



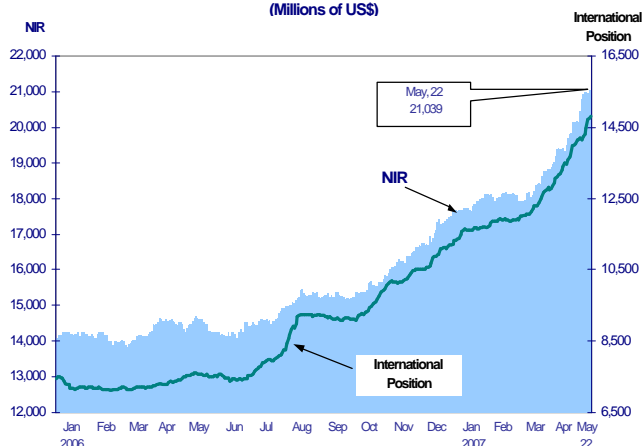
Indicators

- NIRs: New historic record.
- Exchange rate: S/. 3.166 p/dollar on May 23.
- Economic Surplus of S/. 4,310 million in April 2007.
- Country risk at 100 bps. As of May 23.
- Lima Stock Exchange grew 5,2 percent as of May 23.

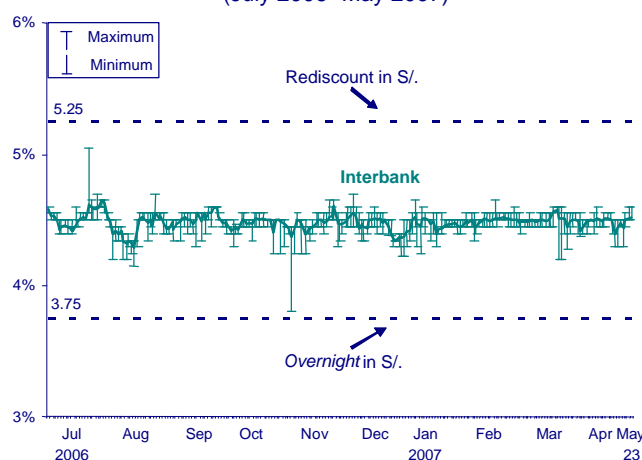
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International Reserve and International Position of the BCRP
January 2006 - May 2007
(Millions of US\$)



Interest Rates in Domestic Currency
(July 2006 - May 2007)



[Our website
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- Weekly Report N° 20-2007
- International Reserves Management: April 2007
- Informative note on the Monetary Program: May 2007
- Monetary Policy in a Dual Currency Environment
- Monetary Policy, Regime Shifts, and Inflation Uncertainty in Peru (1949-2006)
- Dollarization Persistence and Individual Heterogeneity
- Quarterly Charts

MACROECONOMIC INDICATORS FOR QUARTER I-2007

GDP grew 7.5 percent in Q I - 2007

In the **first quarter** of 2007, economic activity grew at a rate of 7.5 percent, driven mainly by increased domestic demand (10.3 percent), particularly in the private sector.

As a result of this, the GDP has grown for twenty-six consecutive months, exhibiting a higher pace of growth –as well as longer and more stable growth rates– than the one observed in QII-1993 and in QI-1998. This context of greater macroeconomic stability has been sustained not only by a prudent management in monetary and fiscal policies, but also by high levels of confidence in the private sector, all of which have sustainably boosted domestic demand.

Sustained GDP growth based on private investment and consumption

In QI-2007, the **gross domestic product** (GDP) grew 7.5 percent, fueled by a dynamic performance in private consumption and investment, which resulted in a 10.2 percent growth of domestic demand. Private consumption continued to be driven by the public's increased purchasing power –associated with higher levels of employment and greater access to credit–, as well as by increased consumers' confidence. On the other hand, the implementation of new commercial projects, the construction of new industrial plants, and the renewal of equipment and expansion of installed capacity reflected a significant growth in private investment.

GLOBAL DEMAND AND SUPPLY

(Annual growth rates)

	2,005					2,006					2,007
	1Q.05	2Q.05	3Q.05	4Q.05	Year	1Q.06	2Q.06	3Q.06	4Q.06	Year	1Q.07
GLOBAL DEMAND (1+2)	6.7	6.5	6.9	8.2	7.1	9.3	6.6	8.8	10.1	8.7	8.7
1. Domestic demand	4.1	4.6	6.1	7.1	5.5	11.3	7.7	11.0	12.6	10.6	10.2
a. Private consumption	4.0	4.4	4.5	4.7	4.4	5.6	5.8	6.6	7.8	6.5	7.4
b. Public consumption	10.1	6.5	6.0	15.9	9.8	8.6	9.2	8.8	8.4	8.7	2.5
c. Private investment	6.7	12.7	16.5	19.1	13.9	24.3	17.7	16.9	22.0	20.2	19.5
d. Public investment	3.3	9.4	4.8	22.1	12.2	8.4	13.2	16.7	11.9	12.7	-4.3
2. Exports	20.1	17.5	10.6	12.9	14.9	0.6	1.2	-0.1	-0.2	0.3	1.0
GLOBAL SUPPLY (3+4)	6.7	6.5	6.9	8.2	7.1	9.3	6.6	8.8	10.1	8.7	8.7
3. GDP	5.9	5.9	6.3	7.7	6.4	8.0	6.5	9.2	8.5	8.0	7.5
4. Imports	11.5	10.1	10.3	10.7	10.6	16.4	7.4	6.8	18.5	12.3	15.0

Moreover, in this favorable context:

- **employment** continued to show the dynamic performance observed in previous quarters and posted a national growth rate of 8.9 percent, 8.2 percent in cities other than the capital, and 8.9 percent in Metropolitan Lima;
- the **national disposable income** increased by 11.3 percent. This evolution was associated with the growth of economic activity, higher terms of trade and higher remittances;
- **private consumption** continued to show the positive trend observed in previous quarters and grew at a rate of private consumption 7.4 percent in QI. Moreover, private consumption contributed with 5.1 percentage points to the growth of domestic demand.

On the other hand, and continuing with the positive performance shown since QIII-2002, **private investment** grew 19.5 percent in QI-2007. The expansion of economic activity, increased profits, and positive business prospects in nearly all the productive sectors boosted investment, which was

reflected in increased productive capacity and in the development of new projects aimed at improving productivity and responding to increased demand, both domestic and external.

Public investment fell 4.3 percent due to a reduction in the number of projects implemented by local governments and to Essalud's lower investment. This fall was offset by larger central government disbursements (13.1 percent) executed as part of the programs developed by the Ministries of Energy and Mining; Justice; Housing, Construction and Sanitation –improvement and expansion of potable water and sewage systems–; Education –education reform–; and Agriculture –reconstruction of infrastructure for El Niño event and construction of the Vilque-Mañazo-Cabana irrigation canal.

Public consumption grew 2.5 percent due to greater expenditure in wages and salaries and greater purchases of goods and services in the Ministries of Education, Health, Defense, Public Ministry, and Justice.

The volume of **exports** increased 1.0 percent. Exports of some traditional products –copper (17 percent), lead (71.4 percent) and zinc (16.2 percent)– and some non-traditional products increased, including agricultural, fishing and textiles products. However, this evolution contrasted with that of some traditional products, whose exports declined: fishmeal (-17.6 percent), fish oil (-7.6 percent), gold (-16.4 percent) and tin (-34.3 percent).

On the other hand, **imports** grew 15.0 percent due to higher purchases of durable and non-durable consumer goods, which increased by 25.3 and 18.3 percent respectively. Likewise, imports of capital goods increased by 40.6 percent as a result of the higher purchases of industrial equipments for the sectors of electricity, gas and manufacturing.

Non-primary sectors led growth

Like in 2006, **non-primary sectors** exhibited the highest dynamic performance in this quarter with a growth rate of 9.4 percent. Sectors contributing most heavily to this evolution included non-primary manufacturing (11.1 percent) and construction (9.0 percent). On the other hand, **primary sectors** increased by 0.6 percent. The positive performance of agriculture (4.5 percent) contrasted with the decline of the mining sector (-1.6 percent) and the fishing sector (-1.2 percent).

