



CÁMARA
CHILENO BRITÁNICA
DE COMERCIO

Chile at A Glance

Monthly Rolling Economic Electronic
Presentation

July 2022

BRITCHAM





Información

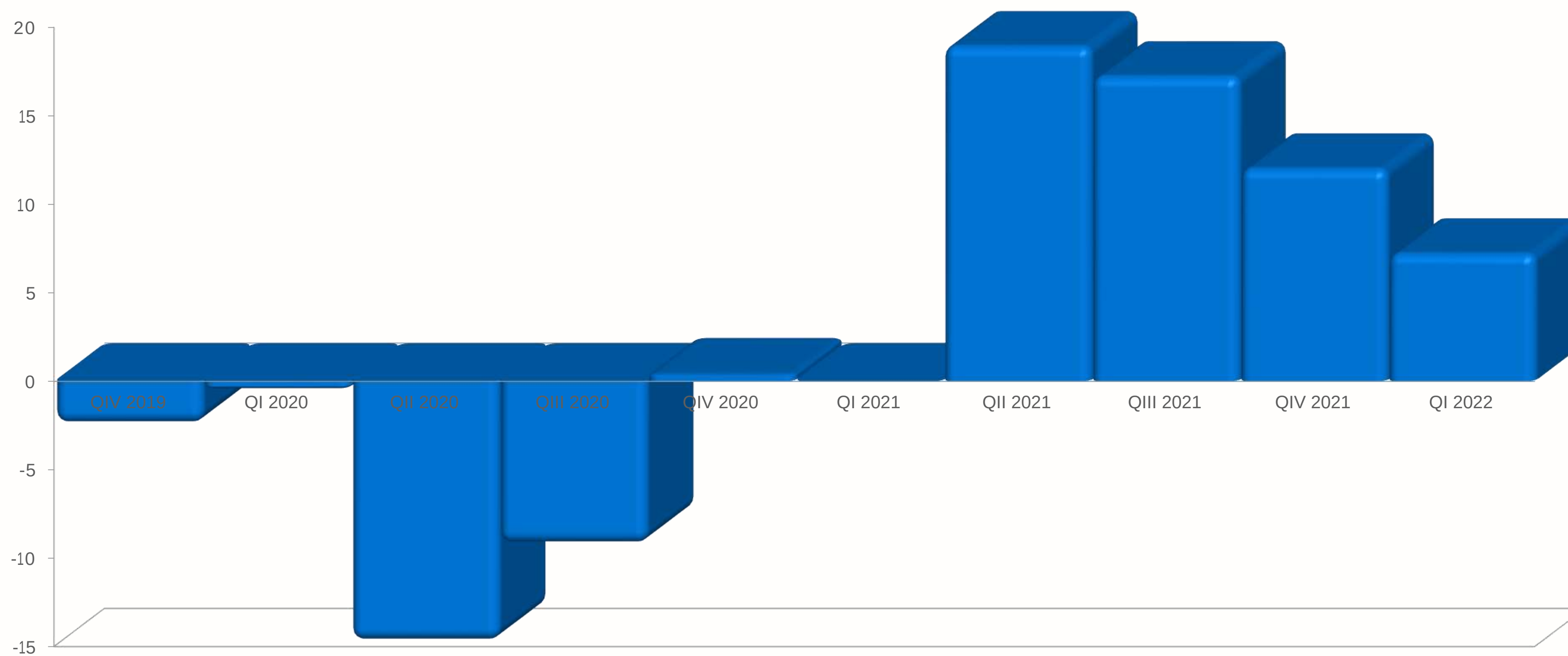
Current Economic Performance



Current Economy

GDP Growth

(% over same quarter previous year)

