









Indicators

-  Corporate interest rate at 1.68 percent
-  Interbank interest rate: 1.20 percent
-  Exchange rate: S/. 2.849 per US dollar
-  April inflation: 0,03 percent
-  Country risk at 181 bps
-  LSE grew 7.7 percent

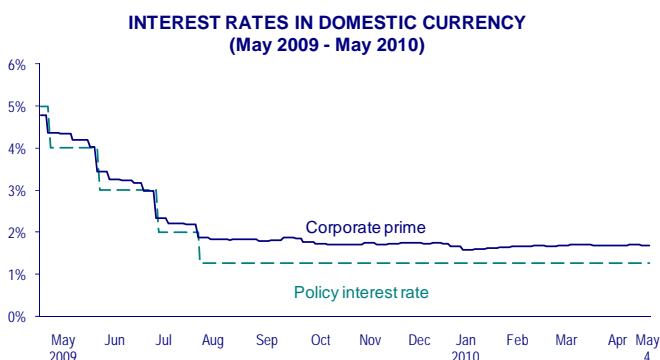
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Corporate interest rate in nuevos soles at 1.68 percent

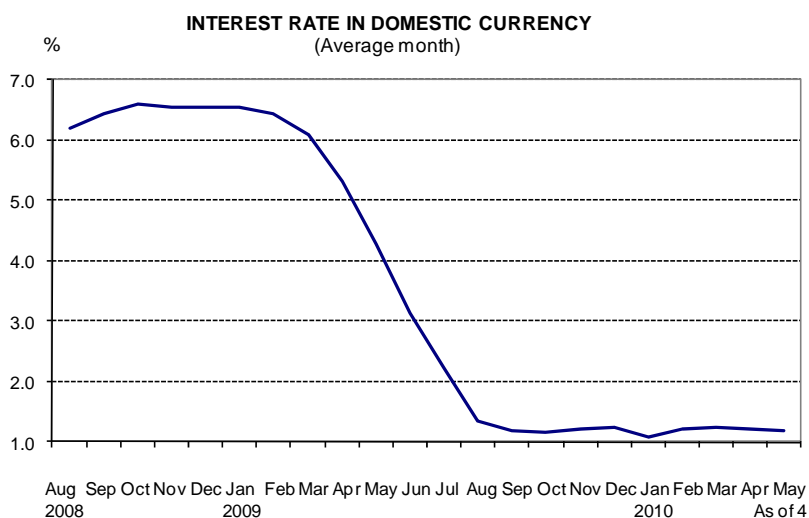
Between **April 27 and May 4**, the average corporate interest rate in domestic currency fell from 1.70 to 1.68 percent.

On the other hand, the average corporate interest rate in foreign increased from 1.38 to 1.39 percent.



Average interbank interest rate in May: 1.20 percent

The average interbank interest rate in domestic currency so far this month is 1.20 percent. On May 4, this rate also registered 1.20 percent.



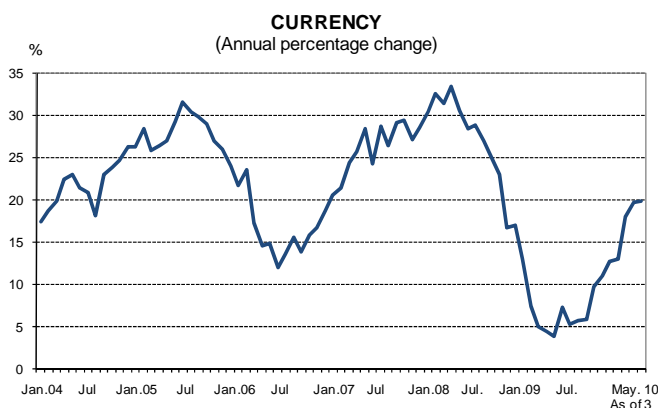
	Average interbank rate	
	Average	S.D
December 2008	6.54%	0.03
January 2009	6.55%	0.15
February	6.44%	0.32
March	6.08%	0.13
April	5.33%	0.47
May	4.29%	0.42
June	3.13%	0.40
July	2.23%	0.49
August	1.34%	0.27
September	1.20%	0.07
October	1.15%	0.07
November	1.22%	0.07
December	1.24%	0.02
January 2010	1.09%	0.16
February	1.21%	0.03
March	1.23%	0.02
April	1.22%	0.02
May 4	1.20%	0.01

Monetary operations

Between **April 28 and May 4**, the BCRP made the following monetary operations: i) Auctions of 1-day to up to 64-day CDBCRP for a daily average of S/. 905.5 million. The average interest rate on these operations, which reached a balance of S/. 17,504.2 million, was 1.16 percent; and ii) Overnight deposits in domestic currency for a total of S/. 64.9 million.

