates and actual interest expenses.
4. Financial costs of the refinancing program are included in "financial services".
5. Long-term interest expenses include interest payments on re-scheduled financial debts.
6. LME copper prices are projected at a yearly average of \$ 71.3 c/lb. in 1984.
7. Petroleum prices are projected at an annual average of \$ 29.4/barrel in 1984.

T A B L E N° 6 - A

FINANCIAL SERVICES
(millions of US\$)

	<u>1983</u>	<u>1984</u>
<u>INTEREST EXPENSE</u>	<u>1.813.0</u>	<u>2.243.6</u>
Medium and Long-Term	1.354.2	1.907.6
I.M.F.	40.3	58.5
Short-Term	418.5	277.5
<u>INTEREST INCOME</u>	<u>186.4</u>	<u>337.2</u>
Medium and Long-Term	13.5	13.7
Short-Term	173.0	323.6
Central Bank	(162.2)	(266.1)
<u>PROFITS AND DIVIDENDS</u>	<u>76.4</u>	<u>79.7</u>
<u>FINANCIAL SERVICES</u>	<u>1.703.0</u>	<u>1.986.1</u>

T A B L E N° 6 - B

IMPORTS, 1981 - 1984
(millions of US\$)1/

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
I. <u>NON-FOOD CONSUMER GOODS</u>	<u>1.592</u>	<u>759</u>	<u>386</u>	<u>314</u>
A - Medical & Pharmaceutical	69	49	41	34
B - Tools	47	25	18	21
C - Industrialized non-food Prod.	1.048	561	296	241
D - Automobiles	428	124	31	18
II. <u>FOODSTUFFS</u>	<u>712</u>	<u>527</u>	<u>483</u>	<u>449</u>
A - <u>Consumer goods</u>	<u>315</u>	<u>190</u>	<u>132</u>	<u>156</u>
- Agricultural	33	22	12	8
- Industrialized food products	282	168	120	148
B - <u>Intermediate Goods</u>	<u>397</u>	<u>337</u>	<u>351</u>	<u>293</u>
Agricultural-foodstuffs	273	238	233	176
Industrial Origin raw materials (edible)	124	99	118	117
III. <u>INTERMEDIATE GOODS</u>	<u>2780</u>	<u>1.664</u>	<u>1.547</u>	<u>1.811</u>
A. <u>Raw Materials</u>	<u>623</u>	<u>374</u>	<u>448</u>	<u>559</u>
Agricultural Origin-raw Materials (non-edibles)	55	39	32	34
Industrial Origin-raw materials (non-edibles)	568	335	416	515
B. <u>Equipment-spares and Intermediate Products</u>	<u>1.205</u>	<u>670</u>	<u>534</u>	<u>660</u>
Intermediate Industrial Goods	729	414	322	408
Machinery & Equipment-spare Parts	290	198	174	205
Parts for Assembly of Vehicles	186	58	38	47
C. <u>Fuels & Lubricants</u>	<u>952</u>	<u>620</u>	<u>565</u>	<u>602</u>
- Crude Petroleum	672	282	399	4653/
- Other	280	338	166	137
IV.	<u>5.084</u>	<u>2.950</u>	<u>2.416</u>	<u>2.574</u>
V. <u>CAPITAL GOODS</u>	<u>1.249</u>	<u>584</u>	<u>333</u>	<u>466</u>
A -Machinery & Equipment	677	429	257	360
B - Transportation Equipment	564	153	74	102
C - Other Capital Goods	8	2	2	4
VI. <u>SUB TOTAL 2/</u>	<u>6.333</u>	<u>3.534</u>	<u>2.749</u>	<u>3.040</u>
<u>Other Imports</u>	<u>985.0</u>	<u>560</u>	<u>411</u>	<u>454</u>
VII. <u>TOTAL C.I.F.</u>	<u>7.318.0</u>	<u>4.094</u>	<u>3.160</u>	<u>3.494</u>
VIII <u>TOTAL F.O.B.</u>	<u>6.513.0</u>	<u>3.643</u>	<u>2.818</u>	<u>3.115</u>

1/ To compare with the previous presentation of this chart:

- 1.- Add, to "Non-Food Consumer goods", the category "Consumer Goods" under the heading Foodstuffs in order to obtain the total of Consumer Goods. ($I + II\ A = \text{Consumer Goods}$)
- 2.- Add, to the category "Raw Materials" of Intermediate Goods, the "Intermediate Goods" classified as "Foodstuffs", in order to obtain the total of Intermediate Goods. ($III\ A + II\ B = \text{Intermediate Goods}$)
- 3.- Customs Import Declarations, except crude petroleum, in which effective transactions are considered.
- 4.- 15.8 millions barrels at US\$ 29.4 / barrel

T A B L E 6 - C

VOLUME AND VALUE OF EXPORTS: 1981 - 84, BY PRINCIPAL PRODUCTS
(millions of US\$)

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	1.047.500	1.659.0	1.737.8	1.216.800	1.384.5	1.684.6	1.249.900	1.496.9	1.871.0	1.245.000	1.495.4	1.861.8
Iron Ore Pellets	TM	3.276.851	33.7	110.6	3.214.197	33.6	108.2	2.508.000	31.4	78.8	3.000.000	28.0	84.0
Iron Ore	TM	3.363.992	15.3	51.4	2.552.870	19.6	50.0	2.086.000	15.9	33.2	1.900.000	14.0	27.0
Sodium Nitrate	TM	330.202	106.0	35.1	268.382	105.0	28.2	287.822	98.0	28.1	290.000	95.0	27.5
Potassium Nitrate	TM	104.124	151.0	15.7	102.758	158.0	16.2	140.352	155.0	21.7	110.000	150.0	16.5
Iodine	TM	2.271	14.102.0	32.0	2.186	13.782.0	30.1	3.265	10.386.0	33.9	2.900.0	10.000.0	29.0
Fishmeal	TM	455.812	429.0	195.5	768.637	332.0	255.0	754.869	407.0	307.1	760.000.0	420.0	319.9
Planks	M3	847.439	100.0	90.0	642.064	100.0	64.2	739.291	90.0	66.2	975.000	82.0	80.0
Pinewood	M3	359.060	48.0	18.0	889.055	44.0	39.6	1.023.065	35.0	35.6	1.030.000	34.0	35.0
Crude Cellulose	TM	208.960	441.0	92.1	210.577	288.0	60.8	260.112	247.0	64.3	260.000	300.0	78.0
White Cellulose	TM	201.406	554.0	111.6	248.251	447.0	111.0	263.573	349.0	92.1	290.000	400.0	116.0
Molybdenum Oxide	TM												
Iron Molybdenum	TM	14.921	14.960	223.2	20.684	8.586	177.6	20.835	7.130.0	148.6	17.600	8.500.0	149.9
SUB TOTAL				2.713.0			2.625.5			2.780.6			2.824.6
OTHERS				1.123.5			1.080.2			1.046.0			1.209.5
TOTAL				3.836.5			3.705.7			3.826.6			4.034.1

* Estimated

T A B L E N° 7

CHILE: BALANCE OF PAYMENTS BY QUARTERS, 1984 ^{1/}
(in millions of US\$)

	<u>I</u> ^{2/}	<u>II</u>	<u>III</u>	<u>IV</u>	<u>YEAR</u>
<u>CURRENT ACCOUNT</u>	<u>-265</u>	<u>-290</u>	<u>-451</u>	<u>-482</u>	<u>-1.488</u>
Trade Balance	227	279	244	169	919
Exports	973	1.055	1.036	970	4.034
Copper	402	462	497	501	1.862
Others	571	594	539	469	2.172
Imports	746	776	792	801	-3.115
Non Financial Services	-144	-166	-95	-105	-510
Financial Services	-359	-457	-610	-560	-1.986
Transfers	11	54	10	14	89
 <u>CAPITAL ACCOUNT</u>	 <u>310</u>	 <u>383</u>	 <u>426</u>	 <u>369</u>	 <u>1.488</u>
Direct Investment	16	25	40	40	121
Payments MLT (scheduled)	-404	-368	-325	-453	-1.550
Other Payments	-	-	-141	-	-141
Short-term Financial	292	34	88	-42	372
Receipts	129	236	226	259	1.850
Public Sector	96	211	200	233	740
Private Sector	33	25	26	26	110
Refinancing of Amortization	294	236	208	281	1.019
New Money	-	390	197	197	784
Short-term Commercial	-76	8	31	67	30
Others	106	-178	102	20	50
Errors and Omissions	-47	-	-	-	-47
 <u>Overall Balance</u>	 <u>45</u>	 <u>92</u>	 <u>-25</u>	 <u>-112</u>	 <u>-</u>
 <u>Cumulative Balance of Payments</u>	 <u>45</u>	 <u>137</u>	 <u>112</u>	 <u>-</u>	 <u>-</u>
 <u>Valuation Adjustment</u>	 <u>-3</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-3</u>
 <u>Changes in Reserves (increase: -)</u>	 <u>-42</u>	 <u>-92</u>	 <u>25</u>	 <u>112</u>	 <u>3</u>
 <u>Cumulative Change in Reserves</u> (increase: -)	 <u>-42</u>	 <u>-134</u>	 <u>-109</u>	 <u>3</u>	 <u>3</u>
 MEMORANDUM ITEM =					
Change in Reserves, net of bank's new money (increase: -)	-42	298	222	309	787

1/ Estimated figures

2/ Provisional

NOTE: Due to approximations, the sums may not be exactly equal to the totals.

