CÁMARA
CHILENO BRITÁNICA
DE COMERCIO

Chile at A Glance

Monthly Rolling Economic Electronic Presentation

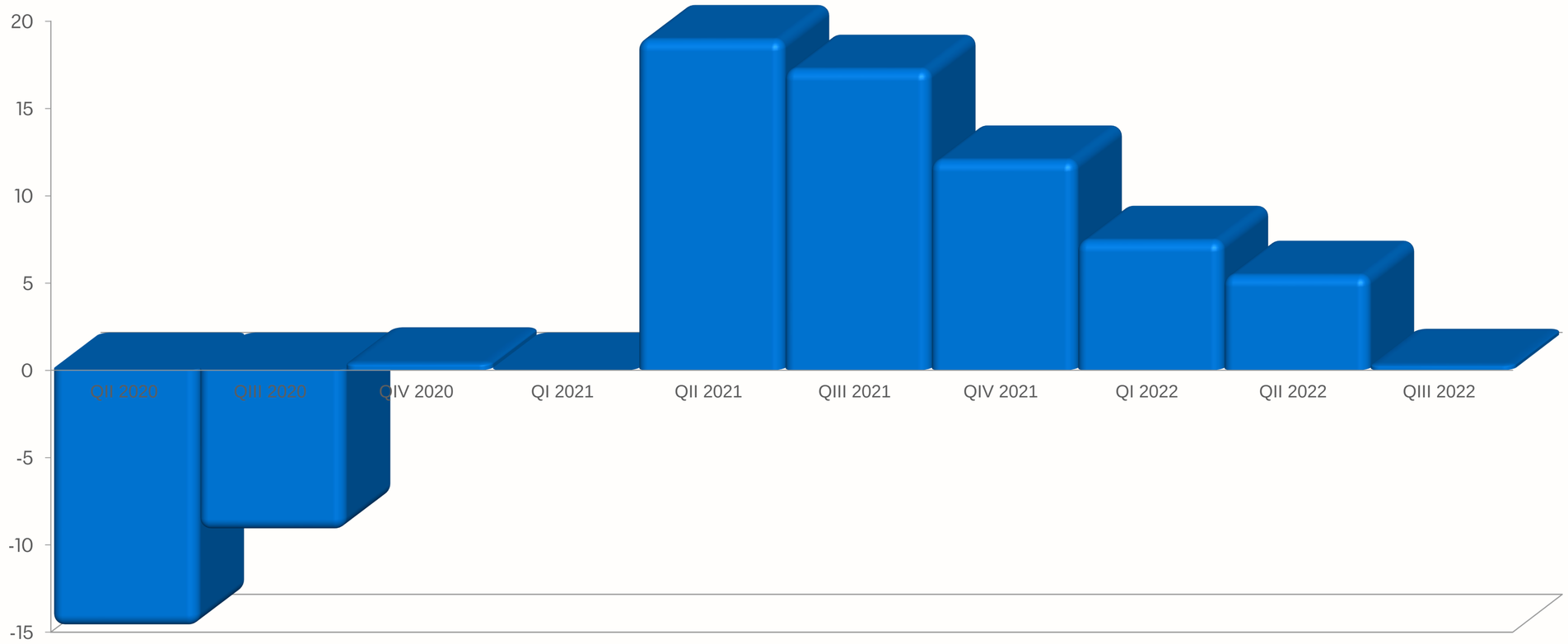
March 2023

BRITCHAM

Current Economic Performance

GDP Growth

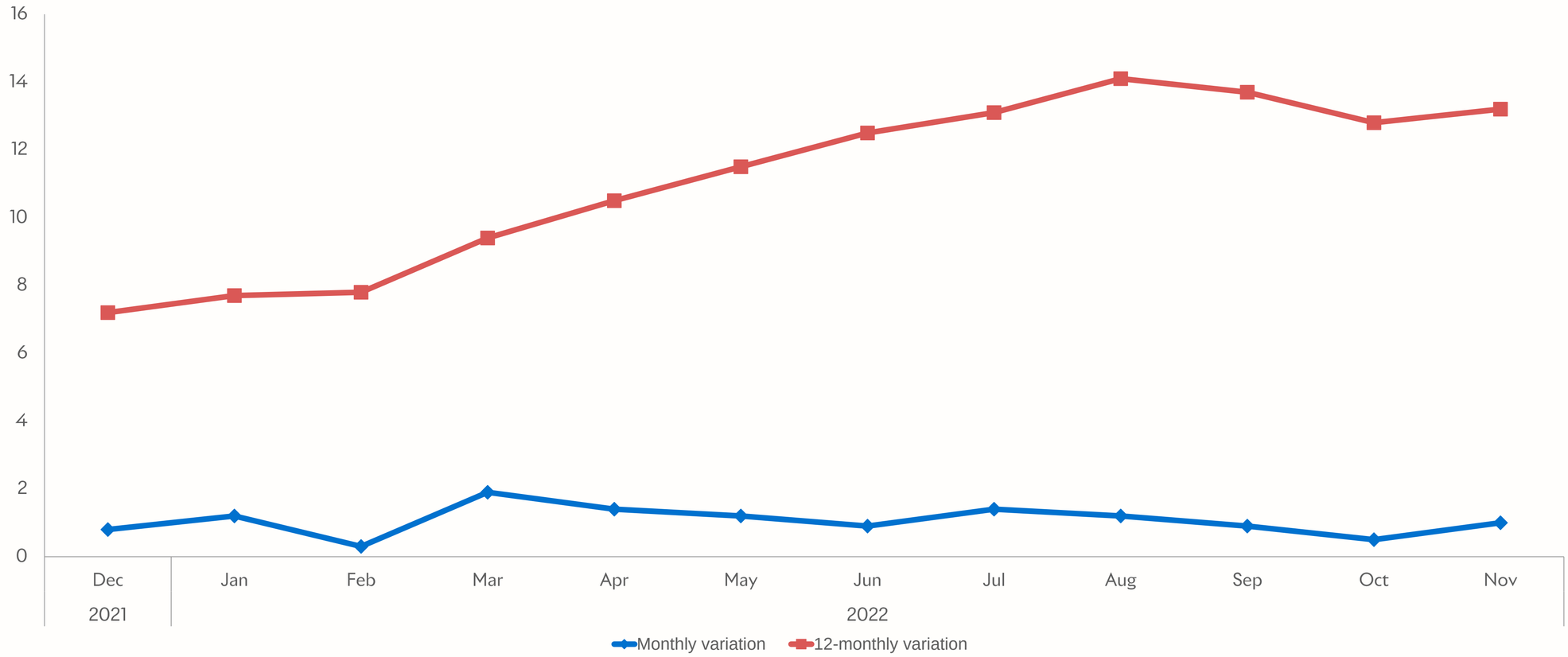
(% over same quarter previous year)



