



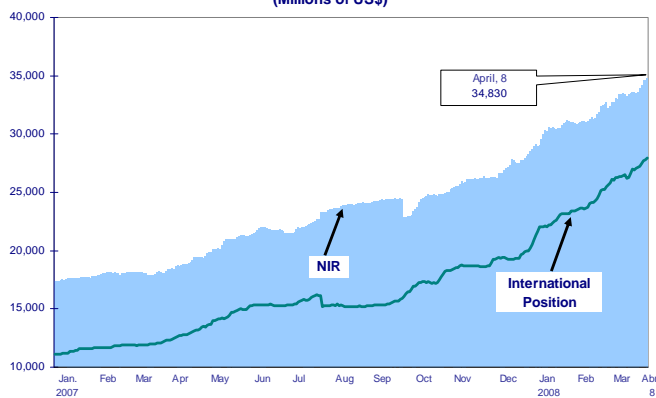
Indicators

- NIRs amounted to US\$ 34,830 million on April 8
- Interbank interest rate at 5.20 percent on April 9
- Exchange: S/. 2.698 per dollar on April 9
- Trade surplus of US\$ 538 million in February
- Country risk at 199 bps on April 9
- Lima Stock Exchange grew 1.8 percent as of April 9

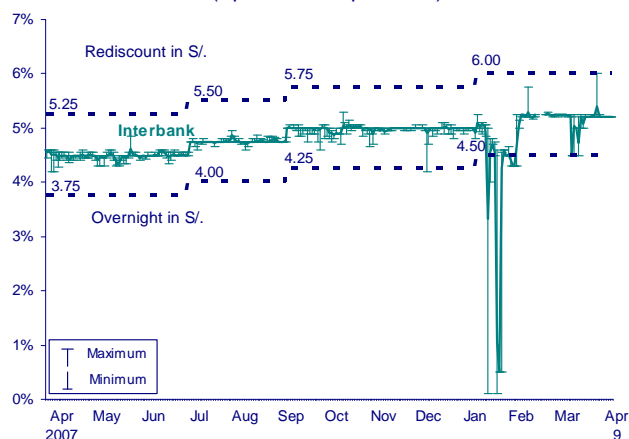
Content

- Interbank interest rate: 5.20 percent on April 9 x
- Corporate prime rate in nuevos soles increased to 5.85 percent x
- New historical level of international reserves: US\$ 34,830 million on April 8 xi
- Exchange rate: S/. 2.698 per dollar xi
- Monetary base as of April 7, 2008 xii
- Liquidity and credit to the private sector as of March 15 xii
- Trade surplus of US\$ 538 million in February xii
- Survey on macroeconomic expectations: April 2008 xiv
- Country risk at 199 basis points xv
- Lima Stock Exchange fell 3.7 percent as of April 9, 2008 xix

International Reserve and International Position of the BCRP January 2006 - April 2008 (Millions of US\$)



Interest Rates in Domestic Currency (April 2007 - April 2008)



Our website
<http://www.bcrp.gob.pe>

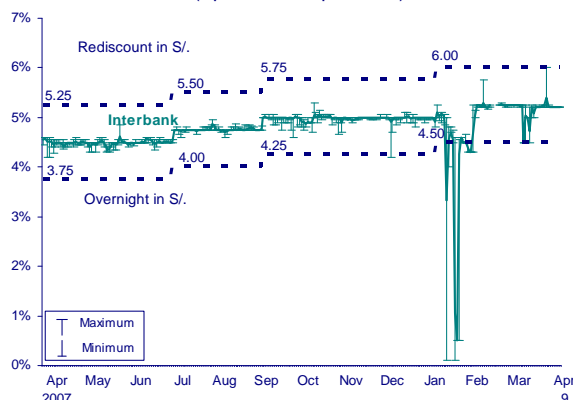
- Weekly Report N° 15-2008
- Informative note on the Monetary Program: April 2008. BCRP raises reference interest rate from 5.25% to 5.50% and raises reserve requirement rates
- International Reserves Management: February 2008
- Inflation Report: Recent trends and macroeconomic forecasts - January 2008
- Working papers N° 2008-003: ¿Can Peru be a New Economic Miracle?
- Monetary Policy in a Dual Currency Environment
- Quarterly Charts

Interbank interest rate: 5.20 percent on April 9

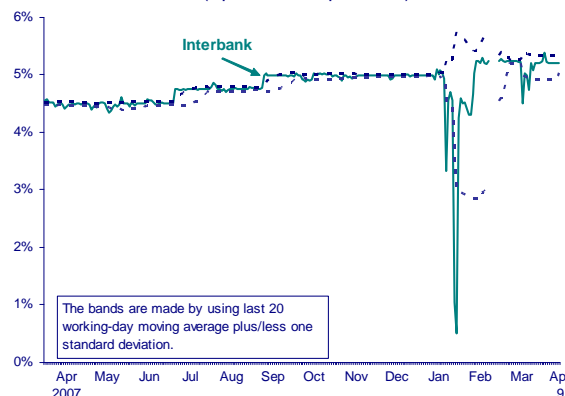
The average interbank interest rate in domestic currency on April 9 was 5.20 percent, lower than the average rate seen in March (5.21 percent). **Between April 2 and 9**, this rate remained unchanged at 5.20 percent.

