



Dos o tres comentarios sobre la macro post-telúrica chilena

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Let's go

After a couple Central Bank m in terms of new speculative con We agree and fi normalizing poli fast speed of or more.

TABLE 1 Latest Economic

Variable
IPC
IPCX
IPCX1
Inflation Expect
IRN
MACEC
Exchange Rate
Unemployment
Unemployment

Source: Central Bank of C

We are clearly r if it is not dealt expected growth recovery and th gross capital f furniture sales demand recover

Prices on the ot year this month of bleeding hart grew more than

The exchange r Bank. This pic reconstruction e

CONTENTS

- Growth: first lower, then higher
- Expectations: definitely better
- Labor Market: new numbers, same story
- Trade: capital goods imports, finally
- Capital Markets: jittery but good to go
- Monetary Policy: waiting for the salvo
- 21st of May Presidential Account: capturing the center

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Waiting for the salvo

New Report Executive Summary

As we anticipated, activity numbers for the early post-quake month were worse than the market was originally expecting. This has made market expectations start to converge to a number closer to 4 percent for 2010 growth (although it still does not show in the official Central Bank forecast survey sheet). At the same time (and despite the European Fiscal Crisis) prospects for 2011 are good and improving. We expect that they will slowly move closer to 6 percent as the months go by. Hence, the variance of the post quake fluctuation that is expected by the market is increasing, which buys some "monetary policy illusion" time for the Central Bank (which could be useful given the troubles abroad) but makes the eventual monetary tightening surer and stronger.

It is already clear that economic agents are viewing the future with more optimism as it becomes clear that the net effect of the quake on medium term growth is positive rather than negative whatever short term wallop we have taken. It could be that for the moment the improved expectations are only entrepreneurial, but that is a good start.

We still think that the most sensible increase in interest rates is 50 and then a slow trajectory with a slight exponential form that takes us to 3 percent in December. Anyway, it's not about us but rather about them so, to be honest, I have to declare that I'm not sure and give it 3/2 odds that it will be a 50 rather than a 25, with some very small chance that it does not rise depending on what goes on abroad.

going to be

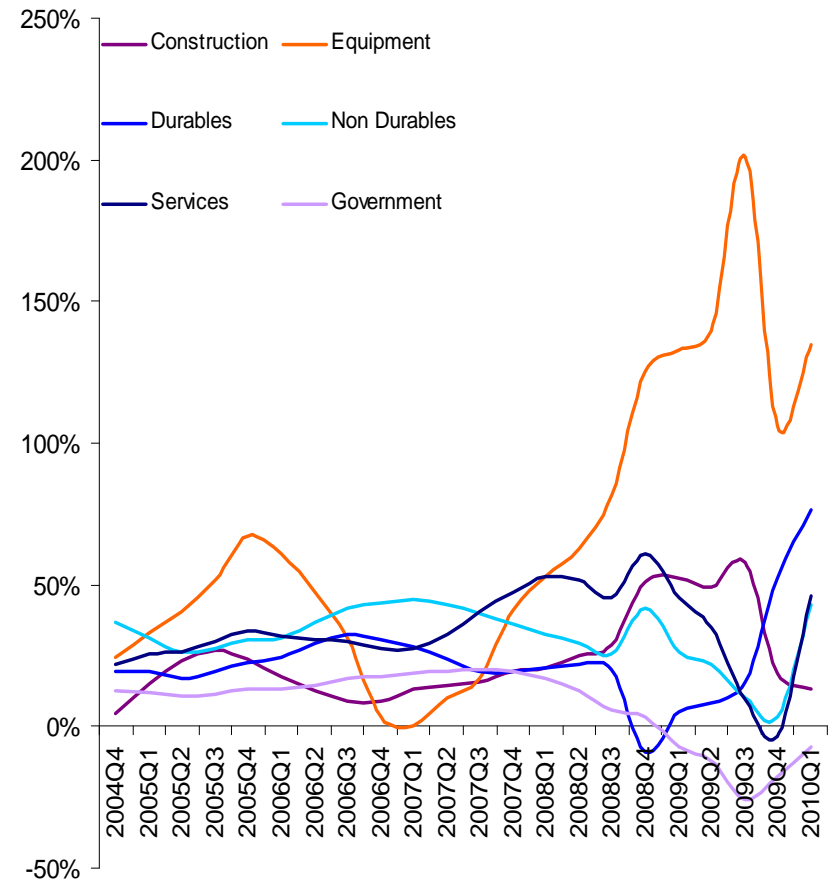
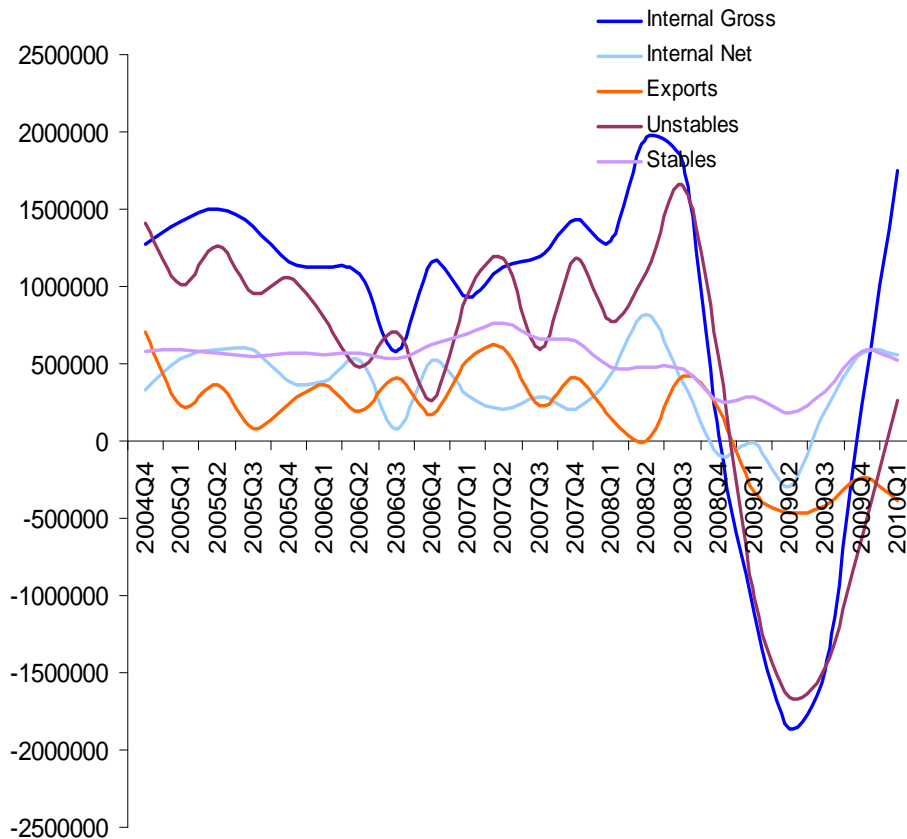
Summary

