



Indicators

- Corporate interest rate at 4.31 percent
- Interbank interest rate: 3.39 percent
- Exchange rate: S/. 2.777 per dollar
- Inflation in February: 0.38 percent
- Average country risk in February: 146 bps.

Content

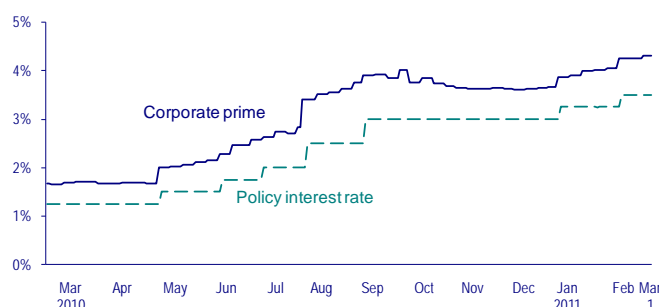
- Corporate interest rate in nuevos soles at 4.31 percent ix
- Average interbank interest rate in February: 3.39 percent ix
- International reserves amount to US\$ 46,268 million xi
- Inflation rate in February: 0.38 percent xii
- BCRP survey on expectations: February 2010 xiii
- Country risk at 151 basis points xv
- Lima Stock Exchange xvii

Corporate interest rate in nuevos soles at 4.31 percent

Between **February 22 and March 1, 2011** the daily average of the corporate interest rate in domestic currency rose from 4.26 to 4.31 percent.

The average corporate interest rate in foreign currency declined from 2.84 to 2.71 percent.

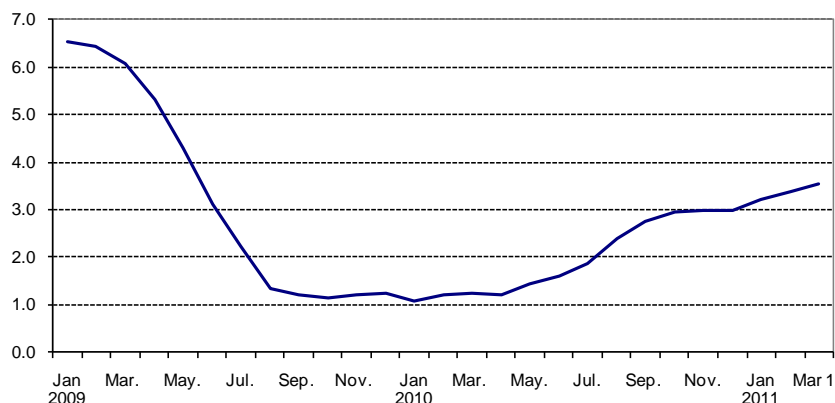
**INTEREST RATES IN DOMESTIC CURRENCY
(March 2010 - March 2011)**



Average interbank interest rate in February: 3.39 percent

On February 15, the average interest rate in domestic currency was 3.39 percent. On March 1 this rate recorded 3.50 percent.

**INTEREST RATE IN DOMESTIC CURRENCY
(Average month)**



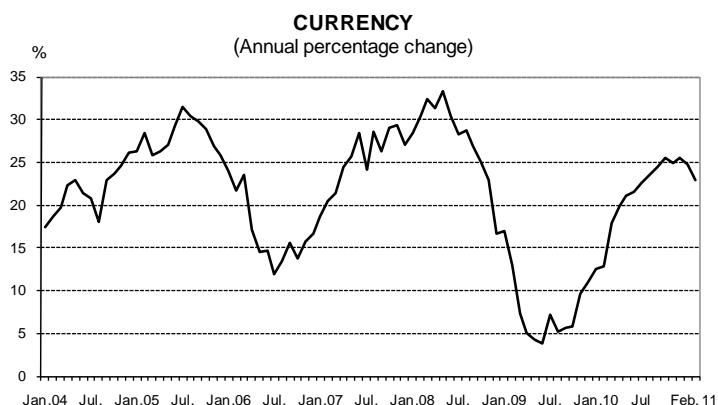
	Average interbank rate	
	Average	S.D
December 2009	1.24%	0.02
January 2010	1.09%	0.16
February	1.21%	0.03
March	1.23%	0.02
April	1.22%	0.02
May	1.45%	0.12
June	1.62%	0.11
July	1.90%	0.12
August	2.38%	0.18
September	2.74%	0.23
October	2.94%	0.15
November	2.97%	0.05
December	2.98%	0.02
January 2011	3.21%	0.10
February	3.37%	0.13
March 1	3.39%	0.12