| Interbank Interest Rate Average (percent) | | |
|---|---------|------|
| | Average | S.D |
| December 2005 | 3.34 | 0.08 |
| December 2006 | 4.51 | 0.04 |
| March 2007 | 4.50 | 0.01 |
| June | 4.52 | 0.03 |
| september | 4.97 | 0.10 |
| November | 4.99 | 0.03 |
| December | 4.99 | 0.02 |
| January 2008 | 4.44 | 1.24 |
| February | 5.02 | 0.36 |
| March | 5.21 | 0.21 |
| April 9 | 5.20 | 0.01 |

Interest Rates in Domestic Currency (April 2007 - April 2008)

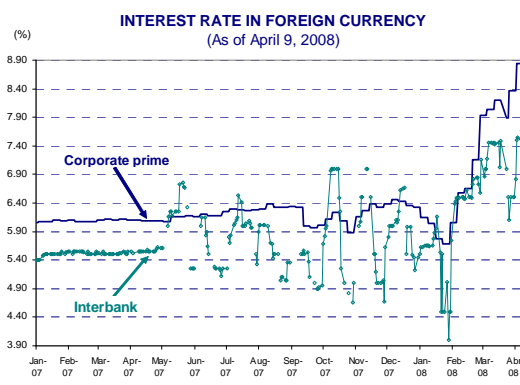
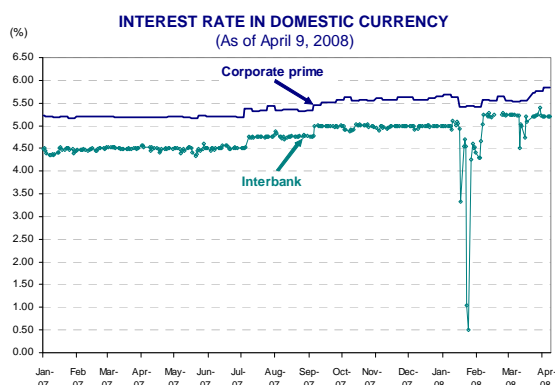


Interbank Interest Rate in Domestic Currency (April 2007 - April 2008)



Corporate prime rate in nuevos soles increased to 5.85 percent

Between **April 2 and 9**, the daily average of the 90-day corporate prime rate in domestic currency increased from 5.76 to 5.85 percent, while this rate in dollars increased from 8.37 to 8.84 percent.

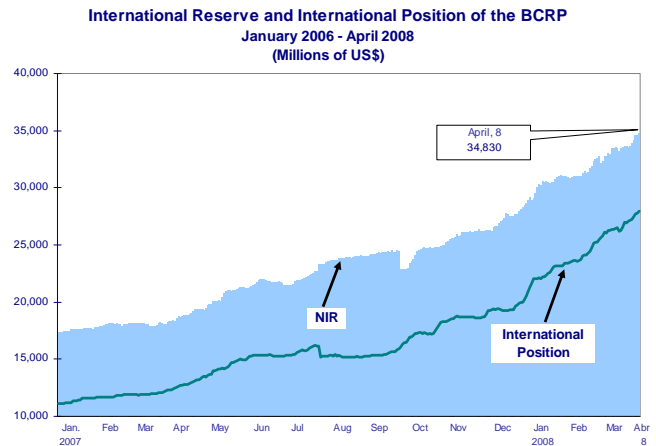


Monetary operations

The Central Bank made the following operations between **April 3 and 9**: i) auctions of 1-day, 3-day, and 7-day BCRP Certificates of Deposit Subject to Limited Negotiation for a daily average of S/. 4,466.7 million. The interest on these operations, which amounted to S/. 16,319.2 million, is 5.25 percent; ii) purchases of foreign currency for a total of US\$ 804.5 million, iii) sales of foreign currency to the Public Treasury for a total of US\$ 100 million, and iv) overnight deposits in domestic currency for a total of S/. 32 million.

New historical level of international reserves: US\$ 34,830 million on April 8

Net international reserves (NIRs), which increased by US\$ 1,253 million compared to end March and by US\$ 7,141 million compared to the close of 2007, amounted to US\$ **34,830** million on **April 8**. This increase in the balance of NIRs during March is mainly explained by BCRP exchange operations (US\$ 1,083 million), by higher deposits of the financial system (US\$ 357 million), by public sector's higher deposits (US\$ 27 million), and by higher investment yield (US\$ 2 million). This increase was offset by the sale of foreign currency for the repayment of the external debt (US\$ 100 million) and by the lower valuation of other securities (US\$ 98 million).