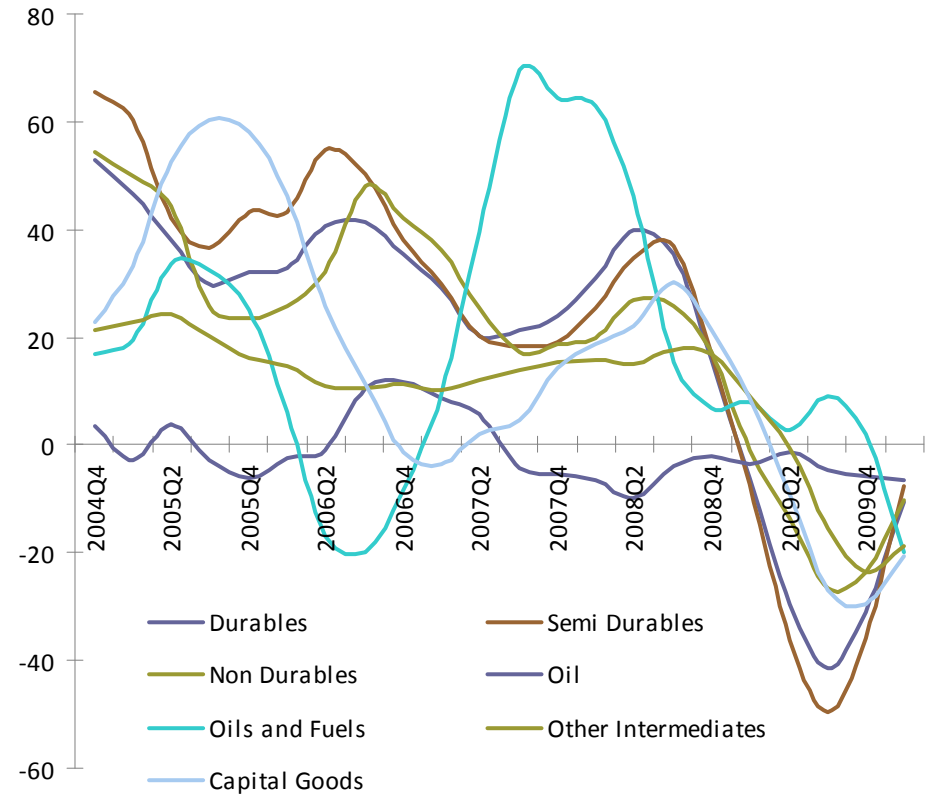
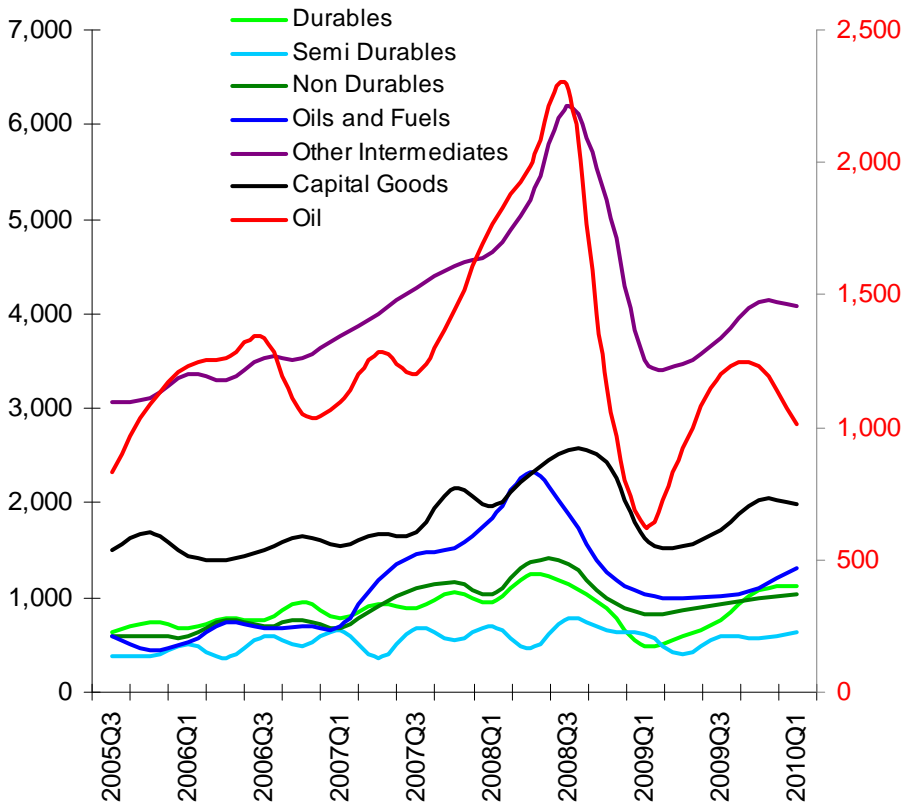
cast a 4 percent growth rate for 2010, i. We believe these figures have a big will soon return to much milder numbers slightly more pessimistic than the market 5. We are forecasting a second quarter e are closer to 6 percent (the market is 5.5 (the market is at 5.3). So, in the short fore optimistic in the medium term. The s that the reconstruction effort in a couple ure, manufactures, forestry and fishing) is g, basically because a lot of planning has a good thing... better to get it right than be faster than the market expects.

