QUARTERLY ECONOMIC AND FINANCIAL REPORT OF CHILE





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GENERAL OUTLOOK

According to several indicators, during the third quarter productive activity reached a level similar to that of the same period of the previous year, while sales increased slightly. This performance is the result both of the adjustment in domestic expenditure that the economy has made in order to strengthen its balance of payments position and of the sharp deterioration in terms of trade which took place during the first semester.

It is important to highlight that an important fraction of the domestic expenditure adjustment was caused by a reduction in the fiscal deficit as a percentage of G.D.P. This result is an outstanding aspect of economic policy, inasmuch as it helps to create a framework of stability and to promote private activity. Once the adjustment process is completed, it is reasonable to expect the Chilean economy to return to higher growth rates in a more stable environment.

During the third quarter, the rate of inflation as measured by the Consumer Price Index was 3.4%. It should be mentioned that the quarterly average inflation rate corresponds to an annual rate of 14.3%, whereas the monthly average rate of the first semester was 36.8% expressed in annual terms. This sharp reduction in the inflation rate shows that domestic prices have completed their adjustment process after the sharp 1984 and 1985 devaluations of the peso. The drop in the inflation rate also reflects a fiscal and monetary policy geared towards the development of a framework of macroeconomic stability.

At the end of the third quarter, the Balance of Trade showed an accumulated surplus of US\$ 542.3 million, a sizeable increase over the US\$ 296.8 million surplus achieved in the same period of the previous year.

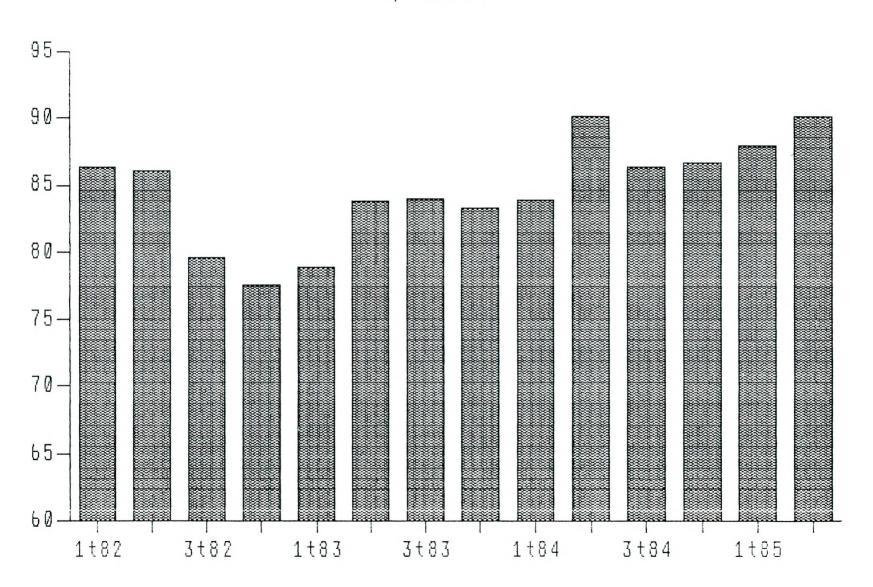
Exports reached US\$ 2.739.7 million in the first three quarters, slightly below their level in the same period of 1984. This is due to the strong reduction in prices, which has been 8,8% for the principal products, and which was only partially offset by an increase in exported quantities of 5,2%.

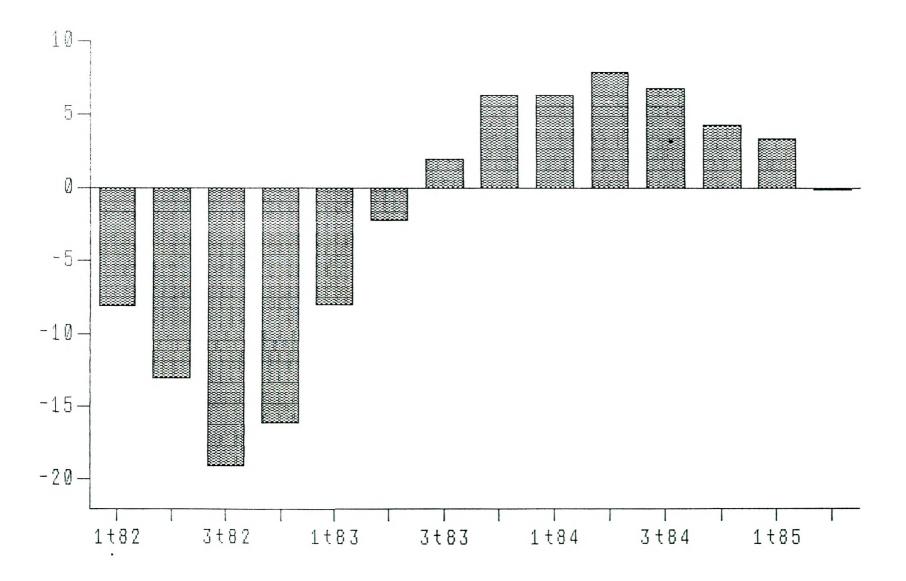
Imports F.O.B. reached US\$ 2.197.4 million during the first three quarters 13.5% below the US\$ 2.540.1 million of the same period of the previous year. This decrease is explained by a drop of 51.2% in food imports, of 17.0% in imports of non food consumer goods, and of 9.4% in imports of intermediate goods. Imports of capital goods increased by 4.8%.

During the third quarter, all targets agreed upon with the I.M.F were met with the only exception of that of Net International Reserves. The shortfall in net international reserves is the consequence of an unexpected delay in the disbursement of "new money" from the international banking community, as a result of the debt rescheduling negotiations.

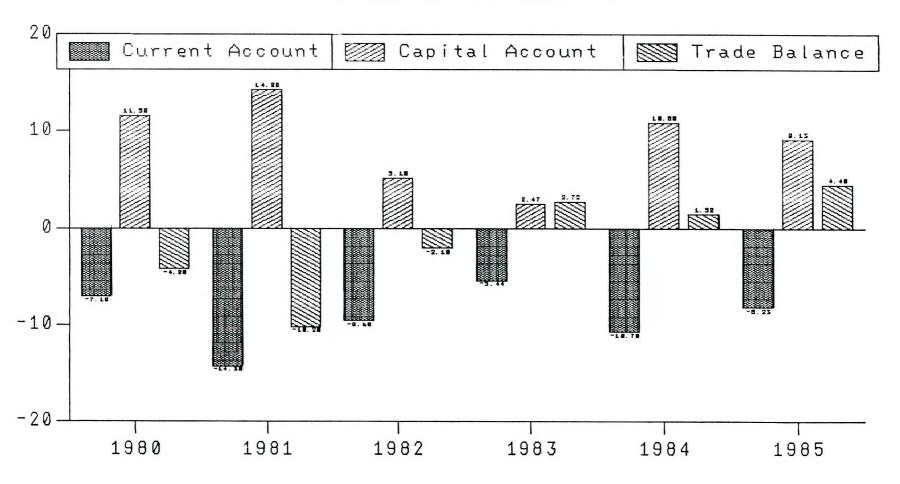
During the fourth quarter of the year these disbursements are projected to take place, allowing the Central Bank to replenish its net international reserves to the programmed level.

GROSS DOMESTIC PRODUCT 1982-1983-1984-2T85 \$ 1977

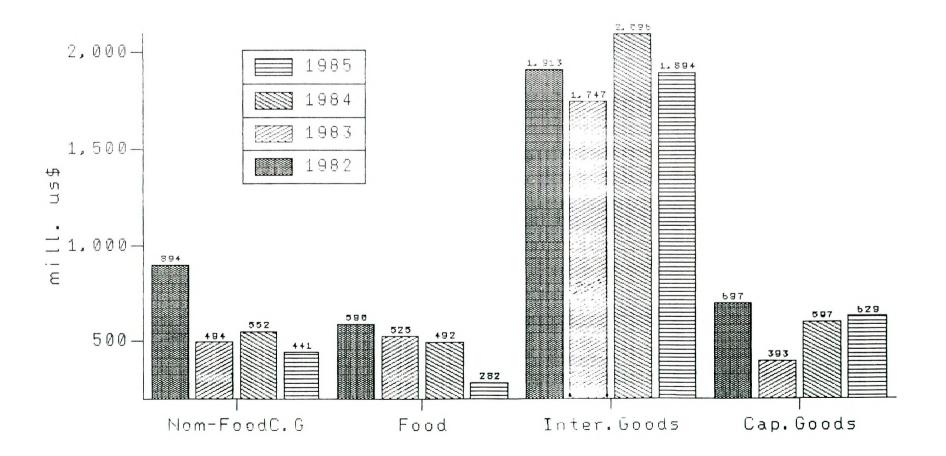




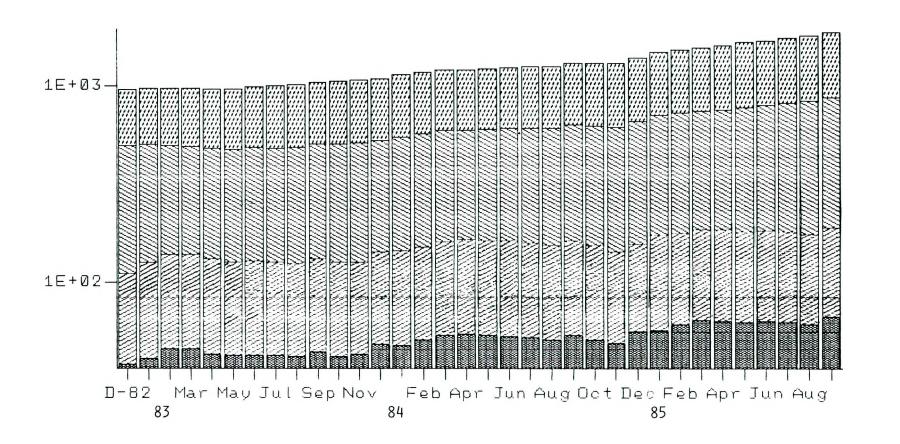
BALANCE OF PAYMENTS (as % of GDP)



COMPOSITION OF IMPORTS 1982-1983-1984-1985(*) (cif values)







