



PENSION RESERVE FUND

Quarterly Executive Report as of September 2011

As of September 2011

Changes in Market Value (US\$ million)	2007	2008	2009	2010	2011 1Q	2Q	July	August	September	Since Inception
Starting Market Value ⁽¹⁾	604.63	1,466.35	2,506.76	3,420.83	3,836.70	3,903.74	4,444.31	4,491.42	4,546.26	-
Contributions	736.35	909.07	836.71	337.30	0.00	443.32	0.00	0.00	0.00	3,867.29
Withdrawals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accrued Interest	45.62	71.25	71.86	70.23	18.53	19.00	6.95	6.97	5.18	315.60
Capital Gains (Losses)	79.79	60.42	5.85	8.74	48.60	78.36	40.17	47.92	-123.18	246.76
Admin., Custody and Other Costs ⁽²⁾	-0.04	-0.33	-0.35	-0.41	-0.09	-0.11	-0.02	-0.05	-0.05	-1.43
Final Market Value	1,466.35	2,506.76	3,420.83	3,836.70	3,903.74	4,444.31	4,491.42	4,546.26	4,428.21	4,428.21

(1) The PRF was established with an initial contribution of US\$604.5 million on December 28, 2006.

(2) It includes costs associated with consultants and others.

US\$ million	Currency	Q2 2011	Q3 2011	Difference
Sovereign	USD	1,863.4	1,826.8	-36.6
	EUR	1,504.1	1,464.0	-40.1
	JPY	373.2	375.4	2.2
Banks	USD	357.1	389.2	32.1
	EUR	274.1	306.2	32.2
	JPY	72.4	66.5	-5.9
Supranational	USD	0.0	0.0	0.0
	EUR	0.0	0.0	0.0
	JPY	0.0	0.0	0.0
Total	USD	2,220.5	2,216.0	-4.5
	EUR	1,778.2	1,770.3	-7.9
	JPY	445.7	441.9	-3.7
Total		4,444.3	4,428.2	-16.1
Duration (years)		2.38	2.41	0.03
Duration (days)		867	878	11

Source: Ministry of Finance based on JPMorgan information

Portfolio by currency	Q2 2011	Q3 2011	Difference
USD	50.0%	50.0%	0.1%
EUR	40.0%	40.0%	0.0%
JPY	10.0%	10.0%	0.0%
Total	100.0%	100.0%	0.0%

Source: Ministry of Finance based on Chilean Central Bank information

Sovereign Exposure	Q2 2011	Q3 2011	Difference
Estados Unidos	41.9%	41.3%	-0.7%
Alemania	33.8%	33.1%	-0.8%
Japón	8.4%	8.5%	0.1%
Total	84.2%	82.8%	-1.4%

Banking Exposure	Q2 2011	Q3 2011	Difference
Germany	3.5%	3.3%	-0.2%
Austria	1.3%	2.2%	0.9%
Sweden	0.8%	2.1%	1.3%
Switzerland	1.1%	1.8%	0.7%
Netherlands	3.0%	1.8%	-1.3%
United States	0.3%	1.3%	1.0%
France	2.9%	1.3%	-1.6%
Australia	0.1%	1.1%	1.0%
Belgium	0.3%	1.1%	0.7%
Japan	1.3%	0.7%	-0.5%
United Kingdom	0.1%	0.5%	0.4%
Dinamarca	0.9%	0.0%	-0.9%
Italia	0.2%	0.0%	-0.2%
Otros	0.0%	0.0%	0.0%
Total	15.8%	17.2%	1.4%

Supranational Exposure	Q2 2011	Q3 2011	Difference
Supranational	0.0%	0.0%	0.0%
Total	0.0%	0.0%	0.0%

Total	100.0%	100.0%	-
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	2007 ^(a)	2008	2009	2010	Q1	2011 Q2	Q3	Since Inception
Return in USD	8.86%	7.59%	2.28%	1.81%	1.74%	2.55%	-0.37%	5.41%
Benchmark in USD	9.10%	7.76%	2.63%	1.99%	1.71%	2.50%	-0.25%	5.63%
Excess return (bp)	-24	-17	-35	-18	3	5	-12	-22
Exchange rate (CLP)	-8.07%	26.80%	-19.50%	-7.52%	2.93%	-2.27%	9.34%	-1.02%
Return in CLP ^(b)	0.79%	34.39%	-17.22%	-5.71%	4.67%	0.28%	8.97%	4.39%

^(a) It's calculated from March 31, 2007, when the performance of Central Bank of Chile started to be measured.

^(b) Return in CLP corresponds to the sum of the percentage change of the exchange rate CLP/USD and the return in USD.

Q3 2011 ^(a)

Standard Deviation	6.75%
Tracking Error (expost) (bp)	20

^(a) Calculated from the last 30 monthly returns, annualized.

Other Flows in US\$	Q3 2011
Administration (BCCh)	-50,531
Custody (JP Morgan)	-45,206
Others	-20,000
Total Costs	-115,737
Securities Lending	304,678
Total Other flows	188,940

Source: Ministry of Finance based on JPMorgan and BCCh information

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 longterm 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.