Monday, November 16, 2026

Financial Policy Meeting – Second Half of 2026*

At its Financial Policy Meeting, the Board of the Central Bank of Chile agreed to maintain the decision adopted in May for the Countercyclical Capital Buffer requirement to converge to its neutral level of 1% of risk-weighted assets (RWA). As agreed at that time, this level of the CCyB will become effective 24 months after the Meeting held on May 18, 2026. The decision was adopted unanimously by the Board members.

Risks to global financial stability remain elevated. Vulnerabilities associated with high valuations of risky assets, rising indebtedness in the artificial intelligence (AI) sector, geopolitical tensions, and high levels of government debt persist. In this context, the materialization of a shock, or a combination of shocks, could reduce risk appetite in global financial markets and sharply intensify the tightening of financial conditions observed in recent months. This continues to be the main risk to domestic financial stability. In addition, concerns have increased regarding the financial system's exposure to growing cybersecurity risks.

The domestic financial market has continued to track developments in external markets and is showing tighter financial conditions. The debt-servicing capacity of households and firms has deteriorated somewhat, consistent with weaker employment and sales in the local economy. In the event of a pronounced deterioration in the macrofinancial environment, household and corporate debt at risk would be somewhat higher than in the previous exercise.

Since the last meeting, consumer and housing loan portfolios have grown at moderate rates, as has commercial lending. This trend has been consistent with the performance of the economy. According to the Bank Lending Survey, the deterioration in credit demand from large firms has come to a halt, while an improvement is perceived in all other components. There is no evidence that bank capital is constraining credit.

Banks hold capital levels that would allow them to withstand a severe stress scenario. In addition, they maintain stable funding conditions and profitability above their historical averages. In this context, the banking system has sufficient capital buffers to complete the convergence of the CCyB to its neutral level within the envisaged horizon while continuing to provide a flow of credit consistent with the economy's expected performance.

Following its assessment of the developments described above, as well as those contained in the Financial Stability Report for the second half of 2026, which will be released tomorrow, the Board agreed to maintain its decision to continue the convergence toward the neutral level of the CCyB (1% of RWA). This level will become effective 24 months after the Meeting held on May 18, 2026.

In accordance with the policy framework released in November 2024, the Board will continue to regularly assess macrofinancial conditions, the risk environment, and their potential implications for the CCyB.

The minutes of this Financial Policy Meeting will be published at 8:30 a.m. on Tuesday, December 1. The next meeting will be held on May 17 and 18, 2027, and its statement will be published from 6:00 p.m. on the latter date. Further details on the Countercyclical Capital Buffer are available at the following link.

https://www.bcentral.cl/areas/politica-financiera/rcc

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*The Spanish original prevails.