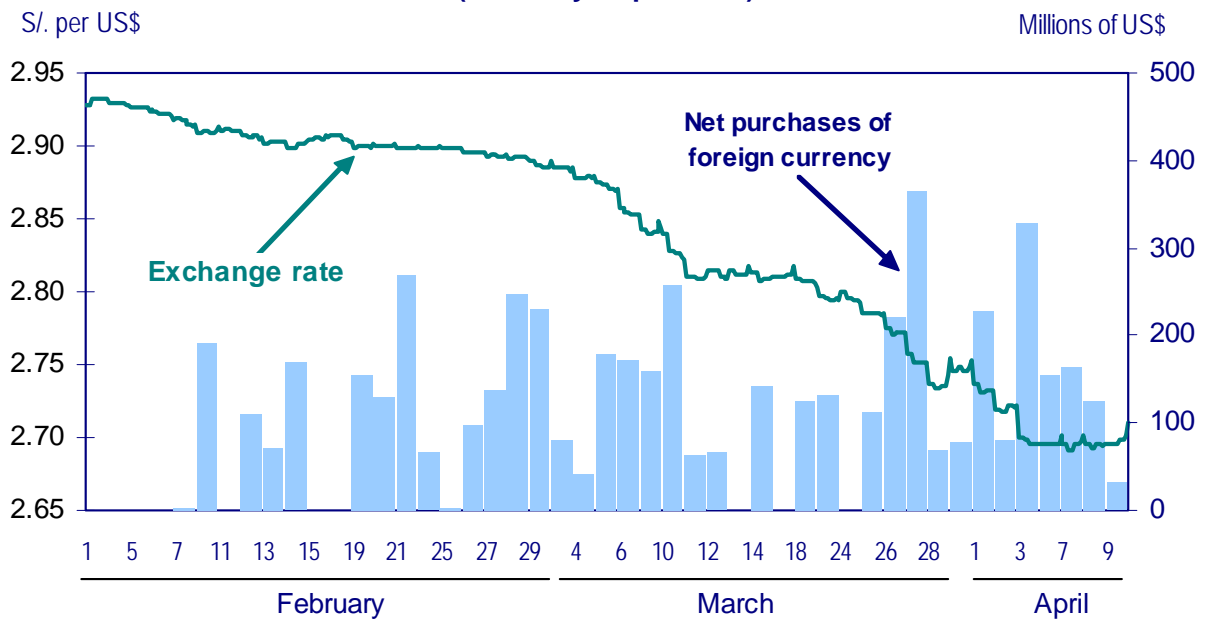


Moreover, the international position of the BCRP on **April 8** was US\$ **27,948** million, a sum US\$ 855 million higher than the one observed at end March.

Exchange rate: S/. 2.698 per dollar

Between **April 2 and 9**, the average ask price of the interbank exchange rate fell from S/. 2.721 to S/. 2.698 per dollar, as a result of which the nuevo sol appreciated 1.8 percent compared to end March. In this period, the Central bank intervened in the exchange market buying US\$ 885.9 million.

INTERBANK ASK- EXCHANGE RATE AND NET PURCHASES OF FOREIGN CURRENCY (February - April 2008)



Monetary base as of April 7, 2008

The balance of the **monetary base** as of April 7 (S/. 22,302 million) increased by 22.6 percent (S/. 4,105 million) compared to end March. On average terms, the monetary base grew at annual rate of 63.9 percent in this period (47.3 percent in March).

By sources, the operations that contributed most heavily to the growth of the monetary base were the purchases of foreign currency at the Central Bank's front desk (US\$ 957 million or S/. 2,589 million), the net maturities of BCRP Certificates of Deposit subject to Limited Negotiation (S/. 1,180 million), banks' lower term deposits (S/. 797 million), and the maturities of BCRP Certificates of Deposit (S/. 358 million). Conversely, the monetary base shrank due to public sector's higher deposits (S/. 759 million) and to the sale of dollars to the public sector (US\$ 100 million or S/. 270 million).

Liquidity and credit to the private sector as of March 15

During the last four weeks, liquidity in **domestic currency** increased 6.8 percent (S/. 3,223 million) and reached a total of S/. 50,625 million (annual growth of 45.0 percent). Credit to the private sector in domestic currency increased by 1.0 percent (S/. 360 million) and amounted to S/. 34,788 million (last 12-month growth of 34.9 percent).

