



Indicators

- Trade balance: Surplus of US\$ 344 million in March
- NIRs at US\$ 31,132 million on May 5
- Interbank interest rate: 5.01 percent on May 5
- Exchange rate: dollar traded at S/. 2.974 on May 5
- Inflation posted 0.02 percent in April
- Country risk at 291 bps on May 5
- LSE has grown 5 percent as of May 5

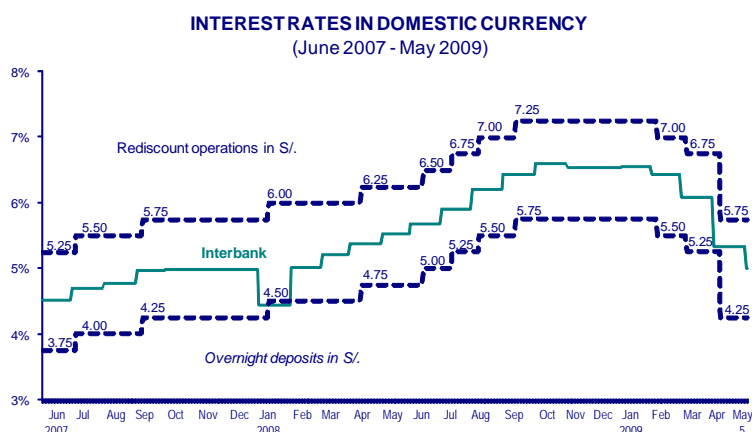
Content

- Interbank interest rate at 5.01 percent on May 5
- Corporate interest rate in nuevos soles declined to 4.79 percent
- Monetary operations
- Currency at S/. 15,898 million on May 4
- International reserves at US\$ 31,132 million on May 5
- Exchange rate: US dollar at S/. 2.974
- Real exchange rate decreased 1.1 percent in April
- Trade Balance records a surplus of US\$ 344 millions in March
- Companies expectations improve in the BCRP Macroeconomic Survey
- Average country risk in May 5 at 290 basis points
- Lima Stock Exchange increased 5.0 percent in May 5

- ix
- ix
- ix
- x
- x
- xi
- xi
- xiii
- xiv
- xviii
- xx

Interbank interest rate at 5.01 percent on May 5

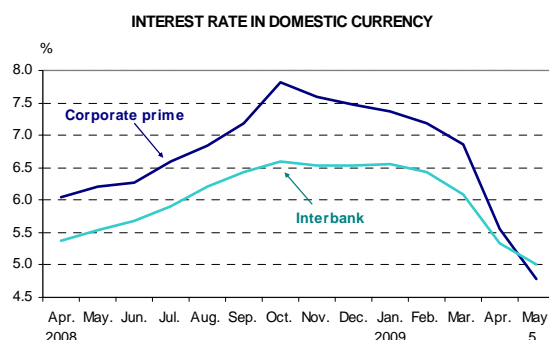
In May, the average daily interbank interest rate is 5.01 percent, lower than the average rate of April (5.33 percent). On May 5, the interbank interest rate in domestic currency was 5.00 percent.



	Interbank interest rate (percent)	
	Average	SD
May 2008	5.50%	0.07
June	5.68%	0.13
July	5.91%	0.10
August	6.21%	0.12
September	6.43%	0.13
October	6.60%	0.18
November	6.54%	0.03
December	6.54%	0.03
January 2009	6.55%	0.15
February	6.44%	0.32
March	6.08%	0.13
April	5.33%	0.47
May 5	5.01%	0.00

Corporate interest rate in nuevos soles declined to 4.79 percent

Between **April 28 and May 5**, the daily average of the 90-day corporate rate in domestic currency fell from 5.01 to 4.79 percent, while this rate in dollars remained at 2.50 percent.

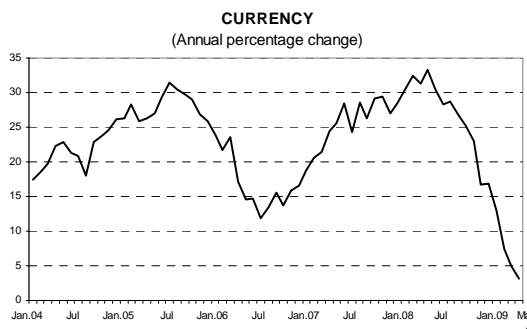


Monetary operations

Between **April 29 and May 5, 2009**, the Central Bank made the following operations: i) auctions of temporary purchases of 1-day, 4-day, and 1-week securities for a daily average of S/. 800 million. The average interest rate on these operations, which amounted to S/. 3,489.1 million, was 5.03 percent; ii) 1-day and 7-day US dollar net swap auctions in FC operations for a daily average of S/. 300.0 million, with an average interest rate of 5.05 percent; iii) purchases of foreign currency for a total of US\$ 2.0 million; and iv) overnight deposits in domestic currency for a total of S/. 4,760.5 million.

Currency at S/. 15,898 million on May 4

Between April 28 and May 4, **currency in circulation** increased by S/. 142 million, reflecting the seasonal behavior around the May labor day. Year-to-date, currency in circulation has shrank by S/. 1,438 million, thus recording a growth rate of 3.1 percent in the last 12 months –a lower rate than the one observed at end April (5 percent).



