

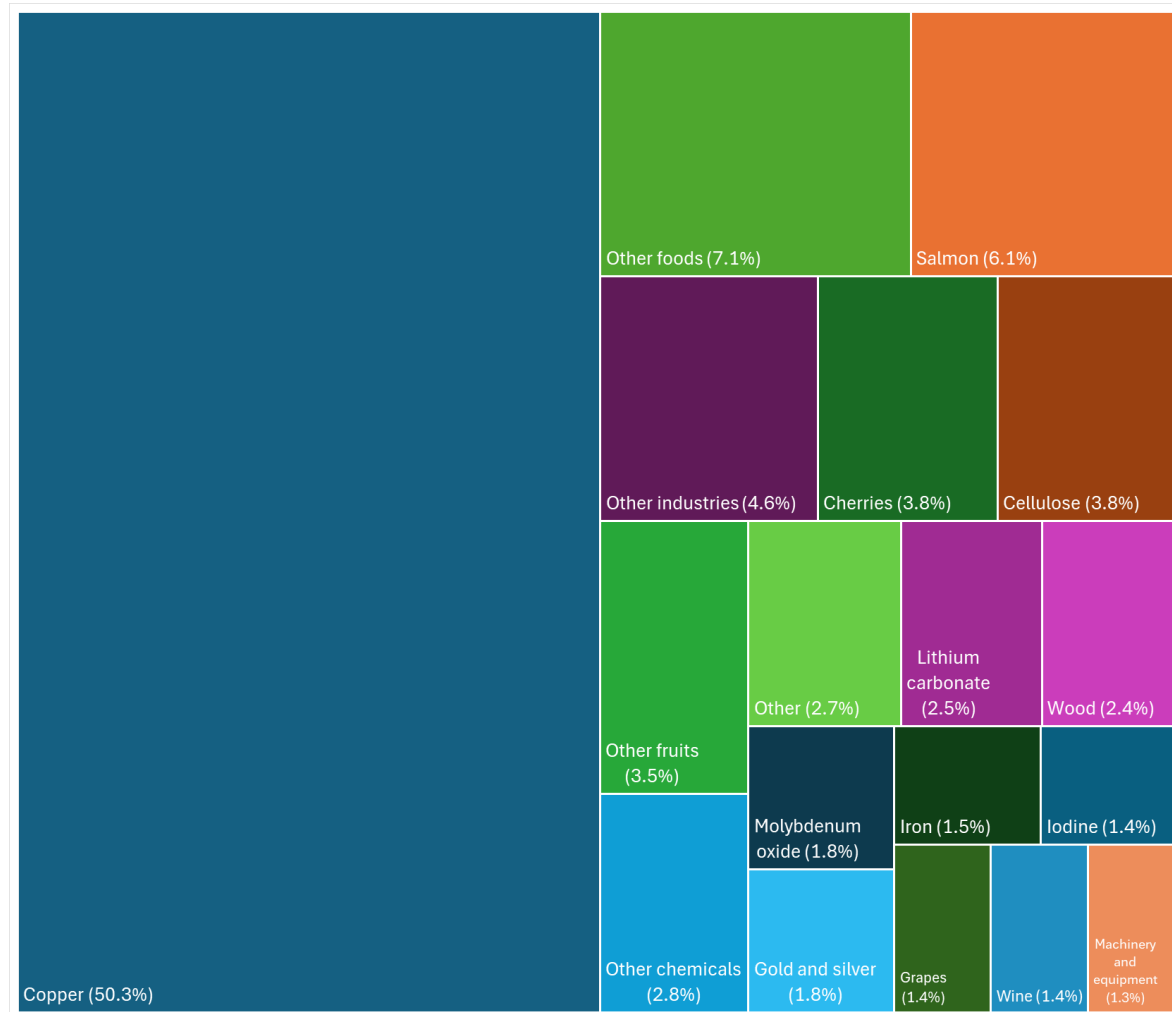
# The Chilean Economy in Times of High Uncertainty

Alberto Naudon D.

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# Tariff increase: Direct channel

## Exports of goods from Chile (% of total exports)



Source: Central Bank of Chile

The United States is Chile's second-largest trading partner (16% of total exports and 5% of GDP in 2024)

April 2 announcement imposes a 10% tariff on 61% of the export basket (salmon and fruits are the most relevant goods).