2020			2021				2022		
QII	QIII	QIV	QI	QII	QIII	QIV	QI	QII	QIII
-14.7	-9.2	0.4	0.0	18.9	17.2	12.0	7.4	5.4	0.3

Source: Central Bank of Chile.

Inflation (%)

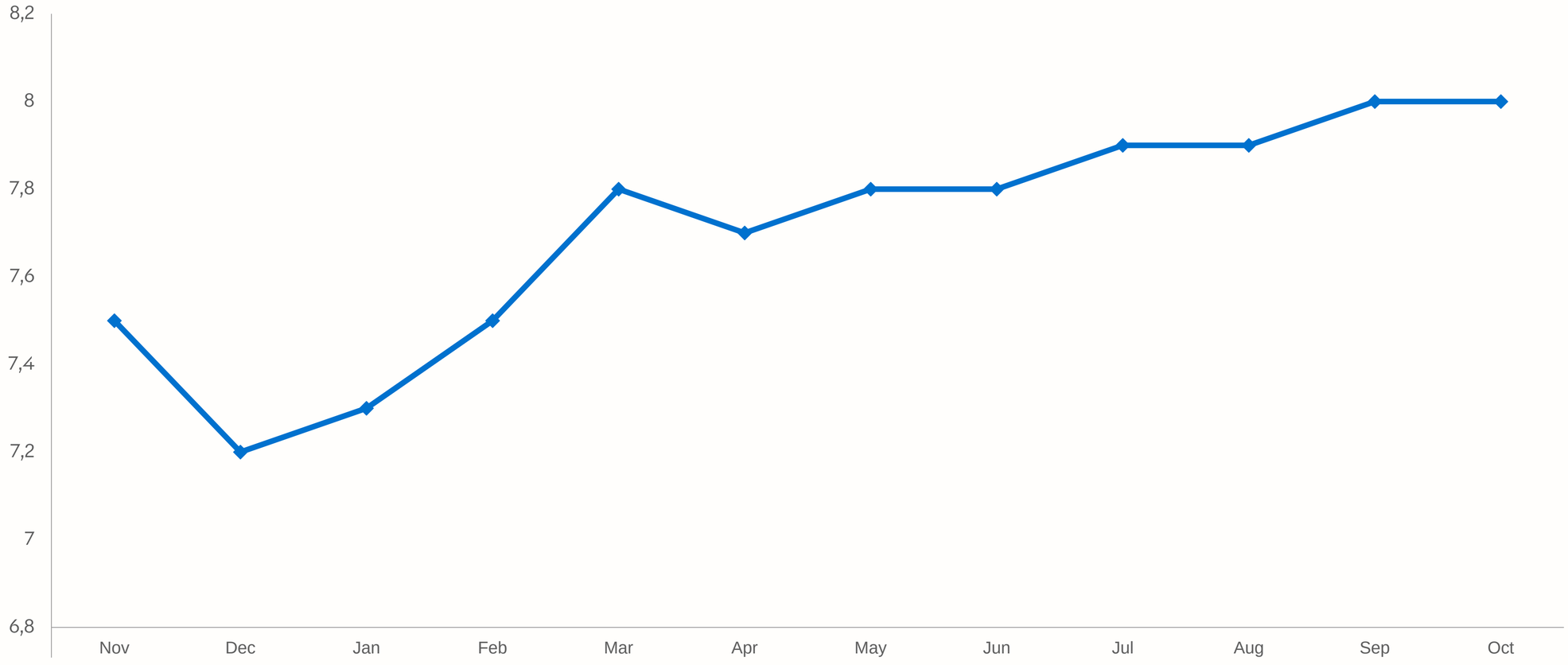


	2021	2022										
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Monthly variation	0.8	1.2	0.3	1.9	1.4	1.2	0.9	1.4	1.2	0.9	0.5	1.0
12-monthly variation	7.2	7.7	7.8	9.4	10.5	11.5	12.5	13.1	14.1	13.7	12.8	13.2

Source: National Statistics Institute (INE)

Unemployment

(3-month rolling average.%)

