

- In July 2018, the Industrial Production Index (IPI) decreased **1.6%** year on year.
- The Mining Production Index (IPMin) fell **2.5%** compared to the same month in the previous year.
- The Index of the Production of Electricity, Gas, and Water (IPEGA) increased **1.7%** compared to July 2017.
- The Manufacturing Output Index (IPMan) decreased **1.4%** year on year.

## Development of the seasonally adjusted series

In July 2018, which had one working day less than July 2017, the seasonally adjusted series<sup>1</sup> corrected for the calendar effect of the Industrial Production Index (IPI) decreased 1.0% compared to the previous month and 1.4% compared to July 2017. In the cycle-trend series, an annualized decrease of 1.5% was observed in the long-term development of this activity.

## Development of the original series

In July 2018, the IPI fell 1.6% year on year. The fall was due to the decrease in two of its three sectors. The IPMin had a -1.122 pp impact on the variation of the index, and the IPMan had an impact of -0.626 pp. In contrast, the IPEGA had a positive impact of 0.195 pp.

## ECONOMIC SECTORS

July 2018  
Variations (%)

### Industrial Production Index

12-month	Monthly SA*
<b>-1.6</b>	<b>-1.0</b>

### Mining Production Index

12-month	Monthly SA*
<b>-2.5</b>	<b>1.0</b>

### Index of the Production of Electricity, Gas, and Water

12-month	Monthly SA*
<b>1.7</b>	<b>0.1</b>

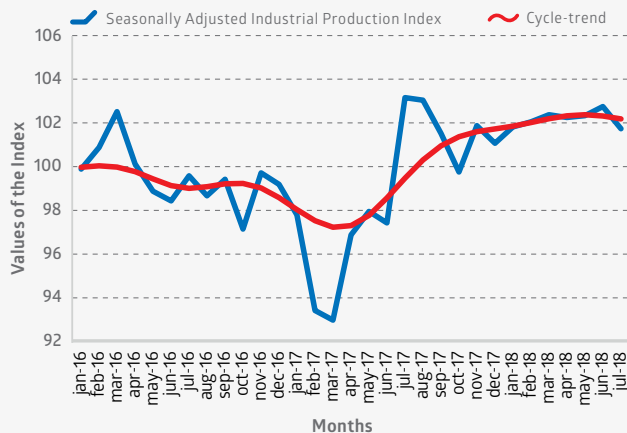
### Manufacturing Output Index

12-month	Monthly SA*
<b>-1.4</b>	<b>-3.5</b>

(\*) Seasonally adjusted series

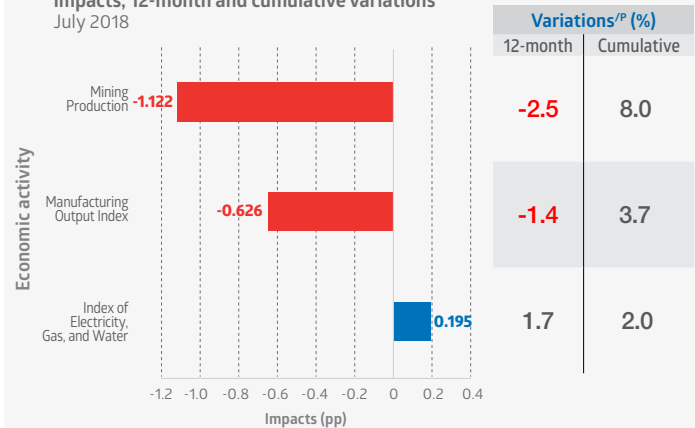
## Development of the Industrial Production Index (IPI) base: annual average 2014=100

Seasonally adjusted and Cycle-Trend\*  
(January 2016 – July 2018)



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

Impacts, 12-month and cumulative variations  
July 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](http://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 July 2018, the seasonally adjusted series of the Mining Production Index increased **1.0%** compared to the previous month.
- The original series decreased **2.5%** year on year.

