

Court Annuls Ministers Committee's Decision to Reject Dominga Environmental Permit

The First Environmental Court of Antofagasta upheld a claim by Andes Iron SpA against the January 2023 decision by the Ministers Committee, formally notified in June, which unfavorably assessed the Dominga project. The ruling states that the committee violated principles of impartiality and legitimate trust, ordering it to reconsider the case within 15 days, excluding ministers who should have recused themselves.

Pulso, By Leonardo Cárdenas

After more than a decade of environmental review, the Dominga project, representing an investment of \$2.3 billion, reversed a decision that seemed definitive and succeeded in reinstating the validity of its environmental permits on Monday.

The First Environmental Court of Antofagasta, in a ruling exceeding 200 pages, upheld a claim by Andes Iron SpA against the decision made by the Ministers Committee in January 2023, formally notified on June 29, which had classified the Dominga project as environmentally unfavorable. The project, located in the La Higuera municipality of Chile's Coquimbo Region, involves building two mines for extracting iron and copper concentrates and a megaport to export production.

The Dominga mining project, owned by Andes Iron (controlled by the Délano family), has been mired in controversies and political interventions. Submitted to the Environmental Impact Assessment System in September 2013, it was rejected by the Ministers Committee in August 2017 during former President Michelle Bachelet's second term, leading to the resignations of Finance Minister Rodrigo Valdés and Economy Minister Luis Felipe Céspedes. Subsequently, the Public Prosecutor's Office investigated the Piñera family's sale of its stake in the project to the Délano family. President Sebastián Piñera was later acquitted in this case.

The case returned to the presidential sphere three years ago. In December 2021, after winning the presidential elections, current President Gabriel Boric referred to the project in his first speech, declaring emphatically, "No to Dominga." Acting accordingly, the current government's Ministers Committee ruled against the project in January 2023, siding with opponents' claims.

The environmental court ruled on December 9, 2024, that "the challenged resolution is illegal because the Ministers Committee disregarded established guidelines and failed to comply with the ruling issued in case R N° 1-2017, which was final and binding."

The court identified multiple violations by the Ministers Committee. Firstly, it noted non-compliance with the 2021 ruling by the same court, upheld by the Supreme Court, which had to be respected as *res judicata*. Additionally, the court found that the committee violated fundamental principles such as impartiality and legitimate trust. This was evident in the fact that "ministers who had previously expressed their opinions failed to recuse themselves," undermining the legitimacy of their decisions.

The court also highlighted contradictions and inconsistencies in the contested resolution, which it described as a violation of the duty to justify decisions and the principle of legitimate trust. Furthermore, it criticized the committee for issuing its decision outside the "mandatory deadline established in Article 20 of Law N° 19.300," a legal error that directly harmed the claimant.

The ruling concluded that the flaws in the contested decision "caused harm to the claimant because the challenged act nullified RCA N° 161/2021," which had favorably assessed the Dominga project's environmental impact, rendering it unviable. The court reaffirmed that judicial rulings are binding for administrative bodies, emphasizing that "judicial oversight does not merely annul or replace an administrative decision but enforces respect for substantive legal principles."

The judgment also noted public opposition to the project expressed by President Boric and former Mining Minister Marcela Hernando and Environment Minister María Heloísa Rojas.

"It is concluded that the principle of impartiality has been substantively violated, as the aforementioned authorities had previously expressed opinions on the matter, as documented in the Investigative Commission Report and the August 11, 2021 press note, yet failed to recuse themselves when resolving the administrative appeals against RCA N° 161/2021, which had favorably assessed the Dominga project. This situation violated the regulations outlined in the preceding considerations, warranting the acceptance of this claim," the ruling stated.

The court granted the Ministers Committee 15 days to reconvene with representatives "not subject to circumstances compromising their impartiality and administrative integrity." The committee's new resolution must "adhere to the opinions of the environmental authorities consistent with the environmental impact assessment procedure, fulfilling the duty to justify decisions and upholding the principle of legitimate trust." Andes Iron was legally represented by attorney Patricio Leyton, a partner at FerradaNehme. The unanimous ruling was issued by Justice Sandra Álvarez Torres and Judges Alamiro Alfaro Zepeda and Cristián López Montecinos.