T A B L E N° 8

EXPORTS AND IMPORTS 1982 - APR. 1984
(millions of US\$)

	EXPORTS (F.O.B.)			IMPORTS (C.I.F.)					IMPORTS (F.O.B.)	TRADE BALANCE	
	Copper	Others	Total	Foodstuffs	Non Food	Capital	Intermed.	Total		Monthly	Accumulated
					Consumers						
					Goods	Goods	Goods				Year
1982	1.684.6	2.021.1	3.705.7	589.8	894.4	696.9	1.912.8	4.093.9	3.643.3	-	62.4
1983	1.871.0	1.955.6	3.826.6	525.3	494.1	393.4	1.747.1	3.159.9	2.817.8	-	1.008.8
Jan.	110.0	141.1	251.1	38.9	33.3	39.2	105.3	216.7	192.8	58.3	58.3
Feb.	138.2	164.7	302.9	41.9	40.8	33.3	107.7	223.7	199.1	103.8	162.1
Mar.	168.5	224.7	393.2	42.8	46.2	34.2	147.5	270.7	240.9	152.3	314.4
Apr.	134.5	200.2	334.7	28.3	39.7	36.0	148.5	252.5	224.7	110.0	424.4
May.	196.1	182.8	378.9	44.5	41.6	26.1	168.2	280.4	249.6	129.3	553.7
Jun.	163.8	154.8	318.6	32.7	40.6	28.8	145.8	247.9	220.6	98.0	651.7
Jul.	149.7	141.0	290.7	25.5	37.1	29.8	153.7	246.1	219.0	71.7	723.4
Aug.	147.1	183.6	330.7	49.2	43.1	25.4	177.6	295.3	264.0	66.7	790.1
Sep.	151.6	172.2	323.8	58.2	41.7	25.4	158.2	283.5	253.4	70.4	860.5
Oct.	189.1	128.1	317.2	50.3	43.1	35.8	135.3	264.5	238.0	79.2	939.7
Nov.	156.3	119.8	276.1	67.1	45.2	34.3	164.7	311.3	277.0	-0.9	938.8
Dec.	166.1	142.6	308.7	45.9	41.7	45.1	134.6	267.3	238.7	70.0	1.008.8
1984											
Jan.	134.3	148.3	282.6	32.7	34.6	41.7	177.8	286.8	257.8	24.8	24.8
Feb.	128.3	178.4	306.7	44.3	38.8	44.4	137.1	264.6	237.8	68.9	93.7
Mar.	139.6	243.9	383.5	30.2	44.5	40.3	165.2	280.2	249.9	133.6	227.3
Apr. *	127.5	268.8	396.3	34.7	38.2	45.5	162.5	280.9	251.4	144.9	372.2

SOURCE: Banco Central de Chile

* Preliminary

T A B L E N° 9

PROJECTED NET INFLOWS OF FUNDS FROM OFFICIAL ORGANIZATIONS AND SUPPLIERS, 1983 - 84
(millions of US\$)

As of December 31, 1983	1 9 8 3			1 9 8 4		
	Disbursem.	Amortiz.	Net	Disbursem.	Amortiz.	Net
I OFFICIAL ORGANIZATIONS	334.0	104.9	229.1	531.1	151.0	380.1
IDB	204.8	11.7	220.7	339.8 ^{a/}	12.4	327.4
IBRD	24.0	13.0	11.0	91.3 ^{a/}	21.5	69.8
IDA	-	0.7	-0.7	-	0.7	- 0.7
Eximbank (U.S.A.)	-	2.1	-2.1	30.0	5.6	24.4
AID (U.S.A.)	-	16.5	-16.5	-	16.3	-16.3
CCC (U.S.A.)	105.2 ^{b/}	7.6	137.4	70.0 ^{e/}	46.5	23.5
KFW (W. Germany)	-	2.3	-2.3	-	2.2	- 2.2
Bco. Central Argentina	-	15.6	-15.6	-	14.8	-14.8
Eximbank (Japan)	-	1.2	-1.2	-	1.2	- 1.2
Banco Do Brasil	-	21.1	-21.1	-	20.0	-20.0
East Germany	-	0.8	-0.8	-	0.2	- 0.2
Bulgaria	-	0.6	-0.6	-	0.2	- 0.2
EDC (Canada)	-	2.1	-2.1 ^{f/}	-	2.6	- 2.6 ^{f/}
EFIC (Australia)	-	2.5	-2.5 ^{i/}	-	0.1	- 0.1
Spanish Government	-	1.6	-1.6	-	1.2	- 1.2
Credit Nacional (France)	-	2.0	-2.0	-	1.6	- 1.6
NIO (Netherlands)	-	-	-	-	0.9	0.9
British Government	-	0.1	-0.1	-	-	-
Bco. Comer. 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)	-	0.6	-0.6	-	0.6	- 0.6
USSR Government	-	0.1	-0.1	-	-	-
Kontrollbank (Austria)	-	0.1	-0.1	-	-	-
Eximbank (Korea)	-	-	-	-	-	-
China Government	-	1.6	-1.6	-	1.6	- 1.6
II SUPPLIERS ^{c/}	51.7	196.6	-144.9	270.0	230.4	39.6
Public Sector	7.3	69.9	-62.6	160.0	99.4 ^{e/}	60.6
Private Sector	44.4	126.7	-82.3	110.0 ^{g/}	131.0	-21.0
- Contracted Credits	44.4	126.7	-82.3	-	131.0	-131.0
- Credits to be Contracted	-	-	-	110.0	-	110.0
T O T A L						
I Official Organizations	334.0	104.9	229.1	531.1	151.0	380.1
II Suppliers	51.7	196.6	-144.9	270.0	230.4	39.6
Total (I + II)	385.7	301.5	84.2	801.1	381.4	419.7
III Rest of Banks and Others ^{d/}	260.4	382.9	-122.5	48.7	150.5	-101.8
GRAND TOTAL	646.1 ^{h/}	684.4	-38.3	849.8	-531.9	317.9
Loan repayment and purchase of loans to Banco Andino	-	216.8	-216.8	-	-140.9	-140.9
	646.1	901.2	-255.1	849.8	672.8	177.0

- a/ Assumed are disbursements of new loans of the IDB & IBRD.
- b/ B.O.P. effective figure.
- c/ Figures of supplier credit with official guarantees are not available.
- d/ Renegotiations, Nationalizations, Firms and Individuals (Financial Credits: Art. 15 - D.L. N°600 and contracted credit with guarantees (Banks).
- e/ Includes US\$0.4 MM. to suppliers in 1984.
- f/ Includes US\$1.1 MM. Private Sector Art. 15.
- g/ Includes disbursement from Firms and Individuals (Financial Credits Art. 15, D.L. N°600 associated to foreign investment.
- h/ Excludes Central Bank credit US\$1.300 MM. from banks.
- i/ Includes US\$ 2.0 MM Private Sector Art. 15.

