

"QUARTERLY ECONOMIC AND FINANCIAL REPORT OF CHILE"

September, 1986

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CONTENTS

	Page
OVERVIEW	1
GRAPHS	9
TABLE 1 Central Bank Monetary Program: Targets and Performance 1986.	15
TABLE 2 Differences between actual performance and target performance under the I.M.F. Program.....	16
TABLE 3 Central Bank: Net International Reserves 1986.....	17
TABLE 4 Net Indebtedness of the Non-Financial Public Sector.....	18
TABLE 4-A Short-term external indebtedness of the Nonfinancial Public Sector and Banco del Estado.....	19
TABLE 5 Contracting and Guaranteeing of medium - and long -term Foreign Debt by the Public Sector.....	20
TABLE 6 Chile: Balance of Payments 1985 - 1986.....	21
TABLE 6-A Financial Services.....	22
TABLE 6-B Imports, 1985 - 1986.....	23
TABLE 6-C Volume and Value of Exports: 1985 - 1986, by Principal Products.....	24
TABLE 7 Chile: Balance of Payments by Quarters, 1986.....	25
TABLE 8 Exports and Imports 1984 - September 1986.....	26
TABLE 9 Net Inflows of Funds from Official Organizations and Suppliers, 1985 - 1986.....	27
TABLE 10 Foreign Debt of Chile 1982 - September 1986.....	28
TABLE 11 Total Medium and Long Term External Debt According to Principal Foreign Creditors.....	29
TABLE 12 Schedule of amortizations of Medium and Long Term External Debt, as of 30.09.86.....	30
TABLE 13 Growth Rates of Gross Domestic Product by Sector.....	31

	Page
TABLE 13-A Gross Domestic Product Spending.....	32
TABLE 13-B Labor Force and Unemployment Nationwide.....	33
TABLE 14 Public Finance.....	34
TABLE 15 Public Sector Financial Operations, 1986.....	35
TABLE 16 Monetary Aggregates.....	36
TABLE 16-A Financial System: Deposits and Loans.....	37
TABLE 17 Wages and Salaries Index, 1977 - Sep. 1986.....	38
TABLE 18 Interest Rates.....	39
TABLE 19 Reference and Preferential Rates of Exchange.....	40
TABLE 20 Price Indexes.....	41
TABLE 21 Financial System Indicators at 30.09.86.....	42
TABLE 21-A Financial System Indicators at 30.06.86.....	43
TABLE 21-B Financial System Indicators at 31.03.86.....	44
TABLE 21-C Financial System Indicators at 31.12.85.....	45
TABLE 22-A Corporate Sector Financial Indicators: Profitability.....	46
TABLE 22-B Corporate Sector Financial Indicators: Liquidity.....	47
TABLE 22-C Corporate Sector Financial Indicators: Indebtedness.....	48
CHRONOLOGY OF THE MAIN ECONOMIC MEASURES	
Adopted during July, August and September 1986.....	49

THE CHILEAN ECONOMY DURING THE THIRD QUARTER

Recovery of production and employment levels.

- 1.- The favorable trend observed in the first half of the year continued during the third quarter. According to preliminary estimates, GDP grew by 4.8% during the year ending in the third quarter. Given the evolution of the first three quarters, a growth rate of about 5% is expected for the year as a whole. This rate corresponds to the upper limit of the previously programmed range.
- 2.- As was the case during the first semester, the most dynamic sectors were those oriented towards exports or import substitution. While the growth rate of Agriculture, Fishing, Mining and Industry as a whole was 4.8%, the overall growth of the other productive sectors (services) was only 4.0%. This shows that a gradual structural adjustment of the economy is taking place.
- 3.- The declining trend observed during the first semester in the unemployment rate has continued. According to the national statistics bureau's estimates (INE), the unemployment rate was 10.5% during the July-September quarter, slightly lower than the 10.8% rate of the

previous quarter. On the other hand, according to the employment and unemployment survey carried out by the University of Chile, during September the unemployment rate was 13.9%, significantly below the 16.6% rate of September, 1985. The reduction of unemployment is the result of an increase in production levels and of a realistic wage policy. During the third quarter, real salaries remained, on average, at the same level as during the second quarter.

Declining Inflation

- 4.- The average monthly inflation rate measured by CPI variation was 1.0% for the third quarter, equal to an annualized rate of 12.7%. This result confirms the decreasing trend in inflation that was already present in the first semester of the year. Accumulated inflation for the first nine months amounts to 12.3%. Considering the path followed by this variable during the first three quarters, an inflation rate of around 17% is expected for the year ending next December. It should be mentioned that this figure is consistent with the 15% - 20% range programmed for 1986.

Improvement in Balance of Payments Situation

5.- The current account deficit of the third quarter was similar to the one estimated in the macroeconomic program. On analyzing its components, one observes that the favorable evolution of the trade balance of the first semester has continued, with a surplus 14% above that of the same quarter of the previous year. The trade surplus was US\$ 163 million, US\$ 26.6 million higher than the level programmed for the quarter. This difference is accounted for by greater than estimated exports, in spite of a higher level of imports.

Whereas estimated exports were US\$ 956.1 million, the actual amount was US\$ 1,029.8 million. This increase, greater than expected, originated in the non-copper sector, where exports of agricultural and sea products (US\$ 119.5 million), and industrial products (US\$ 372.7 million), are the most relevant. Copper exports were lower than forecast due to an unexpected price drop (an estimated US\$ 64.4 per pounds versus an actual US\$ 56.6 per lb). On the other hand, imports reached US\$ 857 million, slightly higher than the estimated US\$ 819.7 million.

6.- The net outflow of non-financial services was US\$ 148.2 million during the quarter, well above the US\$ 95.4 million originally projected. On the other hand, financial services were similar to the original estimates, thanks to the external debt reduction through dif-

ferent mechanisms which have been created (transactions described in Chapters 18 and 19 of the International Exchange Regulations Compendium, among others).

- 7.- In short, both the trade balance as well as the current account deficit of the first three quarters are more favorable than originally estimated. The balance of trade surplus was US\$ 621 million, higher than the estimated US\$ 547.5 million.

On the other hand, the current account deficit reached US\$ 967.4 million during the same period, significantly below the estimated US\$ 1,110.9 million. This improvement over the original estimations makes it possible to expect an adequate compliance with the year's economic program as regards balance of payments goals.

- 8.- The average level of the observed real rate of exchange during the July-September quarter was 2% above that of the second quarter, and 4.8% higher than during the third quarter of 1985. As is known, the prevailing exchange regime adjusts the nominal exchange rate by domestic inflation and subtracts from it international inflation, which is estimated at an annual rate somewhat below 4%. However, the observed variations in the real rate of exchange are mainly due to fluctuations in the nominal rate of exchange within the $\pm 2\%$ range established by the Central Bank for its foreign exchange transactions. In fact, the seasonality of export returns resulted in an exchange rate within the lower range of the band during the second quarter, moving on to the upper half during the third quarter.

Money and Interest Rates

9.- During the third quarter, the monetary authorities have continued accomodating the money supply to the requirements of an economy experiencing moderate real growth and declining inflation and real interest rates. The deposit rate (of 90-365 days maturity) averaged 3.43% in real terms for the year, somewhat lower than the 4.3% rate of the previous quarter and substantially below the 7.7% rate of the third quarter of 1985.

Likewise, the quarterly average real interest rate on long-term instruments was 4.76%, contrasting with the 5.51% rate of the second quarter and the 8.62% rate of the third quarter of 1985. The behavior of the domestic interest rate is consistent with the evolution of international rates, the decrease in exchange uncertainty and the adjustment of the fiscal deficit.

10.- During 1986, monetary aggregates have recovered significantly over the depressed levels of 1985. The average stock of private sector money (M1) of the third quarter of 1986 was 5,9% higher in real terms than during the previous quarter and 15.7% higher than the average balance of the same period of 1985. In turn, M2 also grew in real terms, reaching a level 4.2% higher than that of the same quarter of 1985. As was pointed out in the previous report, the re-

covery of the monetary aggregates is basically associated with the increase in real activity, lower real interest rates and a reduction in inflationary expectations.

- 11.- As pointed out in the previous report, monetary policy has been consistent with the goals for the Central Bank's Net Domestic Assets and Net International Reserves agreed upon with the IMF. Thus, as of September of the present year, while the limit for Net International Reserves was US\$ 943 million, the actual level reached US\$ 996 million. In turn, Net Domestic Assets amounted to Ch\$ 681.4 billion, below the agreed limit of Ch\$ 694.0 billion.

External Debt Reduction

- 12.- The stock of External Debt rose slightly during the third quarter, reaching US\$ 19,139 million by September. This increase was due mainly to a rise in short term indebtedness, both of the public as well as private sectors. Medium and long term External Debt, on the other hand, fell from US\$ 17,794 million in June, to US\$ 17,720 million in September.

Thus, the stock of external debt was substantially lower than the US\$ 19,172 million projected at the beginning of the year.

This decrease in the result of the successful operation of different mechanisms for the conversion of external debt into either equity or

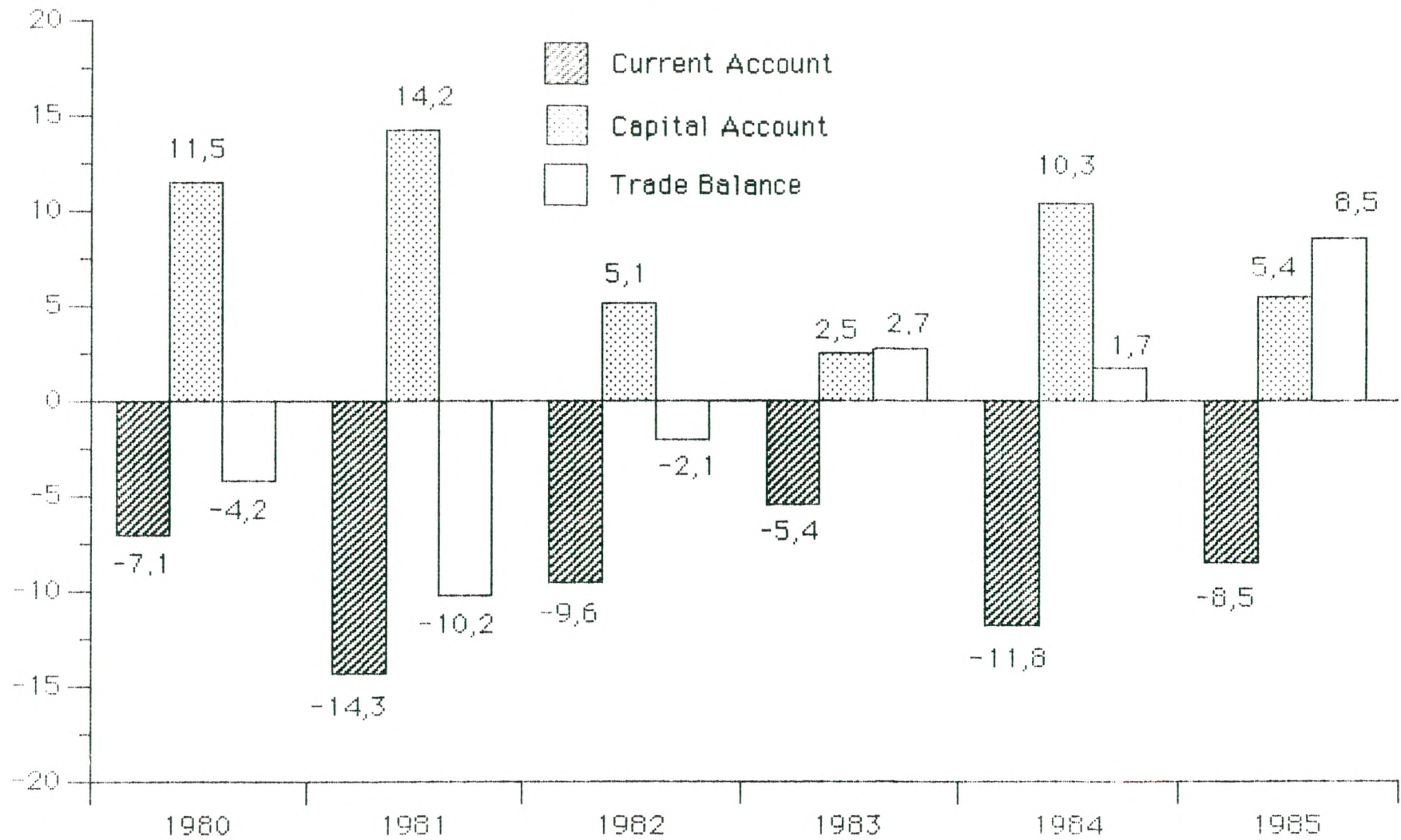
domestic debt. Those transactions have reduced external debt during the first three quarters of 1986 by US\$ 458.4 million, of which US\$ 189 million correspond to the third quarter.

