



Indicators

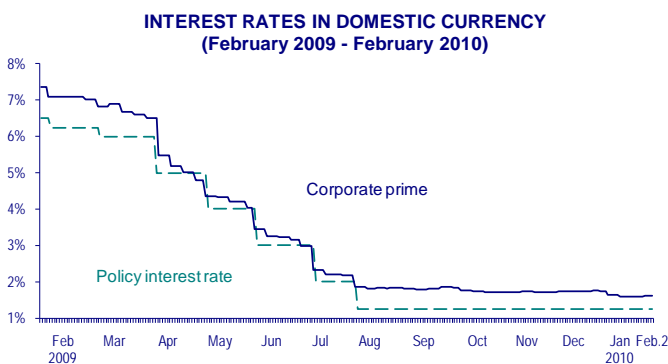
- Corporate interest rate at 1.61 percent
- Interbank interest rate: 1.17 percent
- Exchange rate: S/. 2.850 per US dollar
- Inflation in January: 0.30 percent
- Country risk at 210 bps.
- LSE has grown 3.5 percent so far this year

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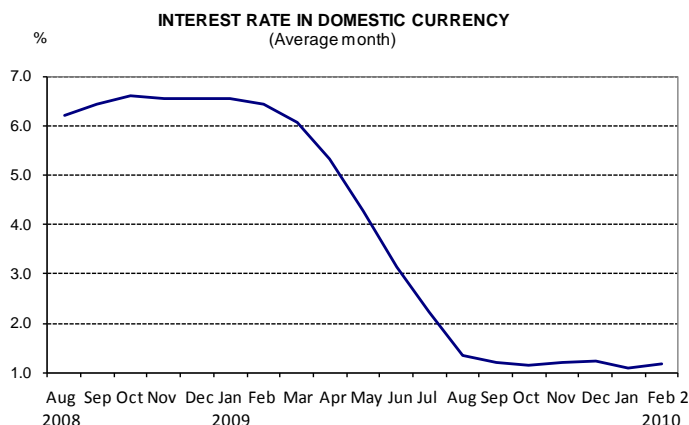
Corporate interest rate in nuevos soles at 1.61 percent

Between **January 26 and February 2**, the average 90-day corporate rate in domestic currency went from 1.60 to 1.61 percent.



Average interbank interest rate: 1.17 percent

So far in February, the daily average of the interbank interest rate in domestic currency stands at 1.17 percent, higher than the average rate in January (1.09 percent). On February 2, this rate was 1.12 percent.



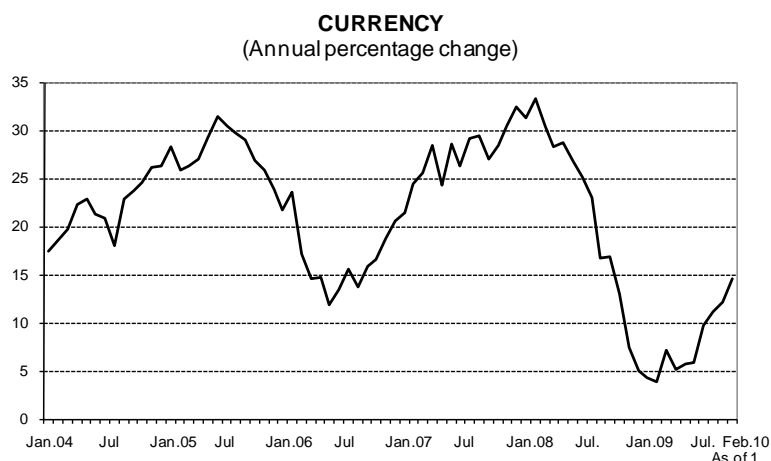
	<u>Average</u>	<u>S.D</u>
December 2008	6.54%	0.03
January 2009	6.55%	0.15
February	6.44%	0.32
March	6.08%	0.13
April	5.33%	0.47
May	4.29%	0.42
June	3.13%	0.40
July	2.23%	0.49
August	1.34%	0.27
September	1.20%	0.07
October	1.15%	0.07
November	1.22%	0.07
December	1.24%	0.02
January 2010	1.08%	0.16
February 2	1.17%	0.08

Monetary operations

Between **January 27 and February 2**, the BCRP made the following monetary operations: i) Auctions of 1-day to up to 152-day CDBCRP for a daily average of S/. 2,496.3 million. The average interest rate on these operations, which reached a balance of S/. 18,704.2 million, was 1.22 percent, and ii) Overnight deposits in domestic currency for a total of S/. 1,093.2 million.