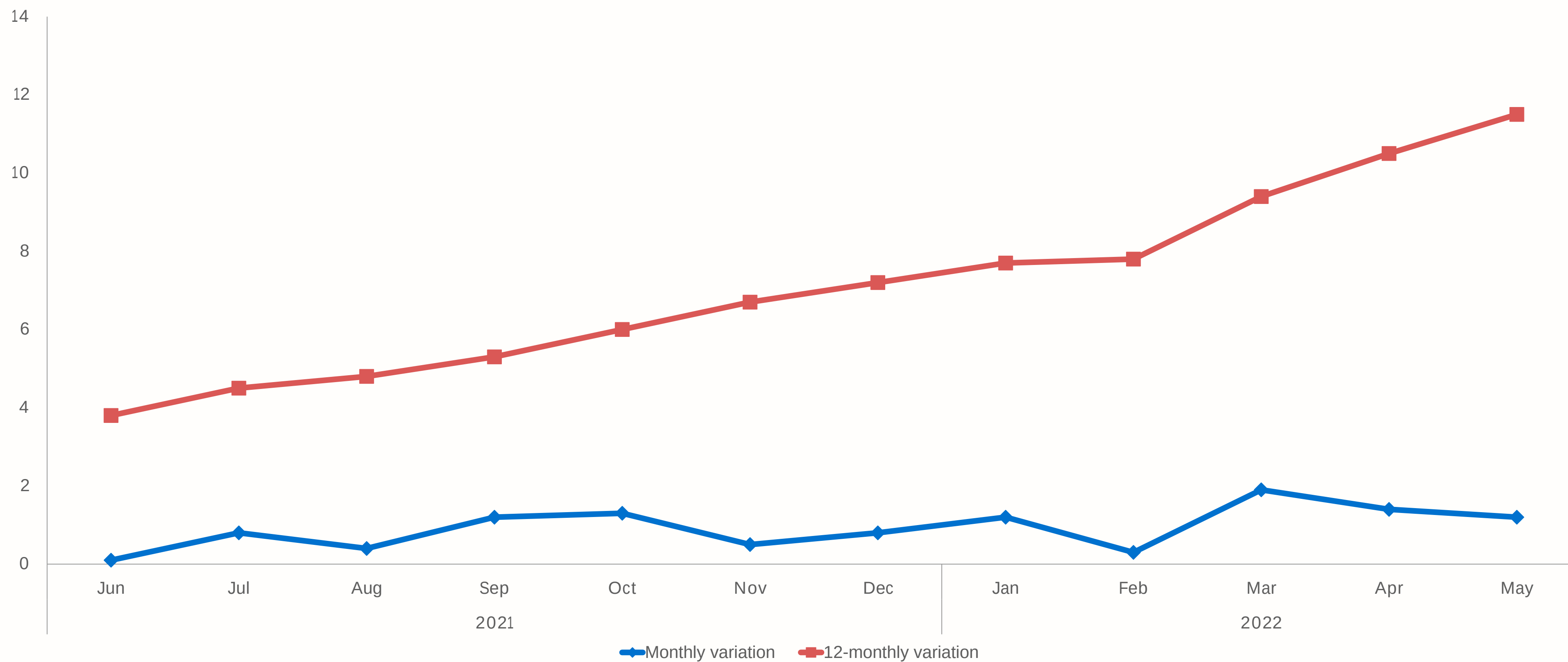


QIV 2019	QI 2020	QII 2020	QIII 2020	QIV 2020	QI 2021	QII 2021	QIII 2021	QIV 2021	QI 2022
-2.4	-0.5	-14.7	-9.2	0.4	0.0	18.9	17.2	12.0	7.2



Inflation (%)

Current Economy



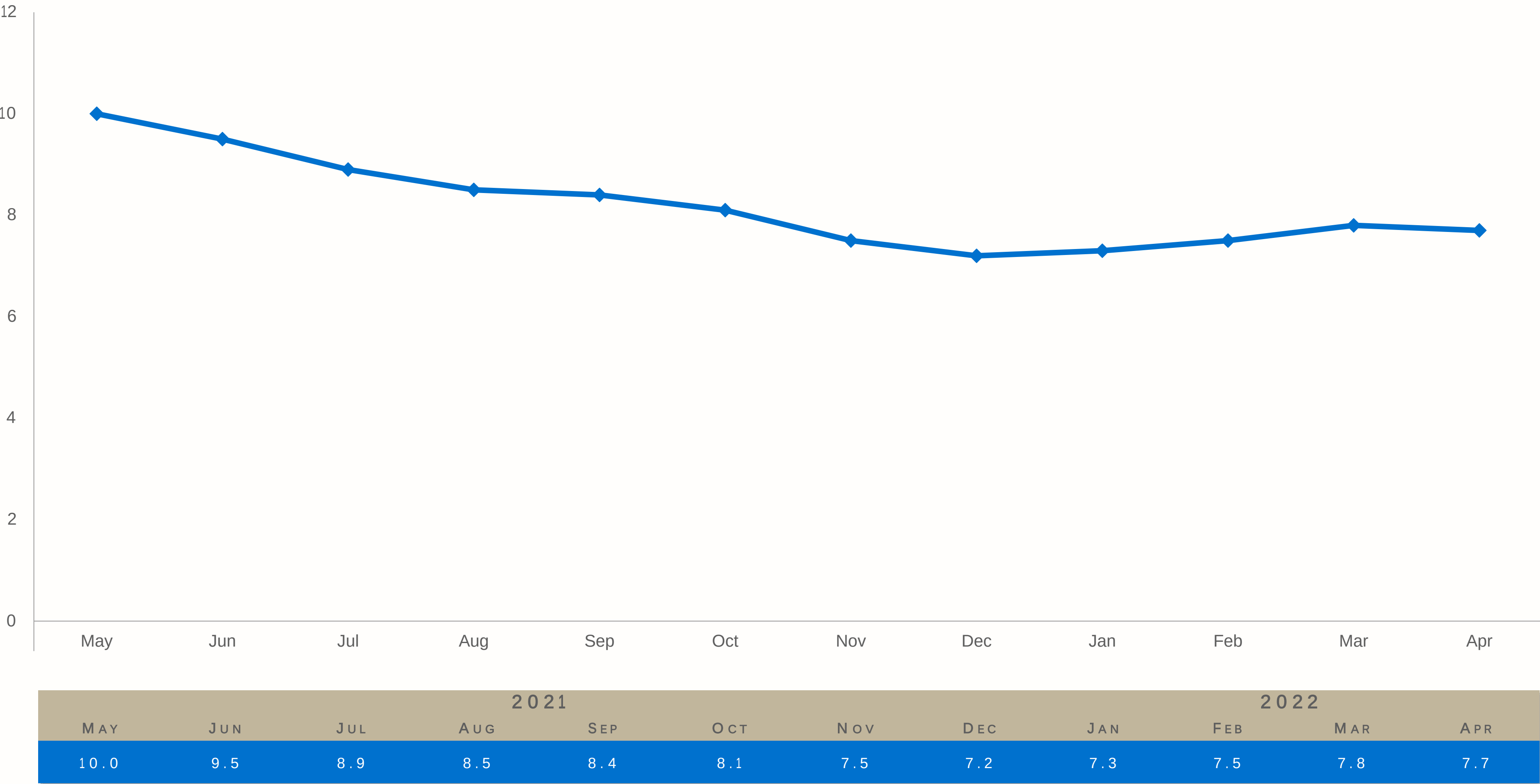
	2021						2022					
	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY
MONTHLY VARIATION	0.1	0.8	0.4	1.2	1.3	0.5	0.8	1.2	0.3	1.9	1.4	1.2
12-MONTHLY VARIATION	3.8	4.5	4.8	5.3	6.0	6.7	7.2	7.7	7.8	9.4	10.5	11.5



Unemployment

(3-month rolling average.%)

