



Indicators

- Corporate interest rate at 5.17 percent
- Interbank interest rate: 4.00 percent
- Exchange rate: S/. 2.830 per dollar
- April Inflation: 0.7 percent
- Country risk at 216 bps.

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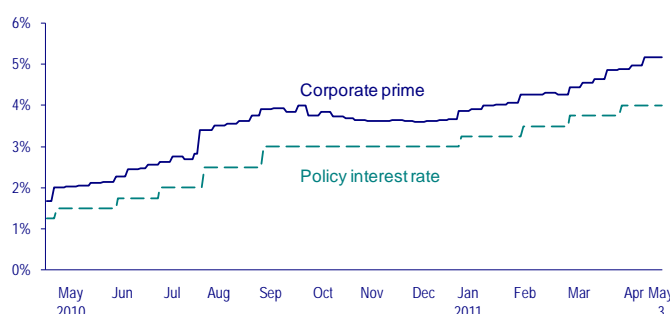
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Corporate interest rate in nuevos soles at 5.17 percent

Between **April 27 and May 3**, the daily average of the corporate interest rate in domestic currency declined from 5.18 to 5.17 percent.

The average corporate interest rate in foreign currency rose from 1.96 to 2.10 percent.

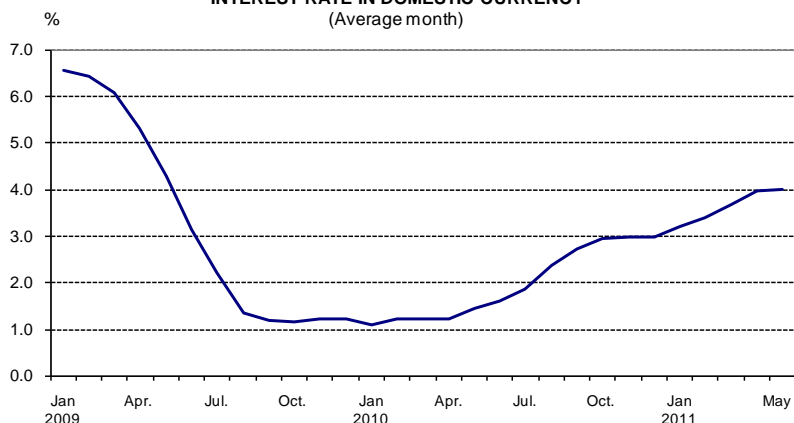
**INTEREST RATES IN DOMESTIC CURRENCY
(May 2010 - May 2011)**



Average interbank interest rate: 4.00 percent

The average interbank interest rate in domestic currency at May 3 was 4.00 percent.

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



* As of 3.

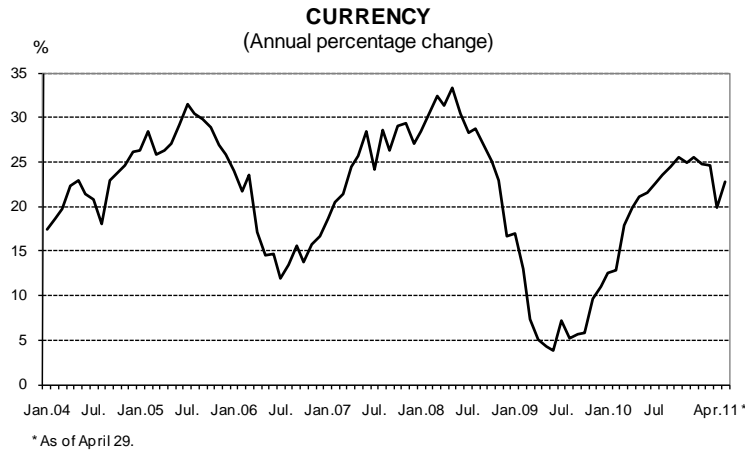
	Average interbank rate	
	Average	S.D
December 2009	1.24%	0.02
January 2010	1.09%	0.16
February	1.21%	0.03
March	1.23%	0.02
April	1.22%	0.02
May	1.45%	0.12
June	1.62%	0.11
July	1.90%	0.12
August	2.38%	0.18
September	2.74%	0.23
October	2.94%	0.15
November	2.97%	0.05
December	2.98%	0.02
January 2011	3.21%	0.10
February	3.37%	0.13
March	3.68%	0.12
April	3.97%	0.10
May 3	4.00%	0.00