COPPER PRICE

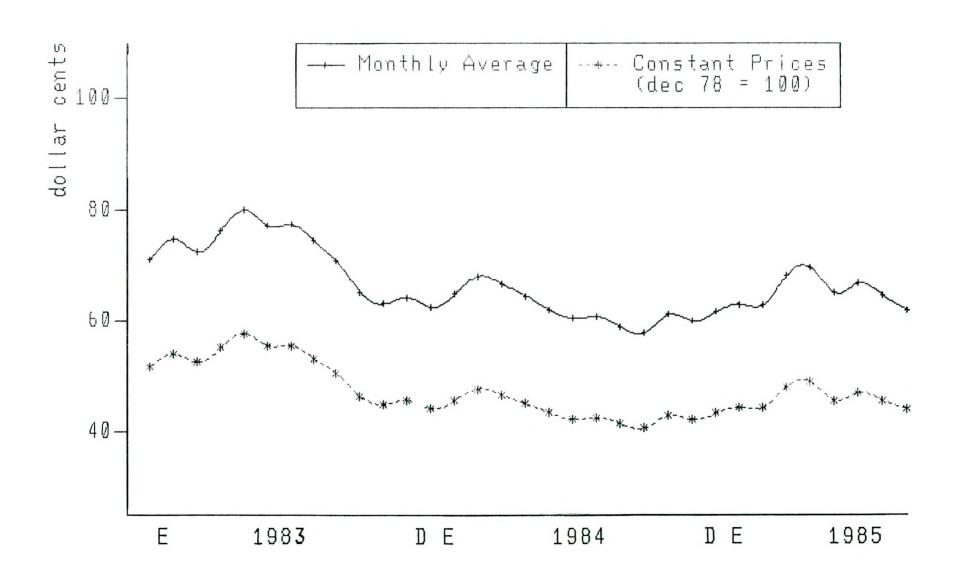


TABLE Nº 1

CENTRAL BANK MONETARY PROGRAM: TARGETS AND PERFORMANCE: 1985

(stocks in billions of Chilean pesos)

		PERFO	RMANCE				TARGETS AGREED	WITH I.M.F.	
	Dec.84	Mar.85	Jun.85	Sep.85	Dec.85	Mar.85	Jun.85	Sep.85	Dec.85
NET INTERNATIONAL RESERVES	144.44	103.56	71.19	49.95		89.70	65.83	109.62	172.21
(in mill. US\$)	(1.111.1)	(796.6)	(515.9)	(344.5)		(690.0)	(477.0)	(756.0)	(1.111.0)
NET DOMESTIC ASSETS FOREIGN MEDIUM AND LONG TERM	271.22	315.27	367.77	403.81		326.5	374.0	421.7	463.6
LIABILITIES	343.27	342.82	362.98	380.50					
(in mill. US\$)	(2.640.5)	(2.637.1)	(2.630.3)	(2.624.1)					
LIABILITIES TO PRIVATE SECTO	OR 72.39	76.01	75.98	73.26					
Rate of Exchange (peso/dolla	ar) 130	130	138	145		130	138	145	155
	(in mill. US\$) NET DOMESTIC ASSETS FOREIGN MEDIUM AND LONG TERM LIABILITIES (in mill. US\$) LIABILITIES TO PRIVATE SECTO	NET INTERNATIONAL RESERVES 144.44 (in mill. US\$) (1.111.1) NET DOMESTIC ASSETS 271.22 FOREIGN MEDIUM AND LONG TERM 343.27 (in mill. US\$) (2.640.5) LIABILITIES TO PRIVATE SECTOR 72.39	Dec.84 Mar.85 NET INTERNATIONAL RESERVES 144.44 103.56 (in mill. US\$) (1.111.1) (796.6) NET DOMESTIC ASSETS 271.22 315.27 FOREIGN MEDIUM AND LONG TERM LIABILITIES 343.27 342.82 (in mill. US\$) (2.640.5) (2.637.1) LIABILITIES TO PRIVATE SECTOR 72.39 76.01	Dec.84 Mar.85 Jun.85 NET INTERNATIONAL RESERVES 144.44 103.56 71.19 (in mill. US\$) (1.111.1) (796.6) (515.9) NET DOMESTIC ASSETS 271.22 315.27 367.77 FOREIGN MEDIUM AND LONG TERM LIABILITIES 343.27 342.82 362.98 (in mill. US\$) (2.640.5) (2.637.1) (2.630.3) LIABILITIES TO PRIVATE SECTOR 72.39 76.01 75.98	Dec.84 Mar.85 Jun.85 Sep.85 NET INTERNATIONAL RESERVES 144.44 103.56 71.19 49.95 (in mill. US\$) (1.111.1) (796.6) (515.9) (344.5) NET DOMESTIC ASSETS 271.22 315.27 367.77 403.81 FOREIGN MEDIUM AND LONG TERM LIABILITIES 343.27 342.82 362.98 380.50 (in mill. US\$) (2.640.5) (2.637.1) (2.630.3) (2.624.1) LIABILITIES TO PRIVATE SECTOR 72.39 76.01 75.98 73.26	Dec.84 Mar.85 Jun.85 Sep.85 Dec.85 NET INTERNATIONAL RESERVES 144.44 103.56 71.19 49.95 (in mill. US\$) (1.111.1) (796.6) (515.9) (344.5) NET DOMESTIC ASSETS 271.22 315.27 367.77 403.81 FOREIGN MEDIUM AND LONG TERM LIABILITIES 343.27 342.82 362.98 380.50 (in mill. US\$) (2.640.5) (2.637.1) (2.630.3) (2.624.1) LIABILITIES TO PRIVATE SECTOR 72.39 76.01 75.98 73.26	Dec.84 Mar.85 Jun.85 Sep.85 Dec.85 Mar.85 NET INTERNATIONAL RESERVES 144.44 103.56 71.19 49.95 89.70 (in mill. US\$) (1.111.1) (796.6) (515.9) (344.5) (690.0) NET DOMESTIC ASSETS 271.22 315.27 367.77 403.81 326.5 FOREIGN MEDIUM AND LONG TERM LIABILITIES 343.27 342.82 362.98 380.50 (in mill. US\$) (2.640.5) (2.637.1) (2.630.3) (2.624.1) LIABILITIES TO PRIVATE SECTOR 72.39 76.01 75.98 73.26	Dec.84 Mar.85 Jun.85 Sep.85 Dec.85 Mar.85 Jun.85 NET INTERNATIONAL RESERVES 144.44 103.56 71.19 49.95 89.70 65.83 (in mill. US\$) (1.111.1) (796.6) (515.9) (344.5) (690.0) (477.0) NET DOMESTIC ASSETS 271.22 315.27 367.77 403.81 326.5 374.0 FOREIGN MEDIUM AND LONG TERM LIABILITIES 343.27 342.82 362.98 380.50 (in mill. US\$) (2.640.5) (2.637.1) (2.630.3) (2.624.1) LIABILITIES TO PRIVATE SECTOR 72.39 76.01 75.98 73.26	Dec.84 Mar.85 Jun.85 Sep.85 Dec.85 Mar.85 Jun.85 Sep.85

Exchange rates between U.S. dollar and other foreign currencies correspond to the ones prevailing on Dec. 1984.

SOURCE: Banco Central de Chile

TABLE N° 2

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

		Mar. 1985	Jun.1985	Sep.1985
I	NET INTERNATIONAL RESERVES (millions of	US\$)		
	1. Actual	796.6	515.9	344.5
	2. Target	690.0	477.0	756.0
	3. Differences (1-2)	106.6	38.9	-411.5
	Non-powporte records () and ()			
II	NET DOMESTIC ASSETS (millions of Ch.\$)			
	1. Actual	315.27	367.77	403.81
	2. Target	326.50	374.00	421.70
	3. Differences (1-2)	-11.23	-6.23	-17.89
T T T	NEW MEDIUM TERM LOANS EROM (-:11:	HC#)		
111	NEW MEDIUM TERM LOANS FROM (millions of			
	INTERNATIONAL BANKS	2.042.2	2.042.2	2.042.2
IV	RATE OF EXCHANGE	3.20	0.22	
	(peso/dollar)	130	138	145

Exchange rates between U.S. dollar and other foreign currencies correspond to the ones prevailing on Dec. 1984.

SOURCE: Banco Central de Chile

TABLE N° 3

CENTRAL BANK: NET INTERNATIONAL RESERVES 1985

(millions of US\$ end of month)

		<u>Dec.84</u>	Mar.85	Jun.85	Sep.85
NET	INTERNATIONAL RESERVES	1.111,1	796,6	515,9	344,5
1.	Assets	2.586,3	2.218,0	1.911,5	1.815,7
	Gold	74,4	74,2	74,1	73,9
	SDR'S	11,5	0,1	12,2	1,2
	I.M.F. Reserve Position	0,0		-	_
	Foreign Exchange Assets	2.292,6	2.013,3	1.729,1	1.648,3
	CCR	207,8	130,4	96,1	92,3
2.	Liabilities	1.475,2	1.421,4	1.395,6	1.471,2
	To I.M.F.	780,7	780,7	780,6	911,4
	CCR	214,5	140,7	115,0	59,8
	Short Term Deposits	480,0	500,0	500,0	500,0
	Bridge Loan	_	_	-	_

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. 1984.

SOURCE: Banco Central de Chile.

 $\frac{\text{T A B L E}}{\text{N° 4}}$ NET INDEBTEDNESS OF THE NON-FINANCIAL PUBLIC SECTOR (billions of Chilean pesos)

	Mar. 1985	Jun. 1985	Sep. 1985	Dec. 1985
1. Debt to the Domestic Financial System	177,12	209,43	223,95	
 Outstanding stock of financial instruments issued by the nonfinancial public sector and held by the nonfinancial private 				
sector	62,57	62,87	68,43	
3. Adjustments for Corfo-Indap	-1,70	-4,60	-8,60	
4. Other Adjustments	-10,30	-20,10	-33,01	
5. Domestic Debt (1+2+3+4)	227,69	247,60	250,77	
6. Foreign Debt	696,68	739,49	799,33	
7. Total (5+6)	924,37	987,09	1.050,10	
TARGET 1/	926,10	987,70	1.052,70	1.125,90
(Rate of exchange)	(130)	(138)	(145)	(155)

NOTES: Provisional figures.