Current Economy

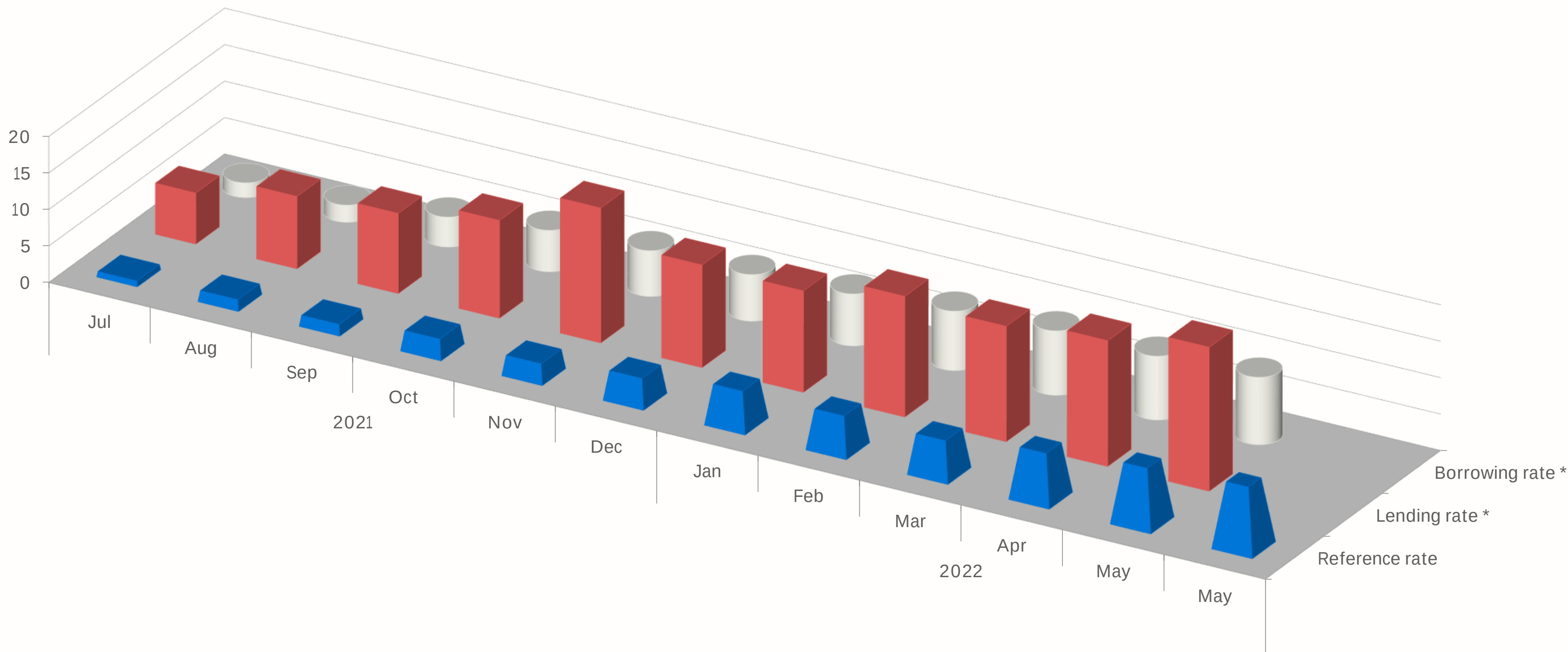




Domestic Interest Rates

(% annual rate, nominal)

Current Economy



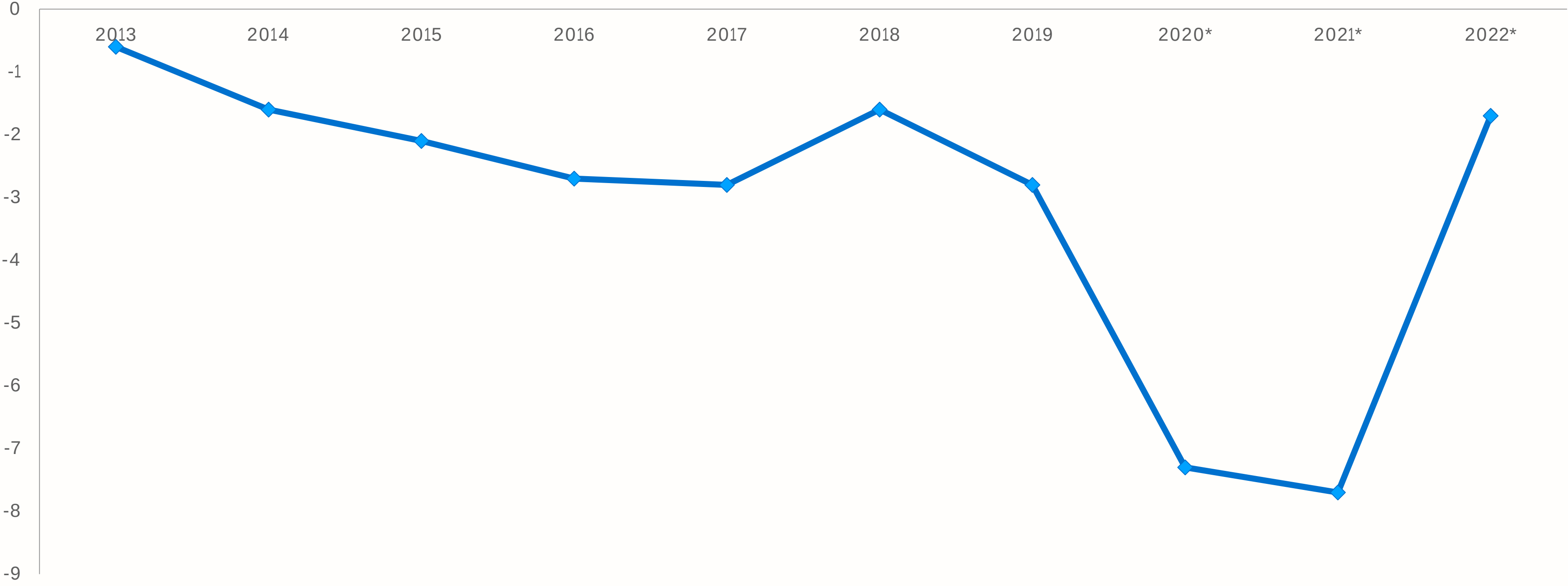
	2021						2022					
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
REFERENCE RATE	0.75	1.50	1.50	2.75	2.75	4.00	5.50	5.50	5.50	7.00	8.25	9.00
LENDING RATE *	7.00	9.92	10.98	13.40	18.49	14.08	13.92	16.56	15.84	17.26	19.75	NA
BORROWING RATE *	2.02	2.35	4.10	5.67	6.27	6.39	7.12	8.15	8.84	8.75	9.25	NA