Monetary operations

Between **April 27 and May 3**, the BCRP made the following monetary operations: i) Auctions of 180-day to up to 350-day BCRP Certificates of Deposit for a daily average of S/. 30 million. The average rate on these operations, which reached a balance of S/. 1,330 million, was 4.96 percent; ii) Auctions of 1-day to up 4-day Term Deposits in domestic currency for a daily average of S/. 4,345 million at an average rate of 3.95 percent, which reached a balance of S/. 430 million, iii) Auctions of 90-day Readjustable Certificates of Deposit for a total of S/. 750 million with an average rate of 0.22 percent, reaching a balance of S/. 1,800 million; iv) foreign exchange operations through its Front Office for US\$ 492 million; and v) overnight deposits for a total of S/. 511 million.

Currency in circulation: S/. 23,016 million on April 29

Between April 26 and 29, **currency in circulation** decreased by S/. 29 million and amounted to S/. 23,016 million. With this, year-to-date currency in circulation accumulates a decline of S/. 1,137 million and registers a growth rate of 22.8 percent in the last 12 months.



BCRP OPERATIONS

(Millions of nuevos soles)

	FLOWS				BALANCE		
	Mar-11	From 04/26 to 04/29	Accumulated		Dec 31, 2010	Mar 31, 2011	Apr 29, 2011
			Monthly*	Annual*			
I. EXCHANGE OPERATIONS	-840	-1,550	-2,124	-1,118			
(Millions of US\$)	-301	-547	-751	-385			
1. Over the counter operations	0	-492	-583	-86			
2. Public Sector	0	-55	-115	-140			
3. Other exchange operations 1/	-301	0	-53	-159			
II. MONETARY OPERATIONS	94	720	3,324	-2,398	-52,565	-58,287	-54,963
1. Sterilization	94	720	3,324	-2,398	-52,565	-58,287	-54,963
a. BCRP instruments	2,317	354	6,590	6,381	-24,463	-24,672	-18,082
BCRP Certificates of Deposit (CDBCRP)	-500	-80	-290	-1,250	-30	-990	-1,280
BCRP Certificates of Deposit Variable in soles (CDV BCRP)	-800	0	0	-7,660	-3,196	-10,856	-10,856
Readjustable CDBCRP (CDR BCRP)	-300	-850	-1,500	-1,800	0	-300	-1,800
BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)	841	0	150	450	-450	-150	0
Term Deposits	3,076	1,284	8,230	16,641	-20,788	-12,377	-4,146
b. Public Sector Deposits in soles	-2,385	-45	-2,938	-8,983	-26,726	-32,772	-35,710
c. Other monetary operations 2/	163	411	-328	204	-1,375	-843	-1,171
2. Injection (Repos)	0	0	0	0	0	0	0
III. RESERVE REQUIREMENTS IN DC	63	794	-943	1,574	-10,054	-7,538	-8,480
IV. OTHER 3/	325	8	154	805			
V. CURRENCY **	-357	-29	411	-1,137	24,154	22,605	23,016
(Monthly percentage change)					11.1%	-1.6%	1.8%
(Accumulated percentage change)					25.5%	-6.4%	-4.7%
(YoY)					25.5%	19.9%	22.8%

* As of April 29, 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.