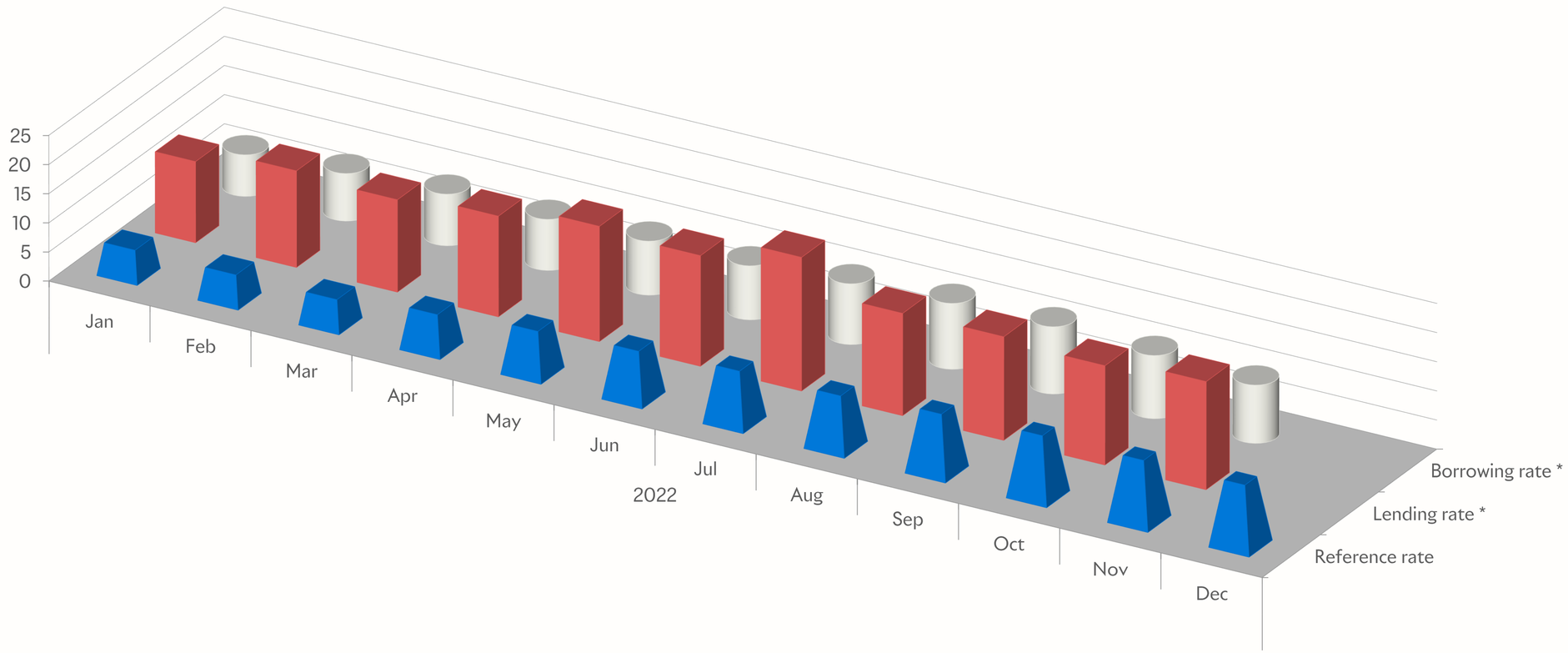


2021		2022									
Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
7.5	7.2	7.3	7.5	7.8	7.7	7.8	7.8	7.9	7.9	8.0	8.0

Source: National Statistics Institute (INE).

Domestic Interest Rates

(% annual rate, nominal)



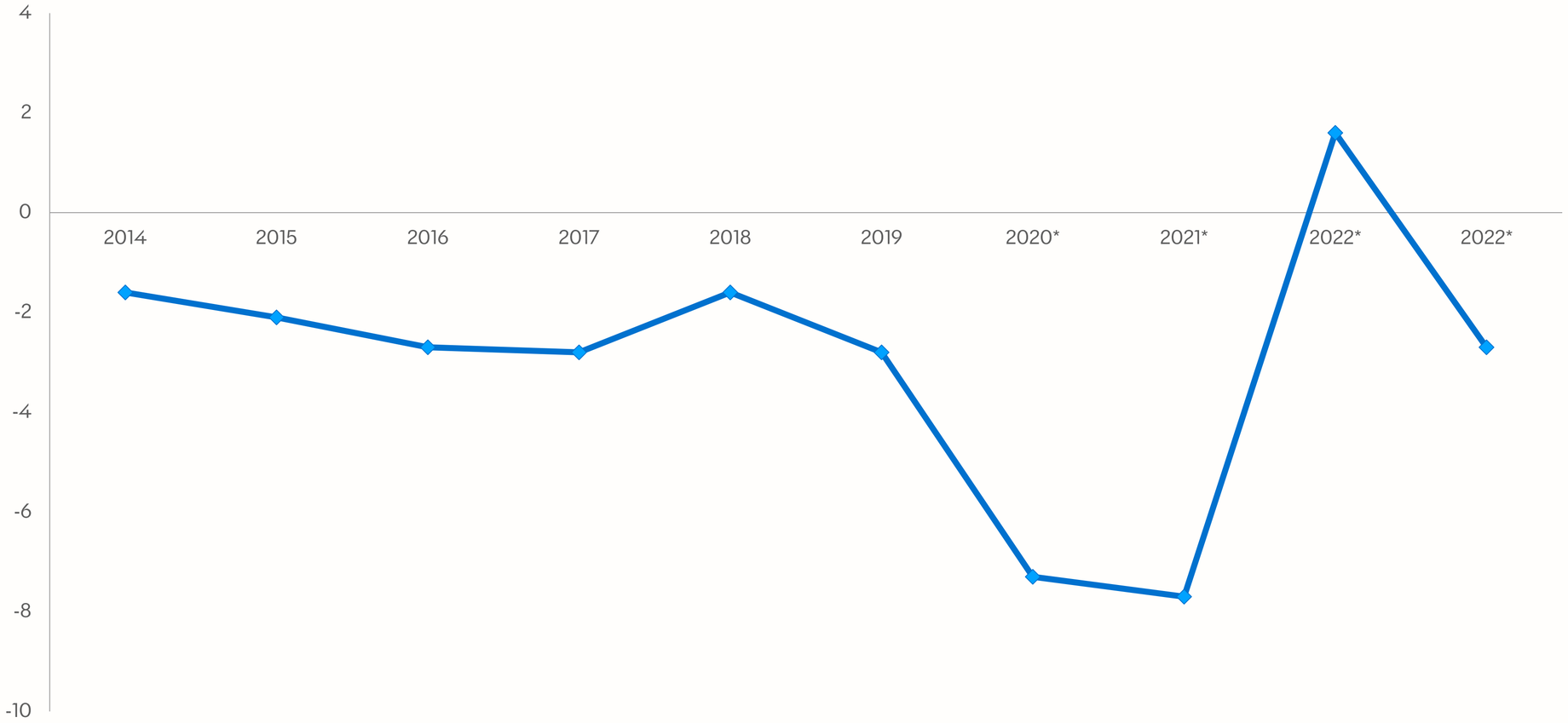
	2022											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Reference rate	5.50	5.50	5.50	7.00	8.25	9.00	9.75	9.75	10.75	11.25	11.25	11.25
Lending rate *	13.92	16.56	15.84	17.26	19.75	18.96	22.90	17.54	17.77	17.05	18.57	NA
Borrowing rate *	7.12	8.15	8.84	8.75	9.25	9.50	10.41	11.29	11.52	10.83	10.00	NA

*Loan/deposits with maturity of 1-3 years.