## Development of the seasonally adjusted series

In July 2018, the seasonally adjusted series of the IPMin corrected for the calendar effect rose 1.0% compared to the previous month. In contrast, a decrease of 2.7% was observed in the year-on-year variation of the series.

In the cycle-trend series, an annualized monthly decrease of 0.6% in the long-term development of this activity was recorded.

## Development of the original series

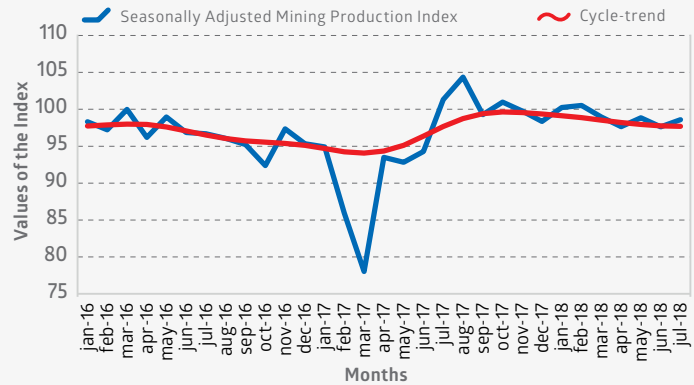
In July 2018, the IPMin decreased 2.5% year on year as a result of the fall in two of the three types of mining included in the index. Division 8, mining of metal ores<sup>2</sup>, had the greatest impact (-1.926 pp), decreasing 35.5% year on year. Most important in the results of the IPMin was the lower production of ulexite, which in turn resulted from climatic factors.

The mining of metal ores<sup>3</sup> decreased 0.6% year on year and had an impact of -0.608 pp on the variation of the index. The decrease can be attributed to the fall of 7.6% in division 07, the mining of metal ores, which had an impact of -0.381 pp on the general index. The impact was due to a lower demand for some iron products. Likewise, division 04, the mining and processing of copper, decreased 0.3% and had an impact -0.227 pp on the variation of the IPMin. The decrease in division 04 was due to the lower production of subproducts of copper. In contrast, the copper index rose slightly year on year (0.2%) as a result of the increased processing of copper ore.

Energy resources (divisions 05 and 06)<sup>4</sup> rose 0.4% year on year and had an impact of 0.003 pp on the variation of the index. The rise was a result of increased production of coal and natural gas.

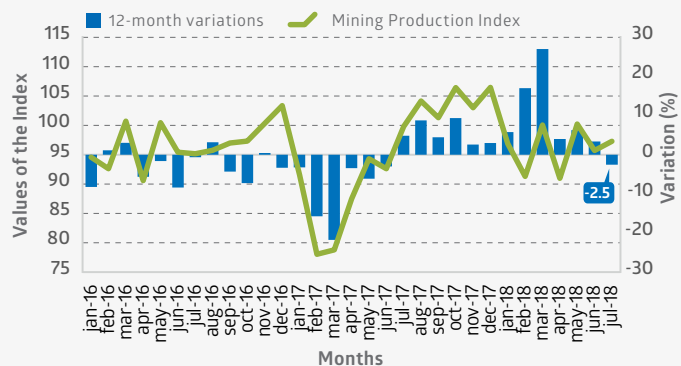
- (2) These are activities for the production of minerals that are transformed into products applicable to various industrial and agricultural uses.
- (3) Activities for production of metals include Division 04, mining and processing of copper, and Division 07, mining of metal ores.
- (4) These are activities 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 – July 2018)

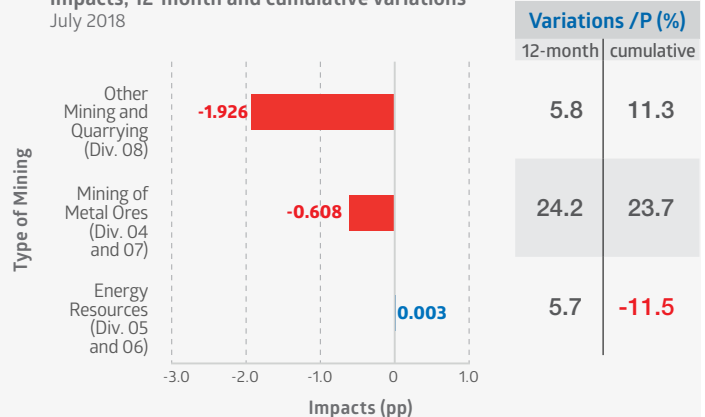


(\*) The seasonally adjusted series and cycle-trend are constructed using the X-13 ARIMA-SEATS methodology.

