

# Monthly Report *October 2022*

## Foreign Exchange and Derivatives Statistics

This report presents statistics on foreign exchange and currency derivatives operations carried out by the Formal Exchange Market (FEM) with non-bank domestic counterparties and the Foreign Sector. It contains data to October 2022 and only considers domestic currency vis-a-vis foreign currency for both turnover and outstanding figures. Definitions and more detailed disaggregations of the series contained in this report are available at the **Statistical Database of the Central Bank of Chile**.

Contact: <https://contactocentral.bcentral.cl/>

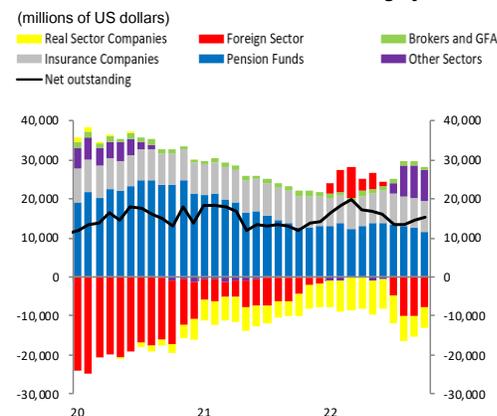
Derivatives. Amounts outstanding by counterparty (millions of US dollars)	
Foreign Sector	\$ -7,729
Real Sector Companies	\$ -5,165
Pension Funds	\$ 11,496
Insurance Companies	\$ 7,986
Brokers and GFA	\$ 642
Other Sectors	\$ 8,086
<b>Total</b>	<b>\$ 15,317</b>

### Derivatives market, net amounts outstanding

At the end of October, the Formal Exchange Market (FEM) net long position registered US\$15,317 million (September: US\$14,474) (Chart 1 and annex).

This variation was mostly caused by the variation in the net short position with Non-Residents of US\$2,207 million, closing out the month with US\$7,729 million (September: US\$9,936). Partially compensating this was a reduction in the net long position with Pension Funds of US\$1,260 million with a month-end outstanding amount of US\$11,496 million (September: US\$12,756).

**Chart 1: Derivatives, amounts outstanding by counterparty.**



Source: Central Bank of Chile.

Derivatives turnover by counterparty (millions of US dollars)	
Foreign Sector	\$ 41,813
Real Sector Companies	\$ 8,174
Pension Funds	\$ 7,967
Insurance Companies	\$ 1,950
Brokers and GFA	\$ 3,323
Other Sectors	\$ 12,638
<b>Total</b>	<b>\$ 75,865</b>

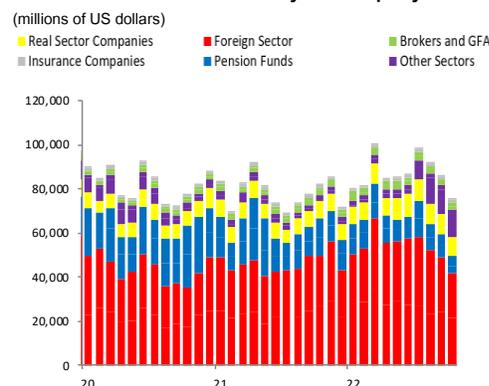
### Derivatives market, turnover

During the month, total foreign currency derivatives turnover, which covers local currency (CLP and CLF) against foreign currency operations with non-bank counterparties as well as interbank activity, registered US\$100,547 million (September: US\$110,810).

Lower activity of US\$10,218 million was observed with non-bank counterparties, totaling US\$75,865 million (September: US\$86,083), notably with Non-Residents which reduced turnover by US\$9,936 million and with Pension Funds by US\$2,966 million, registering totals of US\$41,813 million (September: US\$48,749) and US\$7,967 million (September: US\$10,933) respectively. (Chart 2).

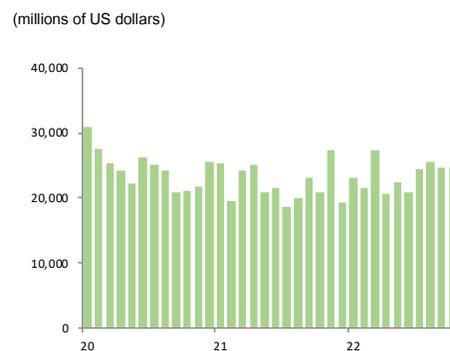
Activity between FEM entities was US\$24,681 million (September: US\$24,727) (Chart 3).

