



Indicators

- Corporate interest rate at 1.67 percent
- Interbank interest rate: 1.23 percent
- Exchange rate: S/. 2.844 per US dollar
- Country risk at 169 bps.
- LSE grew 1.5 percent

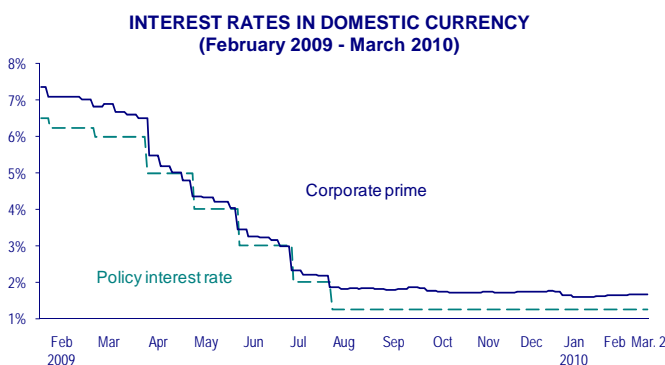
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Corporate interest rate in nuevos soles at 1.67 percent

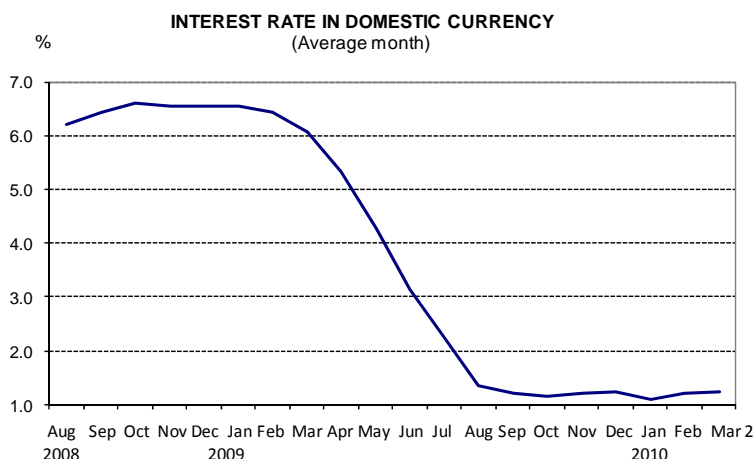
Between February 24 and March 2, the average corporate interest rate in domestic currency increased 1 basis point compared with the previous week and recorded 1.67 percent.

On the other hand, the average corporate interest rate in foreign currency, which increased 3 basis points compared with the previous week, recorded 1.31 percent.



Average interbank interest rate in February: 1.22 percent

In February, the average interbank interest rate in domestic currency was 1.21 percent. On March 2, this rate stood at 1.23 percent.



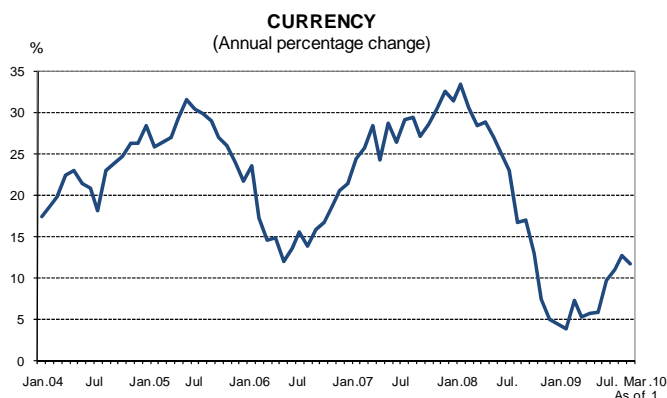
	Average interbank rate	
	Average	S.D
December 2008	6.54%	0.03
January 2009	6.55%	0.15
February	6.44%	0.32
March	6.08%	0.13
April	5.33%	0.47
May	4.29%	0.42
June	3.13%	0.40
July	2.23%	0.49
August	1.34%	0.27
September	1.20%	0.07
October	1.15%	0.07
November	1.22%	0.07
December	1.24%	0.02
January 2010	1.09%	0.16
February	1.21%	0.03
March 2	1.23%	0.00

Monetary operations

Between February 23 and March 2, the BCRP made the following monetary operations: i) Auctions of 1-day to up to 32-day CDBCRP for a daily average of S/. 716.4 million. The average interest rate on these operations, which reached a balance of S/. 19,443.73 million, was 1.17 percent; ii) Purchases of foreign currency for a total of US\$ 2 million, and iii) Overnight deposits in domestic currency for a total of S/. 249.2 million.

