

**Central Bank of Chile**  
**Santiago, 13 August 2009**  
**Press Release\***

In its monthly monetary policy meeting, the Board of the Central Bank of Chile decided to maintain the monetary policy interest rate at 0.50% (annual), and to continue applying the complementary monetary policy measures adopted in the last meeting.

Internationally, recent data show stabilizing global growth prospects for this year. These prospects have resulted in a better environment in financial markets. Commodity prices, particularly the price of copper, have increased.

Domestically, available information for the second quarter of this year suggests that the weakening of economic activity has ceased. Although unemployment is still on the rise, employment has tended to stabilize. Lending conditions remain tight, despite reduced lending interest rates.

In July, the set of inflation indicators showed reduced core inflationary pressures. Wage dynamics continue to be in line with historical patterns. Reduced y-o-y inflation figures are foreseen for the coming quarters. Medium-term inflation expectations have remained stable.

The Board reiterates that the monetary policy rate will be held at its minimum level of 0.50% for a prolonged period of time, and that it will continue to use its policies with flexibility so that projected inflation reaches 3% over the policy horizon.

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\* The Spanish original prevails.