

**Introduction**

Chile is a country in South America that borders the South Pacific Sea. Neighboring countries include Argentina, Bolivia, and Peru. Chile has a strategic location relative to sea lanes between the Atlantic and Pacific Oceans including the Strait of Magellan, Beagle Channel, and Drake Passage. Chile occupies a long, narrow coastal strip between the Andes Mountains to the east

and the Pacific Ocean to the west. Thus, the geography is varied. The government system is a republic; the chief of state and head of government is the president. Chile has a market-oriented economy in which the prices of goods and services are determined in a free price system. Chile is a member of the Asia-Pacific Economic Cooperation (APEC) and the Trans-Pacific Partnership (TPP).



**Location:** South America

**Capital City:** Santiago (-4 GMT)

**Chief of State:** President Sebastián Piñera Echenique

**Head of Govt.:** President Sebastián Piñera Echenique

**Currency:** Chilean peso (CLP)

**Major Languages:** <p>Spanish 99.5% (official), English 10.2%, indigenous 1% (includes Mapudungun, Aymara, Quechua, Rapa Nui), other 2.3%, unspecified 0.2%</p>

**Primary Religions:** <p>Roman Catholic 66.7%, Evangelical or Protestant 16.4%, Jehovah&#39;s Witnesses 1%, other 3.4%, none 11.5%, unspecified 1.1%</p>

**Calling Code:** 56

**Voltage:** 220

**Key Websites**

Main Government Page: [gob.cl](http://gob.cl)

Commerce Ministry: [economia.gob.cl](http://economia.gob.cl)

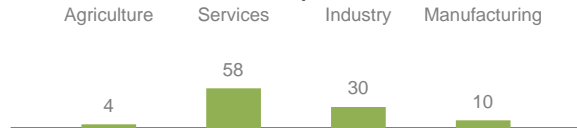
Export Promotion Agency: [prochile.gob.cl](http://prochile.gob.cl)

Investment Promotion Agency: [investchile.gob.cl](http://investchile.gob.cl)

**Key Economic Facts**

Income Level (by per capita GNI):	High Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$446.81 billion (2017)
GDP growth (annual %):	1.49% (2017)
GDP per capita, PPP (current international \$):	\$24,747.31 (2017)
External debt stocks, total (DOD, current US\$):	\$96,244,880,000.00 (2011)
Manufacturing, value added (% of GDP):	10.22% (2017)
Current account balance (BoP, current US\$):	-\$5.96 billion (2017)
Inflation, consumer prices (annual %):	2.18% (2017)
Labor force, total:	9,076,843 (2018)
Unemployment, total (% of total labor force) (modeled ILO estimate):	7.22% (2018)
Imports of goods and services (current US\$):	\$74.79 billion (2017)
Exports of goods and services (current US\$):	\$79.53 billion (2017)

**GDP Composition %**



*\*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

**Rankings**

Index	Rank
Corruption Perceptions Index	26 / 178
EY Globalization Index	28 / 60
Global Competitiveness Index	33 / 139
Global Enabling Trade Index	21 / 136
Global Services Location Index	9 / 55
Index of Economic Freedom	18 / 179
International Logistics Performance Index (LPI)	34 / 160
Inward FDI Potential Index	52 / 139
KOF Index of Globalization	40 / 185
Networked Readiness Index (NRI)	38 / 139
Open Budget Index	34 / 115

**Risk Assessment (Provided by Coface)**

**Country rating: A3** - Changes in generally good but somewhat volatile political and economic environment can affect corporate payment behavior. A basically secure business environment can nonetheless give rise to occasional difficulties for companies. Corporate default probability is quite acceptable on average.

**Business Climate rating: A3** - The business environment is relatively good. Although not always available, corporate financial information is usually reliable. Debt collection and the institutional framework may have some shortcomings. Intercompany transactions may run into occasional difficulties in the otherwise secure environments rated A3.

**Strengths**

- Mining (leading copper producer), agricultural, fishery and forestry resources
- Numerous free-trade agreements
- Flexible monetary, fiscal and exchange rate policies
- Favourable business climate; political and institutional stability
- Member of the OECD and the Pacific Alliance

**Weaknesses**

- Small, open economy vulnerable to external shocks given the dependence on copper and Chinese demand
- Exposure to climate and earthquake risks
- Weak budgetary resources: 20% of GDP
- Inadequate research and innovation
- Vulnerability of the road network and electricity grid; high energy price / stretched country
- Income disparity and poor education system

**U.S. Embassy**

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<https://cl.usembassy.gov>