Currency in circulation amounted to S/. 18,257 million on March 1

Between February 23 and March 1, **currency in circulation** shrank by S/. 8 million to S/. 18,257 million. In this way, year-to-date currency in circulation accumulates a reduction of S/. 984 million. With this result, currency has grown 11.3 percent in the last 12 months.



BCRP OPERATIONS (Millions of nuevos soles)

	FLOWS				BALANCE		
	Jan-10	From 02/23 to 03/01	Cumulated:		31-Dec-09	28-Feb-10	01-Mar-10
			Monthly *	Annual*			
I. NET INTERNATIONAL POSITION	3,701	267	-16	3,685	66,436	69,199	68,956
(Millions of US\$)	1,297	94	-5	1,292	22,988	24,280	24,280
A. Foreign Exchange Operations	1,372	2	0	1,375			
1. Over the counter operations	1,385	2	0	1,387			
2. Net swap auctions in FC	-13	0	0	-13	102	89	89
3. Public Sector	0	0	0	0			
4. Other operations	1	0	0	1			
B. Rest of operations	-75	92	-5	-83			
II. NET INTERNAL ASSETS	-4,477	-275	-122	-4,669	-47,195	-50,872	-50,699
A. Monetary operations	-5,500	954	-118	-4,379	-36,323	-41,940	-40,702
1. Sterilization	-5,500	954	-118	-4,379	-36,323	-41,940	-40,702
a. BCRP Certificates of Deposit (CDBCRP)	-5,232	464	-706	-4,924	-14,121	-20,058	-19,044
b. Overnight Deposits	493	71	185	752	-842	-165	-90
c. Public Sector Deposits in soles	-711	421	410	-151	-21,006	-21,307	-21,157
d. Other operations	-51	0	-7	-57	-354	-411	-411
2. Injection	0	0	0	0	0	0	0
B. Reserve Requirements in DC **	728	-991	-64	-670	-4,307	-3,643	-4,977
C. Rest	295	-239	60	381			
III. CURRENCY **	-776	-8	-138	-984	19,241	18,327	18,257
(Monthly percentage change)					10.3%	-0.7%	-0.4%
(Accumulated percentage change)					11.0%	-4.8%	-5.1%
(YoY)					11.0%	11.7%	11.3%

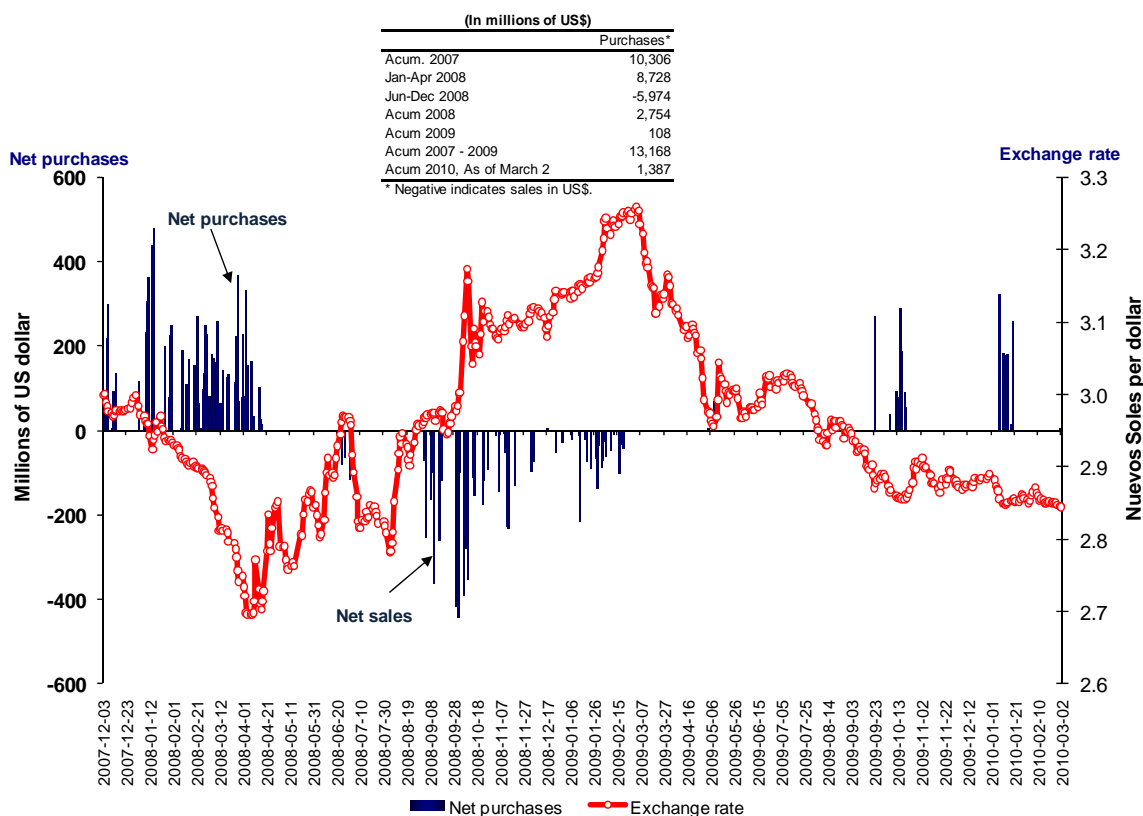
* As of March 1, 2010.

