

CHILE: Recent Developments and Forecast

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March 2004

Chile: Main Economic Indicators (%)

	90-98	99-2001	2002	2003	2004(f)	2005(f)
GDP Growth	7.2	2.4	2.2	3.3	4.5-5.5	-
Demand Growth	8.4	0.8	2.5	3.5	7.2	-
Terms of Trade	-0.1	0.6	1.4	1.0	9.2	1.6
National Income	7.7	1.8	2.5	3.9	6.6	-
Investment (GFCF, % GDP)	23.8	22.9	23.0	23.4	24.1	-
Fiscal Deficit (% GDP)	1.9	-1.1	-1.3	-0.4	-0.1	-
Current Account (% GDP)	-2.9	-0.9	-0.8	-0.5	-0.4	-
National Saving (% GDP)	22.3	20.7	20.6	21.0	-	-
Inflation (dec.)	11.7	3.2	2.8	1.1	2.0	3.0
World Growth	2.3	2.8	1.6	3.6	4.7	3.9
Trade Partners Growth	3.0	2.6	1.9	2.7	4.2	3.7

Inflation Forecasts

(% annual change, december of each year)

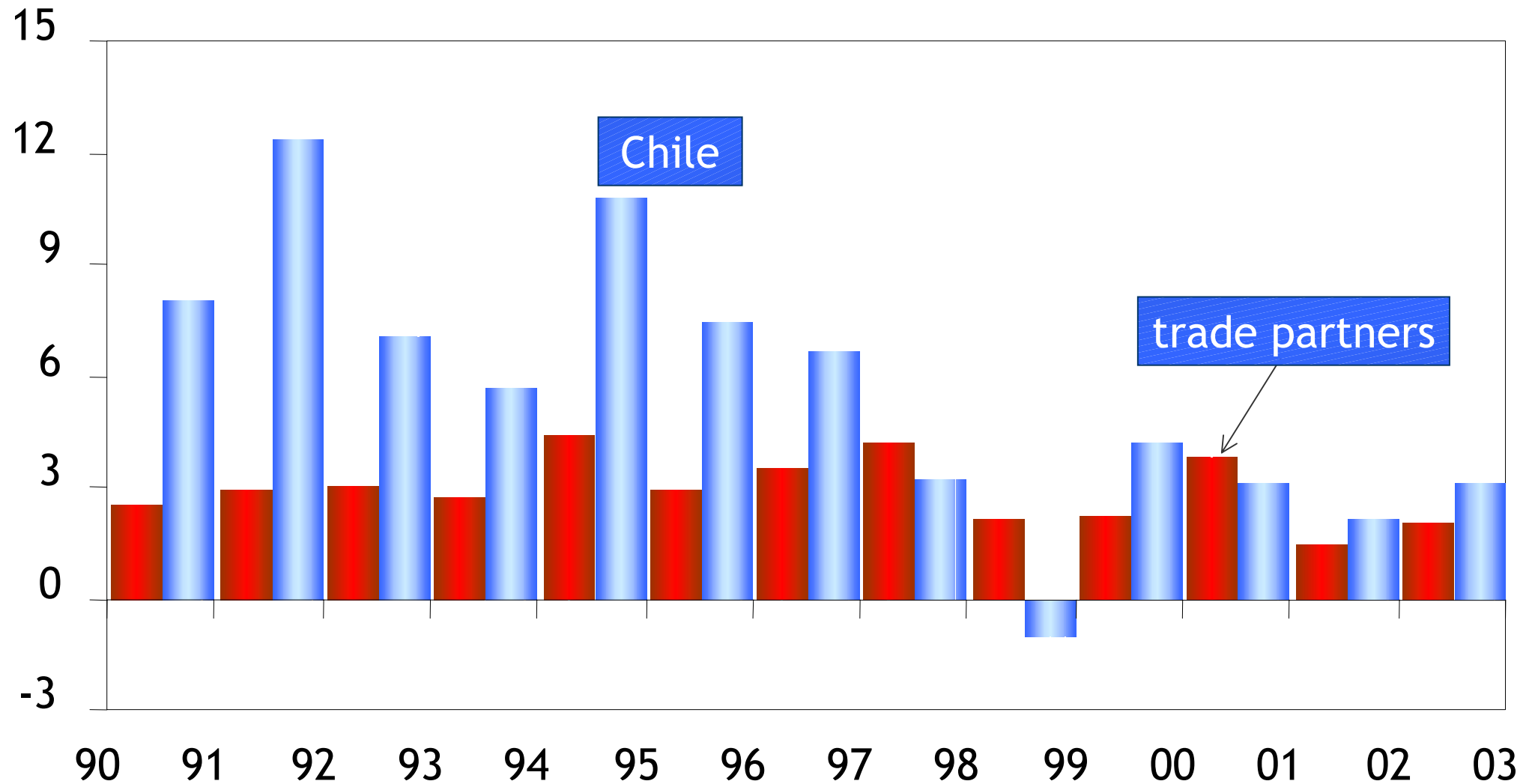
	2003	2004	2005
Economic Exp. Survey	-	1.9	2.7
Consensus Forecast	-	1.9	2.9
IMF	-	1.4	3.0
Central Bank	2.8	2.0	3.0

GDP Forecasts

(% real annual change)

