

# What does this IPoM tell us?

September 2026

1



Inflation remains **above the 3% target**, although it has evolved in line with expectations. It is still projected to converge to the target in the second quarter of 2027.

2



The **economy has weakened** amid lower mining, agricultural, and fishing production; a deterioration in the labor market; and a decline in confidence indicators. The impact of recent storms has added to these developments.

3



Thus, this year's **growth projection** has been revised downward compared with the previous report. However, the economy is expected to regain momentum in 2027.

4



The Central Bank will continue to monitor economic developments to ensure the fulfillment of its objective: **maintaining low and stable inflation**.



**1.** Inflation remains **above the 3% target**, although it has evolved in line with expectations. It is still projected to converge to the target in the second quarter of 2027.

- Price variation, as measured by the Consumer Price Index (CPI), has fluctuated around 4% annually in recent months.
- This has largely been driven by higher fuel prices.
- Thus, the inflation forecast remains somewhat above 4% by the end of this year, reiterating that its convergence to the 3% target will take place in the second quarter of 2027.



**2. The economy has weakened** amid lower mining, agricultural, and fishing production; a deterioration in the labor market; and a decline in confidence indicators. The impact of recent storms has added to these developments.



- In the second quarter, total GDP and non-mining GDP changed by -0.2% and 0.7%, respectively, both below the figures projected in June.
- In July, the Monthly Index of Economic Activity (Imacec) declined by 1.5% year-on-year, largely influenced by lower mining production and the effects of the storms.
- Chile's labor market has remained weak since the pandemic, reflecting a combination of persistent and cyclical factors.
- All of this has occurred in a context in which the conflict in the Middle East continues to dominate the external scenario, with an escalation of hostilities.





**3.** Thus, this year's **growth projection** has been revised downward compared with the previous report. However, the economy is expected to regain momentum in 2027.

- Lower economic activity in the first part of the year has led to an adjustment in the 2026 GDP growth range, from 1.0–1.75% to 0.25–0.75%.
- Expected growth in both consumption and investment has also been revised downward for this year.
- Economic activity is expected to return to higher growth rates beginning next year. Growth is projected at between 2% and 3% in 2027, and between 2.25% and 3.25% in 2028.



#### 4. The Central Bank will continue to monitor economic developments to ensure the fulfillment of its objective: **maintaining low and stable inflation.**



- The macroeconomic scenario remains marked by risks on various fronts, including the conflict between the United States and Iran.
- Thus, future changes in the Monetary Policy Rate (MPR) will continue to be assessed on a meeting-by-meeting basis, depending on how events unfold.
- The Board reaffirms that it will take the necessary decisions to ensure that projected inflation stands at 3% over a two-year horizon.

