



# ECONOMIC AND SOCIAL STABILIZATION FUND

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Monthly Executive Report as of September, 2021

## I. Market Value as of September, 2021

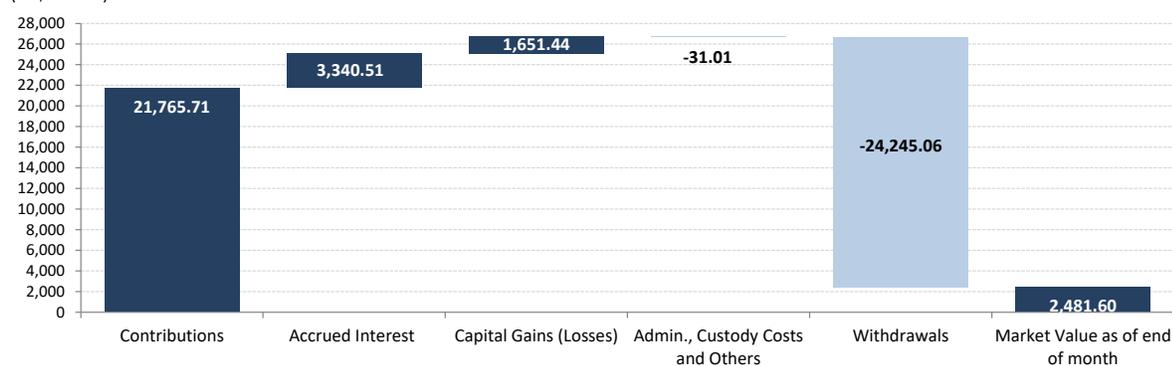
The market value of the Economic and Social Stabilization Fund (ESSF) totaled US\$2,481.60 million at the end of the month. The variation of the period was due to: (i) withdrawals of US\$446.78 million, (ii) accrued interest of US\$1.08 million, (iii) capital losses on investments of US\$48.28 million and (iv) administrative, custody and others costs of US\$0.28 million.

Changes in Market Value (US\$ million)	2012	2013	2014	2015	2016	2017	2018	2019	2020	Q1	Q2	2021 July	August	September	Since Inception <sup>(1)</sup>
Starting Market Value	13,156.64	14,997.52	15,419.13	14,688.82	13,966.28	13,772.06	14,738.82	14,133.85	12,233.41	8,955.24	8,551.92	4,930.16	3,991.20	2,975.87	0.00
Contributions	1,700.00	603.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,765.71
Withdrawals	0.00	0.00	-498.93	-463.88	-462.29	0.00	-541.58	-2,563.89	-4,090.00	0.00	-3,750.00	-1,000.00	-1,000.00	-446.78	-24,245.06
Accrued Interest	201.89	184.10	188.28	167.08	161.56	153.01	166.92	171.28	95.44	14.34	12.55	2.38	1.61	1.08	3,340.51
Capital Gains (Losses)	-59.71	-363.71	-416.97	-422.87	109.12	816.56	-227.51	495.33	719.26	-417.08	116.20	58.74	-16.92	-48.28	1,651.44
Admin., Custody and Other Costs <sup>(2)</sup>	-1.30	-2.17	-2.69	-2.87	-2.61	-2.80	-2.82	-3.17	-2.86	-0.59	-0.52	-0.08	-0.02	-0.28	-31.01
<b>Final Market Value</b>	<b>14,997.52</b>	<b>15,419.13</b>	<b>14,688.82</b>	<b>13,966.28</b>	<b>13,772.06</b>	<b>14,738.82</b>	<b>14,133.85</b>	<b>12,233.41</b>	<b>8,955.24</b>	<b>8,551.92</b>	<b>4,930.16</b>	<b>3,991.20</b>	<b>2,975.87</b>	<b>2,481.60</b>	<b>2,481.60</b>

<sup>(1)</sup> The ESSF was established by the merger of the fiscal assets saved under Decree Law N° 3.653 (1981) with those of the Copper Income Compensation Fund. The first payment into the new fund was made on March 6, 2007.

<sup>(2)</sup> It includes costs associated with consultants, accounting adjustment and others.

**Changes in Market Value Since Inception**  
(US\$ million)



By Asset Class (US\$ million)	2012	2013 <sup>(1)</sup>	2014	2015	2016	2017	2018	2019	2020	Q1	Q2	2021 July	August	September
Money Market <sup>(2)</sup>	4,488.14	5,107.57	4,934.76	4,766.70	4,622.49	4,976.47	4,777.23	4,148.52	3,122.23	2,978.28	1,678.11	1,377.63	1,040.03	856.46
Sovereign Bonds <sup>(3)</sup>	9,987.37	8,524.08	8,099.28	7,720.56	7,531.68	8,045.82	7,938.70	6,716.23	5,058.33	4,787.06	2,692.65	2,222.53	1,678.70	1,389.99
Sovereign Inflation Linked Bonds	522.01	541.64	512.29	489.36	478.50	514.58	488.36	429.81	312.17	302.45	191.31	137.66	104.14	87.21
Equities	-	1,245.83	1,142.49	989.65	1,139.39	1,201.95	929.55	938.84	462.51	484.13	368.08	253.38	152.99	147.94
<b>Market Value</b>	<b>14,997.52</b>	<b>15,419.13</b>	<b>14,688.82</b>	<b>13,966.28</b>	<b>13,772.06</b>	<b>14,738.82</b>	<b>14,133.85</b>	<b>12,233.41</b>	<b>8,955.24</b>	<b>8,551.92</b>	<b>4,930.16</b>	<b>3,991.20</b>	<b>2,975.87</b>	<b>2,481.60</b>

<sup>(1)</sup> A new investment policy that includes equities was implemented in August 2013.