Source: Central Bank of Chile

Fiscal Balance

(% of GDP)

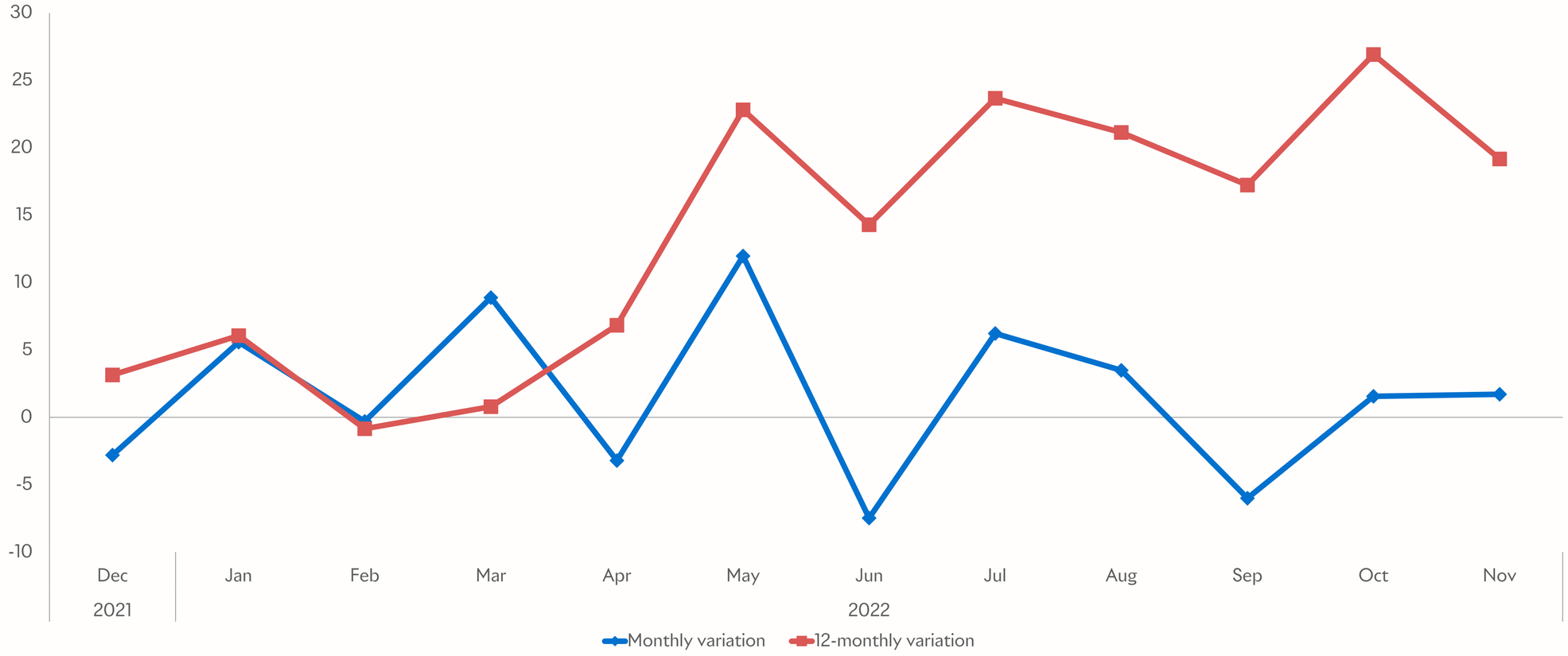


2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
-1.6	-2.1	-2.7	-2.8	-1.6	-2.8	-7.3	-7.7	*1.6	*-2.7

* Estimated by Ministry of Finance. October 2022.

Source: Ministry of Finance.

Selective Share Price Index (IPSA) (%)

