



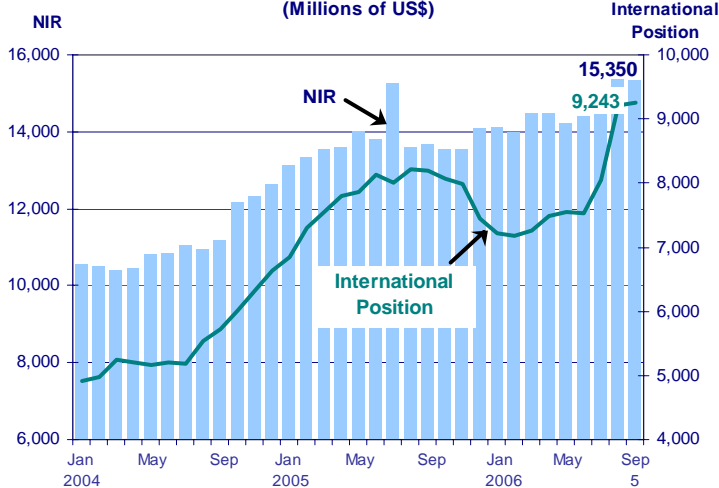
Indicators

- Interbank interest rate at 4.43%.
- International Reserves: US\$ 15,350 million.
- Average exchange rate at S/. 3.25.
- Surplus of US\$ 1,149 million in July's trade balance.
- Lima Stock Exchange grew 4.0 percent.

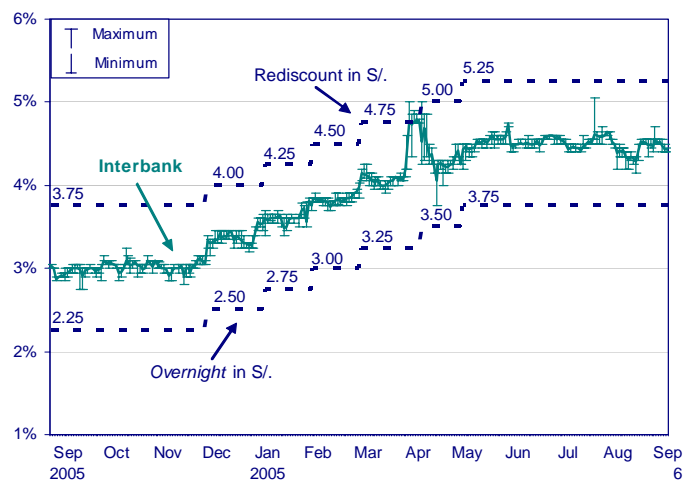
Content

- Average interbank interest rate at 4.51 percent xii
- Monetary operations xii
- Between August 31 and September 6, the Central Bank made the following monetary operations: xii
- International reserves: US\$ 15,350 million xiii
- Nominal exchange rate at S/. 3.25 per dollar xiii
- Trade surplus of US\$ 1,149 million in July xvi
- Monetary base as of August 31, 2006 xviii
- Monetary Accounts of the Banking System as of August 7, 2006 xviii
- Country risk decreased to 133 basis points xix
- Quotations of basic metals xix
- Lima Stock Exchange increased 4.0 percent September to date xxiii

International Reserve and International Position of the BCRP January 2004 - September 2006 (Millions of US\$)



Interest Rates in Domestic Currency (September 2005 - September 2006)



Our website

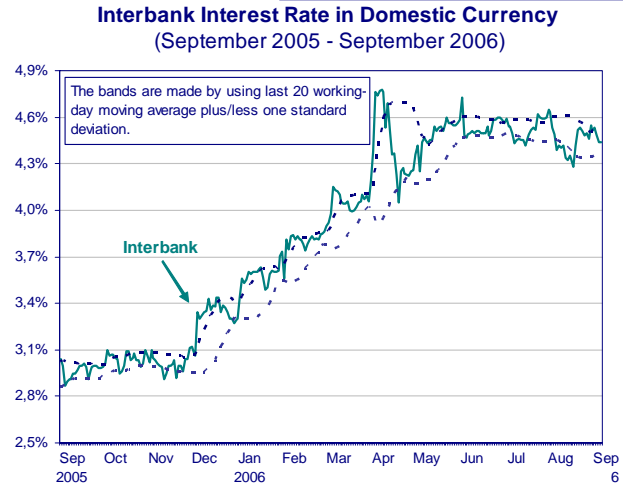
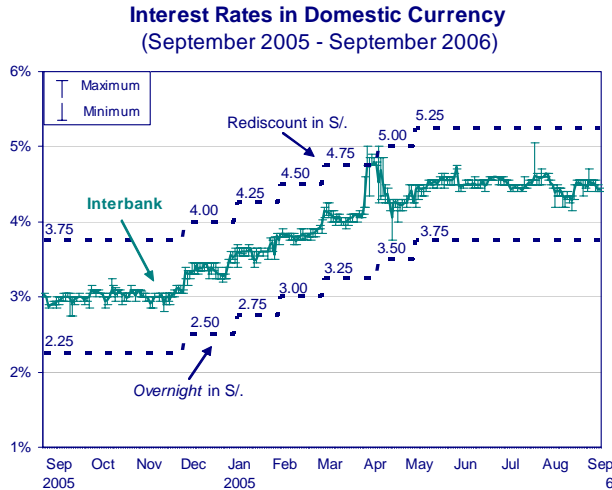
http://www.bcrp.gob.pe/bcr/ingles/

- Informative note on the Monetary Program: September 2006
- International Reserves: Composition and Performance - June 2006
- The development of China's Export Performance

### Average interbank interest rate at 4.51 percent

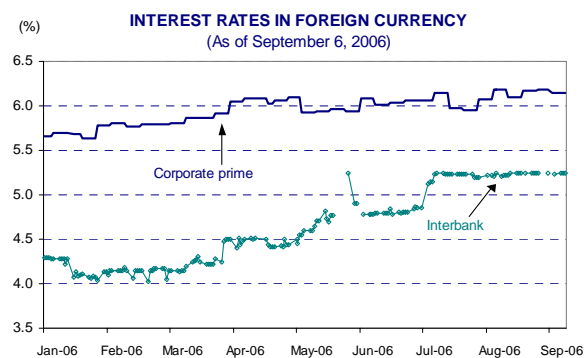
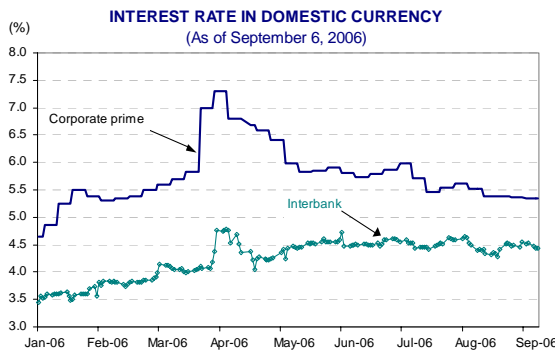
The average interbank interest rate in domestic currency decreased from 4.51 percent to 4.44 percent between **August 31 and September 6**. In this period, the average interbank interest rate has fluctuated between 4.44 and 4.53 percent.

Interbank Interest Rate average (percent)		
	Average	Standard Deviation
December 2004	3.00	0.05
December 2005	3.34	0.08
March 2006	4.12	0.17
April	4.42	0.24
May	4.48	0.08
June	4.53	0.07
July	4.50	0.06
August	4.43	0.10
September	4.51	0.04



### Corporate Prime interest rate fell to 5.34 percent

Between **August 29 and September 6**, the average 90-day corporate prime rate in soles fell from 5.36 percent to 5.34 percent, while the same rate in dollars fell from 6.18 percent to 6.15 percent.



