

Contributors

Guillermo Arbe, Head Economist, Peru
+51.1.211.6052 (Peru)
guillermo.arbe@scotiabank.com.pe

Sergio Olarte, Head Economist, Colombia
+57.1.745.6300 Ext. 9166 (Colombia)
sergio.olarte@scotiabankcolpatria.com

Jorge Selaive, Head Economist, Chile
+56.2.2619.5435 (Chile)
jorge.selaive@scotiabank.cl

Eduardo Suárez, VP, Latin America Economics
+52.55.9179.5174 (Mexico)
esuarezm@scotiabank.com.mx

TODAY'S CONTRIBUTORS:

Aníbal Alarcón, Senior Economist
+56.2.2619.5465 (Chile)
anibal.alarcon@scotiabank.cl

Latam Daily: Moderating Demands in Chilean Constitutional Process

- **Chile: The constitutional process remains in a path to moderation**

CHILE: THE CONSTITUTIONAL PROCESS REMAINS IN A PATH TO MODERATION

In recent days, the moderate leftist coalition has indicated its interest in a new constituent assembly where independents would be part of the lists of established political parties, as well as the participation of indigenous quotas significantly lower than those of the previous assembly. On the other hand, a group of experts is proposed to advise the new assembly. This proposal will have to be negotiated with the right-wing coalition where the proposals would be even more moderate. We expect that a broad political agreement will soon be reached for the formation of a new constitutional assembly that would be elected in March 2023. Given the above, the probability of having a new far-left constitutional assembly would be significantly minimized, and a sufficiently high number of center-right assembly members could even be achieved to block radical proposals. We believe that the market is still attentive to these signs of moderation that could support a better relative performance of Chilean assets compared to those of other emerging markets.

—Aníbal Alarcón

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