**Chart 2: Derivatives turnover by counterparty.**



Source: Central Bank of Chile.

**Chart 3: Derivatives turnover between the Formal Exchange Market.**



Source: Central Bank of Chile.

Spot turnover by counterparty (millions of US dollars)	
Foreign Sector	\$ 10,882
Real Sector Companies	\$ 16,362
Pension Funds	\$ 5,119
Insurance Companies	\$ 1,167
Brokers and GFA	\$ 8,030
Other Sectors	\$ 3,548
<b>Total</b>	<b>\$ 45,109</b>

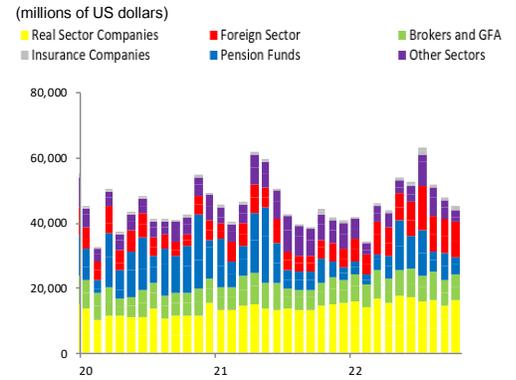
### Spot market, turnover

Total foreign currency spot turnover, which includes all Formal Exchange Market (FEM) purchases and sales of foreign currency for Chilean pesos with non-bank counterparties and between the FEM, reached US\$83,679 million in October 2022 (September: \$84,330).

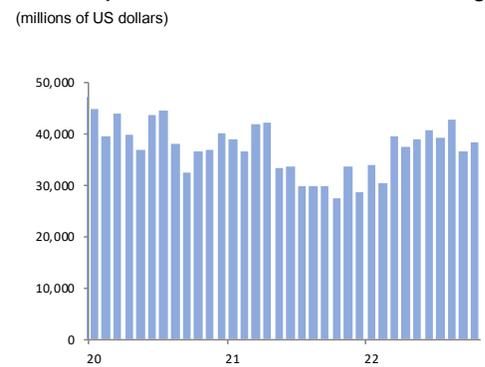
Activity with non-bank counterparties was US\$45,109 million, a decrease of US\$2,677 million on September. This was mainly due to decreases with Pension Funds and Other Sectors, whose turnover reached US\$5,119 million (September: US\$8,338) and US\$3,548 million (September: US\$5,515), respectively. These decreases were partially offset by increased turnover with Real Sector Companies which ended the month with total activity of US\$16,362 million (September: US\$14,735). (Chart 4).

Spot activity within the FEM increased by US\$2,026 million with total turnover registering US\$38,570 million at the end of the month. (Chart 5).

**Chart 4: Spot turnover by counterparty.**

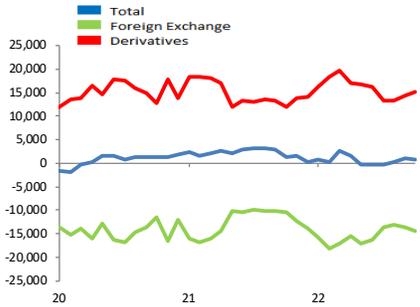


**Chart 5: Spot turnover between the Formal Exchange Market.**

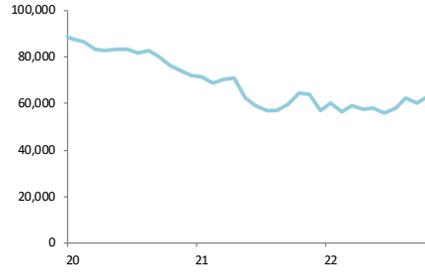


# Annex

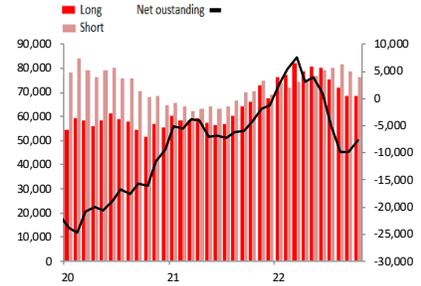
**Net amounts outstanding (spot plus derivatives) of the Formal Exchange Market**  
(millions of US dollars)