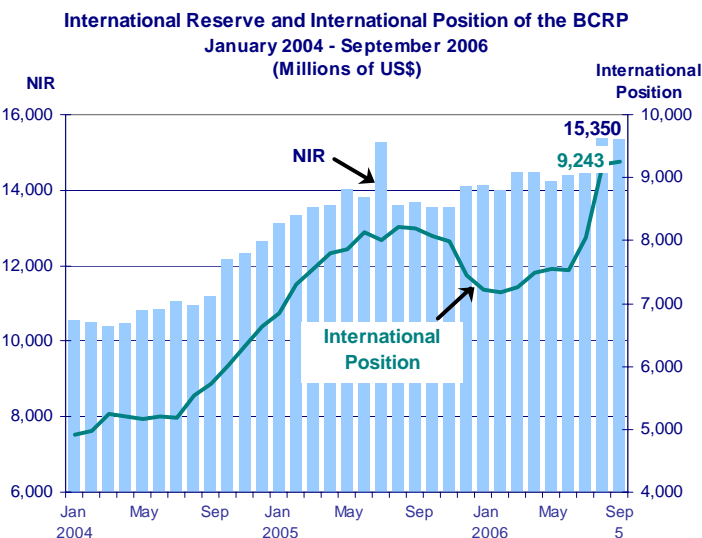
### Monetary operations

Between **August 31 and September 6**, the Central Bank made the following monetary operations:

- i) Auctions of BCRP Certificates of Deposits (BCRPCDs) with 1-day, 1-week, 1-month, 9-month, 1-year and 2-year maturities for a daily average of S/. 175.6 million. The average interest rate of these securities fluctuated between 4.49 and 5.90 percent.
- ii) Purchases of foreign currency for a total of US\$ 40 million at an average exchange rate of S/. 3.244 per dollar, and
- iii) Overnight deposits in local currency for a total of S/. 450 million.

### International reserves: US\$ 15,350 million

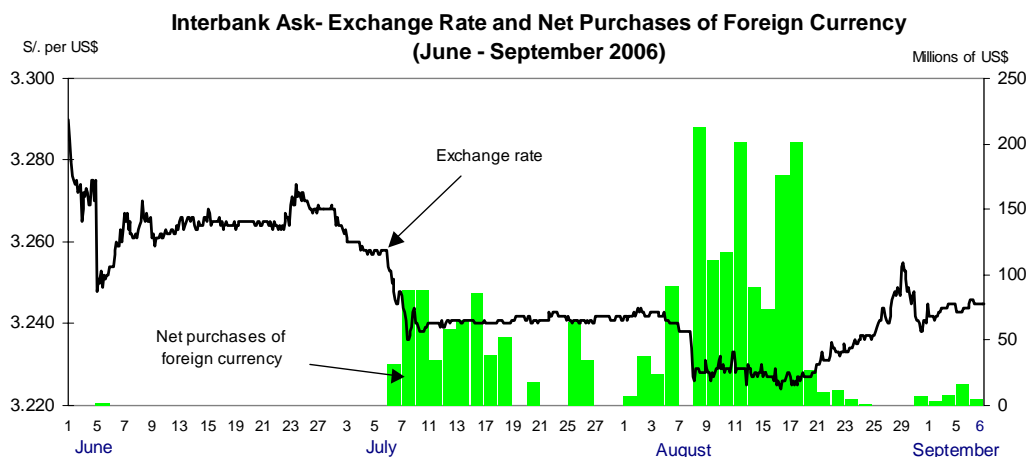
As of **September 5**, net international reserves (NIRs) reached US\$ 15,350 million, decreasing by US\$ 29 million with respect to the close of August. This evolution was mainly explained by banks' lower deposits (US\$ 134 million), and offset by higher Public Sector deposits (US\$ 64 million), net purchases of foreign currency (US\$ 29 million), and by increased prices for gold (US\$ 13 million). It is worth noting that NIRs grew by US\$ 742 million, mainly due to higher net purchases of foreign currency (US\$ 1,416 million).



So far this year, NIRs have increased by US\$ 1,253 million. As of September 5, the BCRP's international position (US\$ 9,243 million) had grown US\$ 42 million with respect to the close of August and US\$ 1,792 million with respect to the close of 2005.

### Nominal exchange rate at S/. 3.25 per dollar

As of September 6, the ask price of the interbank exchange rate closed at S/. 3.245 per dollar, a similar level to the one recorded by the end of July. So far this month, the Central Bank has intervened in the exchange market with a net purchase of US\$ 34 million.



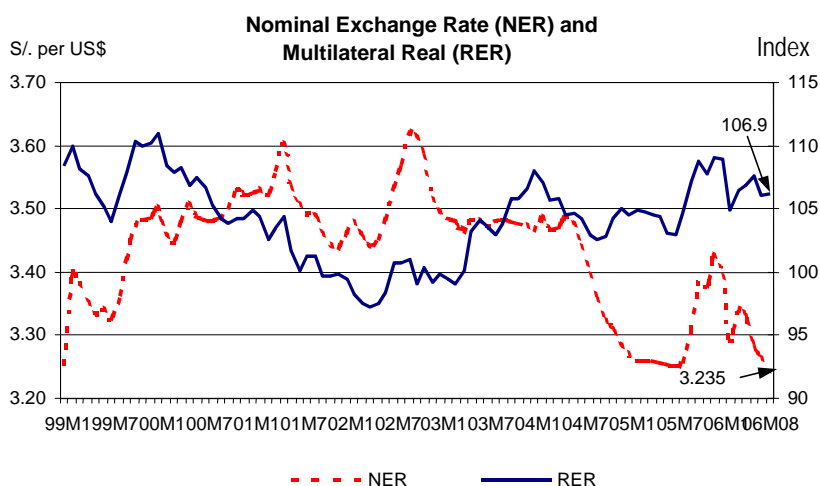
As of September 5, the balance of net forward sales decreased by US\$ 25 million, and banks' foreign exchange position increased US\$ 11 million with respect to the close of August.

**BANK'S EXCHANGE POSITION**  
(Millions of US\$)

	December 2005	March	Jun	July	August	September 5
<b>a. Net sales to the public (i-ii)</b>	<b>1,027</b>	<b>1,579</b>	<b>1,706</b>	<b>1,457</b>	<b>815</b>	<b>790</b>
i. Forward sales to the public	1,813	2,426	2,387	2,149	2,127	2,135
ii. Forward purchases to the public	785	847	681	692	1,312	1,345
<b>b. Bank's exchange position</b>	<b>480</b>	<b>581</b>	<b>450</b>	<b>449</b>	<b>366</b>	<b>377</b>

## Real exchange rate increased 0.6 percent in August

In **real terms**, the exchange rate increased 0.6 percent in August. The nuevo sol appreciated 0.3 percent in nominal terms, while external and domestic inflation recorded 1.0 and 0.1 percent respectively. In annual terms, the nominal appreciation of the nuevo sol was 0.7 percent, while external inflation was 4.0 percent and domestic inflation was 1.9 percent. The real exchange rate increased 2.0 percent.



## Inflation in August: 0.14 percent

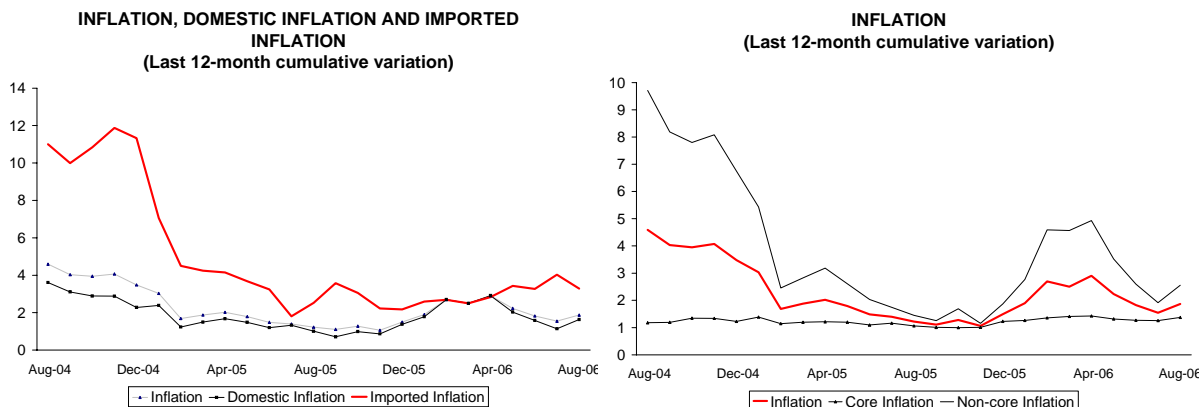
In August, the level of **inflation** was 0.14 percent, with a last-12-month accumulated inflation of 1.3 percent. Four items contributed with 0.30 percentage points to this month's inflation: water rates (0.09 points), onion (0.08 points), citrus fruits (0.07 points), and fish (0.06 points). Conversely, four other items contributed with -0.33 percentage points: chicken meat (-0.15 points), domestic transportation (-0.09 points), sugar (-0.05 points), and eggs (-0.04 points).