end 2010 in the top of the Central Bank seek at 4.5 percent in December due to a the labor market together with imported recast for 2011 is (like the market) at 3, rik is going to batter this down with iflation forecast for December 2011 rose y think the reaction of the Bank will be will make our forecast of aggressive rate : the rate will end the year at 3.5 percent. The market still believes in a year ending

Demanda Interna: como el Chupete Suazo (fue un susto no más)

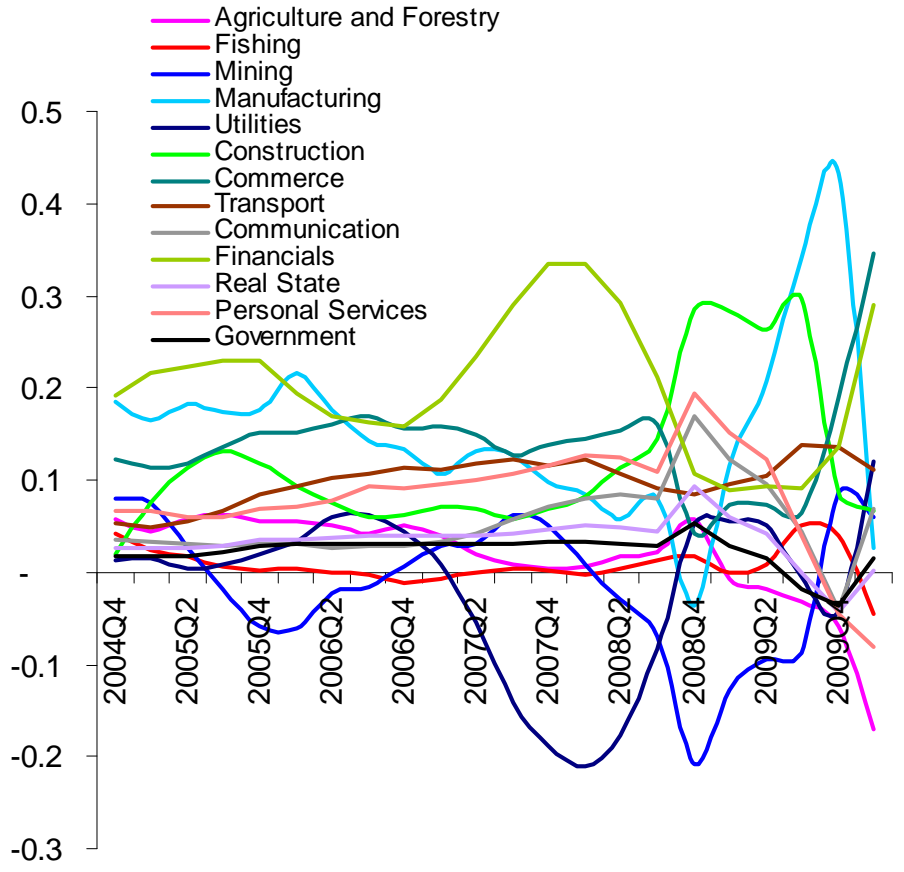
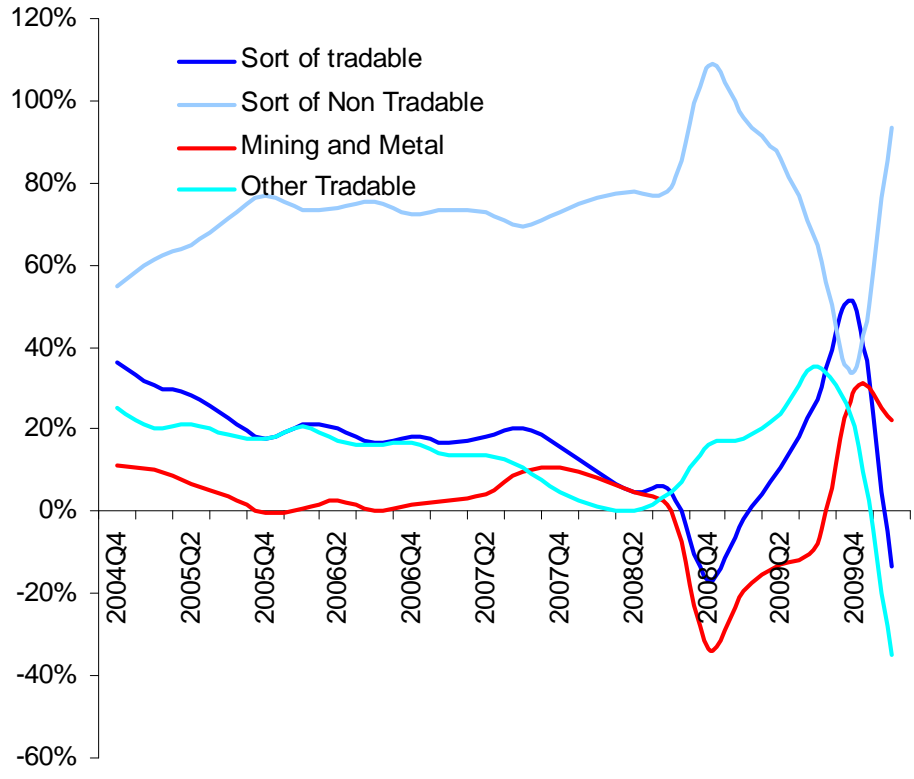
- Q1 2010 la demanda interna aumentó 11.1%.
- La principal fuente fue la demanda de capital (equipos) pero también consumo durable
- En general, todas las fuentes de demanda van fuerte y eso que es el primer trimestre.
- Cuando entre la construcción... ¡ayayay!