T A B L E N° 10
FOREIGN DEBT OF CHILE 1981 - 1984 *
(millions of US\$)

ITEM	12.31.81	12.31.82	Estimated 12.31.83	Estimated 03.31.84
I <u>TOTAL FOREIGN DEBT</u>	<u>15.542</u>	<u>17.153</u>	<u>17.454</u>	<u>17.648</u>
(II + III)				
<u>Public Sector</u>	<u>5.465</u>	<u>6.660</u>	<u>8.049</u>	<u>8.386</u>
(Banco del Estado)	(397)	(778)	(877)	(897)
(Central Bank)	(528)	(837)	(2.378)	(2.678)
<u>Private Sector</u>	<u>10.077</u>	<u>10.493</u>	<u>9.405</u>	<u>9.262</u>
(Banks) 2/	(6.629)	(6.703)	(5.962)	(5.904)
(Others, Non Banks) 1/ 2/	(3.448)	(3.790)	(3.443)	(3.358)
II <u>MEDIUM AND LONG TERM</u>				
<u>FOREIGN DEBT</u>	<u>12.553</u>	<u>13.815</u>	<u>14.858</u>	<u>14.960</u>
<u>Public Sector</u>	<u>4.415</u>	<u>5.157</u>	<u>6.695</u>	<u>6.886</u>
(Banco del Estado)	(393)	(507)	(609)	(617)
(Central Bank)	(528)	(637)	(2.078)	(2.217)
<u>Private Sector</u>	<u>8.138</u>	<u>8.658</u>	<u>8.163</u>	<u>8.074</u>
(Banks)	(4.690)	(4.967)	(4.813)	(4.798)
(Others, Non Banks)	(3.448)	(3.691)	(3.350)	(3.276)
III <u>SHORT TERM FOREIGN DEBT</u>	<u>2.989</u>	<u>3.338</u>	<u>2.596</u> ^{3/}	<u>2.688</u> ^{3/}
<u>Public Sector</u>	<u>1.050</u>	<u>1.503</u>	<u>1.354</u>	<u>1.500</u>
(Banco del Estado)	(4)	(271)	(268)	(280)
(Central Bank)	(-)	(200)	(300)	(460)
<u>Private Sector</u>	<u>1.939</u>	<u>1.835</u>	<u>1.242</u>	<u>1.188</u>
(Banks) 2/	(1.939)	(1.732)	(1.149)	(1.106)
(Other, Non Banks) 1/ 2/	(-)	(103)	(93)	(82)
IV <u>CENTRAL BANK WITH I.M.F.</u>	<u>49</u>	<u>6</u>	<u>606</u>	<u>616</u>

* End-of-month parities.

1/ Excludes short-term loans for foreign trade operations. Includes short-term credits.

2/ Includes short-term credits, (Articles 14 and 15) since June 1982.

3/ Given that the rescheduling agreements for 83/84 were signed on 25 January 1984, the financial short-term foreign debt which shall be rescheduled at medium and long term, is included in the short-term for 1983 and at 30.03.83 (The agreements become effective only six months after being signed.) The approximate amount of the short-term debt is US\$1.230 million.

T A B L E N° 11

TOTAL MEDIUM AND LONG TERM EXTERNAL DEBT
 At Dec. 31, 1982 and Dec. 31, 1983
 (millions of US\$)
 (According to Principal Foreign Creditors)

ITEM	STOCKS (12.31.82)	STOCKS (*) (12.31.83)
I - <u>PUBLIC SECTOR</u> 1/	<u>5.156.8</u>	<u>6.694.9</u>
1. <u>Multinational Organizations</u>	<u>444.4</u>	<u>652.6</u>
- Non Financial Public Sector	414.0	624.0
- Financial Public Sector	30.4	28.6
2. <u>Foreign Governments</u>	<u>769.5</u>	<u>793.5</u>
- Non Financial Public Sector	667.4	613.4
- Financial Public Sector	102.1	180.1
3. <u>Private Banks and Financial Institutions</u>	<u>3.403.4</u>	<u>4.873.6</u>
- Non Financial Public Sector	2.400.2	2.186.4
- Financial Public Sector	1.003.2	2.687.2
4. <u>Foreign Suppliers</u>	<u>318.1</u>	<u>250.5</u>
- Non Financial Public Sector	315.8	249.2
- Financial Public Sector	2.3	1.3
5. <u>Nationalizations</u>	<u>75.1</u>	<u>40.4</u>
6. <u>Official Renegotiations</u>	<u>50.9</u>	<u>0.8</u>
7. <u>Renegotiation Special Agreements</u>	<u>8.8</u>	<u>3.5</u>
- Non Financial Public Sector	6.2	3.5
- Financial Public Sector	2.6	-
8. <u>Public Bonds</u>	<u>43.6</u>	<u>36.8</u>
9. <u>Private Bonds</u>	<u>43.0</u>	<u>43.2</u>
II - <u>PRIVATE SECTOR</u>	<u>8.657.8</u>	<u>8.163.0</u>
1. <u>Banks and Financial Institutions</u>	<u>4.967.0</u>	<u>4.813.1</u>
- With Foreign Banks and Financial Institutions	4.967.0	4.813.1
- With Foreign Suppliers	-	-
2. <u>Non Banking Private Sector</u>	<u>3.690.8</u>	<u>3.349.9</u>
- With Foreign Banks and Financial Institutions	2.788.7	2.570.7
- With Foreign Suppliers	902.1	779.2
III - <u>TOTAL</u> (I + II)	<u>13.814.6</u>	<u>14.857.9</u>
- With Foreign Banks and Financial Institutions	11.159.1	12.257.4
- With Foreign Suppliers 2/	2.655.5	2.600.5

* Estimated

1/ Includes "Banco del Estado".

2/ Includes US\$86.6 millions at of 31.12.82 and US\$80.0 M M of 31.12.83.

T A B L E N° 12

SCHEDULE OF AMORTIZATIONS OF MEDIUM AND LONG TERM EXTERNAL DEBT, AS OF 12.31.83
(millions of US\$)

ITEM	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
I <u>BEFORE RENEGOTIATION</u>	<u>2.063</u>	<u>1.692</u>	<u>2.230</u>	<u>2.686</u>	<u>2.170</u>	<u>1.617</u>	<u>991</u>	<u>395</u>	<u>304</u>	<u>174</u>
Public Debt	478	531	642	903	814	758	647	348	283	166
Private Debt	1.585	1.161	1.588	1.783	1.356	859	344	47	21	8
II <u>AFTER RENEGOTIATION</u> ^{1/}	<u>906</u>	<u>673</u>	<u>2.230</u>	<u>2.686</u>	<u>2.335</u>	<u>3.066</u>	<u>2.440</u>	<u>1.779</u>	<u>565</u>	<u>174</u>
Public Debt	317	288	642	903	979	1.474	1.362	999	362	166
Private Debt	589	385	1.588	1.783	1.356	1.593	1.078	780	203	8
III <u>AFTER RENEGOTIATION</u> ^{1/}	<u>906</u>	<u>673</u>	<u>2.230</u>	<u>2.686</u>	<u>2.335</u>	<u>3.066</u>	<u>2.440</u>	<u>1.779</u>	<u>565</u>	<u>174</u>
1. As of Original Schedule	906	673	2.230	2.686	2.149	1.617	991	395	304	174
2. Rescheduled Debt	-	-	-	-	-	1.049	1.049	1.049	261	-
3. New Credits	-	-	-	-	165	400	400	335	-	-

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

T A B L E N° 13
GROWTH RATES OF GROSS DOMESTIC PRODUCT BY SECTOR
(percentage change in 12 month)

SECTOR	1 9 8 0	1 9 8 1 *	1 9 8 2 **					1 9 8 3 **					1 9 8 4 **	
			<u>I</u>	<u>II</u>	<u>III</u>	<u>IV</u>	<u>TOTAL</u>	<u>I</u>	<u>II</u>	<u>III</u>	<u>IV</u>	<u>TOTAL</u>	<u>I</u>	<u>TOTAL</u>
Agriculture	3.6	4.3	5.6	-2.2	-13.2	9.0	-3.3	-4.3	-2.2	3.7	0.3	-1.5	7.1	4.5
Fishing	7.5	18.1	42.7	16.6	-12.4	-4.0	8.8	2.2	16.0	-14.3	20.1	4.6	0.2	4.5
Mining	5.2	8.0	-0.6	20.6	6.3	-1.7	5.7	1.7	-10.9	-4.4	6.1	-2.0	2.5	-2.1
Industry	6.2	2.6	-19.9	-22.6	-23.4	-20.3	-21.6	-4.2	6.4	5.1	4.4	3.0	13.0	7.5
Construcction	23.9	21.1	-17.4	-29.7	-32.4	-36.3	-29.0	-28.9	-2.6	9.2	30.8	0.2	7.3	14.1
Commerce	12.4	6.6	-9.4	-13.3	-25.3	-21.7	-17.8	-16.1	-5.8	-1.0	7.7	-4.1	-4.8	2.3
Transport	11.1	1.1	-5.7	-4.6	-16.1	-12.5	-9.9	-8.6	-4.3	0.0	0.9	-3.1	4.0	4.1
Others 1/	5.3	5.2	-8.2	-13.3	-15.6	-15.5	-13.2	-4.8	-0.7	-22.7	3.1	-0.7	3.9	2.9
TOTAL G. D. P.	7.8	5.7	-9.1	-12.5	-18.4	-17.2	-14.3	-7.6	-1.4	0.8	5.6	-0.8	4.5	4.1

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

2/ Projection

* Provisional

** Estimated

SOURCE: Central Bank of Chile - National Accounts.