** Preliminary data.

Exchange rate: US dollar traded at S/. 2.844

Between February 23 and March 2, the average interbank ask price of the dollar went from S/. 2.851 to S/. 2.844, which represented an appreciation of the nuevo sol of 0.25 percent. In this period, the BCRP intervened in the foreign exchange market buying FC for a total of US\$ 2 million.

EXCHANGE RATE AND NET DOLLAR PURCHASE



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

Between February 23 and March 2, banks' balance of net forward purchases of foreign currency increased by US\$ 23 million and accumulated a balance of US\$ 1,701 million. Compared with end February, the balance of net forward purchases accumulates an increase of US\$ 24 million.



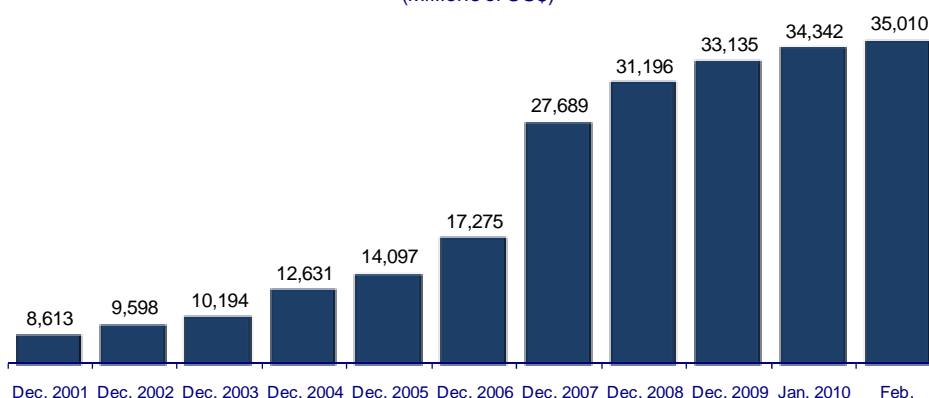
International reserves amounted to US\$ 35,010 million at end February

On February 26, net international reserves (NIRs) amounted to US\$ 35,010 million. This amount of reserves is US\$ 667 million higher than the one observed at end January. NIRs have accumulated an increase of US\$ 1,875 million in the first two months of this year.

This higher level of NIRs observed in February is mainly due to banks' higher deposits (US\$ 723 million) and to higher investment yield (US\$ 56 million). This result was in part offset by lower public sector deposits (US\$ 76 million) and by the lower valuation of investments (US\$ 60 million).

The international investment position of the BCRP at end February was US\$ 24,280 million, an amount US\$ 5 million lower than the one observed at end January.

NET INTERNATIONAL RESERVES
(Millions of US\$)



Liquidity and credit to the private sector at February 15

In the last four weeks, **total liquidity to the private sector** grew 1.3 percent (S/. 1,421 million), mainly due to the 3.5 percent increase of liquidity in soles (S/. 1,901 million). With this, overall liquidity has accumulated an increase of 12.8 percent in the last 12 months.

Total credit to the private sector grew 1.1 percent (S/. 1,160 million) and accumulated a growth of 8.9 percent in the last 12 months. By currencies, credit in soles has grown 0.9 percent (S/. 509 million), while credit in dollars has grown 1.3 percent (US\$ 225 million).

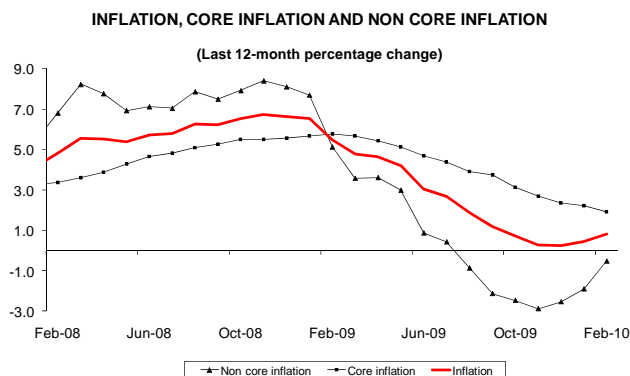
Inflation in February: 0.32 percent

The rate of inflation in February was 0.32 percent. With this, last-12 month inflation accumulates a rate of 0.84 percent.