**INFLATION RATE**  
(Annual percentage change)

	Weighting	Monthly	12-month indicator			Average annual indicator		
		Aug. 2006	Aug. 2005	Jul. 2006	Aug. 2006	Aug. 2005	Jul. 2006	Aug. 2006
<b>I. CORE INFLATION</b>	<b>60.6</b>	<b>0.13</b>	<b>1.06</b>	<b>1.25</b>	<b>1.38</b>	<b>1.21</b>	<b>1.22</b>	<b>1.24</b>
<b>Goods</b>	<b>34.0</b>	<b>0.01</b>	<b>0.75</b>	<b>0.60</b>	<b>0.67</b>	<b>0.94</b>	<b>0.77</b>	<b>0.77</b>
Food	13.0	-0.07	1.08	0.69	1.01	2.50	0.74	0.74
Textile and footwear	7.6	0.09	1.66	1.36	1.35	1.46	1.45	1.43
Electrical appliances	1.0	-0.21	-2.08	0.12	0.10	-3.10	-0.78	-0.60
Other industrial goods	12.5	0.06	0.07	0.06	-0.07	-0.64	0.51	0.49
<b>Services</b>	<b>26.6</b>	<b>0.28</b>	<b>1.45</b>	<b>2.07</b>	<b>2.24</b>	<b>1.55</b>	<b>1.77</b>	<b>1.83</b>
Restaurants	12.0	0.17	1.07	1.14	1.22	1.51	1.05	1.07
Education	5.1	0.34	3.35	3.45	3.71	3.86	2.95	2.98
Health	1.3	0.04	3.53	-0.44	-0.44	1.53	1.63	1.30
Renting	2.3	0.00	-1.60	1.20	1.30	-1.64	1.05	1.29
Other services	5.9	0.60	1.18	3.59	3.94	0.72	2.43	2.66
<b>II. NON CORE INFLATION</b>	<b>39.4</b>	<b>0.16</b>	<b>1.45</b>	<b>1.91</b>	<b>2.55</b>	<b>4.30</b>	<b>2.65</b>	<b>2.74</b>
Food	22.5	0.16	-0.67	1.09	2.55	3.22	2.36	2.63
Fuel	3.9	0.58	8.08	9.11	6.91	12.30	7.95	7.85
Transportation	8.4	-1.06	3.67	1.69	0.98	3.25	1.90	1.67
Utilities	4.6	2.13	0.79	-1.96	0.30	3.19	-0.72	-0.76
<b>III. CPI</b>	<b>100.0</b>	<b>0.14</b>	<b>1.22</b>	<b>1.55</b>	<b>1.87</b>	<b>2.49</b>	<b>1.82</b>	<b>1.87</b>
<b>Note.-</b>								
Imported inflation	12.1	0.21	2.53	4.03	3.29	6.14	2.91	2.97
Core inflation excluding food	47.6	0.19	1.06	1.41	1.47	0.87	1.34	1.38
Total food	33.2	0.09	0.00	0.84	1.81	3.07	1.92	2.08

**Core inflation** in August was 0.13 percent, with a last-12-month accumulated inflation of 1.4 percent. **Non-core inflation** was 0.16 percent in the month, with a last-12-month accumulated inflation of 2.6 percent.

**Core inflation, excluding food and beverages**, was 0.19 percent (1.5 percent in the last 12 months), while **imported inflation** was 0.21 percent (3.3 percent in the last 12 months).



## Macroeconomic expectations: September 2006

Between August 11 and 31, the BCRP conducted its monthly Macroeconomic Expectations survey among 28 financial organizations, 26 economic analysts, and 345 non-financial companies. The results of the surveys are presented below:

### FINANCIAL SYSTEM INSTITUTIONS

(Median<sup>1/</sup> of the sample)

	Date of the survey		
	Jun 28 2/	Jul 31 2/	Aug 31 2/
<b>Inflation (%)</b>			
Monthly: Sep	0.20	0.20	0.20
Annual: 2006	2.66	2.55	2.30
2007	2.50	2.50	2.50
<b>GDP growth (%)</b>			
Monthly: Jul	5.4	5.8	6.0
Aug	5.0	5.3	5.9
Sep	-.-	5.5	5.7
Annual: 2006	5.5	5.6	6.0
2007	5.4	5.4	5.9
<b>Exchange rate (S/. per US\$)</b>			
Monthly: Sep	3.28	3.25	3.24
December 2006	3.30	3.27	3.26
December 2007	3.35	3.3	3.3
<b>Interbank interest rate (%)</b>			
<i>In nuevos soles</i>			
Monthly: Sep	4.55	4.50	4.50
December 2006	4.78	4.75	4.50
December 2007	5.00	5.00	4.63

1/ The median indicates the sample central value which reduces any bias caused by extreme values.

2/ 28 financial institutions.

**NON-FINANCIAL SYSTEM FIRMS**  
(Median<sup>1/</sup> of the sample)

	Date of the survey		
	Jun 28 2/	Jul 31 2/	Aug 31 2/
<b>Inflation (%)</b>			
Annual: 2006	2.0	2.0	2.0
2007	2.0	2.0	2.0
<b>GDP growth (%)</b>			
Annual: 2006	6.0	6.0	6.0
2007	6.0	5.8	6.0
<b>Exchange rate (S/. per US\$)</b>			
December 2006	3.35	3.30	3.30
December 2007	3.40	3.35	3.35

1/ The median indicates the sample central value which reduces any bias caused by extreme values.

2/ 345 non-financial institutions.

**ANALYSTS**  
(Median<sup>1/</sup> of the sample)

	Date of the survey		
	Jun 28 2/	Jul 31 3/	Aug 31 4/
<b>Inflation (%)</b>			
Monthly: Sep	0.20	0.20	0.20
Annual: 2006	2.50	2.50	2.38
2007	2.50	2.50	2.50
<b>GDP growth (%)</b>			
Monthly: Jul	5.0	5.9	6.2
Aug	5.2	5.8	6.0
Sep	-	5.5	5.9
Annual: 2006	5.5	5.8	6.0
2007	5.0	5.1	5.1
<b>Exchange rate (S/. per US\$)</b>			
Monthly: Sep	3.28	3.26	3.24
December 2006	3.30	3.29	3.26
December 2007	3.35	3.34	3.30
<b>Interbank interest rate (%)</b>			
In nuevos soles			
Monthly: Sep	4.50	4.50	4.50
December 2006	4.73	4.66	4.50
December 2007	5.00	4.88	4.50

1/ The median indicates the sample central value which reduces any bias caused by extreme values.

2/ 24 analysts.