For the time being, copper and wood products (39% of the total) are excluded from the measure.

# Tariff increase: Indirect channel

Copper price  
(USD per pound)



Oil price  
(USD per barrel)



# Tariff increase: Financial channel

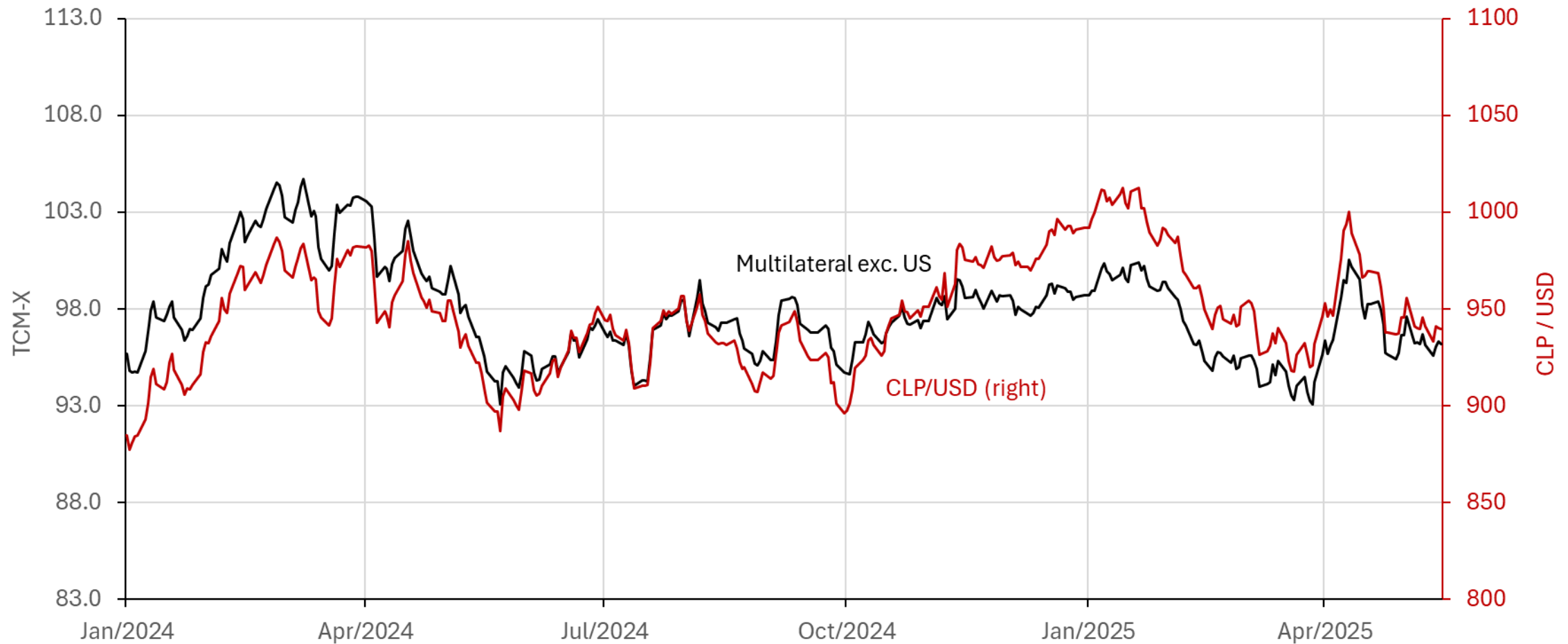
Interest rate on 10-year government bonds  
(%)