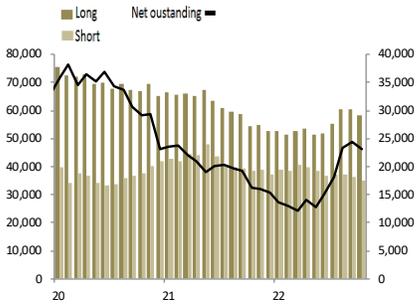
**Derivatives. Amount outstanding between the Formal Exchange Market**  
(millions of US dollars)



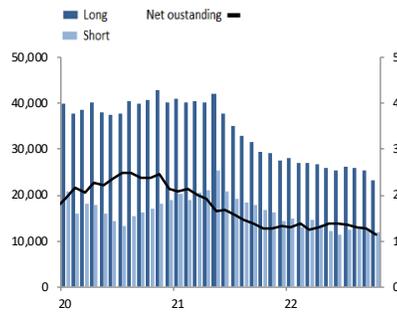
**Derivatives. Net amounts outstanding of the Formal Exchange Market with Foreign Sector**  
(millions of US dollars)



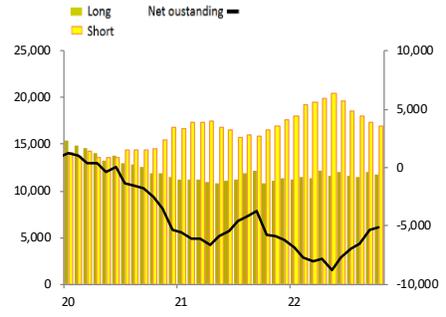
**Derivatives. Net amounts outstanding of the Formal Exchange Market with Local Counterparties**  
(millions of US dollars)



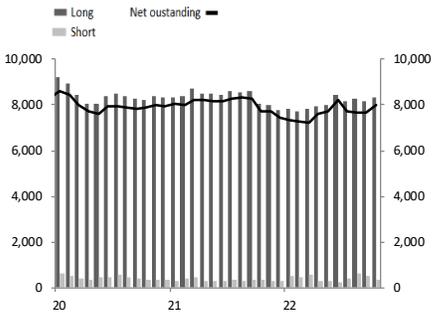
**Derivatives. Net amounts outstanding of the Formal Exchange Market with Pension Funds**  
(millions of US dollars)



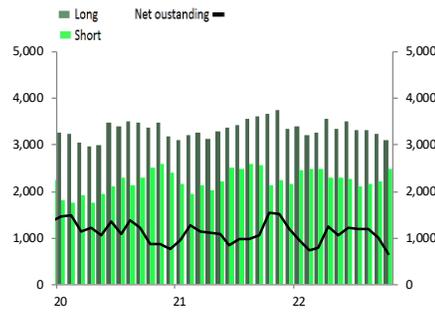
**Derivatives. Net amounts outstanding of the Formal Exchange Market with Real Sector Companies**  
(millions of US dollars)



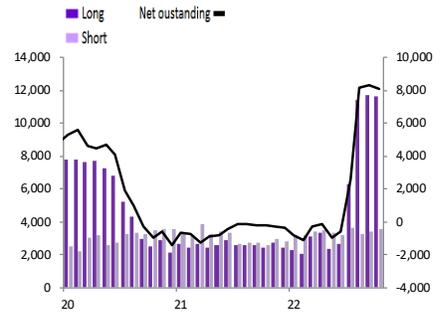
**Derivatives. Net amounts outstanding of the Formal Exchange Market with Insurance Companies**  
(millions of US dollars)



**Derivatives. Net amounts outstanding of the Formal Exchange Market with Brokers and GFA**  
(millions of US dollars)



**Derivatives. Net amounts outstanding of the Formal Exchange Market with Other Sectors**  
(millions of US dollars)



# Foreign Exchange and Derivatives Statistics Report Glossary

## Notes:

- 1) The Central Bank of Chile collects information on spot transactions and derivatives contracts carried out by banking companies and other institutions within the Formal Exchange Market (FEM), with both local and foreign counterparties, as established in Chapters I and IX of the Compendium of International Exchange Regulations.
- 2) Monthly figures are revised with a lag of three months and 23 days, which means published figures for the last three months are provisional and subject to revision.

