

- In September 2018, the Industrial Production Index (IPI) decreased **3.2%** year on year.
- The Mining Production Index (IPMin) fell **1.3%** compared to the same month in the previous year.
- The Index of Production of Electricity, Gas, and Water (IPEGA) decreased **1.5%** compared to September 2017.
- The Manufacturing Output Index (IPMan) decreased **5.4%** year on year.

Development of the seasonally adjusted series

In September 2018, which had two working days less than September 2017, the seasonally adjusted series¹ of the Industrial Production Index (IPI), corrected for the calendar effect, decreased 0.8% compared to the previous month and 1.6% year on year. In the cycle-trend series, an annualized decrease of 5.5% was observed in the long-term development of this activity.

Development of the original series

In September 2018, the IPI fell 3.2% year on year. The fall was due to the decreases in its three sectors. The IPMan had a -2.370 percentage point (pp) impact on the variation of the index, and the IPMin and IPEGA had impacts of -0.615 pp and -0.165 pp, respectively.

ECONOMIC SECTORS

September 2018 Variations (%)

Industrial Production Index

12-month	Monthly SA*
-3.2	-0.8

Mining Production Index

12-month	Monthly SA*
-1.3	1.0

Index of the Production of Electricity, Gas, and Water

12-month	Monthly SA*
-1.5	-1.2

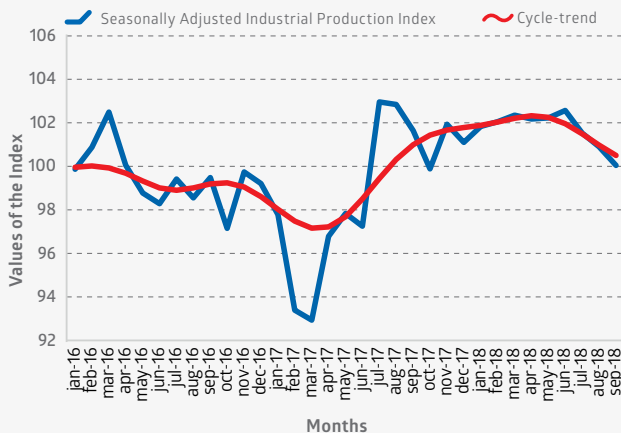
Manufacturing Output Index

12-month	Monthly SA*
-5.4	-5.6

(*) Seasonally adjusted

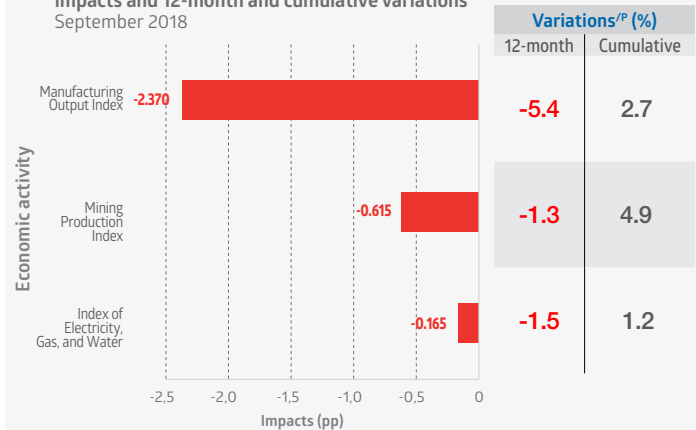
Development of the Industrial Production Index (IPI) base: annual average 2014=100

Seasonally adjusted index and cycle-trend**
(January 2016 – September 2018)



Industrial Production Index (IPI), by economic activity base: annual average 2014=100

Impacts and 12-month and cumulative variations
September 2018



/P: Provisional Figures

(1) For more details, see "Desestacionalización de las Series Económicas de corto plazo, año base 2014=100" [Seasonal Adjustment of the Short-term Economic Series, base year 2014=100], February 2017, available at www.ine.cl.

(*) The seasonally adjusted series and the cycle-trend are constructed using the X-13 ARIMA-SEATS methodology.

Mining Production Index

Base: annual average 2014=100

- In September 2018, the seasonally adjusted series of the Mining Production Index (IPMin) increased **1.0%** compared to the previous month.
- The original series decreased **1.3%** year on year.