In favor and Against

In response to the ruling, Andes Iron stated, "We are very satisfied with the categorical and unanimous decision by the First Environmental Court of Antofagasta, which annulled the Ministers Committee's resolution and reinstates our Environmental Qualification Resolution (RCA). The ruling confirms that the Dominga project complies with current regulations and has met all requirements for proper environmental evaluation."

Meanwhile, the Ministry of the Environment, led by Minister Maisa Rojas, who chaired the disputed Ministers Committee session, indicated that it is studying the implications of the ruling to determine next steps.

Liesbeth van der Meer, Executive Director of Oceana Chile, commented, "The court questions the integrity of the ministers who rejected the project—an audacious claim that oversteps its jurisdiction. If the issue is integrity, the court should have addressed the multiple cases where the Dominga project has been embroiled in conflicts of interest and corruption."

Greenpeace Chile expressed concern about the ruling, stating, "This decision is troubling because the potential advancement of this project poses a serious risk to the species inhabiting the La Higuera area, a globally recognized region for its endangered marine fauna, including blue whales and various coastal birds. Additionally, the area hosts the Humboldt Penguin National Reserve, one of the most important sanctuaries in northern Chile."

Divestment for \$1.52 Billion:

Lundin Sells European Operation to Strengthen Business in Chile

The mining company stated that proceeds from the transaction will support growth in the Vicuña area.

MERCURIO DE SANTIAGO

By C. MUÑOZ-KAPPES

Canadian mining company Lundin Mining announced the completion of the sale of its operations in Portugal and Sweden to concentrate on its South American business. The European assets were sold to Boliden AB for \$1.52 billion. According to a statement from Lundin Mining, "the proceeds from the transaction will strengthen the company's balance sheet and support its growth plans in the Vicuña district (Chile)."

Jack Lundin, President and CEO of the mining company, said, "The sale will further strengthen our balance sheet to support the company's growing portfolio in South America and allow management to focus on an area that will provide the greatest long-term value for our shareholders. This is an opportune time to optimize our portfolio through this divestment as we advance toward becoming a top-tier mining company with a strong copper focus." According to the company's third-quarter report, 44% of its revenue comes from Candelaria, located in Chile's Atacama Region, while Caserones, also in the Atacama Region, contributes 22%. By contrast, Neves-Corvo (Portugal) and Zinkgruvan (Sweden) accounted for 12% and 6% of sales, respectively.

"Neves-Corvo and Zinkgruvan have played a significant role in transforming the company into a global-scale producer of base metals with multiple assets. We believe these operations will be a strong strategic fit for Boliden, and the employees and local stakeholders will benefit from the new ownership and its highly experienced management team," said Lundin.

Under the terms of the agreement, Lundin Mining will receive an upfront cash payment of \$1.37 billion, with up to an additional \$150 million contingent on meeting certain conditions.

SMA Launches Sanctioning Process Against Anglo American Mine: Faces \$12 Billion Fine

■ The case involves three "serious" environmental violations at El Soldado. The company has requested a meeting with the authority to "understand specific aspects of the resolution" and decide on next steps.

By Patricia Marchetti, df.cl
Monday, December 9

The Superintendency of the Environment (SMA) has initiated a sanctioning process against Anglo American Sur, citing three charges for environmental violations at its El Soldado mining project in the Valparaíso Region.

"These are three infractions classified as serious concerning what was authorized in its Environmental Qualification Resolution (RCA)," the SMA stated in a press release. If all charges are upheld, the company could face a fine exceeding \$12 billion.

The first charge relates to inadequate implementation and operation of the water interception and injection system. Specifically, Phase VII of the drainage system has not been fully constructed, and the hydraulic barrier is failing to inject the committed water flow.

The second infraction involves Anglo American's failure to comply with its Early Warning Plan. According to the SMA, the company did not notify the authority within five business days of exceeding thresholds for sulfate and boron levels, did not submit a cause analysis report within the mandated 15-day period, and failed to generate an improvement or maintenance plan for its water management systems.

The final charge concerns the partial execution of mitigation measures for the rescue and relocation of *sapito de rulo* frogs (classified as vulnerable at the time of evaluation). Anglo American failed to mark the individuals and did not conduct subsequent monitoring.