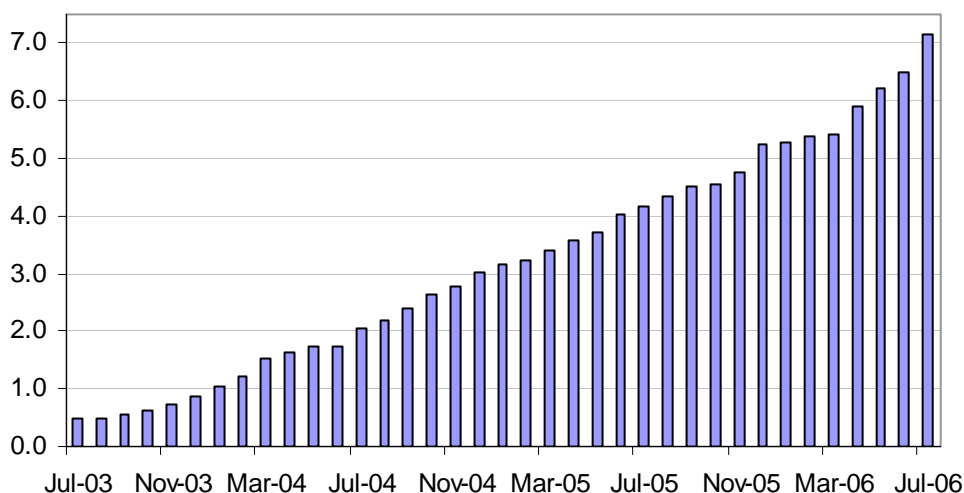
3/ 22 analysts.

4/ 26 analysts.

## Trade surplus of US\$ 1,149 million in July

In **July 2006**, Peru's trade balance posted a surplus of US\$ 1,149 million, a level US\$ 639 million (126 percent) higher than the one recorded in July 2005. In this way, a positive result is achieved in 39 consecutive months. A surplus of US\$ 7,145 million was achieved over the past 12 months (from August 2005 to July 2006), a level 95 percent higher than the one recorded in the same period last year.

**Annual Trade Balance: July 2003-July 2006**  
(Thousands of millions of US\$ accumulated in the last 12 months)



**Exports** in July amounted to US\$ 2,344 million, a figure 51 percent (US\$ 788 million) higher than that of July 2005. In annual terms, exports accumulated US\$ 20,708 million, increasing 50 percent with respect to the same period last year. **Traditional exports** totaled US\$ 1,870 million, a figure 59 percent (US\$ 696 million) higher than in July 2005. The traditional exports that contributed most heavily to this result included gold (US\$ 111 million, or 47 percent), copper

(US\$ 410 million, or 158 percent), zinc (US\$ 103 million, or 213 percent), and petroleum and derivatives (US\$ 64 million, or 43 percent).

**Non-traditional exports** amounted to US\$ 460 million, recording a 24 percent increase (US\$ 89 million) with respect to the same month last year. Noteworthy non-traditional exports included iron & steel products and jewelry, textiles and agricultural products, all of which compensated the reduction observed in terms of exports of chemical products.

**Imports** totaled US\$ 1,195 million in July, a figure representing a 14 percent increase with respect to July 2005. This result is explained by higher purchases of raw materials for industrial purposes (32 percent), transport equipment (80 percent), and capital goods for industry (4 percent). Total imports over the past twelve months amounted to US\$ 13,563 million, which represents a 34 percent increase with respect to the same period last year.

### Trade Balance

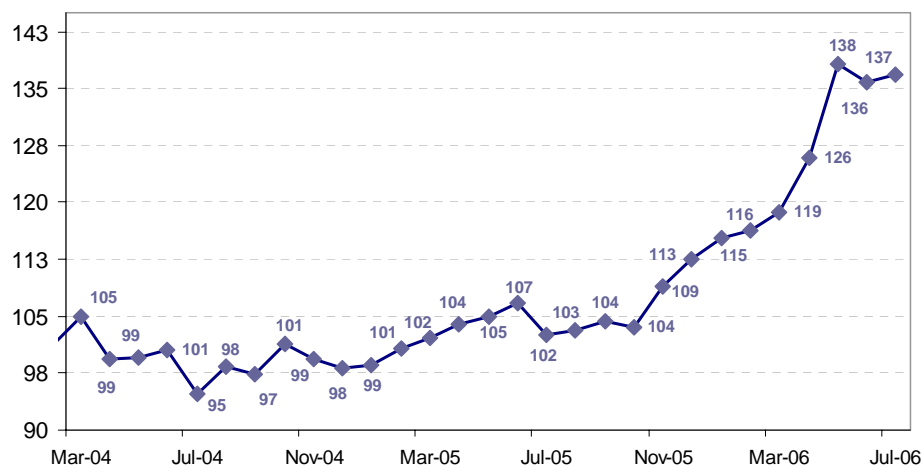
(Millions of US\$)

	Monthly data			Annual data				
	July 2005	July 2006	% change.	Aug.2004 Jul.2005	Jul.2005 Jun.2006	Aug.2005 Jul.2006	%change. C/A	% change. C/B
				A	B	C		
<b>EXPORTS</b>	<u>1 555</u>	<u>2 344</u>	<u>50.7</u>	<u>13 812</u>	<u>19 920</u>	<u>20 708</u>	<u>49.9</u>	<u>4.0</u>
Traditional products	1 174	1 870	59.2	10 068	15 154	15 850	57.4	4.6
Non-traditional products	370	459	24.0	3 617	4 614	4 703	30.0	1.9
Other products	10	14	37.0	127	151	155	21.8	2.5
<b>IMPORTS</b>	<u>1 046</u>	<u>1 195</u>	<u>14.3</u>	<u>10 145</u>	<u>13 414</u>	<u>13 563</u>	<u>33.7</u>	<u>1.1</u>
Consumer goods	179	201	12.4	2 028	2 432	2 454	21.0	0.9
Raw materials and intermediate goods	598	674	12.6	5 565	7 314	7 389	32.8	1.0
Capital goods	261	314	20.1	2 458	3 557	3 609	46.9	1.5
Other goods	8	6	- 14.3	94	111	110	16.3	- 1.0
<b>TRADE BALANCE</b>	<u>-509</u>	<u>-1 149</u>	<u>-125.5</u>	<u>-3 667</u>	<u>-6 506</u>	<u>-7 145</u>	<u>-94.8</u>	<u>-9.8</u>

**Terms of trade** in July increased 33 percent due to the rise produced in the average prices of exports (48 percent) as a result of improved international prices for the main commodities. Moreover, the prices of imports increased 11 percent. On the other hand, volumes of exports increased 2 percent.

### TERMS OF TRADE

(1994=100)



## Monetary base as of August 31, 2006

The **monetary base** as of August 31 (S/. 11,487 million) decreased 4.2 percent (S/. 508 million) with respect to the close of July. In average terms, the annual growth rate of the monetary base in this period was 13.2 percent (12.7 percent in July).

By sources, the operations contributing most heavily to the contraction of the monetary base were net placements of BCRP Certificates of Deposits (S/. 2,246 million), lower temporary purchases of securities (S/. 1,998 million), and net sales of dollars to the public sector (US\$ 293 million, or S/. 947 million). Conversely, the monetary base increased due to purchases of foreign currency at the Central Bank's Front Desk (US\$ 1,410 million, or S/. 4,554 million) and to lower Public Sector deposits (S/. 39 million).

## Monetary Accounts of the Banking System as of August 7, 2006

In the last 4 weeks, liquidity in **domestic currency** increased 3.0 percent (S/. 875 million), totaling S/. 29,851 million (annual growth of 2.7 percent). Credit to the private sector in this currency increased 1.3 percent (S/. 224 million), thus totaling S/. 17,147 million (annual growth of 36.4 percent).

Liquidity in **foreign currency** increased 1.7 percent (US\$ 184 million), totaling US\$ 11,191 million (annual growth of 11.8 percent). Credit to the private sector in dollars had no percentage variation in this period, and totaled US\$ 10,590 million (annual growth of 1.7 percent).