Currency in circulation amounted to S/. 19,246 million on May 3

Between April 27 and May 3, **currency in circulation** increased S/. 435, amounted S/. 19 246 millions. In this way, currency in circulation accumulates an increase of S/. 5 million so far this year. Currency has grown 19.8 percent in the last 12 months.



BCRP OPERATIONS (Millions of nuevos soles)

	FLOWS				BALANCE		
	Apr-10	From 27/04 to 03/05	Accumulated		31-Dec-09	30-Apr-10	03-May-10
			Monthly*	Annual*			
I. NET INTERNATIONAL POSITION	1,082	90	-150	7,136	66,436	72,815	72,664
(Millions of US\$)	381	31	-53	2,508	22,988	25,549	25,496
A. Foreign Exchange Operations	315	1	0	2,644			
1. Over the counter operations	315	0	0	2,655			
2. Net swap auctions in FC	0	0	0	-13	102	89	89
3. Public Sector	0	0	0	0			
4. Other operations	0	1	0	2			
B. Rest of operations	67	31	-53	-136			
II. NET INTERNAL ASSETS	-729	346	179	-7,131	-47,195	-53,597	-53,418
A. Monetary operations	-807	1,258	1,131	-7,820	-36,323	-45,274	-44,143
1. Sterilization	-807	1,258	1,131	-7,820	-36,323	-45,274	-44,143
a. BCRP Certificates of Deposit (CDBCRP)	2,682	612	880	-4,070	-14,121	-19,071	-18,191
b. Overnight Deposits	-15	23	0	742	-842	-100	-100
c. Public Sector Deposits in soles	-3,414	623	251	-4,381	-21,006	-25,638	-25,387
d. Other operations	-60	0	0	-111	-354	-465	-465
2. Injection	0	0	0	0	0	0	0
B. Reserve Requirements in DC **	216	-851	-1,127	-413	-4,307	-3,593	-4,720
C. Rest	-138	-61	175	1,102			
III. CURRENCY **	353	435	29	5	19,241	19,218	19,246
(Monthly percentage change)					10.3%	1.9%	0.1%
(Accumulated percentage change)					29.5%	-0.1%	0.0%
(YoY)					11.0%	19.7%	19.8%

* As of May 3, 2010.

** Preliminary data.

Exchange rate: S/. 2.849 per US dollar

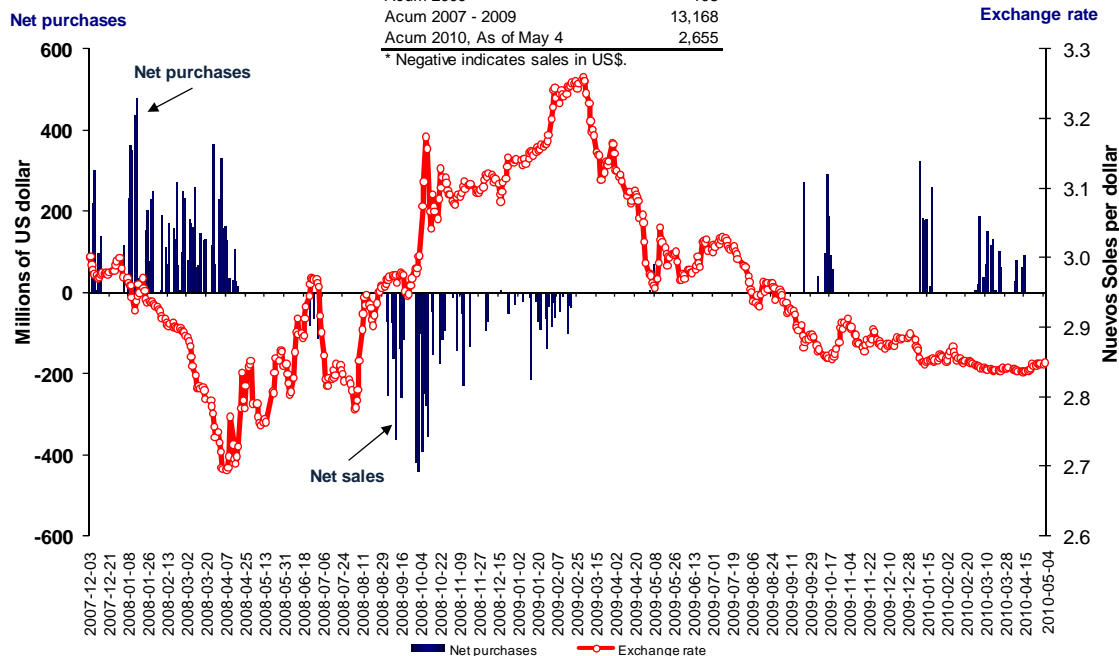
Between April 27 and May 4, the average interbank ask price of the dollar increased from S/. 2.847 to S/. 2.849, which represented a depreciation of the nuevo sol of 0.07 percent. The BCRP did not intervene in the foreign exchange market.