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



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



/P: Provisional figures

# Index of the Production of Electricity, Gas, and Water

Base Year 2014=100

- In July 2018, a monthly increase of **0.1%** was observed in the seasonally adjusted series of the index of the production of electricity, gas, and water (IPEGA).
- The original series increased **1.7%** in twelve months.

## Development of the seasonally adjusted series

In July 2018, the seasonally adjusted series of the IPEGA corrected for calendar effect increased 0.1% compared to the previous month and 1.7% year on year. In the cycle-trend series, an annualized monthly increase of 1.7% in the long-term development of this activity was recorded.

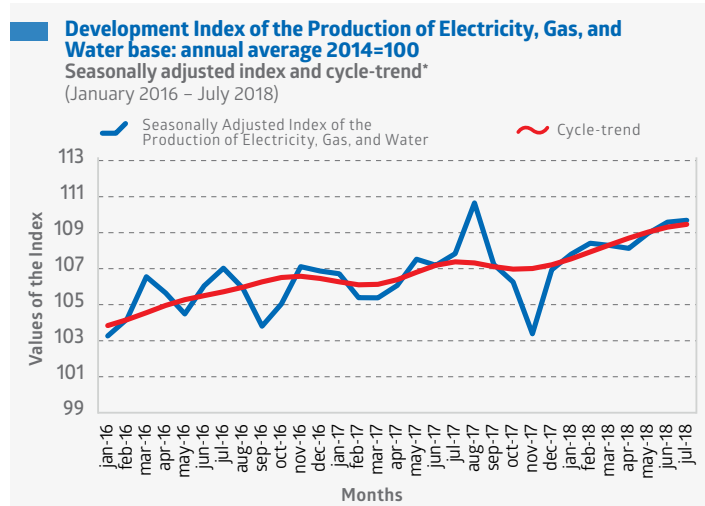
## Development of the original series

In July 2018, the IPEGA increased 1.7% in twelve months as a result of the rises in two of the three of the activities of the index. Electricity had the greatest positive impact (1.239 pp) on the variation of the index, expanding 1.8%. The expansion can be explained by an increase in electric power generation from coal/coal-petcoke. For its part, distribution of electricity decreased as a result of a lower distribution to manufacturing and commerce.