Fiscal Balance

(% of GDP)

Current Economy



2013	2014	2015	2016	2017	2018	2019	2020	2021*	2022
- 0 . 6	- 1 . 6	- 2 . 1	- 2 . 7	- 2 . 8	- 1 . 6	- 2 . 8	- 7 . 3	- 7 . 7	* - 1 . 7

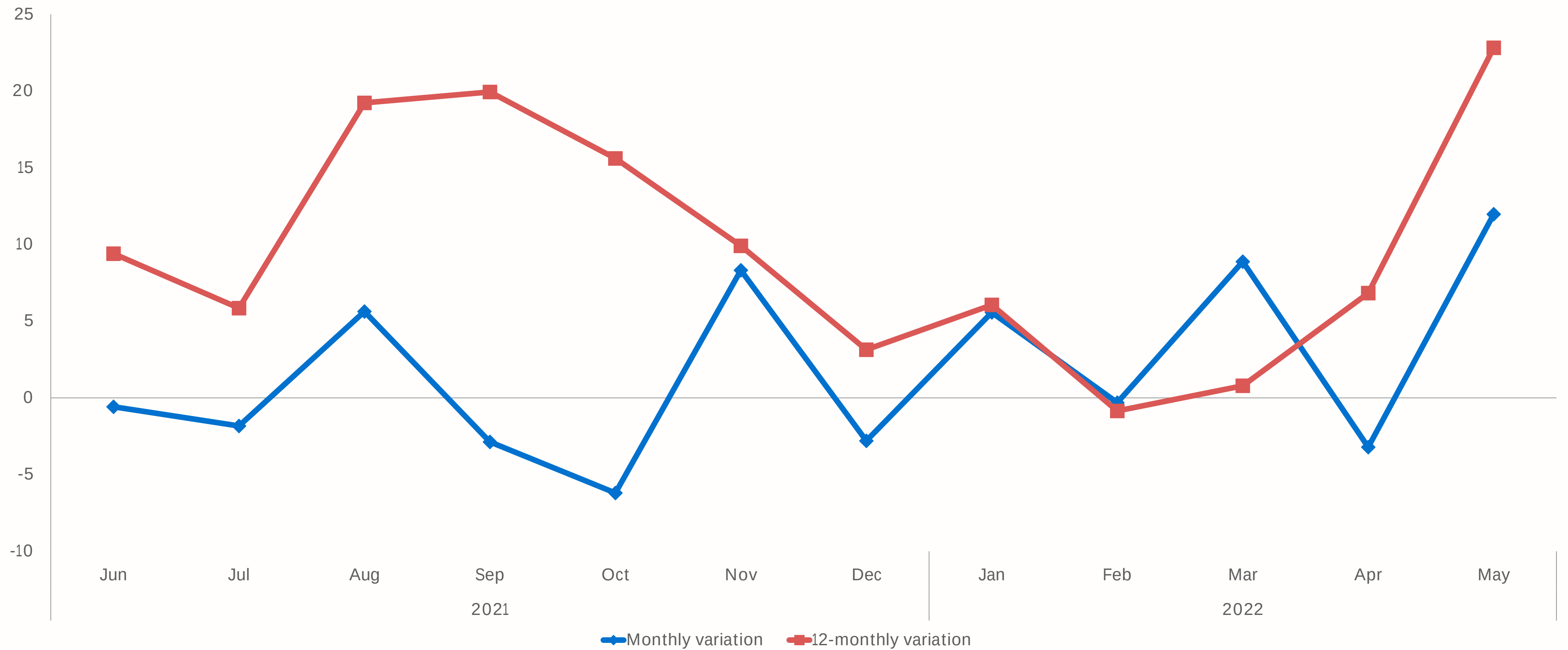
* Estimated by Ministry of Finance. May 2022.

Source: Ministry of Finance.



Selective Share Price Index (IPSA) (%)

Current Economy



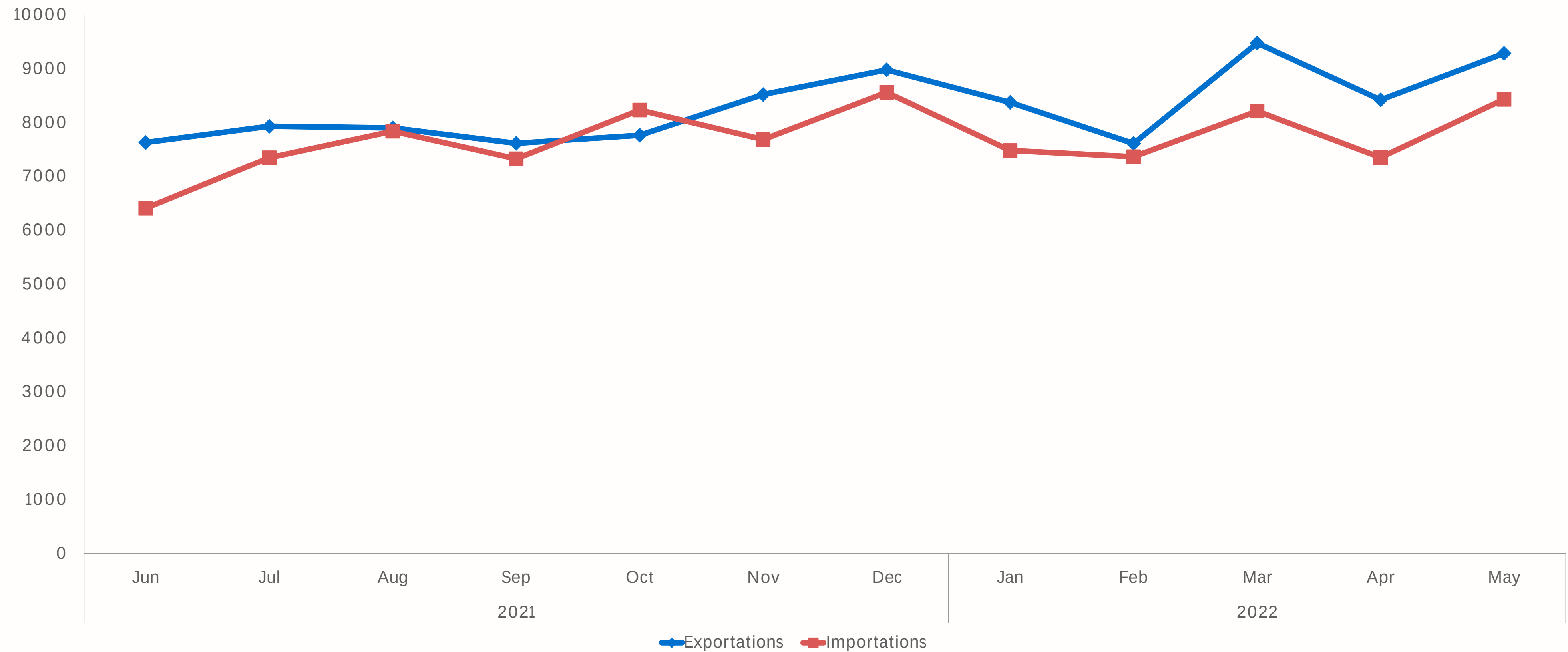
	2021						2022					
	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY
MONTHLY VARIATION	-0.58	-1.83	5.63	-2.87	-6.20	8.32	-2.80	5.57	-0.31	8.88	-3.21	11.97
12-MONTHLY VARIATION	9.40	5.85	19.23	19.94	15.61	9.91	3.14	6.06	-0.85	0.79	6.83	22.82