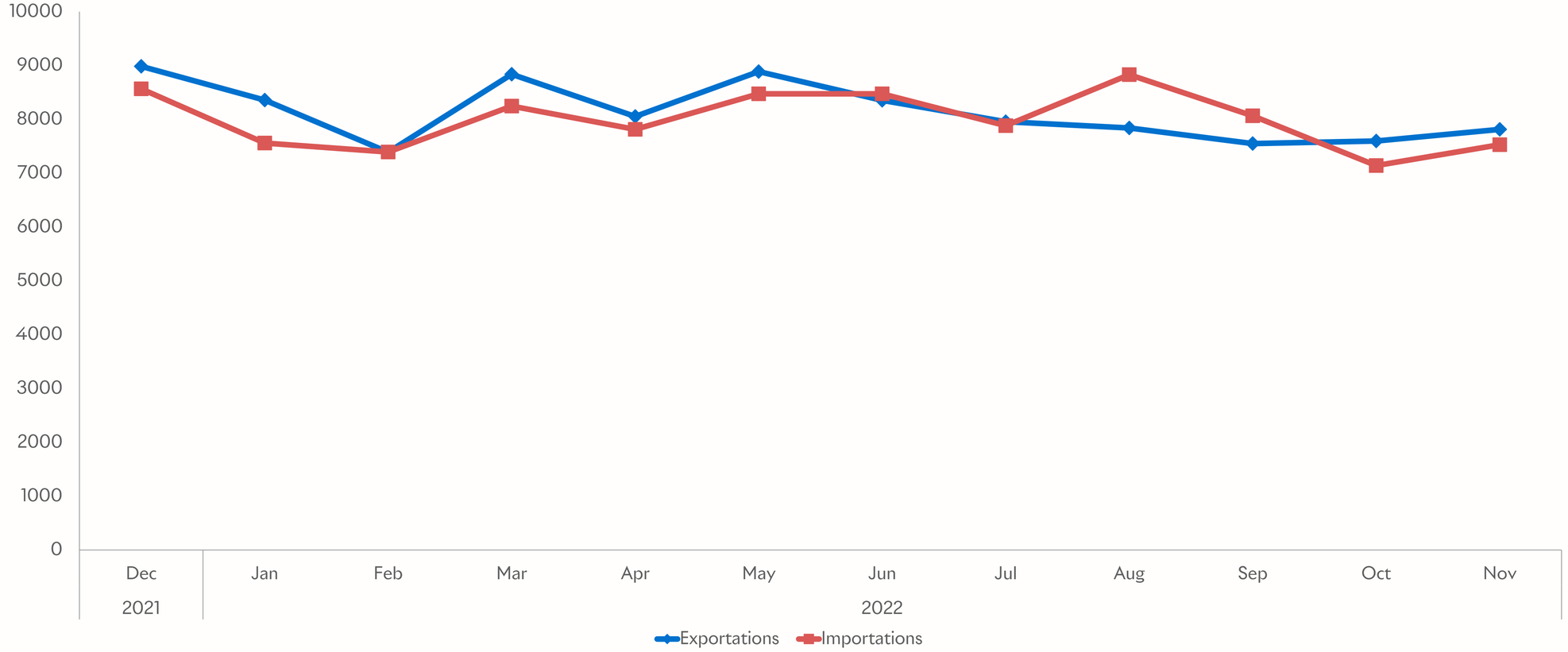


	2021 Dec	Jan	Feb	Mar	Apr	May	2022 Jun	Jul	Aug	Sep	Oct	Nov
Monthly variation	-2.80	5.57	-0.31	8.88	-3.21	11.97	-7.48	6.22	3.48	-6.01	1.56	1.71
12-monthly variation	3.14	6.06	-0.85	0.79	6.83	22.82	14.29	23.67	21.14	17.23	26.92	19.17

Source: Santiago Stock Exchange.

Exports and Imports

(monthly, US$ million)

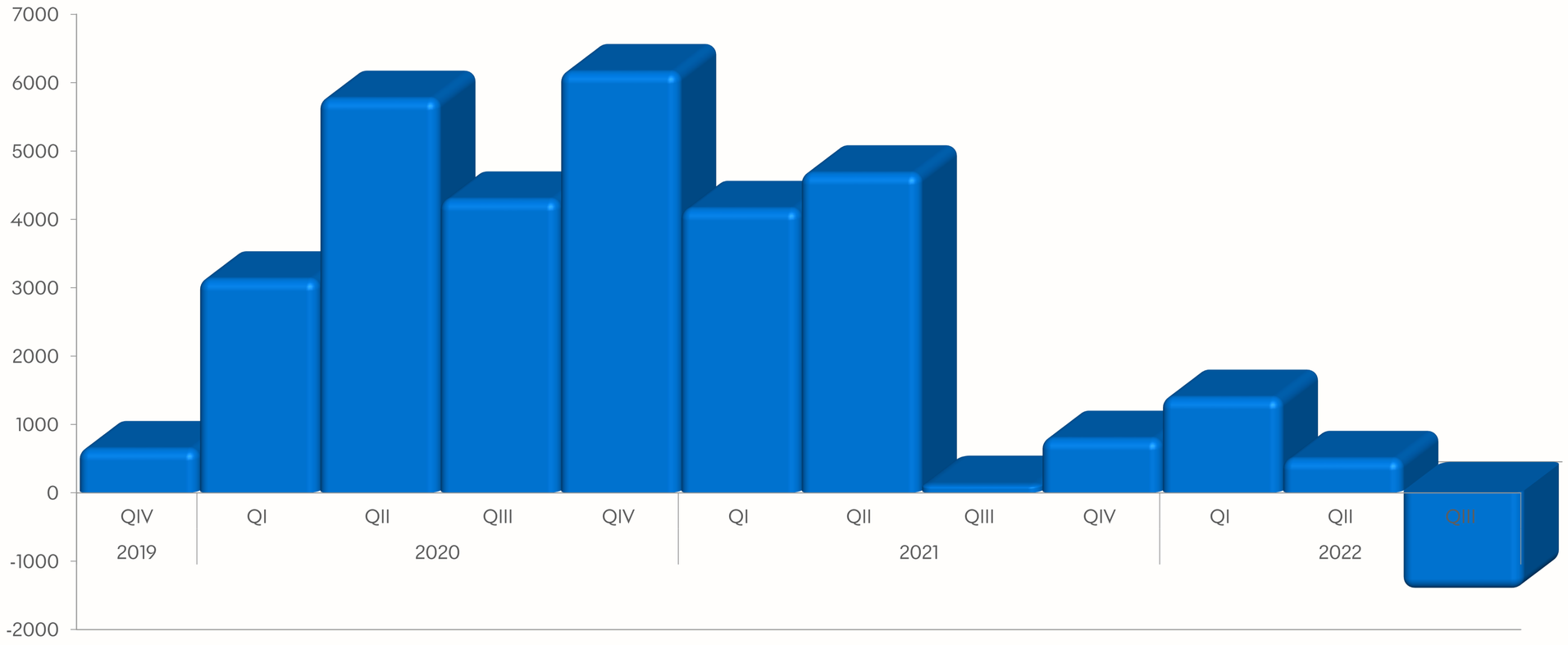


	2021		2022										
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Exportations	8,526	8,984	8,357	7,391	8,837	8,054	8,887	8,354	7,957	7,840	7,551	7,598	7,813
Importations	7,690	8,567	7,560	7,394	8,246	7,813	8,473	8,473	7,882	8,830	8,065	7,141	7,528

Source: Santiago Stock Exchange.

