

**Central Bank of Chile**  
**Santiago, 14 July 2015**  
**Press Release\***

**In its monthly monetary policy meeting, the Board of the Central Bank of Chile decided to keep the monetary policy interest rate at 3% (annual).**

Internationally, the biggest news has been the volatility of financial markets, associated to developments in Greece and China, which has tended to moderate most recently. In this context, after a significant drop during the month, the prices of the riskier assets showed a substantial recovery in recent days. The dollar appreciated around the world. The prices of commodities, particularly copper and oil, declined.

Domestically, in June the CPI rose more than expected and in annual terms surpassed the 4% mark again. One year ahead, market expectations increased, but two years ahead they remained unchanged. The evolution of inflation will continue to be monitored with special attention. Meanwhile, output and demand have been weaker than assumed in the Monetary Policy Report's baseline scenario, and private growth expectations have dropped for this and next year. Confidence indicators have not recovered. In the labor market, job creation remains bounded and nominal wages have decelerated. At the same time, the peso has depreciated.

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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\* The Spanish original prevails.