Currency in circulation shrank to S/. 18,304 million

Between January 26 and February 1, **currency in circulation** shrank by S/. 75 million to S/. 18,304 million. Year-to-date, currency in circulation accumulates a reduction of S/. 977 million and records a growth rate of 14.6 percent in the last 12 months (higher than the 12.2 percent rate observed at end January).



BCRP OPERATIONS (Millions of nuevos soles)

	FLOWS				BALANCE		
	Jan-10	From 01/26 to 02/01	Cumulated:		31-Dec-09	31-Jan-10	01-Feb-10
			Monthly *	Annual*			
I. NET INTERNATIONAL POSITION	3,701	-3,902	-3,703	-2	66,436	69,457	65,747
(Millions of US\$)	1,297	-1,367	-1,297	0	22,988	24,286	22,988
A. Foreign Exchange Operations	1,372	1	0	1,372			
1. Over the counter operations	1,385	0	0	1,385			
2. Net swap auctions in FC	-13	0	0	-13	102	89	89
3. Public Sector	0	0	0	0			
4. Other operations	1	1	0	1			
B. Rest of operations	-75	-1,368	-1,297	-1,372			
II. NET INTERNAL ASSETS	-4,628	3,827	3,653	-975	-47,155	-51,102	-47,442
A. Monetary operations	-5,500	1,671	1,434	-4,065	-36,323	-41,823	-40,388
1. Sterilization	-5,500	1,671	1,434	-4,065	-36,323	-41,823	-40,388
a. BCRP Indexed Certificates of Deposit (CDR)	0	0	0	0	0	0	0
b. BCRP Certificates of Deposit (CDBCRP)	-5,232	560	1,054	-4,178	-14,121	-19,352	-18,299
c. BCRP Certificates of Deposit with restricted negotiation	0	0	0	0	0	0	0
d. Overnight Deposits	493	45	79	572	-842	-349	-270
e. Public Sector Deposits in soles	-711	1,065	302	-409	-21,006	-21,717	-21,416
f. Other operations	-51	0	0	-51	-354	-404	-404
2. Injection	0	0	0	0	0	0	0
B. Reserve Requirements in DC **	577	-1,777	-1,505	-928	-4,267	-3,690	-5,195
C. Rest	295	3,933	3,723	4,018			
III. CURRENCY **	-927	-75	-50	-977	19,281	18,354	18,304
(Monthly percentage change)					10.4%	-4.8%	-0.3%
(Accumulated percentage change)					11.2%	-4.8%	-5.1%
(YoY)					11.2%	12.2%	14.6%

* As of February 1, 2010.

** Preliminary data.

Exchange rate: S/. 2.850 per US dollar

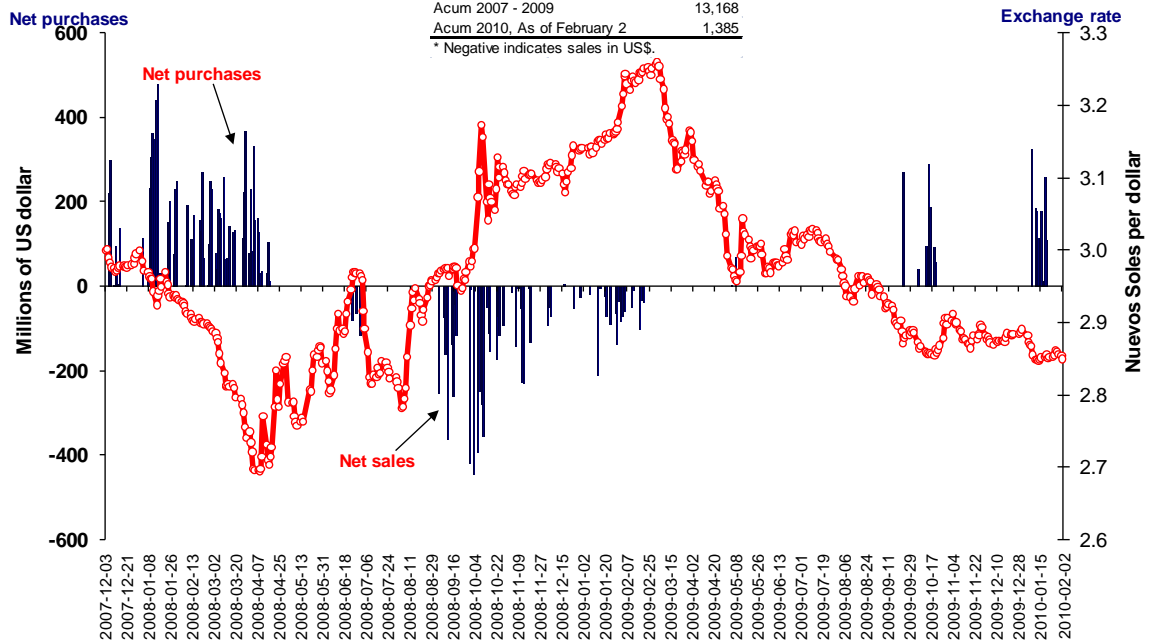
Between January 26 and February 2, the average interbank ask price of the dollar went from S/. 2.855 to S/. 2.850, which represented a depreciation of the nuevo sol of 0.20 percent. The BCRP did not intervene in the foreign exchange market in this period.

