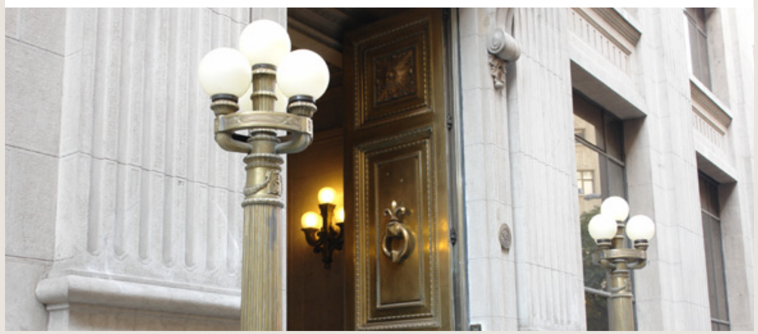
MACROECONOMIC INDICATORS

Second Quarter 2014

(As of 18 August 2014)



Macroeconomic Indicators (1)

	2012	2013	2013		2014	
			III	IV	I	II
Activity and Employment						
GDP (US$ million, past 12 months)	266,484	277,238	279,217	277,238	271,494	267,374
Population (million)	17.4	17.6				
GDP per capita (US$)	15,313	15,791				
GDP per capita at PPP (US$, IMF)	18,182	19,067				
GDP	5.4	4.1	5.0	2.7	2.4	1.9
GDP (seasonally adjusted, annualized)			6.4	-0.8	2.5	0.6
GDP manufacturing sector	3.4	0.2	2.8	-1.3	-0.1	-1.7
GDP mining sector	3.8	6.1	9.4	2.1	0.0	4.0
Domestic demand	6.9	3.4	1.3	1.1	-0.2	-0.9
Gross fixed capital formation	12.2	0.4	-1.5	-12.3	-5.5	-8.1
Gross fixed capital formation (% of GDP, past 12 months) (3)	26.8	25.8	26.9	25.8	25.3	24.7
Exports of goods and services	1.1	4.3	11.3	-0.9	3.5	-0.4
Imports of goods and services	5.0	2.2	0.5	-5.3	-4.6	-9.1
Employment (2)			2.0	2.7	2.1	1.3
Prices						
CPI (Dec./Dec.) (2)	1.5	3.0	2.1	2.3	3.4	5.0
CPIX (Dec./Dec.) (2)	1.3	2.4	1.5	2.1	2.7	3.9
CPIX1 (Dec./Dec.) (2)	1.8	2.5	2.0	2.3	2.7	3.7
Labor cost (nominal; Dec./Dec.)	7.2	6.2	6.1	6.0	6.5	6.9
Exchange Rate						
Nominal exchange rate	0.7	1.7	5.1	8.0	16.7	14.4
Nominal exchange rate (pesos/US$)	486.7	495.0	507.5	516.0	551.5	554.4
Multilateral exchange rate, (MER) (nominal)	-2.2	-0.4	2.9	5.3	12.2	11.5
Real exchange rate, (RER)	-2.5	0.2	3.1	5.4	11.7	9.9
Real exchange rate (RER) (1986=100)	89.8	90.0	91.4	92.7	97.5	97.4
External Sector						
Current account (% of GDP, past 12 months) (3)	-3.4	-3.4	-3.5	-3.4	-3.1	-2.4
Goods exports (US$ million, fob) (4)	77,965	76,684	18,526	19,348	19,100	19,767
Goods exports (volume) (5)	2.1	3.5	11.2	-2.4	4.2	-1.5
Mining	3.0	5.4	17.2	-2.6	10.8	-4.1
Copper	2.5	6.3	18.2	-1.9	11.6	-4.6
Manufacturing	1.0	-0.1	2.1	-2.3	-5.0	8.1
Agriculture	-0.3	5.3	5.6	12.9	-3.9	-19.2
Goods imports (US$ million, fob)	75,458	74,568	19,031	18,576	16,928	16,787
Goods imports (volume) (5)	7.0	1.1	-0.7	-7.7	-5.5	-10.9
Consumer	7.1	9.3	8.8	8.0	-0.6	-5.8
Non-fuel intermediates	6.1	-0.5	-3.8	-2.2	-3.6	-7.4
Fuels and lubricants	-3.0	2.5	6.7	-2.7	-1.9	-11.2
Capital	20.3	-7.4	-12.2	-35.2	-19.3	-22.2
Foreign reserves, (NIR) (% of GDP, past 12 months) (3)	15.4	15.7	15.7	15.7	16.2	15.9
Net foreign reserves (US$ million)	41,650	41,094	42,303	41,094	40,970	41,088
NIR / Short-term residual foreign debt	1.03	1.06	1.17	1.06	1.18	1.20
Total foreign debt (% of GDP, past 12 months) (6)	43,4	49,9	46,0	49,9	52,0	52,1
Total foreign debt (US$ million)	117,569	130,724	123,975	130,724	131,957	134,644
Foreign investment balance (% of GDP) (6)	-16.2	-15.0	-15.4	-15.0	-15.7	-14.9