 $[\]underline{1}/$ These targets have been adjusted for revision in the base data for Dec. 31, 1984

TABLE N°4 - A

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

(In millions of US\$)

	MAR.1985	JUN.1985	SEP.1985	DEC.1985
A) SHORT-TERM EXTERNAL DEBT OF THE NONFINANCIAL PUBLIC SECTOR	797,8	774,2	785,2	
B) NET INTERNATIONAL RESERVES OF THE BANCO DEL ESTADO - Assets - Liabilities	-101,3 -17,3 118,6	-98,9 -17,5 116,4	-113,3 -9,8 123,1	
C) TOTAL	899,1	873,1	898,5	
TARGET	910,0	910,0	910,0	890,0

SOURCE: BANCO CENTRAL DE CHILE

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\$)

1. CONTRACTING AND GUARANTEEING	Mar. 1985	Jun. 1985	Sep. 1985	Dec. 1985
More than 1 and up to 5 years	8,7	122,6	110,1	
More than 1 and up to 10 years	40,7	197,7	209,7	
2. REFINANCING AND RESCHEDULING	279,5	584,2	926,4	
TARGETS:				
1. Contracting and Guaranteeing				
More than 1 and up to 5 years	250,0	250,0	250,0	250,0
More than 1 and up to 10 years	650,0	650,0	650,0	650,0
2. Refinancing and Rescheduling	1.900,0	1.970,0	1.970,0	1.970,0

SOURCE: Banco Central de Chile.

TABLE Nº 6

CHILE: BALANCE OF PAYMENTS 1984-1985 (in millions of US\$)

(111 1111111111111111111111111111111111	,	
	1984 ¹ /	1985 ² /
CURRENT ACCOUNT	-2.060.0	<u>-1.321-2</u>
Trade Balance	293.0	706.2
Exports	3.650.3	3.640.4
Copper	1.603.8	1.655.2
Others	2.046.5	1.985.2
Imports	-3.357.3	-2.934.2
Non Financial Services	-497.0	-267.7
Financial Services	-1.954.7	-1.819.1
Transfers	98.7	59.4
CAPITAL ACCOUNT	1.797.8	1.464.4
Foreign Investment	67.0	66.4
Scheduled Amortizations	-1.506.9	-2.293.0
MLT Disbursements	840.2	659.2
Official and Multilateral Organizations	448.9	469.4
Suppliers' Credits	261.1	132.2
- To Public Sector	(146.2)	(60.7)
- To Private Sector	(114.9)	(71.5)
Other	130.2	57.6
Other Medium and Long Term		
Capital Flows	8.7	-7.2
Net Flows of Short-Term Capital $\frac{3}{}$	589.4	385.9
Use of Short-Term LinesOther Short-Term	(292.3)	(-32.0)
Trade-Related Flows	(-6.4)	(-8.3)
- Net Change in Assets	(303.5)	(426.2)
Financial Program - Refinancing of Scheduled	1.799.4	2.653.1
Amortization Payments	(1.019.4)	(1.814.1)
- New Money from banks	(780.0)	(714.0)
- IBRD-SAL	(-)	(125.0)
Errors and Omissions	99.5	-110.2
Overall Balance	-162.7	33.0
Valuation and		
Other Adjustments	81.2	-33.0
Change in Net International		
Reserves 4/	-81.5	0.0

^{1/} Provisional

^{2/} Projected

 $[\]ensuremath{\mathrm{3/}}$ Does not include short-term loans to the Central Bank

 $^{4/\}mbox{ Definition of Net International Reserves used in IMF program.}$

T A B L E Nº 6 - A

FINANCIAL SERVICES

(millions of US\$)

	1984	19852/
INTEREST EXPENSE	2.158.1	2.029.3
Medium and Long-Term	1.808.2	1.725.4 $\frac{3}{4}$
I.M.F.	59.9	77.4
Short-Term	290.0	226.5
INTEREST INCOME	315.9	190.6
Medium and Long-Term	19.8	6.5
Short-Term	261.1	184.1
Central Bank	(240.0)	(162.4)
PROFITS AND DIVIDENDS	112.5	120.6
FINANCIAL SERVICES BEFORE		
CHANGE IN INTEREST PAYMENT DATES	1.954.7	1.959.3
CHANGE IN INTEREST PAYMENT DATES		140.2
FINANCIAL SERVICES	1.954.7	1.819.1

 $[\]frac{1}{2}$ / Provisional. $\frac{2}{2}$ / Projected.

 $[\]frac{2}{3}$ Considers an estimated shortfall of US\$ 11.9 mill. in corporate private sector interest payments during the fourth quarter, in view of the evidence of 1984.

T A B L E Nº 6 - B

IMPORTS, 1984 - 1985 (millions of US\$)

	(millions of	004)	
		1984	<u>1985</u> 1/
I.	NON-FOOD CONSUMER GOODS A - Medical & Pharmaceutical B - Tools C - Industrialized non-food	406 44 25	274 39 22
	products D - Automobiles	311 26	196 17
II.	FOODSTUFFS A - Consumer Goods - Agricultural - Industrialized food products	425 114 12 102	246 45 10 35
	B - Intermediate Goods Agricultural-foodstuffs Industrial origin raw	311 179	201 86
	materials (edible)	132	115
III.	INTERMEDIATE GOODS A - Raw Materials Agricultural origin-raw	1.849 532	1.664 522
	<pre>materials (non-edibles) Industrial origin-raw materials (non-edibles)</pre>	39 493	37 485
	B - Equipment-spares and Intermediate Products Intermediate Industrial Goods Machinery & Equipment-spare	735 467	630 368
	Parts Parts for Assembly of Vehicles	200 68	188 74
	C - Fuels & Lubricants - Crude Petroleum - Other	<u>582</u> 419 163	512 432 80
IV.	TOTAL CURRENT GOODS	2.680	2.184
٧.	CAPITAL GOODS A - Machinery & Equipment B - Trasportation Equipment C - Other Capital Goods	511 414 95 2	550 450 98 2
VI.	SUB TOTAL	3.191	2.734
	Other Imports	547	512
VII.	TOTAL C.I.F.	3.738	3.246
VIII	TOTAL F.O.B.	3.357	2.934

^{1/} Projected

T A B L E 6 - C

VOLUME AND VALUE OF EXPORTS: 1984 - 85, BY PRINCIPAL PRODUCTS (millions of US\$)

			1984			1985*	
PRODUCTS	UNITS	Q	\$	VALUE	Q	\$	VALUE
Copper	TM	1.234.000	1.299.7	1.603.8	1.260.000	1.313.7	1.655.2
Iron Ore Pellets	TM	3.395.000	25.4	86.4	2.850.000	24.5	69.7
Iron Ore	TM	1.835.000	12.8	23.4	1.842.800	13.5	24.8
Sodium Nitrate	TM	277.634	101.5	28,2	310.000	100.0	31.0
Potassium Nitrate	TM	100.509	159.2	16.0	115.000	156.5	18.0
Iodine	TM	2.856	10.539.2	30.1	2.911	11.405.0	33.2
Fishmeal	MT	781.023	352.7	275.5	950.000	254.0	241.3
Planks	М3	864.044	78.6	67.9	700.000	75.0	52.5
Pinewood	МЗ	900.663	32.9	29.6	1.200.000	30.5	36.6
Crude Cellulose	TM	222.057	358.0	79.5	240,000	251.3	60.3
White Cellulose	TM	271.767	428.7	116.5	290.000	330.0	95.7
Molybdenum Oxide Iron Molybdenum	TM TM	19,414	8.499.0	165.0	16.500	8.0	132.1
SUB TOTAL		9		2.521.9			2.450.4
OTHERS				1.128.4			1.190.0
TOTAL				3,650.3			3.640.4

* Projected

Source: Banco Central de Chile

 $\frac{\text{T A B L E} \quad \text{N° 7}}{\text{CHILE: BALANCE OF PAYMENTS BY QUARTERS, 1985}}^{\frac{1}{2}}$ (in millions of US\$)

	I		III	IV	YEAR
CURRENT ACCOUNT	-405.8	-335.0	-392.3	-188.1	-1.321.2
Trade Balance	175.4	228.7	146.7	155.4	706.2
Exports	932.2	951.2	864.8	892.2	3.640.4
Copper	377.2	433.0	387.6	457.4	1.655.2
Others	555.0	518.2	477.2	434.8	1.985.2
Imports	-756.8	-722.5	-718.1	-736.8	-2.934.2
Non Financial Services	-48.4	-73.8	-78.5	-66.9	-267.7
Financial Services	-541.6	-510.5	-475.5	-291.6	-1.819.1
Transfers	8.8	20.6	15.0	15.0	59.4
CAPITAL ACCOUNT	201.7	<u>-19.1</u>	327.2	954.6	1.464.4
1. Foreign Investment	20.0	35.4	1.0	10.0	1.464.4 66.4
2. Amortization Payments	-382.2	-514.9	-563.5	-832.4	-2,293.0
3. MLT Disbursements	124.0	87.0	259.8	188.4	659.2
- Official and Multilateral					
Organizations	54.0	42.3	220.4	152.7	469.4
- Suppliers' Credits	39.9	42.8	22.5	27.0	132.2
- To Public Sector	13.4	18.4	13.4	15.5	60.7
- To Private Sector	26.5	24.4	9.1	11.5	71.5
- Other	30.1	1.9	16.9	8.7	57.6
4. Other Medium and Long Term			20.0	3. ,	37.0
Capital Flows	4.2	-18.4	3.0	4.0	- 7.2
5. Net Flows of					•
Short-Term Capital	136.6	-13.7	197.4	65.6	385.9
- Use of Short-Term Lines	-28.3	-23.1	1.6	17.8	-32.0
- Other Short-Term				I / . 0	02.0
Trade-Related Flows	9.0	-62.8	85.7	-40.2	-8.3
- Net Change in Assets	155.9	72.2	110.1	88.0	426.2
6. Financial Program	299.1	405.5	429.5	1.519.0	2.653.1
- Refinancing of Scheduled			.20,0	1.010.0	2.000.1
Amortization Payments	299.1	405.5	429.5	680.0	1.814.1
- New Money from banks				714.0	714.0
- IRDB - SAL				125.0	125.0
Errors and Omissions	-82.9	76.6	-104.0		-110.2
Overall Balance	-286.9	<u>-277.5</u>	<u>-169.1</u>	766.5	33.0
Valuation and Other Adjustments	<u>-27.6</u>	<u>-3.2</u>	2.3	=	<u>-33.0</u>
Change in Net International					
Reserves (increase: -)	314.5	280.7	171.4	<u>-766.5</u>	=
Cumulative Balance of Payments	-286.9	-564.4	<u>-733.5</u>	33.0	33.0

Cumulative Change in Net Interna tional Reserves (increase: -) 314.5 595.2 766.6 -
MEMORANDUM ITEM = Change in Reserves, net of bank's new money and SAL (increase: -) 314.5 280.7 766.6 839.0

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

 $[\]underline{1}/$ Provisional figures for the first three quarters, projected for the fourth quarter.