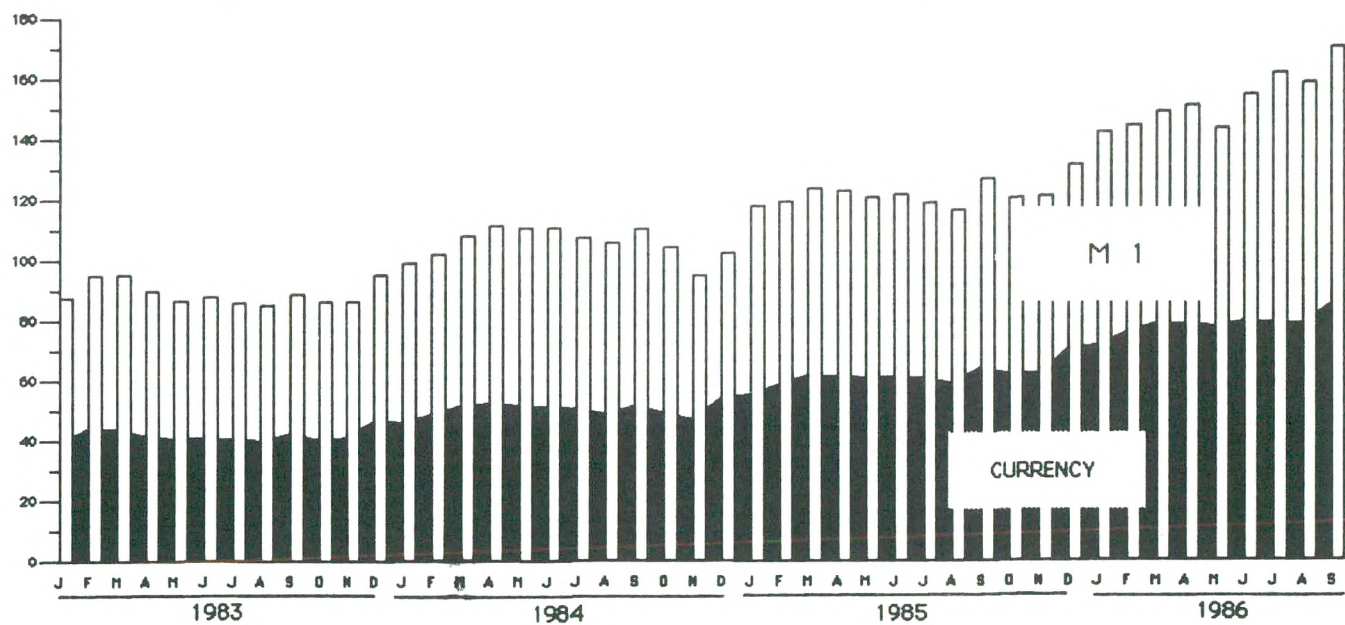
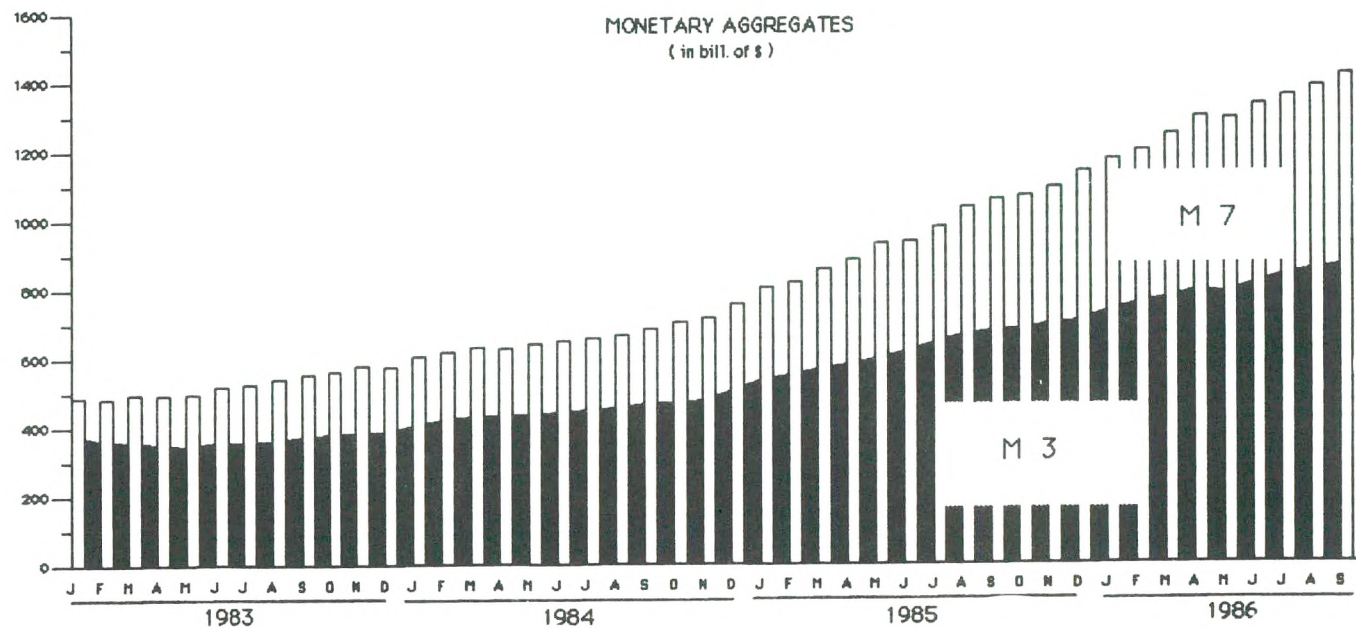
Conclusion

13.- The positive trends observed during the first semester in activity, inflation and Balance of Payments, have continued into the third quarter of the year. A GDP growth rate of approximately 5%, an inflation rate of around 17% and a better than projected balance of payments position are expected for the year as a whole. The increase in activity, together with a realistic wage policy, has brought about a steady reduction in the unemployment rate. The exchange policy, together with sound management of aggregate demand, have resulted in substantial improvements in the trade balance. In turn, monetary policy has continued playing its role of promoting price and financial stability. Thus all IMF targets for 1986 are highly likely to be met. The Chilean economy is experiencing a healthy recovery, and also applying highly successful debt conversion schemes.

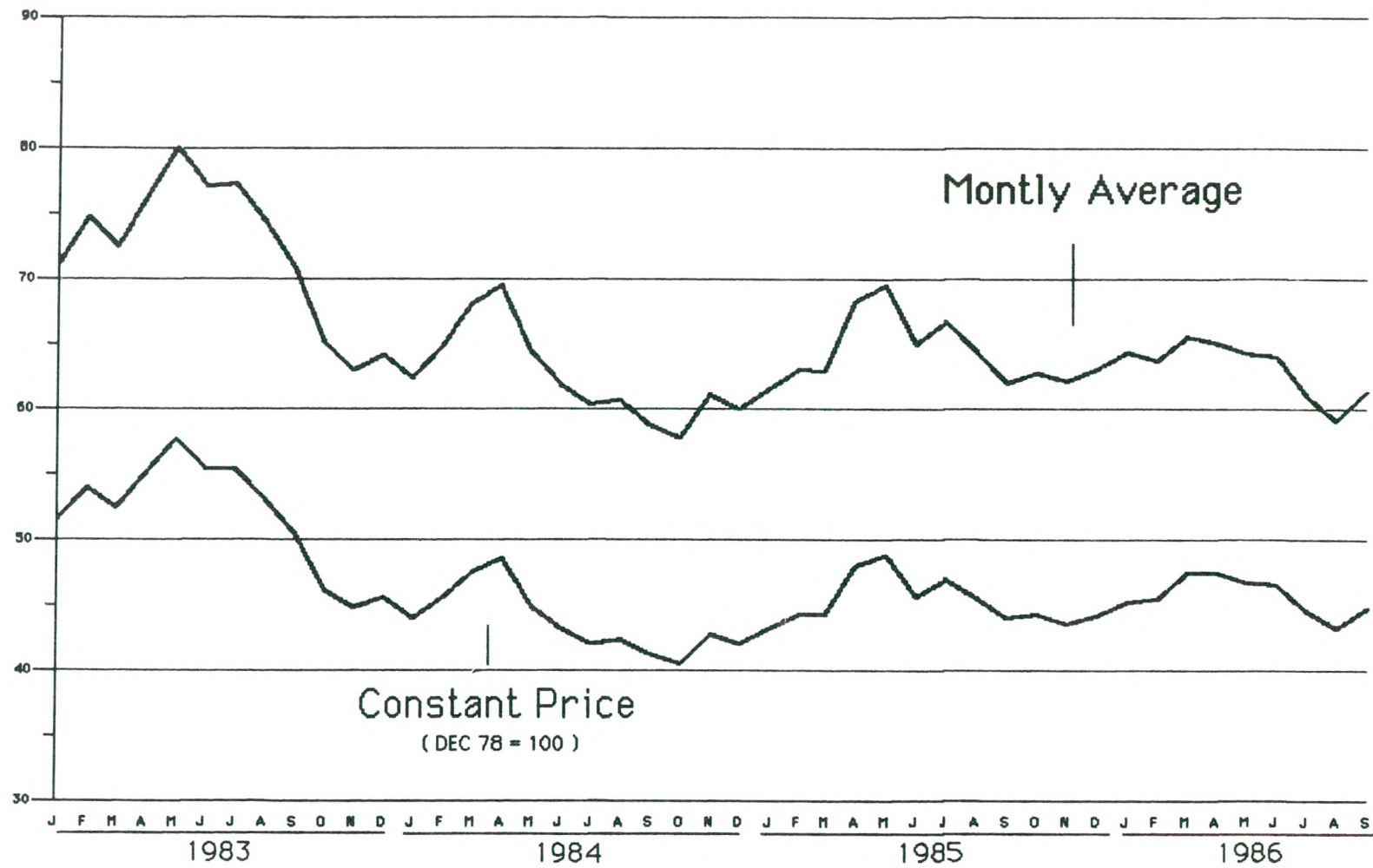
BALANCE OF PAYMENTS

(AS % OF GDP)