Liquidity in **foreign currency** showed no monthly variation (monthly negative flow of US\$ 6 million), reaching a total of US\$ 12,548 million (annual growth of 13.4 percent). Credit to the private sector in foreign currency increased 0.4 percent (US\$ 63 million), reaching a total of US\$ 14,857 million (last 12-month growth of 29.9 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 |
| 2006 | | | | | | | | | | |
| Dec. | 15.7% | 18.3% | 10.6% | 17.9% | 3.3% | 30.2% | 1.8% | 12.7% | -2.1% | 3.9% |
| 2007 | | | | | | | | | | |
| Mar. | 1.3% | 20.7% | 2.9% | 24.6% | 3.1% | 29.5% | 1.2% | 5.5% | 1.7% | 8.3% |
| Apr. | 1.9% | 22.7% | -1.7% | 27.5% | 4.1% | 33.1% | 3.0% | 9.9% | 1.3% | 9.2% |
| May. | 0.4% | 25.3% | 1.9% | 30.3% | 2.2% | 34.8% | 2.6% | 14.0% | 1.6% | 7.3% |
| Jun. | 3.0% | 26.2% | 2.9% | 32.1% | 2.8% | 35.8% | -1.0% | 12.6% | 4.7% | 10.0% |
| Jul. | 5.3% | 23.0% | 4.5% | 34.4% | 2.9% | 37.7% | 2.1% | 14.3% | 1.3% | 10.9% |
| Aug. | 0.8% | 29.5% | 2.2% | 36.0% | 1.3% | 37.0% | 2.6% | 16.5% | 1.2% | 13.1% |
| Sep. | -1.8% | 26.1% | -0.4% | 34.0% | 4.2% | 39.6% | 1.7% | 17.9% | 2.6% | 14.9% |
| Oct. | 4.1% | 30.3% | 5.8% | 38.3% | 1.8% | 37.3% | 1.7% | 18.1% | 2.1% | 17.0% |
| Nov. | 2.3% | 29.9% | 5.3% | 40.2% | 4.0% | 38.6% | 3.0% | 18.8% | 6.8% | 23.2% |
| Dec. | 14.3% | 28.2% | 4.8% | 33.0% | 2.3% | 37.3% | 2.4% | 19.6% | 3.0% | 29.6% |
| 2008 | | | | | | | | | | |
| Jan. | -5.9% | 29.4% | 1.7% | 35.1% | 2.2% | 39.8% | -1.4% | 18.1% | 1.7% | 32.1% |
| Feb. | 7.2% | 36.6% | 6.6% | 43.8% | 2.1% | 39.1% | -4.3% | 12.8% | 0.5% | 32.1% |
| Mar.15 | 0.1% | 49.3% | 6.8% | 45.0% | 1.0% | 34.9% | 0.0% | 13.4% | 0.4% | 29.9% |
| Memo: | | | | | | | | | | |
| Balance as of Feb.15 (Mill.S./or Mill.US\$) | 19,855 | | 47,402 | | 34,428 | | 12,554 | | 14,794 | |
| Balance as of Mar.15 (Mill.S./or Mill.US\$) | 19,884 | | 50,625 | | 34,788 | | 12,548 | | 14,857 | |

Trade surplus of US\$ 538 million in February

In February, the trade balance showed a surplus of US\$ 538 million. Exports increased 26.4 percent and amounted to US\$ 2,411 million, while imports –which increased 37.2 percent– totaled US\$ 1,873 million.

Traditional exports amounted to US\$ 1,840 million, a sum 26.3 percent higher than the one observed in the same month last year. It is worth pointing out the higher sales of copper and gold which increased 57.5 percent and 75.4 percent respectively. On the other hand, non-traditional exports –which increased by 27.6 percent compared to February 2007– totaled US\$ 559 million due to higher sales of agricultural, fishing, and chemical products.

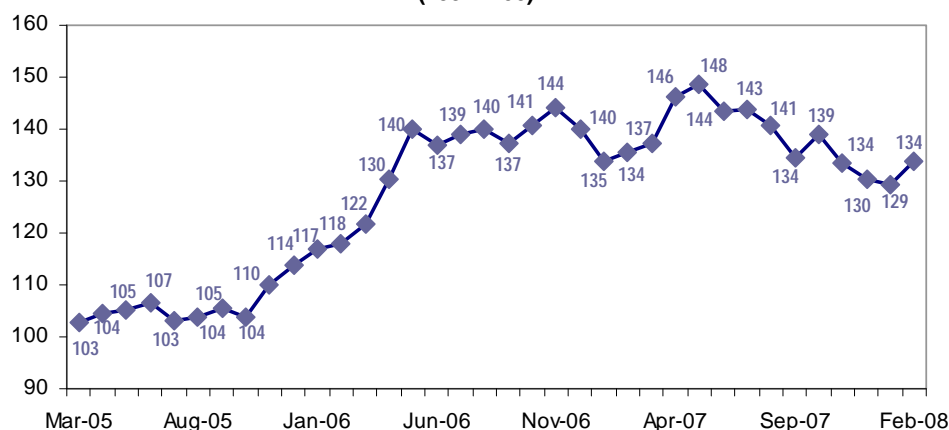
Imports in February amounted to US\$ 1,873 million, a sum 37.2 percent higher than the one seen in February 2007. The purchases of inputs for industry increased 34.2 percent, while the imports of capital goods and consumer goods increased 36.0 and 45.0 percent respectively.