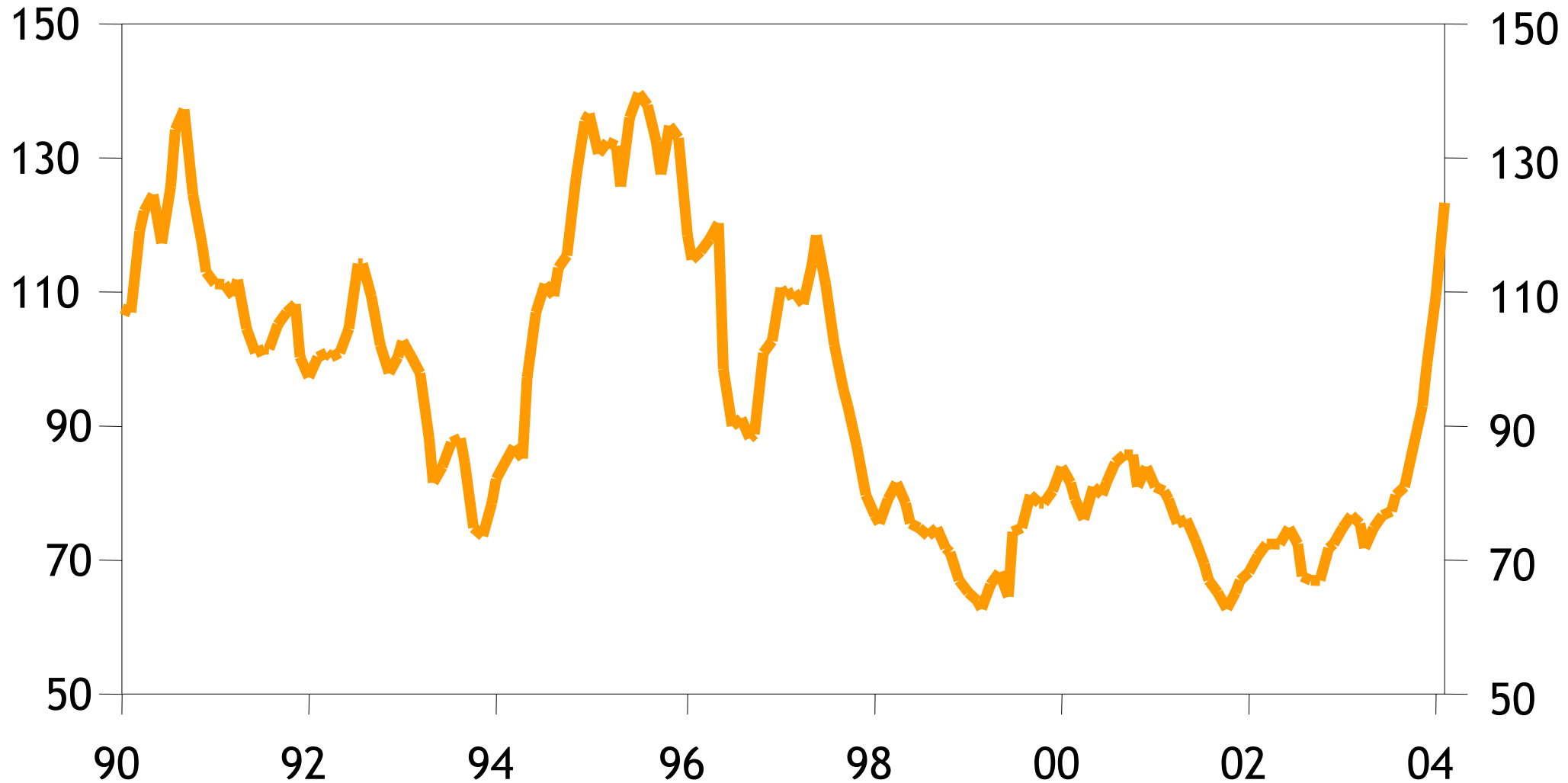
	2003	2004	2005
Economic Exp. Survey	-	4.5	5.0
Consensus Forecast	-	4.7	5.1
IMF	-	4.5	-
Central Bank	3.3	4.5 - 5.5	-

World Growth (%)



