



## PRESS RELEASE\*

Santiago, Chile, Tuesday, 14 February 2017

### Monetary Policy Meeting – February 2017

**In its monthly monetary policy meeting, the Board of the Central Bank of Chile decided to keep the monetary policy interest rate at 3.25%.**

Internationally, global financial conditions continued to improve and emerging economies' asset prices have risen further, as the good performance of some economies in the region stands out. The price of copper rose, owing partly to supply-side factors. Oil has remained around the prices of a month ago. Global activity indicators continue to point to a recovery, especially in the developed world. Still, significant risks remain.

At home, annual inflation was 2.8%, consistent with forecasts in the last Monetary Policy Report. Inflation expectations at the end of the projection horizon are near target, although for the coming months they remain in the lower part of the tolerance range. Activity and demand indicators remain weak, while the labor market continues to show previous trends. Long-term interest rates fell and the peso appreciated.

The Board estimates that, in the most likely scenario, it will be necessary to boost the monetary impulse over the short term. At the same time, it reiterates its commitment to conduct monetary policy with flexibility, so that projected inflation stands at 3% over the policy horizon.

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\* The Spanish original prevails.