Source: Bloomberg and Central Bank of Chile

# Tariff increase: Financial channel

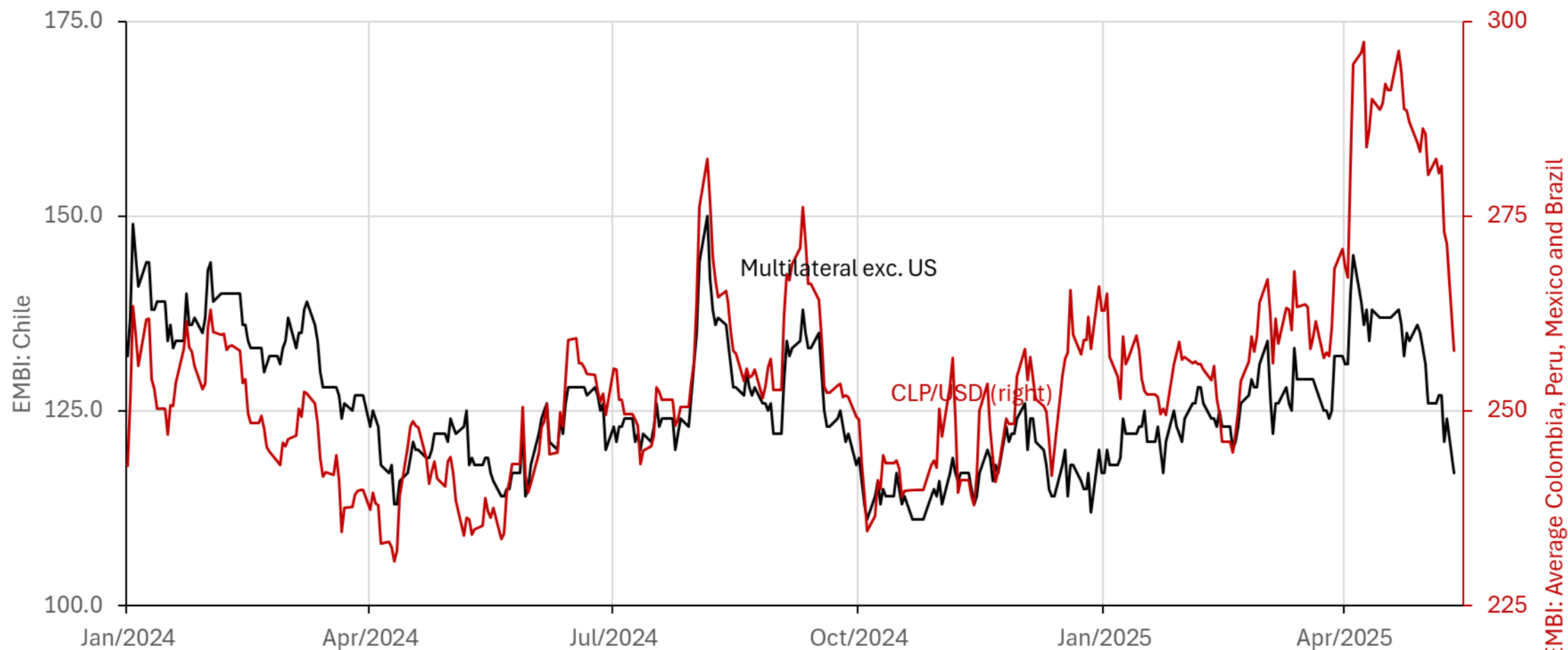
Nominal Exchange rate  
(pesos per dollar and index 1998=100)