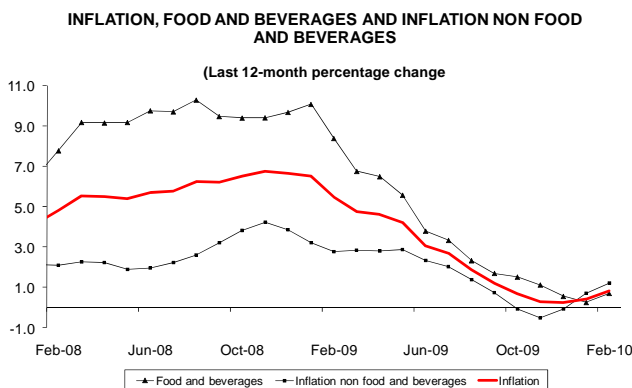
INFLATION
(Accumulated percentage change)

	Weight 2009=100	Monthly		12-month indicator		
		Jan. 2009	Feb. 2010	Feb. 2009	Jan. 2009	Feb. 2010
CPI	100.0	0.30	0.32	5.49	0.44	0.84
Core index	65.2	0.21	0.17	5.77	2.21	1.91
Goods	32.9	0.27	0.23	5.63	1.98	1.76
Services	32.2	0.15	0.11	5.94	2.49	2.13
Non core index	34.8	0.45	0.61	5.13	-1.90	-0.52
Food	14.8	0.86	1.05	8.51	-1.82	-0.80
Fuel	2.8	2.94	0.54	-13.68	-3.85	4.55
Transporting	8.9	-0.51	-0.09	5.97	0.54	0.33
Utilities	8.4	-0.07	0.59	9.14	-2.35	-2.41
Note.-						
Food and beverages	37.8	0.66	0.69	8.40	0.26	0.71
CPI non food and beverages	62.2	0.08	0.10	2.78	0.71	1.21

Core inflation showed a rate of 0.17 percent in the month and a rate of 1.9 percent in the last 12 months. Non-core inflation recorded 0.61 percent in the month and -0.5 percent in the last 12 months.



Food and beverage inflation, which recorded a rate of 0.69 percent in February, accumulated 0.7 percent in the last 12 months. Moreover, inflation without food and beverages recorded a rate of 0.10 percent in the month and a rate of 1.2 percent in the last 12 months.



In February, three items contributed with 0.14 percentage points to this month's inflation rate: potato, electricity (0.05 points each), and sugar (0.04 points). On the other hand, three items contributed with -0.11 percentage points to inflation this month: chicken meat (-0.07 percentage points), citrus fruits, and urban fares (-0.02 points each).

BCRP survey on macroeconomic expectations: February 2010

According to the BCRP Survey on Macroeconomic Expectations carried out in February, financial entities and non-financial firms continue expecting a rate of inflation of 2.1 percent and 2.0 percent, respectively, while analysts have increased their estimates from 2.1 to 2.2 percent. In 2011, the surveyed groups expect an inflation rate of between 2.5 and 2.7 percent.

SURVEY OF MACROECONOMIC EXPECTATIONS: INFLATION

	Encuesta realizada al:		
	Dec 30.	Jan.29	Feb.26
FINANCIAL ENTITIES ^{1/}			
2010	2.1	2.1	2.1
2011	2.5	2.5	2.5
2012	-	-	2.7
ECONOMIC ANALYSTS ^{2/}			
2010	2.1	2.1	2.2
2011	2.2	2.5	2.5
2012	-	-	2.5
NON FINANCIAL FIRMS ^{3/}			
2010	2.0	2.0	2.0
2011	2.5	2.5	2.5
2012	-	-	2.5

^{1/} 22 financial entities in December 2009, 19 in January, and 20 February 2010.

^{2/} 18 analysts in December, 24 in January, and 22 in February 2010.

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

Financial entities lowered their estimates of the exchange rate they expect in 2010 from S/. 2.85 to S/. 2.80 per dollar, while economic analysts have increased their estimates from S/. 2.80 to S/. 2.85 per dollar and non financial firms continue to expect an exchange rate of S/. 2.90 per dollar.

In 2011 the surveyed groups expect the dollar to be traded at between S/. 2.82 and S/. 2.95, while in 2012 they expect an exchange rate of between S/. 2.80 and S/. 3.00.