T A B L E N° 13 - A

GROSS DOMESTIC PRODUCT SPENDING
(Rate Annual Variation)

ITEM	1980	1981*	1982**	1983**	1984**
Overall Household Consumption and Private Non-Profit Institutions	6.8	14.2	-14.4	-5.8	2.4
Overall Government Consumption Spending	-8.1	0.3	-7.8	-5.8	0.7
Inventory Variation	-	-	-	-	-
Gross Composition of Fixed Capital	21.9	14.7	-37.1	-14.4	17.0
Exports of Goods and Services	14.3	-5.3	10.9	1.4	2.0
Minus: Imports of Goods and Services	18.7	14.7	-32.9	-9.4	8.1
Gross Domestic Product Spending	7.8	5.7	-14.3	-0.8	4.1

(*) Provisional figures

(**) Estimated figures

T A B L E N° 14

LABOR FORCE AND UNEMPLOYMENT NATIONWIDE

ITEM	1978 Oct.Dec.	1979 Oct.Dec.	1980 Oct.Dec.	1981 Oct.Dec.	1982 Oct.Nov.	1983 Oct.Dec.	1984 Jan.Mar.
<u>LABOR FORCE</u> (1.000's)	<u>3476.6</u>	<u>3477.5</u>	<u>3635.5</u>	<u>3688.0</u>	<u>3660.7</u>	<u>3687.6</u>	<u>3703.7</u>
% Change (%)	8.7	0.03	4.5	1.4	-0.7	0.7	-
Unemployment (1.000's)	495.3	474.2	378.4	417.0	717.6	538.1	573.3
<u>UNEMPLOYMENT RATE</u> (percentages)							
Agriculture	6.7	7.3	5.0	6.3	9.4	5.8	7.0
Mining	11.0	9.0	10.5	10.6	17.7	12.2	11.6
Industry	12.8	12.5	11.2	11.8	26.3	17.8	17.1
Construction	29.6	28.9	18.7	25.8	50.0	37.8	31.5
Commerce	7.9	8.9	6.9	7.5	13.6	11.1	7.9
Transport & Communications	10.6	9.9	8.5	8.6	17.6	14.7	13.7
Services	8.9	7.7	5.7	6.2	10.9	9.4	11.9
<u>TOTAL</u>	14.1	13.6	10.4	11.3	19.4	14.6	15.5

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

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

T A B L E N° 15

PUBLIC FINANCE
(millions of 1976 US\$)

	1977	1978	1979	1980	1981	1982	1983*
<u>FISCAL SPENDING</u>	<u>2.699.2</u>	<u>2.787.6</u>	<u>2.895.7</u>	<u>3.158.3</u>	<u>3.601.8</u>	<u>3.527.7</u>	<u>3.487.0</u>
- Fiscal Spending Excluding Debt Service	2.264.1	2.369.7	2.449.8	2.794.1	3.373.3	3.289.5	3.153.7
<u>FISCAL REVENUES</u>	<u>2.499.0</u>	<u>2.688.4</u>	<u>3.104.0</u>	<u>3.578.8</u>	<u>3.841.9</u>	<u>3.239.3</u>	<u>3.024.0</u>
<u>FISCAL DEFICIT</u>	<u>200.2</u>	<u>99.2</u>	<u>-208.3</u>	<u>-420.5</u>	<u>-240.1</u>	<u>288.4</u>	<u>463.0</u>
- Deficit/Fiscal Spending (%)	7.4	3.6	-7.2	-13.3	-6.7	8.2	13.3
- Deficit/Fiscal Spending Excluding Debt Service (%)	8.8	4.2	-8.5	-15.1	-7.1	8.8	14.7
- Social Spending/ Fiscal Spending 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	44.2	51.3	55.4	
- Fiscal Deficit/GNP (%)	1.8	0.8	-1.7	-3.1	-1.7	2.3	3.8

(*) Provisional

SOURCE: Dirección de Presupuesto, Ministerio de Hacienda

PUBLIC SECTOR FINANCIAL OPERATIONS, 1984, ESTIMATED
(millions of pesos)

	General Govern- ment	Public Enter- prises	CORFO Corpo- rations	CODELCO	Total Public Sector, Gross	Adjust- ments	Total Public Sector Net
Current Revenues	529.632	224.774	149.889	170.209	1074.504	129.603	944.901
Current Expenditures	547.160	133.625	105.570	106.746	893.100	1.441	891.659
Transfers	-	78.945	14.646	51.498	145.089	128.162	16.927
Current Account							
Surplus or (Deficit)	-17.528	12.204	29.673	11.966	36.315	0	36.315
Capital Revenues	58.375	3.126	3.322	0	64.823	1.648	63.176
Capital Expenditures	94.331	19.713	40.853	33.190	188.087	1.648	186.440
Overall Surplus or (Deficit)	-53.484	4.383	-7.858	-21.225	-86.949	0	-86.949
Financing	53.484	4.383	7.858	21.225	86.949		86.949
Not External	13.871	6.773	22.881	6.271	49.797		49.797
- Borrowings	23.729	64.478	33.045	78.802	200.053		200.053
- Amortizations	-9.857	-57.705	-10.164	-72.530	-150.256		-150.256
Net Internal	39.612	-2.391	-15.023	14.9533	37.152		37.152

SOURCE: Dirección de Presupuestos

Note: This deficit could be reduced in up to \$15.5 billion, if the private sector's level of activity exceeds the forecasts for the first semester of the year. The fall in public sector deficit would enable the private sector to obtain the additional resources that are required for its increased activity.

T A B L E N° 15 - B

PUBLIC SECTOR FINANCIAL OPERATIONS, 1983, PRELIMINARY
(Millions of Pesos)

ITEM	General Govern- ment	Public Enter- prises	CORFO Corpo- rations	CODELCO	Total Public Sector, Gross	Adjust- ments	Total Public Sector, Net
1. Current Revenues	431.363	185.065	122.233	152.452	891.112	(124.374)	766.737
2. Current Expenditures	467.265	107.254	88.388	85.364	748.272	(1.871)	746.401
3. Transfers	-	66.307	15.563	53.432	135.302	(122.503)	12.799
4. Current Account Surplus or (Deficit)	(35.902)	11.503	18.282	13.656	7.538	-	7.538
5. Capital Revenues	62.334	1.911	896	80	65.222	(4.407)	60.815
6. Capital Expenditures	69.534	11.368	22.554	12.151	115.607	(4.407)	111.199
7. Overall Surplus or (Deficit)	(43.102)	2.046	(3.376)	1.585	(42.847)	-	(42.847)
8. Financing	43.102	(2.046)	3.376	(1.585)	42.847	-	42.847
Net External	(1.846)	(12.907)	4.453	(6.743)	(17.043)	-	(17.043)
- Borrowings	10.314	34.132	54.423	73.321	172.191	-	172.191
- Amortizations	(12.161)	(47.039)	(49.970)	(80.064)	(189.234)	-	(189.234)
Net Internal	44.949	10.862	(1.077)	5.157	59.890	-	59.890

SOURCE: Dirección de Presupuestos

T A B L E N° 15 - C

PUBLIC SECTOR FINANCIAL OPERATIONS, 1982
(Millions of Pesos)

ITEM	General Govern- ment	Public Enter- prises	CORFO Corpo- rations	CODELCO	Total Public Sector, Gross	Adjust- ments	Total Public Sector, Net
1. Current Revenues	370.924.2	117.955.4	94.763.6	93.002.4	676.645.6	(81.069.7)	595.575.9
2. Current Expenditures	395.241.4	71.463.6	70.065.3	62.313.8	599.084.1	(774.5)	598.309.6
3. Transfers	-	39.086.4	19.823.3	28.850.7	87.760.4	(80.295.2)	7.465.2
4. Current Account Surplus or (Deficit)	(24.317.2)	7.405.4	4.875.0	1.837.9	(10.198.9)	-	(10.198.9)
5. Capital Revenues	92.522.4	1.753.4	2.127.2	183.3	96.586.3	(1.272.8)	95.313.5
6. Capital Expenditures	96.636.6	7.982.8	14.794.9	8.955.1	128.369.4	(1.272.8)	127.096.6)
7. Overall Surplus or (Deficit)	(28.431.4)	1.176.0	(7.792.7)	(6.933.9)	(41.982.0)	-	(41.982.0)
8. Financing	28.431.4	(1.176.0)	7.792.7	6.933.9	41.982.0	-	41.982.0
Net External	(4.195.6)	4.807.2	12.408.4	14.763.9	27.783.9	-	27.783.9
- Borrowings	6.390.9	48.497.4	38.171.7	63.591.7	156.651.7	-	156.651.7
- Amortizations	(10.586.5)	(43.690.2)	(25.763.3)	(48.827.8)	(128.867.8)	-	(128.867.8)
Net Internal	32.627.0	(5.983.2)	(4.615.7)	(7.830.0)	14.198.1	-	14.198.1