TRADE BALANCE
(Millions of US dollars)

| | Monthly data | | | | | January - February | | | |
|--------------------------------|--------------|--------------|--------------|---------------|--------------|--------------------|--------------|--------------|--------------|
| | 2007 | 2008 | | Feb.08/Feb.07 | | 2007 | 2008 | Flow | % Chg. |
| | Feb. | Jan. | Feb. | Flow | % Chg. | | | | |
| 1. EXPORTS | 1,907 | 2,463 | 2,411 | 504 | 26.4 | 3,652 | 4,874 | 1,222 | 33.5 |
| Traditional products | 1,457 | 1,833 | 1,840 | 383 | 26.3 | 2,725 | 3,673 | 948 | 34.8 |
| Non-traditional products | 438 | 616 | 559 | 121 | 27.6 | 904 | 1,175 | 271 | 30.0 |
| Other products | 12 | 14 | 12 | 0 | 1.4 | 23 | 26 | 3 | 12.7 |
| 2. IMPORTS | 1,365 | 2,179 | 1,873 | 508 | 37.2 | 2,804 | 4,052 | 1,248 | 44.5 |
| Consumer goods | 214 | 324 | 311 | 97 | 45.0 | 432 | 635 | 203 | 47.0 |
| Raw materials and intermediate | 717 | 1,236 | 973 | 256 | 35.8 | 1,480 | 2,209 | 730 | 49.3 |
| Capital goods | 427 | 612 | 581 | 154 | 36.0 | 879 | 1,193 | 314 | 35.7 |
| Other goods | 7 | 7 | 8 | 1 | 16.4 | 13 | 15 | 2 | 13.6 |
| 3. TRADE BALANCE | 542 | 284 | 538 | - 4 | - 0.7 | 849 | 822 | -26 | - 3.1 |

The terms of trade dropped 1.3 percent in February. The average prices of exports increased by 20.3 percent, while the prices of imports increased by 21.8 percent in a context of high prices of oil and food products. Moreover, the volume of exports increased 5.1 percent due to the larger shipments of non-traditional products (16.6 percent).

TERMS OF TRADE*
(1994=100)



* As of February 2008

Survey on macroeconomic expectations: April 2008

The BCRP conducted its Monthly Survey on Macroeconomic Expectations between March 12 and 31. The survey sample included 23 financial entities, 22 economic analysts, and 365 non-financial firms.

The survey results show that inflation expectations for 2008 range between 3.75 and 4.10 percent. The three surveyed groups coincided for the fifth consecutive month in increasing their inflation forecasts for this year.

Moreover, forecasts on GDP growth this year range between 7.0 and 7.6 percent. The groups of economic analysts and non-financial firms coincided in increasing their forecasts relative to last month, while the group of financial entities maintained theirs unchanged.

Finally, the expectations on the exchange rate for end 2008 range between S/. 2.70 and S/. 2.80 per US dollar.

FINANCIAL SYSTEM INSTITUTIONS (Median1/ of the sample)

| | Date of the survey | | |
|-------------------------------------|--------------------|------------|------------|
| | Jan 31 . 2/ | Feb 29. 3/ | Mar 31. 3/ |
| Inflation (%) | | | |
| April 2008 | 0.29 | 0.30 | 0.35 |
| May | 0.25 | 0.28 | 0.30 |
| Annual: 2008 | 3.60 | 3.97 | 4.10 |
| 2009 | 3.20 | 3.20 | 3.50 |
| 2010 | 3.00 | 3.00 | 3.00 |
| GDP growth (%) | | | |
| February 2008 | 7.3 | 7.9 | 8.2 |
| March | 7.3 | 7.5 | 7.6 |
| Annual: 2008 | 7.0 | 7.5 | 7.5 |
| 2009 | 6.5 | 6.5 | 6.5 |
| 2010 | 6.1 | 6.5 | 6.2 |
| Exchange rate (S/. per US\$) | | | |
| April 2008 | 2.91 | 2.87 | 2.75 |
| May | 2.90 | 2.86 | 2.74 |
| Annual: 2008 | 2.90 | 2.80 | 2.70 |
| 2009 | 2.90 | 2.85 | 2.80 |
| 2010 | 3.00 | 2.89 | 2.88 |
| Interbank interest rate (%) | | | |
| <i>In nuevos soles</i> | | | |
| April 2008 | 5.00 | 5.25 | 5.25 |
| May | 5.25 | 5.25 | 5.25 |
| Annual: 2008 | 5.25 | 5.25 | 5.25 |
| 2009 | 5.25 | 5.50 | 5.31 |
| 2010 | 5.50 | 5.50 | 5.50 |

- 1/ The median indicates the sample central value which reduces any bias caused by extreme values.
 2/ 24 financial institutions.
 3/ 23 financial institutions.

NON-FINANCIAL SYSTEM FIRMS (Median1/ of the sample)

| | Date of the survey | | |
|-------------------------------------|--------------------|------------|------------|
| | Jan 31 . 2/ | Feb 29. 3/ | Mar 31. 3/ |
| Inflation (%) | | | |
| Annual: 2008 | 3.10 | 3.60 | 4.00 |
| 2009 | 3.00 | 3.00 | 3.90 |
| 2010 | 3.00 | 3.00 | 3.50 |
| GDP growth (%) | | | |
| Annual: 2008 | 7.4 | 7.5 | 7.6 |
| 2009 | 7.0 | 7.0 | 7.0 |
| 2010 | 7.0 | 7.0 | 7.0 |
| Exchange rate (S/. per US\$) | | | |
| December 2008 | 2.98 | 2.90 | 2.80 |
| December 2009 | 3.00 | 3.00 | 2.90 |
| December 2010 | 3.10 | 3.00 | 3.00 |

- 1/ The median indicates the sample central value which reduces any bias caused by extreme values.
 2/ 358 non-financial institutions.
 3/ 365 non-financial institutions.