Monetary operations

Between **February 22 and March 1, 2011**, the BCRP made the following monetary operations: i) Auctions of 196-day to up to 350-day BCRP Certificates of Deposit for a daily average of S/. 40 million. The average rate on these operations, which reached a balance of S/. 540 million, was 4.05 percent; ii) Auctions of 268-day Variable Income Certificates of Deposit for a total of S/. 500 million on February 23. The average rate on these operations which amounted to S/. 7,956 million was 0.07 percent; iii) Auctions of 1-day to 14-day Term Deposits in domestic currency for a daily average of S/. 7,011 million at an average rate of 3.49 percent, reaching a balance of S/. 9,113 million, and iv) overnight deposits in domestic currency for a total of US\$ 1,033 million.

Currency in circulation: S/. 22,737 million on February 28

Between February 22 and 28, 2011, **currency in circulation** increased by S/. 25 million and amounted to S/. 22,737 million. As a result of this, so far this year currency in circulation accumulates a decline of S/. 1,365 million and registers a growth rate of 23.0 percent in the last 12 months.



BCRP OPERATIONS

(Millions of nuevos soles)

	FLOWS				BALANCE		
	Jan-11	From 22/02 to 28/02	Accumulated		Dec 31, 2010	Jan 31, 2011	Feb 28, 2011
			Monthly*	Annual*			
I. EXCHANGE OPERATIONS	709	-67	1,137	1,846			
(Millions of US\$)	256	-24	411	667			
1. Over the counter operations	0	0	497	497			
2. Public Sector	0	-25	-25	-25			
3. Other exchange operations 1/	256	1	-61	195			
II. MONETARY OPERATIONS	-4,325	653	-2,367	-6,692	-52,565	-56,889	-58,382
1. Sterilization	-4,325	653	-2,367	-6,692	-52,565	-56,889	-58,382
a. BCRP instruments	-1,012	569	-2,237	-3,249	-24,463	-25,475	-26,989
BCRP Certificates of Deposit (CDBCRP)	-180	-80	-280	-460	-30	-210	-490
BCRP Certificates of Deposit Variable in soles (CDV BCRP)	-3,050	-1,000	-3,810	-6,860	-3,196	-6,246	-10,056
BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)	-711	0	170	-541	-450	-1,161	-991
Term Deposits	2,929	1,649	1,683	4,612	-20,788	-17,858	-15,453
b. Public Sector Deposits in soles	-3,755	-441	58	-3,697	-26,726	-30,481	-30,387
c. Other monetary operations 2/	442	525	-188	254	-1,375	-933	-1,006
2. Injection (Repos)	0	0	0	0	0	0	0
III. RESERVE REQUIREMENTS IN DC	2,325	-583	832	3,156	-10,054	-7,729	-7,827
IV. OTHER 3/	155	22	169	324			
V. CURRENCY **	-1,136	25	-230	-1,365	24,154	23,018	22,737
(Monthly percentage change)					11.0%	-4.7%	-1.2%
(Accumulated percentage change)					25.5%	-4.7%	-5.9%
(YoY)					25.5%	24.7%	23.0%

* As of February 28, 2011.

** Preliminary data.

1/ Includes Swaps auctions in FC and operations outside the counter.