BCRP OPERATIONS

(Millions of nuevos soles)

	FLOWS		STOCKS		
	From 04/28 to 05/04	Annual Cummulated	Dec 31, 2008	Apr 31, 2008	May 04, 2009
I. NET INTERNATIONAL POSITION	311	-3,363	67,087	60,569	60,358
(Millions of US\$)	105	-1,043	21,365	20,257	20,322
A. Foreign Exchange Operations	-56	-1,042			
1. Over the counter operations	2	-1,147			
2. Net swaps auctions in FC	-58	234	0	231	234
3. Public Sector	0	-113			
4. Other operations	1	-17			
B. Rest of Operations	161	0			
II. NET INTERNAL ASSETS	-169	1,925	-49,751	-44,523	-44,460
A. Monetary operations	736	141	-37,346	-37,406	-37,206
1. Sterilization	936	1,364	-42,759	-41,215	-41,395
a. Public Sector Deposits in soles	339	-2,932	-23,568	-26,515	-26,500
b. BCRP Certificates of Deposit (CDBCRP)	0	4,727	-7,721	-2,995	-2,995
c. BCRP Indexed Certificates of Deposit (CDR)	1,090	-2,011	-4,425	-6,736	-6,436
d. BCRP Certificates of Deposit with restricted negotiation	0	3,104	-6,483	-3,379	-3,379
f. Overnight Deposits	-481	-1,607	-23	-1,140	-1,630
g. Other operations	-11	83	-538	-451	-455
2. Injection	-200	-1,223	5,412	3,809	4,189
a. Repos	-200	-1,223	5,412	3,809	4,189
b. Rediscount operation	0	0	0	0	0
B. Reserve Requirements in DC **	-472	1,074	-4,975	-3,451	-3,901
C. Rest	-434	710			
III. CURRENCY **	142	-1,438	17,336	16,046	15,989
(Monthly percentage change)			8.9%	0.6%	-0.9%
(Accumulated percentage change)			16.7%	-7.4%	-8.3%
(YoY)			16.7%	5.0%	3.1%
MEMO					
BCRP Certificates Stocks net of Repos of banking system			8,798	7,938	7,303

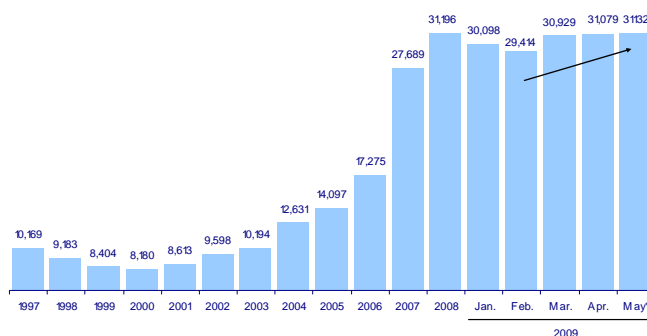
* As of May 4, 2009

** Preliminary data

International reserves at US\$ 31,132 million on May 5

The NIRs amounted to **US\$ 31,132** million on May 5. This level of NIRs is equivalent to 14 months of imports, to 4.8 times the monetary base, and to 1.6 the public external debt. Moreover, the international investment position of the BCRP on May 5 was US\$ 20,361 million, US\$ 104 million higher than the end of April.

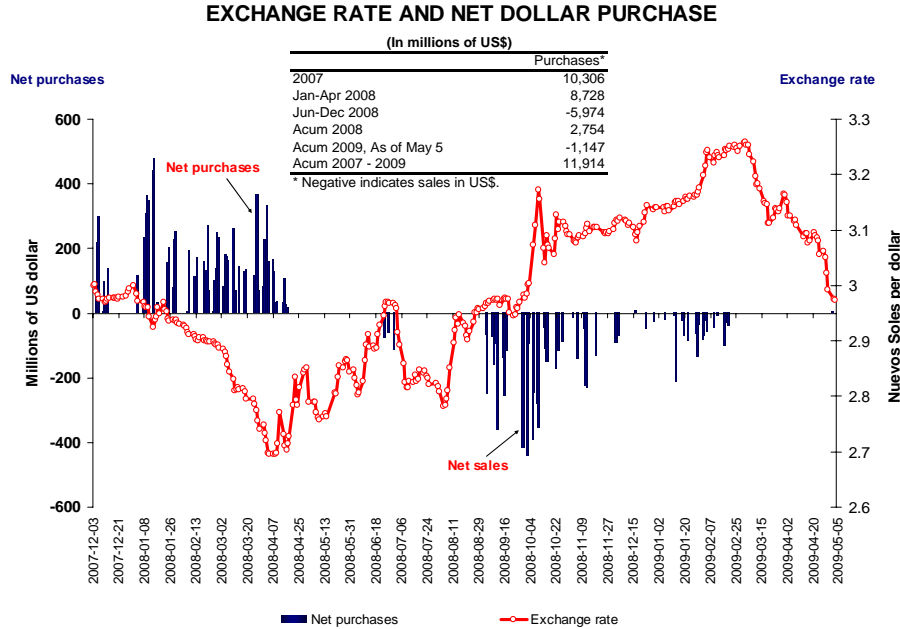
NET INTERNATIONAL RESERVES ACCUMULATED
(Millions of US\$)



* As of May 5.