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 May 4	2,655

* Negative indicates sales in US\$.



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

Between April 27 and May 4, banks' balance of net forward purchases of foreign currency decreased by US\$ 138 million. During April, the balance of net forward purchases accumulated a decrease of US\$ 311 million.



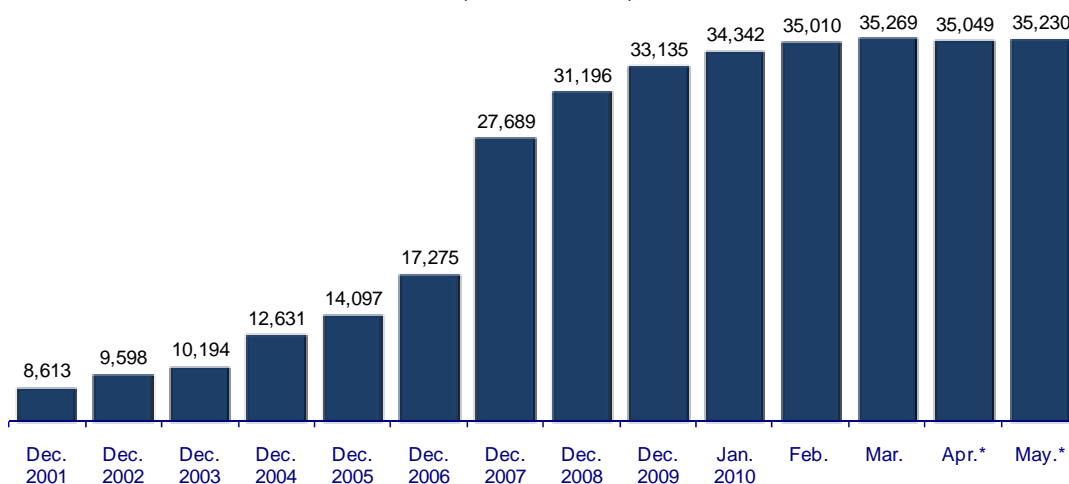
International reserves amounted to US\$ 35,230 million on May 4

Net international reserves (NIRs) amounted US\$ 35,230 million on May 4. This amount of reserves is US\$ 181 million higher than the one recorded at end April. So far this year the NIRs have increased US\$ 2,095 million.

The increase of NIRs so far this month compared to the end of April was mainly due to higher deposits of the financial system (US\$ 301 million). This was partially offset by lower valuation of investments (US\$ 121 million).

The international investment position of the BCRP on May 4, was US\$ 25,429 million, US\$ 120 million lower than the end of April.

NET INTERNATIONAL RESERVES
(Millions of US\$)



* As of 4.

Credit to the private sector grew 11.3 percent in the last 12-months

Total credit to the private sector grew 1.1 percent in the last four weeks (S/. 1,193 million) and recorded an accumulated change 11.3 percent in the last twelve months. By currency, credit in soles increased 1.0 percent (S/. 618 million), while in dollars rose 1.1 percent (US\$ 199 million).