SURVEY OF MACROECONOMIC EXPECTATIONS: EXCHANGE RATE*

	<u>Encuesta realizada al:</u>		
	Dec 30.	Jan.29	Feb.26
FINANCIAL ENTITIES ^{1/}			
2010	2.89	2.85	2.80
2011	2.90	2.80	2.82
2012	--	--	2.85
ECONOMIC ANALYSTS ^{2/}			
2010	2.87	2.80	2.85
2011	2.85	2.85	2.82
2012	--	--	2.80
NON FINANCIAL FIRMS ^{3/}			
2010	2.95	2.90	2.90
2011	3.00	3.00	2.95
2012	--	--	3.00

^{1/} 22 financial entities in December 2009, 19 in January, and 20 February 2010.

^{2/} 18 analysts in December, 24 in January, and 22 in February 2010.

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

* Exchange rate at the end-of-year.

According to the February survey, financial entities now expect a higher growth of GDP in 2010 (estimates have been increased from 4.5 to 5.0 percent), while economic analysts and non financial firms maintain their projections at 4.5 percent.

All the surveyed groups expect GDP to grow 5.0 percent in 2011. A GDP growth rate of between 5.5 and 5.6 percent is expected in 2012.

SURVEY OF MACROECONOMIC EXPECTATIONS: GDP GROWTH (%)

	<u>Encuesta realizada al:</u>		
	Dec 30.	Jan.29	Feb.26
FINANCIAL ENTITIES ^{1/}			
2010	4.1	4.5	5.0
2011	5.0	5.0	5.0
2012	--	--	5.5
ECONOMIC ANALYSTS ^{2/}			
2010	4.5	4.5	4.5
2011	5.0	5.0	5.0
2012	--	--	5.6
NON FINANCIAL FIRMS ^{3/}			
2010	4.0	4.5	4.5
2011	5.0	5.0	5.0
2012	--	--	5.5

^{1/} 22 financial entities in December 2009, 19 in January, and 20 February 2010.

^{2/} 18 analysts in December, 24 in January, and 22 in February 2010.

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

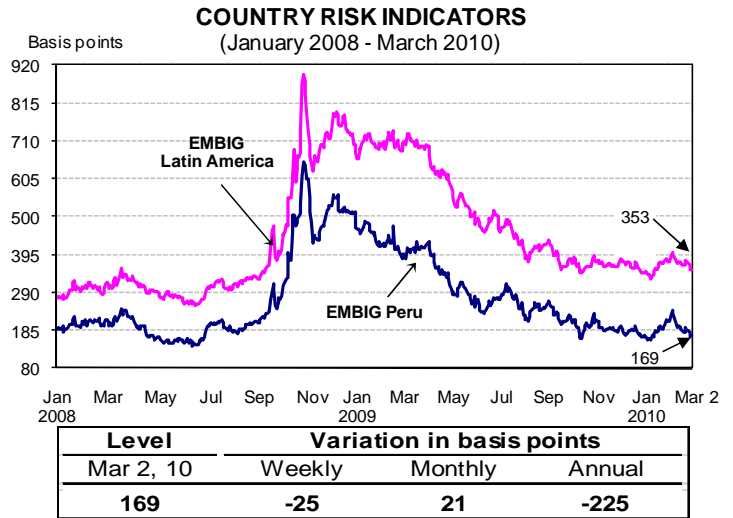
International Markets

Country risk at 169 basis points

On **March 2**, the **EMBIG Peru** recorded 169 basis points.

In **February**, the average country risk, measured by the **EMBIG Peru** spread, increased to 200 basis points from 180 basis points in January. The evolution of the EMBIG PERU is similar to that of the region's spread, which increased 21 basis points in this period.

This increase in the Latin American debt spread is associated with higher risk aversion as a result of the climate of volatility generated by fears about Greece's fiscal situation.



Price of gold recorded US\$ 1,131.4 a troy ounce

On **March 2**, the price of **gold** recorded US\$ 1,131.4 a troy ounce.

In **February**, the average price of **gold** fell 1.8 percent to US\$ 1,097.2 from US\$ 1,117.5 a troy ounce in January.

The fall in the price of gold was associated with the appreciation of the dollar and with the IMF's announcement that it would sell its remainder of gold (191 tons) through open market operations during 2010.



The price of **copper** posted US\$ 3.34/pound on **March 2**.

In **February**, the average price of **copper** fell 7.3 percent, from US\$ 3.35 in January to US\$ 3.11 a pound.

The price of copper was driven by the greater availability of inventories in global stock markets, by unfavorable indicators of economic activity in Europe, and by China's lower imports of refined copper and Japan's higher production.



On **March 2** the price of **zinc** rose to US\$ 1.00/pound.

In **February**, the average price of **zinc** recorded a decline of 11.4 percent when it fell from US\$ 1.10 in January to US\$ 0.98/pound.