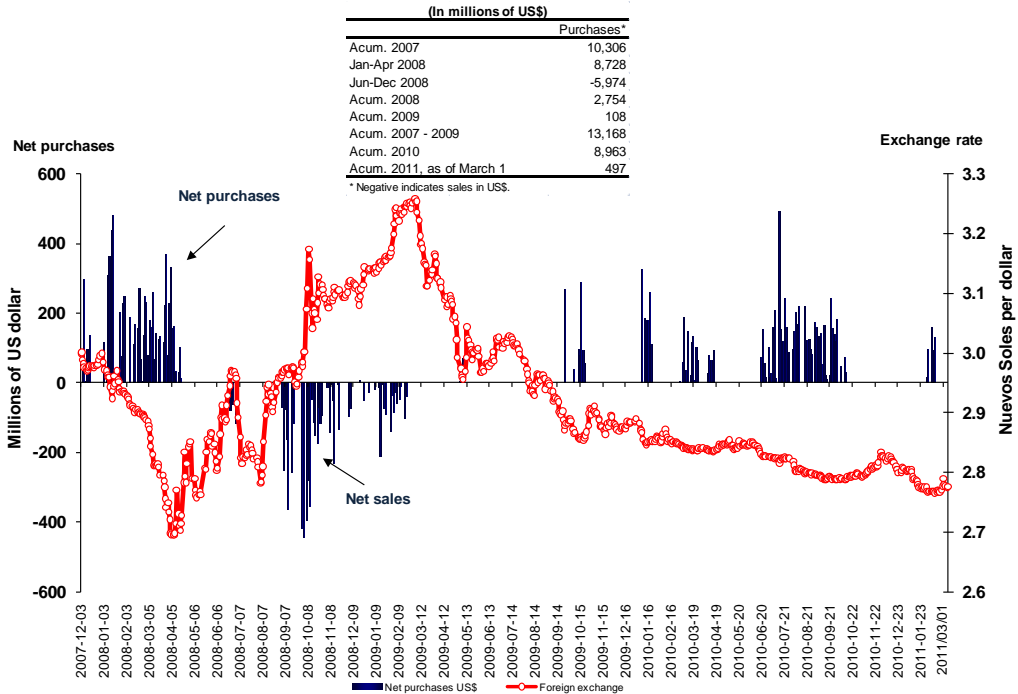
2/ Includes overnight deposits and Deposit Insurance Funds.

3/ Includes BCRP operative expenses, interest by deposits in the BCRP (overnight, terms and specials), net interest by CDBCRP placements and Central Bank profit transfers to the public sector.

Exchange rate: S/. 2.777 per US dollar

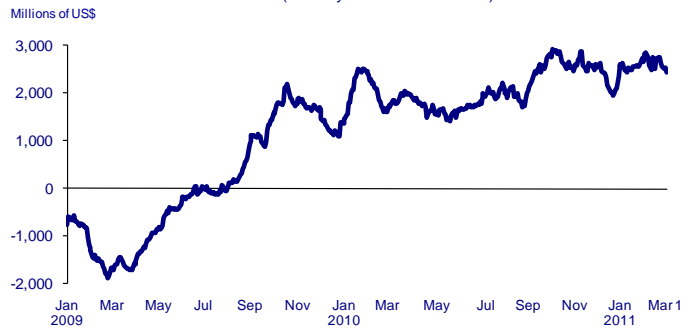
Between February 22 and March 1, the average interbank ask price of the dollar remained at S/. 2.777. The Central Bank did not intervene in the foreign exchange market in this period.

EXCHANGE RATE AND NET DOLLAR PURCHASE



Between February 22 and March 1, banks' balance of net forward purchases of foreign currency declined by US\$ 189.7 million. In February the balance of net forward purchases of FC accumulated a decline of US\$ 144 million.

BALANCE OF NET FORWARD PURCHASES OF FOREIGN CURRENCY
(January 2009 - March 2011)



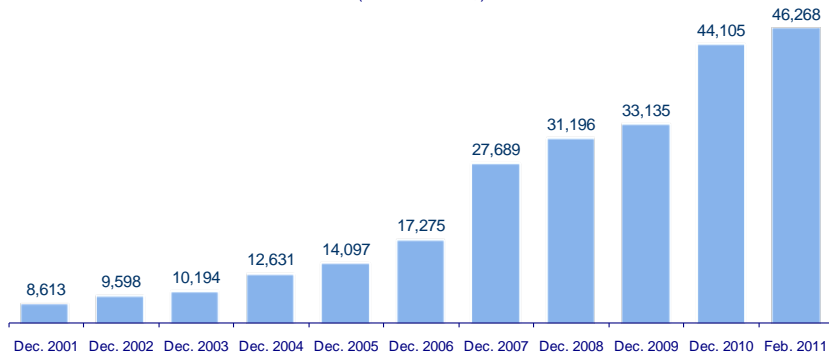
International reserves amount to US\$ 46,268 million

On February 28, net international reserves (NIRs) amounted to US\$ 46,268 million. This level of reserves is higher by US\$ 1,757 million than the one recorded at the close of January.

