

Chile

Composite Rating: A
Outlook: Stable

Bond: CHILE 3.125 26

Country Overview

- The Republic of Chile is one of Latin America's largest economies, ranking 46th in the world in terms of Gross Domestic Product (GDP, Current USD) in 2023. For 2024, the country's GDP printed at approximately USD 328.72 billion (IMF, 2024).
- Chile is classified as a "Developing Country", "Upper-Middle Income Country" (World Bank, 2024), and an "Emerging Market" according to the annual MSCI Market Classification Review (MSCI, 2024). These classifications are characterized by progressive economic development, market size and liquidity, and market accessibility.
- The country's economic growth is driven mainly by the mining sector (World Bank, 2024), with top exports being copper ore, refined copper, and carbonates valued at USD 24.2 billion, USD 17.1 billion, and USD 6.08 billion, respectively. Main export destinations, on the other hand, are China at USD 38.2 billion, the United States at USD 15.7 billion, and Japan at USD 7.1 billion (OEC, 2023).

Macro Fundamentals

- The Chilean economy has already recovered and reverted to its growth trend. It has stabilized inflation as a result of macroeconomic policies that were implemented following the pandemic (OECD Economic Survey, 2025).
- GDP growth forecast sits at 2.3% in 2025 and only 2.1% for 2026, coming from 0.3% and 2.4% growth for 2023 and 2024, respectively (OECD Economic Survey, 2025).
- Debt-to-GDP ratio for 2024 was reported to be around 41%, or equivalent to USD 138 billion (World Economics, 2023).

Risk & Catalysts

- Chilean sovereign spreads are expected to be stable amid stable GDP growth and contained fiscal deficits.
- Political risk may remain. President Gabriel Boric's administration faces legislative gridlock, complicating the passage of key reforms in taxation, pensions, and state-owned lithium. Moreover, the November 2025 elections may change the political landscape of Chile.
- Any slowdown in China's economy may impact Chile given that a significant portion of its exports go to China.

Key Macro Indicators

	2023	2024	2025	2026
Gross domestic product	0.3	2.4	2.3	2.1
Private consumption	-5.2	1.2	2.0	2.3
Government consumption	2.2	3.5	2.1	2.0
Gross fixed capital formation	-0.7	-1.3	4.6	2.5
Exports	0.2	5.7	4.0	2.5
Imports	-11.6	1.1	4.3	3.1
Unemployment rate (% of the labour force)	8.7	8.4	8.3	8.0
Consumer price index	7.6	4.3	4.2	3.2
Current account balance (% of GDP)	-3.4	-2.5	-2.4	-2.5
General gov. fiscal balance (% of GDP)	-2.4	-2.3	-1.3	-1.0

Table 1. Key Macro Indicators, retrieved from OECD Economic Surveys: Chile 2025, https://www.oecd.org/en/publications/oecd-economic-surveys-chile-2025_efad96ce-en.html

References

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