The decline of the price of this basic metal was mainly associated with expectations of lower demand (China), with the appreciation of the dollar, and with the increase of inventories in the main metal exchange stock markets.

On **March 2**, the average price of WTI oil increased to US\$ 79.7 per barrel.

In **February**, the average price of **WTI oil** fell to US\$ 76.3/barrel from US\$ 78.2 in January (2.4 percent).

This price drop is explained on the one hand by the higher availability of crude in the United States (due to lower demand), as reported by the US Energy Department, and by concerns about a new contraction of global demand associated with financial problems in Europe.

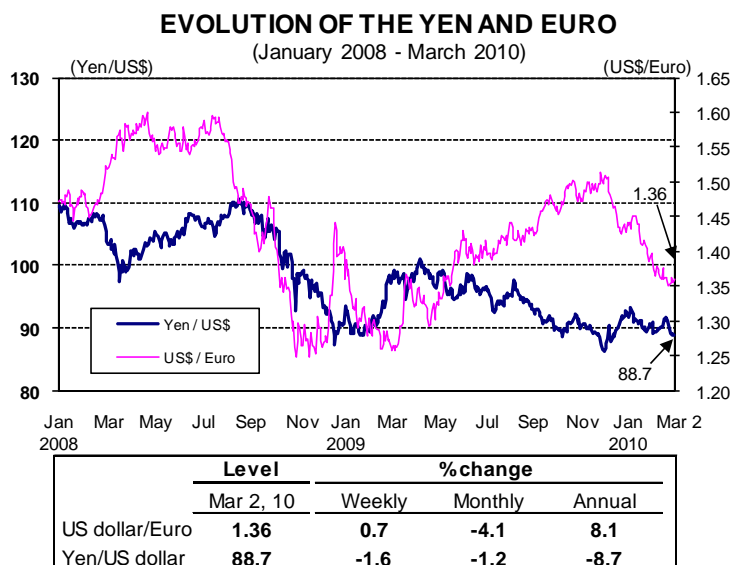
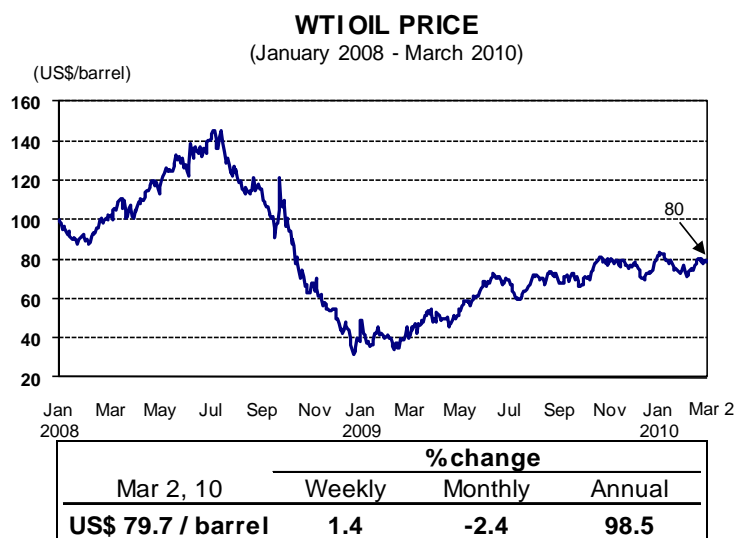
US dollar appreciated against the euro in February

In **February**, the **dollar** appreciated on average 4.1 percent against the **euro**.

This evolution of the US currency against the euro reflected uncertainty about fiscal conditions in Greece.

The dollar depreciated on average 1.2 percent against the **yen** due to increased risk aversion which reverted carry trade operations.

On **March 2**, the exchange rate was US\$ 1.36 per euro and 88.7 yen per US dollar.



Yield on US Treasuries declined to 3.67 percent on average in February

In **February**, on average terms the **3-month Libor** remained constant at 0.25 percent, while the yield on the 10-year **Treasury bond** declined from 3.71 in January to 3.67 percent.

The yield on the US Treasuries declined as a result of higher risk aversion among investors.

3-MONTH LIBOR AND 10-YEARS US TREASURIES



	%change			
	Mar 2, 10	Weekly	Monthly	Annual
Libor 3 months	0.25	0	0	-101
US Treasuries	3.61	-8	-3	74

On March 2, the **3-month Libor** recorded 0.25 percent and the yield on the 10-year US Treasury bond recorded 3.61 percent.