On the other hand, the **total liquidity of the private sector** declined 1.2 percent (negative flow of S/. 1,341 million), mainly associated with the reduction of dollar liquidity by 2.8 percent (negative flow of US\$ 457 million). Also, liquidity in domestic currency recorded a zero monthly variation. Thus, the total cash accumulated variation of 12.3 percent in the last twelve months.

Inflation in April: 0.03 percent

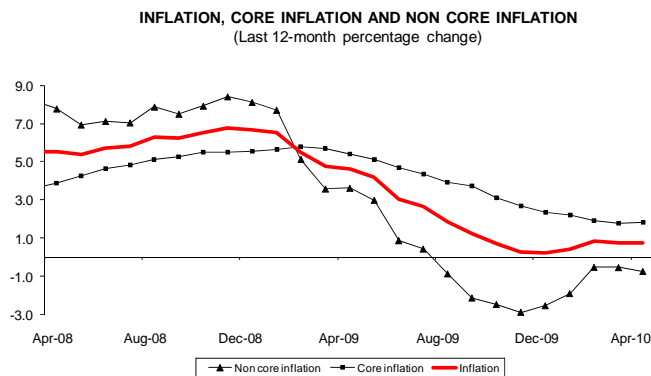
The rate of inflation in April was 0.03 percent. With this, last-12 month inflation accumulates a rate of 0.76 percent.

INFLATION
(Accumulated percentage change)

	Weight 2009=100	Monthly		12-month indicator		
		Mar. 2010	Apr. 2010	Apr. 2009	Mar. 2010	Apr. 2010
CPI	100.0	0.28	0.03	4.64	0.76	0.76
Core index	65.2	0.33	0.23	5.42	1.77	1.85
Goods	32.9	0.15	0.10	5.31	1.71	1.69
Services	32.2	0.51	0.36	5.56	1.83	2.01
Non core index	34.8	0.20	-0.35	3.62	-0.54	-0.74
Food	14.8	0.56	-0.75	6.07	-0.66	-1.22
Fuel	2.8	-0.02	0.66	-15.03	5.60	6.73
Transporting	8.9	0.30	-0.43	6.15	0.71	0.10
Utilities	8.4	-0.51	0.11	9.12	-3.77	-3.37
Note.-						
Food and beverages	37.8	0.33	-0.15	6.51	0.81	0.65
CPI non food and beverages	62.2	0.25	0.13	2.82	1.00	1.08

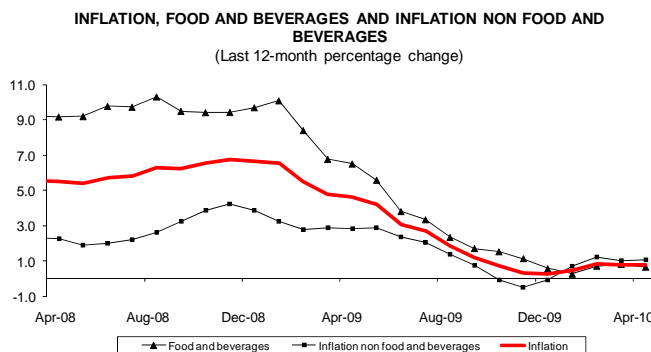
Core inflation showed a rate of 0.23 percent in the month and a rate of 1.8 percent in the last 12 months.

Non-core inflation recorded -0.35 percent in the month and -0.7 percent in the last 12 months.



Food and beverage inflation, which recorded a rate of -0.15 percent in April, accumulated 0.7 percent in the last 12 months.

Moreover, inflation without food and beverages recorded a rate of 0.13 percent in the month and a rate of 1.1 percent in the last 12 months.



In March, three items contributed with 0.17 percentage points to this month's inflation rate: school tuition and pension (0.08 points), sugar (0.05 points), and fresh fruits (0.04 points). On the other hand, three items contributed with -0.30 percentage points to inflation this month: chicken meat (-0.23 percentage points), national transportation (-0.04 percentage points) and fresh vegetables (-0.03 points each).

