



BOX I.2:

Macroeconomic implications of revisions to the National Accounts and the Balance of Payments

The publication of the [National Accounts](#) and [Balance of Payments](#) for the fourth quarter of 2022 included revisions to the figures for the 2020-2022 period^{1/}. These revisions are part of the usual process of producing macroeconomic aggregates, where basic information increases with time, in terms of coverage and breakdown^{2/}. By incorporating them, statistics can be strengthened and macroeconomic analysis can be refined. This box discusses the most important aspects of these changes for the purposes of interpreting the recent evolution of the Chilean economy.

Activity and demand

Regarding activity, moderate changes were made in the levels and growth rates of GDP since 2020. In the Imacec, the implicit annual variation of non-mining GDP for the fourth quarter of 2022 was reduced (effective: -2.4%; Imacec: -1.7%). This owed mainly to the drop in transportation, associated with the incorporation of the payment of financial commissions by a company in the sector (see [Revisions to economic activity figures: GDP and Imacec](#)). Without this effect, non-mining GDP in the fourth quarter would have fallen 1.5% annually and the seasonally adjusted quarterly rate would have been 0.4% (effective: -0.5%). This is a one-off effect that will disappear in the first quarter of 2023; therefore, the velocity of the first quarter and the annual variation of the fourth quarter will be higher as a result of the low comparison base (figure I.23).

Final demand saw significant changes in its composition in the 2020-2022 period, with higher consumption and lower investment levels. In particular, private consumption increased by around US\$4.3 billion, equivalent to approximately 0.6% of annual GDP. Gross fixed capital formation (GFCF) decreased by around US\$5.8 billion, slightly more than 0.7% of annual GDP (table I.2).

The increase in the levels of consumption of goods, especially non-durables, stands out, explained, in part, by the incorporation of administrative records and statistics on non-durable goods collected by private institutions. The downward revision to GFCF reflects lower investment in construction and works, particularly due to the use of the annual survey of spending on engineering works. The machinery and equipment component was also reduced, due to the reallocation of some imports from investment to consumption, among other factors (figure I.24).

The current account and national savings

The current account deficit—equivalent to external savings—was revised upwards, especially for 2021 (table I.2), related to a downward revision to domestic savings: -0.8pp of GDP in 2020, -1.8pp in 2021 and -0.4pp in the first three quarters of 2022. These revisions are mainly explained by lagged information from financial statements and the foreign investment survey. It should be noted that balance of payments data for the fourth quarter, and partial information for the first quarter of 2023, show a significant correction of the external deficit with respect to previous quarters.

National savings in 2020, 2021 and 2022 were well below their historical average (23.3% in the period 1996-2019), most recently explained by the low level of private savings. The annual closing of the National Accounts by institutional sector, to be published on 18 April, will contain the breakdown of savings figures by sector (i.e., households, businesses and government).

^{1/} The sanitary emergency posed challenges in the collection of basic data, for which efforts were made with information providers to minimize their impact on the quality of statistics. Nevertheless, the revisions to the annual variation rates for each year were within the historical range ([Economic and Statistical Studies N° 131](#)).

^{2/} For 2020, INE surveys were included, allowing for more accurate macroeconomic aggregates to be prepared with greater accuracy and breakdowns. For 2021, annual tax records and the annual survey of investment in engineering works were incorporated. Production and expenditure figures for 2022 have been updated.



Conclusions

The revisions to the National Accounts and Balance of Payments 2020-2022 show greater macroeconomic imbalances, reflected in higher consumption, lower national savings and a larger current account deficit. Worth noting are the higher levels of consumption of goods, which could at least partially explain why inflationary pressures have exceeded our initial estimates. Investment appears weaker than anticipated, having stagnated for several quarters. The drop in investment levels cancels out part of the positive surprises of the second half of 2022, and generates a baseline effect for 2023, which explains part of the upward revision to the annual projection for this aggregate.

FIGURE I.23 NON MINING GDP
(index 2018 = 100, s.a.)