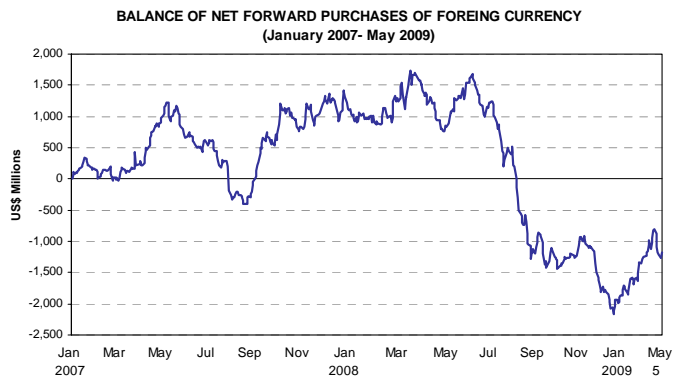
Exchange rate: US dollar at S/. 2.974

Between April 28 and May 5, 2009, the average interbank ask price of the dollar fell from S/. 3.050 to S/. 2.974, which represented an appreciation of the nuevo sol of 2.49 percent. The BCRP has intervened in the exchange market buying US\$ 2 million on May 4.



Between April 28 and May 5, banks' balance of net forward purchases of foreign currency decreased by US\$ 90.8 million.

During May, the balance of net forward purchases has accumulated an increase of US\$ 31.6 million.



Real exchange rate decreased 1.1 percent in April

In April, the multilateral real exchange rate decreased 1.1 percent relative to the previous month.

This result is explained by a nominal appreciation of the New Sol of 1.7 percent (compared to the basket of currencies of Peru's main trading partners), an external inflation of 0.6 percent, and a null domestic inflation.



Inflation posted a rate of 0.02 percent in April

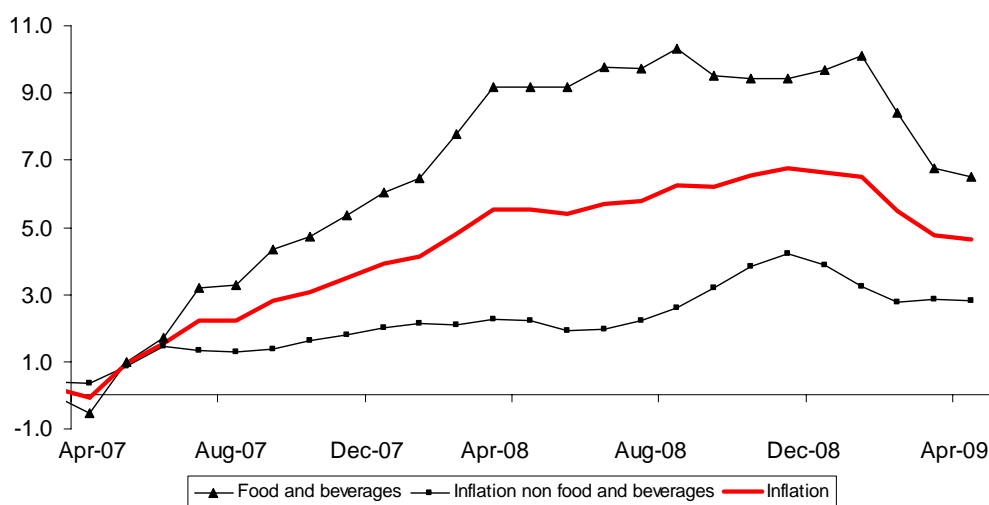
Inflation recorded a rate of 0.02 percent in April, thus accumulating a rate of 4.64 percent in the last twelve months. Three items contributed to this month's inflation with 0.16 percentage points: sugar (0.06 percentage points), eggs (0.05 points), and citric (0.05 points). Conversely, three items contributed with -0.32 percentage points to this month's inflation rate: poultry (-0.22 points), tomato (-0.06 points), and meat (-0.04 points).

INFLATION
(Accumulated percentage change)

	Weight	Monthly	12-month indicator			Annual average indicator		
		Apr. 2009	Apr. 2008	Mar. 2009	Apr. 2009	Apr. 2008	Mar. 2009	Apr. 2009
CPI	100.0	0.02	5.52	4.78	4.64	3.35	5.97	5.89
1. Food and beverages	47.5	-0.03	9.17	6.77	6.50	5.19	9.28	9.04
2. Rest of items	52.5	0.05	2.24	2.85	2.82	1.71	2.92	2.96
a. Fuel and electricity	6.2	-0.47	5.93	-8.04	-8.41	3.41	0.55	-0.63
Fuel	3.9	-0.41	7.79	-14.59	-15.03	4.82	0.26	-1.61
Electricity	2.2	-0.60	1.06	10.13	10.10	-0.33	1.34	2.10
b. Transports	8.4	0.18	0.56	5.56	6.15	0.65	4.00	4.46
c. Public services	2.4	0.01	2.31	9.59	8.12	-1.42	5.56	6.04
d. Other goods and services	2.4	0.10	1.82	4.28	4.25	1.78	3.02	3.22

The **food and beverage inflation** showed a rate of -0.03 percent in April, with an accumulated 6.5 percent in the last twelve months. **Inflation without food and beverage** was 0.05 percent, with an accumulated last 12-month rate of 2.8 percent.