Development of the seasonally adjusted series

In September 2018, the seasonally adjusted series of the IPMin corrected for the calendar effect rose 1.0% compared to the previous month but fell 1.5% year on year.

In the cycle-trend series, an annualized monthly increase of 4.0% in the long-term development of this activity was recorded.

Development of the original series

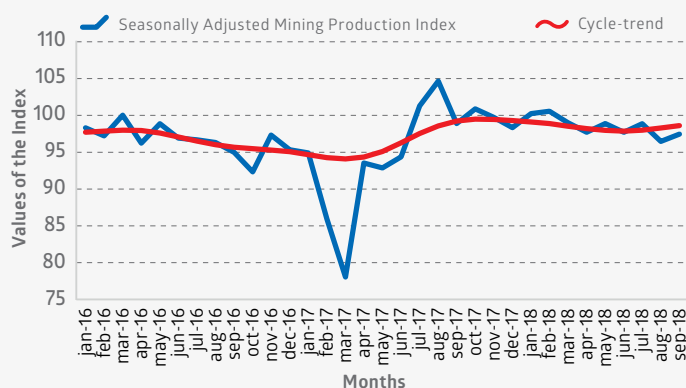
In September 2018, the IPMin decreased 1.3% year on year as a result of the fall in the three types of mining included in the index. Division 04 and 07, mining of metal ores², decreased 1.1% and had an impact of -1.066 pp on the variation of the index. The decrease can be attributed to the fall of 1.1% in the mining and processing of copper (division 04), which resulted from the lower production of copper in an important company. The lower production in turn was due to maintenance in processing plants and to a lower level of processing.

Other mining and quarrying³ (division 08) fell 4.6% year on year and had an impact of -0.272 pp on the variation of the IPMin. The impact was due to the lower production of ulexite.

A monthly decrease of 1.1% was observed in energy resources⁴ (division 05 and 06). The combined impact of these two divisions (-0.006 pp) resulted from a lower production of petroleum.

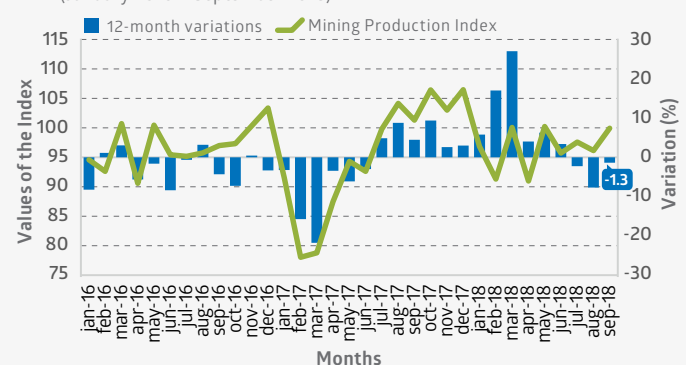
- (2) Activities for production of metals include Division 04, mining and processing of copper, and Division 07, mining of metal ores.
- (3) These are activities for the production of minerals that are transformed into products applicable to various industrial and agricultural uses.
- (4) These are activities for the production of solid, liquid, or gaseous substances from which energy can be obtained. They include Division 05, mining of coal and lignite, and Division 06, extraction of crude petroleum and natural gas.

Development of the Mining Production Index
base: annual average 2014=100
Seasonally adjusted series and cycle-trend*
(January 2016 – September 2018)

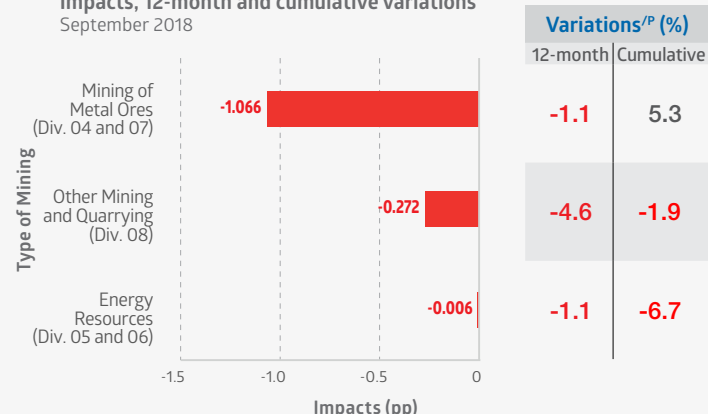


(*) The seasonally adjusted series and cycle-trend are constructed using the X-13 ARIMA-SEATS methodology.