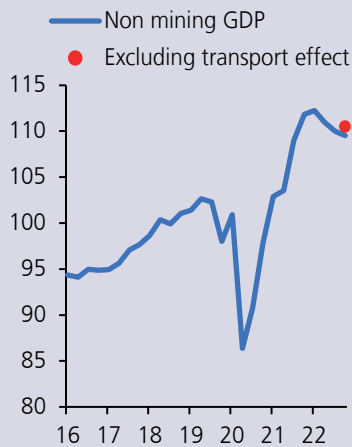


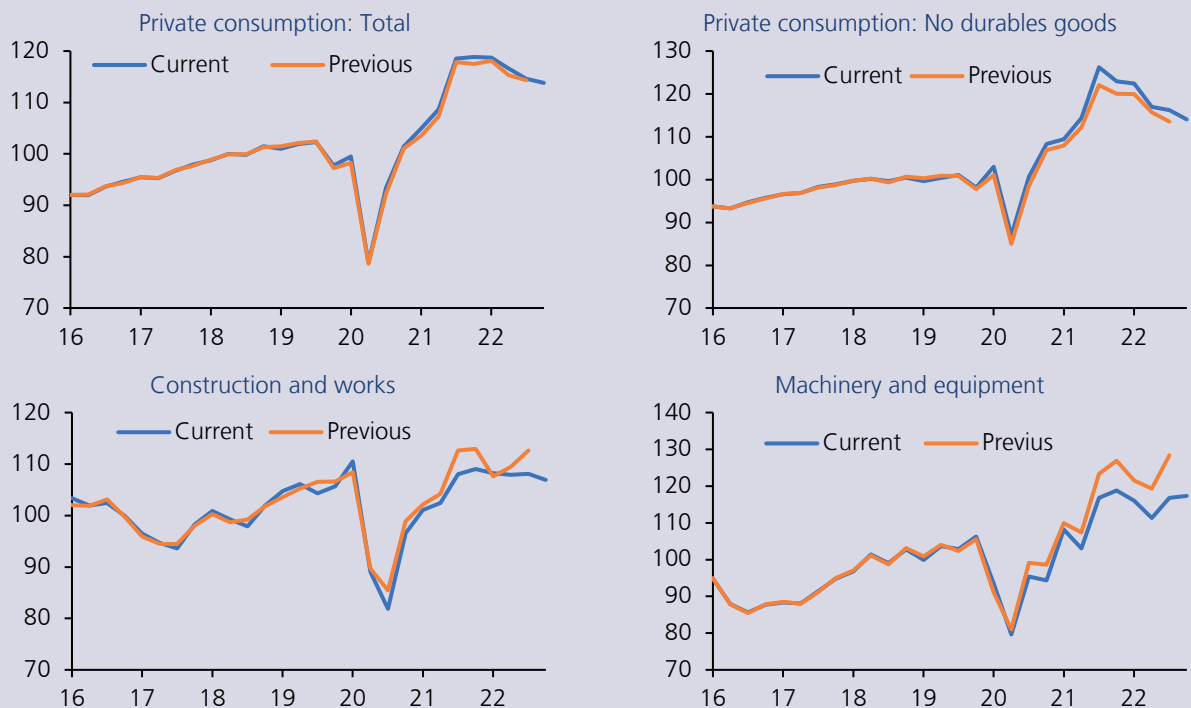
TABLE I.2 MACROECONOMIC AGGREGATES
(percentage of nominal GDP)

	2020		2021		2022 (1)	
	Current	Previous	Current	Previous	Current	Previous
Total consumption	74.4	73.8	76.3	75.3	78.4	77.7
Private consumption	58.4	57.8	61.7	61.0	64.2	63.7
GFC	21.1	21.6	24.4	25.3	26.6	27.1
GFCF	22.5	23.0	23.1	24.0	24.5	25.4
National Savings	19.2	20.0	17.0	18.8	16.7	17.1
External Savings (2)	1.9	1.7	7.5	6,6	9.9	10.1

(1) For 2022 the accumulative ratios of 21.T1-22.T3.
(2) Corresponding to the current account deficit.
Source: Central Bank of Chile.

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FIGURE I.24 DEMAND LEVELS
(index 2018 = 100, seasonally adjusted)



Source: Central Bank of Chile.