EXCHANGE RATE AND NET DOLLAR PURCHASE

(In millions of US\$)

	Purchases*
Acum. 2007	10,306
Jan-Apr 2008	8,728
Jun-Dec 2008	-5,974
Acum 2008	2,754
Acum 2009	108
Acum 2007 - 2009	13,168
Acum 2010, As of February 2	1,385

* Negative indicates sales in US\$.



BALANCE OF NET FORWARD PURCHASES OF FOREIGN CURRENCY
(January 2008 - February 2010)

Between January 26 and February 2, banks' balance of net forward purchases of foreign currency decreased by US\$ 135 million. Compared with end January, the balance of net forward purchases accumulates an increase of US\$ 4 million.



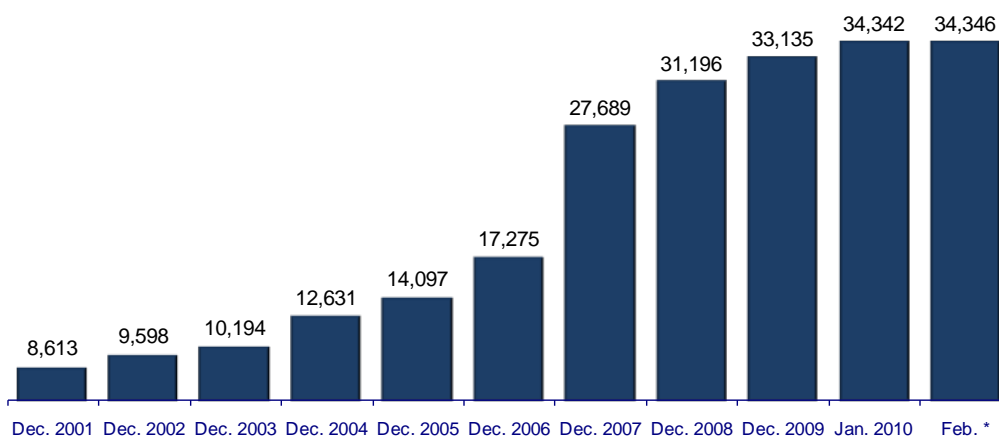
International reserves amounted to US\$ 34,346 million

Net international reserves (NIRs), which amounted to US\$ 34,346 million on February 2, have increased by US\$ 4 million compared with end January.

This result, explained mainly by the higher valuation of investments (up US\$ 65 million), was in part offset by lower deposits from banks (US\$ 52 million) and from the public sector (US\$ 9 million).

The international investment position of the BCRP on February 2 was US\$ 24,351 million, a sum US\$ 65 million higher than the one observed at the close of January 2009.

NET INTERNATIONAL RESERVES
(Millions of US\$)



* As of 2.

Liquidity and credit to the private sector at January 15

In the four weeks prior to January 15, **total liquidity to the private sector** grew 0.4 percent (S/. 393 million). With this, total liquidity accumulated an increase of 12.4 percent in the last 12 months.

Total credit to the private sector declined 0.2 percent (negative flow of S/. 172 million) and accumulated a growth of 8.1 percent in the last 12 months. By currencies, credit in soles fell 0.1 percent (negative flow of S/. 77 million), while credit in dollars fell 0.2 percent (negative flow of US\$ 33 million).