<sup>(2)</sup> It includes sovereign bills and money market. As of June 17, 2015, it may include instruments issued by Supranational institutions, agencies and eligible entities with explicit government guarantee with remanent maturity lower than one year.

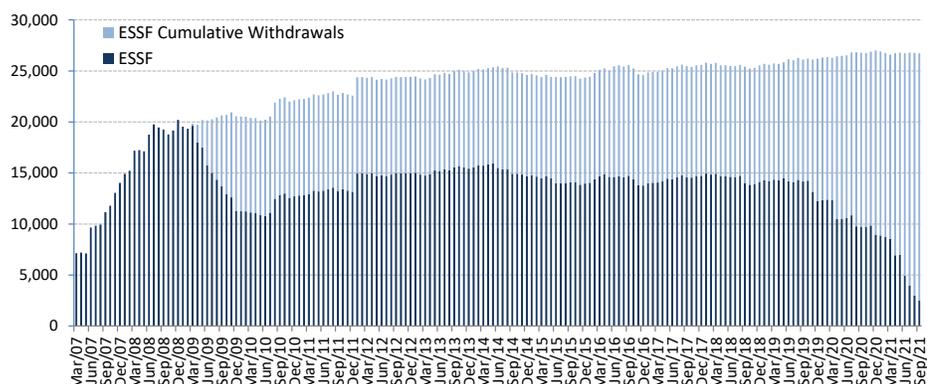
<sup>(3)</sup> This item may include instruments issued by Supranational institutions, agencies and eligible entities with explicit government guarantee with remanent maturity higher than one year.

By Risk Exposure (US\$ million)	2012	2013 <sup>(1)</sup>	2014	2015	2016	2017	2018	2019	2020	Q1	Q2	2021 July	August	September
Sovereigns <sup>(2)</sup>	12,746.00	11,450.71	9,773.08	9,780.39	9,492.27	10,125.91	10,025.86	8,532.19	7,011.37	6,595.65	3,444.75	2,943.60	2,364.21	2,333.48
Banks	2,251.52	2,722.58	3,773.24	3,196.23	3,140.40	3,410.96	3,178.43	2,762.37	1,481.36	1,472.14	1,117.33	794.22	458.67	0.17
Agencies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equities	-	1,245.83	1,142.49	989.65	1,139.39	1,201.95	929.55	938.84	462.51	484.13	368.08	253.38	152.99	147.94
<b>Market Value</b>	<b>14,997.52</b>	<b>15,419.13</b>	<b>14,688.82</b>	<b>13,966.28</b>	<b>13,772.06</b>	<b>14,738.82</b>	<b>14,133.85</b>	<b>12,233.41</b>	<b>8,955.24</b>	<b>8,551.92</b>	<b>4,930.16</b>	<b>3,991.20</b>	<b>2,975.87</b>	<b>2,481.60</b>

<sup>(1)</sup> A new investment policy that includes equities was implemented in August 2013.

<sup>(2)</sup> As of June 17, 2015, it may include instruments issued by Supranational institutions, agencies and eligible entities with explicit government guarantee.

**Market Value**  
(US\$ million)



## II. Return as of September, 2021

The net return in US dollars was -1.86% in the month. This is broken down in the returns of Money Market and Sovereign Bonds portfolio, -1.81%, Sovereign Inflation Linked Bonds, -0.66%, and Equities, -3.30%. The negative returns of the Money Market and Sovereign Bonds and Sovereign Inflation Linked Bonds portfolios are mainly explained by the impact of the depreciation (relative to the US dollar) of the currencies in which are invested, and to a lesser extent, by the negative effect of interest rates on these portfolios. The negative return of the Equities portfolio is explained by the negative performance in local currency. The fund's monthly return measured in pesos was 1.11%. Finally, the accumulated return for the year is -3.99% in US dollars and 8.47% in pesos, while the annualized return since the beginning is 2.53% in US dollars and 5.39% in pesos.