Potential Fines and Sanctions

For the three serious charges, the company risks fines totaling up to 15,000 UTA, equivalent to over \$12 billion. In accordance with SMA regulations, Anglo American has 15 business days to propose a compliance program and 22 business days to submit defenses.

Under SMA law, a single serious charge could lead to the revocation of a project's Environmental Qualification Resolution, closure of the project, or fines of up to 5,000 UTA.

Marie Claude Plumer, Superintendent of the Environment, emphasized: "It is crucial to remind project operators to comply with the conditions set forth in their permits. These measures are designed to mitigate the environmental impact of economic initiatives and ensure environmental protection."

Response from Anglo American

Anglo American acknowledged the SMA's decision, stating: "We have recently been notified of the SMA's resolution regarding El Soldado operations. This pertains to matters that the company has been addressing internally and has kept the environmental authority informed about."

The company added: "While we analyze this resolution, we are requesting a meeting with the SMA to understand specific details and determine next steps accordingly. As a company, we are committed to working continuously with the authority to meet all our environmental commitments."

Overview of El Soldado Project

El Soldado is an open-pit mining operation that processes copper ore through a conventional milling and flotation plant to produce copper concentrates.

Tailings from the copper extraction process are deposited in the "El Torito" tailings dam, which began operations in 1993 with a capacity of 76 million tons. The dam's capacity was later expanded to 181 million tons following project modifications approved through the Environmental Impact Assessment System (SEIA).

In 2020, further modifications increased the dam's capacity to 235 million tons, extending its lifespan to 2027.

The SMA investigation involved inspections by its officials as well as representatives from the Directorate General of Water (DGA), the National Geology and Mining Service (Sernageomin), and the National Fisheries Service (Sernapesca). The investigation was also prompted by a citizen complaint filed against the project.

Following these activities, the SMA confirmed multiple violations of the RCA granted to El Soldado.

Reform to the SEIA: Expert Committee's Proposals Spark Debate as Government Prepares New Amendments

■ While there is no consensus on how to replace the Coeva, the Minister of the Environment stated that adjustments to qualification rules have been proposed for adoption.

Diario Financiero
December 10, 2024
By Karen Peña

Two weeks after the Ad-Hoc Expert Committee presented three proposals to the Senate's Environment Committee to replace the Environmental Evaluation Commissions (Coeva) as part of the ongoing reform to the Environmental Impact Assessment System (SEIA), the experts further elaborated on their findings on Monday. While the exercise did not yield a consensus, it did identify points of convergence.

The five committee members outlined the three proposed alternatives: a collegiate governance model (which garnered the most support), a service leadership model with greater autonomy, and a collegiate qualification model with a political component.

During the discussions, Environment Minister Maisa Rojas highlighted the importance of further analyzing the risk of decision-making capture under a single-person model and identifying mechanisms to mitigate this risk.

Felipe Riesco, a committee member, acknowledged that the proposals were constrained by the commission's mandate. "We all agreed on the need for an autonomous service, but were told that this was the exclusive initiative of the Executive, and that Hacienda was not available. Therefore, we had to adjust and find a solution," he explained.

Another committee member, Dominique Hervé, noted the shared recognition of capture risks. She argued that mechanisms exist to ensure greater independence and autonomy without the complexity of a collegiate body, which would require deeper analysis and integration with the broader environmental framework.

Iván Hunter, also on the committee, acknowledged the theoretical risk of capture, citing the significant power held by regional directors under the current legislation. For instance, they have the authority to prematurely terminate projects due to a lack of essential information. He pointed to a recent case involving the Paposo Pumped Storage project by Colbún in Antofagasta, where a regional director was removed shortly after rejecting a repositioning appeal.

Senator Isabel Allende remarked, "Experience shows there are numerous projects to evaluate, and a single-person model is challenging unless other mechanisms are found."

Government Signals

One of the issues addressed by the committee was qualification rules. Minister Rojas affirmed, "We agree and have a proposal for an amendment to ensure this is adopted." The committee had suggested incorporating principles of congruence and procedural economy into the legislation.

Regarding autonomy, Rojas commented, "There aren't many autonomy-related proposals that we, as the Executive, can adopt." She reiterated that the government remains committed to its proposal for a claims council and is not open to transitioning to a directive council, suggesting that alternative approaches may need to be considered.