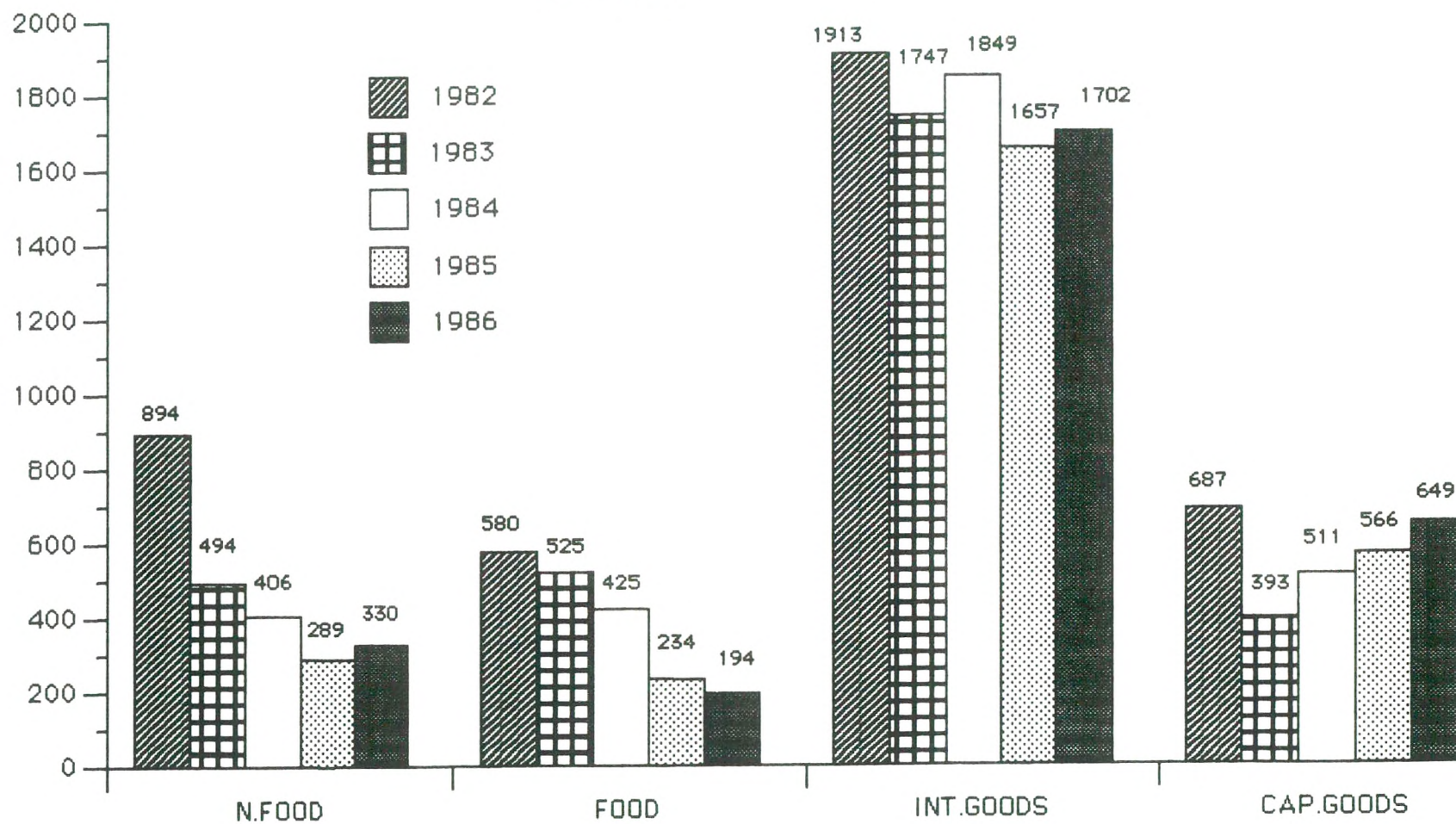


COPPER PRICE

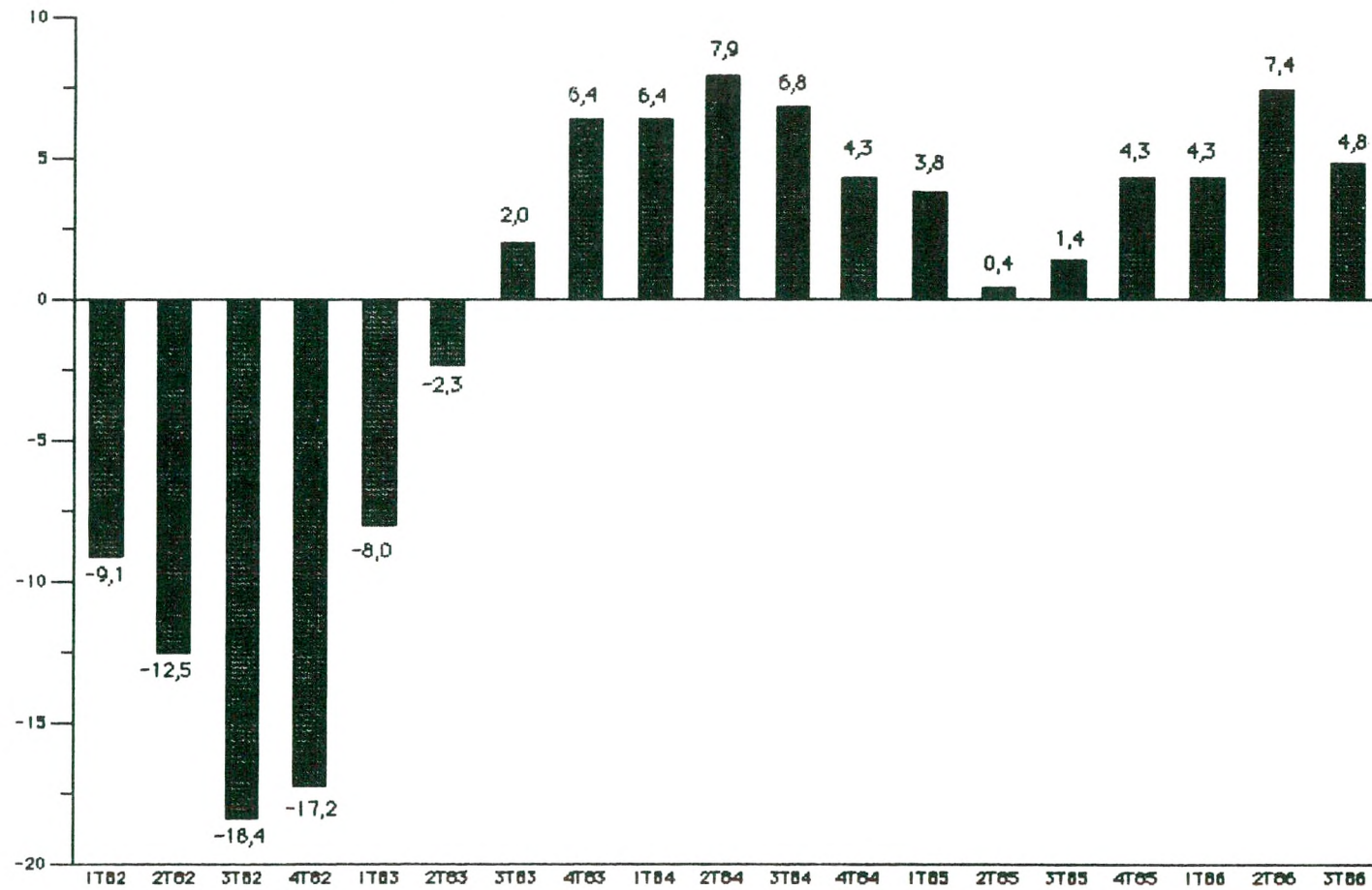


COMPOSITION OF IMPORTS 1982 - 1986 (*)

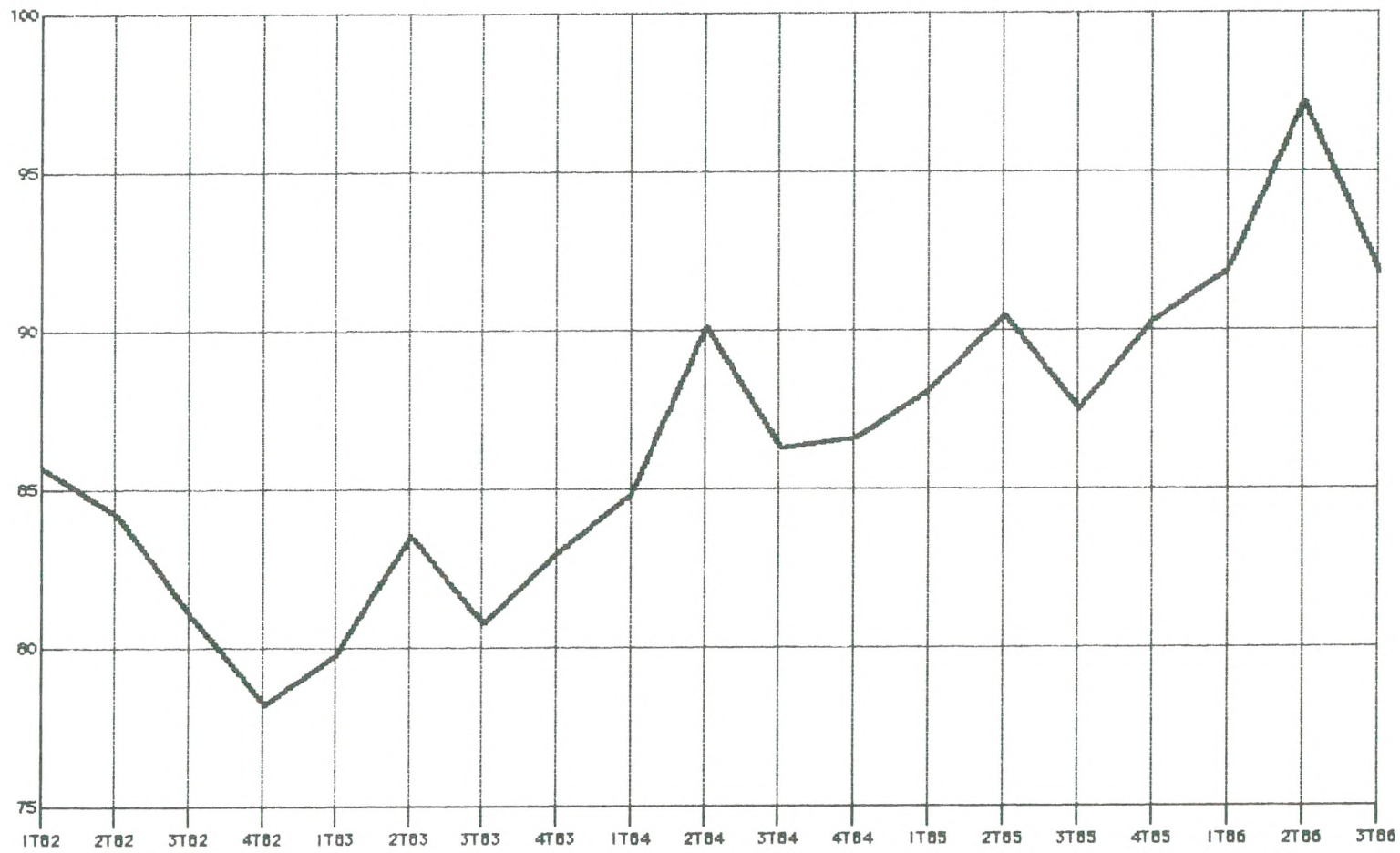
(cif values)



% CHANGE G.D.P 1982 - 3T. 1986



GROSS DOMESTIC PRODUCT 1982 - 3T 1986
\$ 1977



T A B L E N o . 1

CENTRAL BANK MONETARY PROGRAM: TARGETS AND PERFORMANCE 1986

(stocks in billions of Chilean pesos)

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

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

Source: Banco Central de Chile.