The increase of NIRs in February resulted mainly from banks' higher deposits (US\$ 1,134 million), public sector's higher deposits (US\$ 41 million), BCRP purchases of foreign currency (US\$ 497 million), and the higher valuation of investments (US\$ 92 million). This was partially offset by swap operations in dollars (US\$ 62 million).

The exchange rate position of the BCRP on February 28 (US\$ 33,399 million) was higher by US\$ 586 million than the one recorded at the close of January.

NET INTERNATIONAL RESERVES
(Millions of US\$)



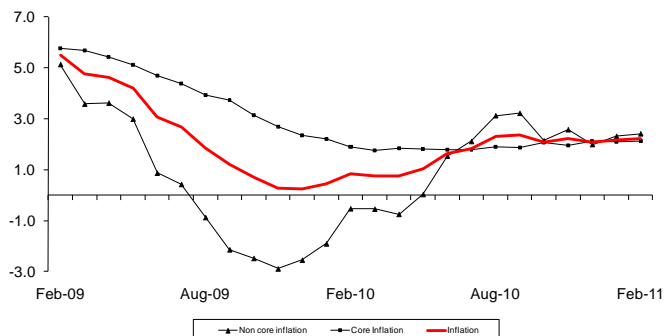
Inflation rate in February: 0.38 percent

The rate of inflation in February was 0.38 percent in February, as a result of which inflation accumulated a rate of 2.23 percent in the last twelve months.

INFLATION
(Accumulated percentage change)

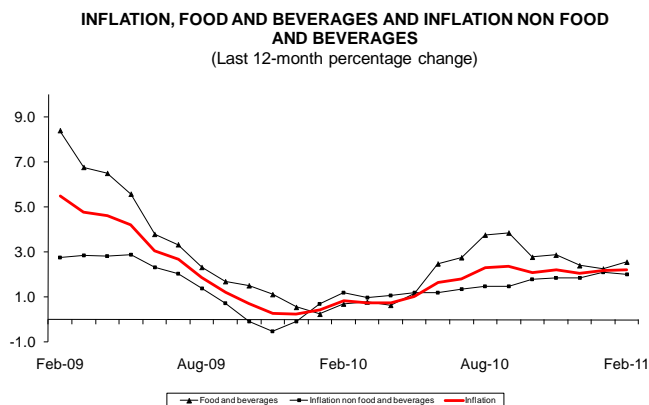
	Weight 2009=100	Monthly		12-month indicator		
		Jan.	Feb.	Feb.	Jan.	Feb.
		2011	2011	2010	2011	2011
CPI	100.0	0.39	0.38	0.84	2.17	2.23
Core index	65.2	0.19	0.21	1.91	2.09	2.14
Goods	32.9	0.13	0.14	1.76	1.39	1.30
Services	32.2	0.24	0.28	2.13	2.81	2.99
Non core index	34.8	0.77	0.70	-0.52	2.32	2.42
Food	14.8	0.71	2.01	-0.80	1.02	1.98
Fuel	2.8	3.04	-0.26	4.55	12.32	11.42
Transporting	8.9	-0.91	0.13	0.33	1.54	1.76
Utilities	8.4	1.90	-0.65	-2.41	1.98	0.73
Note.-						
Food and beverages	37.8	0.52	0.98	0.71	2.27	2.57
CPI non food and beverages	62.2	0.31	0.01	1.21	2.11	2.03

INFLATION, CORE INFLATION AND NON-CORE INFLATION
(Last 12-month percentage change)



Moreover, core inflation registered a rate of 0.21 percent in February and a rate of 2.1 percent in the last 12 months, while non core inflation recorded a rate of 0.70 percent in February and a rate of 2.4 percent in the last twelve months.

Food and beverage inflation registered a rate of 0.98 percent in the month and accumulated a rate of 2.6 percent in the last twelve months. The rate of Inflation without food and beverages in February was 0.01 percent (2.0 percent in the last twelve months).



Three items contributed with 0.27 percentage points to inflation in February: chicken meat (0.15 percentage points), meals outside the home (0.07 percentage points), and bread (0.05 percentage points). On the other hand, three items contributed with -0.15 percentage points to this month's inflation rate: electricity rates (-0.08 percentage points), fresh and frozen fish (-0.05 percentage points), and spices and seasonings (-0.02 percentage points).