Returns <sup>(a)</sup>	Month	Last 3 Months	Year to Date	Last 12 Months	Last 3 Years (Annualized)	Since Inception (Annualized)	Start Date
Money Market and Sovereign Bonds <sup>(b)</sup>	-1.81%	-0.91%	-5.13%	-3.58%	2.51%	0.95%	01-Aug-13
Sovereign Inflation Linked Bonds	-0.66%	1.21%	2.58%	5.48%	4.94%	1.85%	05-Aug-13
Equities	-3.30%	-0.06%	12.59%	28.79%	13.01%	10.88%	21-Aug-13
<b>Return in USD</b>	<b>-1.86%</b>	<b>-0.80%</b>	<b>-3.99%</b>	<b>-1.76%</b>	<b>3.08%</b>	<b>2.53%</b>	<b>01-Apr-07</b>
Exchange Rate (CLP)	3.03%	9.29%	12.98%	2.44%	6.70%	2.79%	01-Apr-07
<b>Return in CLP <sup>(c)</sup></b>	<b>1.11%</b>	<b>8.41%</b>	<b>8.47%</b>	<b>0.64%</b>	<b>9.99%</b>	<b>5.39%</b>	<b>01-Apr-07</b>

<sup>(a)</sup> Time Weighted Return (it's calculated as the growth rate of the funds that were invested throughout the period).

<sup>(b)</sup> This item may include instruments issued by Supranational institutions, agencies and eligible entities with explicit government guarantee.

<sup>(c)</sup> CLP return corresponds to the sum of the percentage change of the CLP/USD exchange rate and the USD return.

Returns for periods of more than one year are compound annualized rates while those for less than a year correspond to the change as seen in the stated period. With a view to meeting high standards of transparency and providing a better assessment of the gains or losses on investments, the Ministry of Finance discloses the fund's return in different time horizons and currencies. With respect to the horizon, it is important to note that, in keeping with the medium- and long-term investment policy, the return assessment should focus on that period, disregarding fluctuations that may occur monthly or quarterly. With regard to returns expressed in different currencies, the return in US dollars allows for an assessment which is more in line with the investment policy given that the fund's resources are wholly invested abroad and in foreign currency. The return in Chilean pesos is also disclosed. This return reflects changes in the peso-dollar exchange rate and, therefore, may experience greater fluctuations. Finally, as with any investment, returns obtained in the past do not guarantee future positive results.

### III. Portfolio Composition and Duration as of September, 2021

Portfolio by Country and Credit Exposures	US\$ million	% of Total
<b>Nominal Sovereign Exposure</b>		
United States	946.73	38.2%
Japan	502.24	20.2%
Germany	603.75	24.3%
Switzerland	193.57	7.8%
Others <sup>(1)</sup>	(0.01)	0.0%
<b>Total Nominal Sovereign Exposure<sup>(2)</sup></b>	<b>2,246.28</b>	<b>90.5%</b>
<b>Sovereign Inflation Linked Exposure</b>		
United States	62.69	2.5%
Germany	24.47	1.0%
Others <sup>(1)</sup>	0.04	0.0%
<b>Total Sovereign Inflation Linked Exposure</b>	<b>87.21</b>	<b>3.5%</b>
<b>Banking Exposure</b>		
Others <sup>(1)</sup>	0.17	0.0%
<b>Total Banking Exposure</b>	<b>0.17</b>	<b>0.0%</b>
<b>Equities Exposure</b>		
United States	146.59	5.9%
Saudi Arabia	0.56	0.0%
Germany	0.19	0.0%
Kuwait	0.10	0.0%
Canada	0.09	0.0%
Others <sup>(1)</sup>	0.41	0.0%
<b>Total Equities Exposure</b>	<b>147.94</b>	<b>6.0%</b>
<b>Total Portfolio</b>	<b>2,481.60</b>	<b>100.0%</b>

<sup>(1)</sup> It includes cash, cash equivalents and unsettled transactions.

<sup>(2)</sup> This item may include instruments issued by Supranational institutions, agencies and eligible entities with explicit government guarantee.

Duration	Years
Sovereign Bills and Bonds <sup>(1)</sup>	5.1
Sovereign Inflation Linked Bonds	5.0
Banking	0.0
<b>Portfolio Total</b>	<b>5.1</b>

<sup>(1)</sup> This item may include instruments issued by Supranational institutions, agencies and eligible entities with explicit government guarantee.

Portfolio by Asset Classes	US\$ million	% of Total
Sovereign and Banking <sup>(1)</sup>	2,246.45	90.5%
Sovereign Inflation Linked Bonds	87.21	3.5%
Equities	147.94	6.0%
<b>Portfolio Total</b>	<b>2,481.60</b>	<b>100.0%</b>

<sup>(1)</sup> This item may include instruments issued by Supranational institutions, agencies and eligible entities with explicit government guarantee.

Portfolio by Issuer Credit Rating	Sovereigns <sup>(1)</sup>	Banking	Total Fixed Income
AAA	78.5%	0.0%	78.5%
AA+	0.0%	0.0%	0.0%
AA	0.0%	0.0%	0.0%
AA-	0.0%	0.0%	0.0%
A+	21.5%	0.0%	21.5%
A	0.0%	0.0%	0.0%
A-	0.0%	0.0%	0.0%
Others <sup>(2)</sup>	0.0%	0.0%	0.0%
<b>Total Fixed Income</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>

<sup>(1)</sup> This item may include instruments issued by Supranational institutions, agencies and eligible entities with explicit government guarantee.

<sup>(2)</sup> It includes cash, cash equivalents and unsettled transactions.