 $[\]underline{2}/$ Does not include short-term loans to the Central Bank, which are incorporated in "net international reserves"

^{3/} Definition of Net International Reserves used in IMF program.

TABLE Nº 8

EXPORTS AND IMPORTS 1982 - SEPTEMBER 1985

(millions of US\$)

	EXP	ORTS (F.O.B.)				IMPORTS (C.	I.F.)		IMPORTS (F.O.B.)	TRADE	BALANCE
·	Copper	Others	Total	Foodstuffs	Non Food Consumers Goods	Capital Goods	Intermed. Goods	Total		Montlhy	Accumulated 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	2	1.008.8
1984	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
Jan.	134.3	148.3	282.6	32.7	34.6	41.7	177.3	286.3	257.8	24.8	24.8
Feb.	128.3	178.4	306.7	44.3	38.8	44.4	136.9	264.4	237.8	68.9	93.7
Mar.	139.6	243.9	383.5	30.2	44.5	40.3	164.4	279.4	249.9	133.6	227.3
Apr.	154.5	229.8	384.3	35.4	39.2	45.9	183.2	303.7	271.8	112.5	339.8
May	136.6	191.0	328.5	42.3	44.6	61.4	217.9	366.2	329.6	-1.1	338.7
Jun.	151.9	172.3	324.2	38.4	43.0	53.5	168.1	303.0	271.2	53.0	391.7
Jul.	134.0	174.2	308.2	60.2	49.0	46.2	159.4	314.8	283.0	25.2	416.9
Aug.	125.5	134.0	259.5	57.8	51.7	70.7	217.4	397.6	357.9	-98.4	318.5
Sep.	115.4	144.0	259.4	51.4	50.2	43.7	166.8	312.1	281.1	-21.7	296.8
Oct.	124.2	130.3	254.5	57.7	58.6	52.4	187.7	356.4	319.0	-64.5	232.3
Nov.	118.5	151.1	269.6	24.2	55.3	50.1	191.0	320.6	288.2	-18.6	213.7
Dec.	141.0	148.3	289.3	17.5	42.8	47.1	125.4	232.8	210.0	79.3	293.0
1985	1.197.8	1.541.9	2.748.2	198.6	321.1	469.4	1.442.0	2.431.1	2.197.4	-	550.8
Jan.	108.8	159.9	268.7	23.8	41.5	51.9	192.7	309.9	280.0	-11.3	-11.3
Feb.	114.8	154.8	269.6	13.1	30.5	57.6	126.2	227.4	204.2	65.4	54.1
Mar.	153.6	240.3	393.9	15.6	40.8	73.2	170.9	300.5	272.6	121.3	175.4
Apr.	134.7	229.8	364.5	17.9	39.4	47.4	157.2	261.9	236.6	127.9	303.3
May	172.3	150.0	322.3	18.8	35.2	42.2	189.0	285.2	258.1	64.2	367.5
Jun.	126.0	138.4	264.4	21.4	31.4	47.9	150.2	250.9	227.8	36.6	404.1
Jul.(*)	120.6	179.8	300.4	23.8	36.5	49.5	145.4	255.2	230.2	70.2	474.3
Aug.(*)	154.8	157.0	311.8	37.7	30.8	57.0	168.6	294.1	266.5	45.3	519.6
Sep.(*)	112.2	140.4	252.6	26.5	35.0	42.7	141.8	246.0	221.4	31.2	550.8

(*) Provisional figures.

SOURCE: Banco Central de Chile.

NET INFLOWS OF FUNDS FROM OFFICIAL ORGANIZATIONS AND SUPPLIERS, 1984 - 1985 (millions of US\$)

1 9 8 4 * 1 9 8 5 ** Disbursem. Amortiz. Net Disbursem. Amortiz. Net Ι OFFICIAL ORGANIZATIONS 431.1 137.1 294.0 469.4 124.6 344.8 300.8^{a/} 284.2^{g/} TDB 11.4 289.4 15.9 268.3 39.9^a/ 117.2^{g/} IBRD 21.9 18.0 22.0 95.2 0.7 -0.7 0.7 -0.7 IDA 5.6 2.8 0.0 -5.6 -2.8 Eximbank (U.S.A.) AID (U.S.A.) 16.3 -16.310.2 -10.2 CCC (U.S.A.) 90.4 36.7 53.7 68.0 33.7 34.3 KFW (W. Germany) 1.6 -1.6 1.4 -1.4Bco.Central Argentina 14.8 -14.8 10.8 -10.8 Eximbank (Japan) 1.1 -1.1 0.7 -0.7Banco Do Brasil 20.4 -20.4 19.1 -19.1 0.2 -0.2 East Germany Bulgaria 0.2 -0.2 0.1 -0.1 -3.2^d/ EDC (Canada) 1.1 -1.1 3.2 0.2 -0.2 EFIC (Australia) Spanish Government 0.9 -0.9 0.3 -0.3 Credit Nacional (France) 1.1 -1.1 0.6 -0.6 NIO (Netherlands) 0.7 -0.7 0.8 -0.8 British Government _ Bco.Comer.Exterior Mexico 0.7 -0.7 0.5 -0.5 Bco.Central Reserva Peru 0.1 -0.1 0.1 -0.1 IDC (South Africa) 0.3 -0.3 0.5 -0.5 USSR Government Kontrollbank (Austria) Eximbank (Korea) China Government 1.1 -1.11.2 -1.2 II SUPPLIERS b/ 176.0 252.9 -76.9 132.2 223.7 -91.5 Public Sector 61.6 71.3 -9.7 60.7 52.2 8.5 Private Sector 114.4 181.6 -67.2 71.5 171.5 -100.0 - Contracted Credits 60.8 56.8 4.0 42.0 60.6 -18.6- Credits to be Contracted 53.6 124.8 -71.2 29.5 110.9 -81.4 TOTAL I Official Organizations 431.1 137.1 294.0 469.4 124.6 344.8 176.0 II Suppliers 252.9 -76.9 132.2 223.7 -91.5 390.0 Total (I + II) 607.1 217.1 601.6 348.3 253.3 98.3^{c/} 130.6^{c/} 99.6^{h/} 57.6^{h/} -73.0 III Rest of Banks and Others 1.3 706.7^{f/} 659.2^{i/} GRAND TOTAL 488.3 218.4 478.9 180.3

- * Preliminary.
- ** Includes amortization due to disbursements 1985.
- a/ According to IDB IBRD statements.
- b/ Figures of supplier credit with official guarantees are not available.
- c/ Includes Renegotiations, Nationalizations, Firms and Individuals (Financial Credits) and contrated credit with guarantees (Banks).
- d/ Includes US\$1.1 MM. as of 31/12/84 and 1.6 as of 31/12/85 Private Sector Art. 15.
 - e/ Its refers to disbursement and amortization from Credits Art. 15, and D.L. N°600 associated to foreing investment).
 - f/ Excludes Central Bank Credit US\$ 780 MM from Banks.
 - g/ Assumed are disbursements of new loans of the IDB & IBRD.
 - h/ It refers mainly to new credits from banks with Official Guarantees and other contracted credits 1982 1983 1984 with foreign banks for specific projects.
 - i/ Excludes BIRF SAL estimated at (US\$ 125 MM), and New Money from Banks (US\$ 714 MM).

TABLE N° 10

FOREIGN DEBT OF CHILE 1981 - 1985 *

(Millions of US\$)

ITEM				Estimated	Estimated	Estimated	Estimated
	12.31.81	12.31.82	12.31.83	12.31.84	03.31.85	06.30.85	09.30.85
I. TOTAL FOREIGN DEBT (II+III	15.542	17.153	17.431	18.877	18.928	18.618	18.879
Public Sector	5.465	6.660	8.394	12.347	12.495	12.551	12.887
(Banco del Estado) 5)	(397)	(778)	(877)	(1.386)	(1.399)	(1.384)	(1.355
(Central Bank)	(528)	(837)	(2.378)	(3.673)	(3.756)	(3.811)	(3.956
(Private Sector with				7)	7)	7.	
Public Guarantee)	(69)	(62)	(413)	(2.130) ⁷⁾	(2.060)7)	(2.058) ⁷⁾	(2.059
Private Sector	10.077	10.493	9.037	6.559	6.433	6.067	5.992
(Banks) 2)	(6.629)	(6.703)	(5.596)	(3.469)	(3.430)	(3.419)	(3.383
(Others, Non Banks) 1)2)	(3.448)	(3.790)	(3.441)	(3.065)	(3.003)	(2.648)	(2.609
I. MEDIUM AND LONG TERM							
FOREIGN DEBT	12.553	13.815	14.832	16.963 6)	17.027 6)	16.741 6)	16.988
Public Sector	4.415	5.157	6.689	10.601	10.734	10.820	11.147
(Banco del Estado)	(393)	(507)	(609)	(1.272)	(1.280)	(1.268)	(1.232
(Central Bank)	(528)	(637)	(2.078)	(3.193)	(3.256)	(3.311)	(3.456
(Private Sector with				7)	7)	7)	
Public Guarantee)	(69)	(62)	(61)	(1.718) ⁷⁾	(1.716) ⁷⁾	(1.718) ⁷⁾	(1.727
Private Sector	8.138	8.658	8.143	6.362	6.293	5.921	5.841
(Banks)	(4.690)	(4.971)	(4.795)	(3.369)	(3.360)	(3.349)	(3.311
(Others, Non Banks)	(3.448)	(3.687)	(3.348)	(2.993)	(2.933)	(2.572)	(2.530
II. SHORT TERM FOREIGN DEBT	2.989	3.338	2.599	1.914	1.901	1.877	1.891
Public Sector	1.050	1.503	1.705	1.742 4)	1.761 4)	1.731 4)	1.740
(Banco del Estado) 5)	(4)	(271)	(268)	(114)	(119)	(116)	(123
(Central Bank)	(–)	(200)	(300)	(480)	(500)	(500)	(500
(Private Sector with			8)	91	۵۱	0)	
Public Guarantee)	(-)	(-)	(352)8)	(412)8)	(344)8)	(340)8)	(332
Private Sector	1.939	1.835	894	172	140	146	151
(Banks) 2)	(1.939)	(1.732)	(801)	(100)	(70)	(70)	(72
(Others, Non Banks) 1)2)	(-)	(103)	(93)	(72)	(70)	(76)	(79
V. CENTRAL BANK WITH							
I.M.F.	49	6	606	782	788	794	983

^{*} 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 at 30.03.84 and at 30.06.84 (The agreements become effective only six months after being signed).