BCRP survey on expectations: February 2010

The rate of inflation expected in 2011 ranges between 2.5 and 3.0 percent, according to the Survey on Macroeconomic Expectations conducted by the BCRP in February. The survey results show that financial entities have revised the expected rate of inflation on the upside –from 2.5 to 3.0 percent–; economic analysts expect a lower rate –down from 3.3 to 3.0 percent–, while non financial firms maintain their projections unchanged at 2.5 percent. In 2012 and 2013 inflation is expected to converge to 2.5 percent.

SURVEY OF MACROECONOMIC EXPECTATIONS: INFLATION (%)

	<u>Survey date:</u>		
	Dec.31	Jan.31	Feb.28
FINANCIAL ENTITIES ^{1/}			
2011	2.5	2.5	3.0
2012	2.5	2.5	2.5
2013	-	-	2.5
ECONOMIC ANALYSTS ^{2/}			
2011	2.5	3.3	3.0
2012	2.3	2.5	2.5
2013	-	-	2.5
NON FINANCIAL FIRMS ^{3/}			
2011	2.5	2.5	2.5
2012	2.5	2.5	2.5
2013	-	-	2.5

^{1/} 19 financial entities in December 2010, 21 in January 2011 and 17 in February.

^{2/} 16 analysts in December 2010, 21 in January 2011 and 21 in February.

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

GDP is expected to record a growth rate of 7.0 percent in 2011, although expectations show an upward bias in comparison with the January survey results. In 2012 and 2013 GDP would show a growth rate between 6.0 and 7.0 percent.

**SURVEY OF MACROECONOMIC EXPECTATIONS:
GDP (%)**

	<u>Survey date:</u>		
	Dec.31	Jan.31	Feb.28
FINANCIAL ENTITIES ^{1/}			
2011	6.5	6.5	7.0
2012	6.0	6.2	6.3
2013	-	-	6.0
ECONOMIC ANALYSTS ^{2/}			
2011	6.3	7.0	7.0
2012	6.0	6.8	6.5
2013	-	-	6.5
NON FINANCIAL FIRMS ^{3/}			
2011	6.5	7.0	7.0
2012	6.5	7.0	7.0
2013	-	-	6.5

^{1/} 19 financial entities in December 2010, 21 in January 2011 and 17 in February.

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

As regards the exchange rate, economic agents expect the dollar to be traded between S/. 2.75 and S/. 2.80 at end 2011 and between S/. 2.69 and S/. 2.82 in 2012 and 2013.

**SURVEY OF MACROECONOMIC EXPECTATIONS:
EXCHANGE RATE***

	<u>Survey date:</u>		
	Dec.31	Jan.31	Feb.28
FINANCIAL ENTITIES ^{1/}			
2011	2.75	2.75	2.75
2012	2.75	2.70	2.70
2013	-	-	2.70
ECONOMIC ANALYSTS ^{2/}			
2011	2.75	2.75	2.75
2012	2.70	2.75	2.69
2013	-	-	2.71
NON FINANCIAL FIRMS ^{3/}			
2011	2.81	2.80	2.80
2012	2.87	2.82	2.80
2013	-	-	2.82

^{1/} 19 financial entities in December 2010, 21 in January 2011 and 17 in February.

^{2/} 16 analysts in December 2010, 21 in January 2011 and 21 in February.

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

*Exchange rate at the end-of-year.

International Markets

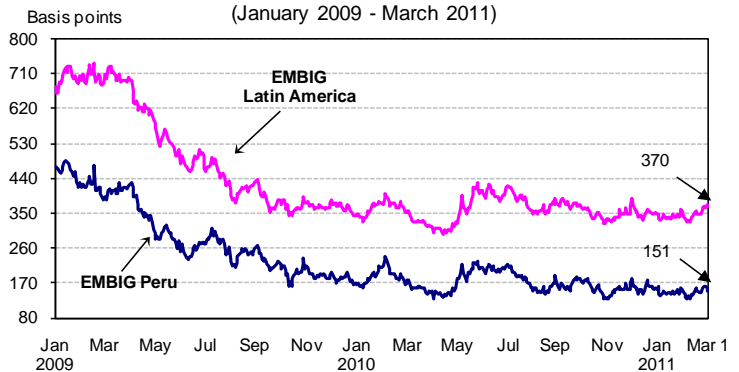
Country risk at 151 basis points

In **February** the average country risk indicator, measured by the **EMBIG Peru** spread, remained at 146 basis points.