GROSS DOMESTIC PRODUCT (Annual growth rates)

	2005					2006					2007
	1Q.05	2Q.05	3Q.05	4Q.05	Year	1Q.06	2Q.06	3Q.06	4Q.06	Year	1Q.07
Agriculture and Livestock	2.2	5.8	5.0	6.1	4.8	4.7	5.8	11.2	7.6	7.2	4.5
Agriculture	0.9	6.6	4.5	1.8	4.0	2.4	4.6	14.9	12.0	7.7	5.1
Livestock	4.6	4.1	6.0	11.8	6.6	7.4	8.2	7.2	3.8	6.6	3.9
Fishing	13.6	2.0	-6.4	-2.6	1.2	31.9	-12.3	18.2	-8.5	2.7	-1.2
Mining and Fuel	1.0	4.8	10.9	15.7	8.1	6.1	7.6	-0.6	-7.6	1.0	-1.6
Metallic mining	-1.5	2.7	10.6	17.5	7.4	6.4	8.2	-1.9	-8.9	0.5	-2.7
Natural gas and oil	33.9	37.7	23.6	4.4	23.4	0.4	2.7	10.0	9.1	5.7	10.6
Manufacturing	7.3	8.0	6.2	4.5	6.5	7.3	3.0	8.1	8.2	6.6	8.4
Based on raw materials	2.4	3.2	0.9	2.0	2.1	9.0	-2.1	3.6	-0.6	2.1	-4.5
Non-primary	8.6	9.5	7.7	5.3	7.7	6.9	4.3	9.0	10.4	7.7	11.1
Electricity and water	3.7	5.6	5.7	6.3	5.3	7.2	4.9	7.6	7.8	6.9	8.3
Construction	2.2	6.9	10.6	13.3	8.4	16.3	13.2	16.0	13.5	14.7	9.0
Commerce	6.3	5.9	4.4	4.1	5.2	11.7	9.0	14.0	14.4	12.1	10.2
Other services	6.2	4.9	5.8	8.3	6.3	7.2	7.1	8.9	9.6	8.2	8.4
GDP	5.9	5.9	6.3	7.7	6.4	8.0	6.5	9.2	8.5	8.0	7.5
Primary sector GVA	2.0	4.9	6.1	8.5	5.4	6.6	4.3	5.6	1.7	4.5	0.6
Non-primary sector GVA	6.3	6.0	6.2	7.3	6.5	8.7	7.4	10.4	10.9	9.3	9.4

Primary sectors grew 0.6 percent in Q I

The **agriculture & livestock sector** grew 4.5 percent due to the dynamic performance of both sub-sectors: activity in agriculture and livestock grew 5.1 and 3.9 percent respectively. This growth in agriculture is explained by a higher production of potato –due to earlier rainfall in the sierra–; coffee, which increased by 101 percent boosted by exports; and alfalfa and garlic, which had a higher yield due to the greater availability of water in Arequipa. Likewise, the higher production of sugar cane was explained by larger yields of this product in the north of the country (19 percent), as well as by good agricultural conditions (fertilizers and irrigation); the higher production of hard yellow maize in Lima and Ica (18 percent) was associated with better farm prices; and the higher production of grapes was influenced by higher exports. Activity in the livestock sub-sector was driven by a higher production of poultry, beef, eggs and milk to meet higher domestic demand for these products.

However, this growth was slightly offset by a lower production of rice –given that there was no secondary harvest season in Piura and that fewer areas were cultivated in the jungle area due to the delay of rains–, as well as by a lower production of mango, given an earlier production season as a result of warm weather in Piura.

Activity in the **fishing sector** fell 1.2 percent due to a longer prohibition period for anchovy catch which caused this activity to decrease 44.4 percent. However, this was offset by a larger catch of fish for human consumption (5.8 percent), both as fresh and frozen products. The production of canned fish products also decreased in this quarter.

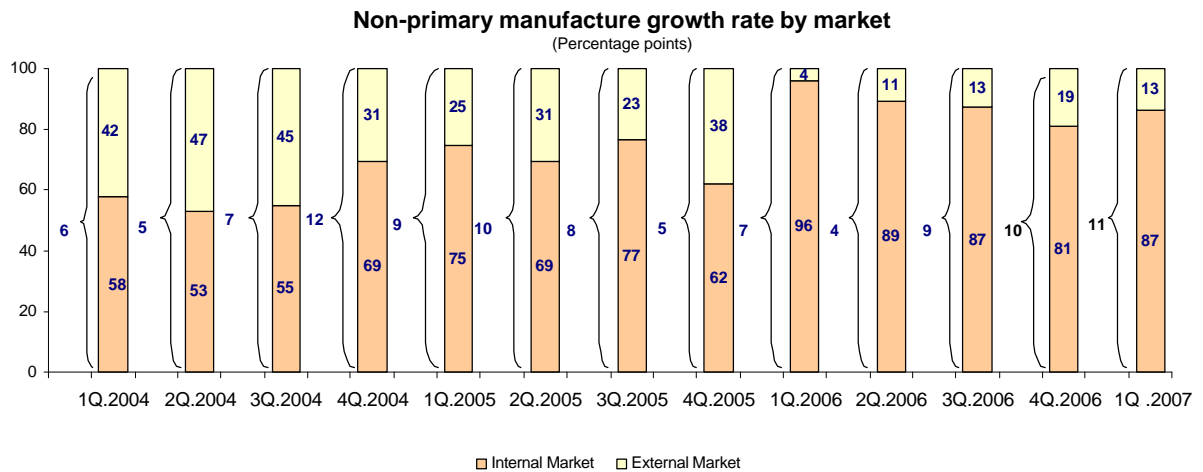
Production in the **mining and hydrocarbon sector** contracted 1.6 percent due to a lower extraction of gold (-20.5 percent), which is explained mainly by the lower production of Yanacocha resulting from its exploitation of deposits with lower contents of mineral. This result was offset by a higher production of zinc (29.5 percent) and copper (4.2 percent); by Antamina's higher production and by Cerro Verde's initiation of operations, as well as by a higher production of hydrocarbons, which was associated with Camisea's good performance and with the higher demand of electricity generating companies due to an irregular rainy season.

The manufacturing sector grew 8.4 percent. **Manufacturing based on raw materials** fell 4.5 percent, while non-primary manufacturing grew 11.1 percent.

This result in manufacturing based on raw materials was associated with a lower production of copper anodes at Southern and with a fall in the production of fishmeal and fish oil, but was offset by a higher production of canned and frozen products, meat products and sugar.

Non-primary sectors grew 9.4 percent in Q I

The 9.4 growth posted by non-primary sectors was associated particularly with greater activity in the sectors of non-primary manufacturing, driven mainly by domestic demand for massive consumer goods and by the demand of the mining and construction sectors. Production oriented to external markets increased from 4 to 13 percent relative to QI-2006.



Most of the industrial groups grew in Q I, including food and beverages; chemical, rubber and plastic products; and metal products, machinery and equipment. The industrial group producing food and beverages grew 9.1 percent due to the higher demand for food products, beer, soft drinks and dairy products. This higher demand was influenced by the launching of new products and by promotional campaigns developed in the summer months.

Another group contributing to the growth on non-primary manufacturing was chemical, rubber and plastic products, which grew 10.4 percent due to a higher production of toilet and cleaning products and of basic chemicals, given increased internal and external demand respectively. Moreover, the higher production of metal products, machinery and equipment (15.8 percent) is explained by an increased demand for structures in the construction sector, as well as by increased demand for metal containers for food products.

The **construction sector** continued to show positive evolution and grew 9.0 percent in the first quarter of 2007 as a result of the dynamism observed in home self-construction, the construction of new industrial and office facilities, and the growth of the mortgage market in both the capital city and in the cities in the northern region of the country.

Current account deficit of US\$ 83 million in Q I

The balance of payments showed a current account deficit of US\$ 83 million in the first quarter of 2007 (whereas the deficit amounted to US\$ 219 million in the first quarter of 2006). A positive inflow of capitals (US\$ 1,065 million), mainly private capitals, allowed an accumulation of international reserves of US\$ 1,152 million during this quarter.