⁴⁾ Includes short term Private debt guaranteed by Public Sector.

⁵⁾ Since 03.31.84 foreign debt corresponding to BHC and BUF are included in this item.

⁶⁾ Includes short term financial debt rescheduling at medium and long term, previously considered short term.

⁷⁾ Includes rescheduling agreements 83/84 of Private Financial Sector Guaranted by Public Sector; previously considered in Private Sector Debt. (US\$ 1.656.2 MM as of 12.31.84., 1.657.3 as of 03.31.85, and 1.659.3 as of 06.30.85 and 1.670.2 as of 09.30.85)

⁸⁾ It refers to commercial lines short term of Private Financial Sector Guarantee by Public Sector by agreement.

T A B L E Nº11

TOTAL MEDIUM AND LONG TERM EXTERNAL DEBT

At Dec.31, 1982, Dec. 31, 1983 and Dec. 31, 1984

(millions of US\$)

(According to Principal Foreign Creditors)

	STOCKS (12.31.82)	STOCKS (12.31.83)	ESTIMATED STOCKS (12.31.84)
I - PUBLIC SECTOR (1)	5.156.8	6.689.3	10.601.1
 Multinational Organizations Non Financial Public Sector Financial Public Sector 	444.4 414.0 30.4	645.1 616.6 28.5	935.4 908.9 26.5
 2. Foreign Governments Non Financial Public Sector Financial Public Sector 	769.5 667.4 102.1	789.5 602.3 187.2	604.9 553.5 51.4
3. Private Banks and Financial Institutions - Non Financial Public Sector - Financial Public Sector - Private Sector with Public Guarantee	3.403.4 2.400.2 1.003.2	4.864.4 2.402.5 2.461.9	8.722.3 2.635.1 4.386.4 1.700.8 (3)
4. Foreign SuppliersNon Financial Public SectorFinancial Public Sector	318.1 315.8 2.3	263.9 262.6 1.3	243.4 243.4
5. <u>Nationalizations</u>	75.1	40.4	20.4
6. Official Renegotiations	50.9	1.3	1.2
7. Renegotiation Special Agreements - Non Financial Public Sector - Financial Public Sector	8.8 6.2 2.6	3.4 3.4	1.1 1.1
8. Bonds	86.6	81.3	72.4
II - PRIVATE SECTOR	8.657.8	8.142.2	6.362.1
 Banks and Financial Institutions With Foreign Banks and Financial Institutions 	4.971.0 4.811.0	4.795.2 4.635.2	3.368.7 3.228.7
- Bonds (C D's and FRN's)	160.0	160.0	140.0
Non Banking Private SectorWith Foreign Banks and Financial Institutions	3.686.8 2.784.7	3.347.0 2.577.6	2.993.4 2.102.2
- With Other Creditors (2)	902.1	769.4	891.2(4)
III - TOTAL (I + II) - With Foreign Banks and Financial Institutions	13.814.6 10.999.1	14.831.5 12.077.2	16.936.2 14.053.2
- With Other Creditors	2.815.5	2.754.3	2.910.0

⁽¹⁾ Includes "Banco del Estado".

⁽²⁾ Includes: supplier credits, non-bank credits associated to foreign investment (D.L. N°600), and others (labelled Art. 14, Art. 15).

⁽³⁾ Includes US\$1.656.7 MM corresponding to Financial Institutions's rescheduling agreements 83/84

⁽⁴⁾ Includes US\$9.6 MM with foreign Governments' institutions.

TABLE N° 12

SCHEDULE OF AMORTIZATIONS OF MEDIUM AND LONG TERM EXTERNAL DEBT, AS OF 31.12.84

(millions of US\$)

ITEM	1985	1986	1987	1988	1989	1990
1. Public and Private Debt	2.293.0	2.698.4	2.189.8	1.651.7	1.085.1	494.8
2. Rescheduled Debt (Public and Financial Private Sector 1983-84)	-	, = ,	-	998.5	998.5	998.5
3. New Money 1983 and 1984		-	199.8	399.5	456.2	482.2
T O T A L	2.293.0	2.698.4	2.389.6	3.049.7	2.539.8	1.975.5

TABLE Nº 13

 $\frac{\text{GROWTH RATES OF GROSS DOMESTIC PRODUCT BY SECTOR}}{\text{(percentage change in 12 month)}}^{1/2}$

SECTOR	1 9 8 3					1 9 8 4					1 9 8 5				
	I		_III	IV_	TOTAL	I		111	IV	TOTAL % 84/83	I	_11_	III	Iv	TOTAL
Agriculture	-1.8	-6.9	1.6	-5.7	-3.6	10.4	12.1	3.8	-2.0	7.1	10.8	6.5			5.4
Fishing	5.7	17.9	-9.7	29.3	8.8	-1.5	15.5	20.5	12.5	11.5	26.6	-21.1			1.9
Mining	1.3	-10.7	-4.4	7.0	-1.9	8.0	11.0	1.1	-1.4	4.4	-2.9	-3.7			0.9
Industry	-4.5	5.7	3.7	7.4	3.1	10.9	9.7	10.2	8.5	9.8	2.8	-1.2			1.6
Elect., Gas and Water	2.8	4.0	5.2	5.3	4.4.	8.1	8.4	5.1	6.4	7.0	3.7	-0.7			2.9
Construcction	-23.4	-2.4	4.3	5.0	-5.0	7.6	-0.7	-0.4	11.1	4.2	10.0	12.0			12.0
Commerce	-17.4	-6.7	0.4	12.6	-3.5	-0.2	6.3	9.7	4.0	5.0	4.9	0.4			2.3
Transport	-3.5	-4.3	0.6	1.6	-1.5	5.2	7.5	7.4	4.0	6.0	4.9	2.9			3.4
Others 2/	-7.8	-1.6	3.8	5.8	-0.1	5.4	6.7	6.3	3.4	5.4	1.2	-2.3			-0.5
TOTAL G.D.P.	-8.0	-2.3	2.0	6.4	-0.7	6.4	7.9	6.8	4.3	6.3	3.4	-0.1			2.0

1/ Over the same period of the previous year.
2/ Includes Financial Services, Personal Services, Housing, Public Administration, Import Duties and Banking Charges.
(*) Estimated.

SOURCE: Central Bank of Chile - National Accounts.

T A B L E Nº 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	10.7	-12.1	-3.4	1.3
Overall Government Consumption Spending	-8.1	-3.1	-1.3	-0.6	1.5
Inventory Variation	i -	-	_	-	-
Gross Composition of Fixed Capital	21.9	16.8	-33.9	-14.9	9.0
Exports of Goods and Services	14.3	-9.0	4.7	0.6	6.8
Minus: Imports of Goods and Services	18.7	15.7	-36.3	-15.1	16.5
Gross Domestic Product Spending	7.8	5.5	-14.1	-0.7	6.3

^(*) Provisional figures

^(**) Estimated figures

TABLE Nº13 - B

LABOR FORCE AND UNEMPLOYMENT NATIONWIDE

(Thousands of people)

BY ECONOMIC ACTIVITY	UNEMPLOY	MENT BY ECON.	ACT.	EMPLOY	MENT BY ECON.	ACT.	LABOR FORCE BY ECON. ACT.		
	Jun./Aug.84	Jun./Aug.85	<u>%</u>	Jun./Aug.84	Jun./Aug.85	%_	Jun./Aug.84	Jun./Aug.85	%
TOTAL	600,9	510,9	<u>-15,0</u>	3,136,8	3.311,5	5,6	3.737,7	3.822,4	2,3
Agriculture	52,6	38,9	-26,0	458,7	493,0	7,5	511,3	531,9	4,0
Mining	6,7	4,2	-37,3	63,9	63,4	-0,8	70,6	67,6	-4,2
Industry	84,2	70,8	-15,9	440,0	452,2	2,8	524,2	523,0	-0,2
Electricity, Gas and Water	3,4	3,2	-5,9	22,4	27,4	22,3	25,8	30,6	18,6
Construction	58,2	54,4	-6,5	99,8	123,9	24,1	158,0	178,3	12,8
Commerce	75,7	70,1	-7,4	589,7	613,3	4,0	665,4	683,4	2,7
Transport and Communications	33,9	27,4	-19,2	186,0	205,6	10,5	219,9	233,0	6,0
Financial Sectors	17,3	18,4	6,4	108,7	124,8	14,8	126,0	143,2	13,7
Other Services	147,9	123,6	-16,3	1.166,8	1.207,3	3,5	1.314,7	1.330,9	1,2
Unspecified Act.	0,2	0,2	0,0	0,8	0,6	-25,0	1,0	0,8	-20,0
Seeking employment									
for the first time	120,8	99,7	-17,5	-	-	-	120,8	99,7	-17,5

SOURCE: National Bureau of Statistics.