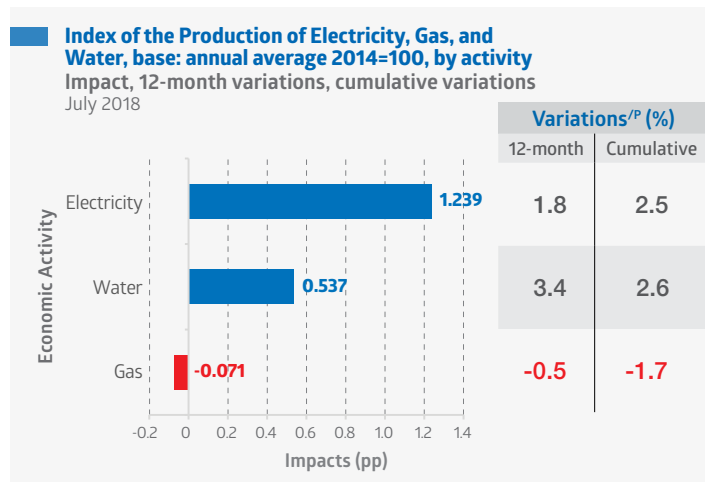
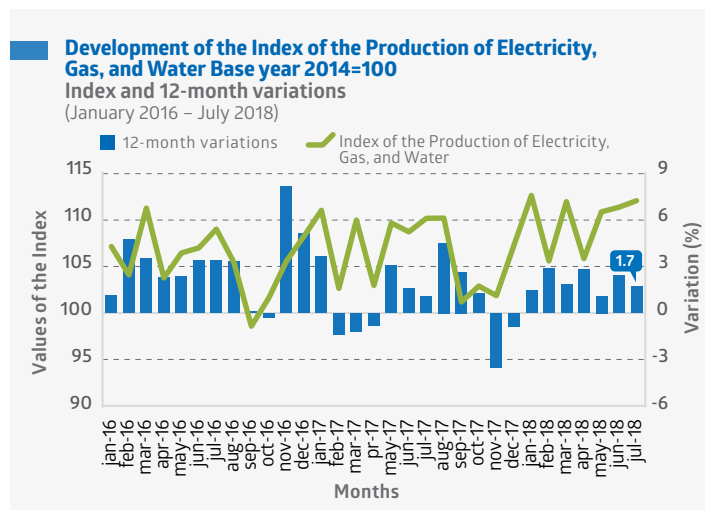
Water had the second greatest positive influence (0.537 pp), increasing 3.4%. The influence can be attributed to an increased distribution to households, which in turn was due to climatic factors and to increased demand.

In contrast, the distribution of gas through mains and regasification fell 0.5% and had an impact of -0.071 pp. The fall can be attributed to the lower level of regasification of liquefied natural gas, which in turn was due to the low demand from generation companies. The distribution of gas also decreased in activity. In this case, the decrease was a result of a lower demand from other destinations n.e.c.\*\*.

(\*\*) Not elsewhere classified



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



/P: Provisional figures

# Manufacturing Output Index

Base year 2014=100

- In July 2018, the seasonally adjusted series of the manufacturing output index (IPMan) decreased **3.5%** compared to the previous month.
- The original series decreased **1.4%** in twelve months.

## Development of the seasonally adjusted series

In July 2018, which had one working day less than July 2017, the seasonally adjusted series of the IP-Man corrected for calendar effect decreased 3.5% compared to the previous month, but increased 1.5% year on year.

In the cycle-trend series, an annualized monthly decrease of 2.4% in the long-term development of this activity was recorded.

## Development of the original series

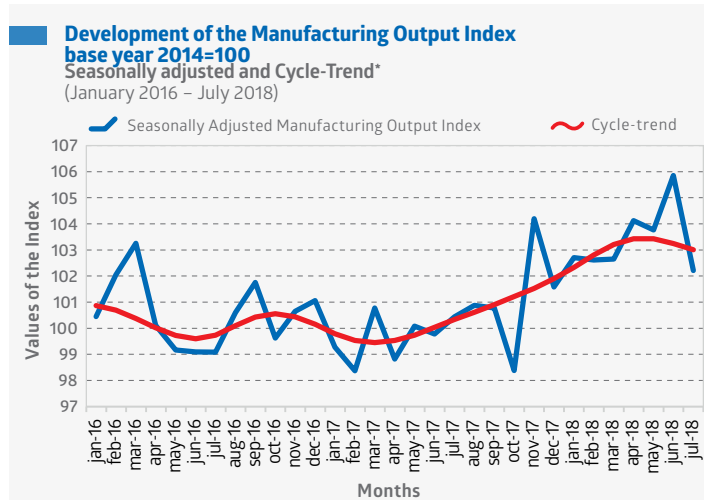
In July 2018, the IPMan decreased 1.4% year on year. This result can largely be explained by the year-on-year fall of 11.8% in division 25, manufacture of fabricated metal products, except machinery and equipment, which had an impact of -0.970 pp on the general index. The decrease in division 25 can be attributed to a fall in manufacture of products resulting from the forging, pressing, stamping and roll-forming of copper, nickel, lead, zinc, tin, aluminum, iron, and others n.e.c.\*\*. The fall in these products can be attributed to a lower external demand.