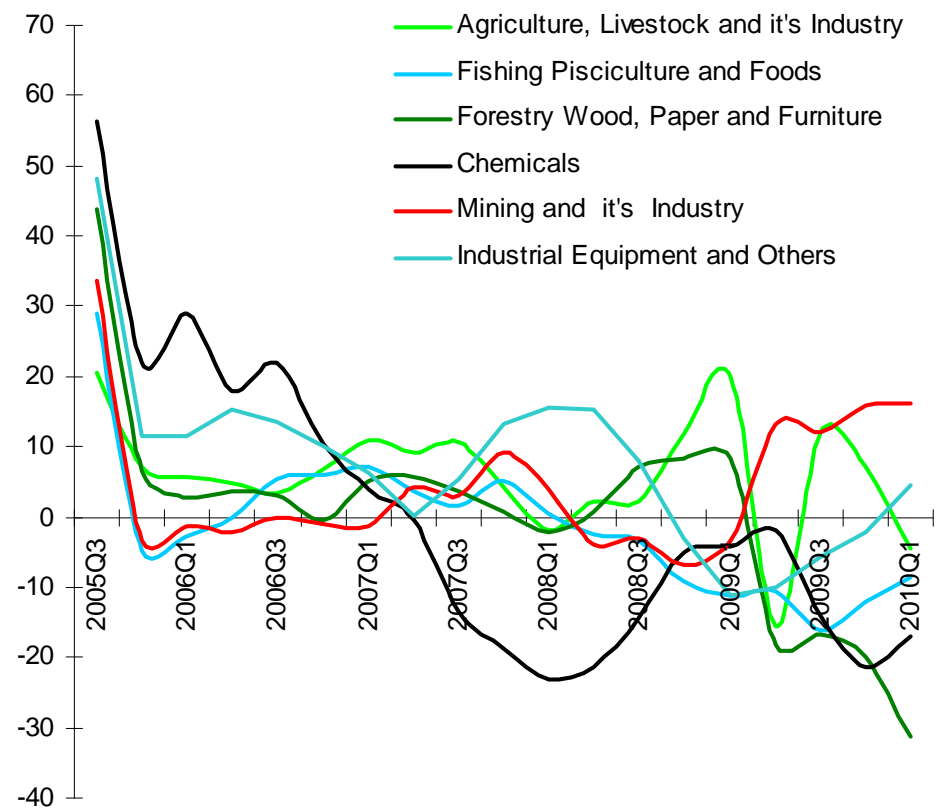
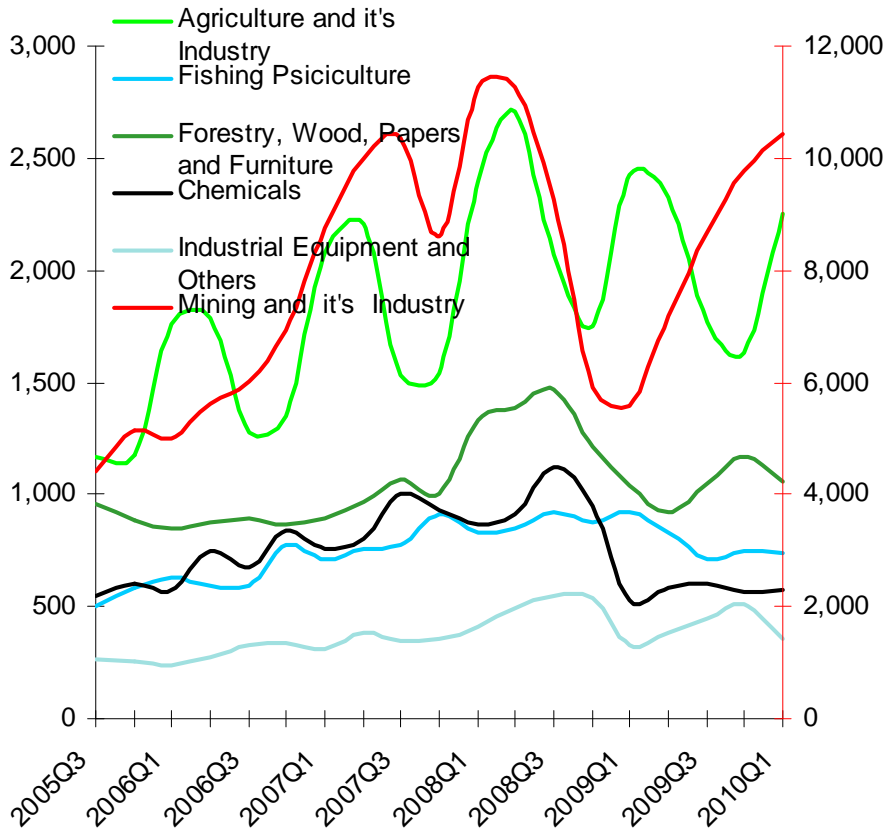




- Sectores no transables son la fuente de crecimiento.
- Sectores transables concentrados en zona del desastre.
- Primero entrará la agricultura cuya recuperación es trabajo intensiva
- Luego sectores de recuperación capital intensiva.