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

	Mar. 86	Jun. 86	Sep. 86	Dec. 86
I. <u>INTERNATIONAL RESERVES</u> (millions of US\$)				
1. Actual	985.5	1,161.9	996.0	
2. Target	894.0	1,060.0	943.0	
3. Differences (1-2)	91.5	101.9	53.0	
II. <u>NET DOMESTIC ASSETS</u> (millions of Chilean \$)				
1. Actual	595.89	615.65	681.4	
2. Target	616.00	636.00	694.0	
3. Differences (1-2)	-20.11	-20.35	-12.6	
III. <u>NEW MEDIUM TERM LOANS FROM INTERNATIONAL BANKS</u> (millions of US\$)	<u>150.4</u> <u>1/</u>	<u>203.6</u> <u>2/</u>	<u>82.9</u> <u>3/</u>	
IV. <u>RATE OF EXCHANGE</u> (peso/dollar)	187.0	192.0	198.0	

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

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

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

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

Source: Banco Central de Chile.

T A B L E No. 3

CENTRAL BANK : NET INTERNATIONAL RESERVES 1986

(millions of US\$ end of month)

	Dec.85	Mar.86	Jun.86	Sep.86
<u>NET INTERNATIONAL RESERVES</u>	<u>1,085.2</u>	<u>985.5</u>	<u>1,161.9</u>	<u>996.0</u>
1. <u>Assets</u>	<u>2,721.4</u>	<u>2,428.6</u>	<u>2,452.0</u>	<u>2,226.2</u>
Gold	74.7	74.8	74.9	75.1
SDR'S	0.3	0.6	2.8	1.8
I.M.F. Reserve Position	0.0	0.0	0.0	0.0
Foreign Exchange Assets	2,452.0	2,192.8	2,259.3	2,042.5
CCR	194.4	160.4	115.0	106.8
2. <u>Liabilities</u>	<u>1,636.2</u>	<u>1,443.1</u>	<u>1,290.1</u>	<u>1,230.2</u>
To I.M.F.	1,085.5	1,154.0	1,171.0	1,182.3
CCR	210.7	132.6	119.1	47.9
Short Term Deposits	325.0	150.0	0.0	0.0
Bridge Loan	0.0	0.0	0.0	0.0
Others <u>1/</u>	15.0	6.5	0.0	0.0

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

1/ Provision for payments to Paris Club.

Source: Banco Central de Chile.

NET INDEBTEDNESS OF THE NON-FINANCIAL PUBLIC SECTOR

(billions of Chilean pesos)

	Dec.85	Mar.86	Jun.86	Sep.86
1. Debt to the Domestic Financial System	174.43	173.99	163.48	177.38
2. Outstanding stock of financial instruments issued by the nonfinancial public sector and held by the nonfinancial private sector	80.10	103.04	105.71	96.60
3. Adjustments for Corfo-Indap	0.00	-1.37	-2.67	-3.62
4. Other Adjustments	-62.53	-80.82	-83.48	-78.24
5. Domestic Debt (1+2+3+4)	192.00	194.84	183.04	192.12
6. Foreign Debt	1,129.95	1,141.52	1,189.32	1,255.42
7. Total Debt (5+6)	1,321.95	1,336.36	1,372.36	1,447.54
8. Public Sector Deficit		14.41	16.07	50.09
<u>TARGET</u>		<u>23.20</u>	<u>44.30</u>	<u>59.30</u>
(Rate of exchange)	(187)	(187)	(192)	(198)

Note: Provisional figures.

T A B L E No. 4-A

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

(In millions of US\$)

	Mar.86	Jun.86	Sep.86
A) SHORT-TERM EXTERNAL DEBT OF THE NONFINANCIAL PUBLIC SECTOR	792.1	717.8	777.8
B) NET INTERNATIONAL RESERVES OF THE BANCO DEL ESTADO	-84.5	-3.3	-31.6
- Assets	18.7	20.5	11.9
- Liabilities	103.2	23.8	43.5
C) TOTAL	<u>876.6</u>	<u>721.1</u>	<u>809.4</u>
<u>TARGET</u>	<u>960.0</u>	<u>940.0</u>	<u>1,010.0</u>

Source: Banco Central de Chile.

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

(In millions of US\$)

	Mar.86	Jun.86	Sep.86
1. CONTRACTING AND GUARANTEEING			
More than 1 and up to 5 years	5.9	16.7	20.6
More than 1 and up to 10 years	7.6	29.5	36.5
2. REFINANCING AND RESCHEDULING	14.3	40.3	81.5
<u>TARGETS</u>			
1. CONTRACTING AND GUARANTEEING			
More than 1 and up to 5 years	200.0	200.0	200.0
More than 1 and up to 10 years	500.0	500.0	500.0
2. REFINANCING AND RESCHEDULING	170.0	170.0	170.0

Source: Banco Central de Chile.

T A B L E No. 6

CHILE: BALANCE OF PAYMENTS 1985-1986

(Millions of US\$)

	1985 <u>1/</u>	1986 <u>2/</u>
<u>CURRENT ACCOUNT</u>	<u>-1,328.5</u>	<u>-1,202.5</u>
Trade Balance	849.6	976.0
Exports	3,804.1	4,050.0
- Copper	(1,788.7)	(1,760.8)
- Others	(2,015.4)	(2,289.2)
Imports	-2,954.5	-3,074.0)
Non Financial Services	-337.8	-447.7
Financial Services	-1,901.0	-1,811.6
Transfers	60.7	80.8
<u>CAPITAL ACCOUNT</u>	<u>1,332.3</u>	<u>1,275.3</u>
Foreign Investment <u>3/</u>	111.7	250.9
Amortization Payments <u>4/</u>	-419.5	-415.5
Extraordinary Amortizations <u>5/</u>	-205.5	-223.8
MLT Disbursements	631.6	513.1
Official and Multilateral Organizations	(424.4)	(261.1)
Suppliers' Credits	(140.4)	(224.7)
- To Public Sector	[66.4]	[162.0]
- To Private Sector	[74.0]	[62.7]
Other	(66.8)	(27.3)
Net Flows of Short-Term Capital <u>6/</u>	375.0	505.6
Use of Trade Lines	(-29.3)	(183.2)
Other Trade Related Flows	(48.7)	(-0.1)
Net Change in Assets, valuation adjustments, errors and omissions <u>7/</u>	(355.6)	(322.5)
Financial Program	839.0	645.0
New Money from banks	(714.0)	(370.0)
IBRD-SAL	(125.0)	(275.0)
Change in Net International Reserves <u>8/</u>	3.8	72.8

1/ Provisional.2/ Provisional figures for the first three quarters, projected for the last as of November, 1986. The main assumptions are:

-Average yearly LME copper price of 62.3 US\$/lb

-Average oil price (fob), of 13.4 US\$/bb.

-Average observed interest rates of 6.8% for 180 day Libo, and 8.34% for Prime. Actual rates differ from these because of payment lags.

3/ Includes investment with external debt notes and capitalization of loans through Chapter XIX and D.L. 600, which were US\$ 85.9 million in 1985, and are estimated at US\$ 205 million in 1986 (US\$ 193.6 million during the first three quarters).4/ Amortization payments after the 1985-1986 rescheduling of bank and Paris Club debt.5/ Considers repayment of loans arising from debt to equity swaps (through D.L.600, Chapters XVIII and XIX, and others. Figures for 1986 omit Chapter XVIII)6/ Excludes short-term loans to the Central Bank, which are subtracted from reserves.7/ Includes counterparts to extraordinary amortizations arising from debt to equity swaps through Chapter XVIII and from portfolio swaps (US\$ 156.2 million in 1985, and 19.2 million in 1986).8/ Definition of Net International Reserves used in IMF program.

Source: Banco Central de Chile

T A B L E No. 6-A

FINANCIAL SERVICES

(Millions of US\$)

	1985 <u>1/</u>	1986 <u>2/</u>
1. <u>INTEREST PAYMENTS</u>	<u>-1,943.0</u>	<u>-1,858.8</u>
Medium and Long-Term	-1,627.3	-1,579.1
I.M.F.	-75.3	-90.7
Short-Term	-240.4	-189.0
2. <u>INTEREST RECEIPTS</u>	<u>196.8</u>	<u>219.4</u>
Medium and Long-Term	7.3	4.2
Short-Term	189.5	215.2
Central Bank	(168.1)	(199.5)
3. <u>PROFITS AND DIVIDENDS</u>	<u>-154.8</u>	<u>-172.2</u>
<u>NET FINANCIAL SERVICES</u> (1-2+3)	<u>-1,901.0</u>	<u>-1,811.6</u>

1/ Provisional.2/ Provisional figures for the first three quarters, projected for the last as of November, 1986.

T A B L E No. 6-B

IMPORTS, 1985 - 1986

(Millions of US\$)

	1985 <u>1/</u>	1986 <u>2/</u>
I. <u>NON FOOD CONSUMER GOODS</u>	<u>287.8</u>	<u>330.3</u>
A - Medical & Pharmaceutical	41.5	39.8
B - Tools	23.7	25.9
C - Industrialized non-food products	206.9	238.0
D - Automobiles	15.7	26.6
II. <u>FOODSTUFFS</u>	<u>234.3</u>	<u>193.9</u>
A - <u>Consumer Goods</u>	<u>51.7</u>	<u>54.8</u>
- Agricultural	(9.2)	(9.0)
- Industrialized food products	(42.5)	(45.8)
B - <u>Intermediate Goods</u>	<u>182.6</u>	<u>139.1</u>
- Agricultural-foodstuffs	(82.0)	(64.7)
- Industrial origin raw materials (edible)	(100.6)	(74.4)
III. <u>INTERMEDIATE GOODS</u>	<u>1,656.5</u>	<u>1,701.8</u>
A - <u>Raw Materials</u>	<u>491.5</u>	<u>584.6</u>
- Agricultural origin-raw materials (non-edibles)	(30.5)	(36.2)
- Industrial origin-raw materials (non-edibles)	(461.0)	(548.4)
B - <u>Equipment-spares and Intermediate Products</u>	<u>641.0</u>	<u>727.9</u>
- Intermediate Industrial Goods	(370.1)	(420.3)
- Machinery & Equipment-spare Parts	(195.4)	(222.0)
- Parts for Assembly of Vehicles	(75.5)	(85.6)
C - <u>Fuels & Lubricants</u>	<u>524.0</u>	<u>389.3</u>
- Crude Petroleum	(447.9)	(286.5)
- Other	(76.1)	(102.8)
IV. <u>TOTAL CURRENT GOODS</u>	<u>2,178.6</u>	<u>2,226.0</u>
V. <u>CAPITAL GOODS</u>	<u>566.1</u>	<u>649.0</u>
A - Machinery & Equipment	430.5	494.0
B - Transportation Equipment	133.5	153.0
C - Other Capital Goods	2.1	2.0
VI. <u>SUB TOTAL</u>	<u>2,744.7</u>	<u>2,875.0</u>
<u>Other Imports</u>	<u>523.6</u>	<u>534.4</u>
VII. <u>TOTAL C.I.F.</u>	<u>3,268.3</u>	<u>3,409.4</u>
VIII. <u>TOTAL F.O.B.</u>	<u>2,954.5</u>	<u>3,074.0</u>

1/ Provisional2/ Provisional figures for the first three quarters, projected for the fourth as of November, 1986.