BCRP survey on macroeconomic expectations: April 2010

According to the BCRP Survey on Macroeconomic Expectations carried out in April, non-financial firms continue inflation expectations increase from 2.0 to 2.2 percent; analysts have increased their estimates from 2.0 to 2.5 percent; while financial firms increased their expectations from 2.4 to 2.5. The surveyed groups expect an inflation rate of 2.5 for 2011 and between 2.2 and 3.0 percent for 2012.

SURVEY OF MACROECONOMIC EXPECTATIONS: INFLATION

	Survey date:		
	Feb.26	Mar.31	Apr.30
FINANCIAL ENTITIES ^{1/}			
2010	2.1	2.4	2.5
2011	2.5	2.5	2.5
2012	2.7	2.5	3.0
ECONOMIC ANALYSTS ^{2/}			
2010	2.2	2.0	2.5
2011	2.5	2.5	2.5
2012	2.5	2.3	2.2
NON FINANCIAL FIRMS ^{3/}			
2010	2.0	2.0	2.2
2011	2.5	2.5	2.5
2012	2.5	2.5	2.5

^{1/} 20 financial entities in February, 18 in March, and 18 in April 2010.

^{2/} 22 analysts entities in February, 24 in March and 23 in april 2010.

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

For 2010, economic analysts and financial institutions kept their expectations of exchange rate of S/. 2.80 per dollar, on the other hand non-financial companies kept their expectations in S/. 2.85 per dollar. For 2011, agents expect an exchange rate between S/. 2.80 and S/. 2.90 per dollar, while for 2012 it expected to be located between S/. 2.80 and S/. 3.00 per dollar.

SURVEY OF MACROECONOMIC EXPECTATIONS: EXCHANGE RATE*

	<u>Survey date:</u>		
	Feb.26	Mar.31	Apr.30
FINANCIAL ENTITIES ^{1/}			
2010	2.80	2.80	2.80
2011	2.82	2.78	2.80
2012	2.85	2.80	2.80
ECONOMIC ANALYSTS ^{2/}			
2010	2.85	2.80	2.80
2011	2.82	2.80	2.80
2012	2.80	2.83	2.80
NON FINANCIAL FIRMS ^{3/}			
2010	2.90	2.85	2.85
2011	2.95	2.90	2.90
2012	3.00	3.00	3.00

^{1/} 20 financial entities in February, 18 in March, and 18 in April 2010.

^{2/} 22 analysts entities in February, 24 in March and 23 in april 2010.

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

* Exchange rate at the end-of-year.

In the April survey, financial institutions and economic analysts increased their estimates for 2010 GDP growth to 5.5 percent, while the non-financial companies remained at 5.0 percent. By 2011, agents expected a GDP growth rate between 5.0 and 5.4 percent, while for 2012 they expect an expansion between 5.8 and 6.0 percent.

SURVEY OF MACROECONOMIC EXPECTATIONS: GDP GROWTH (%)

	<u>Survey date:</u>		
	Feb.26	Mar.31	Apr.30
FINANCIAL ENTITIES ^{1/}			
2010	5.0	5.0	5.5
2011	5.0	5.3	5.2
2012	5.5	5.6	5.8
ECONOMIC ANALYSTS ^{2/}			
2010	4.5	4.9	5.5
2011	5.0	5.0	5.4
2012	5.6	5.8	6.0
NON FINANCIAL FIRMS ^{3/}			
2010	4.5	5.0	5.0
2011	5.0	5.0	5.0
2012	5.5	5.5	5.9

^{1/} 20 financial entities in February, 18 in March, and 18 in April 2010.

^{2/} 22 analysts entities in February, 24 in March and 23 in april 2010.

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

Exports increased 37 percent in March

In **March**, the **trade balance** reached a surplus of US\$ 299 million and US\$ 1,407 million in the first quarter, higher than the same period in 2009.

March **exports** were US\$ 2,674 million accumulating in the first quarter a total of US\$ 7,728 million. In comparison with March of the previous year they were higher by 37 percent. While average prices were higher by 41 percent, volumes fell 3 percent due to lower shipments of fishmeal, copper and zinc, mainly. Non-traditional exports rose 5.2 percent as a result of higher average prices (5.5 percent) during this period.