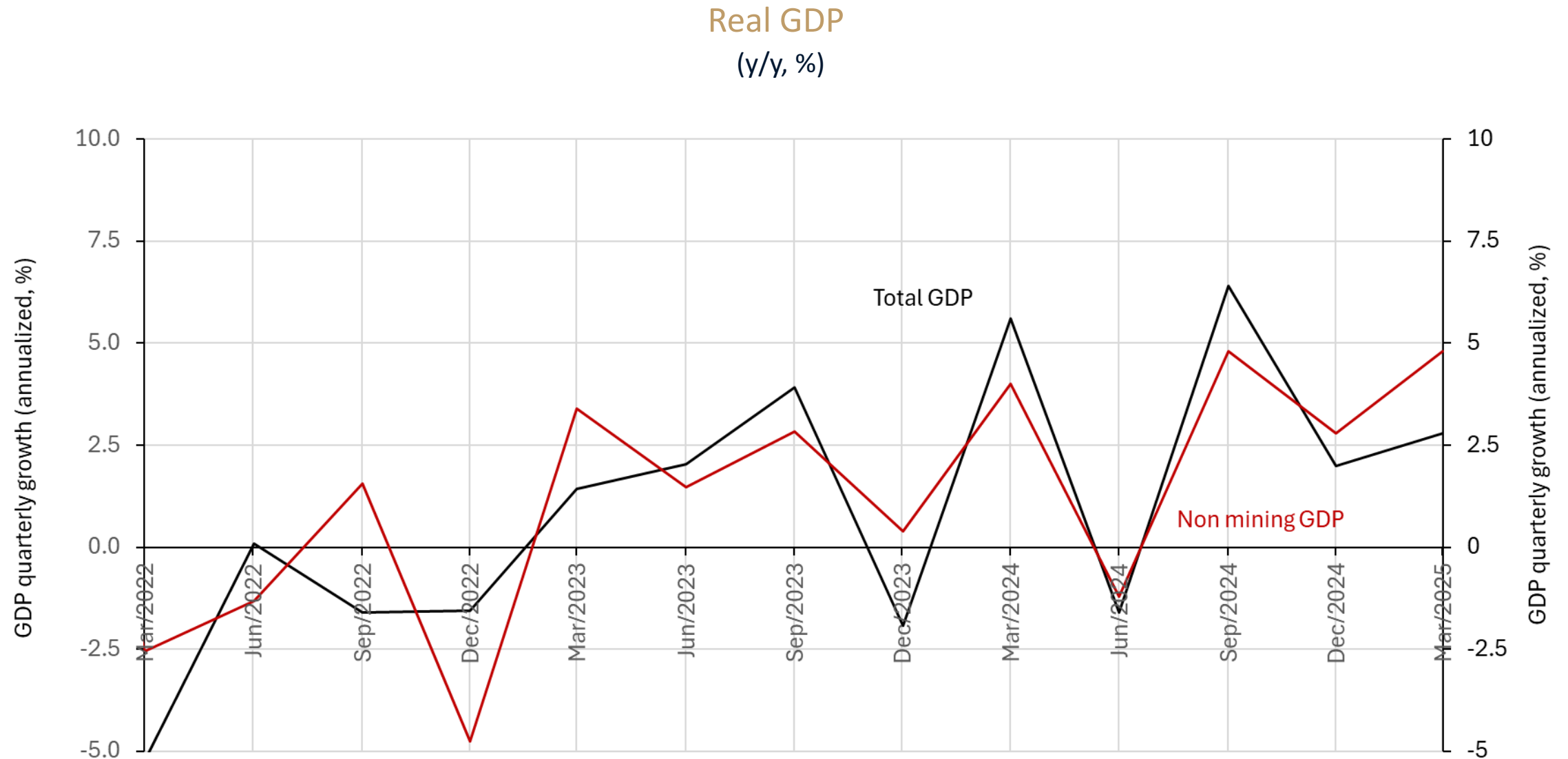
Notes: The Multilateral Exchange Rate (MER) index measures the nominal value of the peso against a broad basket of foreign currencies, weighted by international trade flows (ITF). The weights are calculated based on the shares of each trading partner, according to the IER recorded in the previous year. The IER is obtained by adding FOB exports less copper and derivatives; plus CIF imports, which discount oil, fuels, and derivatives. The weights are available at the following link. The MER-X index is calculated excluding the US dollar. Source: Central Bank of Chile

# Tariff increase: Financial channel

EMBI spread  
(Basis points)