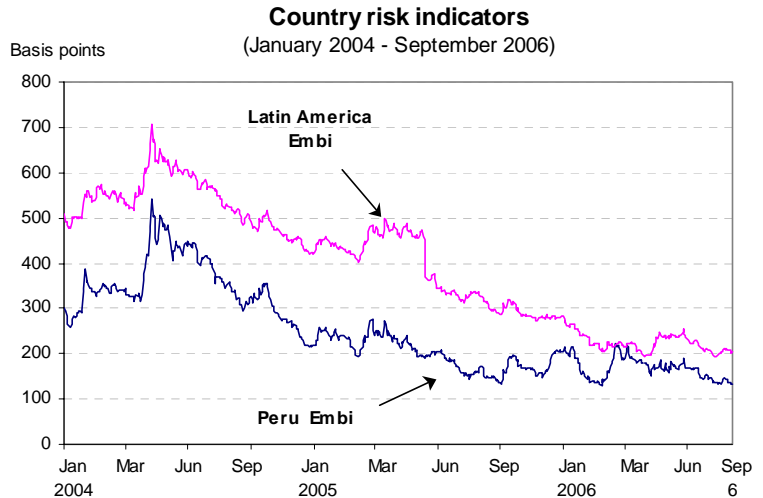
END OF PERIOD MONETARY AGGREGATES OF THE BANKING SYSTEM												
	BASE MONETARY		LIQUIDITY IN D/C		CREDIT IN D/C		LIQUIDITY IN F/C		LIABILITIES 1/		CREDIT IN F/C	
	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR
<b>2003</b>												
Dec.	11.5%	10.1%	3.6%	10.5%	-1.2%	5.1%	0.5%	-2.6%	-0.1%	-8.0%	-0.6%	-5.8%
<b>2004</b>												
Mar.	0.7%	16.6%	1.5%	12.9%	3.6%	6.3%	0.0%	-5.2%	-4.7%	8.8%	0.5%	-3.7%
Jun.	0.7%	19.2%	-0.1%	14.1%	0.8%	3.9%	3.0%	-1.5%	3.4%	28.4%	0.7%	-0.3%
sep.	-1.0%	20.5%	2.8%	17.0%	1.6%	8.0%	-0.1%	1.3%	6.5%	30.6%	-1.2%	-0.6%
Dec.	14.9%	25.3%	5.7%	28.1%	1.0%	11.9%	0.8%	1.4%	1.6%	4.5%	1.1%	1.3%
<b>2005</b>												
Mar.	-0.2%	25.7%	3.7%	33.6%	2.8%	12.1%	-2.0%	2.2%	6.0%	27.0%	0.4%	3.4%
Jun.	1.9%	28.1%	2.2%	35.4%	0.8%	16.2%	-0.7%	4.9%	-4.0%	4.7%	1.5%	5.7%
Jul.	12.1%	30.6%	3.4%	36.4%	2.0%	17.1%	-0.6%	1.8%	5.9%	16.8%	0.6%	5.8%
Aug.	-5.1%	30.7%	-1.8%	32.3%	3.3%	20.5%	0.2%	3.9%	-5.0%	17.1%	-2.2%	4.8%
Sep.	-0.1%	31.8%	-0.6%	27.9%	2.0%	21.0%	1.5%	5.5%	-9.8%	-0.9%	-1.4%	4.6%
Oct.	1.2%	27.6%	1.1%	21.2%	3.6%	21.2%	0.2%	6.6%	-11.1%	6.3%	0.1%	5.4%
Nov.	0.7%	27.7%	1.6%	19.7%	5.4%	27.2%	2.8%	9.1%	9.9%	12.1%	1.9%	6.3%
Dec.	13.1%	25.7%	5.3%	19.5%	7.0%	34.8%	3.8%	12.4%	33.9%	48.0%	-0.2%	5.0%
<b>2006</b>												
Jan.	-7.2%	25.0%	-4.8%	13.4%	2.5%	38.3%	2.7%	14.8%	-28.8%	-15.5%	-4.1%	0.4%
Feb.	0.3%	22.9%	1.1%	10.5%	2.5%	41.2%	1.4%	17.0%	8.1%	0.8%	0.7%	1.3%
Mar.	0.8%	24.2%	2.1%	8.8%	1.3%	39.2%	2.4%	22.3%	-5.5%	-10.1%	1.1%	1.9%
Apr.	0.3%	18.3%	-3.7%	6.0%	1.3%	38.6%	-2.3%	14.8%	-13.7%	-29.8%	0.6%	0.4%
May.	-1.6%	15.5%	-1.2%	4.7%	0.5%	37.0%	-1.3%	10.3%	1.1%	-27.7%	3.0%	1.4%
Jun.	2.3%	16.0%	0.9%	3.3%	2.1%	38.8%	-0.1%	11.0%	-0.6%	-25.1%	2.4%	2.3%
Jul.	8.0%	11.7%	2.8%	1.8%	1.4%	38.0%	1.4%	12.1%	-15.3%	-40.1%	0.6%	1.6%
Aug. 7	4.5%	10.4%	3.0%	2.7%	1.3%	36.4%	1.7%	11.8%	-19.0%	-40.2%	0.0%	1.7%
Memo:												
Balance as of Jul. 7 (Mill.S/. or Mill.US\$)	11,510		28,976		16,923		11,007		691		10,589	
Balance as of Aug. 7 (Mill.S/. or Mill.US\$)	12,027		29,851		17,147		11,191		559		10,590	
1/ Short term external liabilities of banking enterprises.												



## International Markets

### Country risk decreased to 133 basis points

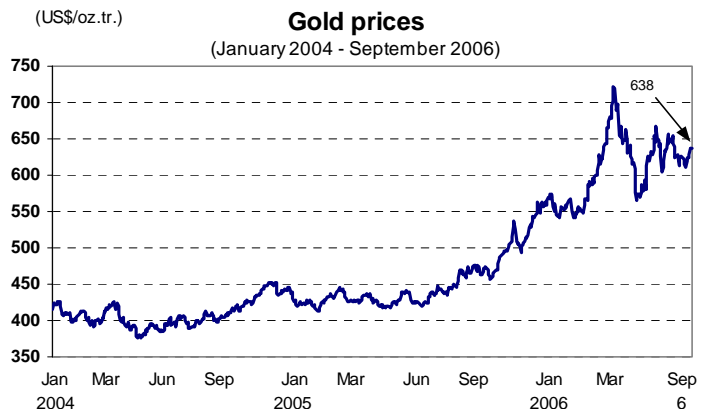
In **August**, the country risk – measured by the **EMBI+ Peru** spread– fell from 152 to 135 basis points. This positive evolution was due to Peru’s upgrading from a BB to a BB+ rating by the international agency Fitch Ratings. In addition to this, the fact that the FED maintained its reference rate unchanged contributed to make Latin American investment papers more attractive.



By **September 6**, the **EMBI+ Peru** had reached 133 basis points –only 5 bps above its historical minimum level– as Peru’s debt securities continued to benefit from the upgrade assigned to Peru’s country risk by Fitch Ratings last week. On the other hand, after recording a fiscal surplus during the second quarter, the country continued to show an upward trend in terms of tax collection in August (posting a level of 30 percent), which was well received by the market.

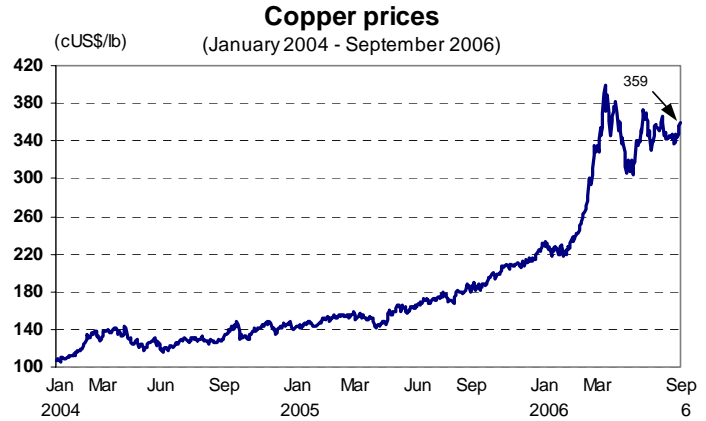
### Quotations of basic metals

In **August**, the average quotation of **gold** fell 1.3 percent to US\$ 624.7 per troy ounce. The price of the precious metal was affected throughout the month by the profit taking of investment funds, which was boosted by the volatility of the dollar, the drop in the price of oil, and the cease-fire between Israel and Lebanon.