BALANCE OF PAYMENTS (Millions of US\$)

	1Q.05	2Q.05	3Q.05	4Q.05	2005	1Q.06	2Q.06	3Q.06	4Q.06	2006	1Q.07
I. CURRENT ACCOUNT BALANCE	148	115	391	494	1 148	- 219	426	1 273	1 110	2 589	- 83
1. Trade balance	1 089	1 028	1 394	1 776	5 286	1 257	2 190	2 885	2 602	8 934	1 421
a. Exports	3 749	4 035	4 555	5 029	17 368	4 640	5 824	6 559	6 777	23 800	5 647
b. Imports	- 2 660	- 3 006	- 3 162	- 3 254	- 12 082	- 3 383	- 3 635	- 3 673	- 4 175	- 14 866	- 4 225
2. Services	- 213	- 220	- 133	- 268	- 834	- 221	- 228	- 195	- 304	- 949	- 266
a. Exports	531	542	643	573	2 289	592	580	649	630	2 451	623
b. Imports	- 744	- 762	- 776	- 840	- 3 123	- 813	- 809	- 844	- 934	- 3 400	- 889
3. Investment income	- 1 117	- 1 131	- 1 322	- 1 506	- 5 076	- 1 726	- 2 070	- 1 978	- 1 807	- 7 581	- 1 787
a. Private	- 893	- 900	- 1 126	- 1 293	- 4 211	- 1 503	- 1 932	- 1 827	- 1 639	- 6 901	- 1 610
b. Public	- 224	- 231	- 196	- 213	- 865	- 223	- 137	- 151	- 168	- 679	- 177
4. Current transfers	390	438	452	492	1 772	472	534	560	619	2 185	549
of which: Workers' remittances	308	352	367	413	1 440	389	445	471	533	1 837	470
II. FINANCIAL ACCOUNT	752	179	- 1 057	267	141	40	- 375	- 6	1 049	708	1 065
1. Private sector 1/	293	800	102	624	1 818	375	1 280	12	407	2 075	1 659
2. Public sector	168	- 375	- 1 176	- 57	- 1 441	- 240	- 327	- 306	133	- 738	- 471
3. Short-term capital	292	- 246	17	- 299	- 236	- 96	- 1 329	287	509	- 628	- 123
III. FINANCIAMIENTO EXCEPCIONAL	2	40	59	0	100	26	0	1	0	27	44
VI. NET ERRORS AND OMISSIONS	83	68	461	- 372	239	404	- 290	- 475	- 209	- 571	50
V. BCRP NET INTERNATIONAL RESERVES FLOW (I + II + III + IV)	985	401	- 147	389	1 628	251	- 239	791	1 950	2 753	1 077
1. Change in Central Bank reserves	924	263	- 122	402	1 466	375	- 57	757	2 103	3 178	1 152
2. Valuation change and monetization of gold	- 61	- 138	24	12	- 162	125	182	- 35	152	425	76
Note: Gross external financing to the private sector 2/	835	671	913	775	3 195	1 256	1 818	219	804	4 097	1 693

1/ In the year 2005 it includes US\$744 millions, correspondents to acquisitions of sovereign bonds by the non-residents.

2/ Includes direct investment without privatization plus the disbursements of private sector long-term loans.

Source: BCRP, Ministerio de Economía y Finanzas (MEF), SBS, Superintendencia Nacional de Administración Tributaria (SUNAT), Ministerio de Relaciones Exteriores, Cofide, ONP, FCR, Zofratracna, Banco de la Nación, Cavalí ICLV S.A., Proinversión, Bank for International Settlements (BIS) y empresas.

Trade Balance

Exports in this quarter increased by US\$ 1,007 million (22 percent) and amounted to US\$ 5,647 million, with prices accounting for 21 percent and the higher volume of exports accounting for 1 percent of this increase. **Imports** increased by US\$ 842 million (25 percent) and amounted to US\$ 4,225 million.

Services

Incomes on account of services in this quarter totaled US\$ 623 million, increasing 5 percent, due to higher exports in the area of transportation services (19 percent) as a result of higher sales of local airline travels abroad. Thus, incomes associated with travel services increased 6 percent as a result of greater inflow of tourists who arrived in the country both through national airports and borders. Incomes on account of insurances and reinsurances fell 31 percent due to the fact that gas pipelines were damaged during this period. On the other hand, **outlays for services** grew 9 percent to a total of US\$ 889 million, mainly due to higher outlays for transportation services (14 percent), particularly freight costs, given the higher services provided by non-resident firms in the context of the increased trade flow observed as a result of increased economic activity.

Factor income

In QI of 2007, the net payment of **factor income** amounted to US\$ 1,787 million, of which US\$ 1,610 million corresponded to the private sector and US\$ 177 million to the public sector.

In the **private sector**, incomes on account of assets abroad amounted to US\$ 123 million, while outlays on account of corporate profits in the case of companies with foreign shareholding amounted to US\$ 1,594 million. In the **public sector**, incomes on account of BCRP and other

public organizations' assets abroad amounted to US\$ 172 million, while outlays on account of interests amounted to US\$ 349 million.

Current transfers

Current transfers amounted to US\$ 546 million, of which US\$ 470 million corresponded to remittances from Peruvian citizens working abroad. This amount was 21 percent higher than the one recorded in the same period in 2006.

Financial account

The financial account showed a positive flow of US\$ 1,065 million, explained by an inflow of long-term capitals to the private sector (US\$ 1,659 million) and by a negative flow of short-term capitals to the public sector (US\$ 123 million). The flow of financing to the public sector was negative by US\$ 471 million. As a result of this, net international reserves at the BCRP increased by US\$ 1,152 million.

a. Private sector

In this quarter, medium- and long-term financial flows to the private sector amounted to US\$ 1,659 million. This sum is explained mainly by direct investment (excluding privatization), long-term loans, and other assets and liabilities abroad.

Direct private investment amounted to US\$ 1,461 million and was associated with the reinvestment of profits mainly by mining companies with foreign shareholding. On the other hand, the net flow of **long-term loans** amounted to US\$ 102 million and were oriented mainly to the oil sector.

b. Public sector

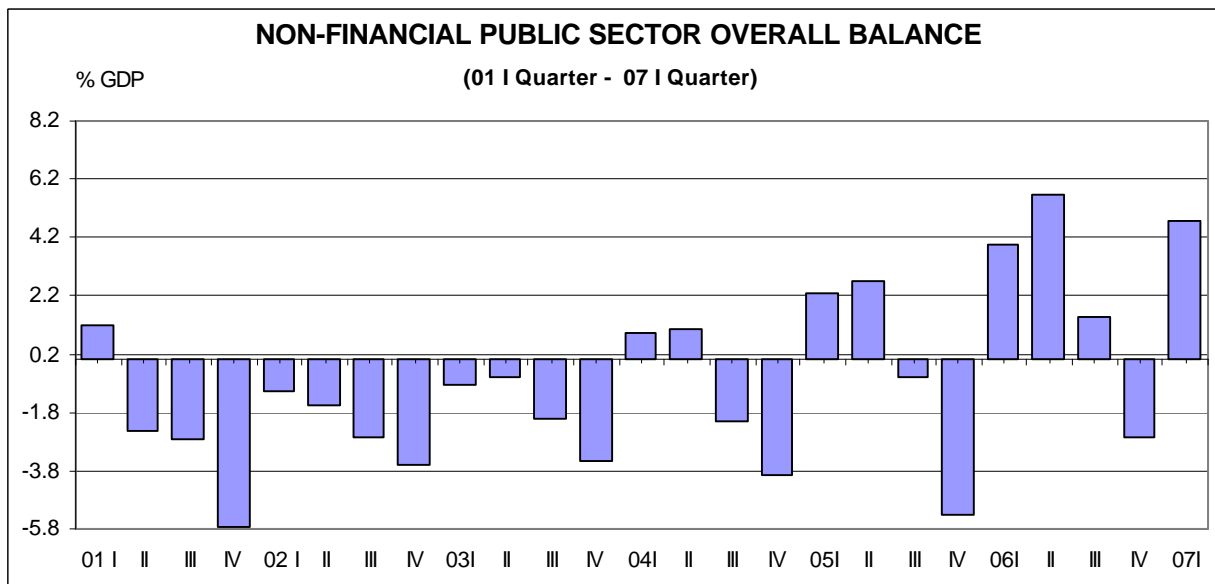
The financial account of the public sector was negative by US\$ 471 million. This amount includes the operation involving the administration of the public debt due to the exchange and repurchase of Global Bonds 2012 and Brady Bonds, which amounted to US\$ 2,290 million on account of disbursements and US\$ 2,435 million on account of amortization. As a result, total disbursements in this quarter amounted to US\$ 2,341 million, and total amortization amounted to US\$ 2,802 million. The flow of net external assets was negative by US\$10 million.

c. Short-term capitals

The flow of **short-term** capitals was negative by US\$ 123 million, a result explained mainly by negative result posted by the non-financial sector (US\$ 232 million) and offset by the positive financial flow of the financial sector (US\$ 108 million), particularly banks. The former was mainly explained by increased assets abroad, mainly as a result of higher deposits from the mining and oil sectors, an evolution that was partly offset by an increase of liabilities mainly in the oil sector.

Surplus of 4.8 percent of GDP in Q I

The economic surplus of the non-financial public sector (NFPS) was 4.8 percent of GDP, 0.9 percentage points higher than the result posted in the same period last year. This increase was due to the real growth observed in the current revenues of the general government (9 percent), which was higher than the one observed in non-financial expenditure (3 percent).



As a result of this fiscal surplus, net financing (both external and internal) decreased in this quarter. Net external financing in the NFPS was negative by US\$ 390 million (1.6 percent of GDPI), since disbursements amounted to US\$ 2,341 million (including exceptional and short-term financing to state enterprises) and the amortizations of the external public debt amounted to US\$ 2,790 million. This negative internal net financing was mainly reflected in increased public sector deposits in the financial system.