SOURCE: Dirección de Presupuestos

T A B L E N° 15 - D

PUBLIC SECTOR FINANCIAL OPERATIONS, 1981
(Thousands of Pesos)

ITEM	General Govern- ment	Public Enter- prises	CORFO Corpo- rations	CODESA	Total Public Sector, Gross	Adjust- ments	Total Public Sector, Net
1. Current Revenues	409.078.924	114.176.752	77.620.413	78.611.130	679.487.219	(65.780.908)	613.706.311
2. Current Expenditures	338.900.085	81.579.961	63.228.118	53.713.725	537.421.889	(290.000)	537.131.889
3. Transfers	-	28.784.668	17.214.914	25.273.716	71.273.298	(65.490.908)	5.782.390
4. Current Account Surplus or (Deficit)	70.178.839	3.812.123	(2.822.619)	(376.311)	70.792.032	-	70.792.032
5. Capital Revenues	35.448.549	2.752.636	2.539.222	226.356	40.966.763	-	40.966.763
6. Capital Expenditures	68.505.685	8.507.292	13.020.049	11.148.852	101.181.878	-	101.181.878
7. Overall Surplus or (Deficit)	37.121.703	(1.942.533)	(13.303.446)	(11.298.807)	10.576.917	-	10.576.917
8. Financing	(37.121.434)	1.942.533	13.303.446	11.298.807	(10.576.917)	-	(10.576.917)
Net External	(6.702.081)	8.003.306	21.763.299	11.864.736	34.929.260	-	34.929.260
- Borrowings	1.784.427	30.890.067	27.365.978	23.338.380	83.378.852	-	83.378.852
- Amortizations	(8.486.508)	(22.886.761)	(5.602.679)	(11.473.644)	(48.449.592)	-	(48.449.592)
Net Internal	(38.359.390)	(325.485)	(4.249.924)	-	(42.934.799)	-	(42.934.799)

SOURCE: Dirección de Presupuestos

T A B L E N° 16

PRINCIPAL MONETARY AGGREGATES
(stocks in millions of Chilean pesos)

DATE	Bills & Coins in Circulation C	Demand Deposits D1	Private Money M1	Time Deposits Dp	M1 + DP M2	M3 *	M3A **	Public Money Dg	Monetary Base E
<u>1981</u>									
Dec.	43.628	31.597	75.225	226.643	301.868	372.371	450.006	55.784	83.680
<u>1982</u>									
Jan.	41.724	37.819	79.543	237.964	317.507	377.863	450.974	51.343	80.590
Feb.	41.869	38.161	80.030	244.913	324.943	382.936	450.495	49.176	77.693
Mar.	37.842	39.568	77.410	247.504	324.914	382.876	446.316	43.321	77.268
Apr.	41.630	34.021	75.651	240.562	316.213	376.779	437.600	41.792	73.821
May.	39.311	35.175	74.486	245.432	319.917	378.609	436.183	38.569	78.695
Jun.	39.028	30.060	69.088	231.805	300.893	362.952	432.090	39.646	64.045
Jul.	36.510	28.388	64.898	240.036	304.934	360.230	441.901	60.338	71.326
Aug.	35.669	41.947	77.616	234.515	312.131	369.591	433.905	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	441.364	41.603	56.431
Nov.	34.489	33.569	68.058	245.844	313.902	379.160	444.298	37.200	55.096
Dec.	42.708	38.038	80.746	237.388	318.134	384.406	448.124	38.542	61.401
<u>1983</u>									
Jan.	45.617	57.712	103.329	211.542	314.871	375.393	435.162	37.425	70.160
Feb.	46.964	49.490	96.454	198.258	294.712	358.105	418.848	36.604	74.805
Mar.	46.861	44.758	91.619	198.702	290.321	357.271	417.101	35.899	66.592
Apr.	46.571	46.969	93.540	193.882	286.822	353.277	419.090	40.486	69.318
May.	42.633	46.805	89.438	190.461	279.899	349.638	421.424	52.557	60.373
Jun.	43.243	47.317	90.560	198.345	288.905	361.257	419.571	37.306	63.007
Jul.	44.793	43.124	87.917	198.966	286.883	362.634	424.117	41.735	62.087
Aug.	42.583	46.000	88.583	199.991	288.574	367.847	429.527	37.562	64.087
Sep.	44.952	42.217	87.169	202.412	289.581	378.888	438.678	37.537	63.005
Oct.	44.129	48.459	92.588	203.140	295.728	388.724	446.467	36.210	65.097
Nov.	44.910	45.545	90.455	199.984	290.439	387.162	452.614	42.158	72.845
Dec.	52.430	50.651	103.081	197.796	301.877	398.749	463.874	40.905	72.471
<u>1984</u>									
Jan.	50.293	55.408	105.701	210.554	316.255	412.747	484.147	47.924	74.908
Feb.	54.139	55.429	109.568	218.875	328.443	428.636	493.625	43.979	77.121
Mar.	58.055	57.963	116.018	220.577	336.595	440.139	502.918	40.223	78.251

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

** M3A = Private and Public Money and Quasimoney

T A B L E N° 16 - A

FINANCIAL SYSTEM: DEPOSITS AND LOANS 1/
(Monthly Average)

DATE	LOCAL CURRENCY DEPOSITS		FOREIGN CURRENCY DEPOSITS		L O A N S	
	<u>Demand Dep.</u>	<u>Time Dep.</u>	<u>Demand Dep.</u>	<u>Time Dep.</u>	<u>Local Curr.</u>	<u>Foreign Curr.</u>
	(Mill. \$)		(Mill. US\$)		(Mill. \$)	(Mill. US\$)
<u>1981</u>						
Dec.	146.460	288.564	183.7	189.9	449.666	6.694.0
<u>1982</u>						
Dec.	123.257	321.332	141.7	252.6	439.444	5.679.5
<u>1983</u>						
Jan.	130.642	301.891	133.8	236.6	439.602	5.561.9
Feb.	122.864	280.595	125.7	191.8	417.959	5.157.0
Mar.	122.717	275.263	139.7	169.2	439.286	5.060.1
Apr.	130.976	276.263	143.4	152.5	446.467	4.994.2
May.	137.275	271.870	130.1	157.8	455.383	4.969.9
Jun.	122.055	281.664	126.6	164.7	466.619	4.860.4
Jul.	124.818	287.112	115.6	164.3	472.262	4.718.1
Aug.	126.130	295.447	122.8	155.8	486.613	4.632.9
Sep.	126.446	305.416	130.9	167.2	485.748	4.438.0
Oct.	130.403	319.249	138.7	180.8	490.754	4.379.7
Nov.	132.942	334.231	139.0	186.5	491.714	4.186.2
Dec.	143.660	342.368	131.9	187.3	502.931	4.065.3
<u>1984</u>						
Jan.	146.041	354.100	129.1	184.9	514.980	3.980.8
Feb.	145.727	366.532	131.7	200.9	521.111	3.953.4
Mar.	155.787	370.323	138.0	215.2	525.240	3.914.7
Apr.	159.119	368.473	138.9	203.5	534.535	3.834.3

SOURCE: Banco Central de Chile

NOTE : 1/ Includes deposits and loans to private and public sector.

T A B L E N° 17

56

WAGES AND SALARIES INDEX, 1977 - 1983 AND FEB. 1984

(Base: Dec. 78 = 100)

DATE	INDEX	ANNUAL % CHANGE	REAL INDEX *	ANNUAL % CHANGE
1977 Aver.	50.96	116.4	79.80	12.7
1978 "	81.38	59.7	90.97	14.0
1979 "	120.25	47.8	100.77	10.8
1980 "	176.64	46.9	109.54	8.7
1981 "	230.19	30.3	119.26	8.9
<u>1982</u>				
Jan.	250.01	18.5	124.34	9.2
Feb.	249.28	18.8	124.96	10.7
Mar.	252.18	17.8	125.86	10.1
Apr.	253.68	16.1	126.74	9.9
May.	253.16	14.6	127.12	10.6
Jun.	250.32	11.4	124.87	6.9
Jul.	248.78	9.5	121.69	3.6
Aug.	248.81	1.7	117.90	-5.6
Sep.	250.38	2.1	113.76	-8.3
Oct.	251.89	2.2	109.21	-12.1
Nov.	256.38	3.5	107.58	-13.7
Dec.	265.01	5.1	109.93	-12.9
<u>1983</u>				
Jan.	267.57	7.0	109.07	-12.3
Feb.	266.90	7.1	108.67	-13.0
Mar.	269.93	7.0	107.86	-14.3
Apr.	273.81	7.9	106.25	-16.2
May.	280.30	10.7	107.29	-15.6
Jun.	283.86	13.4	106.99	-14.3
Jul.	291.46	17.2	107.79	-11.4
Aug.	294.72	18.5	106.14	-10.0
Sep.	296.55	18.4	104.36	-8.3
Oct.	301.51	19.7	103.60	-5.1
Nov.	305.90	19.3	103.73	-3.6
Dec.	312.64	18.0	105.35	-4.2
<u>1984</u>				
Jan.	326.87	22.2	110.07	0.9
Feb.	328.64	23.1	110.84	2.0