Exports and Imports

(monthly, US\$ million)

Current Economy



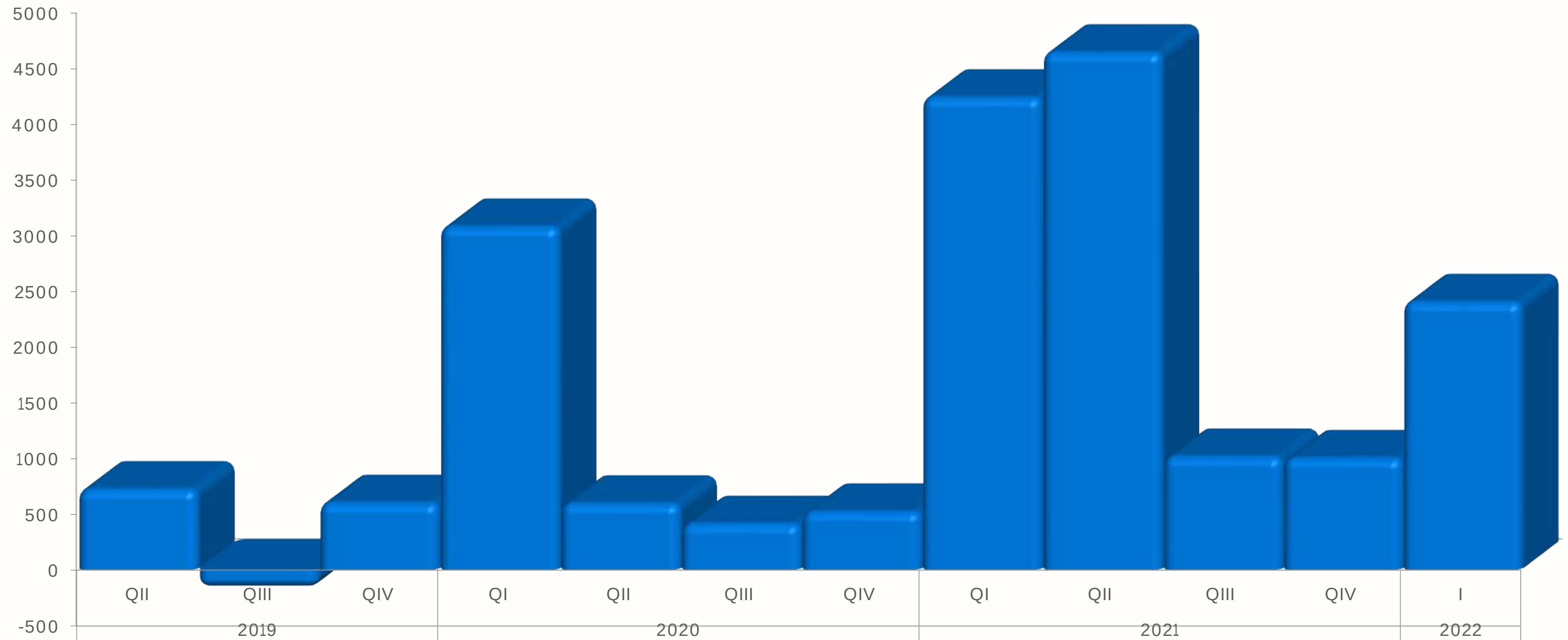
	2021							2022				
	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY
EXPORTATIONS	7,635	7,937	7,906	7,620	7,770	8,526	8,984	8,379	7,617	9,481	8,427	9,289
IMPORTATIONS	6,411	7,352	7,845	7,333	8,238	7,690	8,567	7,487	7,371	8,218	7,356	8,437



Current Economy

Quarterly Trade Balance, 2019-2022

(US\$ million)



2019			2020			2021			2022	
Q II	Q III	Q IV	Q I	Q II	Q III	Q IV	Q I	Q II	Q III	Q IV
722	-162	600	3,079	5,950	4,120	5,220	4,239	4,643	1,015	1,002



Copper Price

(LME, monthly average, US\$/lb)

