

CHILE ECONOMIC REPORT

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Chile's wines have earned a well-deserved reputation for quality through the years, as confirmed by the many awards the countries' vintners have received at international wine tasting events. This month, four Chilean wines received top critical awards at the Wine America 1992 wine and spirits exposition in New York. At present, Chile is the third largest wine exporter to the United States.

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COMMERCE & INDUSTRY

Foreign Trade Tops \$16.2 Billion

The International Economic Relations office of the Ministry of Foreign Relations reported that Chile's foreign trade totaled \$16.2 billion in 1991, registering a 6% increase compared to 1990. Exports rose 7% to \$8.9 billion and imports grew 4% to \$7.4 billion with the trade balance showing a \$1.5 billion surplus, up 2.5% over 1990. The report shows that Chile traded with 167 countries last year and that during the past six years exports increased 136% and imports rose 174%.

According to the report, only 15 countries had trade surpluses with Chile. Argentina shows the largest surplus with \$296.3 million, followed by Brazil with \$249.9 million. Colombia and Canada also show important trade surpluses with Chile.

Among the positive trends in 1991 were increases in trade with Latin American and Asian countries. Bilateral trade with countries from the Americas increased 13.5% to \$6.77 billion, with \$2.95 billion in exports and \$3.81 billion in imports. Exports to Mexico, which subscribed a free-trade agreement with Chile last year, increased 14.9% to \$181 million. Chilean imports from Mexico increased to \$275 million. Exports to Bolivia increased from \$94.7 million in 1990 to \$131.9 million in 1991. Transactions with the United States totaled \$3.17 billion, with Chile registering a small trade surplus of \$14.3 million.

Trade with Western Europe resulted in a \$1.36 billion surplus for Chile as the latter exported \$3.05 billion, down 9% compared to 1990, and imported \$1.69 billion from that region, a 20% decline from 1990. Trade deficits were reported with Austria, Denmark, Ireland, Iceland, Luxembourg, Malta, Monaco, Norway, Switzerland and Sweden. Bilateral trade with Eastern Europe increased 27.6% to \$97.2 million, of which \$35 million were Chilean exports and \$62 million imports.

Exports to Western Europe expanded as a result of increased sales to Spain, up 15.4% to \$493 million; Holland, 10.6% to \$417 million; Switzerland, 66% to \$146 million; and Greece, 31% to \$29 million. Trade surplus reductions were reported with France, Germany, the United Kingdom, Italy and Belgium.

Table 1

Chile's 1991 Trade Results (In Millions of U.S. Dollars)

	Chile's Exports	Chile's Imports
Western Europe	\$3,056	\$1,691
The Americas	2,955	3,817
Asia	2,701	1,316
Africa	111	455
Oceania *	52	65
Eastern Europe	35	61
Total	\$8,910	\$7,405

* Includes Australia, New Zealand and other islands in the South Pacific.

Source: Central Bank of Chile