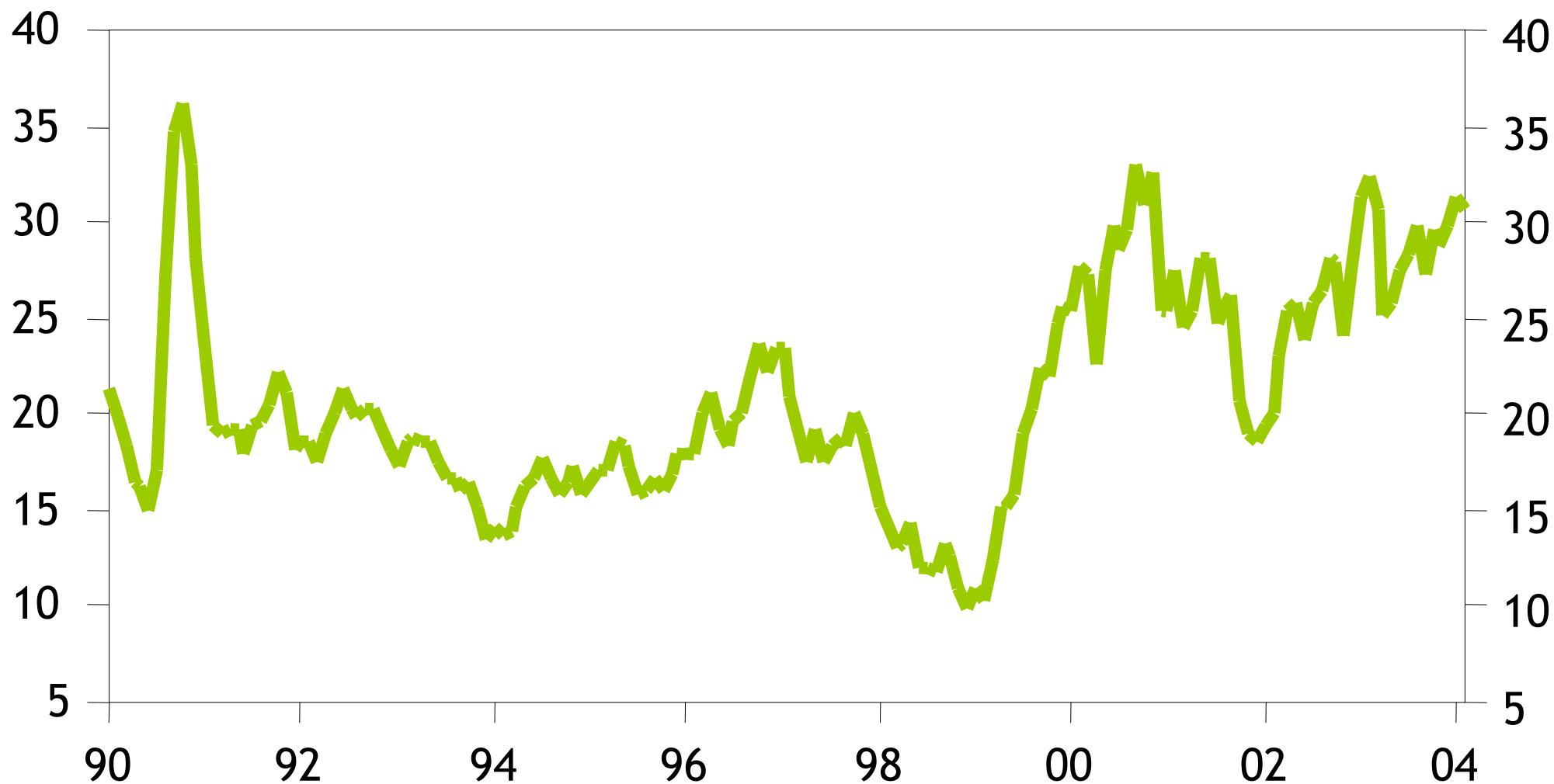
Copper Price

(US\$ cents per pound LME)



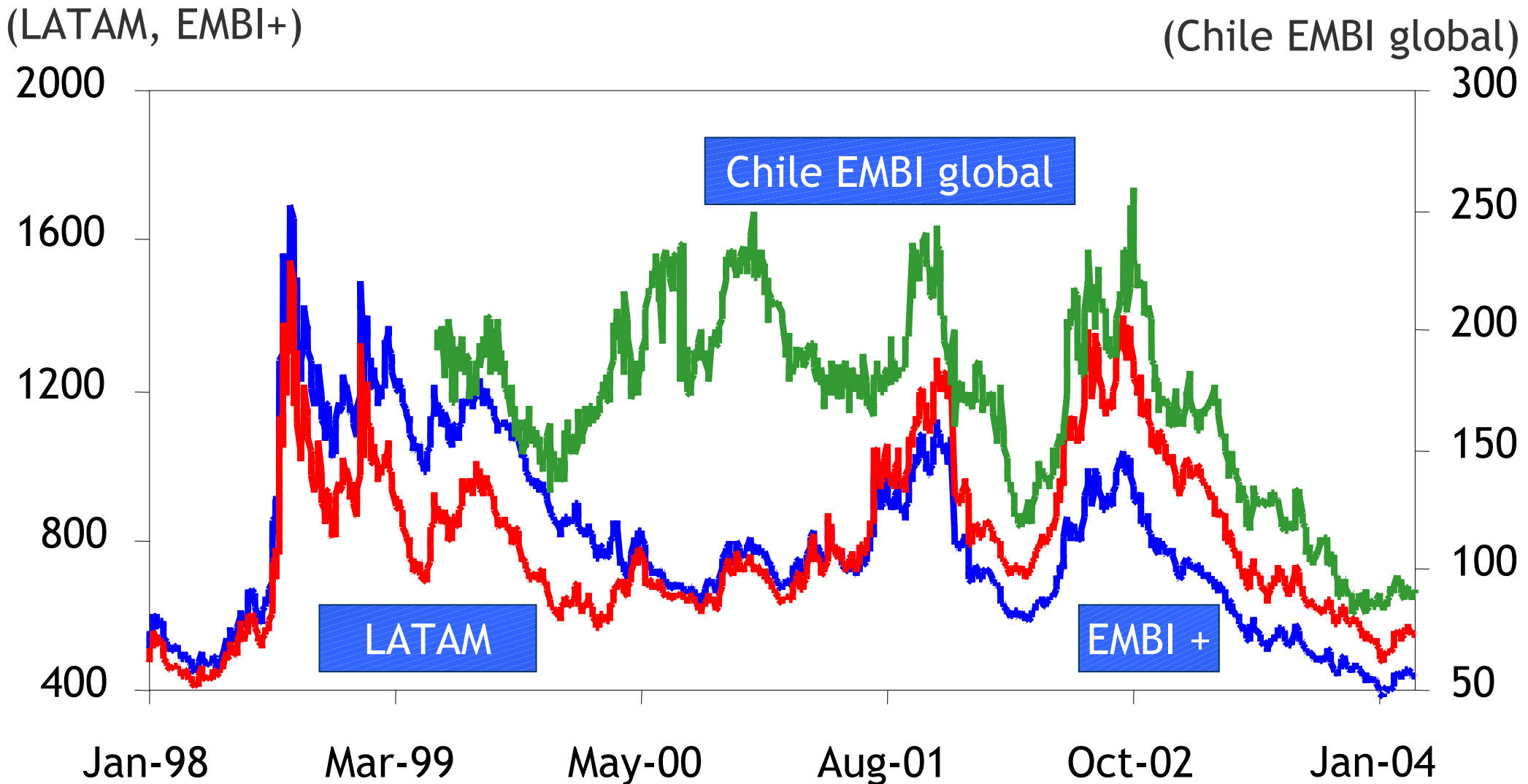
Oil Price

(US\$ per barrel Brent)