Current Economy



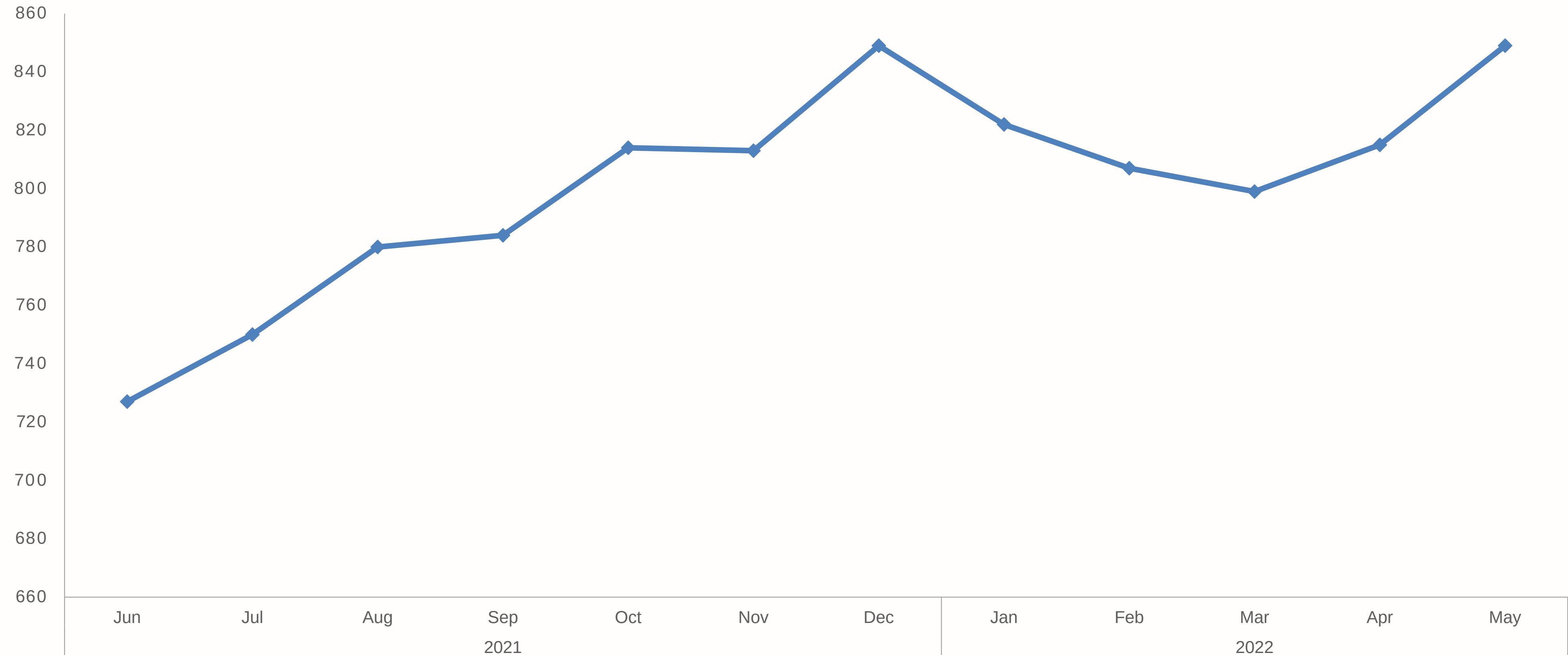
2021							2022				
JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY
4.36	4.28	4.24	4.23	4.44	4.43	4.33	4.43	4.51	4.64	4.62	4.25



Exchange Rate

(Monthly average, pesos/US\$)

Current Economy



2021							2022				
JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY
727	750	780	784	814	813	849	822	807	799	815	849

Source: Central Bank of Chile



Summary of Central Bank Forecasts, 2022

Current Economy

GDP GROWTH (%)	1.50 / 2.25
INFLATION (YEAR-END, %)	10.0
TRADE BALANCE (YEAR-END, US\$ MILLION)	9.7
COPPER PRICE (ANNUAL AVERAGE, US\$/LB)	4.25
CURRENT ACCOUNT BALANCE (% OF GDP)	-6.6



Current Economy

Resumen de Pronósticos Privados, 2022*

GDP GROWTH (ANNUAL, %)	1.5
INFLATION (ANNUAL, %)	8.9
REFERENCE INTEREST RATE (ANNUAL NOMINAL %, YEAR-END)	8.75
EXCHANGE RATE (PESOS/DOLLAR, 2022)	825

* Average private forecasts as surveyed by Central Bank, June 2022



Informati**ón**

Chile at a Glance

Background



Background

Four main geographic areas with different economic activities:

- North (Atacama Desert): mining, principally copper and nitrates
- Central Valley, with Santiago (capital and seat of government) and Valparaíso (port and seat of Congress): manufacturing, agriculture, wine production and agribusiness
- South: forestry, salmon farming, fishing, agriculture and, in Concepción, petrochemicals and steel production
- Fjords and Tierra del Fuego: tourism, agriculture, fishing, gas and oil production, coal mining.





Background

The Chileans

Population: 19,8 millones (2022)

Language: Spanish

Literacy: 96.4% (2017)

Poverty: 13.7% (2020)