Methodological Note

Base year of Consumer Price Index in Metropolitan Lima changed

As from January 2010, the National Statistics Institute (INEI) calculates the CPI of Metropolitan Lima based on a new structure of household expenditure set on the basis of the National Survey on Family Budget (*Encuesta Nacional de Presupuestos Familiares* - ENAPREF) carried out between May 2008 and April 2009.

The new structure of the household basket implies giving a higher weight to core inflation, mainly due to the higher share of services in terms of overall expenditure. As regards non-core inflation, the lower weight of food is partially compensated by the higher share of utilities, such as mobile phones and the internet, among other services.

CLASIFICACION CORE - NON CORE INFLATION (Weighing)			
	2009	Dec 2001	Difference
Core inflation	65.16	60.57	4.59
Goods	32.92	33.98	-1.06
Food y beverages	11.25	12.97	-1.72
Textiles and footwear	5.51	7.56	-2.05
Electrical Appliances	1.29	0.99	0.30
Other industrial goods	14.86	12.46	2.40
Services	32.24	26.59	5.66
Restaurants	11.74	12.05	-0.31
Education	9.12	5.12	4.00
Renting	2.41	2.26	0.15
Health	1.08	1.28	-0.21
Other services	7.90	5.87	2.03
Non core inflation	34.85	39.43	-4.59
Food	14.83	22.53	-7.69
Fuel	2.79	3.93	-1.14
Transportation	8.87	8.36	0.51
Utilities	8.35	4.61	3.74

Source: INEI.

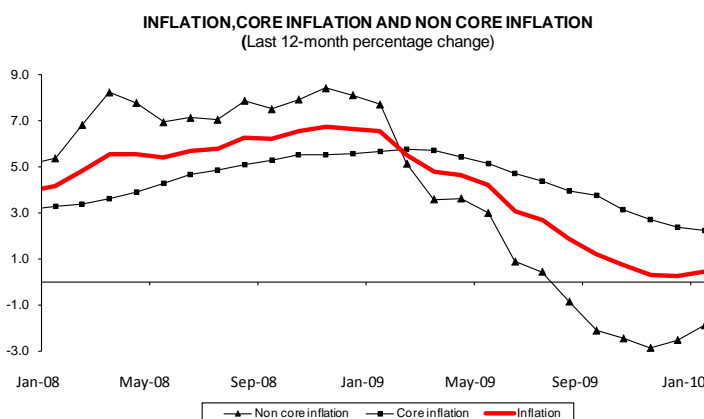
Inflation in January: 0.30 percent

Inflation, which recorded 0.30 percent in January, accumulated a rate of 0.44 percent in the last twelve months.

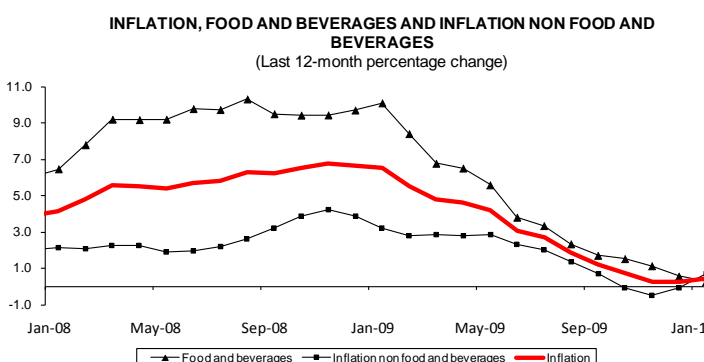
INFLATION
(Accumulated percentage change)

	Weight 2009=100	Monthly		12-month indicator		
		Dec. 2009	Jan. 2010	Jan. 2009	Dec. 2009	Jan. 2010
CPI	100.0	0.32	0.30	6.53	0.25	0.44
Core index	65.2	0.07	0.21	5.66	2.35	2.21
Goods	32.9	0.05	0.27	5.52	2.17	1.98
Services	32.2	0.09	0.15	5.84	2.56	2.49
Non core index	34.8	0.66	0.45	7.71	-2.54	-1.90
food	14.8	0.38	0.86	11.80	-1.41	-1.82
Fuel	2.8	2.32	2.94	-6.53	-12.66	-3.85
Transporting	8.9	1.34	-0.51	5.77	0.37	0.54
Utilities	8.4	-0.89	-0.07	7.44	-2.31	-2.35
Note.-						
Food and beverages	37.8	0.20	0.66	10.09	0.57	0.26
CPI non food and beverages	62.2	0.43	0.08	3.22	-0.07	0.71

Core inflation was 0.21 percent in the month and 2.2 percent in the last 12 months. Non-core inflation recorded 0.45 percent in the month and -1.9 percent in the last 12 months.