Sovereign Risk

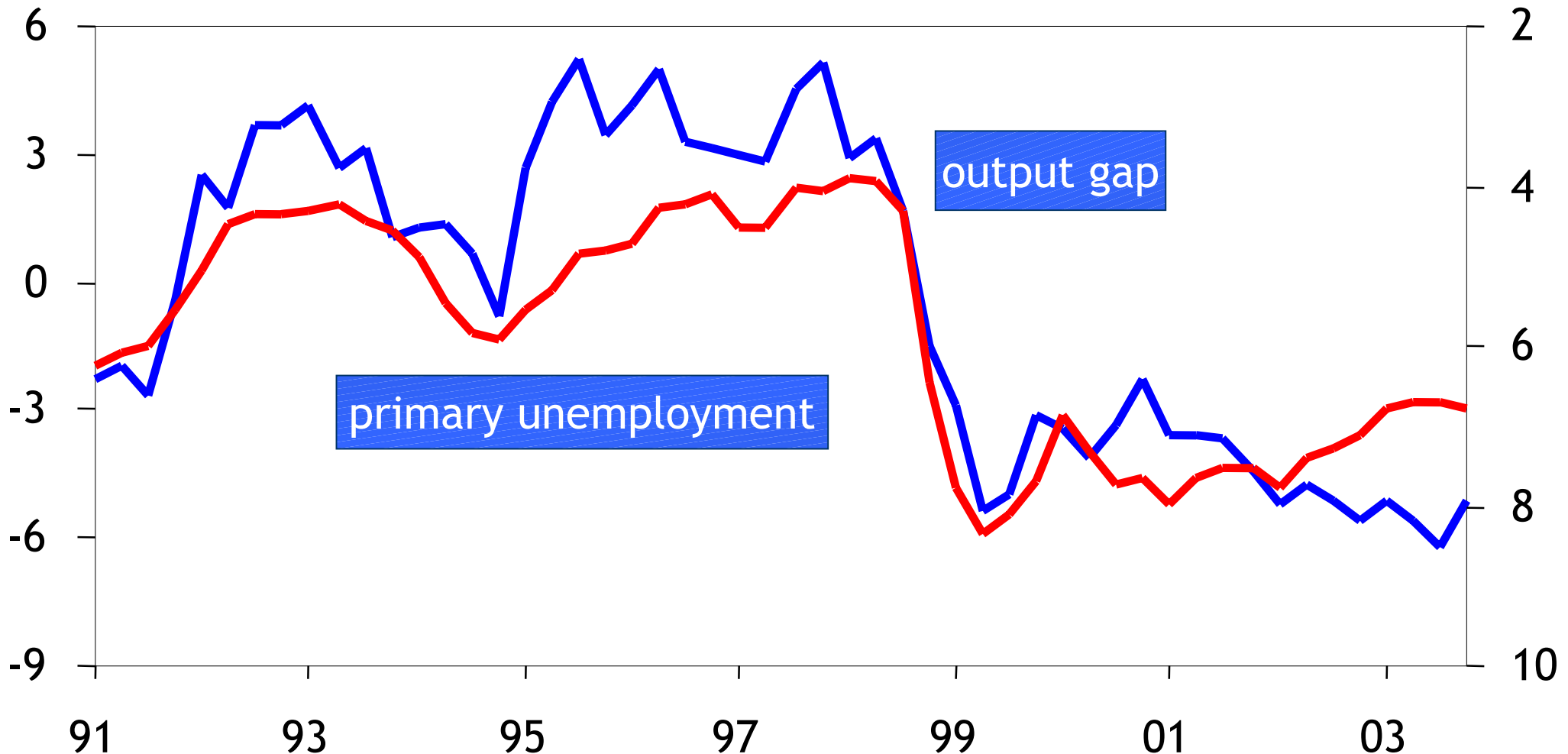
(January 2003 - March 2004; basis points)



Output Gap and Unemployment (%)

(output gap)

(primary unemployment)