Sebastián Aylwin, head of the Ministry of Environment's Environmental Evaluation Office, stated that the Executive recognizes the discussions about degrees of autonomy. However, he clarified that the restrictions on adopting certain proposals are not budgetary but are related to the nature of the agency and the alignment of institutional functions with specific objectives.

This week, the government is set to present new amendments to the reform project, which are expected to be voted on next Monday.

"There aren't many autonomy-related proposals that we, as the Executive, can adopt," said Rojas.

Construction, Mining, and Walmart Executives Propose Changes to Permit Reform

■ The president of the CChC warned that the current permit level is half the historical average.

Diario Financiero
December 10, 2024
By Amanda Santillán R.

Representatives from the construction and mining sectors presented several proposals on Monday to improve the sectoral permit reform currently under discussion in the Senate's Economy Committee.

During a seminar organized by the parliamentary body, Alfredo Echavarría, president of the Chilean Chamber of Construction (CChC), highlighted that over the past 33 years, permits in the construction sector—which he said is facing a crisis—have declined from an average of 14 million square meters to just seven million square meters in 2024, representing a 50% drop.

“None of the previous crises has brought construction permit levels to where they are today, and this reflects the impact that will be felt in our sector in the coming years,” Echavarría warned.

For this reason, the trade association suggested that the reform give greater application to alternative enabling techniques and require each service to justify permit requirements based on associated risks.

They also recommended replacing penalties tied to a percentage of civil servants' monthly salaries for delays, arguing that such measures could incentivize the rejection of projects outright.

Regarding institutional measures, they deemed it necessary to establish an autonomous, technical, and specialized body, as was initially proposed in the original draft of the law before its review by the Chamber of Deputies.

At the same time, they advocated for strengthening aspects such as establishing a duty for services to respond promptly to requests and defining consequences for non-compliance; reporting significant delays to the Comptroller General's Office or Congress. and granting the technical leadership of the Sectoral Regulation and Evaluation System to a governing body.

Carlos Urenda, general manager of the Mining Council, also addressed institutional matters, describing the current system as an “adequate and realistic structure.” However, he stressed that “the office may be small, but it needs to have personality.” He elaborated that beyond its legal and regulatory powers, the office should provide continuous information, draw attention to issues, and make comparative assessments.

“You may not be fined, but you should feel like you're being monitored, that your performance is lacking, and that you need to improve,” Urenda explained.

Municipal Dimension

Walmart executives also participated in the committee, focusing on the issue of municipal permits.

Regarding final approval processes, they pointed out that some municipalities took 68 days to grant authorization, while others took as little as six days. They also noted that obtaining building permits for smaller projects can take up to 225 days.

“We believe this occurs due to a lack of standardization in processes and resources within municipal works departments,” said Joaquín Prieto, Walmart's real estate manager.

From 2019 to 2024, Walmart processed permits to open 75 locations. Thirteen of these faced delays, representing a total investment of \$150 million that remains unexecuted solely due to pending authorizations.

Obtaining building permits for smaller projects can take up to 225 days, Walmart executives warned.

Christine Gibbs Stewart, CEO of Austmine, the Australian Mining Association:

"When a Chilean company wants to come to Australia and do business here, it already has a good reputation"

Australian companies view Chile positively as an investment destination, given its stability, resource wealth, and the demand for large suppliers.

**MERCURIO DE SANTIAGO
CATALINA MUÑOZ-KAPPES
SYDNEY, AUSTRALIA**

Christine Gibbs Stewart, CEO of Austmine—an Australian association representing mining equipment, technology, and service companies—and a board member of the Australia-Latin America Business Council (Coalar), expresses optimism about Chile as an investment destination for the mining sector and its suppliers. "Chile is known for its mining industry. That's why, when a Chilean company wants to come to Australia and establish itself or do business here, it already has a good reputation," says Stewart. She highlights that Chilean companies are perceived as capable of meeting Australia's stringent environmental standards. "We know Chile has a proven track record of operating in a way that can meet these standards," she affirms.

— What attracts Australian companies, such as Rio Tinto and BHP, to invest in Chile?