Food and beverage inflation showed a rate of 0.66 percent in January and accumulated 0.3 percent in the last 12 months. Inflation excluding food and beverage was 0.08 percent this month (0.7 percent in the last 12 months).



Three items contributed with 0.20 percentage points to this month's inflation rate: fresh legumes (0.08 percentage points), other vegetables, and gasoline (0.06 points each). On the other hand, three items contribute with -0.06 percentage points to this month's inflation rate: corn, grapes, and onion (-0.02 points each).

BCRP survey on macroeconomic expectations: January 2010

According to the BCRP Survey on Macroeconomic Expectations for 2010 carried out in January, financial entities and economic analysts maintain their inflation expectations at 2.1 percent, and non-financial firms maintain their expectations at 2.0 percent. In 2011, the surveyed groups expect a rate of inflation of 2.5 percent.

SURVEY OF MACROECONOMIC EXPECTATIONS: INFLATION

	<u>Survey date:</u>		
	Nov 30	Dec 30	Jan 29
FINANCIAL ENTITIES ^{1/}			
2010	2.2	2.1	2.1
2011	2.5	2.5	2.5
ECONOMIC ANALYSTS ^{2/}			
2010	2.0	2.1	2.1
2011	2.0	2.2	2.5
NON FINANCIAL FIRMS ^{3/}			
2010	2.5	2.0	2.0
2011	2.5	2.5	2.5

^{1/} 22 financial entities in November and December, and 19 in January 2010.

^{2/} 27 analysts in November, 18 in December, and 24 in January 2010.

^{3/} Sample of firms of various economic sectors.

Financial entities have lowered the exchange rate they expect for 2010 from S/. 2.89 to S/. 2.85 per dollar; economic analyst from S/. 2.87 to S/. 2.80 per dollar, and non financial firms from S/. 2.95 to S/. 2.90 per dollar.

In 2011 the dollar is expected to be traded at between 2.80 and 3.00 nuevos soles.

SURVEY OF MACROECONOMIC EXPECTATIONS: EXCHANGE RATE*

	<u>Survey date:</u>		
	Nov 30	Dec 30	Jan 29
FINANCIAL ENTITIES ^{1/}			
2010	2.88	2.89	2.85
2011	2.90	2.90	2.80
ECONOMIC ANALYSTS ^{2/}			
2010	2.90	2.87	2.80
2011	2.85	2.85	2.85
NON FINANCIAL FIRMS ^{3/}			
2010	3.00	2.95	2.90
2011	3.00	3.00	3.00

^{1/} 22 financial entities in November and December, and 19 in January 2010.

^{2/} 27 analysts in November, 18 in December, and 24 in January 2010.

^{3/} Sample of firms of various economic sectors.

* Exchange rate at the end-of-year.

The survey results show that higher levels of GDP growth are expected by financial entities and non-financial firms in 2010: the former increased their estimates from 4.1 to 4.5 percent and the latter increased them from 4.0 to 4.5 percent. On the other hand, economic analysts maintain their projections at 4.5 percent.

All the surveyed groups expect GDP to grow 5.0 percent in 2011.

SURVEY OF MACROECONOMIC EXPECTATIONS: GDP GROWTH

	Survey date:		
	Nov 30	Dec 30	Jan 29
FINANCIAL ENTITIES ^{1/}			
2010	4.0	4.1	4.5
2011	5.0	5.0	5.0
ECONOMIC ANALYSTS ^{2/}			
2010	4.0	4.5	4.5
2011	5.0	5.0	5.0
NON FINANCIAL FIRMS ^{3/}			
2010	4.0	4.0	4.5
2011	5.0	5.0	5.0

^{1/} 22 financial entities in November and December, and 19 in January 2010.

^{2/} 27 analysts in November, 18 in December, and 24 in January 2010.

^{3/} Sample of firms of various economic sectors.

Operations of the non-financial public sector: December 2009

According to preliminary data of the Sistema Integrado de Administración Financiera (SIAF), the operations of the non-financial public sector recorded a deficit of S/. 6,831 million in December and a deficit of S/. 8,420 million in 2009. As customary in budget year accounting practices, part of the accrued expenditure is annulled in subsequent months.