Development of the Mining Production Index
base: annual average 2014=100
Index and 12-month variations
(January 2016 – September 2018)



Mining Production Index by type of mining
Base: annual average 2014=100
Impacts, 12-month and cumulative variations
September 2018



/P: Provisional figures

Index of the Production of Electricity, Gas, and Water

Base: annual average 2014=100

- In September 2018, a monthly decrease of **1.2%** was observed in the seasonally adjusted series of the index of the production of electricity, gas, and water (IPEGA).
- The original series decreased **1.5%** year on year.

Development of the seasonally adjusted series

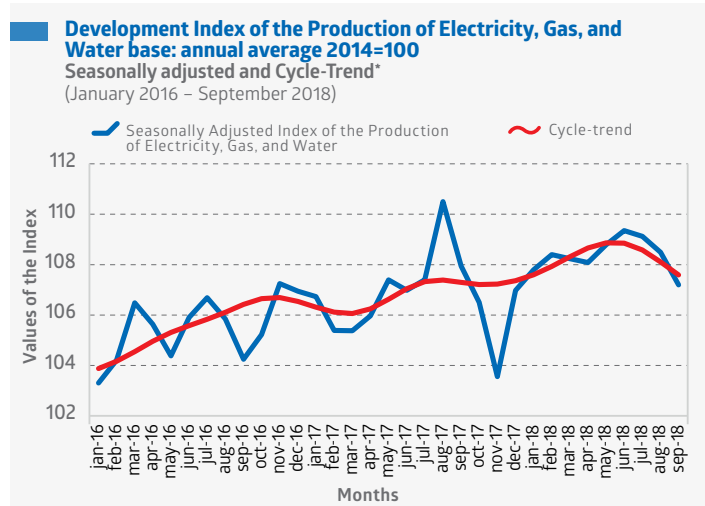
In September 2018, the seasonally adjusted series of the IPEGA, corrected for calendar effect, decreased 1.2% compared to the previous month and 0.7% year on year. In the cycle-trend series, an annualized monthly decrease of 5.6% in the long-term development of this activity was recorded.

Development of the original series

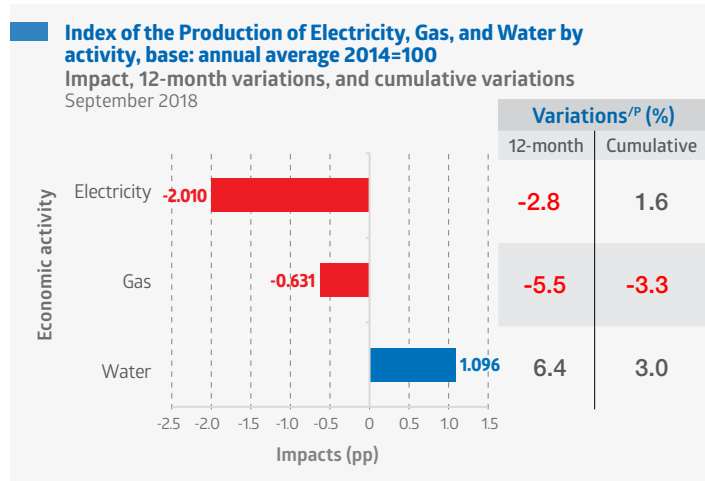
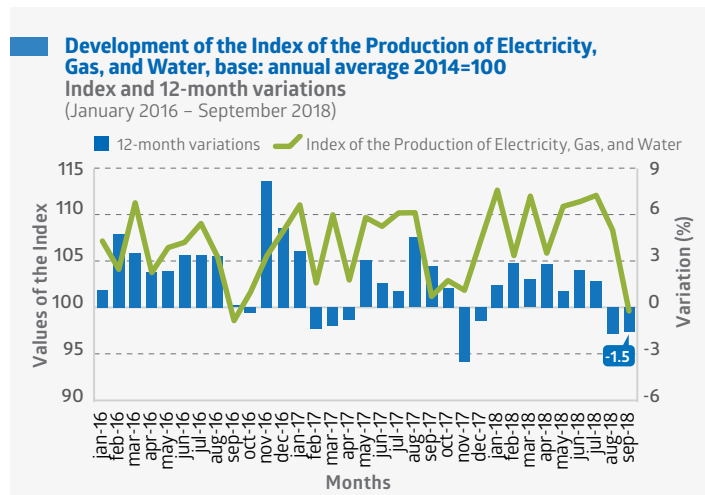
In September 2018, the IPEGA fell 1.5% year on year as a result of the decreases in two of the three of the activities of the index. Electricity had the greatest negative impact (-2.010 pp) on the variation of the index, decreasing 2.8%. The decrease can be explained by reduced distribution to clients in the sectors of commerce and manufacturing. In contrast, electric power generation increased. The increase can mainly be attributed to the group coal/coal-petcoke and to solar generation.