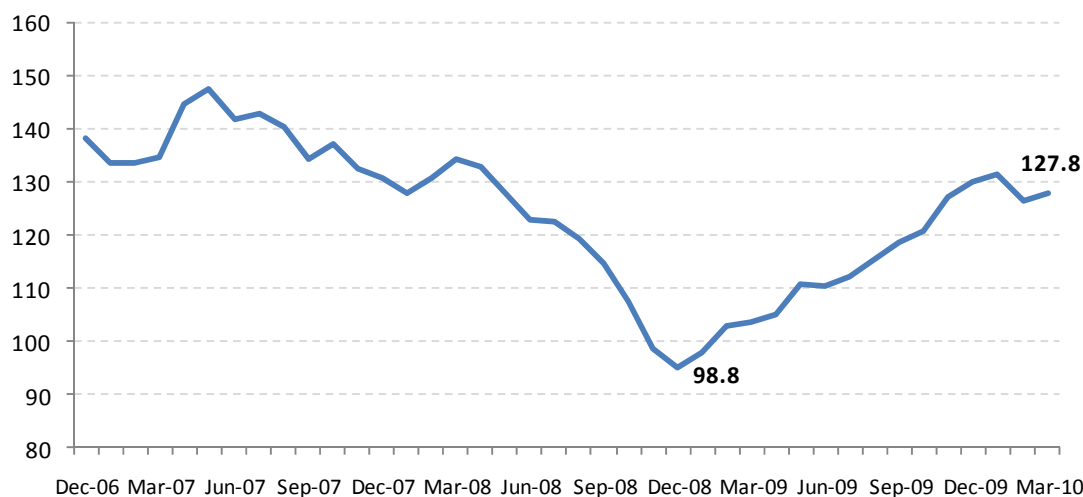
The value of **imports** in March was US\$ 2,375 million in the quarter which was accumulated US\$ 6,321 million. Compared to March of 2009 the increase was 51 percent reflecting the increase in all areas.

TRADE BALANCE
(Value FOB in millions of US\$)

	2009		2010		Mar.10/Feb.10		Mar.10/Mar.09		I Quarter				
	Mar.	Jan.	Feb.	Mar.	Flow	% Chg.	Flow	% Chg.	2009	2010	Flow	% chg.	% Chg.
1. EXPORTS	1,952	2,410	2,644	2,674	30	1.1	722	37.0	5,396	7,728	2,332	43.2	
Traditional products	1,425	1,898	2,095	2,106	11	0.5	681	47.8	3,932	6,099	2,166	55.1	
Non-traditional products	519	495	531	546	15	2.8	27	5.2	1,436	1,571	136	9.5	
Other products	8	18	18	22	4	23.9	14	182.9	28	58	30	106.9	
2. IMPORTS	1,570	2,074	1,873	2,375	502	26.8	805	51.3	4,883	6,321	1,438	29.4	
Consumption goods	310	337	352	436	84	23.9	126	40.7	929	1,126	197	21.3	
Raw materials	739	1,058	930	1,173	243	26.1	434	58.8	2,072	3,160	1,088	52.5	
Capital goods	508	639	580	751	171	29.5	243	47.8	1,848	1,969	121	6.5	
Other goods	13	40	10	15	4	42.6	2	12.9	34	66	31	90.8	
3. TRADE BALANCE	381	336	771	299					513	1,407			

The **terms of trade** in March were 23.4 percent higher compared to the same period last year. Prices of exports increased 41 percent while those of imports rose by 14 percent.

TERMS OF TRADE: 2006 - 2010
(1994 = 100)



International Markets

Average country risk at 144 basis points in April

In **April**, the average country risk measured by the spread of **EMBIG Peru** declined from 158 in March to 144 basis points, similar behavior in the region fell by 21 basis points in this period.

The decline in emerging market debt spreads was explained by the optimism generated the first-quarter corporate results and activity indicators released in the US.

As of **4 May**, the **EMBIG Peru** stood at 181 basis points.

COUNTRY RISK INDICATORS
(January 2008 - May 2010)



Level	Variation in basis points		
	Weekly	Monthly	Annual
May 4, 10	25	-14	-109

Price of gold recorded to US\$ 1,172.9/troy ounce

In **April**, the average **gold** price increased 2.8 percent from US\$ 1,115.1 in March to US\$ 1,146.6 per troy ounce.