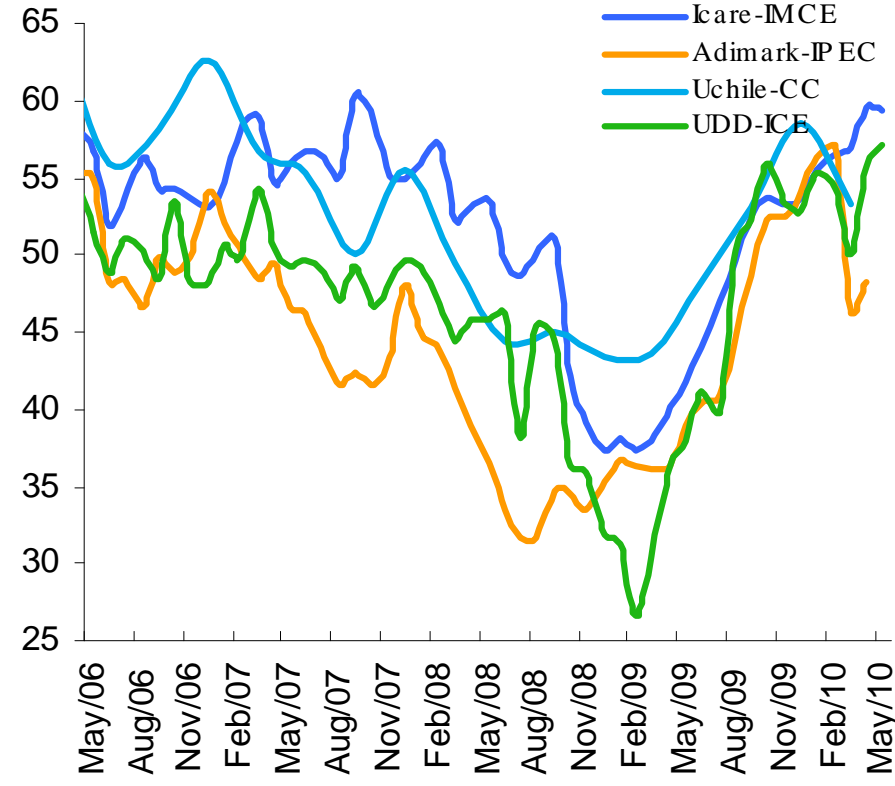
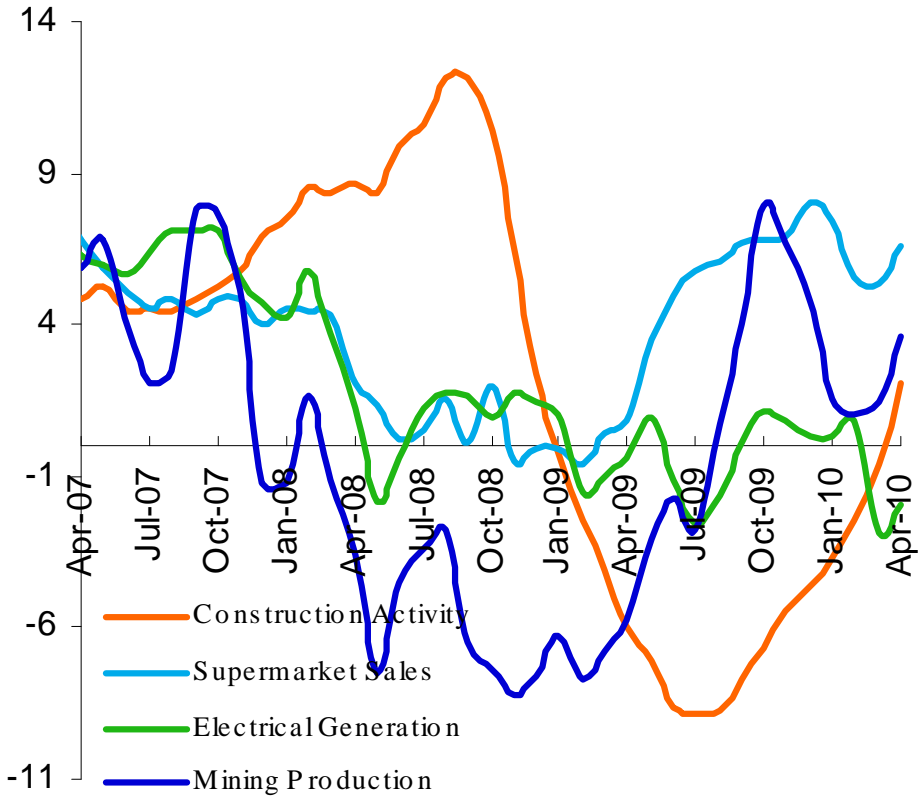
Sectores: las regiones transables y la nueva realidad cambiaria