Gas had the second greatest negative impact (-0.631 pp) on the variation of the index. Its decrease (-5.5%) can be attributed to a fall in distribution of gas, which was related to a decrease in supply to residential clients. The regasification of natural gas also fell. The fall was a result of the decreased demand from clients.

The distribution of drinking water had a positive impact (1.096 pp), rising 6.4% as a result of increased supply to residential clients. The increased supply can be explained by climatic factors.



(*) The seasonally adjusted series and cycle-trend are constructed using the X-13 ARIMA-SEATS methodology.



/P: Provisional figures

Manufacturing Output Index

Base: annual average 2014=100

- In September 2018, the seasonally adjusted series of the manufacturing output index (IPMan) decreased **5.6%** compared to the previous month.
- The original series decreased **5.4%** in twelve months.

Development of the seasonally adjusted series

In September 2018, which had two working days less than September 2017, the seasonally adjusted series of the IPMan corrected for calendar effect decreased 5.6% compared to the previous month and 1.6% year on year.

In the cycle-trend series, an annualized monthly decrease of 4.8% in the long-term development of this activity was recorded.

Development of the original series

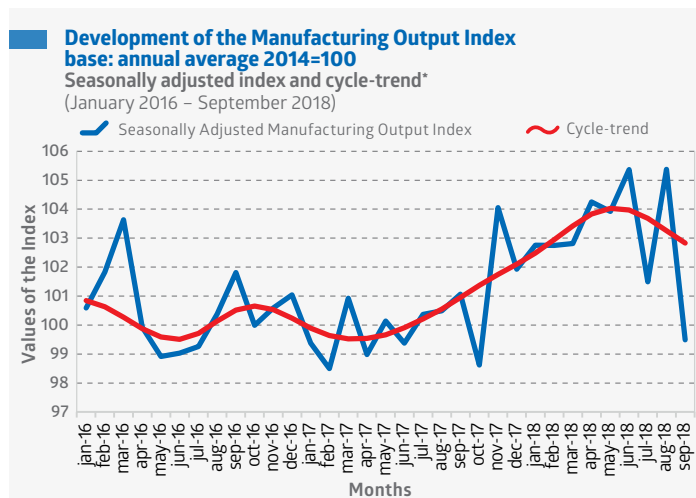
In September 2018, the IPMan fell 5.4% year on year. The fall can largely be explained by the year-on-year decrease of 5.3% in division 10, manufacture of food products, which had an impact of -1.636 pp on the variation of the general index. The decrease in division 10 was principally due to a high base of comparison of the production of other vegetable juices n.e.c.**

Following in impact was division 20, manufacture of chemicals and chemical products, which decreased 10.0% and had an impact of -1.062 pp on the variation of the index. These results were due to the temporary cessation in the production of a plant used as fertilizer.