Quarterly Trade Balance, 2019-2022

(US$ million)

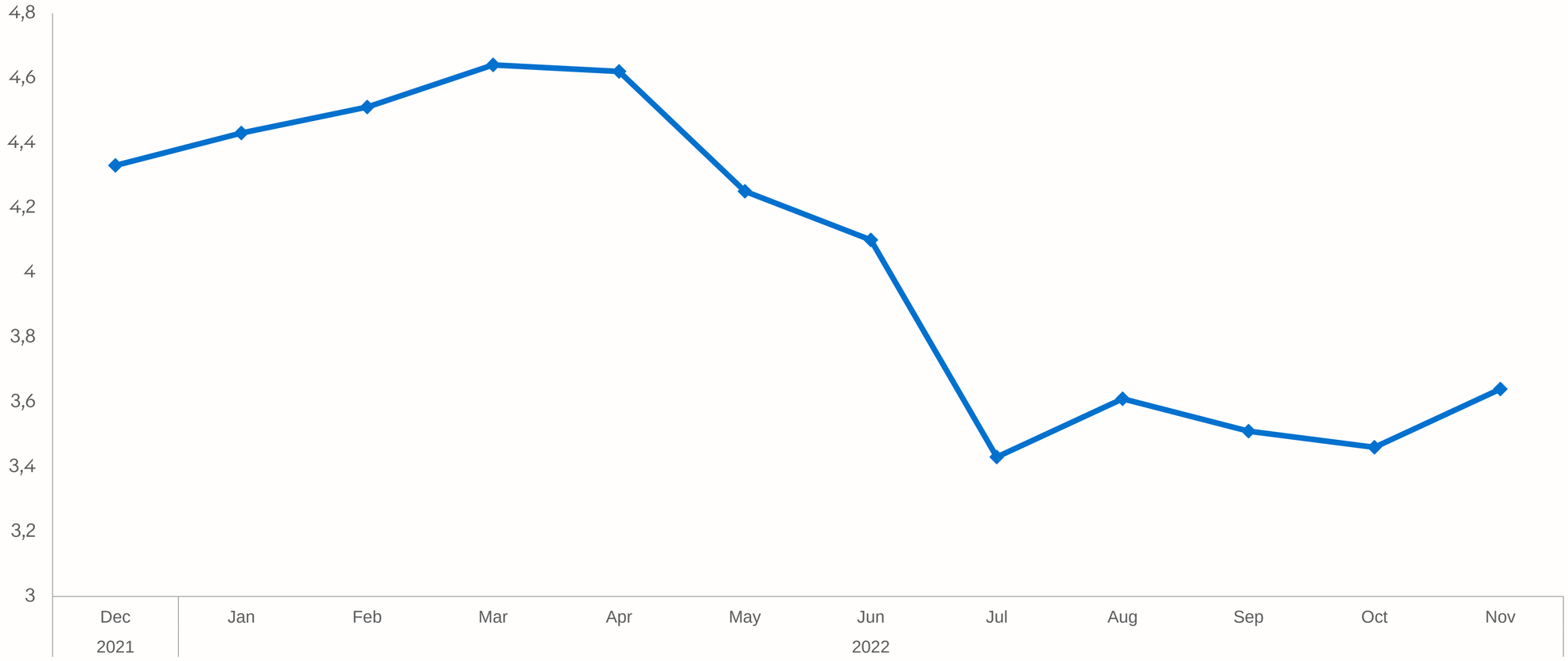


2019	2020				2021				2022		
QIV	QI	QII	QIII	QIV	QI	QII	QIII	QIV	QI	QII	QIII
634	3,115	5,755	4,282	6,145	4,145	4,665	119	785	1,385	490	-1,427

Source: Central Bank of Chile

Copper Price

(LME, monthly average, US$/lb)

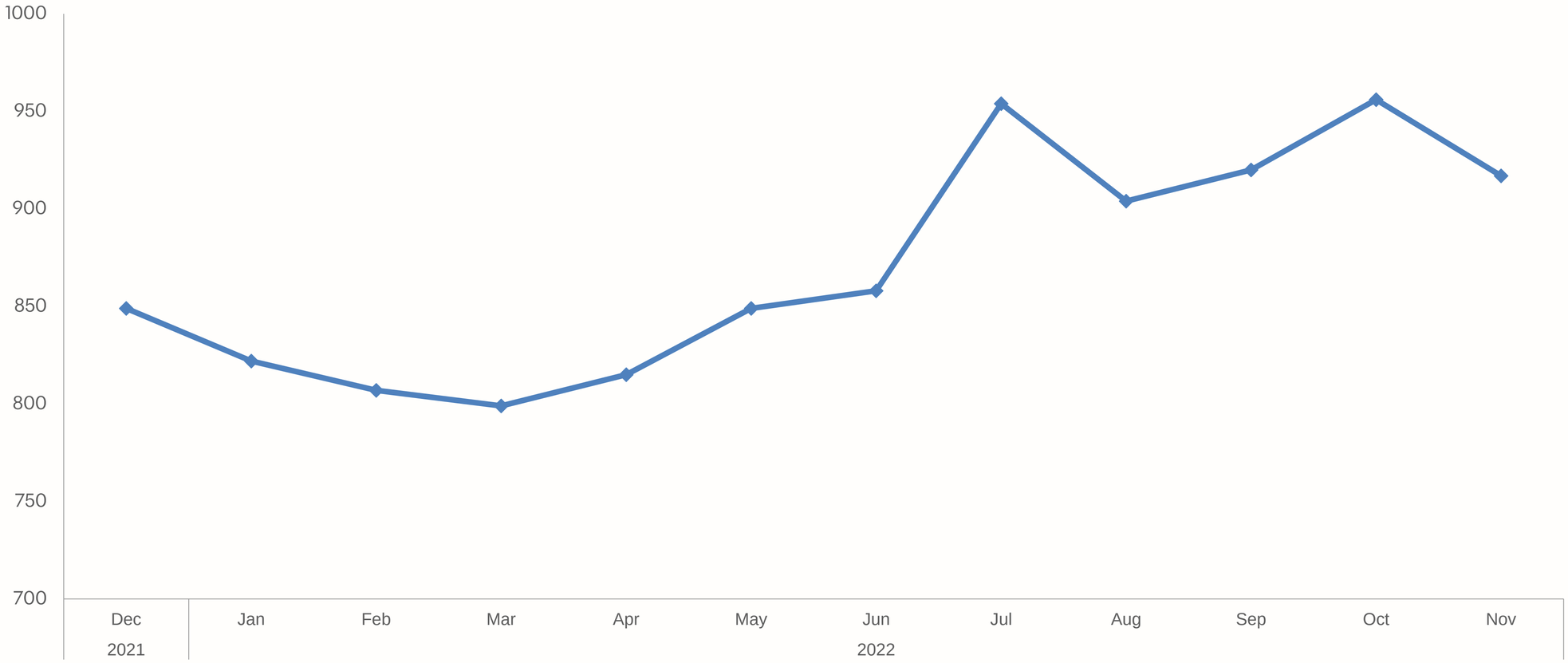


2021	2022										
Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
4.33	4.43	4.51	4.64	4.62	4.25	4.10	3.43	3.61	3.51	3.46	3.64

Source: Cochilco.