ANALYSTS (Median1/ of the sample)

| | Date of the survey | | |
|-------------------------------------|--------------------|------------|------------|
| | Jan 31 . 2/ | Feb 29. 2/ | Mar 31. 3/ |
| Inflation (%) | | | |
| April 2008 | 0.20 | 0.22 | 0.35 |
| May | 0.20 | 0.20 | 0.25 |
| Annual: 2008 | 2.95 | 3.50 | 3.75 |
| 2009 | 2.50 | 3.00 | 2.95 |
| 2010 | 2.10 | 2.50 | 2.45 |
| GDP growth (%) | | | |
| February 2008 | 7.5 | 7.8 | 8.0 |
| March | 7.4 | 7.5 | 7.5 |
| Annual: 2008 | 7.0 | 6.8 | 7.0 |
| 2009 | 6.2 | 6.1 | 6.5 |
| 2010 | 6.2 | 6.0 | 6.5 |
| Exchange rate (S/. per US\$) | | | |
| April 2008 | 2.93 | 2.88 | 2.76 |
| May | 2.91 | 2.88 | 2.75 |
| Annual: 2008 | 2.90 | 2.86 | 2.73 |
| 2009 | 2.95 | 2.95 | 2.80 |
| 2010 | 3.00 | 2.96 | 2.85 |
| Interbank interest rate (%) | | | |
| <i>In nuevos soles</i> | | | |
| April 2008 | 5.25 | 5.25 | 5.23 |
| May | 5.50 | 5.25 | 5.25 |
| Annual: 2008 | 5.50 | 5.50 | 5.25 |
| 2009 | 5.25 | 5.25 | 5.25 |
| 2010 | 5.00 | 5.00 | 5.00 |

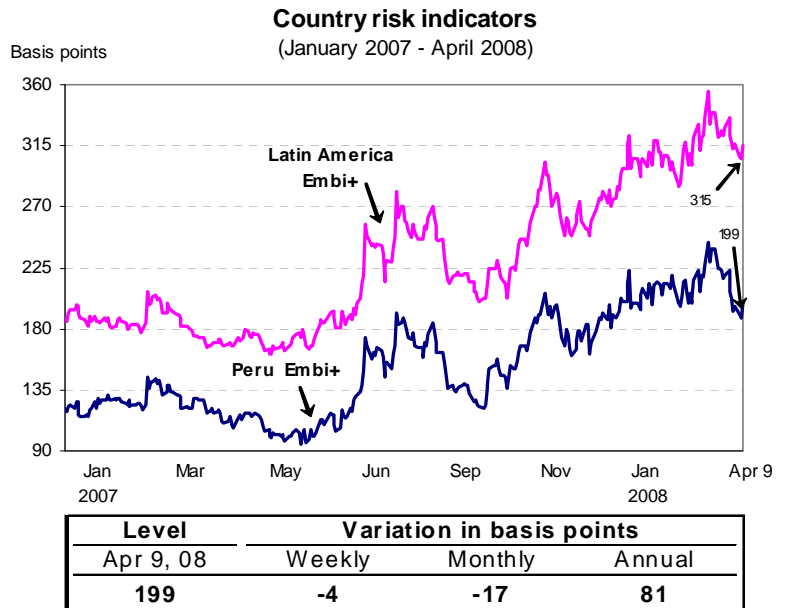
- 1/ The median indicates the sample central value which reduces any bias caused by extreme values.
 2/ 23 analysts.
 3/ 22 analysts.

International markets

Country risk at 199 basis points

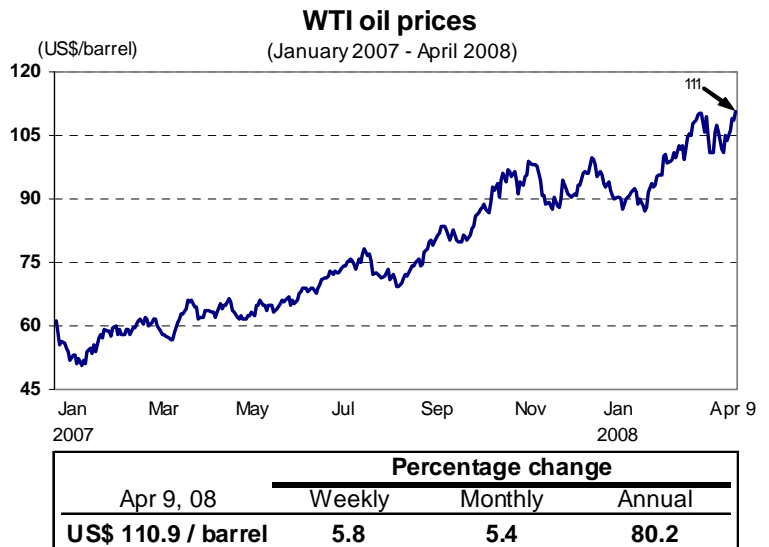
Between April 2 and 9, the country risk indicator –measured by the **EMBI+ Perú** spread– fell from 203 to 199 basis points, showing a similar evolution to the one observed in spreads in the region (the EMBI+ Latin America declined from 318 to 315 basis points).