Life expectancy: 79.7 years

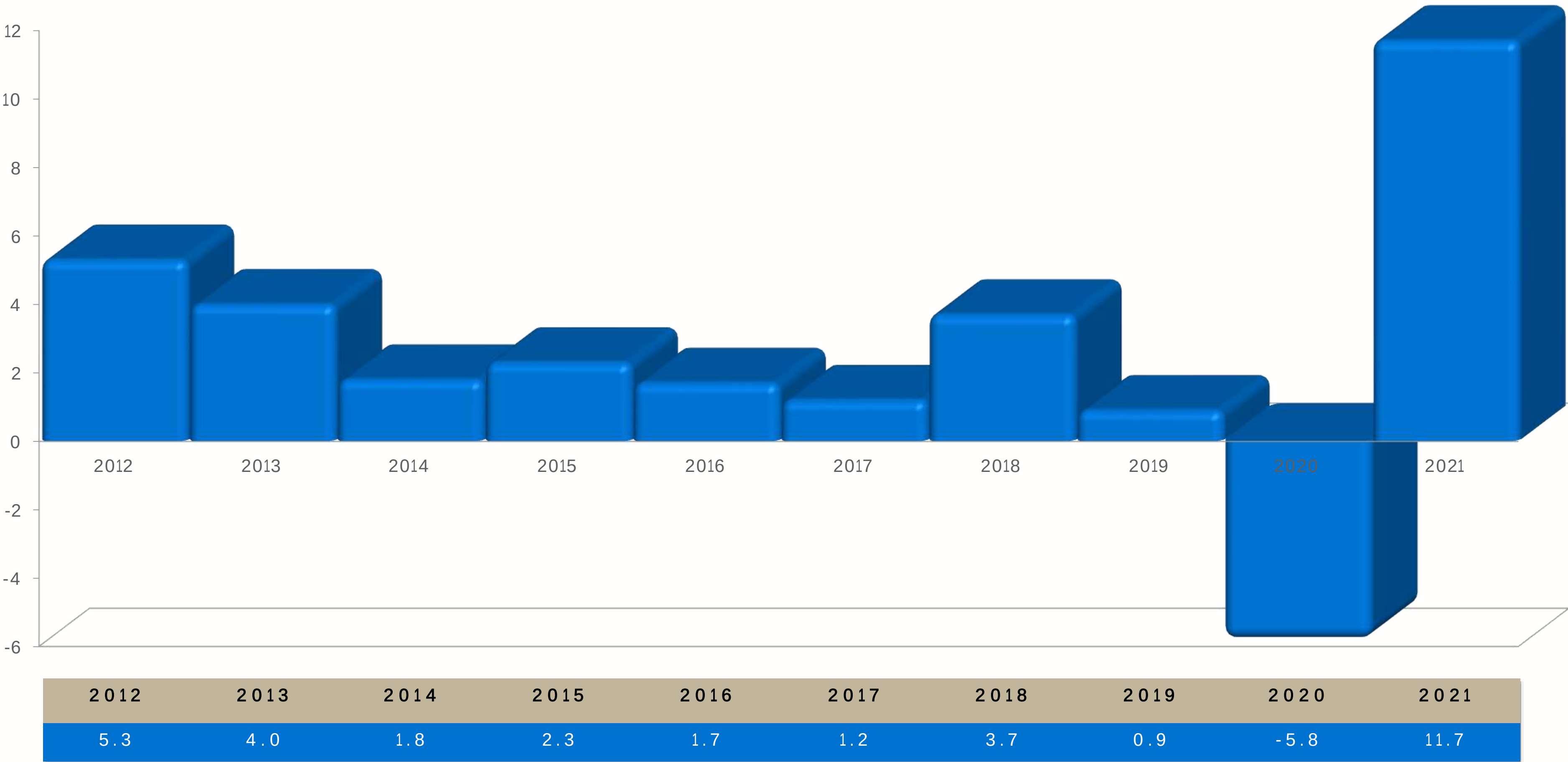
Indigenous population: 12.8%





Economy

Background



Source: Central Bank of Chile

GDP per capita (PPP) 2020 = US\$25.110*
Labour force = 9,4 millones

* Estimated by World Bank..



Background

Macroeconomic Framework

Monetary Policy:

Autonomous Central Bank, responsible for means of payment and price level

Inflation-targeting policy: 2%-4% over 24-month horizon

Overnight interest rate set in nominal terms at monthly monetary policy meeting.

Fiscal Policy:

Structural fiscal rule in force since 2001

Government spending tied to structural (non-cyclical) income

Non-cyclical income calculated on basis of trend growth and expected copper price over next ten years (both estimated by committee of independent experts).



Background

Macroeconomic Framework

Exchange Rate Policy:

Floating exchange rate since 1999

Central Bank retains right to intervene directly in foreign currency market in case of severe fluctuations

No capital controls.

Trade Policy:

Open economy

26 trade agreements with 64 countries, including Free Trade Agreements with main trading partners

Flat-rate tariff of 6% on imports from other countries.



Macroeconomic Framework

Background

FDI Policy:

DL 600 Foreign Investment Statute: investors sign individual contract with state of Chile *

Semi-integrated tax system: Corporate tax serves as credit against withholding tax

Double taxation avoidance agreements in force with 25 countries.



International Rankings

Background

UN HUMAN DEVELOPMENT REPORT 2020		
1		NORWAY
2		IRELAND
3		SWITZERLAND
13		UNITED KINGDOM
25		SPAIN
43		CHILE
46		ARGENTINA
79		PERU
84		BRAZIL

Source: UNPD

WORLD COMPETITIVENESS YEARBOOK 2021		
1		SWITZERLAND
2		SWEDEN
3		DENMARK
18		UNITED KINGDOM
44		CHILE
55		MEXICO
56		COLOMBIA
57		BRAZIL

Source: Institute for Management Development

GLOBAL COMPETITIVENESS REPORT 2019		
1		SINGAPORE
2		UNITED STATES
3		HONG KONG
6		JAPAN
9		UNITED KINGDOM
23		SPAIN
33		CHILE
48		MEXICO
65		PERU
83		ARGENTINA

