

External debt profile of Chilean companies

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External borrowing is an important funding source for Chilean companies, accounting for a substantial proportion of the total foreign debt. Global financial crises, such as the 2008 debacle, usually result in a shortage of liquidity in the markets and a reduction in external financing to the economies that need it the most. It is therefore of great interest to learn about the particular features of the Chilean corporate debt and how it was affected by Europe's recent financial crisis. This paper is divided into four sections. After the introduction, section 2 explains the methodology used for data processing, including the sources used and depuration performed. Section 3 describes the composition of corporate financing, specifying the type of instrument and term, and its evolution over the past four years. Finally, section 4 presents the analysis and conclusions regarding changes occurred in the external debt of companies, with a particular focus on the creditor country.

Key Words: Financial crisis, type of instrument, creditor parent country