**FOOD AND BEVERAGES, FOOD AND BEVERAGES,
INFLATION NON FOOD AND BEVERAGES**
(Last 12-month percentage change)



Trade Balance records a surplus of US\$ 344 millions in March

The **trade balance** showed a surplus of US\$ 344 million in March, accumulating a surplus of US\$ 446 million in the first quarter. Its worth to highlight, that this amount is higher in US\$ 619 million than the last quarter of 2008 (US\$ -173 million).

TRADE BALANCE

(Millions de US\$)

	2 009			
	Jan	Feb	Mar	IQ.
EXPORTS	1,613	1,791	1,909	5,313
Traditional products	1,134	1,341	1,394	3,870
Non-traditional products	468	440	507	1,415
Other products	10	10	8	28
IMPORTS	1,772	1,531	1,565	4,867
Consumption goods	315	304	311	930
Raw materials	712	612	734	2,057
Capital goods	737	604	508	1,850
Other goods	9	11	12	31
TRADE BALANCE	-159	260	344	446

Source: BCRP, SUNAT, Zofratacna, Banco de la Nacion and businesses.

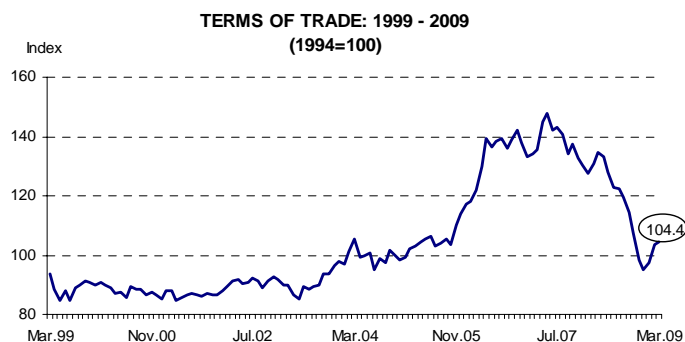
Exports totaled US\$ 1,909 million in March –nominal growth of 6.6 percent compared to February– due to higher volume shipped (4.6 percent), mainly non-traditional products. On the other hand, average export prices increased 1.9 percent, highlighting the higher values of copper and gold.

In the first quarter, the exports totaled US\$ 5,313 million, corresponding US\$ 3,870 million to traditional exports and US\$ 1,415 to non-traditional exports.

Imports amounted a total of US\$ 1,565 million in March, 2.2 percent higher than February, due to the higher volume purchased (1.3 percent). Higher purchases of consumer goods and inputs – petroleum, plastics and organic chemicals– were recorded. The volume purchased of capital goods decreased 15.5 percent.

During the first quarter the imports totaled US\$ 4,867 millions, corresponding US\$ 2,057 million to inputs, US\$ 1,850 million to capital goods and US\$ 930 million to consumer goods.

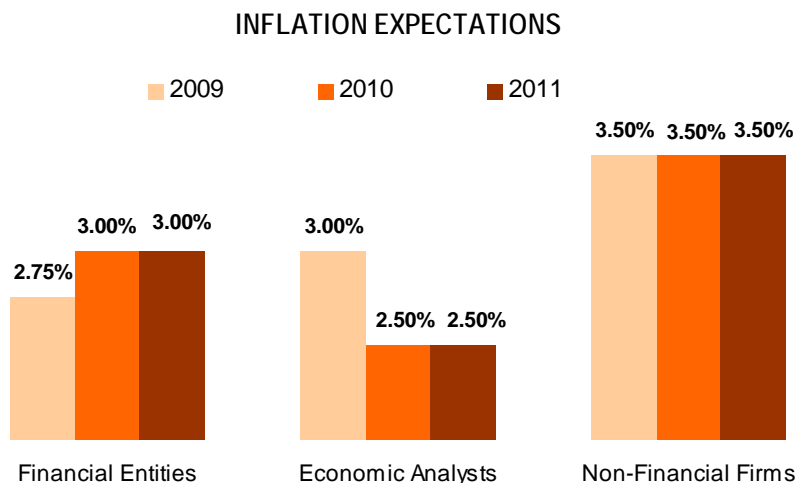
Terms of trade rose 1.0 percent in March compared to February. So far this year, terms of trade has increased 9.8 percent compared to December 2008, explained by higher exports prices 7.3 percent and the drop of import prices -2.3 percent. Is worth to highlight the increase in the price of copper and gold.