NON FINANCIAL PUBLIC SECTOR OPERATIONS (NFPS) ^{1/} (Millions of nuevos soles)

	DECEMBER			YEAR		
	2008	2009	Real % chg.	2008	2009	Real % chg.
1. General Government Revenue	6,002	6,163	2.4	77,710	70,304	- 12.1
a. Tax revenue	4,717	4,798	1.5	59,555	53,250	- 13.1
National	4,612	4,685	1.3	58,242	52,011	- 13.2
Local	105	113	7.4	1,313	1,239	- 8.3
b. Non tax revenue	1,285	1,366	6.0	18,155	17,054	- 8.7
National	1,083	1,176	8.3	15,143	14,234	- 8.7
Local	160	174	8.3	1,950	2,056	2.4
Regional	42	16	- 61.3	1,062	763	- 30.2
2. General Non Financial Expenditure	8,561	12,844	49.7	64,367	74,854	13.0
a. Current	5,526	6,978	26.0	49,204	52,939	4.5
b. Capital	3,035	5,867	92.8	15,163	21,914	40.4
Of which: Gross Capital Formation	2,904	5,348	83.7	14,551	19,962	33.3
3. Other ^{2/}	505	-31		334	1,141	
4. Primary Balance	-2,053	-6,712		13,677	-3,409	
5. Interests	346	118	-65.9	5,883	5,011	-17.2
External	276	91	-67.3	3,350	3,101	-10.1
Domestic	70	28	-60.0	2,533	1,910	-26.8
6. NFPS Overall Balance	-2,399	-6,831		7,794	-8,420	

^{1/} Preliminary.

^{2/} Includes Capital revenue of General Government and state companies primary balance.

Source: MEF, BN, Sunat, EsSalud, public welfare agencies, state companies and public institutions.

The current revenue of the general government amounted to S/. 6,163 million in December. This result, which represents a real increase of 2.4 percent compared with the same period last year, is explained by higher tax and non tax revenues (up S/. 162 million). The recovery of tax revenue was mainly associated with higher revenue from income tax (6.8 percent in real terms) and from the domestic VAT (14.2 percent in real terms).

The non financial expenditure of the general government (S/. 12,844 million) grew by a real 49.7 percent compared with the same period in 2008 due to the increase of gross capital formation (83.7 percent) and purchases of goods and services (38.4 percent).

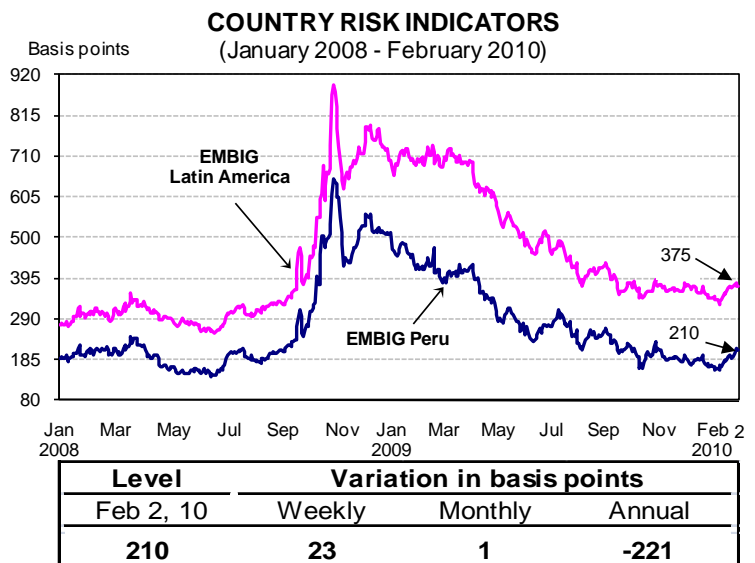
International Markets

Country risk at 210 basis points

On **February 2**, the **EMBIG Peru** posted 210 basis points.

In **January**, the average country risk, measured by the **EMBIG Peru** spread, rose from 179 in December to 180 basis points, whereas the region's spread fell 6 basis points in this period.

The drop of the emerging debt spread is associated with the fall of Venezuela's spread after S&P revised its credit outlook from negative to stable.



Price of gold at US\$ 1,112.5/troy ounce

On **February 2**, the price of **gold** recorded US\$ 1,112.5 per troy ounce.

In **January**, the average price of **gold** fell from US\$ 1,130.4 in December to US\$ 1,117.5/troy ounce (1.1 percent).