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

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

T A B L E N° 18

INTEREST RATES
(monthly rates in Banking System)

DATE	SHORT TERM DEPOSITS ^{1/}		SHORT TERM LOANS ^{1/}		P. D. B. C. ^{2/}	
	NOMINAL	REAL 3/	NOMINAL	REAL 3/	NOMINAL	REAL 3/
<u>1982</u>						
Dec.	4.59	3.35	5.47	4.22	3.89	2.66
<u>1983</u>						
Jan.	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
Jul.	1.87	-0.03	2.84	0.92	1.82	-0.08
Aug.	1.87	-0.81	2.73	0.03	1.78	-0.90
Sep.	1.89	-0.40	2.82	0.51	1.84	-0.45
Oct.	1.89	-0.50	2.79	0.38	1.81	-0.59
Nov.	1.90	0.59	2.71	1.39	1.84	0.53
Dec.	1.82	1.21	2.60	1.99	1.73	1.13
<u>1984</u>						
Jan.	1.56	1.46	2.32	2.22	1.43	1.33
Feb.	1.15	1.35	2.07	2.27	0.94	1.14
Mar.	0.93	-1.53	1.66	-0.82	0.72	-1.78

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

T A B L E N° 19

REFERENCE AND PREFERENTIAL RATES OF EXCHANGE
(Chilean pesos/US\$, monthly average)

DATE	OBSERVED	REFERENTIAL	PREFERENTIAL
<u>1982</u>			
Jan.	39.00	-	-
Feb.	39.00	-	-
Mar.	39.00	-	-
Apr.	39.00	-	-
May.	39.00	-	-
Jun.	43.02	-	-
Jul.	46.65	-	-
Aug.	55.35	-	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
<u>1983</u>			
Jan.	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
Jul.	78.25	78.29	65.01
Aug.	79.55	79.61	66.10
Sep.	81.24	81.27	67.47
Oct.	83.34	83.36	69.22
Nov.	85.29	85.30	70.83
Dec.	87.07	87.07	72.33
<u>1984</u>			
Jan.	87.82	87.81	73.16
Feb.	88.12	88.10	73.52
Mar.	88.20	88.18	73.56

SOURCE: Banco Central de Chile

T A B L E N° 20

PRICE INDEXES

DATE	<u>WHOLESALE PRICES</u>		<u>CONSUMER PRICES</u>	
	INDEX	% Var.	INDEX	% Var.
<u>1981</u>				
Dec.	5.739.54	-3.9	199.68	9.5
<u>1982</u>				
Dec.	8.011.72	39.6	241.08	20.7
<u>1983</u>				
Jan.	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
Jul.	9.457.00	4.1	270.40	1.9
Aug.	9.724.13	2.8	277.67	2.7
Sep.	10.157.18	4.5	284.15	2.3
Oct.	10.329.57	1.7	291.03	2.4
Nov.	10.266.70	-0.6	294.89	1.3
Dec.	10.029.65	-2.3	296.75	0.6
<u>1984</u>				
Jan.	9.985.46	-0.4	296.96	0.1
Feb.	10.164.00	1.8	296.49	-0.2
Mar.	10.453.95	2.9	304.01	2.5

1/ Monthly variations

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

T A B L E N° 21 - A
FINANCIAL SYSTEM INDICATORS
(in percent)

At.: 03.31.84

ITEM	Private Chilean Banks	Interv. Banks	Non-Interv. Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
<u>A - CAPITAL ADEQUACY</u>							
1. <u>Physical Fixed Assets</u> Capital	101.4	88.7	117.2	55.3	16.4	66.8	70.8
2. <u>Past due Loans</u> (Cart.Ven.) Capital	138.0	214.2	42.5	24.7	18.9	16.5	85.2
3. <u>Debt</u> Capital	18.0	18.2	17.8	9.2	9.8	9.4	14.0
4. <u>Loans Sold to Central Bank</u> Capital	142.0	164.7	113.7	20.3	-	21.4	82.0
<u>B - ASSET QUALITY</u>							
1. <u>Past due Loans</u> Total Loans	10.7	16.6	3.3	4.8	3.5	2.4	9.0
2. <u>Loans Loss Res.(Prov.)</u> Total Loans	5.1	6.5	3.2	3.6	11.1	4.1	5.8
3. <u>Loans Sold to Central Bank</u> Total Loans	11.0	12.7	8.8	4.0	-	3.1	8.6
<u>C - LIABILITY STRUCTURE</u>							
1. <u>Demand Deposits</u> Total Liabilities Except Capital and Resv.	7.8	6.0	9.9	14.2	15.4	5.5	9.7
2. <u>Time Deposits</u> Total Liabilities Except Capital and Resv.	16.7	13.8	20.5	34.0	31.5	57.6	21.7
3. <u>Total Foreign Liabilities</u> Total Liabilities Except Capital and Resv.	46.8	47.6	45.6	36.3	36.8	3.9	43.3
<u>D - MANAGEMENT</u>							
1. <u>Administration Expenses</u> Total Loans and Fin.Inv.	0.2	0.1	0.3	0.3	0.1	0.7	0.2
2. <u>Remuneration Expenses</u> Total Loans and Fin.Inv.	0.3	0.3	0.4	0.6	0.6	0.8	0.4
3. <u>Fixed Expenses</u> Operating Profits	454.9	(1.065.1)	137.0	100.4	96.6	100.8	208.6
<u>E - INCOME</u>							
1. <u>Net Profits</u> Capital	(15.6)	(26.2)	(2.4)	0.7	1.5	0.9	(8.1)
2. <u>Net Prof-Other net Inc.</u> Capital	(17.6)	(27.7)	(5.0)	0.2	(0.7)	(0.3)	(9.5)
3. <u>Net Profits</u> Total Assets	(0.7)	(1.2)	(0.1)	0.1	0.1	0.1	(0.4)

T A B L E N° 21 - B
FINANCIAL SYSTEM INDICATORS ^{1/}
(in percent)

At.: 12.31.83

ITEM	Private Chilean Banks	Interv. Banks	Non-Interv. Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A - CAPITAL ADEQUACY							
1. <u>Physical Fixed Assets</u> Capital	102.3	87.5	120.7	57.7	16.7	68.4	72.0
2. <u>Past due Loans</u> (Cart.Ven.) Capital	113.0	172.9	37.9	21.7	21.6	14.7	72.2
3. <u>Debt</u> Capital	17.3	17.2	17.5	7.8	9.5	8.3	13.5
4. <u>Loans Sold to Central Bank</u> Capital	147.6	165.7	124.7	21.7	-	21.3	85.9
B - ASSET QUALITY							
1. <u>Past due Loans</u> Total Loans	10.1	15.4	3.3	4.4	4.0	2.4	8.4
2. <u>Loans Loss Res.</u> (Prov.) Total Loans	4.9	6.1	3.3	3.5	10.5	3.8	5.6
3. <u>Loans Sold to Central Bank</u> Total Loans	13.2	14.7	10.9	4.4	-	3.5	10.0
C - LIABILITY STRUCTURE							
1. <u>Demand Deposits</u> Total Liabilities Except Capital and Resv.	5.9	4.8	7.2	9.5	14.1	-	7.6
2. <u>Time Deposits</u> Total Liabilities Except Capital and Resv.	15.9	12.1	20.5	32.1	30.4	58.9	20.7
3. <u>Total Foreign Liabilities</u> Total Liabilities Except Capital and Resv.	48.0	49.4	46.4	39.3	37.1	4.6	44.6
D - MANAGEMENT							
1. <u>Administration Expenses</u> Total Loans and Fin.Inv.	0.8	0.6	1.1	1.3	0.3	2.4	0.8
2. <u>Remuneration Expenses</u> Total Loans and Fin.Inv.	1.4	1.2	1.8	2.6	2.1	2.8	1.7
3. <u>Fixed Expenses</u> Operating Profits	333.7	3.327.9	139.4	93.0	93.1	105.0	172.7
E - INCOME							
1. <u>Net Profits</u> Capital	(48.1)	(47.1)	(5.5)	5.3	6.1	2.3	(24.2)
2. <u>Net Prof-Other net Inc.</u> Capital	(61.4)	(55.6)	(17.2)	0.4	(0.3)	(8.4)	(34.3)
3. <u>Net Profits</u> Total Assets	(2.2)	(4.0)	(0.2)	0.4	0.5	0.2	(1.4)