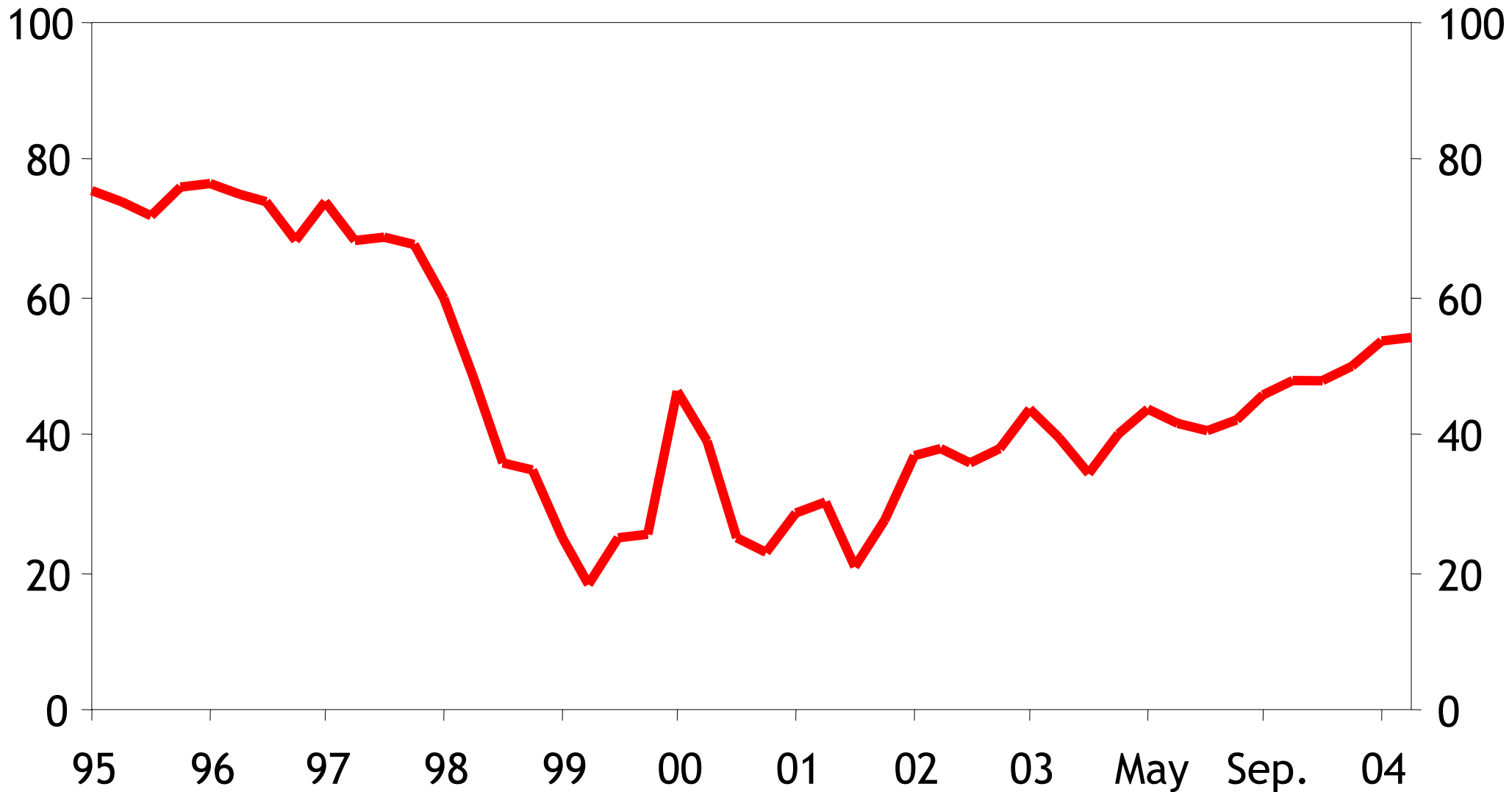
Sectoral GDP

(% annual change)



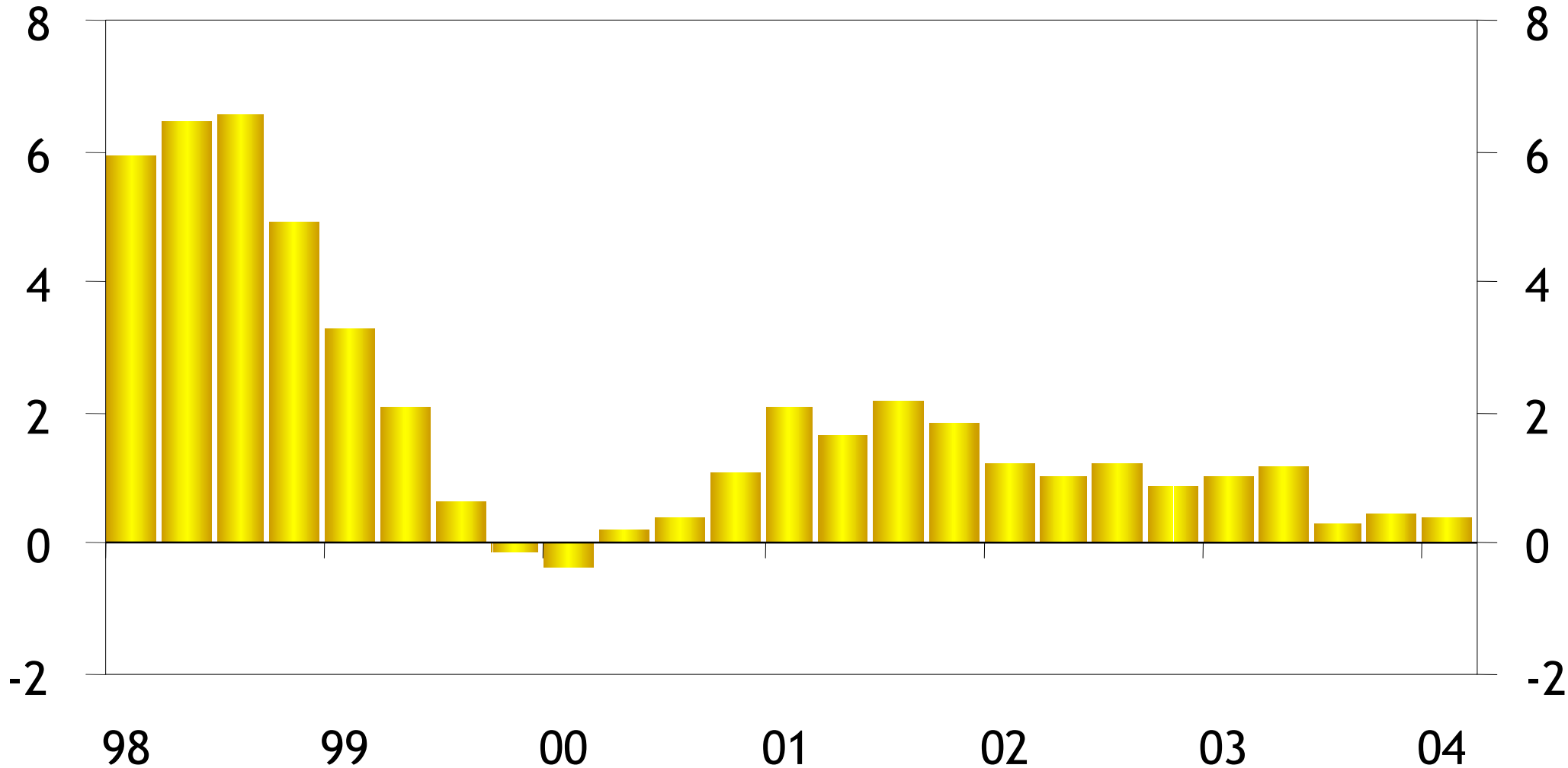
Consumer Confidence

(% of those surveyed who believes economic conditions will improve)