Companies expectations improve in the BCRP Macroeconomic Survey

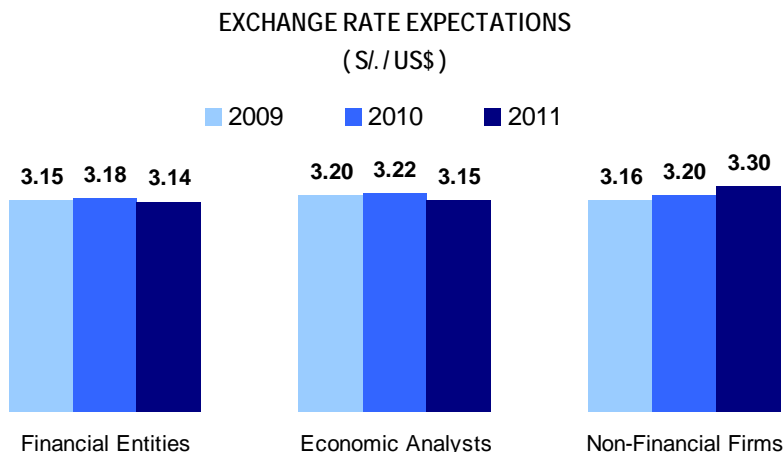
The financial institutions have revised downward their inflation expectations to 2.75 percent for 2009, while economic analysts and non-financial company's expectations have remained at 3.0 and 3.5 percent, respectively.

For 2010 and 2011, the financial institutions and economic analysts forecast and inflation around 2.5 and 3.0 percent, inside the target range.



FSource: Survey on Macroeconomic Expectations, BCRP April 2009.

With regard to the exchange rate expectations, financial institutions estimate an exchange rate of S/. 3.15 per dollar for 2009, while economic analysts forecast S/. 3.20 per dollar and the non-financial companies S/. 3.16 per dollar. By 2010, financial institutions forecast a level of S/. 3.18 per dollar, economic analysts forecast S/. 3.22 per dollar and non-financial companies estimate a level of S/. 3.20 per dollar. While for 2011 the exchange rate forecast of the agents surveyed are between S/. 3.14 and 3.30 per dollar.



Source: Survey on Macroeconomic Expectations, BCRP April 2009.

In April, a higher percentage of companies not presented an increase on the price of inputs.

INPUT PRICES (April 2009 / March 2009)
(As a percentage of the companies that responded)

Sector	Higher	Same	Lower
Agriculture and Fishing	0	80	20
Mining and Fuel	18	55	27
Manufacture	10	72	17
Electricity, Water and Gas	11	89	0
Construction	5	74	21
Transport and Telecommunications	18	74	9
Services	24	76	0
Total	12	75	14
Memo:			
March 2009	9	71	19
February 2009	10	67	23
January 2009	12	63	25

Source: Survey on Macroeconomic Expectations, BCRP April 2009.

At the same time, 70 percent of companies have not changed their sales price.

SALE PRICES (April 2009 / March 2009)
(As a percentage of the companies that responded)

Sector	Higher	Same	Lower
Agriculture and Fishing	0	80	20
Mining and Fuel	67	33	0
Manufacture	13	68	20
Electricity, Water and Gas	22	78	0
Construction	0	100	0
Commerce	15	63	22
Transport and Telecommunications	11	74	14
Services	11	84	5
Total	14	70	16
Memo:			
March 2009	7	72	21
February 2009	8	70	22
January 2009	7	70	23

Source: Survey on Macroeconomic Expectations, BCRP April 2009.

Compared against 3 or 4 months ago, the prices of purchased inputs reduced in 24 percent of the firms and remained at the same level for 62 percent of cases. Among those who have had reductions in the prices of inputs highlight the agricultural sector, especially in fertilizers.

INPUT PRICES (Last 3 to 4 months) / April 2009
(As a percentage of the companies that responded)

Sector	Higher	Same	Lower
Agriculture and Fishing	0	40	60
Mining and Fuel	18	64	18
Manufacture	15	50	35
Electricity, Water and Gas	11	89	0
Construction	16	58	26
Transport and Telecommunications	21	65	15
Services	19	81	0
Total	14	62	24
Memo:			
March 2009	19	58	23
February 2009	21	50	29
January 2009	23	55	22

Source: Survey on Macroeconomic Expectations, BCRP April 2009.

The same happened with the sales prices of 3 or 4 months ago, 66 percent of the firms not present change in their sales prices and 24 percent reduced them.

SALE PRICES (Last 3 to 4 months) / April 2009
(As a percentage of the companies that responded)

Sector	Higher	Same	Lower
Agriculture and Fishing	30	30	40
Mining and Fuel	42	33	25
Manufacture	11	58	31
Electricity, Water and Gas	11	89	0
Construction	0	100	0
Commerce	4	69	28
Transport and Telecommunications	3	79	18
Services	11	84	5
Total	10	66	24
Memo:			
March 2009	16	63	22
February 2009	14	60	26
January 2009	12	66	22

Fuente: Encuesta de Expectativas Macroeconómicas, BCRP Abril 2009

For the next 3 or 4 months, 16 percent of the surveyed firms expect that the price of inputs decline and 76 percent expect they will hold.

INPUT PRICES (next 3 to 4 months) : April 2009
(As a percentage of the companies that responded)

Sector	Higher	Same	Lower
Agriculture and Fishing	0	73	27
Mining and Fuel	9	82	9
Manufacture	7	70	22
Electricity, Water and Gas	44	56	0
Construction	16	63	21
Transport and Telecommunications	0	91	9
Services	6	88	6
Total	8	76	16
Memo:			
March 2009	8	66	26
February 2009	10	68	22
January 2009	11	60	29
April 2008	46	51	2

Source: Survey on Macroeconomic Expectations, BCRP April 2009.