The spread of the Latin American debt rose by 5 basis points in this period in a context of tensions in the Middle East and North Africa and higher inflationary pressures in some regions.

On **March 1**, the country risk recorded 151 basis points.

COUNTRY RISK INDICATORS



Level	Variation in basis points		
	Weekly	Monthly	Annual
Mar 1, 2011	-6	0	-15
151 bps.			

Price of gold registered new record level

In **February**, the average price of **gold** increased 1.0 percent, moving from US\$ 1,360.9 in January to US\$ 1,374.9 per troy ounce.

This rise in the price of gold was associated with greater inflationary pressures in some regions, the increase of non commercial positions, and the depreciation of the dollar in financial markets.

On **March 1** the price of gold rose to US\$ 1,423.2 per troy ounce and recorded a new historical high.

GOLD PRICE



Mar 1, 2011	%change		
	Weekly	Monthly	Annual
US\$ 1,423 / troy oz.	1.2	1.0	27.6

In **February**, the average price of **copper** rose from US\$ 4.34 in January to US\$ 4.48/pound (3.2 percent).

The price of copper was driven up by expectations of higher global growth and by supply constraints in some producing countries. This rise in the price of copper intensified after data in China indicated higher imports of metals.

On **March 1** the price of copper posted US\$ 4.49 a pound.

COPPER PRICE



Mar 1, 2011	%change		
	Weekly	Monthly	Annual
US\$ 4.49 / pound	2.6	3.2	35.1

The average price of **zinc** recorded an increase of 3.8 percent in **February**, rising from US\$ 1.08 in January to US\$ 1.12 a pound.

Concerns about the fact that the increase in the supply might not suffice to meet the growing global demand, information about China's higher imports of this metal, and lower inventories at the London Metal Exchange (LME) accounted for the rise in the price of this basic metal.

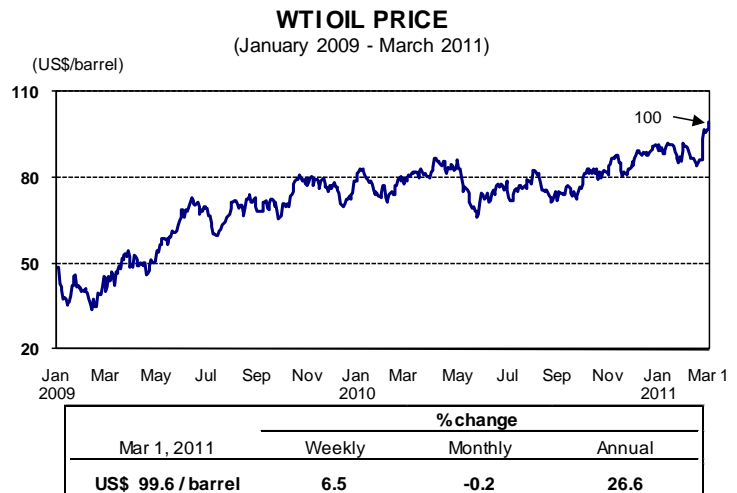
The price of **zinc** at **March 1** increased to US\$ 1.13 a pound.



In **February** the average price of **WTI oil** fell 0.2 percent, from US\$ 89.5 in January to US\$ 89.4 per barrel.

Higher crude inventories in the United States and the drop of non commercial positions were the main factors that affected the evolution of the price of crude. However, the problems in the Middle East and in North Africa offset the fall in the price of crude.

On **March 1** the price of **WTI oil** recorded US\$ 99.6 per barrel.