T A B L E N° 21 - C
FINANCIAL SYSTEM INDICATORS
(in percent)

At.: 09.30.83

ITEM	Private Chilean Banks	Interv. Banks	Non-Interv. Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A - CAPITAL ADEQUACY							
1. <u>Physical Fixed Assets</u> Capital	101.9	82.7	123.7	46.4	13.0	65.5	70.2
2. <u>Past due Loans</u> (Cart.Ven.) Capital	140.6	218.7	52.5	20.9	21.8	13.8	90.2
3. <u>Debt</u> Capital	16.3	16.7	15.9	6.6	8.2	7.9	12.7
4. <u>Loans Sold to Central Bank</u> Capital	120.4	130.6	108.8	6.5	0.0	23.2	71.1
B - ASSET QUALITY							
1. <u>Past due Loans</u> Total Loans	11.7	18.5	4.3	4.9	4.2	2.3	10.0
2. <u>Loans Loss Res.</u> (Prov.) Total Loans	4.7	5.8	3.5	3.0	9.9	5.3	5.4
3. <u>Loans Sold to Central Bank</u> Total Loans	10.0	11.0	9.0	1.5	0.0	3.9	7.9
C - LIABILITY STRUCTURE							
1. <u>Demand Deposits</u> Total Liabilities Except Capital and Resv.	7.9	5.9	10.2	12.4	16.3	7.2	9.6
2. <u>Time Deposits</u> Total Liabilities Except Capital and Resv.	17.1	12.7	22.2	29.9	34.6	53.1	21.5
3. <u>Total Foreign Liabilities</u> Total Liabilities Except Capital and Resv.	47.4	48.4	46.1	44.9	36.1	4.9	44.7
D - MANAGEMENT							
1. <u>Administration Expenses</u> Total Loans and Fin.Inv.	0.6	0.5	0.8	1.0	0.3	2.2	0.6
2. <u>Remuneration Expenses</u> Total Loans and Fin.Inv.	1.2	0.9	1.5	1.9	1.8	2.4	1.4
3. <u>Fixed Expenses</u> Operating Profits	316.6	7.344.7	140.4	86.4	93.8	102.8	171.3
E - INCOME							
1. <u>Net Profits</u> Capital	(38.9)	(67.5)	(6.7)	4.0	4.4	2.0	(20.8)
2. <u>Net Prof-Other net Inc.</u> Capital	(43.5)	(71.4)	(12.0)	0.4	(1.4)	(6.2)	(23.7)
3. <u>Net Profits</u> Total Assets	(2.0)	(3.6)	(0.3)	0.3	0.4	0.2	(1.3)

SOURCE: Superintendencia de Bancos e Instituciones Financieras

FINANCIAL SYSTEM INDICATORS

(in percent)

At.: 06.30.83

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

SOURCE: Superintendencia de Bancos e Instituciones Financieras

T A B L E N° 21 - E
FINANCIAL SYSTEM INDICATORS
(in percent)

At.: 03.31.83

ITEM	Private Chilean Banks	Interv. Banks	Non-Interv. Banks	Foreign Banks in Chile	Barco del Estado	Financ. Instit.	Total System
A - CAPITAL ADEQUACY							
1. <u>Physical Fixed Assets</u> Capital	90.6	76.3	109.4	56.2	13.3	59.8	64.8
2. <u>Past due Loans</u> (Cart.Ven.) Capital	154.3	224.9	61.2	27.8	33.8	13.6	98.1
3. <u>Debt</u> Capital	15.5	15.9	15.0	8.1	7.3	7.7	11.9
4. <u>Loans Sold to Central Bank</u> Capital	57.0	42.8	75.6	23.0	0.0	22.5	35.5
B - ASSET QUALITY							
1. <u>Past due Loans</u> Total Loans	12.1	17.7	4.8	4.6	6.6	2.4	10.3
2. <u>Loans Loss Resv.</u> (Prov.) Total Loans	4.7	6.4	2.5	2.6	8.0	4.0	4.9
3. <u>Loans Sold to Central Bank</u> Total Loans	4.5	3.4	5.9	3.8	0.0	4.0	3.8
C - LIABILITY STRUCTURE							
1. <u>Demand Deposits</u> Total Liabilities Except Capital and Resv.	9.0	7.1	11.6	14.2	21.9	4.1	11.6
2. <u>Time Deposits</u> Total Liabilities Except Capital and Resv.	17.3	12.9	23.5	34.1	35.9	47.7	22.7
3. <u>Total Foreign Liabilities</u> Total Liabilities Except Capital and Resv.	49.9	51.7	47.4	39.3	35.3	6.1	45.7
D - MANAGEMENT							
1. <u>Administration Expenses</u> Total Loans and Fin.Inv.	0.2	0.2	0.3	0.4	0.1	0.8	0.2
2. <u>Remuneration Expenses</u> Total Loans and Fin.Inv.	0.4	0.3	0.6	0.8	0.8	0.9	0.5
3. <u>Fixed Expenses</u> Operating Profits	607.1	5014.6	142.6	97.5	103.1	107.6	189.0
E - INCOME							
1. <u>Net Profits</u> Capital	(32.8)	(55.4)	(2.1)	1.0	1.5	1.3	(17.3)
2. <u>Net Prof-Other net Inc.</u> Capital	(33.8)	(55.8)	(4.8)	(0.3)	(2.0)	(2.5)	(19.1)
3. <u>Net Profits</u> Total Assets	(1.8)	(3.0)	(0.2)	0.1	0.2	0.1	1.2

SOURCE: Superintendencia de Bancos e Instituciones Financieras

T A B L E N° 21 - F
FINANCIAL SYSTEM INDICATORS
(in percent)

At.: 12.31.82

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

SOURCE: Superintendencia de Bancos e Instituciones Financieras

T A B L E N° 21 - G
FINANCIAL SYSTEM INDICATORS
(in percent)

At.: 09.30.82

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

ITEM	Private Chilean Banks	Interv. Banks	Non-Interv. Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
<u>A - CAPITAL ADEQUACY</u>							
1. <u>Physical Fixed Assets</u> Capital	64.2	49.9	83.1	57.2	14.8	60.2	52.0
2. <u>Past due Loans</u> (Cart.Ven.) Capital	56.3	48.9	66.0	60.3	33.9	29.6	52.5
3. <u>Debt</u> Capital	13.5	13.2	13.9	8.4	5.8	7.6	11.0
4. <u>Loans Sold to Central Bank</u> Capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>B - ASSET QUALITY</u>							
1. <u>Past due Loans</u> Total Loans	5.0	4.5	5.6	9.0	7.0	4.3	5.7
2. <u>Loans Loss Resv.</u> (Prov.) Total Loans	1.5	1.3	1.8	2.2	7.4	2.0	2.4
3. <u>Loans Sold to Central Bank</u> Total Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>C - LIABILITY STRUCTURE</u>							
1. <u>Demand Deposits</u> Total Liabilities Except Capital and Resv.	14.1	12.8	15.7	16.7	34.0	6.2	16.3
2. <u>Time Deposits</u> Total Liabilities Except Capital and Resv.	27.9	27.0	29.1	39.3	40.0	75.4	31.4
3. <u>Total Foreign Liabilities</u> Total Liabilities Except Capital and Resv.	50.4	54.5	45.2	33.6	22.5	2.6	43.3
<u>D - MANAGEMENT</u>							
1. <u>Administration Expenses</u> Total Loans and Fin.Inv.	0.6	0.5	0.8	0.8	0.3	1.4	0.6
2. <u>Remuneration Expenses</u> Total Loans and Fin.Inv.	1.2	1.0	1.6	1.5	2.0	2.0	1.4
3. <u>Fixed Expenses</u> Operating Profits	99.7	97.2	102.5	96.8	111.3	90.1	101.4
<u>E - INCOME</u>							
1. <u>Net Profits</u> Capital	3.2	4.4	1.8	1.8	3.2	7.1	3.3
2. <u>Net Prof-Other net Inc.</u> Capital	1.8	3.0	0.3	0.9	2.1	4.5	1.9
3. <u>Net Profits</u> Total Assets	0.2	0.3	0.1	0.2	0.4	0.8	0.3

SOURCE: Superintendencia de Bancos e Instituciones Financieras

T A B L E N° 21 - I
FINANCIAL SYSTEM INDICATORS
(in percent)