Macroeconomic Indicators (1)

continued

	2012	2013	2013		2014	
			III	IV	I	II
Financial Indicators						
Monetary policy interest rate, MPR (%)	5.0	4.9	5.0	4.7	4.3	4.0
BCU-5 (%)	2.4	2.3	2.2	2.1	1.8	1.7
BCU-10 (%)	2.5	2.4	2.3	2.2	2.0	1.9
BCP-5 (%)	5.3	5.2	5.2	4.8	4.8	4.7
BCP-10 (%)	5.4	5.3	5.3	5.1	5.0	4.9
M1 (nominal average)	8.8	12.8	13.7	12.8	11.3	11.0
M2 (nominal average)	7.6	14.9	13.0	14.9	11.3	5.6
M3 (nominal average)	6.2	13.9	13.6	13.9	12.2	9.3
Total real loans (balance)	10.7	6.9	8.5	6.9	5.7	3.4
Real consumer loans (balance)	9.9	7.2	8.0	7.2	6.3	4.6
Real housing loans (balance)	9.3	8.1	9.2	8.1	8.7	9.3
Real commercial loans (balance)	12.4	6.6	8.5	6.6	4.8	2.8
Fiscal Accounts						
Total central government balance (% of GDP, past 12 months)	0.6	-0.6	0.0	-0.6	0.3	0.1
Gross central government debt (% of GDP)	12.0	12.8	12.6	12.8	12.8	
Net central government debt (% of GDP)	-6.8	-5.7	-6.7	-5.7	-6.2	
Gross Central Bank debt (% of GDP)	15.1	13.6	14.5	13.6	13.8	
Net Central Bank debt (% of GDP)	-1.1	-2.2	-1.2	-2.2	-2.4	
Gross consolidated debt (% of GDP)	26.4	25.8	25.8	25.8	26.0	
Net consolidated debt (% of GDP)	-7.9	-7.9	-7.9	-7.9	-8.7	
Gross state-owned firms debt (% of GDP)	7.0	7.7	7.4	7.7		
Net state-owned firms debt (% of GDP)	6.0	6.8	6.6	6.8		
Foreign Environment						
World GDP at PPP	3.1	3.0	3.2	3.4		
Trade partners GDP	3.4	3.4	3.6	3.8	3.7	
Terms of trade	-4.7	-3.2	-2.5	-3.5	-1.6	-1.0
Copper price (US¢/lb, LME)	3.6	3.3	3.2	3.2	3.2	3.1
Oil price (US$/barrel, WTI)	94.2	97.9	105.8	97.4	98.7	103.1
Spread of EMBI Chile (basis points)	150.6	154.1	171.0	161.7	154.3	132.0
10-year US sovereign bond (average, percent)	1.8	2.1	2.7	2.8	2.7	2.5

Notes:

(1) The information corresponds to interannual percentage change obtained from the chained volume at previous year prices, referenced to the 2008 benchmark compilation, unless otherwise indicated.

(2) Figures as of December 2013 with base on 2009=100. As from January 2014 the new INE's methodology is used, with base on 2013=100.