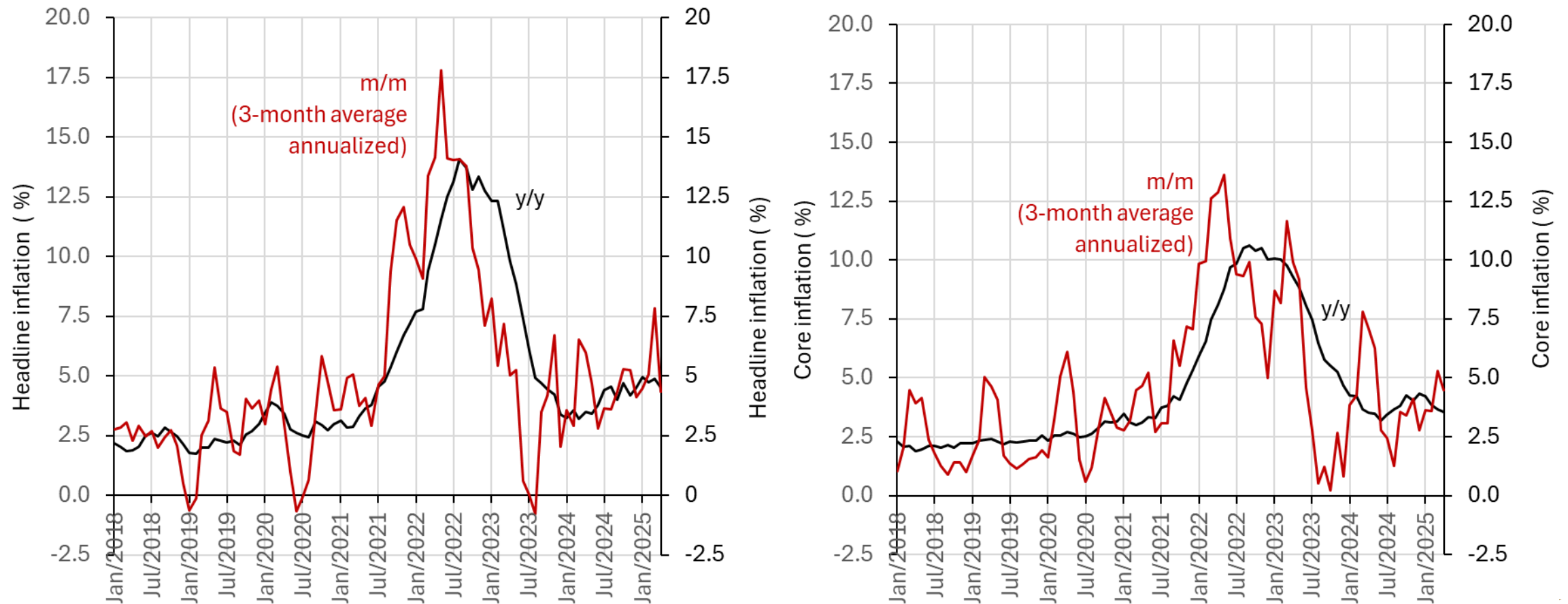


# Recent evolution of Chilean economy



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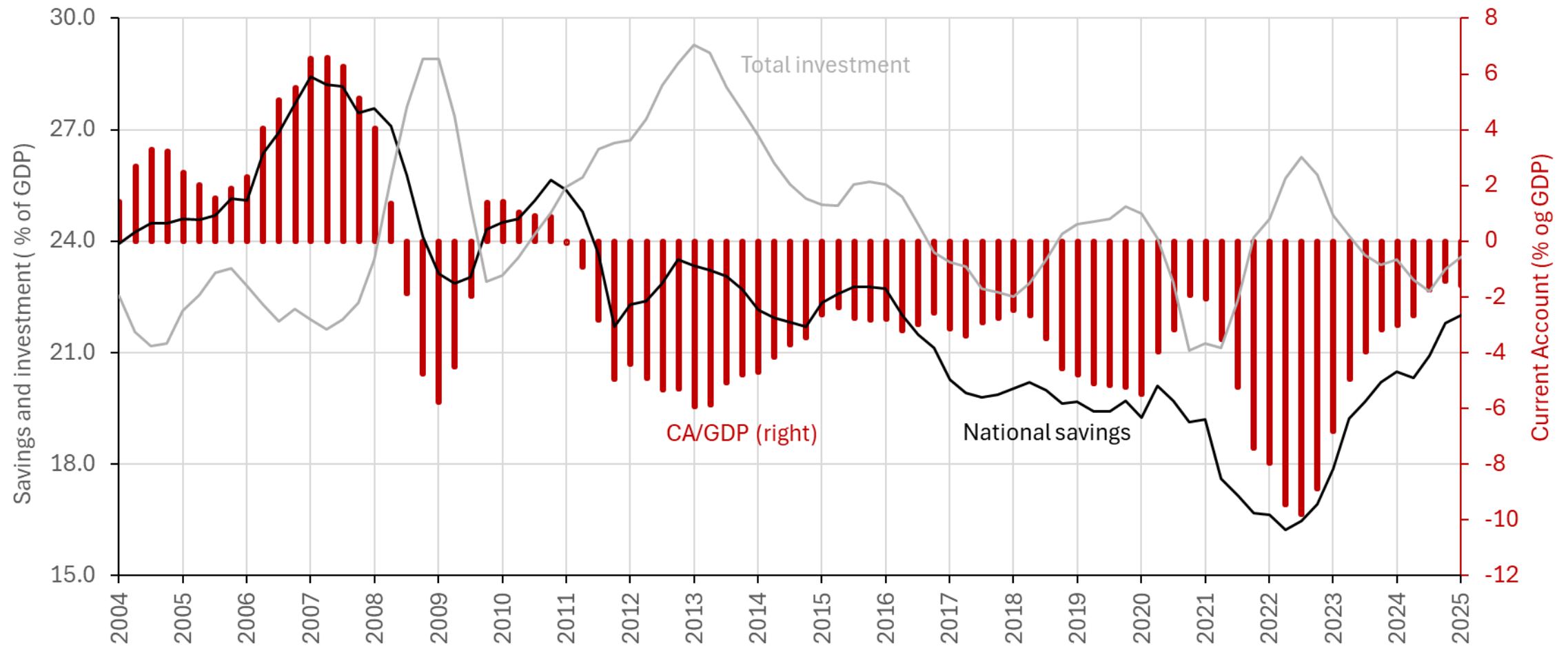
## Headline and core inflation (%)