"Chile has the minerals and resources. It's a very resource-rich country. But I also believe Chile is a stable investment environment. It's a country similar to Australia. Both are in the southern hemisphere, relatively isolated from the rest of the world. When you do business in Chile, it's a very familiar and similar business culture. Chile is a well-known and popular market for Australians when it comes to doing business."

Opportunities

Recently, Coalar funded a report on opportunities for Australian companies in the "lithium triangle," which includes Chile, Argentina, and Bolivia. The report concludes there is significant potential for Australian firms, especially those accustomed to operating in remote areas with harsh environmental conditions, to provide services such as sediment testing, brine management, and microgrid design.

"Chile and Australia face similar challenges regarding remoteness, working in hostile environments, and being far from power grids," Stewart notes.

The report also identifies opportunities for suppliers in ESG (Environmental, Social, and Governance) reporting and monitoring systems for water waste and CO2 emissions.

—Chile and Australia are both key players in the global mining industry. What can one country learn from the other?

"We have different sets of minerals, but we also share many synergies where we can work together. Chile is number one in copper, while Australia is number six. We can learn a lot from Chile about extracting copper, the latest technologies they are using, and some of the initiatives they are implementing to become more productive, particularly in large-scale underground mining. Chile is well-known for its expertise in large-scale underground copper mining and has some world-class assets.

"On the other hand, Chile and Australia together hold 75% of the world's lithium reserves, which are essential for the energy transition. Together, I believe we can exchange technologies, learn to extract it efficiently, and truly become a significant force in supplying lithium to the world."

—What lessons can Chile learn from Australia?

"We have a mining equipment, technology, and services sector that is a world leader in new production methods, processing, digital mining, and automation. As the demand for copper increases, there is a lot of pressure to extract more copper from the ground more efficiently. Australia excels at this—our mines are highly productive, efficient, and low-cost. I believe there are lessons Chile can learn from this as well."

Stewart also emphasizes the strong relationship between Chile and Australia in the context of increasing protectionism worldwide. "We have a free trade agreement, and many people forget about that. It's a significant

cornerstone for doing business, especially considering the tariffs and trade barriers seen in the U.S. or the U.K.," she points out.

"I believe Chile is a stable investment environment. It's a country similar to Australia. Both are in the southern hemisphere, relatively isolated from the rest of the world. When you do business in Chile, it's a very familiar and similar business culture."

"Chile and Australia hold 75% of the world's lithium reserves. Together, I believe we can exchange technologies, learn to extract it efficiently, and truly become a significant force in supplying lithium to the world."

Codelco Holds Unprecedented Summit with Chinese Suppliers to Discuss \$5 Billion Annual Investment Plans

■ The state-owned company met with 70 senior executives from Chinese firms it collaborates with across various sectors. It also visited major company offices.

Diario Financiero
December 10, 2024
By Patricia Marchetti

Codelco held an unprecedented meeting with 30 of its supplier companies in China to discuss its investment plans for the coming decade and its requirements for driving innovation and new technologies in its processes. Following the meeting, the Chilean delegation also visited the facilities of industry giants Yutong and CATL. The gathering, held in Shanghai, was led by Codelco's Vice President of Procurement, Mauricio Acuña, and included the participation of 70 senior executives from major Chinese firms working with the state-owned copper producer.

Prominent participants included Chen Chuanzhong, owner of Material Handling Tech-Engineering, a specialist in conveyor belts; Zou Qian, owner of Kopper Chemical Industry Co., known for extractants and chemical innovations; and Fay Lee, CEO of Cnood Asia Limited, notable as one of the few female CEOs leading a large company.

Other participating firms included CRRC Ruitai Equipment Technology, a leader in mobile equipment; Cangzhou Mingzhu Plastic and Cnood Asia, experts in steel piping and structures; as well as major producers of grinding balls and rods, and Wuxi Brilliant Boton Conveyor.

According to Acuña, attendees were particularly motivated by Codelco's projected purchasing, spending, and investment levels for the next 10 years, describing it as "a significant growth opportunity for them." He emphasized, "Our investment plan for the next decade is approximately \$5.2 billion annually, while our main competitors, on average, will invest only half of that figure."

Chilean copper commission Cochilco estimates that the state-owned company will invest over \$35 billion between 2024 and 2033, representing a more than 50% increase in copper mining capital expenditures.