Following in negative impact on the index was division 29, manufacture of motor vehicles, trailers, and semi-trailers, which decreased 41.4% and had an impact of -0.884 pp as a result of the closure of a company of the sector.

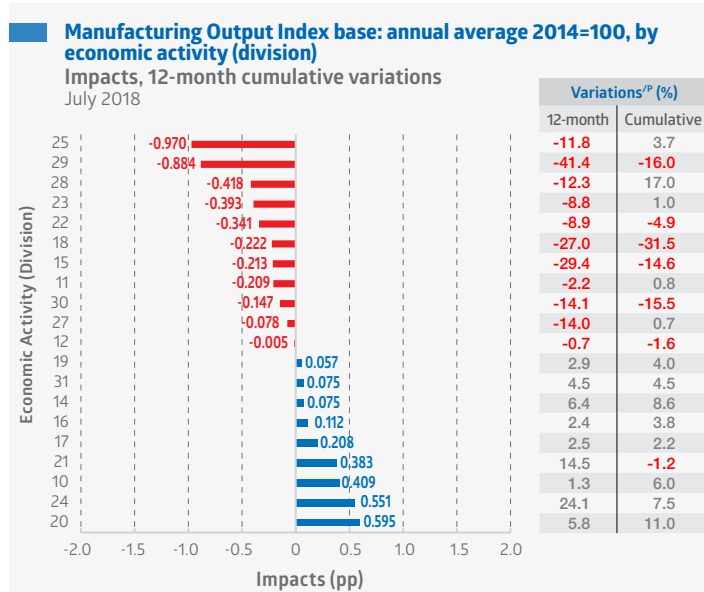
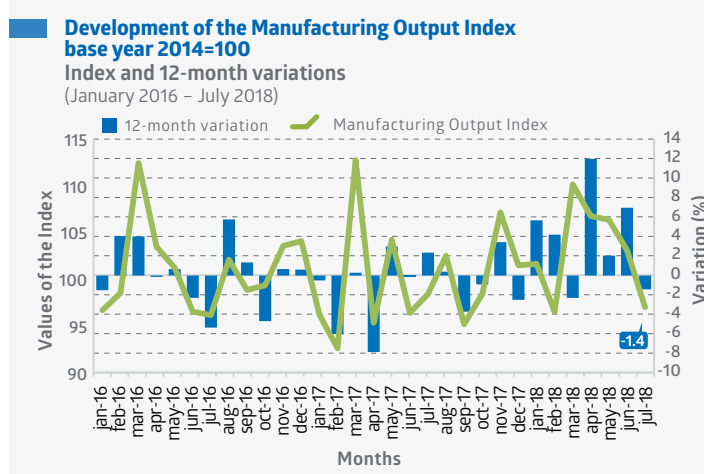
The principal positive influence on the general index was division 20, manufacture of chemicals and chemical products, which increased 5.8% and contributed 0.595 pp. The influence was due to greater production of ferromolybdenum, which in turn can be attributed to a rise in external demand.

Following in positive impact was division 24, manufacture of basic metals, which rose 24.1% and contributed 0.551 pp to the variation of the index. The rise in division 24 was a result of increased production of welded angles, shapes, sections, sheet pilings, and similar elements of iron or steel. The increased production was in turn due to the awarding of new contracts by construction companies.

(\*\*) 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	jun-18	051	Mining of hard coal
IPEGA	jun-18	351	Electric power generation, transmission, and distribution
		352	Manufacture of gas; distribution of gaseous fuels through mains
		360	Water collection, treatment, and supply
IPMan	jul-17	102	Processing and preserving of fish, crustaceans, and mollusks
		107	Manufacture of other food products
		210	Manufacture of pharmaceuticals, medicinal chemical and botanical products
	aug-17	210	Manufacture of pharmaceuticals, medicinal chemical and botanical products
	jun-18	110	Manufacture of alcoholic and non-alcoholic beverages
		210	Manufacture of pharmaceuticals, medicinal chemical and botanical products
239		Manufacture of non-metallic mineral products n.e.c.	

(\*) Not elsewhere classified