The rise in gold prices was related to increased demand from both investors (portfolio diversification) and jewelry (India). It is worth pointing out that the increase in gold prices came despite a stronger dollar in international markets.

By **May 4** the price of **gold** rose to US\$ 1,172.9 per troy ounce.

GOLD PRICE

(January 2008 - May 2010)



May 4, 10	% change		
	Weekly	Monthly	Annual
US\$ 1,172.9 / troy oz.	1.0	2.8	32.5

In **April**, the average price of **copper** rose 4.3 percent from US\$ 3.39 in March to US\$ 3.53 per pound.

The price of copper was driven by the better indicators of global activity and declining inventories in the world stock markets. Also, the recovery was held in April after it became known that world copper production had fallen in the first quarter of 2010.

By **May 4** the **copper** price was US\$ 3.25 per pound.

COPPER PRICE

(January 2008 - May 2010)

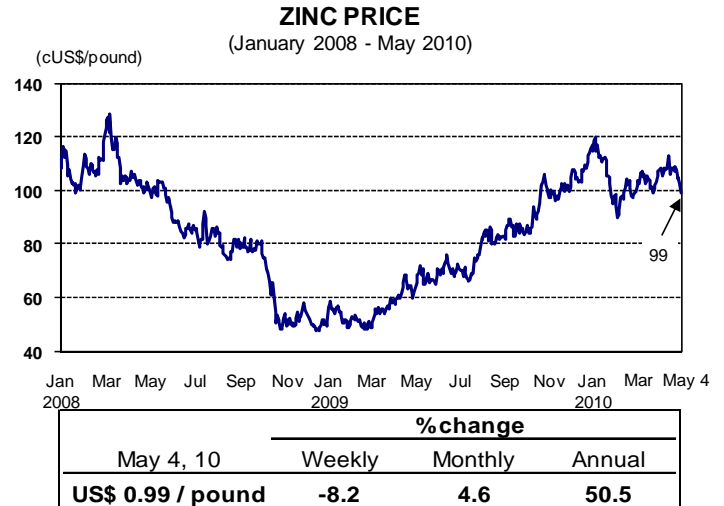


May 4, 10	% change		
	Weekly	Monthly	Annual
US\$ 3.25 / pound	-6.1	4.3	59.4

The average price of **zinc**, an increase of 4.6 percent in **April** from US\$ 1.03 in March to \$ 1.08 per pound.

The decline in inventories in London Metal Exchange and the prospects for improved demand in April, sustained rise in the price of base metal.

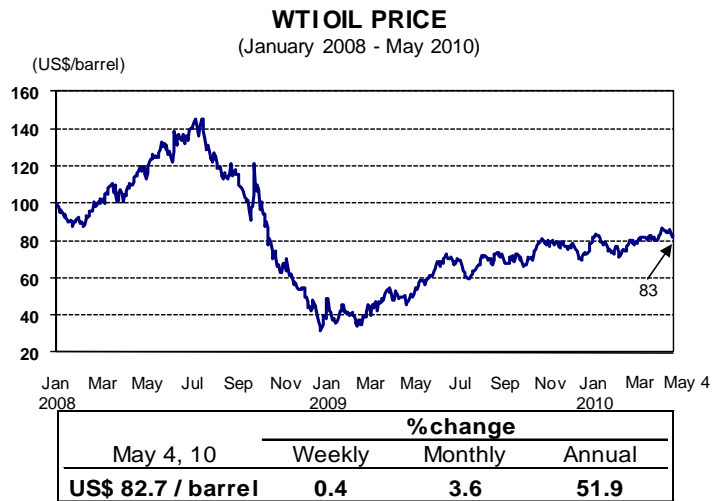
By **May 4** the price of **zinc** was US\$ 0.99 per pound.



The average price of **WTI oil** rose 3.6 percent to US\$ 81.3 in March to US\$ 84.2 per barrel in **April**.

The prospects for recovery in global demand (particularly from emerging countries) and lower oil inventories in the US were the main factors that encouraged the rise in oil prices, however projections of increased supply (Mexico) partially attenuated the rise.