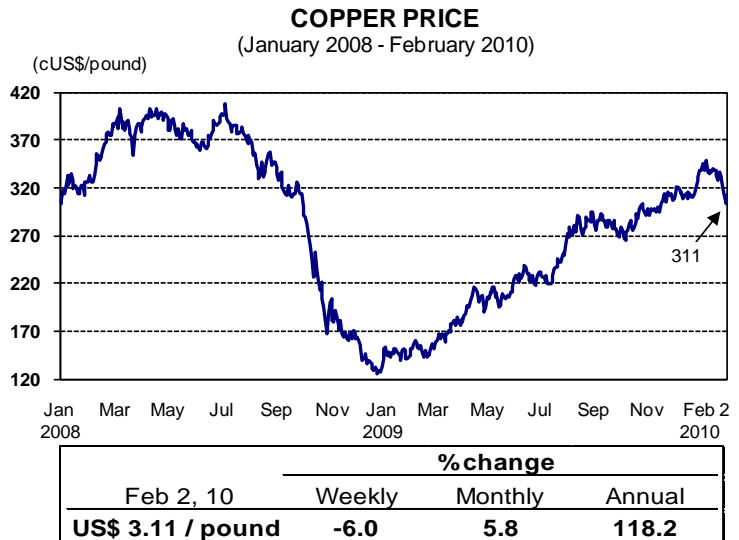
The strengthening of the dollar sustained this price fall.



On **February 2** the price of **copper** posted US\$ 3.11/pound.

In **January**, the average price of **copper** increased 5.8 percent, from US\$ 3.17 in December to US\$ 3.35 per pound, despite the increase of inventories at the London Metal Exchange.

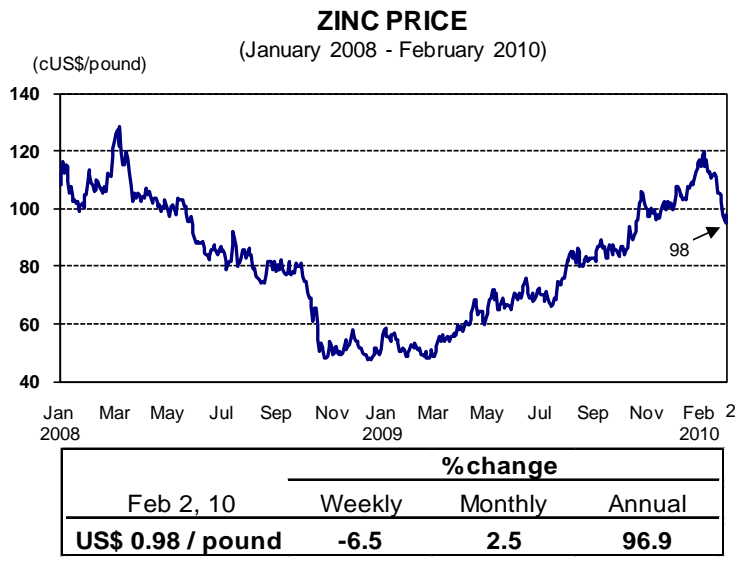
The price of copper in January was favored by data on the strong growth of China's imports in December which improved the outlook for the demand for basic metals.



On **February 2** the price of **zinc** reached US\$ 0.98/pound.

The average price of **zinc** recorded an increase of 2.5 percent in January, when it rose from US\$ 1.08 to US\$ 1.10/pound.

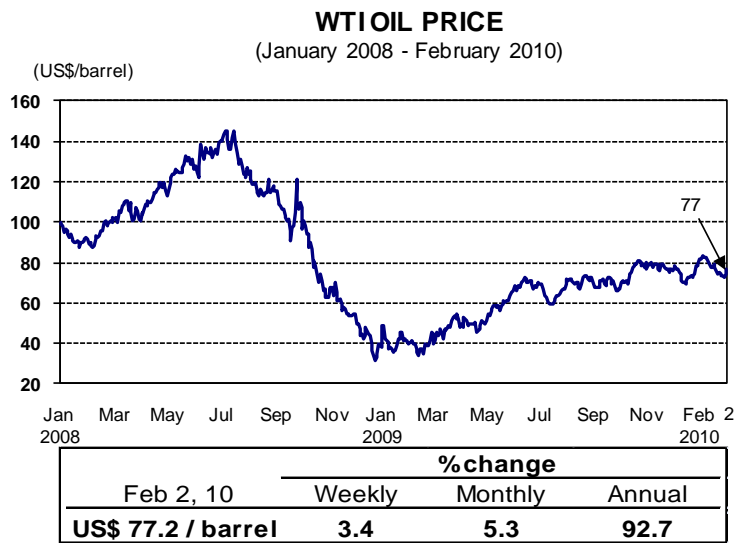
The price of zinc rose in **January** as a result of better expectations given China's higher demand. Nonetheless, this increase was partially offset by data of the ILZSG (International Lead and Zinc Study Group) indicating that production in January-November 2009 had increased compared with the same period in 2008.