As of **September 6**, the **gold** quotation rose to US\$ 637.9 per troy ounce explained by higher physical purchases of the metal by the jeweler industry due to the proximity of the religious festivities in Asia, and speculative purchases, in spite of the downward tendency of the oil price.

In similar month, the average quotation of copper diminished 0.21 percent to US\$ 3.49 per pound due to the U.S. economy slowdown and the indicators of a fall in the July's imports in China (14.4 percent). Besides, at the end of the month, the solution to the strike in the Chilean mine La Escondida (which produces 8 percent of the world's copper) pressured the prices downward.



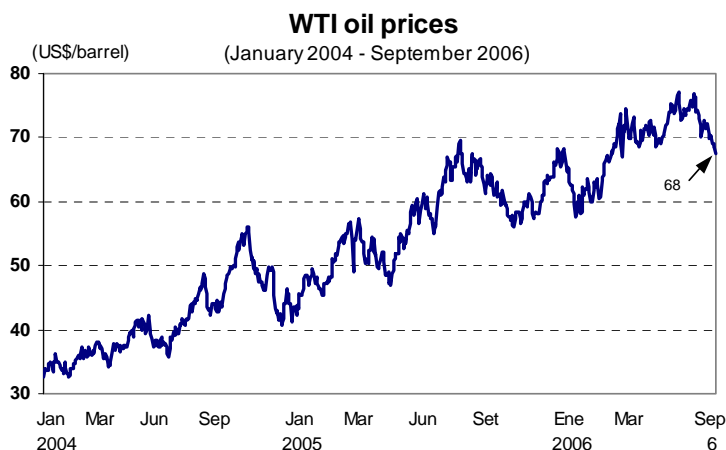
By **September 6**, the quotation of copper have increased to US\$ 3.59 per pound, due to the strong expectations that China would increase its copper imports to replace its low inventories. On the other hand, still persists the uncertainty about the provision of the red metal as the labor negotiations continue between Codelco (the main copper producer of the world) and the union groups.

In **August**, the average price of zinc increased 0,22 percent to US\$ 1.52 per pound due to the continuous inventories descent in the London Metal Exchange (LME). In August, the inventories in the (LME) diminished in 1,675 MT reaching 173,500 TM.



By **September 6**, the quotation of zinc rose to US\$ 1.65 per pound because, again, the inventories in the London Metal Exchange were reduced in 3.81 percent closing at 167,825 MT and the higher purchases by the investment funds after the end of the summer season in the north hemisphere. On the other hand, the Standard Bank forecasts that zinc would touch maximum levels again in the fourth quarter, and that the market would close the year with a nearby deficit of 450 thousand MT.

In **August**, the average price of WTI oil fell 1.83 percent to US\$ 73 per barrel owed to the higher inventory of gasoline and the supply of crude registered during the month. Besides, other factors that influenced in the reduction of the quotation were the continuous production in the Gulf of Mexico, in spite of the tropical storms, and the sustainability of half of the production by the British Petroleum, after the incidents occurred in its oil field Prudoe Bay.



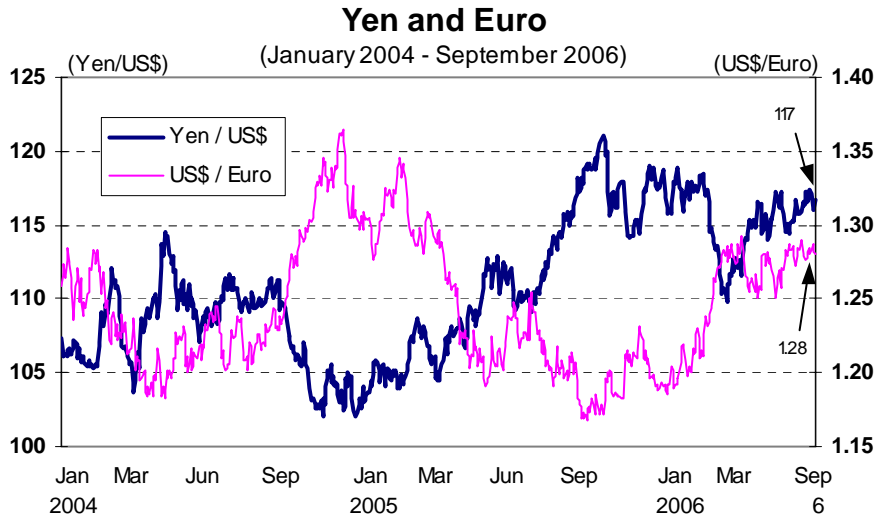
It is important to mention that in this period, OPEC descended its forecasts of world's demand growth for 2007 to 1.3 million barrels per day, which is smaller in 80 thousand barrels to what was projected in July.

Continuing with this tendency, as of **September 6** the WTI petroleum descended to US\$ 67.5 per barrel due to the information about better gasoline inventories in the US, the discovery of an oil deposit in the Gulf of Mexico (that would be able to enlarge the US inventories in 50 percent), and to the expectations that the United Nations will not take immediate measures vis-a-vis Iran refuses to stop its uranium enrichment program, waiting that the European Union will maintain a final round of negotiations. On the other hand, the Department of Energy reported that the gasoline supply was elevated in 718 thousand barrels to 206.9 million barrels, in the week that ends at September 7.

## U.S. dollar depreciates against the yen

During **August**, in average terms, the **dollar** depreciated 0.9 against the **euro** and appreciated 0.2 percent against the **yen**. The euro was favored by the reduction of interest rates between the US and the EU due to the maintenance of the rates by the Fed and the ascent of rates by the ECB. Nevertheless, at the end of the month, the euro flawed facing the fall of the confidence indices of the German investor (index Zew and index IFO). In turn the yen has weakened due to the smaller expectations that the rates will be enlarged this year by the Bank of Japan, as it decides to maintain its reference rate at 0.25 percent taking into account the weak growth of Japan's economy in the second quarter.

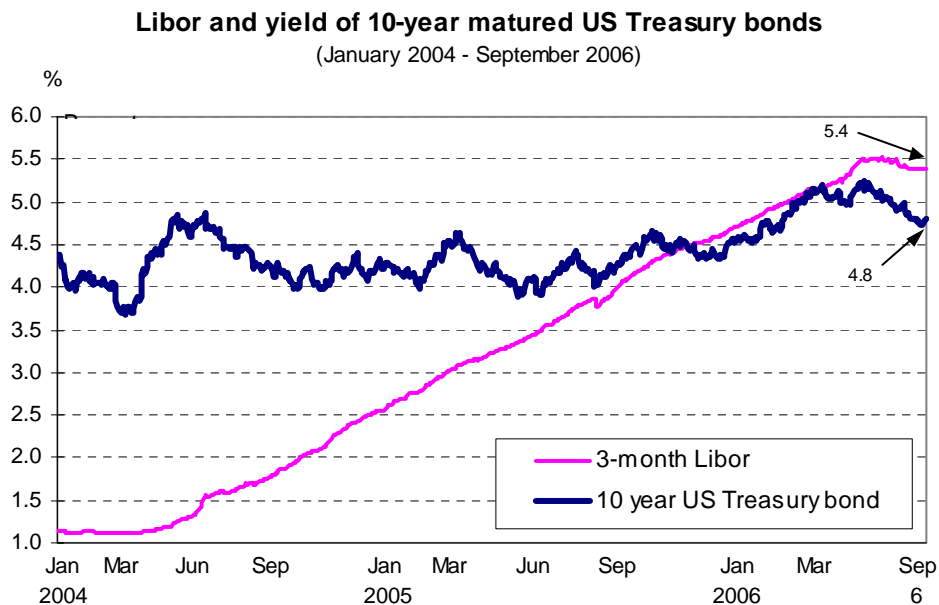
In the first days **September**, the dollar, with scarce volatility, remains stable against the euro and depreciated 0.5 percent with respect to yen. The dollar maintained its positions vis-a-vis a report of the US government that showed that the unit costs of work increased in the last quarter, while the euro flawed due to the negative indicators of the euro Zone, as the reduction of the consumer and investor confidence indexes in August and the fall of June retail sales in Germany. In turn, the yen was strenghtened after the diffusion of the growth (above expectations) of the expenditures in capital goods in Japan in the second quarter, which generated expectations of additional adjustments of the Bank of Japan interest rate before the year-end.