Source: Banco Central de Chile.

VOLUME AND VALUE OF EXPORTS: 1985-1986, BY PRINCIPAL PRODUCTS

(Millions of US\$)

PRODUCTS	UNITS	1 9 8 5 <u>1/</u>			1 9 8 6 <u>2/</u>		
		VOLUME	PRICE	VALUE	VOLUME	PRICE	VALUE
Copper	MT	1,353,000	1,322.0	1,788.7	1,369,000	1,286.2	1,760.8
Iron Ore Pellets	MT	2,730,000	24.1	65.8	3,150,000	24.0	75.7
Iron Ore	MT	2,094,000	12.3	25.7	2,165,000	12.3	26.7
Sodium Nitrate	MT	327,000	100.6	32.9	313,400	100.0	31.3
Potassium Nitrate	MT	113,500	155.1	17.6	119,500	159.0	19.0
Iodine	MT	3,016	11,439.0	34.5	2,923	12,521.4	36.6
Fishmeal	MT	1,112,700	250.7	279.0	1,000,000	290.0	290.0
Sawed wood	M3	719,100	70.6	50.8	900,000	75.6	68.0
Pinewood	M3	1,257,300	31.3	39.4	1,000,000	34.0	34.0
Crude Cellulose	MT	220,800	247.7	54.7	250,000	270.0	67.5
White Cellulose	MT	280,400	306.0	85.8	300,000	340.0	102.0
Molybdenum Oxide & Iron Molibdenum	MT	18,800	7,494.7	140.9	19,200	6,531.3	125.4
SUB TOTAL				2,615.8			2,637.0
Others				1,188.3			1,413.0
TOTAL				3,804.1			4,050.0

1/ Provisional.2/ Provisional figures for the first three quarters, projected for the fourth as of November, 1986.

Source: Banco Central de Chile.

TABLE N° 7

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

(Millions of US\$)

	I	II	III	IV	YEAR
CURRENT ACCOUNT	-428.9	-8.6	-529.9	-235.1	-1,202.5
1. Trade Balance	299.2	416.7	163.0	97.1	976.0
Exports	972.0	1,144.0	1,020.8	913.2	4,050.0
- Copper	(397.0)	(469.7)	(439.8)	(454.3)	(1,760.8)
- Others	(575.0)	(674.3)	(581.0)	(458.9)	(2,289.2)
Imports	-672.8	-727.3	-857.8	-816.1	-3,074.0
2. Non Financial Services	-110.4	-110.5	-148.1	-78.7	-447.7
3. Financial Services	-633.0	-347.1	-565.2	-266.3	-1,811.6
4. Transfers	15.3	32.3	20.4	12.8	80.8
CAPITAL ACCOUNT	329.1	185.0	364.0	397.2	1,275.3
1. Foreign Investment ^{2/}	62.0	101.5	66.4	21.0	250.9
2. Amortization Payments ^{3/}	-78.3	-100.2	-141.3	-95.7	-415.5
3. Extraordinary Amortizations ^{4/}	-70.1	-89.3	-53.4	-11.0	-223.8
4. MLT Disbursements	103.8	82.8	157.4	169.1	513.1
Official and Multilateral Organizations	(54.7)	(29.8)	(50.9)	(125.7)	(261.1)
Suppliers' Credits	(45.0)	(46.2)	(96.1)	(37.4)	(224.7)
- To Public Sector	[11.8]	[32.8]	[87.5]	[29.9]	[162.0]
- To Private Sector	[33.2]	[13.4]	[8.6]	[7.5]	[62.7]
Other	(4.1)	(6.8)	(10.4)	(6.0)	(27.3)
5. Net Flows of Short-Term Capital ^{5/}	159.2	-18.3	249.9	114.8	505.6
Use of Short-Term Lines	(46.7)	(-155.0)	(187.4)	(104.1)	(183.2)
Other Short-Term Trade-Related Flows	(-131.2)	(64.1)	(85.3)	(-18.3)	(-0.1)
Net Change in Assets, valuation adjustments, errors and omissions ^{6/}	(243.7)	(72.6)	(-22.8)	(29.0)	(322.5)
6. Financial Program	152.5	208.5	85.0	199.0	645.0
New Money from banks	(152.5)	(83.5)	(85.0)	(49.0)	(370.0)
IRDB - SAL	(0.0)	(125.0)	(0.0)	(150.0)	(275.0)
Change in Net International Reserves ^{7/} (increase: +)	-99.8	176.4	-165.9	162.1	72.8
Cumulative Change in Net International Reserves ^{7/} (increase: +)	-99.8	76.6	-89.3	72.8	
MEMORANDUM ITEM = Change in Reserves, net of bank's ^{7/} new money and SAL (increase: +)	-252.3	-32.1	-250.9	-36.9	-572.2

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

Source: Banco Central de Chile.

T A B L E No. 8

EXPORTS AND IMPORTS: 1984 - SEPTEMBER 1986

(Millions of US\$)

	EXPORTS (F.O.B.)			IMPORTS (C.I.F)					IMPORTS (F.O.B.)	TRADE BALANCE	
	Copper	Other	Total	Foodstuffs	Non Food Consumers Goods	Capital Goods	Intermed. Goods	Total		Monthly	Accumulated Year
<u>1984</u>	1,603.8	2,046.5	3,650.3	492.1	552.3	597.4	2,095.5	3,737.3	3,357.3	-	293.0
<u>1985</u>	1,788.7	2,015.4	3,804.1	271.4	457.5	646.1	1,893.3	3,268.3	2,954.5	-	849.6
Jan.	106.7	161.6	268.3	23.0	41.6	52.2	181.9	298.7	270.0	-1.7	-1.7
Feb.	115.5	156.9	272.4	12.8	30.8	57.7	137.0	238.3	215.4	57.0	55.3
Mar.	152.7	239.7	392.4	14.9	41.1	73.5	167.3	296.8	268.0	124.4	179.7
Apr.	133.0	231.1	364.1	17.3	39.8	47.8	156.9	261.8	236.5	127.6	307.3
May	175.2	160.4	335.6	17.8	35.7	42.7	189.1	285.3	258.2	77.4	384.7
Jun.	125.4	142.2	267.6	20.9	31.3	48.3	150.5	251.0	227.9	39.7	424.4
Jul.	134.1	177.5	311.6	21.8	37.3	49.6	145.0	253.7	228.2	83.4	507.8
Aug.	156.5	163.6	320.1	30.8	40.1	58.1	171.6	300.6	272.3	47.8	555.6
Sep.	142.8	130.4	273.2	26.6	35.4	43.1	142.8	247.9	223.1	50.1	605.7
Oct.	181.8	174.4	356.2	25.6	44.5	54.5	150.7	275.3	249.3	106.9	712.6
Nov.	179.6	125.4	305.0	36.6	41.3	55.2	154.4	287.5	261.5	43.5	756.1
Dec.	185.4	152.2	337.6	23.3	38.6	63.4	146.1	271.4	244.1	93.5	849.6
<u>1986</u>											
Jan.	123.1	164.3	287.4	9.6	41.9	66.0	169.2	286.7	260.0	27.4	27.4
Feb.	123.7	190.3	314.0	5.7	37.0	45.7	142.3	230.7	208.6	105.4	132.8
Mar.	150.2	220.4	370.6	12.3	38.9	44.2	132.5	227.9	204.2	166.4	299.2
Apr.	165.2	295.1	460.3	10.9	45.7	73.9	155.0	285.5	256.7	203.6	502.8
May	155.9	206.8	362.7	8.7	44.5	53.0	156.6	262.8	236.6	126.1	628.9
Jun.	148.6	172.4	321.0	9.6	45.8	60.5	143.8	259.7	234.0	87.0	715.9
Jul.	142.4	230.1	372.5	10.7	52.7	80.2	192.2	335.8	302.9	69.6	785.5
Aug. (*)	161.6	190.6	352.2	18.3	48.7	68.8	170.6	306.4	277.0	75.2	860.7
Sep. (*)	135.8	160.3	296.1	15.4	50.4	57.8	185.5	309.1	277.9	18.2	878.9

(*) Provisional figures.

Source: Banco Central de Chile.

T A B L E No. 9

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

	1 9 8 5 ESTIMATED *			1 9 8 6 ESTIMATED **		
	Disbursements	Amortizations	Net	Disbursements	Amortizations	Net
I. OFFICIAL AND MULTILATERAL ORGANIZATIONS	424.4	104.0	320.4	261.1	146.5	114.6
IDB	255.3 <u>a/</u>	15.9	239.4	130.1 <u>g/</u>	25.5	104.6
IBRD	108.1 <u>a/</u>	22.0	86.1	106.0 <u>g/</u>	21.2	84.8
IDA	-	0.7	-0.7	-	0.7	-0.7
Eximbank (U.S.A.)	-	1.7	-1.7	-	2.5	-2.5
AID (U.S.A.)	-	6.6	-6.6	-	12.0	-12.0
CCC (U.S.A.)	61.0	19.1	41.9	25.0	54.0	-29.0
KFW (W.Germany)	-	1.1	-1.1	-	2.5	-2.5
Banco Central Argentina	-	10.8	-10.8	-	7.8	-7.8
Eximbank (Japan)	-	0.3	-0.3	-	1.0	-1.0
Banco Do Brasil	-	19.1	-19.1	-	12.4	-12.4
East Germany	-	-	-	-	-	-
Bulgaria	-	0.1	-0.1	-	-	-
EDC (Canada)	-	3.2	-3.2 <u>d/</u>	-	2.2	-2.2 <u>d/</u>
EFIC (Australia)	-	-	-	-	-	-
Spanish Government	-	0.1	-0.1	-	-	-
Credit Nacional (France)	-	0.2	-0.2	-	1.0	-1.0
NIO (Netherlands)	-	0.8	-0.8	-	2.0	-2.0
British Government	-	-	-	-	-	-
Bco. Comer. Exterior Mexico	-	0.5	-0.5	-	0.4	-0.4
Bco. Central Reserva Peru	-	0.1	-0.1	-	0.1	-0.1
IDC (South Africa)	-	0.5	-0.5	-	0.2	-0.2
USSR Government	-	-	-	-	-	-
Kontrollbank (Austria)	-	-	-	-	-	-
Eximbank (Korea)	-	-	-	-	-	-
China Government	-	1.2	-1.2	-	1.0	-1.0
II. SUPPLIERS <u>b/</u>	140.4	217.7	-77.3	224.7	154.5	70.2
Public Sector	66.4	52.2	14.2	162.0	49.4	112.6
Private Sector	74.0	165.5	-91.5	62.7	105.1	-42.4
- Contracted Credits <u>e/</u>	42.3	54.6	-12.3	36.1	47.3	-11.2
- Credits to be Contracted	31.7	110.9	-79.2	26.6	57.8	-31.2
TOTAL						
I. OFFICIAL AND MULTILATERAL ORGANIZATIONS	424.4	104.0	320.4	261.1	146.5	114.6
II. SUPPLIERS	140.4	217.7	-77.3	224.7	154.5	70.2
Total (I + II)	564.8	321.7	243.1	485.8	301.0	184.8
III. REST OF BANKS AND OTHERS	66.8 <u>h/</u>	97.8 <u>c/</u>	-31.0	27.3 <u>h/</u>	114.5 <u>c/</u>	-87.2
GRAND TOTAL <u>f/</u>	631.6	419.5	212.1	513.1	415.5	97.6

* Preliminary.