On **February 2**, the price of **WTI oil** recorded US\$ 77.2/barrel.

In **January**, the average price of **WTI oil** increased 5.3 percent, from US\$ 74.3 in December to US\$ 78.2 per barrel.

The price of oil continues recovering following the evolution of the drop of crude inventories in the U.S.



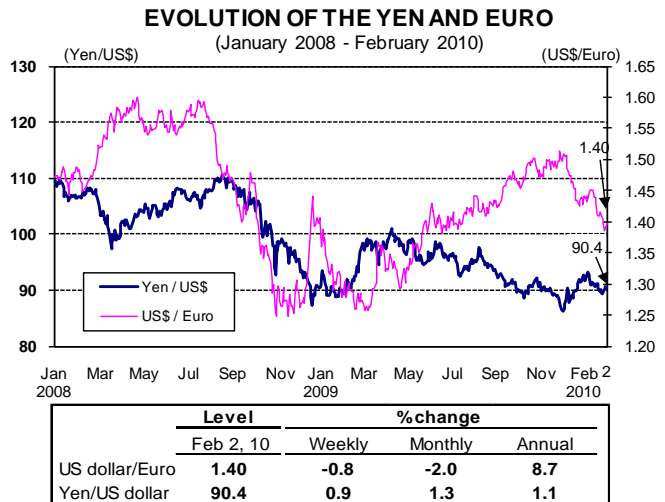
Dollar appreciated on average against the euro and the yen in January

In **January** the **dollar** appreciated on average 2.0 percent against the **euro**.

The dollar's appreciatory trend is supported by higher risk aversion, while the European currency tended to depreciated due to fiscal weakness in countries such as Greece, Portugal, and Spain.

The dollar appreciated on average 1.3 percent against the **yen** in January.

On **February 2**, the exchange rate was 1.40 dollars per euro and 90.4 yen per dollar.

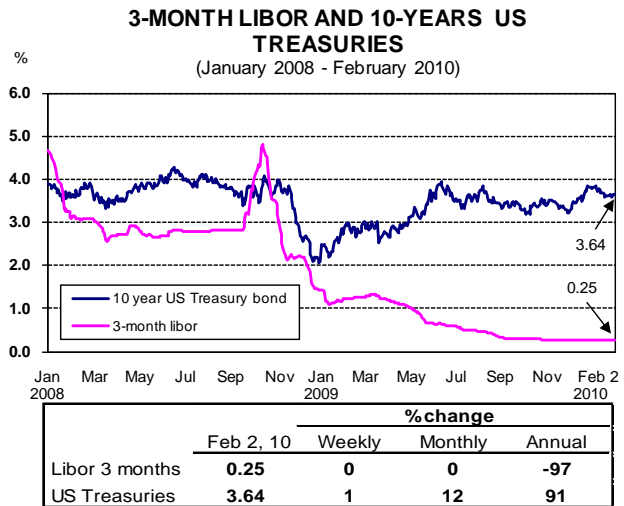


Yield on US Treasuries increased on average 3.71 percent in January

On average terms, the **3-month Libor** remained at 0.25 percent, while the yield on the 10-year US **Treasury** bond increased from 3.56 in December to 3.71 percent in **January**, despite higher risk aversion in financial markets.

The evolution of the yield on Treasuries was associated with the issuance of new debt during this month.

On **February 2**, the 3-month Libor posted 0.25 percent and the yield on the 10-year Treasury bond recorded 3.64 percent.



Profitability of the Lima Stock Exchange: 1.9 percent in January

On **February 2**, the **General** index of the Lima Stock Exchange (LSE) increased 0.7 percent and the **Selective** index increased 1.2 percent.

In **January**, the General and Blue Chip indices of the LSE showed positive performances, increasing 1.9 and 1.2 percent, respectively.

The LSE recorded gains due to the advance of mining and industrial shares amidst the rise of the international prices of metals. The conduct of the LSE was in line with the evolution of the main stock markets in the region.

Year-to-date, the indices of the LSE accumulate gains of 3.5 and 3.7 percent, respectively.