NON-FINANCIAL PUBLIC SECTOR OPERATIONS
(Percentage of GDP)

	2005					2006					2007
	I	II	III	IV	Year	I	II	III	IV	Year	I
1. Central government current revenues	15.8	16.2	15.4	15.4	15.7	17.7	18.3	16.9	16.2	17.2	17.3
Real percentage change	12%	21%	9%	14%	14%	27%	27%	29%	21%	26%	8%
2. Central government non-financial expenditures	12.8	12.1	15.2	18.4	14.7	12.5	12.0	15.1	16.8	14.1	12.5
Real percentage change	10%	5%	5%	20%	11%	10%	12%	17%	5%	10%	11%
Current expenditure	12.0	11.0	13.3	15.0	12.8	11.7	10.7	12.7	13.6	12.2	11.7
Real percentage change	11%	5%	6%	19%	10%	10%	10%	12%	4%	9%	11%
Capital expenditure	0.8	1.2	2.0	3.4	1.9	0.8	1.3	2.4	3.2	2.0	0.8
Real percentage change	0%	3%	-2%	29%	12%	5%	27%	45%	9%	21%	9%
3. Others	1.4	0.3	1.4	-0.4	0.6	1.3	0.7	1.8	-0.4	0.8	2.1
4. Primary balance	4.3	4.4	1.5	-3.4	1.6	6.5	7.0	3.6	-1.0	3.9	6.9
5. Interest payments	2.1	1.7	2.1	2.0	1.9	2.6	1.3	2.1	1.6	1.9	2.1
6. Overall balance	2.3	2.7	-0.6	-5.3	-0.3	3.9	5.7	1.5	-2.6	2.0	4.8
7. Net financing	-2.3	-2.7	0.6	5.3	0.3	-3.9	-5.7	-1.5	2.6	-2.0	-4.8
- External	0.7	-1.2	-5.3	0.0	-1.5	-1.3	-1.2	-0.9	0.4	-0.7	-1.6
- Domestic	-3.0	-1.6	5.8	5.2	1.7	-2.6	-4.6	-0.9	2.2	-1.4	-3.2
- Privatization	0.0	0.1	0.0	0.1	0.1	0.0	0.0	0.3	0.1	0.1	0.1

1/ BCRP operative result is not considered

The public debt as of March 2007 amounted to 30.8 percent of GDP, which represented a decline of 5.3 percentage points relative to the amount recorded in March 2006 (36.1 percent of GDP). The ratio of public debt in foreign currency decreased from 79.0 to 73.1 percent between March 2006 and March 2007.

In terms of foreign currency, the total public debt increased by US\$ 337 million due to higher domestic indebtedness (US\$ 861 million), but was partially offset by a lower external debt (US\$ 524 million). This latter result is explained by the fact that amortizations (US\$ 2,802 million) were higher than the disbursements received (US\$ 2,341 million).

On the other hand, the increase observed in internal public debt was due to an increased long-term indebtedness, mainly associated with the issue of bonds (US\$ 762 million) in order to reduce bank loans. In this sense, the debts between the MEF and the Banco de la Nación were consolidated by Supreme Decree 002-2007-EF which provided for the issuance of Public Treasury bonds for a total of S/. 2,645 million. The percentage of internal debt in domestic currency increased from 84 in March 2006 to 97 percent in March 2007 due to the consolidation of the debt between the MEF and the Banco de la Nación.

Revenues

In this quarter, the increase observed in the **current revenues of the central government (8 percent)** was explained by a **higher collection of tax revenues** which compensated for lower non-tax revenues.

By type of tax, the Income tax and the Value-Added Tax (VAT) accounted for an increase of revenues of 23 and 14 percent respectively; however, this was offset by lower revenues on account of import duties (16 percent). On the other hand, the lower revenues resulting from non-tax revenues (down 2 percent) were mainly due to the lower transfers of public company earnings (S/. 77 million).

The **current revenues of the central government** amounted to 20.2 percent of GDP, a level 0.3 percentage points lower than that observed in the same period last year, of which 17.3 percent corresponded to current revenues of the central government. Thus, in real terms, tax revenues grew at a rate of 10 percent.

Revenues on account of **Income tax** (6.3 percent of GDP) increased by 23 percent in real terms relative to the same quarter in 2006. These higher revenues resulted mainly from the evolution of the income tax on legal entities, given their higher levels of sales and the higher ratios of advanced payments of income tax for this fiscal year. Moreover, the higher revenues on account of individuals was associated with the growth of employment in the country and with the distribution of earnings by a group of companies.

Import duties (0.8 percent of GDP) were 16 percent lower in real terms, a result explained by the SD 211-2006-EF which came into force reducing the ad-valorem rate for 2,894 tariff sub-groups and lowering the average tariff from 10.1 to 8.3 percent, as well as by a lower exchange rate. This effect was partially offset by higher imports during this period (25 percent).

VAT-related revenues amounted to 7.7 percent of GDP and increased 14 percent in real terms. The domestic VAT grew 14 percent in real terms, mainly as the result of the improved economic performance and of the actions taken to expand the tax base, which generated revenues that were S/. 328 million higher than those of QI-2006. The VAT applied on imports increased by 14 percent.

Revenues on account of **excise tax (ISC)** –1.4 percent of GDP– were 4 percent lower in real terms, mainly due to the reduction of these taxes on fuels which implied lower real revenues on account of fuel taxes (17 percent).

Expenditure

The **non-financial expenditure** of the general government was 13.5 percent of GDP, and increased 3 percent in real terms. This increase was mainly explained by a **real growth of current expenditure** (4 percent), since **capital expenditure decreased** 5 percent.

The rest of the general government exhibited a primary result of S/. 1,467 million, while all the non-financial state enterprises showed an economic surplus of S/. 28 million. Moreover, the investment made by all state enterprises amounted to S/. 163 million in the first quarter, increasing by S/. 6 million with respect to investment in the same period of 2006.

Liquidity and credit

During QI-2007, money in circulation and the monetary base showed a stable trend and maintained an evolution in line with the dynamism of economic activity. This was reflected in monetization ratios of **3.2 percent of GDP in the case of circulating money and of 3.9 percent of GDP in the case of the monetary base**.

Liquidity in domestic currency increased 0.2 percentage points of GDP due to the greater dynamism observed in the growth of deposits in soles and mutual funds. The ratio of total liquidity decreased (0.3 percentage points of GDP in the same period) due to the lower value of assets in dollars, given the appreciation of the nuevo sol.

In this quarter, credit to the private sector in soles continued to grow, reflecting the process of dedollarization currently being experienced in the country. Thus, the ratio of credit in domestic currency increased 1 percentage point of GDP between QI-2006 and QI-2007 (from 6.3 to 7.3 respectively), while the ratio of foreign currency decreased by 1.5 percentage points of GDP (from 13.7 to 12.2 percent in the same period).

MONETIZATION RATIOS OF LIQUIDITY AND CREDIT TO THE PRIVATE SECTOR
(Percentage of GDP) 1/

	CURRENCY	MONETARY BASE	MONEY	LIQUIDITY OF PRIVATE SECTOR		CREDIT TO THE PRIVATE SECTOR		
				DOMESTIC CURRENCY	TOTAL	DOMESTIC CURRENCY	FOREIGN CURRENCY	TOTAL
2005	3.1	3.8	5.0	9.5	22.8	5.9	14.0	20.0
I	2.8	3.4	4.5	8.2	22.3	5.5	14.8	20.3
II	2.9	3.5	4.6	8.6	22.2	5.6	14.4	20.0
III	3.0	3.7	4.8	9.1	22.5	5.7	14.1	19.9
IV	3.1	3.8	5.0	9.5	22.8	5.9	14.0	20.0
2006	3.1	3.8	5.0	9.6	22.6	7.0	12.4	19.4
I	3.2	3.9	5.1	9.7	23.1	6.3	13.7	20.0
II	3.2	3.9	5.1	9.7	23.2	6.5	13.3	19.9
III	3.1	3.8	5.0	9.6	22.9	6.8	12.9	19.6
IV	3.1	3.8	5.0	9.6	22.6	7.0	12.4	19.4
2007								
I	3.2	3.9	5.2	9.9	22.8	7.3	12.2	19.5

1/ Ratio of average monetary aggregate from last 4 quarters between the nominal GDP corresponding to this period.

Average liquidity in domestic currency increased 24.1 percent, recording a higher rate than the ones observed in the previous three quarters. Given that the nominal growth of the GDP nominal was 10.9 percent in this quarter, the growth of liquidity in soles was consistent with a 10.6 percent slow down in the circulation speed in this period, which reflects a higher public preference for domestic currency.