** Includes amortizations originated by 1985 disbursements.

a/ According to IDB - IBRD statements.

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

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

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

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

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

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

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

Source: Banco Central de Chile.

T A B L E No. 10

FOREIGN DEBT OF CHILE 1982-SEPTEMBER 1986 *

(Millions of US\$)

ITEM	12.31.82	12.31.83	12.31.84	12.31.85	Estimated 03.31.86	Estimated 06.30.86	Estimated 09.30.86
I. <u>TOTAL FOREIGN DEBT (II + III)</u>	<u>17,153</u>	<u>17,431</u>	<u>18,877</u>	<u>19,318</u>	<u>19,256</u>	<u>19,033</u>	<u>19,139</u>
Public Sector	6,660	8,394	12,347	13,725	13,805	13,789	14,060
(Banco del Estado) (4)	(778)	(877)	(1,386)	(1,387)	(1,383)	(1,283)	(1,267)
(Central Bank)	(837)	(2,378)	(3,673)	(4,358)	(4,313)	(4,270)	(4,353)
(Private Sector with Public Guarantee)	(62)	(413)	(2,130)(6)	(1,994)(6)	(2,016)(6)	(1,997)(6)	(2,020)(6)
Private Sector	10,493	9,037	6,534	5,593	5,451	5,244	5,079
(Banks)	(6,703)	(5,596)	(3,469)	(3,140)	(3,067)	(2,980)	(2,911)
(Others, Non Banks) (1)	(3,790)	(3,441)	(3,065)	(2,453)	(2,384)	(2,264)	(2,168)
II. <u>MEDIUM AND LONG TERM FOREIGN DEBT</u>	<u>13,815</u>	<u>14,832</u>	<u>16,963(5)</u>	<u>17,650(5)</u>	<u>17,725(5)</u>	<u>17,794(5)</u>	<u>17,720(5)</u>
Public Sector	5,157	6,689	10,601	12,161	12,386	12,689	12,813
(Banco del Estado)	(507)	(609)	(1,272)	(1,268)	(1,280)	(1,259)	(1,223)
(Central Bank)	(637)	(2,078)	(3,193)	(4,033)	(4,163)	(4,270)	(4,353)
(Private Sector with Public Guarantee)	(62)	(61)	(1,718)(6)	(1,647)(6)	(1,642)(6)	(1,638)(6)	(1,594)(6)
Private Sector	8,658	8,143	6,362	5,489	5,339	5,105	4,907
(Banks)	(4,971)	(4,795)	(3,369)	(3,045)	(2,973)	(2,858)	(2,759)
(Others, Non Banks)	(3,687)	(3,348)	(2,993)	(2,444)	(2,366)	(2,247)	(2,148)
III. <u>SHORT TERM FOREIGN DEBT</u>	<u>3,338</u>	<u>2,599(2)</u>	<u>1,914</u>	<u>1,668</u>	<u>1,531</u>	<u>1,239</u>	<u>1,419</u>
Public Sector	1,503	1,705	1,742 (3)	1,564 (3)	1,419(3)	1,100(3)	1,247(3)
(Banco del Estado)	(271)	(268)	(114)	(119)	(103)	(24)	(44)
(Central Bank)	(200)	(300)	(480)	(325)	(150)	(-)	(-)
(Private Sector with Public Guarantee)	(-)	(352)(7)	(412)(7)	(347)(7)	(374)(7)	(359)(7)	(426)(7)
Private Sector	1,835	894	172	104	112	139	172
(Banks)	(1,732)	(801)	(100)	(95)	(94)	(122)	(152)
(Others, Non Banks) (1)	(103)	(93)	(72)	(9)	(18)	(17)	(20)
IV. <u>CENTRAL BANK WITH I.F.M.</u>	<u>6</u>	<u>606</u>	<u>782</u>	<u>1,085</u>	<u>1,199</u>	<u>1,258</u>	<u>1,309</u>

* End of month parities.

- (1) Excludes short term loans to non-banks for foreign trade operations. These were estimated at US\$ 737 million for December 1985 and US\$ 791 for September 1986
- (2) Given that the rescheduling agreements for 83-84 were signed on January 25, 1984, the financial short term foreign debt which was rescheduled at medium and long term is included in the short term for 1983 (The agreements became effective only six months after being signed).
- (3) Includes short term Private debt guaranteed by Public Sector, (Financial Private Sector debt).
- (4) Since 1984 foreign debt of BHC and BUF are included in this item.
- (5) Since 1984 it includes short term financial debt rescheduled at medium and long term, previously considered short term (US\$ 1.190 million).
- (6) Includes 1983-84 rescheduling agreements of Private Financial Sector guaranteed by Public Sector; previously considered in Private Sector Debt. (US\$ 1,656.2 MM as of 12.31.84, and US\$ 1,659.4 MM as of 12.31.85, and 1,664.3 as of 31.03.86)
- (7) It refers to trade facility of Private Financial Sector guaranteed by Public Sector.

Source: Banco Central de Chile.

T A B L E No. 11

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

(Millions of US\$)

ITEM	STOCKS (12.31.83)	STOCKS (12.31.84)	STOCKS (12.31.85)	ESTIMATED (06.30.86)	ESTIMATED (09.30.86)
I. PUBLIC SECTOR (1)	6,689.3	10,601.1	12,161.3	12,689.2	12,813.0
1. Multinational Organizations	645.1	935.4	1,425.3	1,645.8	1,690.8
- Non Financial Public Sector	616.6	908.9	1,361.3	1,582.4	1,627.8
- Financial Public Sector (1)	28.5	26.5	64.0	63.4	63.0
2. Foreign Governments	790.8	606.1	629.6	613.1	638.7
- Non Financial Public Sector	603.6	554.7	594.5	583.1	611.8
- Financial Public Sector (1)	187.2	51.4	35.1	30.0	26.9
3. Private Banks and Financial Institutions	4,864.4	8,722.3	9,799.8	10,094.7	10,114.7
- Non Financial Public Sector	2,402.5	2,635.1	2,956.9	3,024.7	3,040.2
- Financial Public Sector (1)	2,461.9	4,386.4	5,201.8	5,436.1	5,485.8
- Private Sector with Public Guarantee	-	1,700.8(3)	1,641.1(3)	1,633.9(3)	1,588.7(3)
4. Foreign Suppliers	267.3	244.5	200.9	222.7	302.5
- Non Financial Public Sector	266.0	244.5	200.9	222.7	297.7
- Financial Public Sector (1)	1.3	-	-	-	-
- Private Sector with Public Guarantee	-	-	-	-	4.8
5. Nationalizations	40.4	20.4	13.6	10.6	6.8
6. Bonds	81.3	72.4	92.1	102.3	59.5
II. PRIVATE SECTOR	8,142.2	6,362.1	5,488.6	5,104.6	4,906.9
1. Banks and Financial Institutions	4,795.2	3,368.7	3,044.6	2,857.9	2,759.2
- With Foreign Banks and Financial Institutions	4,635.2	3,228.7	2,904.6	2,717.9	2,628.3
- Bonds (C D's and FRN's)	160.0	140.0	140.0	140.0	130.9
2. Non Banking Private Sector	3,347.0	2,993.4	2,444.0	2,246.7	2,147.7
- With Foreign Banks and Financial Institutions	2,577.6	2,275.1	1,777.8	1,613.6	1,546.6
- With Other Creditors (2)	769.4	718.3(4)	666.2(4)	633.1	601.1
III. TOTAL (I + II)	14,831.5	16,963.2	17,649.9	17,793.8	17,719.9
- With Foreign Banks and Financial Institutions	12,077.2	14,226.1	14,482.2	14,426.2	14,289.6
- With Other Creditors (5)	2,754.3	2,737.1	3,167.7	3,367.6	3,430.3

(1) Includes Banco del Estado and Banco Central.

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

(3) Includes US\$ 1,656.7 MM as of 12.31.84; US\$ 1,659.4 as of 12.31.85; US\$ 1,600.7 as of 06.30.86 and US\$ 1,555.6 as of 09.30.86 corresponding to Financial Institutions' 1983-84 rescheduling agreements.

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

(5) Includes Public and Private Bonds.

Source: Banco Central de Chile.

T A B L E No. 12

SCHEDULE OF AMORTIZATIONS OF MEDIUM AND LONG TERM EXTERNAL DEBT, AS OF 30.09.86

* (Millions of US\$)

ITEM	1986	1987	1988	1989	1990	1991 *	1992
1. Public and Private Debt	2,073.4	2,096.7	1,722.7	1,268.3	791.1	933.1	621.2
2. Rescheduled Debt (Public and Financial Private Sector 1983-1984) <u>1/</u>	-	-	954.7	954.7	954.7	238.7	-
3. New Money 1983, 1984 and 1985, 1986	-	-	402.9	455.2	484.6	397.8	397.1
4. Rescheduled Debt (Public and Financial Private Sector 1985-1987)	-1,657.9	-1,676.5	-	18.2	36.5	358.5	680.5
With Foreign Governments	(-65.5)	-	-	(18.2)	(36.5)	(36.5)	(36.5)
With Private Banks and Financial Institutions <u>1/</u>	(-1,592.4) <u>2/</u>	(-1,676.5) <u>2/</u>	-	-	-	(322.0)	(644.0)
TOTAL	415.5	420.2	3,080.3	2,696.4	2,266.9	1,928.1	1,698.8

1/ Amortizations refer to the amounts refinanced by the Public Sector and Domestic Financial Sector2/ It refers to the total to be refinanced with the Creditor Banks.

Source: Banco Central de Chile.