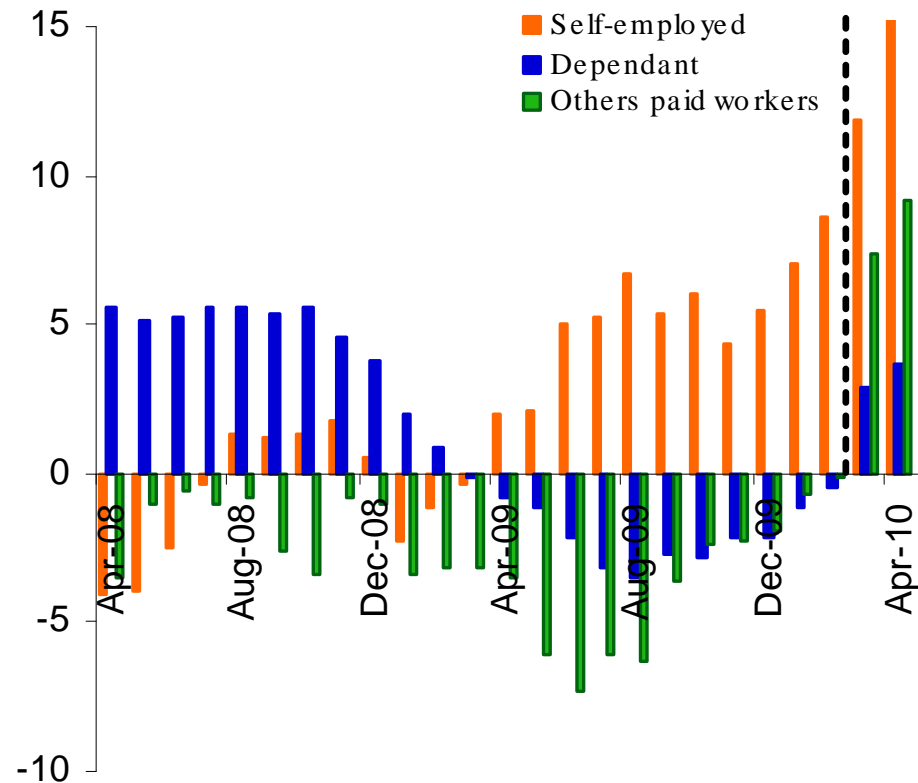
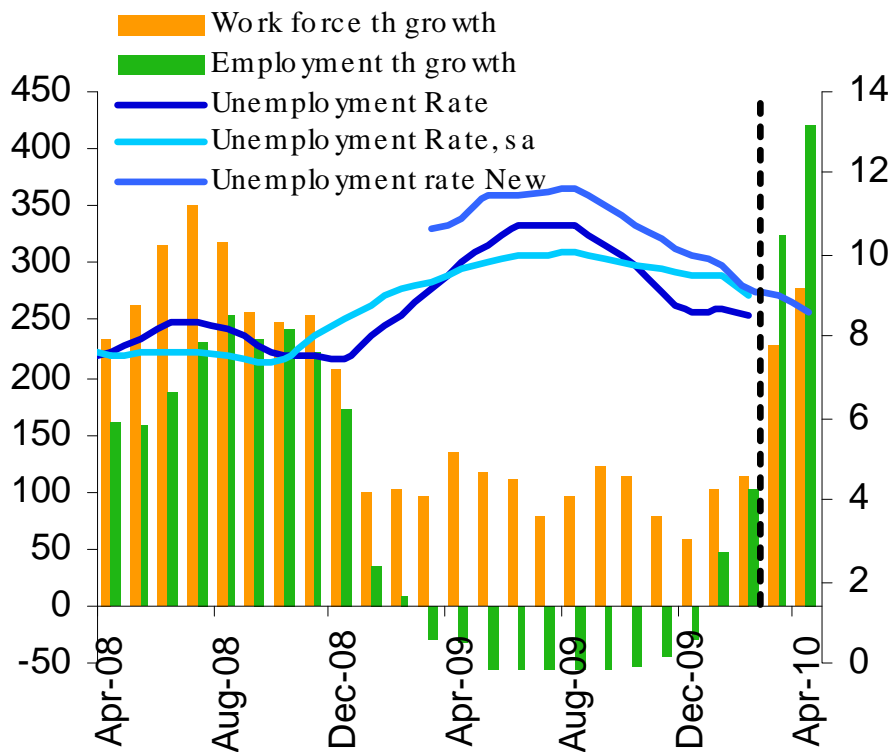
- Confianza empresarial recuperada
- Confianza de consumidores en proceso rezagado de devolverse
- Indicadores sectoriales al alza

Indicadores líderes:
caliente, caliente...
eeeo!