Current Account Deficit

(as % of GDP, annual moving average)

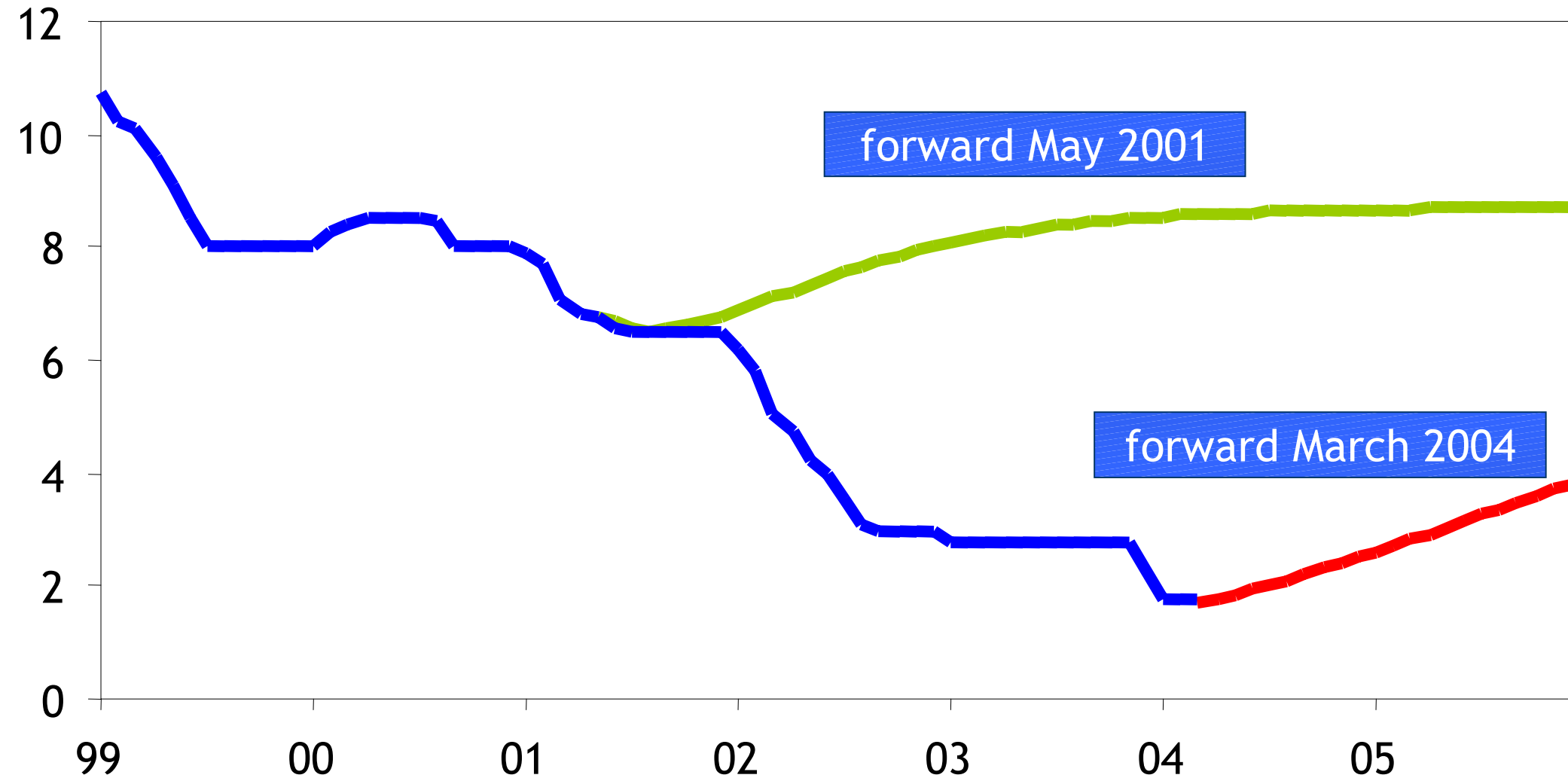


Main Financial System Indicators

(december of each year, %)