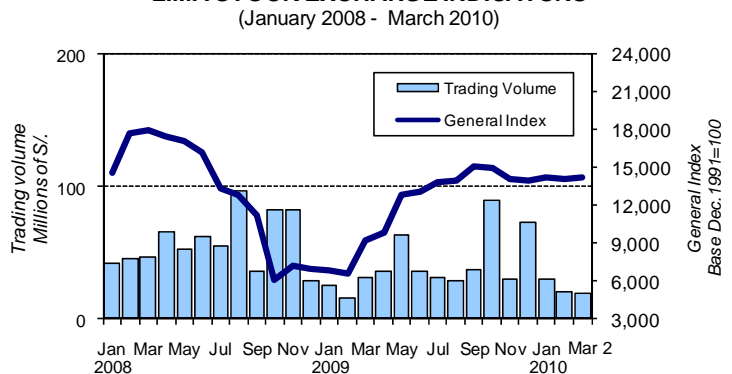
Lima Stock Exchange grew 1.5 percent

At **March 2**, the **General** and **Blue Chip** indices of the Lima Stock Exchange (LSE) had grown 1.5 and 1.7 percent, respectively.

In **February**, these indices showed negative results recording -3.0 percent and -3.4 percent, respectively.

The lower levels of the LSE indices during February was associated with the decline of the international prices of metals and with global market pessimism, which led to negative results in Wall Street.

LIMA STOCK EXCHANGE INDICATORS



	% change			
	As of: Mar 2, 10	Feb 23, 10	Feb 26, 10	As of Dec.09
General Index	14,211	0.8	1.5	0.3
Blue Chip Index	22,317	1.3	1.7	-0.5

Year-to-date, the indices of the LSE show mixed evolutions: the general index has accumulated gains of 0.3 percent, while the selective index has accumulated a loss of 0.5 percent.