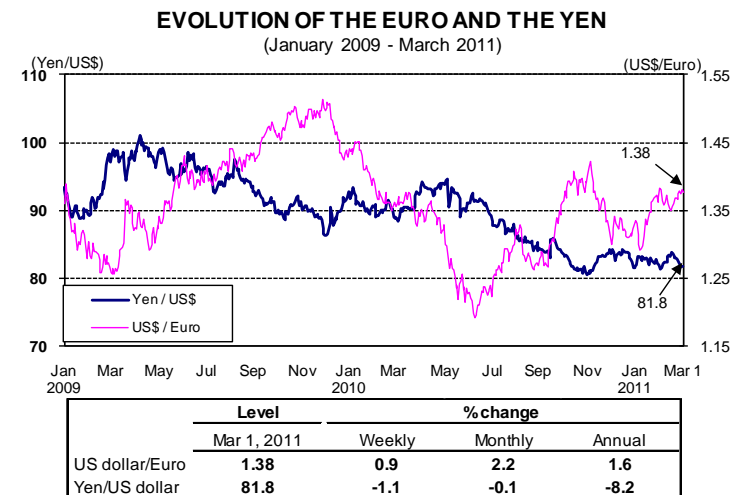


US dollar depreciated on average against the euro and the yen in February

In February, the **dollar** depreciated on average 2.1 percent against the **euro** and 0.1 percent against the **yen**.

The evolution of the Eurozone currency against the dollar reflected expectations that the European Central Bank will raise its interest rates due to increased inflationary pressures.

On **March 1** the euro was traded at US\$ 1.38 US dollars and the dollar was traded at 81.8 yens.

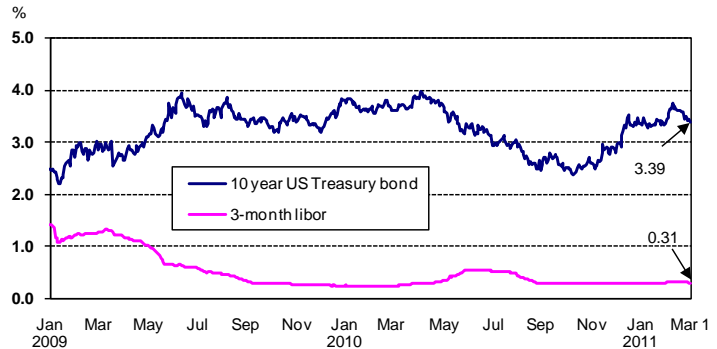


Yield on 10-year US Treasuries increased to 3.56 percent on average in February

In February, on average terms the 3-month Libor rose to 0.31 percent from 0.30 percent in January and the yield on the 10-year US Treasury bonds rose to 3.56 percent from 3.36 percent in January.

The yield on the US Treasuries rose as a result of favorable indicators of manufacturing activity and consumer confidence in the United States, which translated into a lower demand for longer term bonds.

3-MONTH LIBOR AND 10-YEARS US TREASURIES
(January 2009 - March 2011)



	% change			
	Mar 1, 2011	Weekly	Monthly	Annual
3 months Libor	0.31	0	1	6
US Treasuries	3.39	-6	20	-22

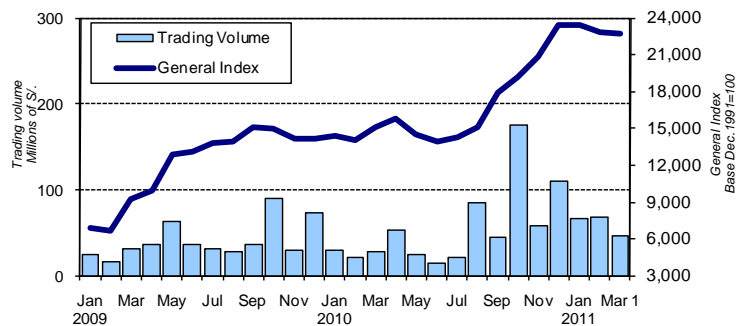
On **March 1** the **3-month Libor** recorded 0.31 percent, while the yield on the **10-year US Treasury bonds** registered 3.39 percent.

Lima Stock Exchange

In **February** the **General** Index and the **Selective** Index of the Lima Stock Exchange (LSE) fell 0.2 and 0.7 percent, respectively.

The evolution of the LSE indices in February was associated with the decline observed in foreign financial markets during the month and with lower-than-expected corporate results.

LIMA STOCK EXCHANGE INDICATORS
(January 2009 - March 2011)



	As of:	% change compared to:		
	Mar 1, 2011	Feb 22, 2011	Feb 28, 2011	Dec 31.10
General Index	22,689	0.0	-0.7	-2.9
Selective Index	30,871	-0.3	-0.4	-3.7

Year-to-date, the **General** Index and the **Selective** Index of the Lima Stock Exchange have accumulated losses of 2.9 percent and 3.7 percent, respectively.