In terms of the components of the monetary base in soles, the increase of liquidity in QI-2007 relative to the same period in 2006 (24.1 percent) is explained by the 19.5 percent increase observed in the average monetary base and by the 3.9 percent increase observed in the average multiplier. The latter was associated with a lower preference for circulating money in the first quarter (this preference fell from 32.3 percent to 31.1 percent between QI-2006 and QI-2007).

LIQUIDITY IN DOMESTIC CURRENCY, NOMINAL GDP, MONETARY BASE AND MONEY MULTIPLIER 1/
(Average variation rate, percentages)

	LIQUIDITY IN DOMESTIC CURRENCY		NOMINAL GDP	MONETARY BASE AVERAGE	MONEY MULTIPLIER AVERAGE
	AVERAGE	VELOCITY			
<u>2005</u>	<u>34.5</u>	<u>-18.2</u>	<u>10.0</u>	<u>28.3</u>	<u>4.8</u>
I	33.5	-18.9	8.3	26.0	6.0
II	33.0	-17.5	9.8	27.1	4.6
III	39.0	-21.2	9.6	31.2	5.9
IV	32.4	-15.2	12.2	28.6	2.9
<u>2006</u>	<u>18.6</u>	<u>-1.4</u>	<u>16.9</u>	<u>17.2</u>	<u>1.2</u>
I	26.5	-8.9	15.2	24.4	1.7
II	19.1	-3.1	15.4	17.6	1.3
III	14.3	5.0	20.0	13.2	1.0
IV	15.8	1.1	17.0	14.7	0.9
<u>2007</u>					
I	24.1	-10.6	10.9	19.5	3.9

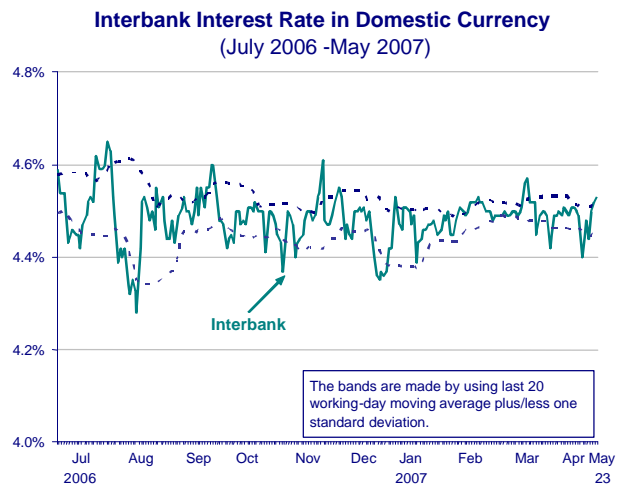
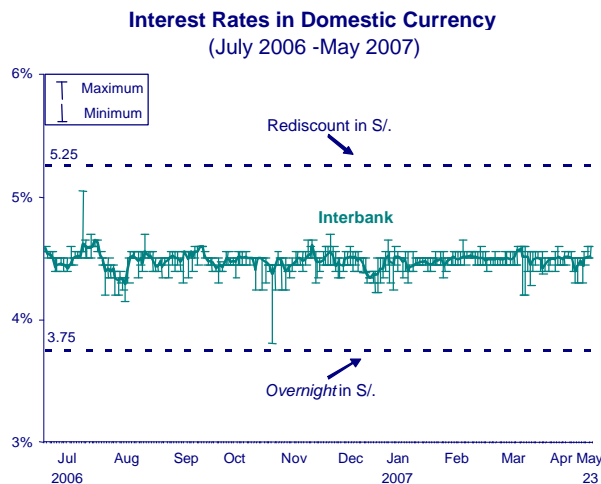
1/ Respect to the same period of previous year.

MONTHLY AND WEEKLY REPORT

Average Interbank Interest Rate on May 23: 4.49 percent

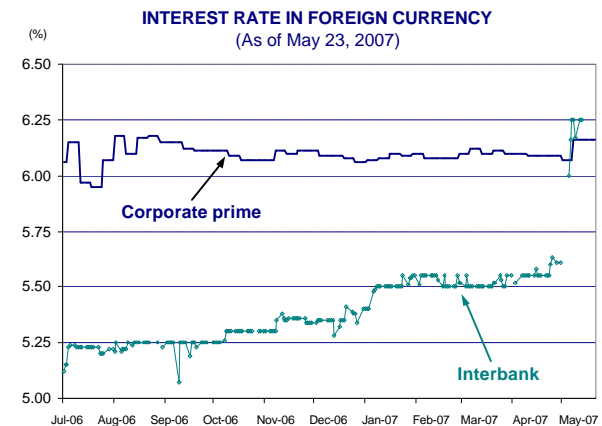
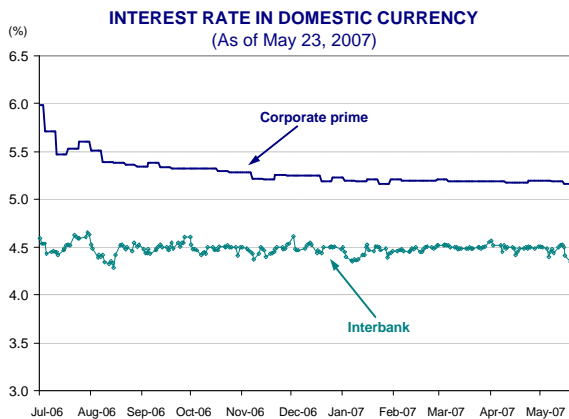
The average interbank interest rate in domestic currency as of May 23 was 4.49 percent, lower than that of April (4.51 percent). Between May 16 and 23, this rate decreased from 4.53 to 4.45 percent.

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
August	4.44	0.01
September	4.51	0.04
October	4.50	0.04
November	4.48	0.04
December	4.51	0.04
January 2007	4.47	0.06
February	4.48	0.02
March	4.50	0.01
April	4.51	0.03
May 23	4.49	0.06



Corporate prime rate in soles fell to 5.16 percent

In the **May 16 – 23** period, the daily average of the 90-day corporate prime rate in domestic currency fell from 5.19 to 5.16 percent, while this rate in dollars remained on 6.16 percent.

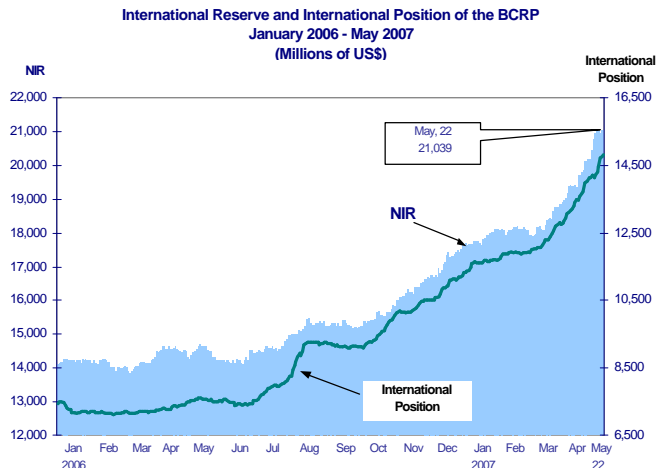


Monetary operations

Between **May 17 and 23, 2007**, the Central Bank made the following monetary operations: i) auctions of BCRP Certificates of Deposit with 1-day, 3-day, 12-month, 18-month, 2-year and 3-year maturities for a daily average of S/. 1,892.2 million, with average interest rates on these operations ranging between 4.12 and 5.48 percent; ii) purchases of foreign currency for a total of US\$ 580 million, at an average exchange rate of S/. 3.161 per dollar; iii) overnight deposits in domestic currency for a total of S/. 659.2 million.

International reserves amount to US\$ 21,039 million on May 22

Net international reserves (NIRs) as of **May 22** increased US\$ 1,335 million relative to end April and amounted to US\$ 21,039 million. This increase in the balance of NIRs was mainly due to BCRP exchange operations (US\$ 1,375 million), to banks' higher deposits (US\$ 148 million), and to higher investment yield (US\$ 12 million). This result was offset by sales of foreign currency to the Public Treasury for the repayment of the external debt (US\$ 100 million), by lower prices for other securities (US\$ 70 million), and by lower deposits from the public sector (US\$ 54 million).