TABLE Nº 14

PUBLIC FINANCE (millions of 1976 US\$)

	1978	1979	1980	1981	1982	1983	1984*
FISCAL SPENDING	2.787.6	2.895.7	3.158.3	3.601.8	3.527.7	3.484.8	3.765.8
- Fiscal Spending Excludi	ng 2.369.7	2.449.8	2.794.1	3.373.3	3.289.5	3.164.0	3.357.2
FISCAL REVENUES	2.688.4	3.104.0	3.578.8		3.239.3	3.024.8	3.241.2
FISCAL DEFICIT	99.2	-208.3	-420.5	-240.1	288.4	460.0	524.6
- Deficit/Fiscal	2.6	7.0	10.0	6.7	0.0	10.0	12.0
Spending (%) - Deficit/Fiscal Spending	3.6	-7.2	-13.3	-6.7	8.2	13.2	13.9
Excluding Debt Service		-8.5	-15.1	-7.1	8.8	14.5	15.6
Social Spending/ Fiscal Spending Excluding Debt Service	(%) 50.2	47.9	50.4	54.7	59.4	59.7	61.0
- Social Spending/Fiscal Spending (%)	42.7	40.5	44.6	51.3	55.3	54.2	54.4
- Fiscal Deficit/GNP (%)	0.8	-1.7	-3.1	-1.7	2.3	3.8	4.0

^(*) Provisional

SOURCE: Dirección de Presupuesto, Ministerio de Hacienda

TABLE N° 15

PUBLIC SECTOR FINANCIAL OPERATIONS, 1985, ESTIMATED (millions of pesos)

	General Govern- ment	Public Enter- prises	CORFO Corpo- rations	CODELO	Public Sector, Gross	Adjus ments	t- Total Public Sector Net
Current Revenues	769.729	354.327	217.386	263.287	1604.729	220.651	1384.079
Current Expenditures	745.485	191.926	164.159	149.242	1250.812	650	1250.162
Transfers	_	133.908	27.166	80.459	241.534	220.001	21.533
Current Account							
Surplus or (Deficit)	24.244	28.493	26.061	33.586	112.384		112.384
Capital Revenues	68.108	1.900	1,993	8.598	80.600	7.040	73.560
Capital Expenditures Overall Surplus or	150.683	25.642	34.864	47.112	258.301	7.040	251.261
(Deficit)	-58.330	4.751	-6.810	-4.929	-65.317	_	-65.317
Financing	58.330	-4.751	6.810	4.929	65.317		65.317
Net External	27.107	2.152	9.579	-949	37,889		37.889
- Borrowings	40.941	32.138	26.584	184.524	284.187		284.187
- Amortizations	-13.833	-29.986	-17.005	-185.473	-246.298		-246.298
Net Internal	31.223	-6.903	-2.769	5.878	27.428		27.428

SOURCE: Dirección de Presupuestos

TABLE Nº 15 - A

PUBLIC SECTOR, FINANCIAL OPERATIONS 1984

(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	542.919	235.717	161.260	167.554	1107.450	143.787	963.663
Current Expenditures	557.870	133.979	116.149	110.316	918.315	746	917.569
Transfers	_	85.176	17.031	54.679	156.886	142.133	14.753
Current Account							
Surplus or (Deficit)	-14.951	16.561	28.080	2.560	32.249	908	31.341
Capital Revenues	59.799	3.958	1.318	4.255	69.330	7.135	62.196
Capital Expenditures Overall Surplus or	98.185	15.829	34.224	26.775	175.013	8.043	166.970
(Deficit)	-53.338	4.690	-4.826	-19.960	-73,433		-73.433
Financing	53.338	-4.690	4.826	19.960	73.433		73.433
Net External	13.172	-4.993	21.671	17.154	47.005		47.005
- Borrowings	22.923	33.279	37.432	118.349	211.984		211.984
- Amortizations	-9.751	-38.272	-15.761	-101.195	-164.979		-164.979
Net Internal	40.165	302	-16.845	2.805	26.428		26.428

* Provisional.

SOURCE: Dirección de Presupuestos

TABLE Nº 16

MONETARY AGGREGATES

(Monthly average, in millions of Chilean pesos)

DATE	Bills & Coins in Circulation	Demand Deposits	Private Money	Time Deposits	M1 + DP			Public Money	Monetar Base
	0	D1	M1	Dp	M2	M3 *	M3A **	Dg	E
1982					0.00	221 023		- 12 122	
Dec.	36.908	38.140	75.048	245.376	320.424	384.134	449.025	39.452	61.746
1983									
Dec.	46.703	48.476	95.179	194.553	289.732	385.274	454.628	43.507	70.137
1984									
Jan.	46.127	53.059	99.186	207.240	306.426	401.702	470:098	44.743	69.750
eb.	48.906	53.153	102.059	219.533	321.592	418.691	483.874	42.615	72.618
Mar.	51.833	56.524	108.357	220.381	328.738	428.313	494.012	43.949	76.546
Apr.	52.670	58.784	111.454	214.426	325.540	430.534	495.405	41.711	77.470
May	51.656	59.192	110.848	213.878	324.726	434.204	509.458	50.867	78.279
Jun.	51.291	59.453	110.744	218.988	329.732	441.384	511.972	45.002	76.542
Jul.	50.644	56.772	107.416	226.175	333.591	447.117	598.860	42.918	76.354
Aug.	48.985	56.766	105.751	235.189	340.940	454.509	526.909	44.062	74.758
Sep.	51.902	58.345	110.247	240.477	350.724	466.962	537.123	42.409	78.693
Oct.	49.347	54.936	104.283	249.929	354.212	470.140	541.272	45.565	75.646
Nov.	47.235	47.884	95.119	264.260	359.379	475.360	548.509	45.001	73.367
Dec.	54.772	47.602	102.374	278.251	380.625	502.294	575.601	46.181	82.445
1985									
Jan.	55.210	62.557	117.770	287.733	405.504	533.602	617.570	55.813	86.489
Feb.	58.770	60.347	119.518	299.369	418.487	548.264	629.361	51.509	89.573
Mar.	61.790	61.769	123.558	307.872	431.480	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
Nay	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.(*)	64.390	62.480	126.870	386.040	512.910	684.850	775.849	57.363	102.473

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

^{**} M3A = Private and Public Money and Quasimoney

^(*) Provisional figures.

T A B L E N° 16 - A

FINANCIAL SYSTEM: DEPOSITS AND LOANS

(Monthly Average)

	LOCAL CURREN	CY DEPOSITS	FOREIGN CURP	RENCY DEPOSITS	EFFECTIV	E LOANS 1/
DATE	Demand Dep.	Time Dep.	Demand Dep.	Time Dep.	Local Curr.	Foreign Curr
	(Mill. \$)		(Mill. US\$)		(Mill. \$)	(Mill. US\$
1983						
Dec.	143.660	342.368	131.9	187.3	539.387	4.140
1984						
Jan.	146.041	354.100	129.1	184.9	557.519	4.107
Feb.	145.727	366.532	131.7	200.9	566.638	4.121
Mar.	155.787	370.323	138.0	215.2	571.175	4.087
Apr.	159.119	368.473	138.9	203.5	582.267	4.011
May	169.796	373.856	146.4	198.8	591.812	3.928
Jun.	158.328	386.603	158.9	191.3	589.926	3.761
Jul.	155.081	397.303	148.5	192.1	600.878	3.758
Aug.	154.224	405.632	149.4	201.5	614.718	3.769
Sep.	164.893	407.859	142.3	211.0	651.073	3.601
Oct.	164.294	414.130	139.7	220.9	680.076	3.532
Nov.	156.539	433.180	149.6	215.7	711.339	3.417
Dec.	171.916	448.963	142.9	203.2	776.974	3.172
1985						
Jan.	194.437	465.144	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

SOURCE: Banco Central de Chile

Includes deposits and loans to private and public sector.

^{1/} Include loans with own resource. Loans with resource of Central Bank.

^(*) Provisional figures.

T A B L E Nº 17

WAGES AND SALARIES INDEX, 1977 - 1985

(Base: Dec. 82 = 100)

DATE	INDEX	ANNUAL % CHANGE	REAL INDEX *	ANNUAL % CHANGE
		CHANGE	TIMEN TIMEN	OHANGE
.977 Aver.	19.23	116.4	72.59	12.7
.978 ''	30.71	59.7	82.75	14.0
.979 ''	45.38	47.8	91.67	10.8
.980 ''	66.65	46.9	99.65	8.7
981 "	86.86	30.3	108.49	8.9
982 "	95.28	9.7	108.25	-0.2
983 "	108.33	13.7	96.72	-10.7
984 "	129.98	20.1	97.05	0.2
984				
an.	123.34	22.2	100.13	0.9
eb.	124.01	23.1	100.83	2.0
ar.	124.71	22.4	98.90	0.8
pr.	127.11	23.1	99.32	2.9
ay	128.19	21.2	98.97	1.4
un.	129.22	20.6	98.51	1.2
ul.	129.91	18.1	98.17	0.1
ug.	131.49	18.2	99.12	2.7
ep.	131.47	17.5	96.30	1.4
ct.	133.60	17.4	90.45	-4.0
ov.	137.05	18.7	91.72	-2.8
ec.	139.58	18.3	92.16	-3.8
985				
an.	149.28	21.0	95.57	-4.6
eb.	151.04	21.8	94.79	-6.0
ar.	152.45	22.2	93.05	-5.9
pr.	156.74	23.3	93.54	-5.8
ay	159.31	24.3	93.20	-5.8
un.	160.15	23.9	90.36	-8.3
ul.	163.61	25.9	91.13	-7.2

(*)Deflated by C.P.I.