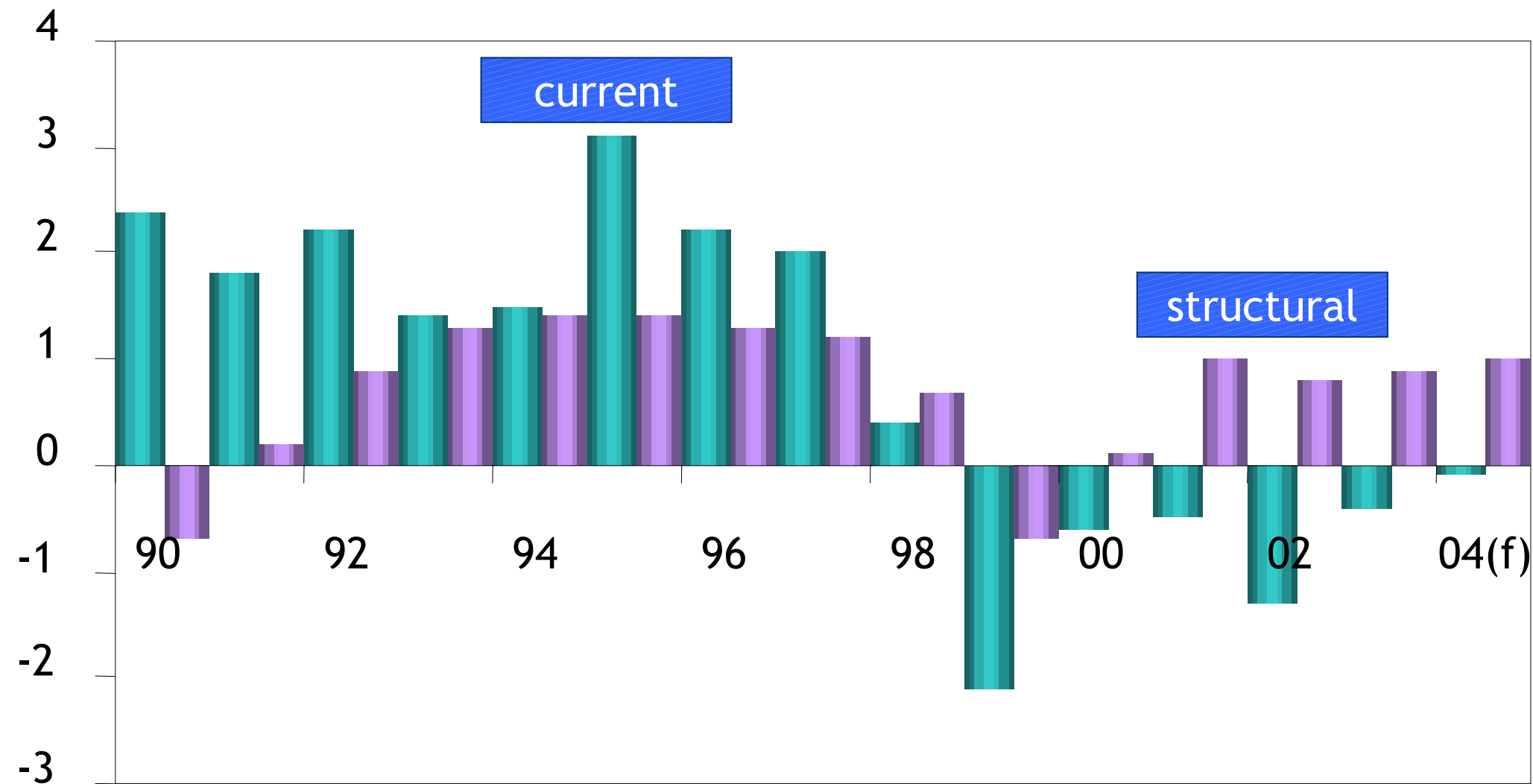
	Basel Index (%)	Non-performing Loans (as % of total loans)	Return On Equity (%)
1999	13.5	1.7	9.4
2000	13.2	1.7	12.7
2001	12.7	1.6	17.7
2002	14.0	1.8	14.4
2003	14.1	1.6	16.6
Feb. 04	-	1.6	17.0

Monetary Policy Rate (%)



Fiscal Surplus

(as % of GDP)