# Recent evolution of Chilean economy

## Saving, investment and current account (% of GDP)



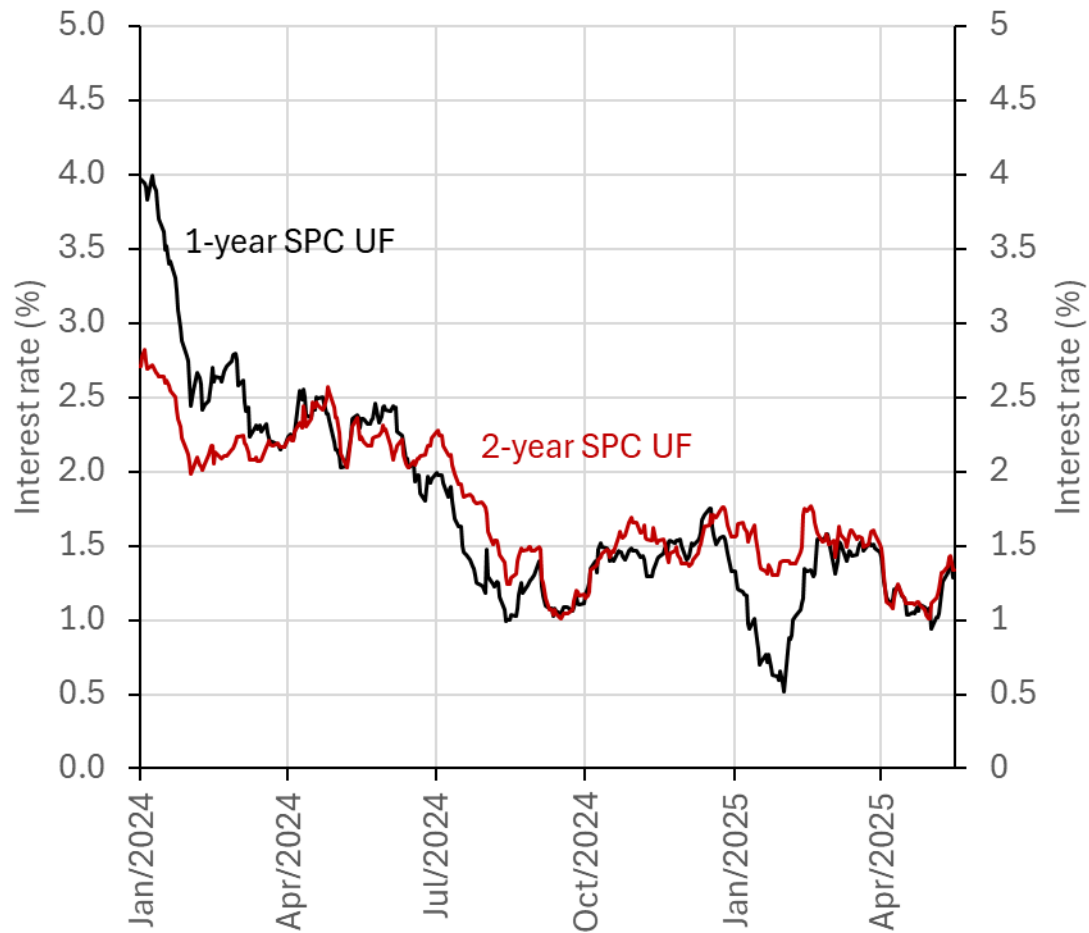
While the Chilean economy is not immune to these challenges, it has adjustment mechanisms and buffers to mitigate the effects of adverse shocks.