As of **May 4**, the **WTI oil** price was US\$ 82.7 per barrel

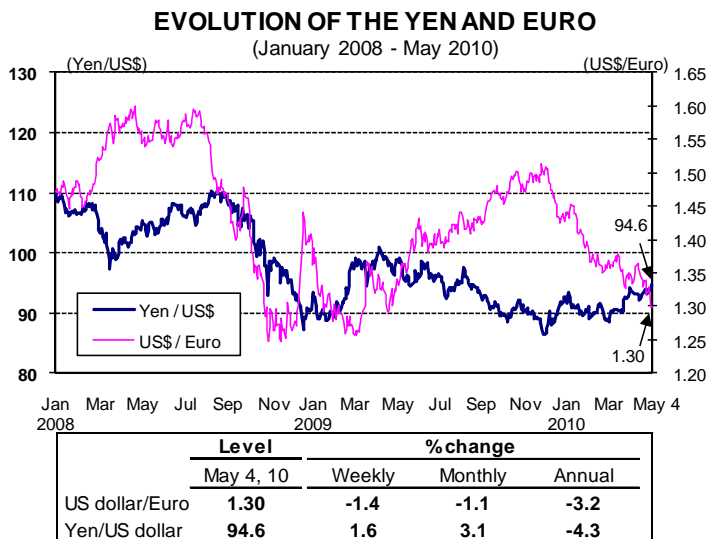


Dollar appreciated against the euro and yen in April

In **April** the average **dollar** appreciated 1.1 percent against the **euro** and 3.1 percent against the **yen**.

This evolution of the US currency was explained by the better indicators in the US economic activity and increased risk aversion due to uncertainty about sovereign debt of some Eurozone economies (Greece and Portugal).

By **May 4**, contributions were US\$ 1.30 per euro and 94.6 yen per dollar.



Yield on 10-year US Treasuries rose to 3.82 percent in April

In **April**, in terms of interest rate averages **3-month Libor** rose from 0.27 in March to 0.31 percent and the yield on the benchmark **10-year US Treasury** rose from 3.72 in March to 3.82 percent.

The yield on US Treasury bonds rose after positive indicator of the US and the bigger share of debt long term

3-MONTH LIBOR AND 10-YEARS US TREASURIES

(January 2008 - May 2010)



	% change			
	May 4, 10	Weekly	Monthly	Annual
Libor 3 months	0.35	0	0	-65
US Treasuries	3.59	-10	10	44

As of **May 4**, the **3-month Libor** rate recorded 0.35 percent and the yield on the benchmark 10-year US Treasury bond recorded to 3.59 percent.

Lima Stock Exchange has grown 4.7 percent during April

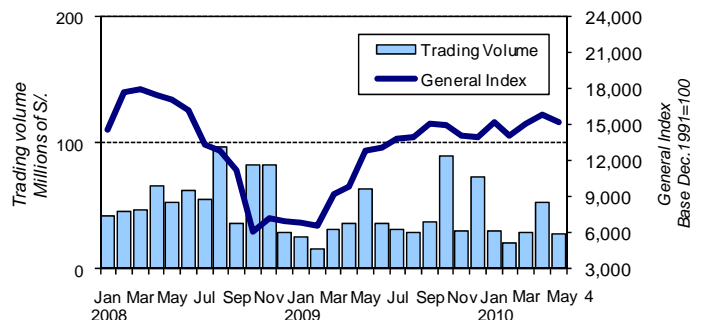
In **April**, both indices showed positive performance of 4.7 and 2.2 percent respectively.

Most trading of stock indices during the month was led by higher prices for base and precious metals and solid business results for the first quarter registered in the country.

By **May 4**, **General** and **Blue chip** indices fell 3.7 and 3.2 percent respectively.

LIMA STOCK EXCHANGE INDICATORS

(January 2008 - May 2010)



	% change			
	As of:	As of:	As of:	As of:
	May 4, 10	Apr 27, 10	Apr 30, 10	As of Dec.09
General Index	15,259	-3.4	-3.7	7.7
Blue Chip Index	22,818	-3.1	-3.2	1.7

Year-to-date, these indices have accumulated gains of 7.7 and 1.7 percent, respectively.