INDEX OF AVERAGE INPUT PRICE
(Next 3 to 4 months)



Source: Survey on Macroeconomic Expectations, BCRP April 2009.

Regarding to the sales price, most firms (70 percent) expects to hold their prices, while 15 percent expect to decrease them. Between the ones who expect to hold their prices highlights the agriculture, fishing and manufacturing sectors.

SALE PRICES (next 3 to 4 months) : April 2009

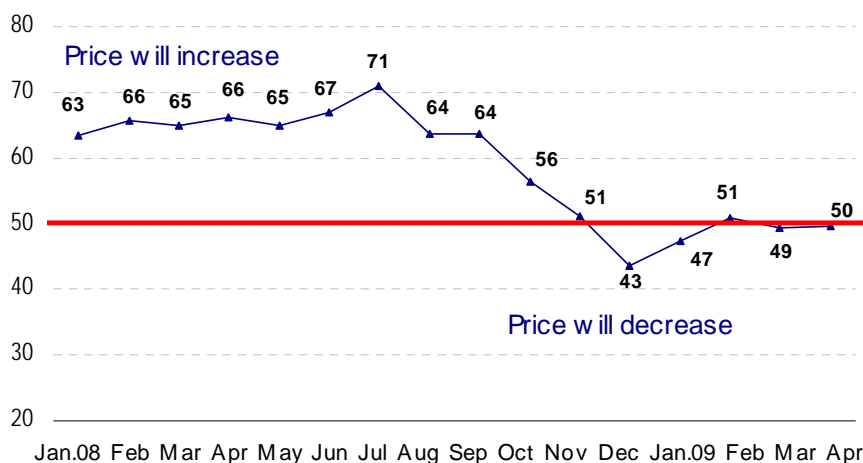
(As a percentage of the companies that responded)

Sector	Higher	Same	Lower
Agriculture and Fishing	9	82	9
Mining and Fuel	33	42	25
Manufacture	13	70	17
Electricity, Water and Gas	78	11	11
Construction	21	74	5
Commerce	11	69	20
Transport and Telecommunications	3	82	15
Services	6	94	0
Total	14	70	15
Memo:			
March 2009	17	65	18
February 2009	17	67	15
January 2009	13	68	19
April 2008	35	62	3

Source: Survey on Macroeconomic Expectations, BCRP April 2009.

INDEX OF AVERAGE SALE PRICE

(Next 3 to 4 months)



Source: Survey on Macroeconomic Expectations, BCRP April 2009.

The BCRP carried out its Monthly Survey on Macroeconomic Expectations in April 2009, among a group of 23 financial entities, 23 economic analysts, and 365 non-financial firms.

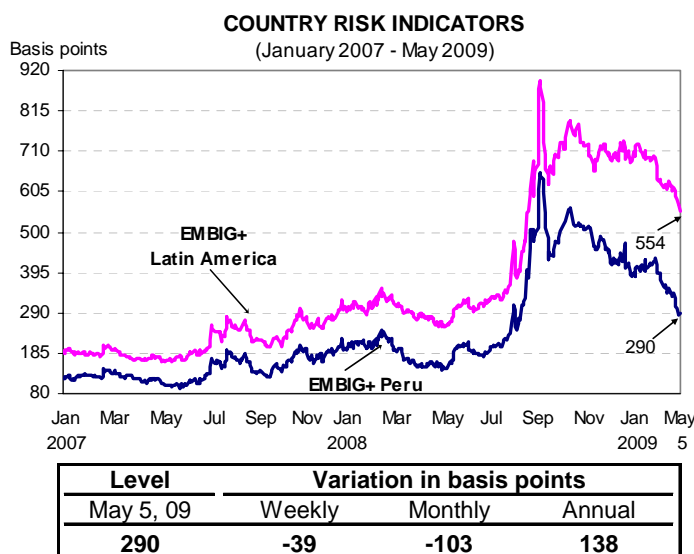
International Markets

Average country risk in May 5 at 290 basis points

On **May 5**, the **EMBI+ Peru** recorded 290 basis points.

In **April**, the average country risk indicator –measured by the **EMBIG+ Peru** spread– dropped from 409 to 360 basis points, showing a similar evolution to the one seen in the region’s spread, which fell 79 basis points in this period.

The fall in the indicator of country risk is explained by lower risk aversion of investors (some indicators of activity declined less-than-expected in United States) and the increase in commodity prices improved the outlook for the region.