Rina Sa, General Manager of Sales and Marketing at Wuxi Boton, stated, "This is the first time Codelco has shared details of its growth plans and the challenges it faces with us. It was an opportunity, even with our competitors present, to analyze how to address these challenges and contribute to the company and Chile."

The Chilean delegation also visited the offices of Yutong, a leader in fleet electrification, which supplied Codelco with 30 electric buses this year; and CATL, a giant specializing in lithium-ion battery production for energy and electric vehicles. They additionally toured the facilities of Wuxi Boton and CRRC.

\$35 BILLION

IS THE AMOUNT CODELCO WILL INVEST BETWEEN 2024 AND 2033.

Peru Gains an Advantage Over Chile Due to Its Mining Diversification, According to LarrainVial

However, for 2025, the firm estimates that the profits of Chilean companies will grow more than those of the neighboring country, even amid the looming arrival of Trump to the presidency of the United States:

dfsud.com

December 9, 2024

By Déborah Donoso Moya

Chile and Peru are markets known for their mining matrix, but the difference in performance lies "in the direct or indirect exposure of their financial markets."

This was explained by Luis Ramos, the head of equity strategy at Larrain Vial Research, in an interview with DFSUD. He detailed that although both countries showed sustained growth in the third quarter of 2024, Peru performed much better.

The reason? Industry diversification. While in Peru, the main players in the industry are primarily copper-related or linked to the material and have benefited from year-on-year performance, the country also has large companies exploiting gold.

This mineral "has had a sequentially positive performance in recent years, reaching nearly historically high price levels, above US\$ 2,500 per ounce."

"In Peru, we had a complete package of good results in the third quarter. We are seeing very constructive dynamics, and we are also seeing this drive from companies to seek these asynchronous moves with the macroeconomy, which is currently very relevant as an anchor in a particularly turbulent international scenario," explained the economist.

He added that the construction sector grew by 93% year-on-year in Peru, while the mining sector grew by 96%.

"The sector that grew the most was consumption, with 559%, as it reversed the losses" from the pandemic period, he explained.

Meanwhile, Chile's economy is much more dependent solely on copper and lithium, the latter being under global pressure. "We saw commodities benefiting from the improvement in raw material prices, such as the cellulose sector. But the mining sector, particularly SQM, still faces pressure from lithium prices, and it is not ruled out that this could continue through the remainder of the year. This behavior definitely conditioned its results," the executive argued.

He noted that mining in the country was one of the most lagging sectors during the third quarter.

Colombia Underwater

During the third quarter, companies in the Andean region presented reports that were "quite interesting" for LarrainVial.

"Profits grew again both in Chile and Peru in this last quarter," highlighted the brokerage analyst, adding that "companies are looking for asynchronous movements with the macroeconomy, which I find interesting."

With this plan, "companies, particularly in Chile and Peru - which are the countries further ahead in this process - are achieving profit growth decoupled from the macroeconomy. For example, in the case of Chile, the profits of the companies under our coverage grew around 35% year-on-year in the last quarter, while in Peru, profits grew 75% year-on-year," the executive commented.

However, Colombian companies have had a "complicated" year, having now gone through several consecutive quarters of profit declines, although "there is a light at the end of the tunnel because we are seeing a correction, especially in the profits of financial sector companies."

Although for now, "Colombian companies are underwater, falling 11% year-on-year, we are already seeing a change."

This is why, looking toward the end of the year, Ramos does not foresee a "constructive" period. However, for 2025, "the expectation is that Colombia's profits could have a marginally positive growth. Consensus expectations point to a profit growth of around 4% for next year."

During 2024, the best-performing sector in Colombia was financial, with Davivienda standing out among the most relevant firms. On the commodity side, Ecopetrol's results were disappointing. "It is the most relevant company

that ends up moving the needle on the quarterly results performance. This quarter had complications because the price of oil year-on-year was lower," said Ramos of LarrainVial.

In this regard, he emphasized that "the oil sector today is the most complicated sector. It has headwinds from the commodity side, and in the middle, we have the cement sector, with Cementos Argos, which has had a performance more aligned with what it has been reporting recently."

Expectations for 2025

The outlook for Peruvian companies forecasts a profit growth of around 15%, while for Chilean firms, consensus expectations point to a 20% profit growth for the period.