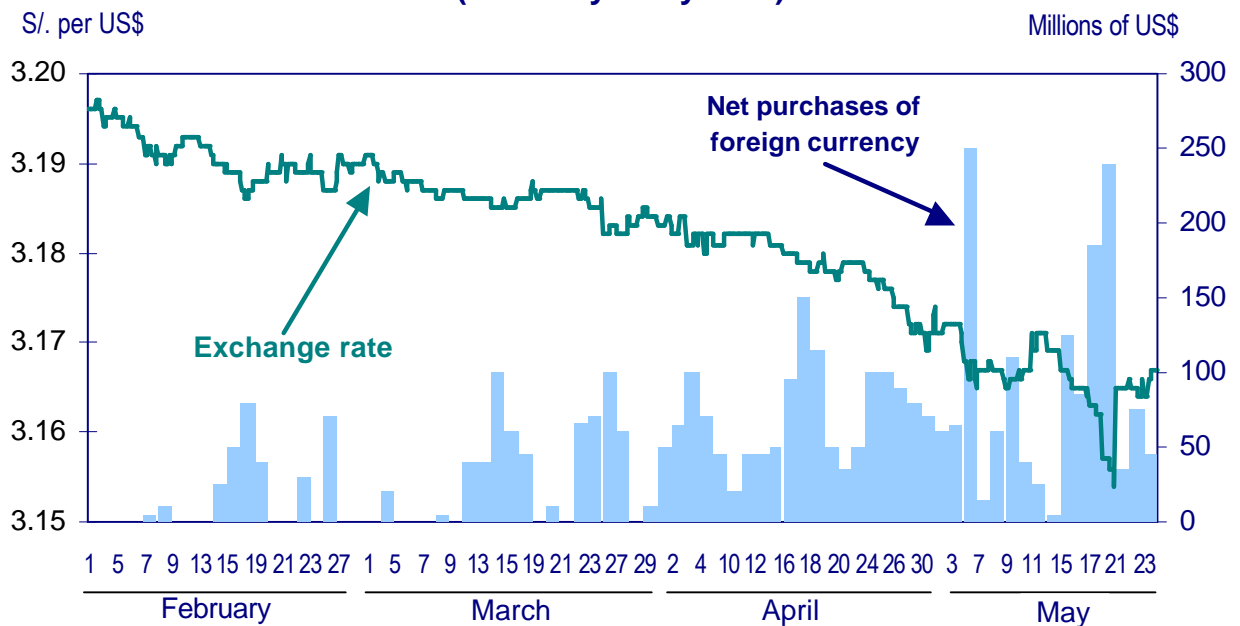


As of May 22, the **international position of the BCRP** (US\$ 14,815 million) has increased by US\$ 1,226 million relative to end April.

Exchange rate at S/. 3.166 per dollar

Between May 16 and 23, the average ask price of the interbank exchange rate rose from S/. 3.165 to S/. 3.166 per dollar, as a result of which the Nuevo Sol has so far appreciated 0.2 percent in this month. Between May 16 and 23, the Central Bank intervened in the exchange market purchasing US\$ 665 million at the Central Bank's Foreign Exchange Desk.

Interbank Ask- Exchange Rate and Net Purchases of Foreign Currency (February - May 2007)



Monetary base as of May 22, 2007

The balance of the **monetary base** as of May 22 (S/.13,427 million) decreased 0.9 percent (S/. 123 million flow) relative to end April. On average, the monetary base grew at an annual rate of 24.8 percent in this period (21.3 percent in April).

By sources, operations contributing to the expansion of the monetary base included purchases of dollars at the Central Bank's Foreign Exchange Desk (US\$ 1,375 million, or S/. 4,351 million) and lower bank's overnight deposits (S/. 240 million). Conversely, the monetary base contracted due to net placements of BCRP Certificates of Deposits (S/. 3,491 million), higher public sector deposits (S/. 1,191 million), and sales of foreign currency to the Public Treasury for the repayment of the external debt (US\$ 100 million).

Liquidity and credit to the private sector as of April 30

On April, liquidity in **domestic currency** showed a nil variation rate (S/. 15 million), reaching a balance of S/. 36,836 million (annual growth of 31.9 percent). Credit to the private sector in domestic currency grew 5.9 percent (S/. 1,596 million), thus reaching a balance of S/. 28,546 million (annual growth of 39.2 percent).

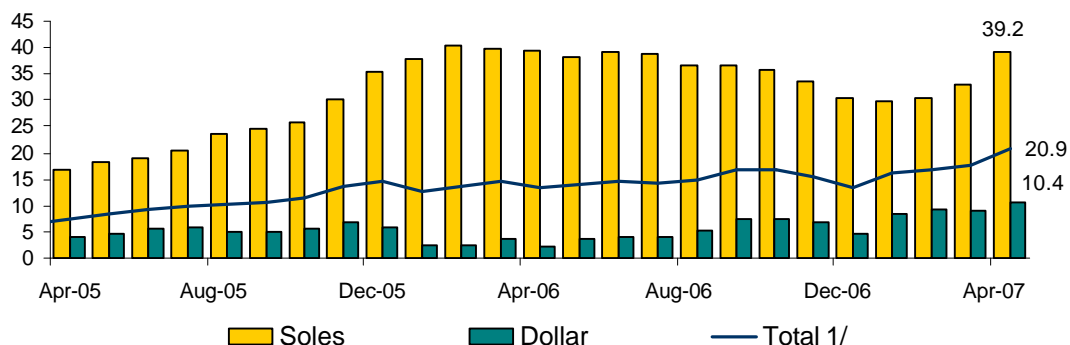
On the other hand, liquidity in **foreign currency** increased 4.1 percent (US\$ 549 million), thus reaching a balance of US\$ 13,887 million (annual growth of 15.5 percent). Credit to the private sector in foreign currency grew 1.7 percent (US\$ 209 million), reaching a balance of US\$ 12,426 million (annual growth of 10.4 percent).

EVOLUTION OF LIQUIDITY AND CREDIT TO THE PRIVATE SECTOR										
	MONETARY BASE		LIQUIDITY IN D/C		CREDIT IN D/C		LIQUIDITY IN F/C		CREDIT IN F/C	
	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR
2005										
Mar.	-0.2%	25.7%	4.2%	35.5%	2.8%	15.5%	-1.3%	3.8%	0.4%	3.2%
Jun.	1.9%	28.1%	1.8%	34.1%	1.2%	19.0%	0.4%	5.0%	1.5%	5.5%
Sep.	-0.1%	31.8%	0.6%	39.5%	2.5%	24.6%	0.5%	4.8%	-1.2%	4.9%
Dec.	13.1%	25.7%	8.0%	33.7%	5.8%	35.4%	2.9%	10.5%	0.2%	5.9%
2006										
Jan.	-7.2%	25.0%	-4.4%	29.1%	1.1%	38.0%	3.3%	14.5%	-3.4%	2.4%
Feb.	0.3%	22.9%	0.9%	25.1%	2.8%	40.4%	1.7%	17.1%	0.0%	2.5%
Mar.	0.8%	24.2%	2.4%	22.9%	2.3%	39.7%	1.7%	20.7%	1.7%	3.7%
Apr.	0.3%	18.3%	-4.0%	19.0%	1.2%	39.5%	-1.0%	16.1%	0.5%	2.3%
May.	-1.6%	15.5%	-0.2%	18.2%	1.0%	38.1%	-1.1%	12.8%	3.3%	3.6%
Jun.	2.3%	16.0%	1.6%	18.0%	1.9%	39.0%	0.4%	12.9%	2.0%	4.1%
Jul.	8.0%	11.7%	2.6%	12.1%	1.6%	38.7%	1.0%	14.9%	0.5%	3.9%
Aug.	-4.2%	12.8%	1.2%	13.3%	2.0%	36.7%	0.9%	14.4%	-0.6%	5.2%
Sep.	0.9%	13.9%	1.1%	14.0%	2.5%	36.7%	0.8%	14.7%	0.9%	7.4%
Oct.	0.8%	13.5%	2.6%	15.2%	3.4%	35.7%	1.8%	15.9%	0.4%	7.6%
Nov.	2.6%	15.6%	4.2%	16.2%	3.1%	33.6%	2.4%	15.6%	1.3%	6.7%
Dec.	15.7%	18.3%	10.2%	19.0%	3.2%	29.5%	2.0%	14.6%	-1.8%	4.7%
2007										
Jan.	-6.8%	18.8%	0.7%	25.4%	1.4%	29.9%	-0.1%	10.9%	0.0%	8.4%
Feb.	1.5%	20.2%	0.6%	25.1%	3.2%	30.4%	0.5%	9.6%	0.8%	9.2%
Mar.	1.3%	20.7%	3.7%	26.6%	4.4%	33.0%	1.9%	9.8%	1.6%	9.1%
Apr.	1.9%	22.7%	0.0%	31.9%	5.9%	39.2%	4.1%	15.5%	1.7%	10.4%
Memo:										
Balance as of Mar. 31 (Mill.S/. or Mill.US\$)	13,293		36,821		26,950		13,338		12,216	
Balance as of Apr. 30 (Mill.S/. or Mill.US\$)	13,550		36,836		28,546		13,887		12,426	

Evolution of credit to the private sector

In April credit to the private sector increased 3.2 percent (S/. 2,138 million), as a consequence the annual growth of credit to the private sector relative to April 2006 was 17.6 percent (20.9 percent if a constant exchange rate is considered).

