

**Central Bank of Chile**  
**Santiago, 12 September 2013**  
**Press Release<sup>\*</sup>**

In its monthly monetary policy meeting, the Board of the Central Bank of Chile decided to maintain the monetary policy interest rate at 5% (annual).

International financial conditions show no significant changes from last month, but high volatility remains relating to the expectation of a partial withdrawal of the monetary stimulus in the United States and financial vulnerabilities in some emerging economies and peripheral European countries. Incoming information is consistent with the gradual recovery outlook for the U.S., while various Chinese indicators suggest that its slowdown has ceased in recent months. Commodity prices showed no clear trend in international markets, although the high variability of the oil price facing geopolitical tensions in the Middle East is worth mentioning.

Domestically, recent output and demand figures continue along the lines of previous months: moderate growth in output and strong private consumption. Headline inflation is still within the tolerance range, while core measures continue to hover around 1% annually. Inflation expectations have remained near the target in the policy horizon.

The consolidation of the trends outlined in the last Monetary Policy Report could call for adjustments to the monetary policy interest rate in the coming months. The Board reiterates its commitment to conduct monetary policy with flexibility, so that projected inflation stands at 3% over the policy horizon. Any future changes in the monetary policy rate will depend on the implications of domestic and external macroeconomic conditions on the inflationary outlook.

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<sup>\*</sup> The Spanish original prevails.