"In the 2025 ranking, we would still have Chile and Peru leading with a good 'momentum,' while Colombia will be slightly recovering, but achieving single-digit growth, which is relatively low," Ramos said.

However, all of this will depend on the recovery of domestic demand and "what may happen with the policies that will ultimately be implemented in the United States due to Donald Trump's rise to power."

For the expert, this is a "gravitating" factor in LarrainVial's projections because Trump's arrival reconfigures the global environment but "also the environment of the companies, as it implies a higher global dollar, lower growth outside the U.S., and persistently high long-term interest rates."

Thus, according to Ramos, the configuration of these three elements creates a space for revising profit expectations. He sees signals regarding the resilience capacity of the three Andean markets, but "Chile and Peru have quite robust resilience signals, as companies in the last two quarters have been able to report profit growth supported by more microeconomic factors than macroeconomic ones."

Impact of Trump

Specifically regarding Trump's arrival at the White House, Ramos pointed out that "in fact, it is negative for emerging markets. This is a reality, it is a headwind, it is an assumption we will have to work with going forward." Trump's arrival generates "a double negative effect from the process of global dollar appreciation."

Therefore, countries like Chile, Peru, and Colombia will face a "non-constructive" scenario, where the points of resilience that investors need to target or seek shelter in "are companies where they can see the capacity for margin expansion or decoupling of microeconomic stories from macroeconomic ones."

As a result, LarrainVial recommends companies like Credicorp and Ferreycorp, as "we will see a market that will start prioritizing the search for opportunities within companies with very clear competitive advantages, where value creation is very visible, and where there is also an incentive to distribute the value to shareholders."

For Colombia, it is a market that will be impacted by the political-institutional landscape. "So we have a market pressured in terms of valuation, and where profits have gone through a lag in monetary relaxation from lower to higher."

Here, he sees Bancolombia as one of his preferred stocks, as "it was the company that capitalized or has the best corporate governance structure."

For Chile, he pointed to financial sector stocks such as Itaú or Santander, although "we believe there is also room to have positions in sectors like utilities, such as Enel Chile or Vapores. We also have SQM, a company we consider to be exposed to long-term secular trends, probably with short-term pressures, but with long-term secular trends due to lithium prices," he concluded.

China Promises More Stimulus Policies to Boost Growth in 2025

■ The announcement comes ahead of the annual Central Economic Work Conference to set key objectives and economic policy goals for the coming year.

Pulso, By Reuters

China will adopt a monetary policy that is appropriately flexible next year—the first easing of its stance in about 14 years—alongside a more proactive fiscal policy to stimulate economic growth, the Politburo announced on Monday.

Unconventional counter-cyclical adjustments will be intensified, focusing on expanding domestic demand and boosting consumption, Xinhua reported, citing records from the Politburo meeting.

The statements come just ahead of the annual Central Economic Work Conference, scheduled for this week, which will outline the key objectives and economic policy goals for the upcoming year.

The Hang Seng Index in Hong Kong rose 2.8%, reaching its highest level in a month.

In 2025, authorities must adhere to the “principle of pursuing progress while maintaining stability,” leveraging progress to ensure stability and drive innovation, Xinhua stated.

“A more proactive fiscal policy and an appropriately loose monetary policy must be implemented, enhancing and refining the policy toolkit and strengthening extraordinary counter-cyclical adjustments,” it added.

This new monetary policy stance marks the first easing since late 2010, based on official announcements following Politburo meetings.

“We believe this signals strong fiscal stimulus, significant rate cuts, and asset purchases in 2025,” said Xing Zhaopeng, senior strategist at ANZ in China. “The policy tone reflects strong confidence in the face of Trump’s tariff threats,” he added.

China’s economy has struggled this year, prompting policymakers to take action in September.

The central bank unveiled its most aggressive monetary easing since the pandemic, cutting interest rates and injecting 1 trillion yuan (approximately \$140 billion) into the financial system, among other measures.

The central bank has outlined five monetary policy stances: “flexible,” “appropriately flexible,” “prudent,” “appropriately restrictive,” and “restrictive.”

China adopted an appropriately flexible monetary policy following the global financial crisis of 2008 before shifting to a prudent stance in late 2010.

Finance Minister Lan Foan has indicated that additional stimulus measures are being prepared, though he did not provide further details.