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

TABLE Nº 18

INTEREST RATES

(monthly rates in Banking System)

DATE	SHORT TERM DEPOSITS 1/		SHORT TE	RM LOANS	P. D.	B. C. 2/
	NOMINAL.	REAL 3/	NOMINAL	REAL 3/	NOMINAL	REAL 3/
.982						
ec.	4.59	3.35	5.47	4.22	3.89	2.66
983						
ec.	1.86	1.26	2.64	2.03	1.73	1.13
984						
an.	1.58	1.48	2.35	2.25	1.43	1.33
eb.	1.15	1.35	2.12	2.32	0.94	1.14
ar.	0.93	-1.53	1.70	-0.78	0.72	-1.78
pr.	1.27	-0.22	2.18	0.67	1.22	-0.28
ay	1.41	0.21	2.23	1.03	1.37	0.17
un.	1.40	0.10	2.12	0.81	1.33	0.03
ul.	1.47	0.56	2.11	1.21	1.42	0.52
ug.	1.43	1.13	2.01	1.71	1.36	1.06
ep.	1.19	-1.66	2.12	-0.76	1.38	-1.48
ct.	3.29	-4.54	3.98	-3.90	2.82	-4.97
ov.	5.62	4.37	5.30	4.05	3.94	2.71
ec.	2.98	1.56	4.21	2.77	2.67	1.25
985						
an.	1.92	-1.14	3.04	-0.07	1.51	-1.54
eb.	2.57	0.56	3.57	1.53	2.03	0.03
ar.	2.74	-0.06	3.32	0.53	2.40	-0.39
pr.	3.42	1.09	3.94	1.60	2.71	0.40
ay	2.92	0.90	3.41	1.38	2.66	0.65
un.	2.65	-1.01	3.14	-0.54	2.36	-1.29
ul.	3.12	1.80	3.59	2.26	2.56	1.25
ug.	1.79	0.89	2.28	1.38	1.72	0.82
ep:	1.44	0.24	1.89	0.69	1.31	0.11

NOTES: 1/ Short term (30-89 days) deposits and loans in the Commercial Banking System.

SOURCE: Banco Central de Chile

^{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.

TABLE Nº 19

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

DATE	OBSERVED	REFERENTIAL	PREFERENTIAL
1982			
Dec.	72.39	71.54	57.52
1983			
Dec.	87.07	87.07	72.33
1984			
Jan.	87.82	87.81	73.16
Feb.	88.12	88.10	73.52
Mar.	88.20	88.18	73.56
Apr.	88.55	88.65	73.92
May	90.19	90.20	75.51
Jun.	91.13	91.14	76.61
Jul.	91.89	91.90	77.56
Aug.	92.69	92.62	78.49
Sep.	100.94	102.82	79.08
Oct.	116.39	115.82	79.87
Nov.	119.58	119.05	83.17
Dec.	126.23	126.16	88.28
1985			
Jan.	128.98	128.38	89.62
Feb.	131.84	131.62	91.20
Mar.	145.6 9	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	_

SOURCE: Banco Central de Chile

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

T A B L E N° 20

PRICE INDEXES

DATE	WHOLESAL	E PRICES	CONSUME	R PRICES
	INDEX	% Var.	INDEX	% Var.
	(dec.74=10	(dec.78=10	0)	
1983				
Dec.	10.029.65	25.2	296.75	23.1
1984		1/		1
Jan.	9.985.46	$-0.4\frac{1}{}$	296.96	0.1
Feb.	10.164.00	1.8	296.49	-0.2
Mar.	10.453.78	2.9	304.01	2.5
Apr.	10.593.95	1.3	308.55	1.5
May	10.858.23	2.5	312.25	1.2
Jun.	10.992.63	1.2	316.22	1.3
Jul.	11.160.38	1.5	319.01	0.9
Aug.	11.269.10	1.0	319.82	0.3
Sep.	12.114.17	7.5	329.14	2.9
Oct.	13.064.22	7.8	356.09	8.2
Nov.	13.513.72	3.4	360.23	1.2
Dec.	13.685.64	1.3	365.12	1.4
1985				
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

^{1/} Monthly variations

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

TABLE Nº 21

FINANCIAL SYSTEM INDICATORS

(in percent)

At.: 30.09.85

ITEM	Private Chilean	Interv. Banks	Non-Interv. Banks	Foreign Banks	Banco del	Financ. Instit.	Total System
TIEM	Banks	Daliks	Ballks	in Chile	Estado	mstrt.	System
A - CAPITAL ADEQUACY					200440		
1. Physical Fixed Assets Capital	82.2	72.5	94.9	51.8	14.1	58.7	59.0
2. <u>Past due Loans</u> (Cart.Ven. Capital) 70.4	100.9	30.7	13.4	13.9	7.5	44.5
3. <u>Debt</u> Capital	16.6	17.8	15.3	7.5	10.5	7.5	13.1
4. Loans Sold to Central Ba Capital	<u>nk</u> 376.4	512.8	198.7	27.8	0.0	115.0	212.9
B - ASSET QUALITY							
1. Past due Loans Total Loans	4.7	6.8	2.0	2.6	1.5	0.8	3.7
2. Loans Loss Res.(Prov.) Total Loans	7.5	9.2	5.3	6.0	13.7	3.6	8.3
3. Loans Sold to Central Ba Total Loans	<u>nk</u> 25.0	34.8	12.9	5.3	0.0	15.8	19.0
C - LIABILITY STRUCTURE 1. Demand Deposits	7.1	6.5	7.6	12.6	10.0	4.7	8.2
Total Liabilities Excep Capital and Resv.		0.0	, .0	12.0	10.0	7.7	0.2
2. <u>Time Deposits</u> Total Liabilities Excep	15.7 t	15.9	15.6	35.4	20.8	59.9	19.1
Capital and Resv. 3. Total Foreign Liabiliti Total Liabilities Excep Capital and Resv.		48.3	36.6	32.4	46.8	1.8	41.4
D - MANAGEMENT							
1. Administration Expenses Total Loans and Fin.Inv		0.3	0.6	0.8	0.1	1.5	0.4
2. Remuneration Expenses Total Loans and Fin.Inv	0.7	0.6	0.9	1.3	1.1	2.3	0.9
3. Fixed Expenses Operating Profits	130.9	156.4	96.4	46.7	53.4	70.3	94.4
E - INCOME							
1. Net Profits Capital	(4.9)	(8.8)	0.3	22.3	8.2	7.2	3.6
2. Net Prof-Other net Inc. Capital	(48.3)	(77.8)	(9.9)	16.7	34.8	2.2	(14.5)
3. Net Profits Total Assets	(0.2)	(0.3)	0.0	1.9	0.5	0.7	0.2

SOURCE: Superintendencia de Bancos e Instituciones Financieras.

TABLE Nº 21-A

FINANCIAL SYSTEM INDICATORS

(in percent)

At.: 31.06.85

ITEM	Private Chilean	Interv. Banks	Non-Interv. Banks	Foreign Banks	Banco del	Financ. Instit.	Total System
1154	Banks	Danks	Dallks	in Chile	Estado	Instit.	Systen
A - CAPITAL ADEQUACY	Danks			III OIIIIE	ESCAGO		
1. Physical Fixed Assets Capital	95.5	92.2	99.7	51.7	17.0	59.3	66.5
2. Past due Loans(Cart.Ven. Capital	63.7	92.4	27.8	15.0	10.7	6.4	39.9
3. Debt Capital	15.5	16.9	14.2	6.7	9.6	7.6	12.1
4. Loans Sold to Central Ba	ank373.3	518.0	192.2	26.1	0.0	124.1	208.4
B - ASSET QUALITY 1. Past due Loans	4.3	6.2	1.9	2.9	1.5	0.8	3.7
Total Loans							
2. Loans Loss Res.(Prov.) Total Loans	7.1	8.3	5.7	5.6	14.4	3.1	8.1
3. Loans Sold to Central Ba	ank 25.0	34.6	12.9	5.1	0.0	16.3	19.1
C - LIABILITY STRUCTURE 1. Demand Deposits Total Liabilities Exception Capital and Resv.	6.8 ot	5.3	8.6	12.2	10.8	4.1	8.1
2. <u>Time Deposits</u> Total Liabilities Excep Capital and Resv.	17.7	14.5	21.5	38.8	21.5	63.1	21.1
3. Total Foreign Liabilit: Total Liabilities Exception Capital and Resv.		48.3	42.6	35.9	47.4	1.7	44.5
O - MANAGEMENT							
1. Administration Expenses Total Loans and Fin.Inc	_	0.2	0.4	0.6	0.1	1.0	0.3
2. Remuneration Expenses Total Loans and Fin.In	0.5	0.4	0.6	0.9	0.8	1.4	0.6
3. <u>Fixed Expenses</u> Operating Profits	135.4	160.3	91.5	58.6	89.9	78.4	111.6
E - INCOME							
1. Net Profits Capital	(8.8)	(7.1)	0.2	12.9	5.0	5.0	1.7
2. Net Prof-Other net Inc Capital	. (50.0)	(86.2)	(4.8)	8.7	1.5	0.9	(25.0)
3. Net Profits Total Assets	(0.1)	(0.2)	0.0	0.7	0.3	0.5	0.1

SOURCE: Superintendencia de Bancos e Instituciones Financieras

T A B L E N° 21 - B

FINANCIAL SYSTEM INDICATORS

(in percent)

At.: 31.03.85

ITEM		Private Chilean		Non-Interv. Banks	Foreign Banks	Banco del	Financ. Instit.	Total System
	ADTMAL ADDOLLAGY	Banks			in Chile	Estado		
_	APITAL ADEQUACY Physical Fixed Assets Capital	96.9	88.9	106.7	51.2	20.0	58.5	68.1
2.	Past due Loans (Cart. Ven.) Capital	154.3	258.2	26.3	13.6	12.5	11.9	89.5
3.	Debt Capital	16.1	18.3	14.0	6.3	9.6	7.6	12.3
4.	Loans Sold to Central Ban Capital	<u>k</u> 166.7	156.5	179.3	28.9	0.0	71.6	97.1
B - A	SSET QUALITY							
1.	Past due Loans Total Loans	11.0	18.8	1.8	2.8	1.8	1.6	8.6
2.	Loans Loss Res.(Prov.) Total Loans	9.1	13.1	4.4	4.9	15.8	2.7	9.8
3.	Loans Sold to Central Ban Total Loans	<u>k</u> 11.9	11.4	12.4	5.9	0.0	9.6	9.3
C - L	IABILITY STRUCTURE							
1	 Demand Deposits Total Liabilities Except Capital and Resv. 	6.6	4.9	8.8	13.7	11.0	3.6	8.1
2	Time Deposits Total Liabilities Except Capital and Resv.	15.9	12.8	20.0	35.3	21.8	64.2	19.5
3	Total Foreign Liabilitie Total Liabilities Except Capital and Resv.	_	45.9	42.7	35.3	48.9	1.9	44.0
D - M	ANAGEMENT							
1	 Administration Expenses Total Loans and Fin.Inv. 	0.2	0.1	0.2	0.3	0.1	0.6	0.2
2	Remuneration Expenses Total Loans and Fin.Inv.	0.3	0.2	0.3	0.5	0.4	0.7	0.3
3	Fixed Expenses Operating Profits	427.1	(2.517.7)	83.9	48.5	83.4	84.0	171.9
E - I	NCOME							
1	Net Profits Capital	(30.1)	(53.5)	(1.2)	8.8	2.5	1.7	(14.0)
2	Net Prof-Other net Inc. Capital	(33.3)	(58.3)	(2.5)	7.7	1.5	(0.4)	(16.3)
. 3.	Net Profits Total Assets	(1.0)	(1.8)	(0.0)	0.5	0.1	0.2	(0.6)

SOURCE: Superintendencia de Bancos e Instituciones Financieras.