## Glossary:

- **Brokers and Securities Intermediaries:** brokers and other securities intermediaries supervised by the Comisión para el Mercado Financiero (CMF).
- **Foreign Sector:** non-Chilean resident counterparties.
- **Formal Exchange Market:** corresponds to banks and other entities or persons authorized to be part of this market, which are outlined in Chapter III of the Compendium of International Exchange Regulations of the Central Bank of Chile.
- **General Fund Administrators:** investment funds administered by general fund administrators which are supervised by the CMF.
- **Insurance Companies:** general purpose and life insurance companies which are supervised by the Chilean securities regulator (CMF).
- **Other Sectors:** households, government, the Central Bank of Chile and any other financial company not considered among the classifications already disclosed. In the case of the Central Bank, foreign exchange intervention and liquidity management programs are considered, either through spot purchase / sale operations of foreign currency, FX Swaps, Swaps and FX Forwards, among others.
- **Pension Funds:** funds administered by Pension Fund Administrators (Administradoras de Fondos de Pensiones or AFPs) registered with the Chilean Pensions Supervisor.
- **Real Sector Companies:** considers both public and private companies. Also includes parent companies that exercise control over their subsidiaries.
- **Net amount outstanding:** the net notional stock of all outstanding contracts at the end of the period. It considers all currency derivatives instruments used by the Formal Exchange Market (FEM) with the most common being forwards, FX swaps, cross-currency swaps and options. Net refers to the netting between the long and short positions, where a positive sign indicates that the FEM holds a net long foreign currency position while a negative sign indicates that the FEM holds a net short foreign currency position, against the relevant counterparty sector.
- **Long position:** outstanding commitments to purchase foreign currency with domestic currency (Chilean peso and Unidad de Fomento) by the FEM with the indicated counterparty sector at the end of the period.
- **Short position:** outstanding commitments to sell foreign currency and receive domestic currency (Chilean peso and Unidad de Fomento) by the FEM with the indicated counterparty sector at the end of the period.
- **Interbank position:** outstanding commitments to purchase foreign currency with domestic currency (Chilean peso and Unidad de Fomento) between the FEM institutions at the end of the period, also known as long positions. Only long positions are considered in order to avoid double counting due to double-sided reporting.
- **Total turnover:** includes new purchases and sales of foreign currency against domestic currency (Chilean pesos and Unidad de Fomento) by the FEM with the indicated counterparty sector during the period.
- **Derivatives turnover:** considers all newly committed derivatives contracts (flows) in notional amounts during the defined period of time by the FEM. It considers all instruments used by the FEM with the most common being forwards, FX Swaps, cross-currency swaps and options. Only considers local currency (Chilean pesos and Unidad de Fomento) against foreign currencies.
- **Spot turnover:** includes all spot transactions (flows) during the defined period of time by the FEM. Only considers local currency (Chilean pesos and Unidad de Fomento) against foreign currencies.

## Report charts:

(C1): Derivatives net amounts outstanding, by counterparty: Total net positions by counterparty sector, at the end of the period. If its value is positive, it means that the Formal Exchange Market (FEM) has net future purchase commitments of foreign currency with that particular sector. On the other hand, if its value is negative the FEM has promises of net sale of foreign currency. The Net amount outstanding is presented on the right axis of the chart.

(C2): Derivatives turnover by counterparty: Total purchase and sale contracts signed by the FEM with the different counterparties. The positive axis identifies the purchase contract subscriptions and the negative axis the foreign currency sales contract subscriptions.

(C3): Derivatives turnover between Formal Exchange Market entities, where operations are counted only once to avoid double-counting.

(C4) Spot turnover by counterparty: Total purchase and sale traded by the FEM with the different counterparties for the period. Purchases of foreign currency are identified on the positive axis and sales on the negative axis.

(C5) Spot turnover between Formal Exchange Market entities, where operations are counted only once to avoid double-counting.

Further information in ["Publicación de Estadísticas Cambiarias del Banco Central de Chile"](#) by G. Acharan and J.M.Villena, corresponding to the Series of Statistical Economic Studies, No. 86, Central Bank of Chile, April 2011.