### Yield of US Treasuries with a 10-year maturity: 4.80 percent

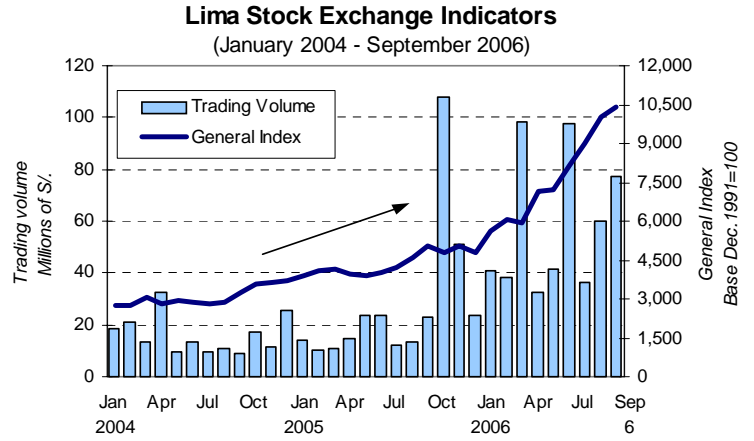
In August, the **3-month Libor** diminished from 5.47 to 5.40 percent, and the **yield of the US Treasuries with a 10-year maturity** diminished from 4.98 to 4.73 percent due to the negative data about the US economy activity increased expectations that the Fed will leave invariable its reference interest rate

As of September 6, the **3-month Libor** diminished from 5.40 to 5.39 percent, and the **yield of the US Treasuries with a 10-year maturity** increased from 4.73 to 4.80 percent as the investors collect news (labor costs grew more than the expected) that the inflation of costs would pressure the Federal Reserve to continue with its bull interest rate politics.



**Lima Stock Exchange increased 4.0 percent September to date**

During August, the **General** and **Blue Chip** indices of the Lima Stock Market (LSM) increased 11.6 and 14.2 percent respectively, boosted by the good performance registered by the businesses, as the economic overall results of the second quarter were published, giving backup to the future advance of shares



In the first days of **September**, the General and Blue Chip indices increased in 4,0 and in 4,5 percent, respectively, due to the positions takings in mining shares, in a context of raises of basic metals quotations, vis-a-vis the forecasts of higher demand of China and the shortage of inventories in the London Metal Exchange.

Year-to-date, the indices accumulate profits of 116.7 and 142.3 percent, respectively.