This reduction in Peru’s country risk indicator was favored by the fact that Fitch Ratings assigned an investment grade rating to the Peruvian debt in foreign currency, upgrading it from "BB+" to "BBB-".

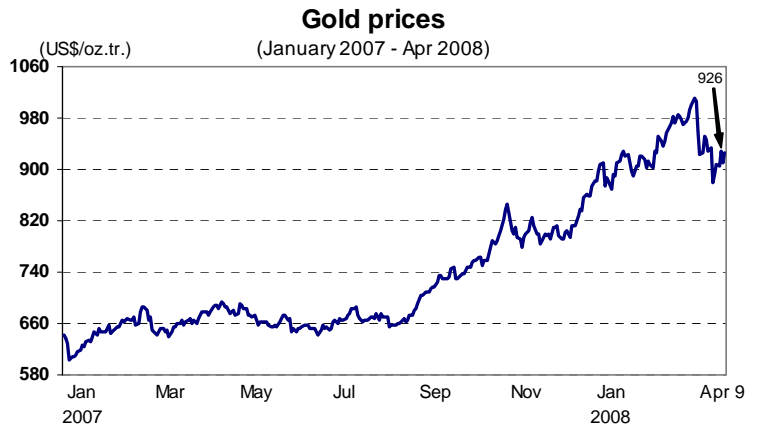


Price of oil rose to US\$ 110.9 per barrel

The price of **WTI oil** rose 5.8 percent to US\$ 110.9 per barrel between April 2 and 9. This increase in the price of crude was influenced by the weakness of the dollar, by new concerns about oil supply due to a fire at a key European refinery, and by the OPEC’s position of not increasing its production quota. Another factor contributing to this price rise was an unexpected fall of crude and gasoline inventories in the United States, the largest consumer of energy in the world.



Between April 2 and 9, the price of **gold** rose 3.9 percent to US\$ 925.9 per troy ounce. This increase was generated by the higher price of oil (hedge against inflation) and by the weakness of the dollar against the euro and the yen (an investment alternative). However, the possible sale of part of the gold reserve of the International Monetary Fund (IMF) offset the rise in the price of gold.



| | Percentage change | | | |
|----------------------------|-------------------|-------------|-------------|--------|
| | Apr 9, 08 | Weekly | Monthly | Annual |
| US\$ 925.9 / oz tr. | 3.9 | -5.2 | 36.6 | |

In the same period of analysis, the price of **copper** increased 2.2 percent to US\$ 3.92 per pound. This evolution was associated with concerns that the supply of this metal may be interrupted by labor problems and energy supply-related problems. However, the increase of inventories at the London Metal Exchange (LME) and the projection that Chile's production of copper will increase by 5.5 percent in 2008 –to 5.9 million metric tons– prevented the price of copper from rising even further.



| | Percentage change | | | |
|--------------------------|-------------------|-------------|-------------|--------|
| | Apr 9, 08 | Weekly | Monthly | Annual |
| US\$ 3.92 / pound | 2.2 | -0.1 | 15.9 | |

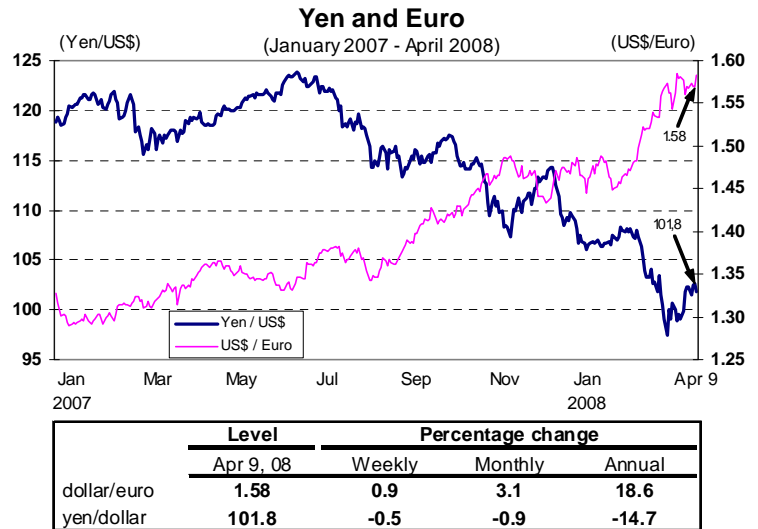
Between April 2 and 9, the price of **zinc** rose 1.1 percent to US\$ 1.05 per pound. This rise was mainly influenced by the weakness of the dollar against other currencies. However, a higher level of inventories at the LME partially offset the increase in the price of zinc (inventories at the LME increased 3.0 percent to 127,250 MT).