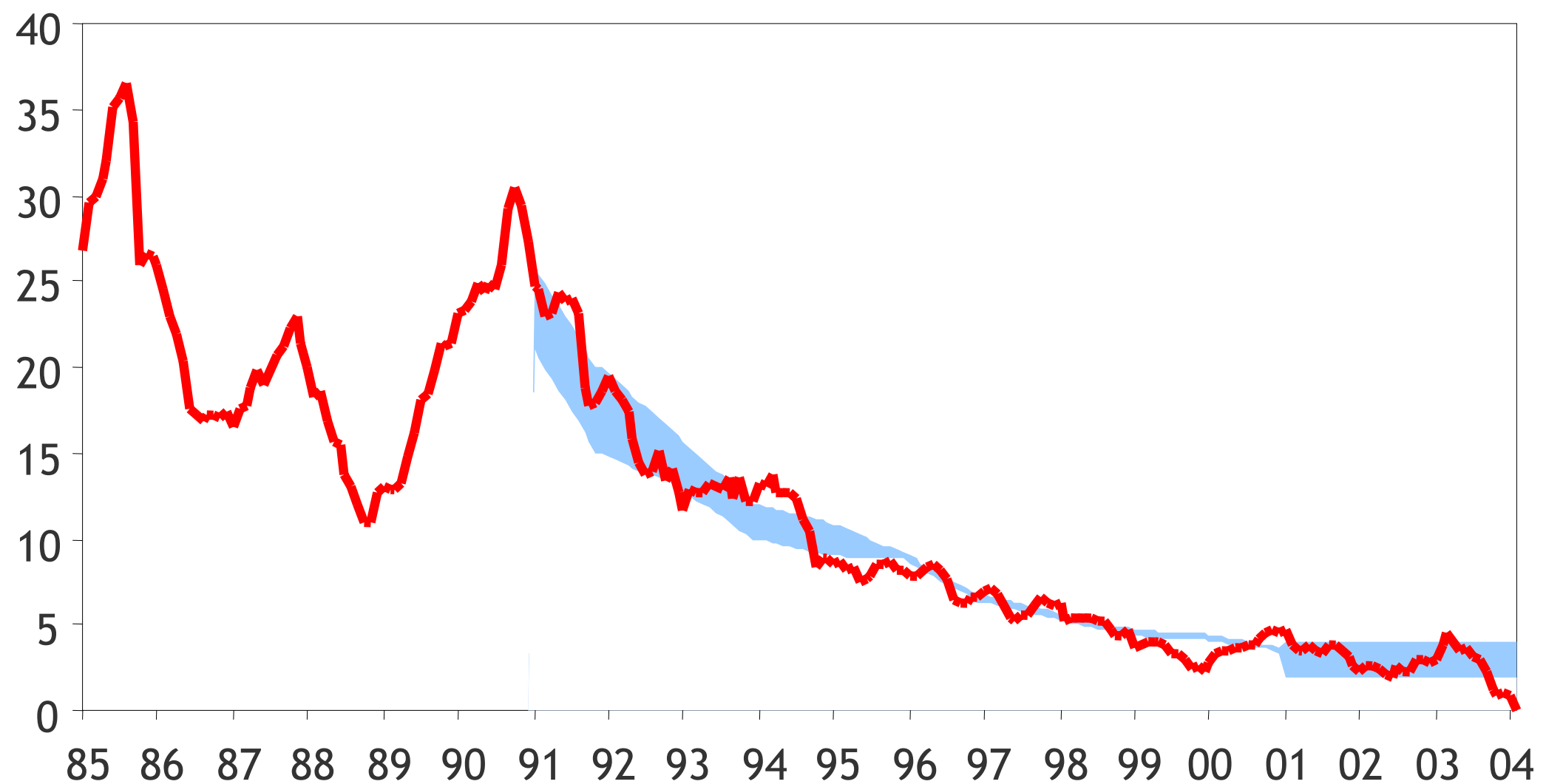
Real Exchange Rate

(average 1986=100)



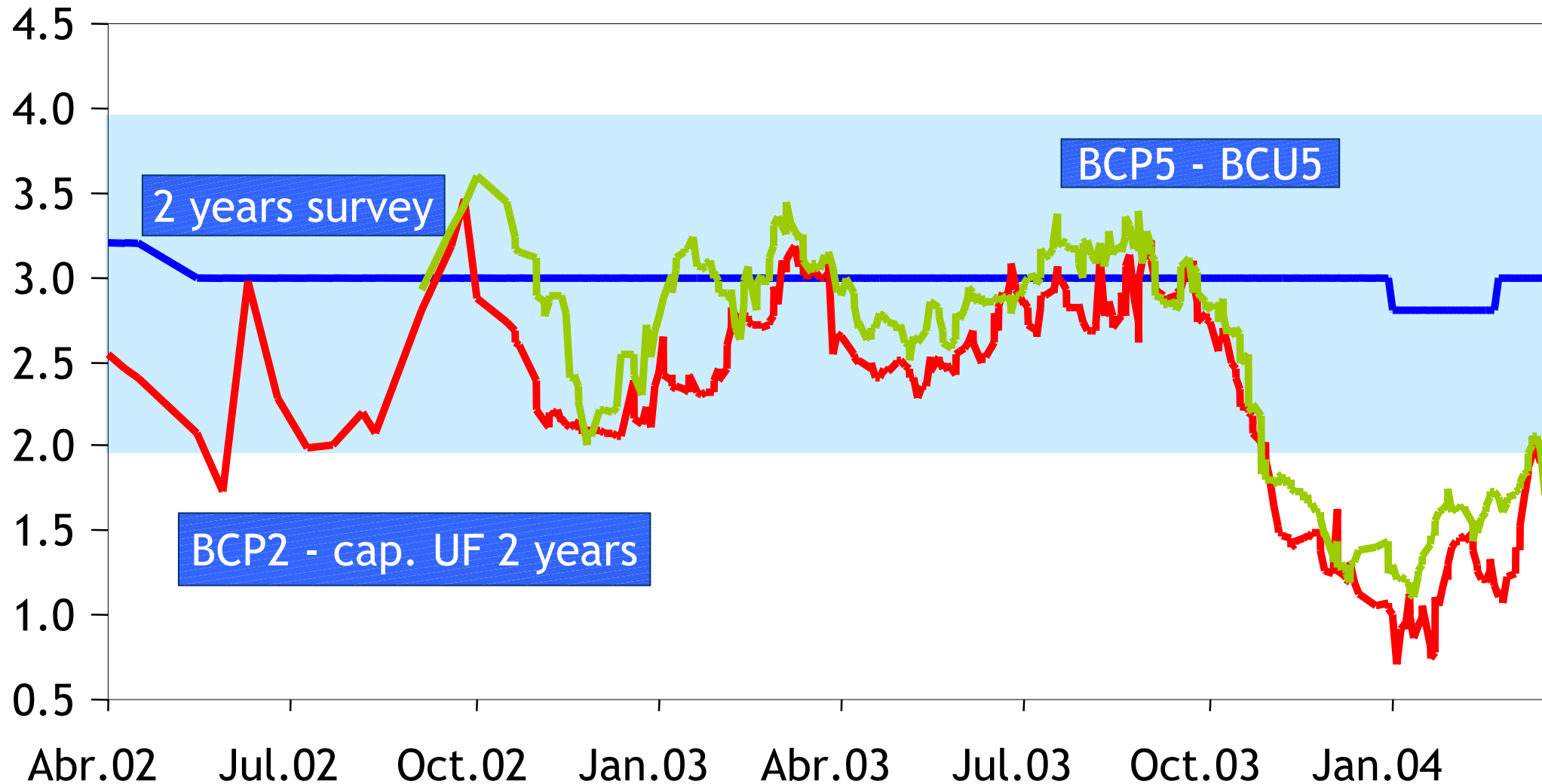
Inflation and Targets

(% annual change)



Expected Inflation

(annual average at the relevant horizon)



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