**Resumen de Indicadores Económicos / Summary of Economic Indicators**

	2005				2006											
	JUN.	SET.	DIC.	Mar	Abr.	May.	Jun.	Jul.	31 Ago.	Ago.	1 Set.	4 Set.	5 Set.	6 Set.	Set.	
<b>RESERVAS INTERNACIONALES (Mils. US\$) / INTERNATIONAL RESERVES</b>																
Posición de cambio / <i>Net international position</i>	8 127	8 192	7 450	7 257	7 485	7 541	7 525	8 047	9 201	1 153	9 208	9 217	9 243		42	
Reservas internacionales netas / <i>Net international reserves</i>	13 818	13 695	14 097	14 472	14 493	14 235	14 415	14 638	15 379	742	15 346	15 347	15 350		-29	
Depósitos del sistema financiero en el BCRP / <i>Financial system deposits at BCRP</i>	2 836	2 984	4 165	5 129	4 860	4 367	4 731	4 248	3 828	-420	3 784	3 775	3 694		-134	
Empresas bancarias / <i>Banks</i>	2 684	2 876	4 076	4 964	4 620	4 167	4 543	4 072	3 692	-380	3 645	3 628	3 554		-139	
Banco de la Nación / <i>Banco de la Nación</i>	96	56	33	99	178	133	118	94	63	-31	56	64	63		1	
Resto de instituciones financieras / <i>Other financial institutions</i>	56	52	57	67	62	67	70	82	73	-9	83	84	77		4	
Depósitos del sector público en el BCRP / <i>Public sector deposits at BCRP *</i>	2 913	2 572	2 533	2 129	2 186	2 375	2 208	2 389	2 411	23	2 417	2 418	2 475		64	
<b>OPERACIONES CAMBIARIAS BCR (MIL. US\$) / BCRP FOREIGN OPERATIONS</b>																
	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	
Compras netas en Mesa de Negociación / <i>Net purchases of foreign currency</i>	265	-25	-581	1	1	1	2	472	-94	1 116	4	8	17	5	34	
Operaciones swaps netas / <i>Net swap operations</i>	365	33	-345	0	0	1	3	660	7	1 410	4	8	17	5	34	
Operaciones con el Sector Público / <i>Public sector</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Operaciones con el Sector Público / <i>Public sector</i>	-100	-58	-237	0	0	0	0	-189	-100	-300	0	0	0	0	0	
<b>TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE</b>																
	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	
Compra interbancario / <i>Interbank</i> Promedio / <i>Average</i>	3,252	3,306	3,423	3,338	3,329	3,277	3,262	3,243	3,239	3,233	3,241	3,243	3,242	3,244	3,243	
Apertura / <i>Opening</i>	3,253	3,308	3,427	3,343	3,338	3,283	3,266	3,245	3,242	3,235	3,245	3,247	3,245	3,245	3,246	
Mediodía / <i>Midday</i>	3,254	3,309	3,425	3,343	3,332	3,279	3,265	3,244	3,238	3,235	3,242	3,244	3,244	3,245	3,244	
Cierre / <i>Close</i>	3,253	3,309	3,424	3,342	3,333	3,279	3,265	3,244	3,245	3,236	3,244	3,245	3,245	3,245	3,245	
Promedio / <i>Average</i>	3,253	3,309	3,426	3,344	3,333	3,280	3,265	3,244	3,241	3,235	3,243	3,245	3,244	3,244	3,244	
Sistema Bancario (SBS) / <i>Banking System</i>	3,252	3,307	3,423	3,338	3,331	3,278	3,263	3,243	3,240	3,234	3,239	3,242	3,243	3,244	3,242	
Venta / <i>Ask</i>	3,253	3,308	3,425	3,340	3,332	3,280	3,265	3,244	3,241	3,235	3,241	3,243	3,244	3,245	3,301	
Índice de tipo de cambio real (1994=100) / <i>Real exchange rate Index (1994=100)</i>	103.2	107.3	109.1	106.5	106.9	107.6	106.1	106.3		106.9						
<b>INDICADORES MONETARIOS / MONETARY INDICATORS</b>																
<b>Moneda nacional / Domestic currency</b>																
Emisión Primaria / <i>Monetary base</i> (Var. % mensual) / (% monthly change)	1.9	-0.1	13.1	0.8	0.3	-1.6	2.3	8.0	-4.2	-4.2						
(Var. % últimos 12 meses) / (% 12-month change)	28.1	31.8	25.7	24.2	18.3	15.5	16.0	11.7	12.8	12.8						
Oferta monetaria / <i>Money Supply</i> (Var. % mensual) / (% monthly change)	2.2	-0.6	5.3	2.1	-4.4	-1.2	0.9	2.8								
(Var. % últimos 12 meses) / (% 12-month change)	35.4	27.9	19.5	8.8	5.2	3.9	2.5	1.8								
Crédito sector privado / <i>Crédit to the private sector</i> (Var. % mensual) / (% monthly change)	0.8	2.0	7.0	1.3	1.3	0.5	2.1	1.4								
(Var. % últimos 12 meses) / (% 12-month change)	16.2	21.0	34.8	39.2	38.6	37.0	38.8	38.0								
TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>	3.2	0.5	-0.7	5.9	-6.0	1.2	1.9	0.2	6.1	6.1	-0.5	-0.1				
Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>	0.6	1.0	1.0	1.2	1.4	1.3	1.2	1.2	1.2	1.2	2.6	2.4				
Cuenta corriente de los bancos (saldo Mill. S.) / <i>Banks' current account (balance)</i>	278	286	312	275	341	242	229	250	49	244	511	389	362	383		
Créditos por regulación monetaria (millones de S.) / <i>Rediscounts (Millions of S.)</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Depósitos públicos en el BCRP (millones S.) / <i>Public sector deposits at the BCRP (Mills. S.)</i>	4 985	5 169	4 738	6 685	7 570	7 222	7 847	9 431	9 392	9 392	9 302	9 304	9 157	n.d.		
Certificados de Depósitos BCRP (saldo Mill.S.) / <i>CDBCRP balance (Millions of S.)</i>	10 465	9 738	7 676	5 491	4 986	4 436	3 796	3 224	5 470	5 470	4 952	4 927	5 189	5 385		
CD Reajustables BCRP (saldo Mill.S.) / <i>CDRBCRP balance (Millions of S.)</i>	0	0	1 202	1 197	1 197	1 197	700	670	670	670	670	670	670	670		
Operaciones de reporte (saldo Mill. S.) / <i>repos (Balance millions of S.)</i>	0	0	2 850	3 050	3 617	2 365	2 092	2 352	354	354	304	204	154	154		
TAMN / <i>Average lending rates in domestic currency</i>	25.99	25.59	23.63	24.30	24.30	24.38	24.34	24.14	23.99	24.05	24.08	24.08	24.29	24.13	24.15	
Préstamos y descuentos hasta 360 días / <i>Loans &amp; discount</i>	15.51	14.67	13.93	14.60	14.54	14.87	14.92	14.85	14.70	14.67	14.72	14.58	14.62	14.58	14.66	
Interbancaria / <i>Interbank</i>	-2.99	2.99	3.34	4.12	4.42	4.48	4.53	4.50	4.51	4.44	4.53	4.48	4.44	4.44	4.51	
Preferencial corporativa a 90 días / <i>Corporate Prime</i>	3.92	3.80	4.37	5.92	6.84	5.99	5.80	5.67	5.34	5.45	5.34	5.34	5.34	5.34	5.34	
Operaciones de reporte con CDBCRP / <i>CDBCRP repos</i>	s.m.	s.m.	3.25	4.56	4.79	4.71	4.88	4.82	4.86	4.86	4.86	n.d.	n.d.	n.d.		
Créditos por regulación monetaria / <i>Rediscounts **</i>	3.75	3.75	4.00	4.75	5.00	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	
Del saldo de CDBCRP / <i>CDBCRP balance</i>	4.59	4.64	4.72	4.86	4.87	4.90	4.95	5.03	5.11	5.11	5.16	5.17	5.15	5.13		
<b>Moneda extranjera / Foreign currency</b>																
Crédito sector privado / <i>Crédit to the private sector</i> (Var. % mensual) / (% monthly change)	1.5	-1.4	-0.2	1.1	0.6	2.3	2.4	0.6								
(Var. % últimos 12 meses) / (% 12-month change)	5.7	4.6	5.0	1.9	0.4	0.8	1.6	1.6								
TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>	-0.5	1.1	7.5	2.8	-2.8	-2.7	2.9	1.4	-0.2	-0.2	-0.2	-0.8				
Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>	0.3	0.4	0.4	0.1	0.3	0.2	0.3	0.3	0.3	0.3	7.2	7.0				
Créditos por regulación monetaria (millones de US dólares) / <i>Rediscounts</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TAMEX / <i>Average lending rates in foreign currency</i>	9.67	10.01	10.41	10.62	10.49	10.56	10.55	10.66	10.59	10.67	10.65	10.70	10.71	10.53	10.65	
Préstamos y descuentos hasta 360 días / <i>Loans &amp; discount</i>	8.31	8.90	9.37	9.73	9.67	9.73	9.70	9.82	9.90	9.88	9.92	9.92	9.92	9.91	9.92	
Interbancaria / <i>Interbank</i>	2.87	3.52	4.19	4.25	4.46	4.84	4.80	5.22	s.m.	5.23	5.23	5.25	5.25	5.25	5.25	
Preferencial corporativa a 90 días / <i>Corporate Prime</i>	3.94	4.39	5.51	5.85	6.05	5.97	6.00	6.03	6.15	6.14	6.15	6.15	6.15	6.15	6.15	
Créditos por regulación monetaria / <i>Rediscounts ***</i>	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	
<b>INDICADORES BURSÁTILES / STOCK MARKET INDICES</b>																
	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	
Índice General Bursátil (Var. %) / <i>General Index (% change)</i>	2.9	10.0	-4.6	-2.6	20.7	1.0	13.1	9.6	1.7	11.6	1.8	0.8	1.1	0.2	4.0	
Índice Selectivo Bursátil (Var. %) / <i>Blue Chip Index (% change)</i>	1.6	9.6	-4.9	-2.4	23.3	0.4	13.1	12.5	2.0	14.2	2.2	0.8	1.3	0.1	4.5	
Monto negociado en acciones (Mill. S.) - Prom. diario	23.4	23.2	23.7	98.1	32.6	41.2	97.4	36.1	31.8	59.7	179.9	25.2	55.5	49.5	77.5	
<b>INFLACIÓN (%) / INFLATION (%)</b>																
Inflación mensual / <i>Monthly</i>	0.26	-0.09	0.42	0.46	0.51	-0.53	-0.13	-0.17		0.14						
Inflación últimos 12 meses / <i>% 12 months change</i>	1.48	1.11	1.49	2.50	2.90	2.23	1.83	1.55		1.87						
<b>GOBIERNO CENTRAL (MIL. S.) / CENTRAL GOVERNMENT (Mills. of S.)</b>																
Resultado primario / <i>Primary balance</i>	487	178	-2 451	1 123	3 508	730	800	557								
Ingresos corrientes / <i>Current revenue</i>	3 230	3 443	3 674	4 340	6 531	4 104	3 962	4 481								
Gastos no financieros / <i>Non-financial expenditure</i>	2 753	3 281	6 173	3 231	3 059	3 380	3 185	3 998								
<b>COMERCIO EXTERIOR (Mils. US\$) / FOREIGN TRADE (Mills. of US\$)</b>																
Balanza Comercial / <i>Trade balance</i>	480	471	924	445	690	690	767	1 149								
Exportaciones / <i>Exports</i>	1 435	1 493	1 975	1 728	1 803	1 943	2 023	2 344								
Importaciones / <i>Imports</i>	956	1 021	1 050	1 283	1 113	1 253	1 255	1 195								
<b>PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT</b>																
Variac. %, respecto al mismo mes del año anterior / <i>Annual rate of growth (12 months)</i>	5.3	6.3	7.2	11.3	4.1	6.9	6.9									
<b>COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS</b>																
	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	
LIBOR a tres meses (%) / <i>LIBOR 3-month (%)</i>	3.42	3.90	4.49	4.92	5.07	5.19	5.38	5.50	5.40	5.42	5.39	5.39	5.39	5.39	5.39	
Dow Jones (Var %) / (% change)	-1.84	1.44	-0.82	1.07	2.32	-1.75	-1.74	0.32	-0.02	1.75	0.73	s.m.	0.04	-0.55	0.22	
Rendimiento de los U.S. Treasuries (10 años) / <i>U.S. Treasuries yield (10 years)</i>	3.99	4.19	4.46	4.72	4.98	5.10	5.10	5.09	4.73	4.87	4.73	4.73	4.78	4.80	4.76	
Stripped spread del EMBI+ PERÚ (pbs) / <i>EMBI+ PERU stripped spread (basis points)</i>	199	150	185	182	191	169	173	160	135	140	137	s.m.	133	133	134	

\* Incluye depósitos de Promocpi, Fondo de Estabilización Fiscal (FEF), Cofide, fondos administrados por la ONP; y otros depósitos del MEF. El detalle se presenta en el cuadro No.22 de la Nota Semanal.

\*\* A partir del 5 de mayo de