CREDIT TO THE PRIVATE SECTOR
(Annual growth)



1/ The total calculates to constante exchange rate

Credit to the private sector **in Nuevos Soles** grew at a 5.9 percent rate (S/. 1,596 million) on April. By type of institution, this growth was mainly driven by banks (4.2 percent, or S/. 799 million), investment mutual funds (50.4 percent, or S/. 582 million), and state banks (11.2 percent, or S/. 196 million).

In a 12 month basis credit in national currency growth rate was 39.2 percent (S/. 8,033 million), with banks as main responsible for this results (S/. 5,304 million).

CREDIT TO THE PRIVATE SECTOR IN DOMESTIC CURRENCY

	Balance of million in Nuevos Soles			Growth rates	
	Apr.06	Mar07	Apr.07	Apr.07/ Apr.06	Apr.07/ Mar.07
Commercial banks	14,385	18,890	19,689	36.9	4.2
State bank	1,588	1,749	1,945	22.5	11.2
Microfinance institutions	3,017	3,741	3,741	24.0	--
Financial companies	1,186	1,416	1,436	21.1	1.4
Mutual funds	337	1,154	1,736	415.0	50.4
TOTAL	20,513	26,950	28,546	39.2	5.9
Memo:					
Financial system credit to the private sector 1/	24,065	30,758	31,844	32.3	3.5

1/ Excluding shares from AFP and insurance companies.

Credit to the private sector **in dollars** grew 1.7 percent (US\$ 210 million) in April. This outcome is explained mainly by an increase in the loans granted by banks (US\$ 179 million).

In a 12 month basis credit in dollars growth rate was 10.4 percent (US\$ 1.172 million), with banks as main responsible for this results (US\$ 901 million) followed by mutual funds (US\$ 181 millions).

CREDIT TO THE PRIVATE SECTOR IN FOREIGN CURRENCY

	Balance of million in dollars			Growth rates	
	Apr.06	Mar07	Apr.07	Apr.07/ Apr.06	Apr.07/ Mar.07
Commercial banks	9,850	10,572	10,751	9.2	1.7
State bank	184	173	175	-4.5	1.3
Microfinance institutions	538	637	637	18.3	0.0
Financial companies	45	43	43	-4.3	-1.3
Mutual funds	638	791	819	28.4	3.5
TOTAL	11,254	12,216	12,426	10.4	1.7
Memo:					
Financial system credit to the private sector 1/	12,729	14,073	14,319	12.5	1.7

1/ Excluding shares from AFP and insurance companies.

Central Government Operations: Economic surplus of S/. 4,310 million in April

Central government operations showed an economic surplus of S/. 4,310 in April, increasing by S/. 925 million with respect to the surplus recorded in April 2006, due to the higher real growth of current revenues (22 percent) relative to the evolution of non-financial expenditure (14 percent) and lower capital revenues (67 percent).

CENTRAL GOVERNMENT OPERATIONS

(Millions of Nuevos Soles)

	2006	2007		% Chg Real		
	Apr	Mar	Apr	1 month	12 months	Acum.12m
1. CURRENT REVENUES	6,565.66	4,669.43	7,969.95	70.4	21.5	19.4
A. TAX REVENUE	6,065.82	3,963.87	7,478.50	88.3	23.4	20.2
B. NON TAX REVENUE	499.84	705.56	491.46	-30.5	-1.6	14.9
2. NON-FINANCIAL EXPENDITURE	3,064.26	3,336.11	3,491.15	4.5	14.0	11.2
A. CURRENT EXPENDITURE	2,764.61	3,044.42	3,164.74	3.8	14.6	9.8
B. CAPITAL EXPENDITURE	299.64	291.69	326.41	11.7	9.0	20.9
3. CAPITAL REVENUES	36.15	7.78	11.91	52.8	-67.0	-27.5
4. PRIMARY BALANCE	3,537.55	1,341.11	4,490.72			
5. INTEREST PAYMENTS	152.17	254.61	180.27	-29.3	18.5	2.3
6. OVERALL BALANCE	3,385.37	1,086.50	4,310.45			
7. NET FINANCING	-3,385.37	-1,086.50	-4,310.45			
1. External	-149.98	-870.11	-184.47			
A. Disbursements	48.39	7,487.19	31.04			
B. Amortizations	-198.37	-8,357.30	-215.51			
2. Domestic	-3,241.06	-222.98	-4,133.03			
3. Privatization	5.66	6.59	7.05			
Memo:						
Non-financial expenditure net of transfers to other public intitutions	2,358.58	2,412.67	2,611.82	8.1	10.8	6.6

In April, the current revenues of the central government (S/. 7,970 million) increased 22 percent in real terms relative to April 2006, an evolution explained by a 23 percent increase of tax revenues (S/. 7,478 million) in real terms. The increase of tax revenues resulted mainly from higher payments of income tax (28 percent) as a result of the increase in the revenue by regularization (30 percent), and of value-added tax -VAT- (20 percent).

In April, non-financial expenditure (S/. 3,491 million) grew 14 percent in real terms relative to the same month last year. By group of expenditure, this increase is mainly explained by an increase of non-financial current expenditure (S/. 400 million) and capital expenditure (S/. 27 million). By line of expenditure, goods and services increased 19 percent, current transfers increased 18 percent in real terms, while wages and salaries increased 7 percent.

The economic surplus allowed the reduction of domestic financing in S/. 4,133 million and external (S/. 184 million or US\$ 58 million). Also, the economic surplus of the last twelve months – trend indicator - rose from S/. 4,495 million to S/. 5,420 million between March and April.

CENTRAL GOVERNMENT OPERATIONS
(Millions of Nuevos Soles, accumulated 12 month)*

	12 month period			% Chg Real	
	May 2005	Abr 2006	May 2006		
	Apr 2006	Mar 2007	Apr 2007	C/A	C/B
	A	B	C		
1. CURRENT REVENUES	45,641.62	53,729.12	55,133.41	19.4	2.6
A. TAX REVENUE	39,446.19	46,520.46	47,933.14	20.2	3.0
B. NON TAX REVENUE	6,195.43	7,208.66	7,200.28	14.9	-0.1
2. NON-FINANCIAL EXPENDITURE	39,637.56	44,201.04	44,627.94	11.2	1.0
A. CURRENT EXPENDITURE	34,672.91	38,141.72	38,541.85	9.8	1.0
B. CAPITAL EXPENDITURE	4,964.65	6,059.32	6,086.09	20.9	0.4
3. CAPITAL REVENUES	423.76	335.00	310.76	-27.5	-7.2
4. PRIMARY BALANCE	<u>6,427.83</u>	<u>9,863.07</u>	<u>10,816.24</u>		
5. INTEREST PAYMENTS	5,207.65	5,368.05	5,396.15	2.3	0.5
6. OVERALL BALANCE	<u>1,220.18</u>	<u>4,495.02</u>	<u>5,420.10</u>		
7. NET FINANCING	-1,220.18	-4,495.02	-5,420.10		
1. External	-4,840.55	-2,489.31	-2,523.80		
A. Disbursements	7,023.35	9,267.04	9,249.70		
B. Amortizations	-11,863.90	-11,756.35	-11,773.49		
2. Domestic	3,444.50	-2,365.28	-3,257.25		
3. Privatization	175.87	359.56	360.95		

Memo:

Non-financial expenditure net of transfers

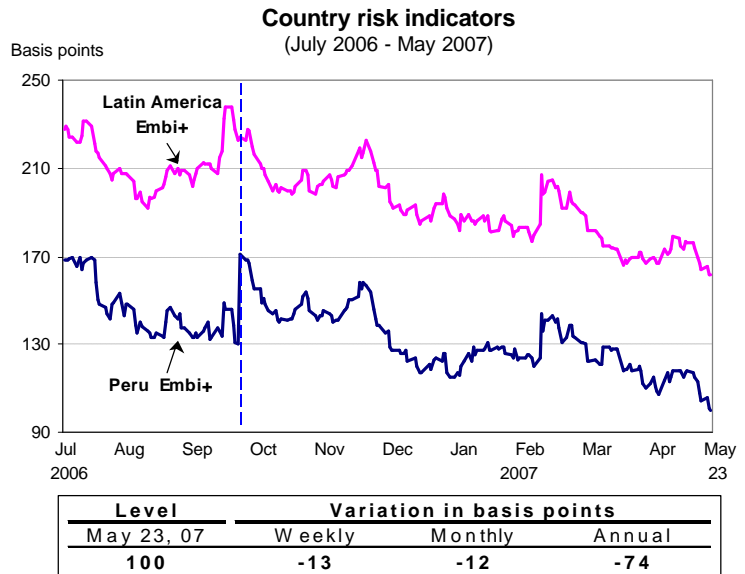
to other public institutions	31,189.18	33,407.20	33,660.44	6.6	0.8
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* To avoid the volatility of monthly series, this chart presents the annual accumulated result. This series are in the chart of Weekly Report