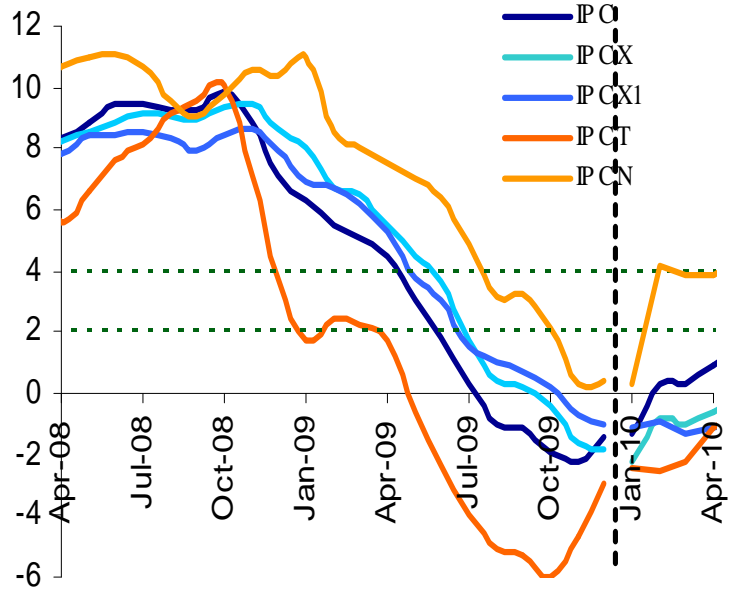
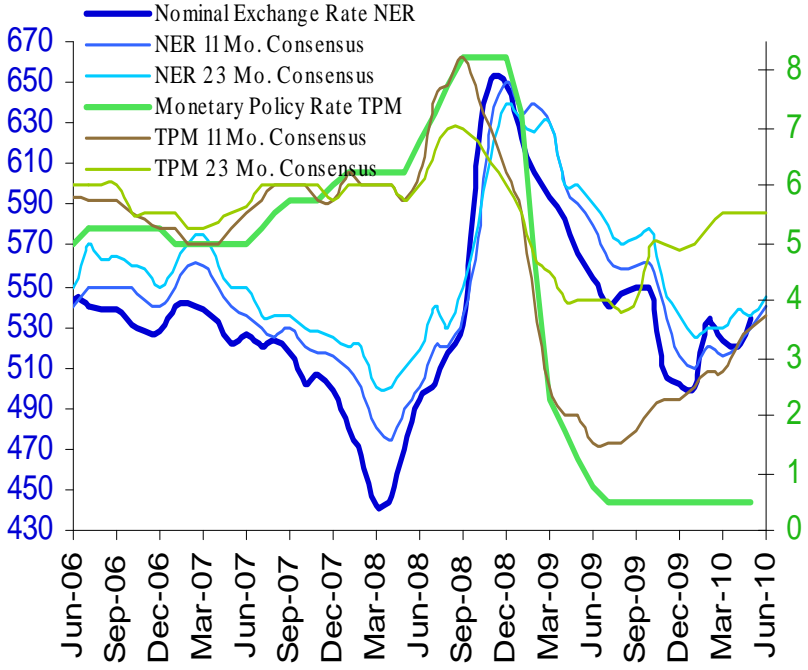
Trabajo: donde las papas queman

- Difícil hacer análisis a partir de los datos
- Hombres: sector construcción y reparaciones retail da señales de apretarse, manufacturas más lento
- Sigue apretado retail, agricultura puede no estar tan fuerte o demorarse más.
- Hacia finales del año va a estar caliente.



- Inflación no transable alta y con potencial de desborde
- Tipo de cambio en zona de comodidad política
- Banco Central con dificultades para convencer al mercado de sus urgencias anti-inflacionarias

Inflación: donde más duele



Pronóstico: más volátil que lo que pronostica el mercado

- Mercado subestimando trayectoria de inflación y de tasas, aunque correctamente ancladas a fines del 2011 en 3,0 y 5,5.
- Inflación termina el año sobre 4,0 y tasas sobre 3,0.
- Mercado sobreestimando crecimiento este año y subestimando el próximo.
- Crecimiento 4,0 este año y 6,0 el otro.
- Tema cambiario va a volver a ser un tema en la medida que se recupere economía global.

Una cosita final sobre el tipo de cambio como variable estratégica central de la macro contemporánea chilena



¡Gracias!

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