(3) This ratio is computed using the average exchange rate of the period.

(4) Exports in accordance with the new methodology published on March 2012.

(5) Series recently calculated on March 2012. Quantum variation rates are computed on indices using a methodology consistent with National Accounts.

(6) This ratio is computed using the average exchange rate at the quarter's closing.

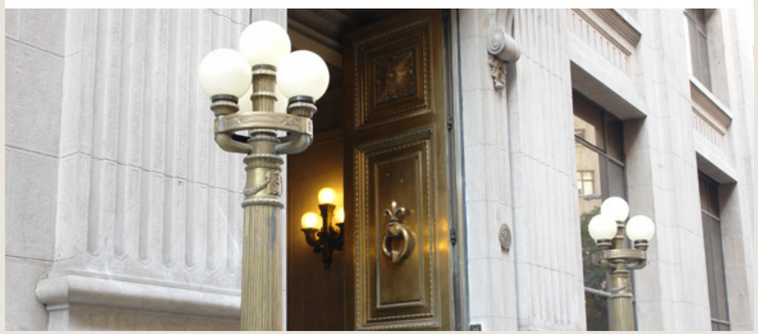
Sources:

Foreign Investment Committee (*Comité de Inversiones Extranjeras*), Central Bank of Chile, National Statistics Bureau (*Instituto Nacional de Estadísticas*), Budget Division, Ministry of Finance (*Dirección de Presupuestos del Ministerio de Hacienda*), Bloomberg and IMF.

CURRENT INDICATORS

Second Quarter 2014

(As of 18 August 2014)



Current Indicators (1)

	2014		2014			
	I	II	Mar.	Apr.	May	Jun.
Activity and Employment						
Monthly indicator of economic activity, *Imacec*	2.4	1.9	2.8	2.1	2.6	1.1
Seasonally adjusted	0.6	0.2	-0.5	-0.1	0.9	-0.8
Growth rate (2)	0.6	0.2	0.6	0.5	0.3	0.2
Manufacturing production (INE)	-1.0	-1.5	0.5	-4.2	0.4	-0.7
Mining production (INE)	1.7	4.0	0.9	5.6	5.2	1.3
Electric power supply (CDEC)	1.1	3.2	2.3	2.7	3.1	3.8
Retail sales (INE)	5.5	3.0	5.2	1.6	4.9	2.3
Trade sales (CNC)						
New car sales (Anac)	-2.8	-15.7	-2.7	-17.1	-19.9	-9.3
New house sales, nationwide (CChC)	0.1		-0.2			
New house sales, Greater Santiago (CChC)	6.6	-6.1	4.5	-5.7	-12.9	0.7
Workforce (4)	2.4	1.6	2.4	1.9	1.4	1.6
Employment (4)	2.1	1.3	2.1	2.2	1.6	1.3
Unemployment rate (%)	6.5	6.5	6.5	6.1	6.3	6.5
Prices						
CPI (year/year) (3)	3.4	5.0	3.9	5.0	5.4	4.8
CPIX (year/year) (3)	2.7	3.9	2.9	3.7	4.0	4.0
CPIX1 (year/year) (3)	2.7	3.7	2.8	3.6	3.9	3.8
CPI Base year 2013 (month/month)			0.8	0.6	0.3	0.1
CPIX Base year 2013 (month/month)			0.7	0.8	0.3	0.1
CPIX1 Base year 2013 (month/month)			0.7	0.8	0.2	0.1
Labor cost (nominal, year/year) (2)	6.5	6.9	6.7	6.8	7.0	7.1
Exchange Rate						
Nominal exchange rate	16.7	14.4	19.3	17.5	15.8	10.0
Nominal exchange rate (pesos/US$)	551.5	554.4	563.8	554.6	555.4	553.1
Nominal multilateral exchange rate	12.2	11.5	15.3	13.9	12.9	7.6
Real exchange rate (RER)	11.7	9.9	14.7	12.6	11.3	6.2
Real exchange rate (RER) (1986=100)	97.5	97.4	99.3	97.7	97.6	96.9
External Sector						
Net foreign reserves (US$ million)	40,970	41,088	40,970	40,283	40,904	41,088
Goods exports (US$ million, fob) (5)	19,100	19,767	7,267	6,638	6,944	6,185
Goods exports (fob)	2.2	-1.7	16.9	-1.9	-1.0	-2.5
Mining	1.7	-8.0	24.1	-12.2	-4.5	-7.4
Copper	3.3	-7.6	28.7	-12.8	-3.2	-6.9
Manufacturing	0.9	11.0	9.2	17.9	8.0	8.0
Agriculture	9.0	-8.2	11.4	-2.1	-12.1	-14.5
Goods imports (US$ million, fob)	16,928	16,787	5,546	5,811	5,445	5,532
Goods imports (fob)	-6.6	-10.9	-2.7	-9.0	-18.6	-4.1
Consumer (cif)	-0.4	-5.5	-7.0	-5.4	-8.3	-2.5
Durable consumer (cif)	-6.5	-15.9	-9.3	-9.1	-19.2	-19.6
Non-fuel intermediate goods (cif)	-5.3	-8.4	-8.9	-6.4	-13.7	-4.3
Fuels and lubricants (cif)	-4.0	-8.8	21.5	2.2	-28.5	2.5
Capital (cif)	-20.0	-24.6	-7.7	-28.5	-28.5	-15.3

