

What does the IEF tell us? Second Half 2025



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- There are several factors that could reduce investors' risk appetite, generate a global decompression of spreads and trigger a fall in asset prices in international markets.
- These include an intensification of trade, geopolitical or institutional tensions, as well as a more pronounced impact of these elements on activity or inflation, or changes in the perception of the benefits of new technologies that could reduce the valuations of companies in the sector and aggregate growth expectations.



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- In advanced economies, especially in the United States, stock prices, corporate bonds, and other risky assets have continued to rise, reflecting, among other factors, lower risk premiums.
- This, together with a drop in implied volatility indices (VIX, MOVE), accounts for a high level of risk appetite that contrasts with the scenario of high uncertainty associated with commercial, geopolitical and institutional tensions.
- At the same time, global indebtedness, particularly sovereign debt, keeps rising.



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- For households, vulnerabilities remain low, similar to what was described in the previous Report.
- Since the previous Report, companies decreased their indicators of indebtedness, debt service ratios and default, reflecting lower financial vulnerability.
- Banks have capital levels that would allow them to remain solvent in a scenario of severe stress.



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- At the local level, the materialization of a risk scenario or similar events could trigger capital outflows, increases in interest rates, abrupt corrections in sovereign bond prices, and exchange rate fluctuations that interact with the financial vulnerabilities of local borrowers and lenders.
- The Chilean economy has macroeconomic soundness and robust financial regulation and supervision standards, which allow it to have adjustment mechanisms and headroom to mitigate the effects of adverse shocks.