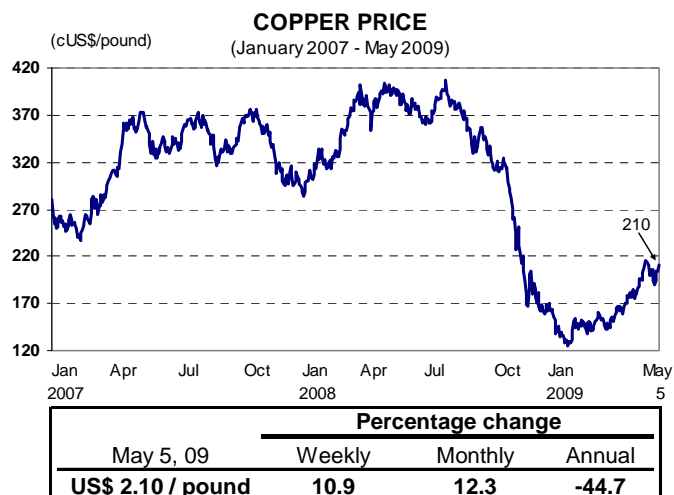


Average price of copper rose to US\$ 2.10 per pound in May 5

On **May 5**, the price of **copper** reached US\$ 2.10 per pound.

The average price of **copper** rose from US\$ 1.70 to US\$ 2.00 per pound (17.5 percent) in April.

The lower inventories in London Metal Exchange and the expectations of improvement in the economy and demand from China pushed the price of the base metal upwards. However, a technical correction of the base metal price, after the price increased at their highest levels since mid-October, partially offset the increased price of copper.



On **May 5**, the price of **gold** reached US\$ 904.9 per troy ounce.

In **April**, the average price of **gold** fell 3.7 percent, from US\$ 925.1 to US\$ 891.3 per troy ounce.

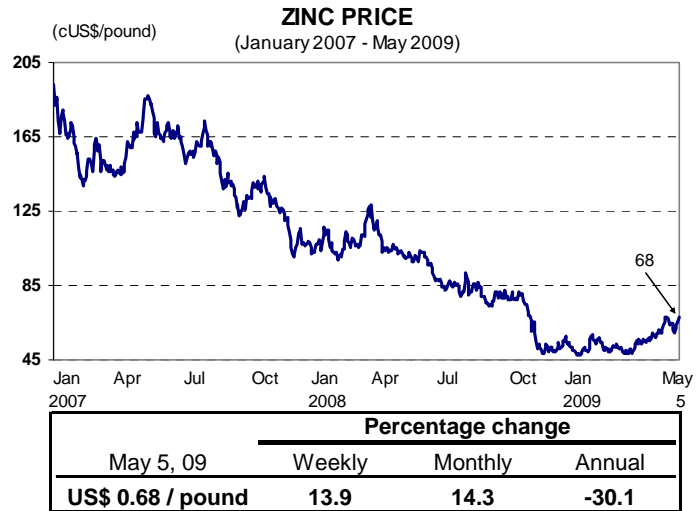
The decrease in gold prices was associated with weak demand from India and the lowest risk aversion that lead to a lower demand for the metal as a haven asset. The increase in gold reserves in China and the publication of reports from mining companies (Newcrest and Freeport Memoran) indicating declines in their production limited the drop of the price of the precious metal.



On **May 5**, the price of zinc posted US\$ 0.68 per pound.

The average price of **zinc** showed a 13.3 increase in **April**, when the pound of zinc rose from US\$ 0.55 to US\$ 0.63.

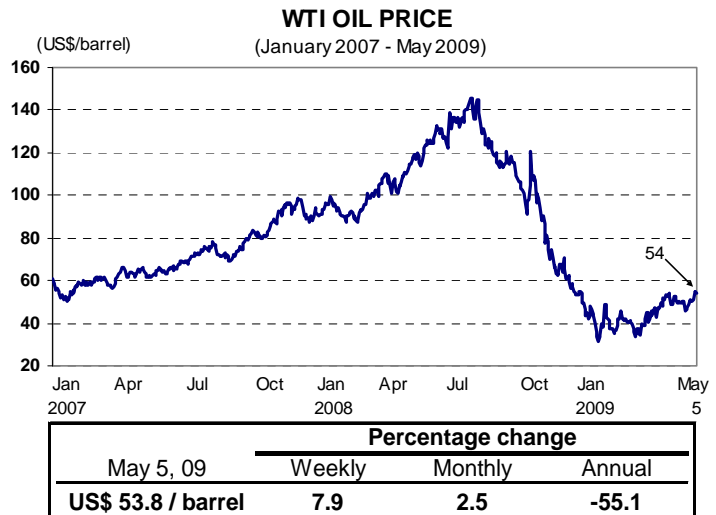
The increase of the price of the basic metal was explained by increased technical purchases and improved expectations about demand from China and the new fiscal stimulus plan announced by Japan.



The price of **WTI oil** reached US\$ 53.8 per barrel on **May 5**.

In **April**, the average price of **WTI oil** increased 3.9 percent, from US\$ 48.0 to US\$ 49.8 the barrel.

The price of oil rose by data showing that Chinese imports of crude oil was near its highest level, from the rise in stock markets, expectations for the start of the summer season and the report Euroilstocks in which indicates that the refineries of Europe would cut its annual production by 2.1 percent in March.

