

THE CENTRAL BANK OF CHILE

Press Release*
Monthly Monetary Policy Meeting
June 10, 2003

At its monthly monetary policy meeting, the Board of the Central Bank of Chile decided, by unanimous vote of all its members, to maintain the monetary policy interest rate at 2.75 (annual).

Domestically, some of the most recent economic data for April has been weaker than expected. For now, it is considered an isolated event and does not modify the outlook that the economy is in a phase of higher growth, supported by the current marked monetary stimulus. Nevertheless, doubts remain with respect to the future path of world growth, especially in the developed countries.

The most recent price information suggests that the increase in underlying inflation observed since the beginning of the year is moderating, while inflation has returned to the target range. Both developments have been within the foreseen margins.

The Central Bank of Chile reiterates that it will continue to conduct monetary policy with the necessary flexibility to address any projected inflation deviations in either direction from the specified target inflation rate.

*This is an unofficial translation. In case of any discrepancy or difference of interpretation, the Spanish original prevails.