Current Indicators (1)

continued

	2014		2014			
	I	II	Mar.	Apr.	May	Jun.
Financial Indicators						
Monetary policy interest rate (%)	4.3	4.0	4.1	4.0	4.0	4.0
BCU-5 (%)	1.8	1.7	1.7	1.7	1.6	1.7
BCU-10 (%)	2.0	1.9	2.0	1.9	1.9	1.8
BCP-5 (%)	4.8	4.7	4.9	4.7	4.7	4.6
BCP-10 (%)	5.0	4,9	5.0	4.9	5.0	4.9
M1 (nominal, average)	11.3	11.0	11.3	13.0	11.4	11.0
M2 (nominal, average)	11.3	5.6	11.3	9.1	6.3	5.6
M3 (nominal, average)	12.2	9.3	12.2	10.6	9.1	9.3
Price index of selected shares, *IPSA*	-14.9	-3.8	-14.9	-8.9	-6.9	-3.8
IPSA (01.Jan.03=1,000)	3,773	3,876	3,773	3,910	3,904	3,876
Total real loans (balance)	5.7	3.4	5.7	4.8	3.5	3.4
Real consumer loans (balance)	6.3	4.6	6.3	5.1	4.5	4.6
Real housing loans (balance)	8.7	9.3	8.7	8.1	8.6	9.3
Real commercial loans (balance)	4.8	2.8	4.8	3.7	2.6	2.8
Foreign Environment						
Copper price (US¢/lb, LME)	319.1	307.9	302.5	302.6	312.3	308.7
Oil price (US$/barrel, WTI)	98.7	103.1	100.6	102.1	101.9	105.2
Spread EMBI Chile (basis points)	154.3	132.0	149.0	138.0	136.0	122.0
10-year U.S. sovereign bond (average, percent)	2.7	2.5	2.7	2.6	2.5	2.5

Notes:

(1) 12-month or 4-quarter annual change, unless otherwise indicated.
(2) As of quarterly series: annualized quarterly change of the seasonally adjusted series, Instead for monthly series: annualized change of the moving quarter of the seasonally adjusted series.
(3) As from January 2014 the new INE's methodology is used, with base on 2013=100. .
(4) As of March 2010, figures correspond to INE's new National Employment Survery.
(5) Exports in accordance with the new methodology published on March 2012.

Sources:

Central Bank of Chile, National Statistics Bureau, INE, Budget Division of the Ministry of Finance (*Ministerio de Hacienda*), National Chamber of Commerce (*Cámara Nacional de Comercio, CNC*), Chilean Chamber of Builders (*Cámara Chilena de la Construccción CChC*), National Association of Car Dealers (*Asociación Nacional Automotriz de Chile, Anac*), Santiago Stock Exchange (*Bolsa de Comercio de Santiago*) and Bloomberg.