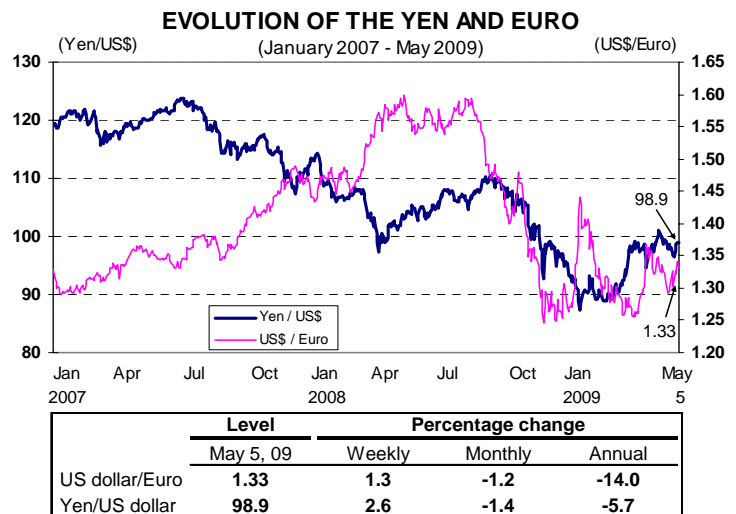


On average, the dollar depreciated against the euro in April

On average, the **dollar** depreciated 0.9 percent against the **euro** in **April**.

The weakness of the dollar was due to the lower risk aversion of agents that reduced the demand for the currency as a hedge asset. Similarly, the decision of the ECB, at the beginning of the month, to cut its interest rate, less than expected in quarter point to 1.25 percent improved the outlook for the euro.

On average the dollar appreciated 1.2 percent against the **yen**.

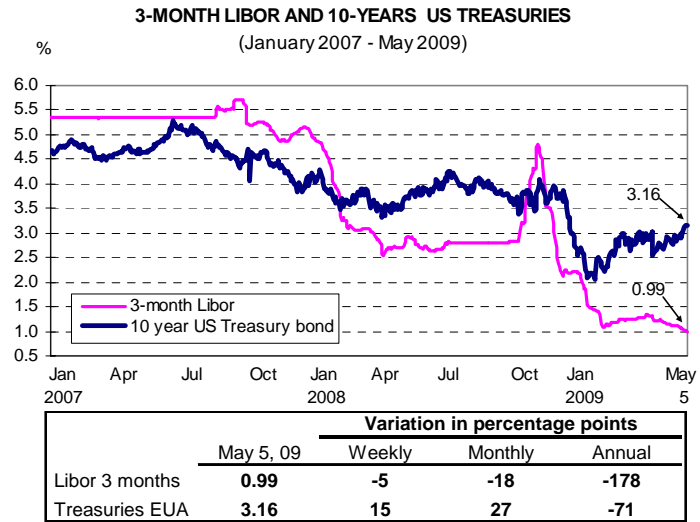


As of **May 5 de mayo**, exchange rates were US\$ 1.33 per euro and 98.9 yens per US dollar.

Yield on US Treasuries increased to 2.88 percent on average in April

On average terms, the **3-month Libor** decreased from 1.27 to 1.11 percent, while the yield on the **10-year Treasury bond** increased from 2.80 to 2.88 percent.

The increase in yield of US Treasury bonds was due to the lower risk aversion of agents, by expectations of higher supply of securities by the Treasury (an imminent new round of debt issuance).



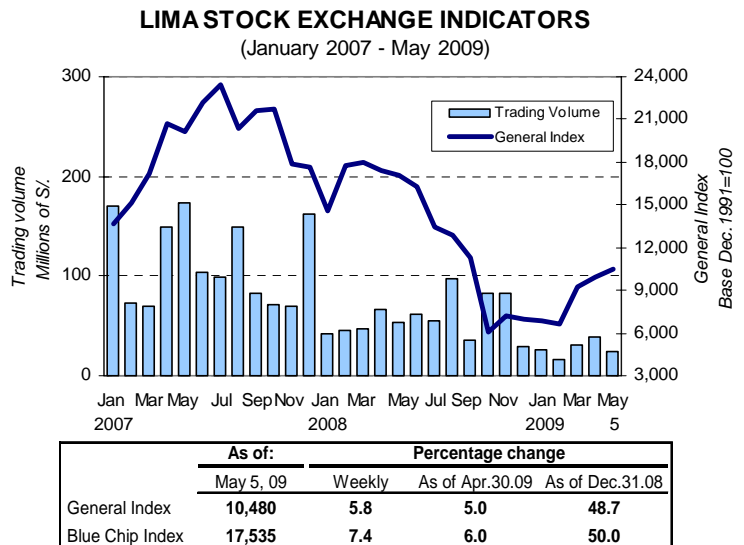
On **May 5**, the **3-month Libor** recorded 0.99 percent and the yield on the **10-year US Treasury bond** recorded 3.16 percent.

Lima Stock Exchange increased 5.0 percent in May 5

As of **May 5**, the **General** and **Blue Chip** indices of the Lima Stock Exchange (LSE) have grown 5.0 and 6.0 percent, respectively

In April, the **General** and **Blue Chip** indices of the Lima Stock Exchange (LSE) increased 8.0 and 12.5 percent, respectively.

The increase of the stock indices during the month was influenced by the increase in banks (11.4 percent), mining (10.0 percent) and industrial (9.7 percent) shares explained by the increase in basic commodities and the improvement of the world stock markets.



Year-to-date, these indices have accumulate gains of 48.7 and 50.0 percent, respectively.