At.: 03.31.82

ITEM	Private Chilean Banks	Interv. Banks	Non-Interv. Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A - CAPITAL ADEQUACY							
1. <u>Physical Fixed Assets</u> Capital	66.9	55.2	79.6	53.3	17.6	54.4	54.7
2. <u>Past due Loans</u> (Cart.Ven.) Capital	48.0	48.2	47.7	43.2	21.6	23.7	41.4
3. <u>Debt</u> Capital	14.2	15.1	13.2	7.0	6.9	8.2	11.0
4. <u>Loans Sold to Central Bank</u> Capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0
B - ASSET QUALITY							
1. <u>Past due Loans</u> Total Loans	3.9	3.8	4.1	6.9	3.8	3.2	4.1
2. <u>Loans Loss Resv.</u> (Prov.) Total Loans	1.3	1.2	1.4	1.1	5.5	1.7	2.0
3. <u>Loans Sold to Central Bank</u> Total Loans	0.0	0.0	0.0	0.0	0.0	.0	0.0
C - LIABILITY STRUCTURE							
1. <u>Demand Deposits</u> Total Liabilities Except Capital and Resv.	13.5	13.0	14.1	12.0	31.0	4.0	15.5
2. <u>Time Deposits</u> Total Liabilities Except Capital and Resv.	31.2	30.4	32.1	46.7	33.4	79.0	33.9
3. <u>Total Foreign Liabilities</u> Total Liabilities Except Capital and Resv.	46.1	49.1	42.3	32.6	16.0	3.2	38.1
D - MANAGEMENT							
1. <u>Administration Expenses</u> Total Loans and Fin.Inv.	0.3	0.3	0.4	0.4	0.1	0.6	0.3
2. <u>Remuneration Expenses</u> Total Loans and Fin.Inv.	0.7	0.6	0.9	0.8	1.0	0.9	0.7
3. <u>Fixed Expenses</u> Operating Profits	93.2	89.2	97.6	96.9	92.1	90.7	93.4
E - INCOME							
1. <u>Net Profits</u> Capital	1.5	1.8	1.1	0.7	1.5	3.5	1.4
2. <u>Net Prof-Other net Inc.</u> Capital	0.6	1.0	0.3	0.2	0.9	1.7	0.7
3. <u>Net Profits</u> Total Assets	0.1	0.1	0.1	0.1	0.2	0.4	0.1

SOURCE: Superintendencia de Bancos e Instituciones Financieras

T A B L E N° 22 - A

CORPORATE SECTOR FINANCIAL INDICATORS: PROFITABILITY

DATE	Net Profit Margin	<u>Net Profits</u> Net Worth	<u>Net Profits</u> Total Assets	Net Profits Before Taxes and Financial Costs	Net Profits Before Taxes, Financial Costs and Inflation Adjustment
	(%)	(%)	(%)	Total Assets (%)	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
Jun. 83	-11.96	-4.63	-2.31	0.58	0.92 (**)
Sep. 83	-5.33	-3.05	-1.55	1.93	2.23
Dec. 83	-3.79	-2.91	-1.51	2.66	3.57
Mar. 84 (*)	0.94	0.20	0.10	1.10	1.32

SOURCE: Superintendencia de Valores y Seguros

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

(*) : provisional.

T A B L E N° 22 - B

CORPORATE SECTOR FINANCIAL INDICATORS: LIQUIDITY

70

DATE	Current Ratio	Acid-Test Ratio	<u>Receivables</u> Sales (%)	Average Collection 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
Jun. 83	0.89	0.60	24.58	44.24
Sep. 83	0.89	0.61	15.90	43.41
Dec. 83(*)	0.97	0.68	11.48	41.92
Mar. 84	1.34	0.92	46.39	42.21

(*) Provisional

T A B L E N° 22 - C

CORPORATE SECTOR FINANCIAL INDICATORS: INDEBTEDNESS

DATE	Total Debt/Capital (%)	<u>Total Debt</u> Total Assets (%)	<u>Long Term Debt</u> Capital (%)
Dec. 80	0.60	37.62	28.65
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
Jun. 83	1.01	50.13	60.17
Sep. 83	0.97	49.29	59.57
Dec. 83	0.93	48.25	59.02
Mar. 84	0.89	47.13	58.75

CHRONOLOGY OF MAIN ECONOMIC MEASURES

TAKEN DURING 1984

JANUARY

05 Adjustment of pensions

As from January 1 st, 1984, pensions were raised by 15.15% as stipulated by articles 14 and 2 of Decrees Law N° 2448 and 2549, respectively.

11 A maximum interest rate of 1.5% on deposits and borrowing in domestic currency was proposed.

FEBRUARY

06 A maximum interest rate of 1.1% on deposits and borrowing in domestic currency was suggested.

11 Change in the system of loan portfolio purchases by the Central Bank.

According to regulations approved by the Executive Committee of the Central Bank, it was agreed that the deadline for banks to apply for the new scheme would be the 30th of May. "Intervened" banks were excluded and were to be granted access to this mechanism only when their institutional situation returned to normal.

The regulations stipulate that banks and financial institutions will be allowed to sell to the Central Bank, their substandard loan portfolios, registered up to November 30 of 1983, up to an amount equal to 2.5 times their capital and reserves.

For those institutions that had already made use of the portfolio sales scheme which was operating since August of 1983, the regulations allow modification of the sales and portfolio transfer contracts signed at the time.

- a) Exclusion from this benefit for all public sector services institutions and enterprises as defined in Article 2 and in Transitory Article 1 of Decree Law N° 1263 of 1975, in accordance with the stipulations of Official Circulars N°s 40 and 41 of the Ministry of Economy, Development and Reconstruction, complemented by Official Circular N° 203 of 22 July 1983 from the Budget Director.
- b) Exporters owing credits susceptible of resorting to the preferential exchange rate system may make use of this benefit only for a fraction of their loans equal to the ratio of domestic over total sales originating in the business venture. To such effects, the Internal Revenue Service shall determine the coefficient of each exporter.
- c) The maturity date of the notes with which the subsidy shall be paid was extended from 3, 4 and 5 years to 6, 8 and 10 years respectively. Also, interest on these documents was cut down from a real annual rate of 7%, to 3%.

Finally, a transitory stipulation concerning all debtors with foreign currency liabilities who are susceptible of resorting to the "preferential dollar", states that there will be a period of 90 days counted from the date of this Agreement, to register their obligations at the Central Bank.

MARCH

- 07 An interest rate of 0.9% on deposits and borrowing in domestic currency was suggested.
- 31 An additional scheme for the rescheduling of debts of the productive sectors was established.

Agreement N° 1562 of the Executive Committee of the Central Bank established a reduction of interest rates on all credits in domestic and foreign currency that eligible debtors owed to financial institutions in Chile as of February 29, 1984. For debts in UF or dollars, the rate shall be reduced to 7% per annum in real terms, for the period comprised between April 1984 and April of 1987.

As for non-indexed operations, the interest rate to be applied during the same period will be calculated according to the weighted average of the nominal borrowing rate of 30-89 days transactions observed in the financial system in the month prior to the maturity date, plus a monthly surcharge of 0.58 points.

APRIL

04 Modification to the indexation of mortgage loans granted by social security institutions

A bill was introduced in order to substitute the Unidad de Fomento (UF) for the Unidad Reajutable Anual (Annual Indexed Unit) for the purposes of repaying mortgage loans granted by the National Savings and Loans System or by social security institutions.

The Unidad Reajutable, UR, will be modified only once a year, according to the variation of salaries and wages.

09 A maximum interest rate of 1.5% on deposits and borrowing in domestic currency is proposed.

24 The guarantee fund for small-scale entrepreneurs is modified.

The following changes in the regulations of the "Guarantee Fund for Small-Scale Entrepreneurs" were introduced:

- a) Credits subject to the fund's guarantee must be expressed in UF and may not exceed UF 1,500 per beneficiary.
- b) The repayment period of credits guaranteed by the fund may not exceed 10 years.
- c) Loans may be disbursed in installments within a period of 190 days.
- d) Commissions charged on credits may not exceed per year, 2% of the balance of guaranteed capital.

27 The deadline for the payment of the first installment of the territorial tax on agricultural property was postponed.

27 Condonation of tax interests and fines.

A bill was introduced to establish the condonation of 100% of the penal interests and 50% of the fines incurred through delay in declaring and paying all fiscal and property taxes, with the exception of customs duties.

To be eligible for condonation, all outstanding obligations shall be consolidated at March 31st, 1984, including indexation adjustments plus 7% annual compound interest calculated from the date when the taxes should have been paid.

The resulting debt is payable in 50 monthly quotas expressed in Tax Units, at an annual interest rate of 7%.

MAY

02 A stable price policy for wheat and ollaginous crops was established

The Minister of Agriculture announced the launching of a stable policy for wheat, according to which minimum and maximum prices for wheat

imports, to become effective next season, were established. The price for wheat during the next season shall range between US\$ 19.54 and US\$ 22.35 per hundred kilograms.

As regards oilaginous crops, price bands ranging from a minimum of US\$ 595 to a maximum of US\$ 853 per ton were fixed for rape-seed.