T A B L E No. 13

GROWTH RATES OF GROSS DOMESTIC PRODUCT BY SECTOR 1/

(Percentage change in 12 months)

SECTOR	1 9 8 4					1 9 8 5 (*)					1 9 8 6 (*)				
	I	II	III	IV	TOTAL	I	II	III	IV	TOTAL	I	II	III	IV	TOTAL
Agriculture	10.4	12.1	3.8	-2.0	7.1	7.5	6.5	1.7	4.4	5.6	12.4	7.8	5.9		
Fishing	-1.5	15.5	20.6	12.4	11.5	34.9	-18.9	3.6	11.2	5.6	-22.9	51.4	-6.7		
Mining	8.0	11.0	1.1	-1.4	4.4	-3.7	-3.6	9.0	7.2	2.2	5.6	9.6	-2.9		
Industry	10.9	9.7	10.2	8.5	9.8	2.8	-1.2	-0.5	3.7	1.2	1.7	9.6	8.7		
Elect., Gas and Water	8.1	8.4	5.1	6.4	7.0	3.7	-0.7	4.7	6.6	3.5	6.8	8.0	5.6		
Construction	7.6	-0.7	-0.4	11.1	4.2	16.7	11.4	18.8	17.6	16.1	8.0	2.7	-5.0		
Commerce	-0.2	6.3	9.7	3.9	5.0	5.0	0.9	-1.1	2.3	1.7	3.0	6.1	5.5		
Transport	5.2	7.5	7.4	4.0	6.0	3.5	3.7	3.4	11.4	5.5	5.8	8.0	9.9		
Others <u>2/</u>	5.4	6.7	6.3	3.4	5.4	1.6	-1.2	-1.3	1.1	0.0	3.3	5.3	5.2		
TOTAL G.D.P.	6.4	7.9	6.8	4.3	6.3	3.8	0.4	1.4	4.3	2.4	4.3	7.4	4.8		

1/ Over the same period of the previous year.

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

(*) Estimated.

Source: Banco Central de Chile

T A B L E No. 13-A

GROSS DOMESTIC PRODUCT SPENDING

(Rate Annual Variation)

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

(*) Provisional figures.

(**) Estimated figures.

Source: Banco Central de Chile.

T A B L E No. 13-B

LABOR FORCE AND UNEMPLOYMENT NATIONWIDE

(Thousand persons)

ECONOMIC ACTIVITY	UNEMPLOYMENT			EMPLOYMENT			LABOR FORCE		
	Jul.-Sep.85	Jul.-Sep.86	%	Jul.-Sep.85	Jul.-Sep.86	%	Jul.-Sep.85	Jul.-Sep.86	%
<u>TOTAL</u>	<u>514.0</u>	<u>443.0</u>	<u>-13.8</u>	<u>3,275.3</u>	<u>3,767.1</u>	<u>15.0</u>	<u>3,789.3</u>	<u>4,210.1</u>	<u>11.1</u>
Agriculture	36.6	48.7	33.1	499.8	738.0	47.7	536.4	786.7	46.7
Mining	4.2	4.6	9.5	63.3	82.2	29.9	67.5	86.8	28.6
Industry	72.3	56.5	-21.9	441.4	502.7	13.9	513.7	559.2	8.9
Electricity, Gas and Water	4.5	1.7	-62.2	25.5	22.4	-12.2	30.0	24.1	-19.7
Construction	59.5	50.2	-15.6	121.0	157.7	30.3	180.5	207.9	15.2
Commerce	66.2	59.3	-10.4	608.3	648.2	6.6	674.5	707.5	4.9
Transport and Communications	26.3	19.8	-24.7	209.6	233.6	11.5	235.9	253.4	7.4
Financial Sectors	16.4	11.7	-28.7	127.0	149.0	17.3	143.4	160.7	12.1
Other Services	126.0	111.4	-11.6	1,178.9	1,232.5	4.5	1,304.9	1,343.9	3.0
Unspecified Act.	0.1	0.8	700.0	0.5	0.8	-60.0	0.6	1.6	166.7
Seeking employment for the first time	101.9	78.3	-23.2	-	-	-	101.9	78.3	-23.2

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

Source: Instituto Nacional de Estadísticas

T A B L E N° 14

PUBLIC FINANCE
(Millions of Chilean pesos)

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

Note: The definition of "fiscal sector" is different from that of the "non-financial public sector" of Table N°4, where the actual performance and targets agreed upon with the IMF are shown. The "fiscal sector" includes all the resources controlled by the Treasury, i.e., those of centralized services plus allocations to decentralized institutions.

(*) Provisional figures.

Source: Dirección de Presupuesto, Ministerio de Hacienda.

T A B L E N° 15

PUBLIC SECTOR, FINANCIAL OPERATIONS, 1986 (*)

(Millions of Pesos)

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

(*) Projected as of May 1986.

Source: Dirección de Presupuestos, Ministerio de Hacienda.

T A B L E N° 16

MONETARY AGGREGATES

(Monthly average, in millions of Chilean pesos)

DATE	Bills & Coins in Circulation C	Demand Deposits D1	Private Money M1	Time Deposits Dp	M1 + DP M2	M3 *	M3A **	Public Money Dg	Monetary Base E
<u>1982</u>									
Dec.	36,908	38,140	75,048	245,376	320,424	384,134	449,025	39,452	61,746
<u>1983</u>									
Dec.	46,703	48,476	95,179	194,553	289,732	385,274	454,628	43,507	70,137
<u>1984</u>									
Dec.	54,772	47,602	102,374	278,251	380,625	502,294	575,601	46,181	82,455
<u>1985</u>									
Jan.	55,213	62,557	117,770	287,733	405,504	533,602	617,570	55,813	86,489
Feb.	58,771	60,347	119,118	299,369	418,487	548,264	629,361	51,509	89,573
Mar.	61,790	61,769	123,558	307,872	431,430	564,900	645,992	51,698	92,910
Apr.	61,457	61,394	122,852	316,227	439,079	577,380	659,345	47,545	92,729
May	60,688	60,119	120,808	330,367	451,174	593,761	687,939	59,952	94,071
Jun.	61,015	60,683	121,698	344,191	465,890	615,605	707,541	58,635	95,396
Jul.	60,609	58,448	119,057	363,390	482,447	639,990	727,650	54,220	94,495
Aug.	58,926	57,383	116,309	380,488	496,798	662,189	749,673	52,521	94,713
Sep.	64,248	62,560	126,808	376,505	503,313	675,391	767,486	57,503	102,511
Oct.	61,157	59,050	120,207	383,915	504,122	676,909	777,786	65,183	99,709
Nov.	62,119	58,862	120,981	393,866	514,847	694,343	805,353	73,965	100,471
Dec.	70,666	60,715	131,381	394,252	525,633	703,911	807,887	68,256	110,538
<u>1986</u>									
Jan.	71,367	70,762	142,129	404,250	546,379	732,176	839,978	67,169	113,793
Feb.	76,136	68,271	144,407	414,174	558,581	752,494	862,066	66,279	117,736
Mar.	78,815	69,969	148,784	413,330	562,114	768,324	874,958	66,360	121,703
Apr.	78,543	72,650	151,193	409,883	561,076	790,248	902,009	64,051	122,659
May	77,976	65,498	143,474	404,837	548,311	783,727	925,363	90,852	128,723
Jun.	79,809	74,878	154,687	409,284	563,971	808,672	947,047	89,441	128,734
Jul.	79,386	82,325	161,711	436,430	598,141	835,515	968,980	81,884	127,989
Aug.	79,015	79,513	158,528	444,830	603,358	850,157	974,522	69,155	127,954
Sep.	85,578	84,902	170,480	436,838	607,318	863,473	991,905	73,523	138,370

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

** M3A = Private and Public Money and Quasimoney.

Source: Banco Central de Chile.

T A B L E N° 16 - A

FINANCIAL SYSTEM: DEPOSITS AND LOANS (*)

(Monthly Average)

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

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

^{1/} Includes loans with own resources and loans with Central Bank resources.

Source: Banco Central de Chile

T A B L E N° 17

WAGES AND SALARIES INDEX, 1977 - Sep. 1986

(Base: Dec. 82 = 100)

DATE	INDEX	ANNUAL % CHANGE	REAL INDEX *	ANNUAL % CHANGE
1977 Aver.	19.23	116.4	72.24	21.5
1978 "	30.71	59.7	82.56	14.3
1979 "	45.38	47.8	91.59	10.9
1980 "	66.65	46.9	99.47	8.6
1981 "	86.86	30.3	108.39	9.0
1982 "	95.28	9.7	108.71	0.3
1983 "	108.33	13.7	96.81	-10.9
1984 "	129.97	20.0	97.05	0.2
1985 "	162.60	25.1	92.72	-4.5
<u>1985</u>				
Jan.	149.28	21.0	95.57	-4.6
Feb.	151.04	21.8	94.79	-6.0
Mar.	152.45	22.2	93.06	-5.9
Apr.	156.74	23.3	93.54	-5.8
May	159.31	24.3	93.20	-5.8
Jun.	160.15	23.9	90.36	-8.3
Jul.	163.61	25.9	91.13	-7.2
Aug.	165.51	25.9	91.38	-7.8
Sep.	168.65	28.3	92.00	-4.5
Oct.	170.83	27.9	91.80	1.5
Nov.	173.80	26.8	91.93	0.2
Dec.	179.81	28.8	93.92	1.9
<u>1986</u>				
Jan.	184.49	23.6	93.84	-1.8
Feb.	185.44	22.8	93.48	-1.4
Mar.	187.88	23.2	93.27	0.2
Apr.	191.61	22.2	93.86	0.3
May	196.09	23.1	95.37	2.3
Jun.	197.03	23.0	94.57	4.7
Jul.	199.95	22.2	95.03	4.3
Aug.	201.53	21.8	95.18	4.2
Sep.	203.31	20.6	94.57	2.3

(*) Deflated by C.P.I.

Source: Instituto Nacional de Estadísticas

T A B L E N° 18

INTEREST RATES

(Monthly rates in Banking System)

DATE	SHORT TERM DEPOSITS ^{1/}		SHORT TERM LOANS ^{1/}		P. D. B. C. ^{2/}	
	Nominal	Real _{3/}	Nominal	Real _{3/}	Nominal	Real _{3/}
<u>1982</u>						
Dec.	4.60	3.40	5.50	4.30	3.86	2.66
<u>1983</u>						
Dec.	1.86	1.26	2.64	2.04	1.73	1.13
<u>1984</u>						
Dec.	2.98	1.58	4.21	2.81	2.67	1.25
<u>1985</u>						
Jan.	1.92	-1.18	3.03	-0.07	1.51	-1.59
Feb.	2.57	0.57	3.56	1.56	2.03	0.03
Mar.	2.74	-0.06	3.32	0.52	2.40	-0.40
Apr.	3.42	1.12	3.94	1.64	2.71	0.41
May	2.92	0.92	3.41	1.41	2.66	0.66
Jun.	2.65	-1.05	3.14	-0.56	2.36	-1.34
Jul.	3.12	1.82	3.59	2.29	2.57	1.27
Aug.	1.79	0.89	2.28	1.38	1.72	0.82
Sep.	1.44	0.24	1.89	0.69	1.31	0.11
Oct.	1.71	0.21	2.09	0.59	1.50	0.00
Nov.	1.72	0.12	2.13	0.53	1.41	-0.19
Dec.	1.92	0.62	2.34	1.04	1.49	0.19
<u>1986</u>						
Jan.	1.74	-0.96	2.23	-0.47	1.38	-1.32
Feb.	2.01	1.11	2.75	1.85	1.67	0.77
Mar.	1.31	-0.19	1.92	0.42	1.11	-0.39
Apr.	1.59	0.19	2.10	0.70	1.61	0.21
May	1.49	0.79	1.99	1.29	1.57	0.87
Jun.	1.04	-0.26	1.58	0.28	1.00	-0.30
Jul.	1.41	0.41	1.84	0.84	1.32	0.32
Aug.	1.18	0.58	1.69	1.09	1.16	0.56
Sep.	0.91	-0.59	1.47	-0.03	0.98	-0.52