Source: World Economic Forum



SOVEREIGN RISK

Background

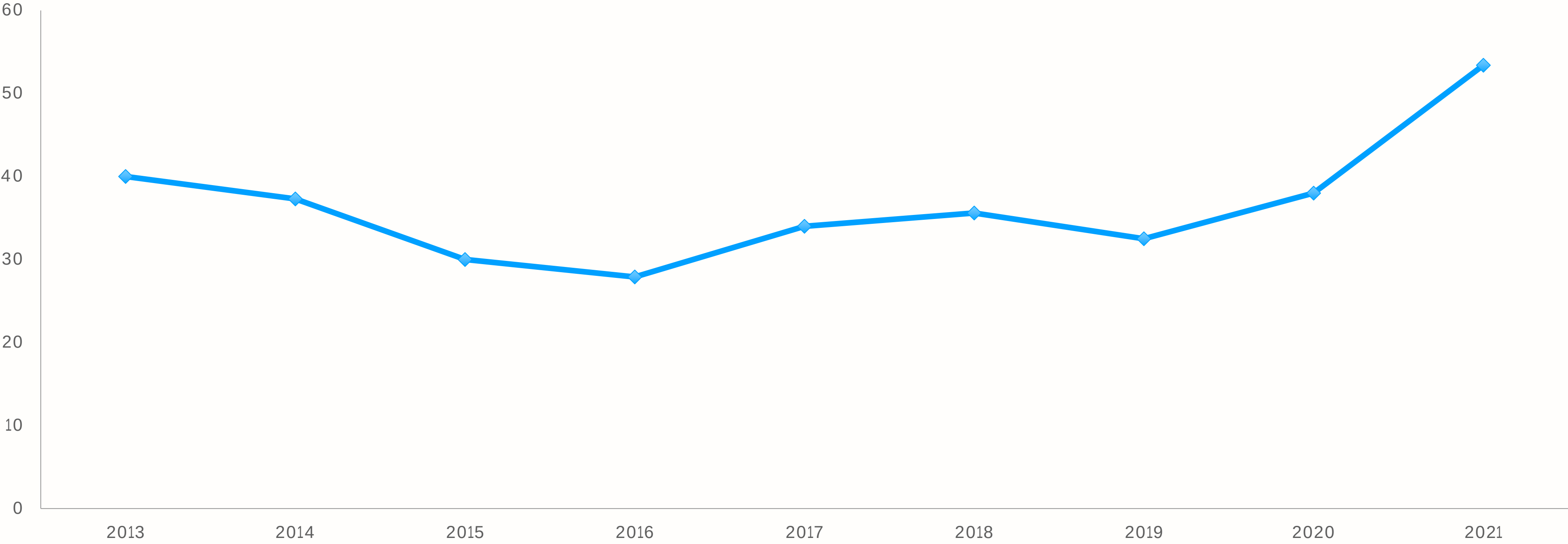
CHILE'S SOVEREIGN RATINGS	
(MAY 2022)	
FITCH RATINGS	A- (STABLE)
STANDARD & POOR'S	A (STABLE)
MOODY'S	A1 (NEGATIVE)
JCR	AA- (STABLE)



International Trade

Background

Exports, 2013-2021
(US\$ billion)



	2013	2014	2015	2016	2017	2018	2019	2020	2021
COPPER	40.0	37.3	30.0	27.9	34.0	35.6	32.5	38.0	53.4
TOTAL	76.8	75.1	62.0	60.7	68.8	74.7	68.8	73.5	94.7

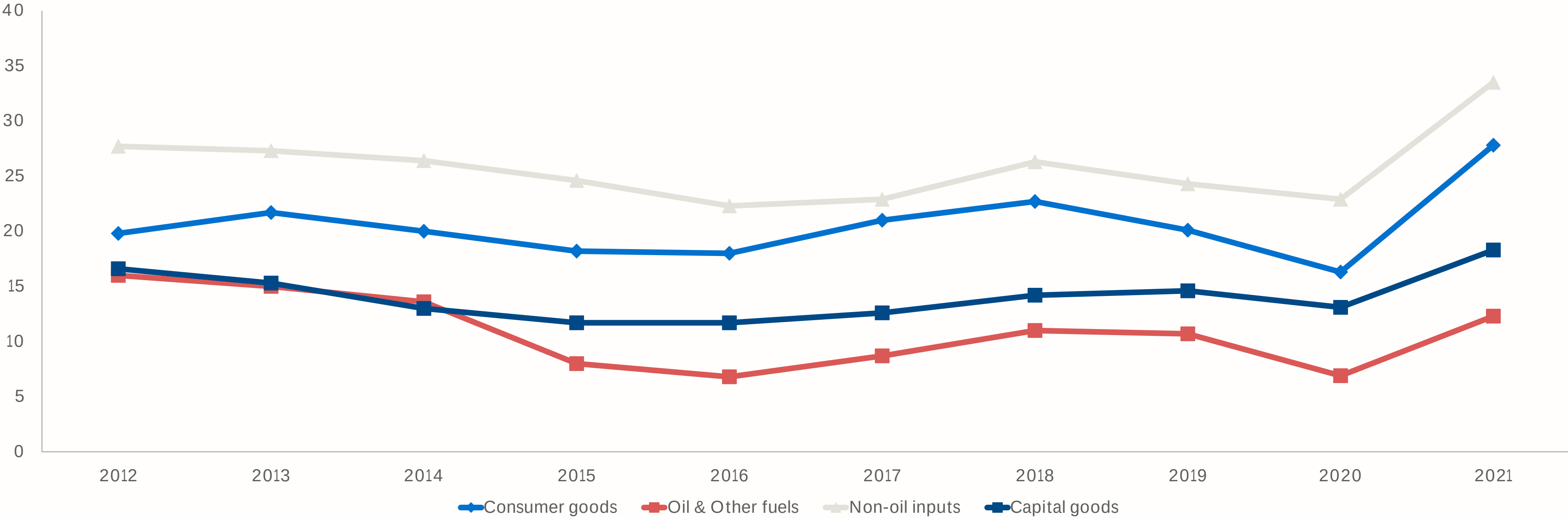
Source: Central Bank of Chile.



Un Vistazo de Chile

International Trade

Imports, 2012 - 2021 (US\$ billion)



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
CONSUMER GOODS	19.8	21.7	20.0	18.2	18.0	21.0	22.7	20.1	16.3	27.8
OIL & OTHER FUELS	16.0	15.0	13.6	8.0	6.8	8.7	11.0	10.7	6.9	12.3
NON-OIL INPUTS	27.7	27.3	26.4	24.6	22.3	22.9	26.3	24.3	22.9	33.5
CAPITAL GOODS	16.6	15.3	13.0	11.7	11.7	12.6	14.2	14.6	13.1	18.3
TOTAL	75.5	74.7	68.6	58.7	55.4	61.4	70.1	65.5	55.1	83.8



Comercio Internacional

Background

MAIN TRADING PARTNERS, 2021			
EXPORTS		IMPORTS	
US\$ BILLION		US\$ BILLION	
CHINA	35,4	CHINA	25,4
UNITED STATES	15,0	UNITED STATES	15,2
JAPAN	7,2	BRAZIL	7,7
SOUTH KOREA	4,7	ARGENTINA	4,9

CHILE-UK TRADE 2015-2021 (US\$ MILLION)		
	EXPORTS TO UK	IMPORTS FROM UK
2015	656	516
2016	622	446
2017	579	534
2018	681	639
2019	621	557
2020	574	478
2021	635	621



Information

Feedback / Comentarios:

Por favor contactar vía email
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