International Markets

Country risk at 100 basis points

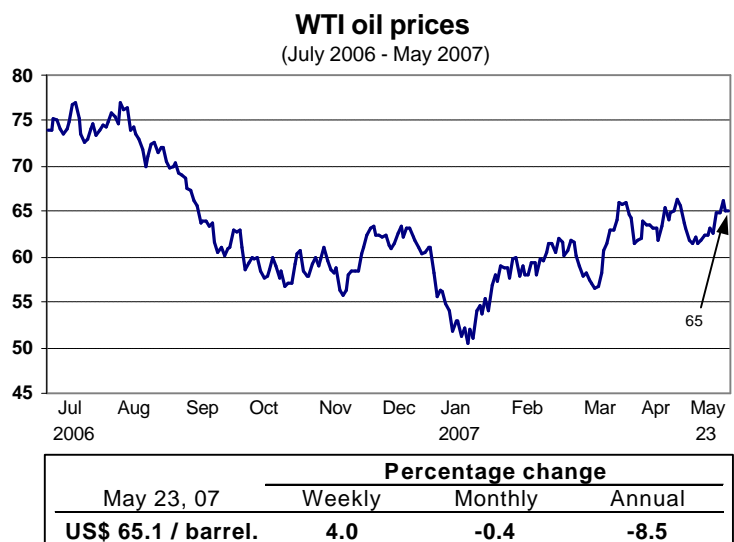
From May 16 to 23, the country risk indicator, measured by the **EMBI+ Peru** spread, decreased from 113 to 110 basis points, recording a new historical minimum level. This country risk indicator follows the trend of spreads in the region, and it would have been favored by the acceptance of announced prepayment of a debt with the Paris Club of around US\$ 2.5 thousand million (from US\$ 5.6 thousand million, which last until 2007 and 2015).



During this week, an investment bank release that Moody's rating agency could increase the credit rating qualification of Peru at the beginning of June, so this country would be close to the upgrade.

Oil quotation increased to US\$ 65.1 per barrel

Between May 16 and 23, the price of **WTI oil** increased 4.0 percent to US\$ 65.1 per barrel due to higher concerns that fuel inventories are not enough to meet increased seasonal demand in US, to the temporary interruption of production in two main US refineries for technician troubles and to concerns that Nigeria's oil supply, the higher oil exported African, might be interrupted.



However, this rise in the price of oil was partially offset by an increase of US inventories, which rose from 2.0 million to 344.2 million barrels in the week ended May 18.

In the same week of analysis, the price of **gold** fell 0.3 percent to US\$ 663.7 per troy ounce. This evolution was associated with an appreciation of the dollar against the other main currencies, which reduced the gold appeal as an investment instrument; and the drop on non-commercial long positions of gold (the reduction of speculative transactions in the market of futures 16.4 percent). Also, the European Central Bank reported that three banks had decreased their gold assets by 280 million euro (US\$ 377 million) during last week, the highest level of sales since the middle of April of this year



In the same period, the price of **copper** fell 6.4 percent to US\$ 3.27 per pound. This result was influenced by an higher expectation of that China's demand might slow down due to the implemented measures for the government to slow economic growth, to the higher production of refined copper from China in April relative to the same month last year, to the reduction of speculative transactions in the market of futures, and to reports of the International Copper Study Group (ICSG) indicating that copper global production would be nearly 520 thousand MT higher than consumption during the next year.



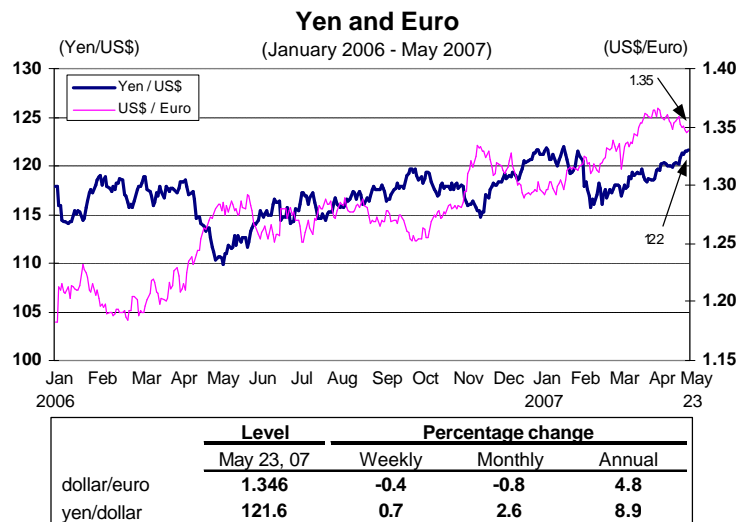
However, this fell in the price of copper was partially offset by an inventory dropped at the London Metal Exchange by 2,5percent to 135,575MT.

Between May 16 and 23, the price of **zinc** fell 4.7 percent to US\$ 1.67 per pound. This evolution was associated to the expectation of lower China's demand the world's bigger consumer of the metal, implemented measures to slow its economic expansion. During the week, inventories fell in the London Metal Exchange 4.4 percent to 79,200 MT. Also, since June, China will raise export taxes on zinc to 10 percent from 5 percent.



Dollar appreciated against the euro and the yen

In the same week, the **dollar** appreciated 0.4 percent against the **euro** and 0.7 percent against the **yen**. The dollar strengthened against the euro in a context marked by positive results in the US economy, specially, a rise higher than expected in the industrial production in April, the fell an initial jobless claims to its lowest level in the last five months, and US consumer confidence rose unexpectedly in May, which contributed to reduce the expectation of a interest rate cut by Federal Reserve.



On the other hand, the weaknesses of yen due to lower economic indicators in Japan, although this effect was partially offset by reversion of currency speculative operations (carry trade), after China implemented measures for the government to slow economic growth.

Yield on 10-year US Treasuries increased to 4.85 percent.

Between May 16 and 23, the **3-month Libor** remained unchanged at 5.36 percent, and the yield on the **10-year US Treasury bond** increased from 4.71 to 4.85 percent due to expectation of strong private consumption in the second quarter after showed advances in consumer confidence, and employment, so the increase, higher than expected, in the industrial production that reduced the concerns of higher desacceleration in the US economy, which prevented a further increase in the yield on these bonds.

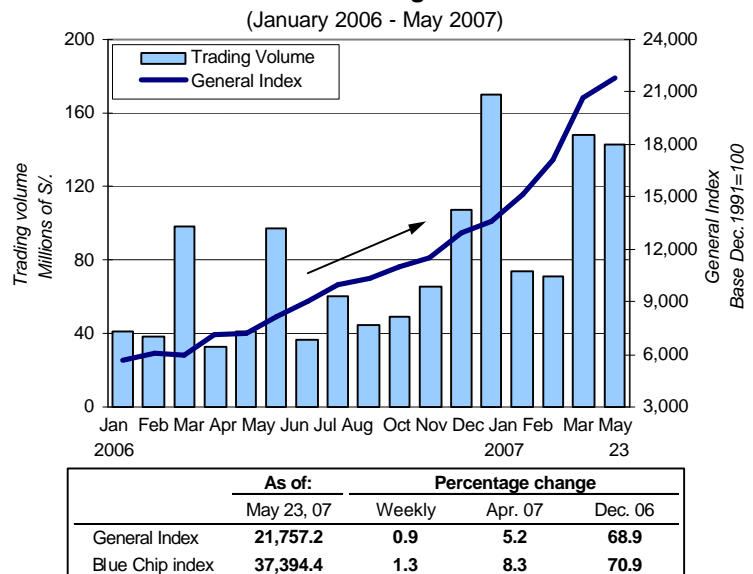
3-month Libor and yield on 10-year US Treasury bonds
(July 2006 - May 2007)



Lima Stock Exchange grew 5.2 percent as of May 23

As of May 23, the **General** and **Blue Chip** indices of the Lima Stock Exchange (LSE) grew 5.2 and 8.3 percent respectively, driven by the advance of stocks of the sectors of mining and banking. However, the improve in the LSE was offset by corrections after the volatility of basic metal price in the London Metal Exchange and a profit taken of investors. Also, the demand by China and US. In the world wide market reduced slightly, which, also, is perceived negatively by investors.

Lima Stock Exchange Indicators



So far this year, the indices of the Lima Stock Exchange have grown 68.9 and 70.9 percent respectively.