- The Chilean economy is macroeconomically balanced.
- It maintains robust financial regulation and supervision standards.
- The banking system has strengthened its capital base and continues to adapt for the full implementation of Basel III.
- It has a well-designed economic policy framework to deal with episodes of external stress.

# Recent evolution of the monetary policy

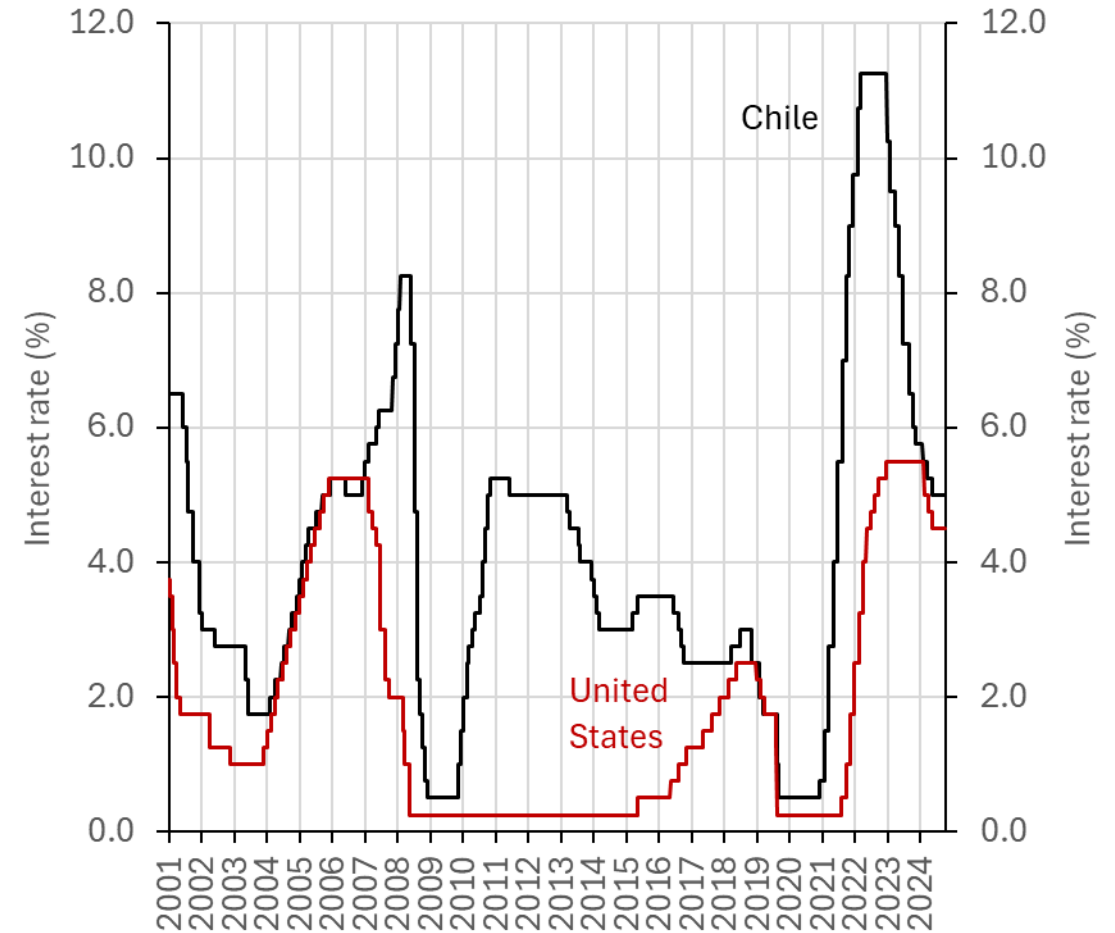
## Short-term real interest rate

(%)



## Monetary policy rate

(%)



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