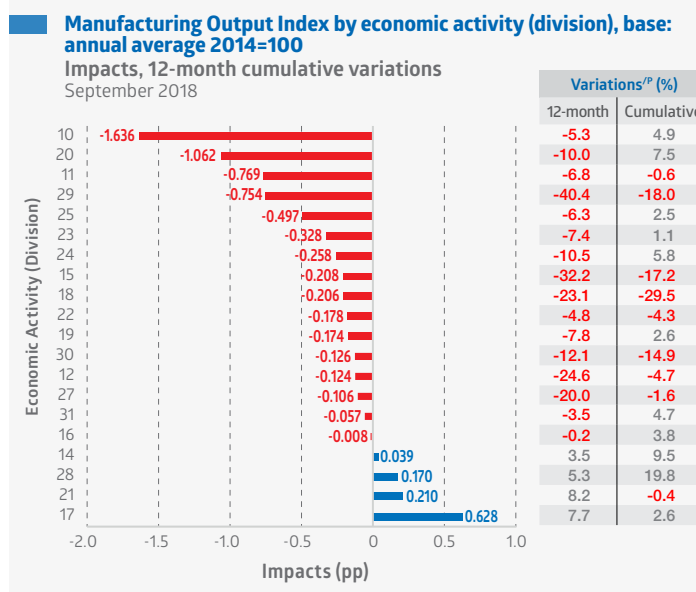
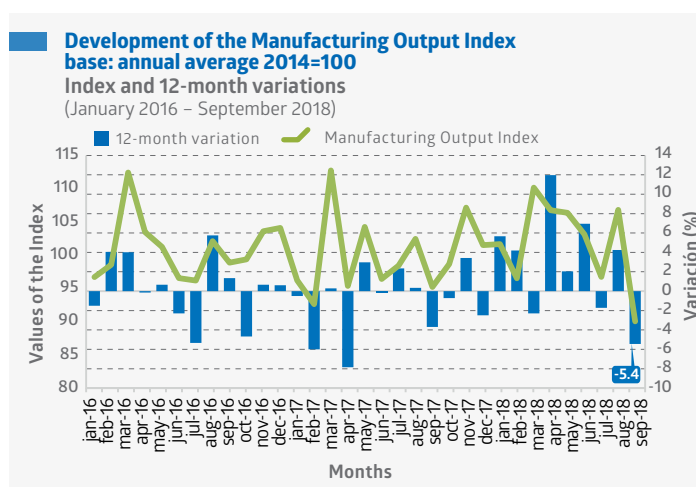
The principal positive influence on the variation of the index was from division 17, manufacture of paper and paper products, which increased 7.7% and had an impact of 0.628 pp. The results can be attributed to the higher production of bleached or semi-bleached chemical wood pulp, except of the soluble type.

Following in positive impact on the index was division 21, manufacture of pharmaceuticals, medicinal, chemical, and botanical products, which increased 8.2% and had an impact of 0.210 pp. The positive influence of this division can be attributed to a low base of comparison, which was associated with the strategic planning during 2017.

(**) Not elsewhere classified



(*) The seasonally adjusted series and cycle-trend are constructed using the X-13 ARIMA-SEATS methodology.



/P: Provisional figures

Descriptions by Division of the Manufacturing Output Index (IPMan)

Division*	Description
10	Manufacture of food products
11	Manufacture of alcoholic and nonalcoholic beverages
12	Manufacture of tobacco products
14	Manufacture of wearing apparel
15	Manufacture of leather and related products
16	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
17	Manufacture of paper and paper products
18	Printing and reproduction of recorded media
19	Manufacture of coke and refined petroleum products
20	Manufacture of chemicals and chemical products
21	Manufacture of pharmaceuticals, medicinal, chemical, and botanical products
22	Manufacture of rubber and plastics products
23	Manufacture of other non-metallic mineral products
24	Manufacture of basic metals
25	Manufacture of fabricated metal products, except machinery and equipment
27	Manufacture of electrical equipment
28	Manufacture of machinery and equipment n.e.c.**
29	Manufacture of motor vehicles, trailers, and semi-trailers
30	Manufacture of other transport equipment
31	Manufacture of furniture

(*) Divisions are a grouping of homogeneous activities that belong to the same sector according to the CIIU4.CL 2012 classification.

(**) Not elsewhere classified

Rectifications of the period

The principal rectifications of the period were the following:

Index	Date	Group	Description
IPMin	aug-18	040	Mining and processing of copper
		051	Mining of hard coal
IPEGA	aug-18	352	Manufacture of gas; distribution of gaseous fuels through mains
		360	Water collection, treatment, and supply
IPMan	sep-17	152	Manufacture of footwear
		170	Manufacture of paper and paper products
		210	Manufacture of pharmaceuticals, medicinal, chemical, and botanical products
	oct-17	210	Manufacture of pharmaceuticals, medicinal, chemical, and botanical products
	aug-18	152	Manufacture of footwear
		161	Sawmilling and planing of wood
221-222		Manufacture of products of rubber and plastics	