| | Percentage change | | | |
|--------------------------|-------------------|--------------|--------------|--------|
| | Apr 9, 08 | Weekly | Monthly | Annual |
| US\$ 1.05 / pound | 1.1 | -12.7 | -32.2 | |

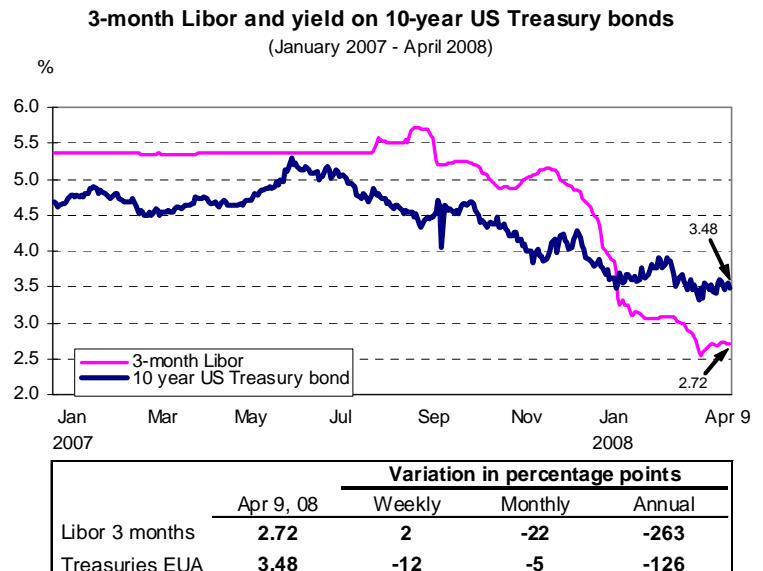
Dollar depreciated against the euro and the yen

Between April 2 and 9, the **dollar** depreciated 0.9 percent against the **euro** and 0.5 percent against the **yen**. The weakening of the dollar against the euro was associated with increased expectations that the Federal Reserve will reduce its interest rates by 50 basis points this month and with fears that the US economy will slow down strongly. On the other hand, the dollar weakened against the yen due to the reversal of carry trade operations. This reversal takes place in a context of increased risk aversion due to the drop of the price of shares in the US market as a result of concerns regarding corporate prospects.



Yield on 10-year US Treasuries decreased to 3.48 percent

Between April 2 and 9, the **3-month Libor** increased from 2.70 to 2.72 percent, while the yield on the **10-year Treasury bond** fell from 3.60 to 3.48 percent. The decline seen in the case of the Treasury bond was due to an increased demand for safer assets as the price of shares dropped because of fears of new bank losses and increased fears that the US economy will go into recession (the Fed minutes of March showed that the Fed forecasts pointed to a real contraction of GDP in the first half of 2008).

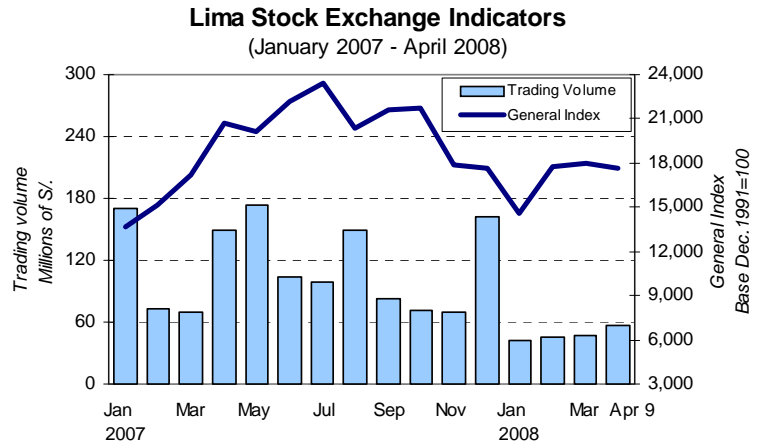


Lima Stock Exchange fell 3.7 percent as of April 9, 2008

The **General** and **Blue Chip** indices of the Lima Stock Exchange (LSE) rose 3.7 and 4.3 percent respectively as of April 9. Between April 2 and 9 these indices had a positive performance and rose 2.4 and 2.9 percent respectively due to the strength of mining shares given the higher prices of metals in the international market. This was also favored by the fact that Fitch Ratings assigned an investment grade to Peru.

However, investors took profit on Tuesday, April 8 influenced by the fall of Wall Street, which prevented a greater increase in these indices.

Year-to-date, the General and the Blue Chip indices of the LSE have accumulated gains of 2.9 and 3.9 percent respectively.



| | As of: | | | |
|-----------------|---------------|--------|-----------|-----------|
| | Apr 9, 08 | Weekly | To Mar 08 | To Dec 07 |
| General Index | 18,034 | 2.4 | 3.7 | 2.9 |
| Blue Chip index | 30,168 | 2.9 | 4.3 | 3.9 |