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

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

Source: Banco Central de Chile

T A B L E N° 20

PRICE INDEXES

DATE	WHOLESALE PRICES		CONSUMER PRICES	
	INDEX (dec. 74 = 100)	Monthly Var.	INDEX (dec. 78 = 100)	Monthly Var.
<u>1983</u>				
Dec.	10,029.65	25.2 <u>1/</u>	296.75	23.1 <u>1/</u>
<u>1984</u>				
Dec.	13,685.64	36.5 <u>1/</u>	365.12	23.0 <u>1/</u>
<u>1985</u>				
Dec.	17,825.57	30.3 <u>1/</u>	461.57	26.4 <u>1/</u>
<u>1985</u>				
Jan.	14,391.50	5.2	376.58	3.1
Feb.	14,826.90	3.0	384.15	2.0
Mar.	15,112.46	1.9	394.95	2.8
Apr.	15,610.84	3.3	403.96	2.3
May	16,021.90	2.6	412.10	2.0
Jun.	16,644.57	3.9	427.28	3.7
Jul.	17,037.13	2.4	432.80	1.3
Aug.	17,156.23	0.7	436.64	0.9
Sep.	17,470.35	1.8	441.95	1.2
Oct.	17,720.55	1.4	448.61	1.5
Nov.	17,826.92	0.6	455.79	1.6
Dec.	17,825.57	-0.0	461.57	1.3
<u>1986</u>				
Jan.	18,202.77	2.1	473.94	2.7
Feb.	18,515.28	1.7	478.23	0.9
Mar.	18,741.58	1.2	485.41	1.5
Apr.	18,954.28	1.1	492.15	1.4
May	18,797.23	-0.8	495.66	0.7
Jun.	19,162.47	1.9	502.28	1.3
Jul.	19,828.32	3.5	502.27	1.0
Aug.	20,406.60	2.9	510.47	0.6
Sep.	20,647.92	1.2	518.29	1.5

1/ December to December variations.

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

T A B L E N° 21

FINANCIAL SYSTEM INDICATORS

(Percent)

At.: 30.09.86

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

Source: Superintendencia de Bancos e Instituciones Financieras.

T A B L E N° 21-A

FINANCIAL SYSTEM INDICATORS

(Percent)

At.: 30.06.86

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

Source: Superintendencia de Bancos e Instituciones Financieras.

T A B L E N° 21-B

FINANCIAL SYSTEM INDICATORS

(Percent)

At.: 31.03.86

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

Source: Superintendencia de Bancos e Instituciones Financieras.

T A B L E N° 21-C

FINANCIAL SYSTEM INDICATORS

(Percent)

At.: 31.12.85

ITEM	PRIVATE CHILEAN BANKS				Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
	Total	Interv. Banks	Non-Interv. Banks					
A - CAPITAL ADEQUANCY								
1. <u>Physical Fixed Assets</u> Capital	54.3	37.4	84.9	51.6	13.3	52.0	44.5	
2. <u>Past due Loans</u> (Cart.Ven.) Capital	36.5	38.8	32.4	9.6	15.7	25.2	27.0	
3. <u>Debt</u> Capital	10.9	12.8	8.2	15.0	11.5	8.2	11.7	
4. <u>Loans Sold to Central Bank</u> Capital	338.5	423.3	184.7	22.2	0.0	105.0	204.2	
B - ASSET QUALITY								
1. <u>Past due Loans</u> Total Loans	3.0	3.7	2.1	1.9	2.2	3.2	2.8	
2. <u>Loans Loss Res. (Prov.)</u> Total Loans	6.1	7.4	4.6	5.2	12.9	2.1	7.1	
3. <u>Loans Sold to Central Bank</u> Total Loans	27.8	40.7	12.0	4.4	0.0	13.3	20.9	
C - LIABILITY STRUCTURE								
1. <u>Demand Deposits</u> Total Liabilities Except Capital and Reserves	8.4	6.3	11.1	13.4	8.4	4.5	8.9	
2. <u>Time Deposits</u> Total Liabilities Except Capital and Reserves	16.0	12.2	21.0	31.6	18.7	57.9	18.8	
3. <u>Total Foreign Liabilities</u> Total Liabilities Except Capital and Reserves	42.0	43.0	40.8	29.5	36.9	1.3	39.0	
D - MANAGEMENT								
1. <u>Administration Expenses</u> Total Loans and Fin. Inv.	0.6	0.4	0.8	1.2	0.2	2.2	0.6	
2. <u>Remuneration Expenses</u> Total Loans and Fin. Inv.	1.0	0.8	1.4	1.3	1.4	3.2	1.2	
3. <u>Fixed Expenses</u> Operating Profits	36.6	30.8	42.1	36.0	27.5	69.9	35.0	
E - INCOME								
1. <u>Net Profits</u> Capital	(0.8)	(0.4)	(1.5)	24.6	9.7	4.0	6.0	
2. <u>Net Prof-Other net Inc.</u> Capital	(46.9)	(61.7)	(20.0)	17.2	20.9	(0.9)	(19.9)	
3. <u>Net Profits</u>	(0.0)	(0.0)	(0.1)	2.1	0.6	0.4	0.3	

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	<u>Net Profits Before</u> Taxes and Financial Costs <u>Total Assets</u> (%)	<u>Net Profits Before Taxes,</u> Financial Cost and Inflation Adjustment <u>Total Assets</u> (%)
	(%)	(%)	(%)		
Dec. 80	4.87	4.38	2.74	7.29	5.60
Dec. 81	-1.27	-1.00	-0.59	5.73	5.38
Dec. 82	-32.83	-17.99	-9.02	-3.23	1.63
Dec. 83	-3.79	-2.91	-1.51	2.66	3.57
Dec. 84	1.93	1.45	0.73	5.41	6.79
<u>1985</u>					
Mar.	1.19	0.23	0.11	1.24	1.86
Jun.	-21.79	-9.65	-4.38	-2.30	-0.34
Sep.	-3.09	-2.01	-0.92	2.14	4.29
Dec.	-1.48	-1.27	-0.60	2.80	5.10
<u>1986</u>					
Mar.	1.13	0.25	0.12	1.61	2.54
Jun.	9.86	4.33	2.12	4.34	5.04
Sep.	9.67	6.01	2.90	6.22	7.58

Source: Superintendencia de Valores y Seguros.

T A B L E N° 22 - B

CORPORATE SECTOR FINANCIAL INDICATORS: LIQUIDITY

DATE	Current Ratio	Acid-Test Ratio	<u>Receivables</u> Sales (%)	Average Colletion Period Ratio (days)
Dec. 80	1.40	0.91	18.5	67.63
Dec. 81	1.25	0.84	17.2	62.56
Dec. 82	1.10	0.85	15.0	54.71
Dec. 83	0.99	0.69	11.7	42.54
Dec. 84	1.02	0.70	12.4	45.11
<u>1985</u>				
Mar.	1.00	0.70	12.1	44.16
Jun.	1.07	0.75	11.2	41.01
Sep.	1.09	0.80	11.8	43.04
Dec.	1.37	1.00	11.8	42.92
<u>1986</u>				
Mar.	1.38	1.03	10.8	39.39
Jun.	1.33	0.98	12.2	44.53
Sep.	1.32	0.98	13.0	47.48

Source : Superintendencia de Valores y Seguros.

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
Dec. 81	0.68	40.65	36.71
Dec. 82	1.00	49.88	68.55
Dec. 83	0.93	48.25	59.02
Dec. 84	0.99	49.86	62.67
<u>1985</u>			
Mar.	1.05	51.32	65.17
Jun.	1.20	54.59	77.05
Sep.	1.20	54.51	77.29
Dec.	1.11	52.60	79.83
<u>1986</u>			
Mar.	1.01	50.27	73.29
Jun.	1.05	51.28	76.04
Sep.	1.08	51.92	79.19

Source: Superintendencia de Valores y Seguros

MAIN ECONOMIC MEASURES ADOPTED DURINGJULY, AUGUST, AND SEPTEMBER, 1986JULY

- 10 With respect to the external credits which entered the country according to provisions. Under Chapter XIV, Compendium of International Exchange Rules, the replacement of the debtor registered as such in the Banco Central de Chile by a new debtor was authorized. Said authorization must comply with all legal requirements by means of a letter subscribed, jointly, by the creditor of the corresponding obligation and by the one who will be the new debtor and as the case may be, by the guarantor(s) of the same.

(Agreement N° 1,743-17-860709 of the Central Bank's of Chile Executive Committee).

- 11 The Current Interest Rates that shall be in force since July 11, 1986, until the previous day to the next publication was stipulated. The values are the following:

	<u>Rate</u>
- Non-adjustable operations in local currency	19.68% annual
- Adjustable operations in local currency	7.15% annual
- Operations in U.S. dollars or denominated in foreign currency	10.54% annual

(Certificate N° 1986/7 of the Superintendency of Banks and Financial Institutions, published in the Official Gazette of July 11, 1986).

18 The Agreement N° 1,743-17-860709 mentioned above was complemented in the sense that to replace the debtor, the approval of the Central Bank's Executive Committee shall be required, whenever the replaced debtor or the new debtor who shall replace the first one be a banking enterprise or a finance company authorized to operate within the country.

(Agreement N° 1,744-17-860716 of the Central Bank's of Chile Executive Committee).

24 For the credits that entered the country previously to February 1, 1983, or for others that entered later, the following was set forth: it is not possible to remit the capital before ten years counted from the date the contribution was carried out, and the remittance of net profits generated by the in-

vestment during the first four years - counted from the date of the contribution - may only be remitted as from the fifth year, in annual percentages not surpassing the 25% of its total amount.

(Agreement N° 1,745-09-860723 of the Central Bank's of Chile Executive Committee)

AUGUST

8 Chapter XVIII of the Compendium of International Exchange Rules was modified, thus setting forth that people who acquire bonds of the Chilean external debt - as provided in this Chapter - may use them, previously authorized by the Central Bank's of Chile, for the carrying out of operations which are indicated in Annex N° 4 of the same, which sets forth the rules for the acquisition of external debt bonds for capitalization of companies.

(Agreement N° 1,747-22-860806 of the Central Bank's of Chile Executive Committee).

13 The Current Interest Rates that shall be in force since August 13, 1986; until the previous date to the next publication was estipulated. The values are the following :

	<u>Rate</u>
- Non-adjustable operations in local currency	
less than 90 days	22.20% annual
90 days and over	26.76% annual
- Adjustable operations in local currency	7.28% annual
- Operations in U.S. dollars or operations in other foreign currencies	9.95% annual

(Certificate N° 1986/8 of the Superintendency of Banks and Financial Institutions, published in the Official Gazette of August 13, 1986).

SEPTEMBER

12 The Current Interest Rates that shall be in force since September 12, 1986, until the previous day to the next publication was estipulated. The values are the following:

	<u>Rate</u>
- Non-adjustbale operations in local currency	
less than 90 days	20.28% annual
90 days and over	26.52% annual

- Adjustable operations in local currency 6.97% annual
- Operations in U.S. dollars or denominated in
foreign currency 9.63% annual

(Certificate N° 1986/9 of the Superintendency of Banks and Financial Institutions, published in the Official Gazette of September 12, 1986).

