

November 17th, 2020

Investment Survey points to 8.4% increase in 2021.

Santiago, November 17th, 2020. In its quarterly investment survey for the next five years, the Capital Goods Technology Development Corporation (CGTDC)¹ estimated an investment pipeline of roughly US\$ 60.1 billion between 2020-2024, a 6.1% increase with respect to the previous survey.

The CGTDC is considered a reliable leading indicator of investment dynamics in Chile, since it provides quarterly estimates of large-scale public and private investment projects, considering those that have a defined schedule at the end of the quarter and are greater than US\$ 5 million, in the case of industrial or infrastructure projects, or US\$ 15 million in the case of the real estate sector. In doing so, the CGTDC registers the evolution of a significant part of the Gross Fixed Capital Formation (about 1/3).

For 2020, estimated investment rose to US\$ 16,212 million, representing an increase of 5.4% with respect to estimated investment last June. For 2021, projected investment reaches US\$ 17,073 million, an increase of 8.4% with respect to the previous quarterly survey.

1. Specifically with respect to the private sector, estimated investment for the next five years increased 7.2%.

The private sector investment pipeline for 2020-2024 reached US\$ 45,781 million at the end of the third quarter, which represents an increase of 7.2% with respect to the forecast last June.

By economic sectors, the greatest increase was observed in mining, which added more than US\$ 2 billion to the third quarter estimation. In addition, the real estate and industrial sectors increased their estimated amounts by US\$ 840 million and US\$ 492 million, respectively.

2. Public investment increased 3.4%, due to new projects in the Step-by-Step Plan.

The public sector investment pipeline for the 2020-2024 period reached US\$ 15,119 million at the end of the third quarter, which represents an increase of 3.4% compared to the last survey, thanks to the entry of 19 new projects.

By economic sectors, the greatest increase was observed in mining, which added more than US\$ 98 million to the amount estimated during the third quarter. Likewise, the public works sector increased its pipeline by US\$ 84 million.

For this year, the estimated amount increased 5.2%, while, for next year, the estimated investment rose by 2.8%.

¹ Corporación de Bienes de Capital, in Spanish.