Resumen de Indicadores Económicos / Summary of Economic Indicators

	2007	2008	2009					2010							
	Dic	Dic	Mar	Jun	Set	Dic	ENE.	23 Feb.	24 Feb.	25 Feb.	26 Feb.	Feb	1 Mar.	2 Mar.	Mar
RESERVAS INTERNACIONALES (Mils. US\$) / INTERNATIONAL RESERVES															
Posición de cambio / <i>Net international position</i>															
Reservas internacionales netas / <i>Net international reserves</i>															
Depósitos del sistema financiero en el BCRP / <i>Financial system deposits at BCRP</i>															
Empresas bancarias / <i>Banks</i>															
Banco de la Nación / <i>Banco de la Nación</i>															
Resto de instituciones financieras / <i>Other financial institutions</i>															
Depósitos del sector público en el BCRP / <i>Public sector deposits at BCRP *</i>															
OPERACIONES CAMBIARIAS BCR (MIL. US\$) / BCRP FOREIGN OPERATIONS															
Compras netas en Mesa de Negociación / <i>Net purchases of foreign currency</i>															
Operaciones swaps netas / <i>Net swap operations</i>															
Compras con compromiso de recompras en ME (neto) / <i>Net swaps auctions in FC</i>															
Operaciones con el Sector Público / <i>Public sector</i>															
TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE															
Compra interbancario / <i>Interbank</i>															
Promedio / <i>Average</i>															
Ventas interbancario / <i>Interbank</i>															
Mediodía / <i>Midday</i>															
Cierre / <i>Close</i>															
Promedio / <i>Average</i>															
Sistema Bancario (SBS) / <i>Banking System</i>															
Compra / <i>Bid</i>															
Venta / <i>Ask</i>															
Índice de tipo de cambio real (2001 = 100) / <i>Real exchange rate Index (2001 = 100)</i>															
INDICADORES MONETARIOS / MONETARY INDICATORS															
Moneda nacional / Domestic currency															
Emisión Primaria (Var. % mensual) / (<i>% monthly change</i>)															
Monetary base (Var. % últimos 12 meses) / (<i>% 12-month change</i>)															
Oferta monetaria (Var. % mensual) / (<i>% monthly change</i>)															
Money Supply (Var. % últimos 12 meses) / (<i>% 12-month change</i>)															
Crédito sector privado (Var. % mensual) / (<i>% monthly change</i>)															
Crédit to the private sector (Var. % últimos 12 meses) / (<i>% 12-month change</i>)															
TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>															
Superávit de encaje promedio (w.r.t. respect to TOSE) / <i>Average reserve surplus (% of TOSE)</i>															
Cuenta corriente de los bancos (saldo Mill. S.) / <i>Banks' current account (balance)</i>															
Créditos por regulación monetaria (millones de S.) / <i>Rediscounts (Millions of S.)</i>															
Depósitos públicos en el BCRP (millones S.) / <i>Public sector deposits at the BCRP (Millions S.)</i>															
Certificados de Depósitos BCRP (saldo Mill.S.) / <i>CDBCRP balance (Millions of S.)</i>															
Depósitos a Plazo (saldo Mill.S.) / <i>Time Deposits Auctions (Millions of S.)**</i>															
CDBCRP con Negociación Restringida (Saldo Mill S.) / <i>CDBCRP-NR balance (Millions of S.)</i>															
CD Reajustables BCRP (saldo Mill.S.) / <i>CDRBCRP balance (Millions of S.)</i>															
Operaciones de reporte (saldo Mill.S.) / <i>repos (Balance millions of S.)</i>															
TAMN / <i>Average lending rates in domestic currency</i>															
Préstamos y descuentos hasta 360 días / <i>Loans & discount</i>															
Interbancaria / <i>Interbank</i>															
Preferencial corporativa a 90 días / <i>Corporate Prime</i>															
Operaciones de reporte con CDBCRP / <i>CDBCRP repos</i>															
Créditos por regulación monetaria / <i>Rediscounts ***</i>															
Del saldo de CDBCRP / <i>CDBCRP balance</i>															
Del saldo de depósitos a Plazo / <i>Time Deposits</i>															
Del saldo de CDBCRP-NR / <i>CDBCRP-NR balance</i>															
Moneda extranjera / Foreign currency															
Crédito sector privado (Var. % mensual) / (<i>% monthly change</i>)															
Crédit to the private sector (Var. % últimos 12 meses) / (<i>% 12-month change</i>)															
TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>															
Superávit de encaje promedio (w.r.t. respect to TOSE) / <i>Average reserve surplus (% of TOSE)</i>															
Créditos por regulación monetaria (millones de US dólares) / <i>Rediscounts</i>															
TAMEX / <i>Average lending rates in foreign currency</i>															
Préstamos y descuentos hasta 360 días / <i>Loans & discount</i>															
Interbancaria / <i>Interbank</i>															
Preferencial corporativa a 90 días / <i>Corporate Prime</i>															
Créditos por regulación monetaria / <i>Rediscounts ****</i>															
Compras con compromiso de recompras en ME (neto)															
INDICADORES BURSÁTILES / STOCK MARKET INDICES															
Índice General Bursátil (Var. % / <i>General Index (% change)</i>)															
Índice Selectivo Bursátil (Var. % / <i>Blue Chip Index (% change)</i>)															
Volumen negociado en acciones (mils. S.) / <i>Trading volume (Average daily trading volume)</i>															
INFLACIÓN (%) / INFLATION (%)															
Inflación mensual / <i>Monthly</i>															
Inflación últimos 12 meses / <i>% 12 months change</i>															
GOBIERNO CENTRAL (MIL. S.) / CENTRAL GOVERNMENT (Mils. of S.)															
Resultado primario / <i>Primary balance</i>															
Ingresos corrientes / <i>Current revenue</i>															
Gastos no financieros / <i>Non-financial expenditure</i>															
COMERCIO EXTERIOR (Mils. US\$) / FOREIGN TRADE (Mils. of US\$)															
Balanza Comercial / <i>Trade balance</i>															
Exportaciones / <i>Exports</i>															
Importaciones / <i>Imports</i>															
PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT															
Variac. % respecto al mismo mes del año anterior / <i>Annual rate of growth (12 months)</i>															
COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS															
LIBOR a tres meses (%) / <i>LIBOR 3-month (%)</i>															
Dow Jones (Var. %) / (<i>% change</i>)															
Rendimiento de los U.S. Treasuries (10 años) / <i>U.S. Treasuries yield (10 years)</i>															
Stripped spread del EMBIG PERÚ (pbs) / <i>EMBIG PERU stripped spread (basis points) *****</i>															

* Incluye depósitos de Promocopi, Fondo de Estabilización Fiscal (FEF), Cofide, fondos administrados por la ONP, y otros depósitos del MEF. El detalle se presenta en el cuadro No.24 de la Nota Semanal.

** A partir del 18 de enero, el BCRP utiliza los depósitos a plazo en moneda nacional como instrumento monetario.

*** A partir del 7 de agosto de 2009, esta tasa se redujo a 2,05%.

**** Las tasas de interés para los créditos de regulación monetaria en dólares serán a la tasa Libor a un mes más un punto porcentual.

***** Desde el 29 de setiembre de 2006, el JP Morgan, de acuerdo a sus criterios de liquidez de mercado, ha incluido dentro de su EMBIG PERÚ los bonos globales Peru 2025 y 2033. Al ser los spreads de dichos bonos cercanos a los 200 pbs, ello explica el aumento de cerca de 40 pbs en el EMBIG PERÚ a partir del 29 de setiembre.

Fuente: BCRP, INEI, Banco de la Nación, BVL, Sunat, SBS, Reuters y Bloomberg.

Elaboración: Departamento de Publicaciones Económicas.

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