Exchange Rate

(Monthly average, pesos/US$)



2021	2022										
Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
849	822	807	799	815	849	858	954	904	921	956	917

Source: Central Bank of Chile

Summary of Central Bank Forecasts, 2023

GDP GROWTH (%)	-0.75 - -1.75
INFLATION (YEAR-END, %)	6.6
TRADE BALANCE (YEAR-END, US$ MILLION)	8,400
COPPER PRICE (ANNUAL AVERAGE, US$/LB)	3.55
CURRENT ACCOUNT BALANCE (% OF GDP)	-4.9

Source: Central Bank, Monetary Policy Report, September 2022.

Resumen de Pronósticos Privados, 2023*

GDP GROWTH (ANNUAL, %)	-1.5
INFLATION (ANNUAL, %)	5.0
REFERENCE INTEREST RATE (ANNUAL NOMINAL %, YEAR-END)	7.0
EXCHANGE RATE (PESOS/DOLLAR, 2022)	860

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

Chile at a Glance

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.

The Chileans

Population: 19,8 millones (2022)

Language: Spanish

Literacy: 96.4% (2017)

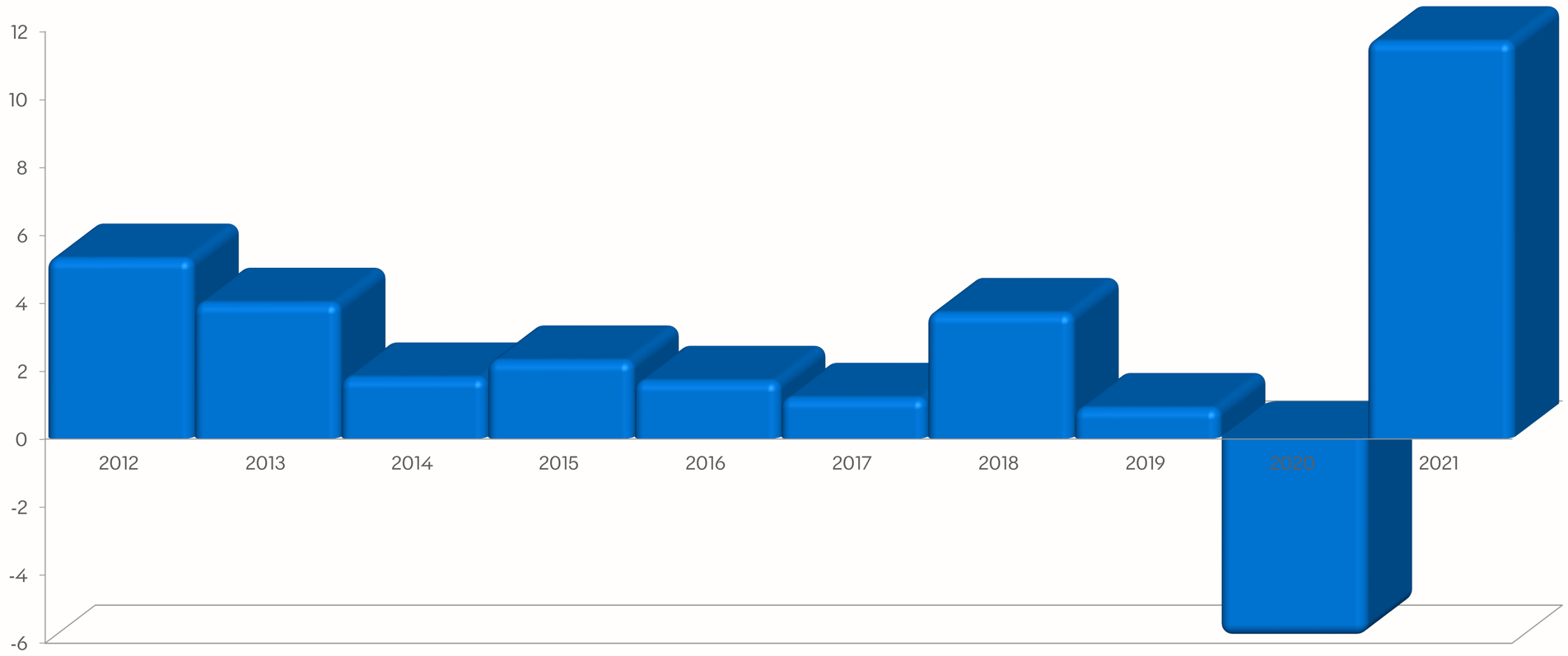
Poverty: 13.7% (2020)

Life expectancy: 79.7 years

Indigenous population: 12.8%

Economy

Background



2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
5.3	4.0	1.8	2.3	1.7	1.2	3.7	0.9	-5.8	11.7

Source: Central Bank of Chile

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

* Estimated by World Bank..

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).

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

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 2021-22	
1	Switzerland
2	Norway
3	Iceland
18	United Kingdom
27	Spain
42	Chile
47	Argentina
84	Peru
87	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