T A B L E N° 21 - C

FINANCIAL SYSTEM INDICATORS

(in percent)

At.: 31.12.84

ITEM	Private Chilean Banks	Interv. Banks	Non-Interv. Banks	Foreign Banks in Chile	Banco del Estado	Financ. Instit.	Total System
A - CAPITAL ADEQUACY							
1. Physical Fixed Assets Capital	102.6	96.9	109.7	57.5	19.1	59.5	72.5
2. Past due Loans (Cart.Ven. Capital) 142.1	236.3	24.3	16.3	12.8	10.6	84.7
3. <u>Debt</u> Capital	16.8	18.1	15.4	7.6	9.2	8.1	12.9
4. Loans Sold to Central Ba Capital	nk170.4	158.2	185.6	35.0	0.0	76.6	101.6
B - ASSET QUALITY 1. Past due Loans	10.2	17.4	1.7	2.9	1.9	1.4	8.1
Total Loans 2. Loans Loss Res.(Prov.) Total Loans	8.8	12.5	4.4	4.7	13.3	2.7	9.1
3. Loans Sold to Central Ba Total Loans	nk 12.2	11.6	12.9	6.3	0.0	10.2	9.7
C - LIABILITY STRUCTURE							
1. Demand Deposits Total Liabilities Excep	8.1	6.8	9.8	14.4	13.1	6.0	9.6
Capital and Resv. 2. <u>Time Deposits</u> Total Liabilities Excep	14.8	11.3	19.3	34.5	22.3	63.0	18.7
Capital and Resv. 3. Total Foreign Liabiliti Total Liabilities Excep Capital and Resv.		44.7	42.1	34.5	46.9	2.6	4 2.8
D. MANACEMENT							
D - MANAGEMENT 1. Administration Expenses Total Loans and Fin.Inv	•	0.4	0.8	1.1	0.2	2.0	0.6
2. Remuneration Expenses Total Loans and Fin.Inv	1.0	0.8	1.3	1.9	1.7	2.7	1.3
3. <u>Fixed Expenses</u> Operating Profits	493.2	(1.311.7)	108.2	57.5	95.3	88.3	198.1
E - INCOME							
1. Net Profits Capital	(79.1)	(142.7)	(0.3)	17.6	9.7	0.9	(38.3)
2. Net Prof-Other net Inc. Capital	(99.3)	(165.2)	(16.9)	11.4	5.9	(10.9)	(51.7)
3. Net Profits Total Assets	(2.6)	(4.9)	(0.0)	1.0	0.6	0.1	(1.6)

SOURCE: Superintendencia de Bancos e Instituciones Financieras

TABLE N° 22 - A

CORPORATE SECTOR FINANCIAL INDICATORS: PROFITABILITY

DATE	Net Profit Margin	Net Profits Net Worth	Net Profits Total Assets	Net Profits Before Taxes and Financial 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
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
Mar. 84	0.70	0.14	0.08	1.06	1.28
Jun. 84	5.27	1.92	1.01	3.08	3.23
Sep. 84	-0.18	-0.10	-0.05	3.20	4.56
Dec. 84	1.93	1.45	0.73	5.41	6.79
Mar. 85	1.19	0.23	0.11	1.24	1.86
Jun. 85	-21.79	-9.65	-4.38	-2.30	-0.34

SOURCE: Superintendencia de Valores y Seguros

NOTE : Figures for September 1985 not - available.

TABLE N° 22 - B

CORPORATE SECTOR FINANCIAL INDICATORS: LIQUIDITY

DATE	Current Ratio	Acid-Test Ratio	Receivables (%)	Average Collection Period Ratio (days)
ec. 80	1.40	0.91	18.53	67.63
ec. 81	1.25	0.84	17.14	62.56
ec. 82	1.10	0.85	14.99	54.71
ec. 83	0.99	0.69	11.65	42.54
ar. 84	1.34	0.88	47.32	43.18
un. 84	1.08	0.71	22.86	41.73
ep. 84	1.01	0.68	16.43	44.98
ec. 84	1.02	0.70	12.36	45.11
ar. 85	1.00	0.70	48.39	44.16
un. 85	1.07	0.75	22.47	41.01

NOTE: Figures for September 1985 not - available.

T A B L E Nº 22 - C

CORPORATE SECTOR FINANCIAL INDICATORS: INDEBTEDNESS

DATE	Total Debt/Capital	Total Debt Total Assets (%)	Long Term Debt (%)
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
Mar. 84	0.88	46.90	58.44
Jun. 84	0.90	47.37	59.69
Sep. 84	1.02	50.50	65.75
Dec. 84	0.99	49.86	62.67
Mar. 85	1.05	51.32	65.17
Jun. 85	1.20	54,59	77.05

NOTE: Figures for September 1985 not - available.

CRONOLOGY OF THE MAIN ECONOMIC

MEASURES ADOPTED DURING JULY, AUGUST AND SEPTEMBER, 1985

JULY

12 Tariff surcharge is established

Amounting to 7% over the customhouse value for the import of goods classified under caption 90.26.04.01 of the Customhouse Tariff. (Decree 601 - Ministry of Finance).

12 Tariff surcharge is established

Which goes from 5% to 9% over the customhouse value for a group of goods related to the textile rubric (Decree 611 - Ministry of Finance).

Repurchase of foreign exchange corresponding to capital investments - D.L. N° 600 - effected by banking enterprises (Circular N°2,093 of the Superintendency of Banks)

New norms are established with respect to the destination to be given to the foreign exchange proceeding from Capital Investments D.L. $N^{\circ}600$, maintained by banks as "over-position" or as repurchsed foreign exchange. Uses which may be given to this foreign exchange are:

- a) To effect conversions into local currency.
- b) Convert into local currency with the purpose of effecting remittances abroad through access to the purchase of foreign currency, where applicable, and with the prior authorization of the Central Bank of Chile.
- c) Sell to the Central Bank under a repurchase agreement pursuant to dispositions contined in Chapter IV.E. 1 of the Financial Norms Compendium and in Circular N°1,940-389 of the Superintendency of Banks and Financial Institutions.
- d) Deposit in the special account referred to in Chapter IV.F. of the Financial Norms Compendium of the Central Bank of Chile.
- e) Purchase promissory notes in dollars of the United States of America issued by the General Treasury of the Republic.
- Resources in foreign currency. Its deposit in a special account in American dollars, at the Central Bank of Chile (Circular N $^{\circ}$ 2,095, Superintendency of Banks).

Financial institutions may deposit in the Central Bank of Chile —in a special account designated as "Special Deposit Account Number Two in Dollars of the Unites States of America"— resources in foreign currency proceeding from capital investments entered under Decree Law N°600, as well as their reserves and provisions in foreign currency.

AUGUST

Norms with respect to Attraction and Intermediation of Promissory Notes of the Treasury are modified. (Agreement $N^{\circ}1,670-05$)

Institutions authorized to deal in the intermediation of Discountable Promissory Notes or of Adjustable Promissory Notes of the General Treasury of the Republic, may effect sales with repurchase agreement to natural o juridic persons other than financial institutions, as from four working days, and to financial institutions supervised by the Superintendency of Banks and Financial Institutions, as from one working day.

14 Ordinary interest is determined

Ordinary interest is determined, to apply as from this date, to be 43.44% per annum for non-adjustable transactions in local currency, 9.02% per annum for adjustable transactions in local currency and 12.18% per annum for transactions in dollars of the United States of American or expressed in a foreign currency. Furthermore, the maximum conventional interest is determined.

Norms with respect to cash reserve are modified (Agreement N°1,671-04).

Attraction of funds due to sale of Promissory Notes of the Central Bank of Chile and of the General Treasury of the Republic will not be subject to cash reserves whether or not these sales are effected with repurchase agreements. However, attractions of funds due to sales with repurchase agreement of all remaining securities of the investment protfolios ot the financial intermediaries, will be subject to the cash reserves which may correspond according to their term.

The Central Bank of Chile is authorized to acquire assets and to assume liabilities of banks presently in charge of delegates (Law N°18,430)

The Central Bank of Chile may acquire assets of banks in charge of delegates designated pursuant to Article 3 of Decree Law $N^{\circ}231$, of 1973, through the assumption of the liabilities of such banks, with the exclusive purpose of subsequently proceeding to the total sale of the assets so acquired, to other financial institutions who may consent to assume, entirely or in part, the corresponding liabilities.

The Central Bank may only effect such purchases of assets, so long as the administration in charge of delegates continue to be in force.

SEPTEMBER

13 Determination of ordinary interest

The ordinary interest which will apply as from this date shall be 27.96% per annum for non-adjustable transactions in local currency, 9.26% per annum for adjustable transactions in local currency and, 11.82% per annum for transactions in dollars of the United States of America or expressed in a foreign currency. Likewise, the maximum conventional interest is also determined.

17 Transfer of Promissory Notes issued due to Application of Agreement N°1,481-02

Agencies, institutions and enterprises of the Public Sector may request the authorization of the Central Bank of Chile for the free transferability of the promissory notes issued by virtue of the application of Agreement $N^{\circ}1,481-02$.

21 Law N°18,437

Decree Law N°3,472 of 1980 is modified to authorize small industrial enterprises, fixed assets of which do not exceed 15,000 "development units", who have investment projects or needs for financial operational capital, already studied, and which count with favourable reports issued by the Technical Cooperation Service, to apply for the guaranty of the Fund of the Small Entrepreneur.

Norms are issued with respect to the loans which the Fund may guarantee.

21 Law N°18,439

Banks and financial institutions are authorized to capitalize or restructure credits granted by them to productive enterprises, under the established conditions, and the transitory article of Law $N^{\circ}18,274$, is substituted.