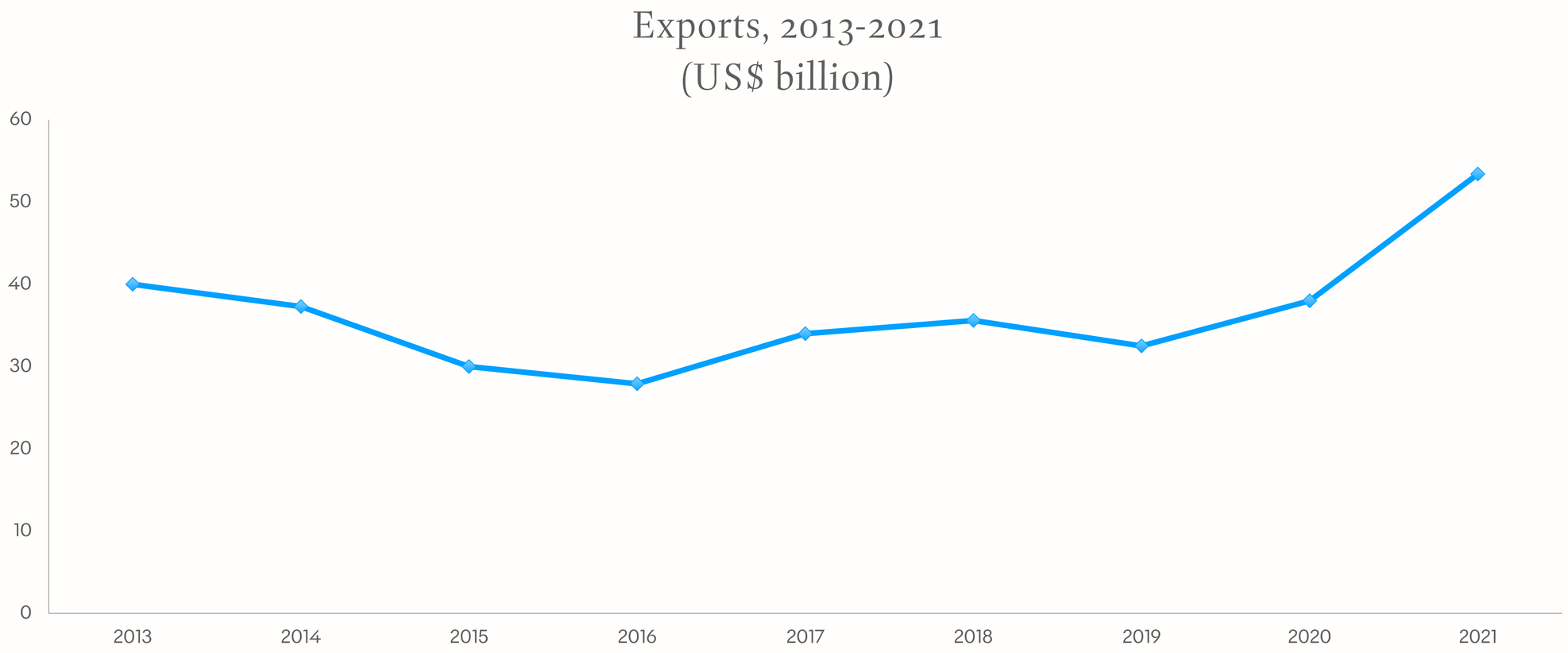
Global Competitiveness Report 2019	
1	Singapore
2	Unite States
3	Hong Kong
6	Japan
9	United Kingdom
23	Spain
33	Chile
48	Mexico
65	Peru
83	Argentina

Source: World Economic Forum

SOVEREIGN RISK

CHILE'S SOVEREIGN RATINGS (NOVEMBER 2022)	
FITCH RATINGS	A- (STABLE)
STANDARD & POOR'S	A (STABLE)
MOODY'S	A2 (STABLE)
JCR	AA- (STABLE)

International Trade

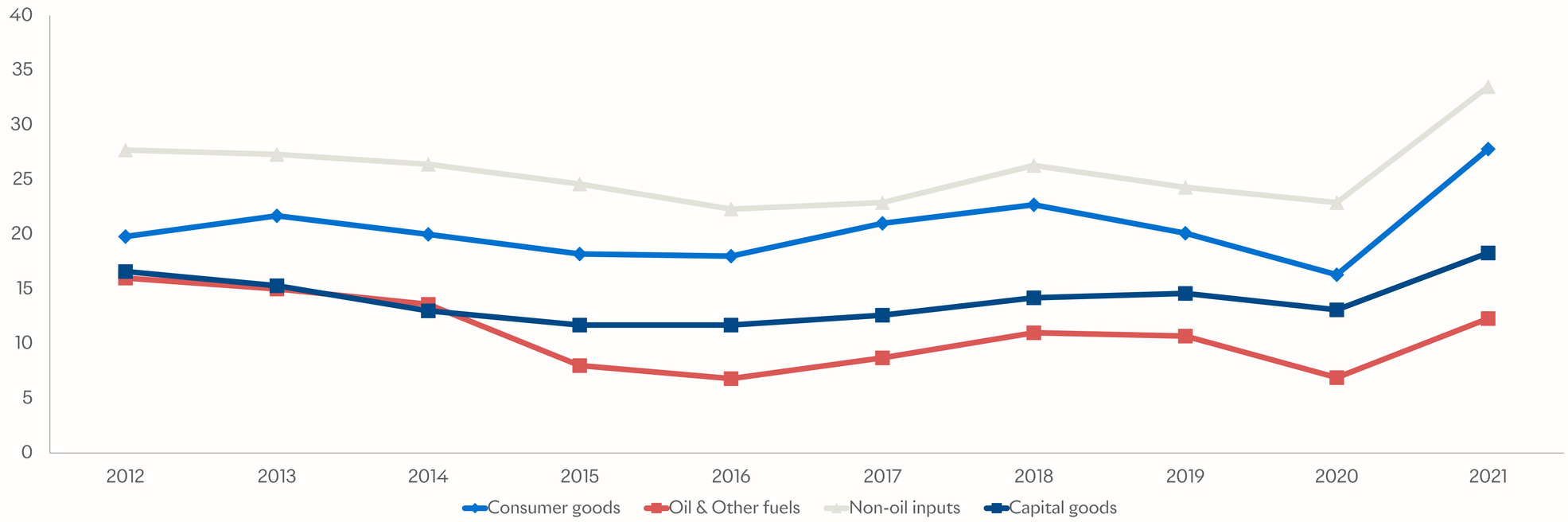


	2013	2014	2015	2016	2017	2018	2019	2020	2021
COPPER	40.0	37.3	30.0	27.9	34.0	35.6	32.5	38.0	53.4
TOTAL	76.8	75.1	62.0	60.7	68.8	74.7	68.8	73.5	94.7

Source: Central Bank of Chile.

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

Feedback / Comentarios:

Por favor contactar vía email
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