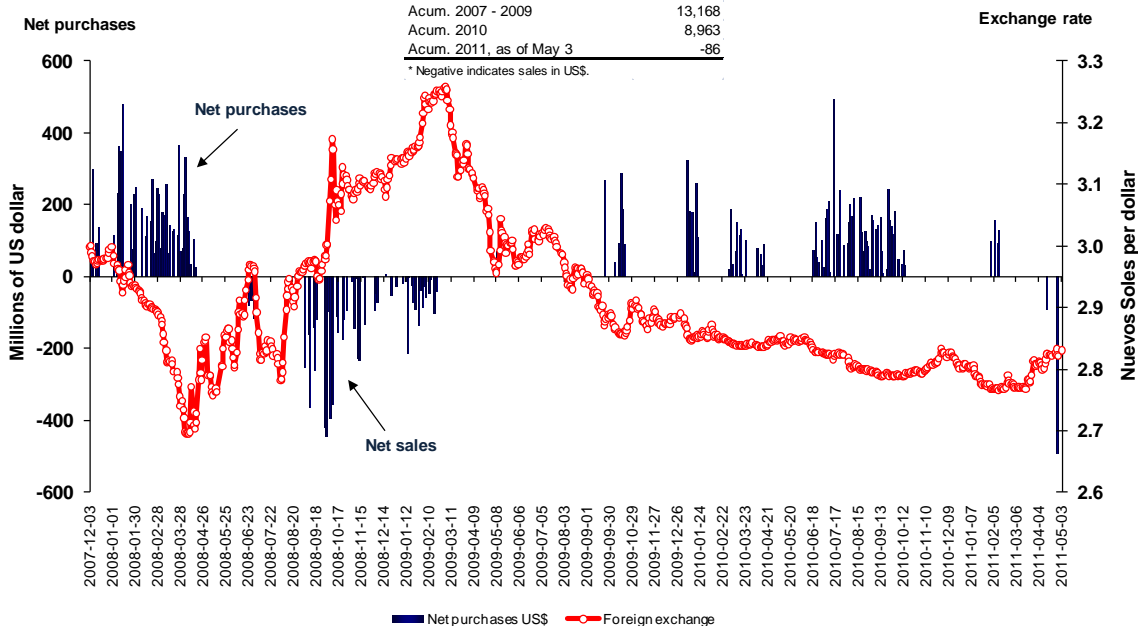
Exchange rate: S/. 2.830 per US dollar

Between April 26 and May 3, the average interbank ask price of the dollar increased from S/. 2.827 to S/. 2.830 per dollar, which represented an depreciation of the nuevo sol of 0.11 percent. The Central Bank intervened in the foreign exchange market selling US\$ 492 million through its Front Office.

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	8,963
Acum. 2011, as of May 3	-86



Between April 26 and May 3, banks' balance of net forward purchases of foreign currency declined by US\$ 297 million. In April the balance of net forward purchases of FC accumulated a decline of US\$ 1,040 million.

BALANCE OF NET FORWARD PURCHASES OF FOREIGN CURRENCY

(January 2009 - May 2011)

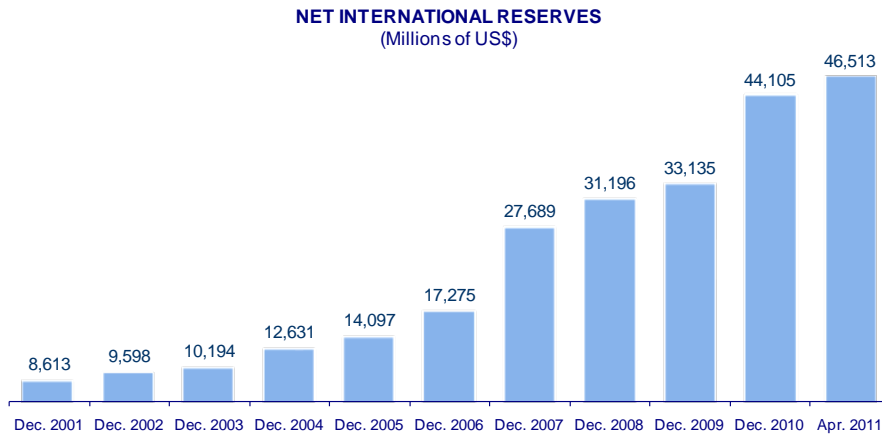


International reserves amounted to US\$ 46,513 million

Up to April 29, net international reserves (NIRs) amounted to US\$ 46,513 million. This level of reserves is US\$ 386 million higher than the one recorded at the close of March.

The increase observed so far this month in NIRs resulted mainly by banks' sector higher deposits (US\$ 632 million), by the higher investment value (US\$ 536 million), and by the higher profitability of investments of US\$ 52 million. This was partially offset by sales through the Central Banks' Front Office for US\$ 583 million, by public sector lower deposits (US\$ 70 million) and by dollar swap operations for US\$ 54 million.

The exchange rate position of the BCRP on April 29 (US\$ 33,074 million) was lower by US\$ 179 million than the one recorded at the close of March.



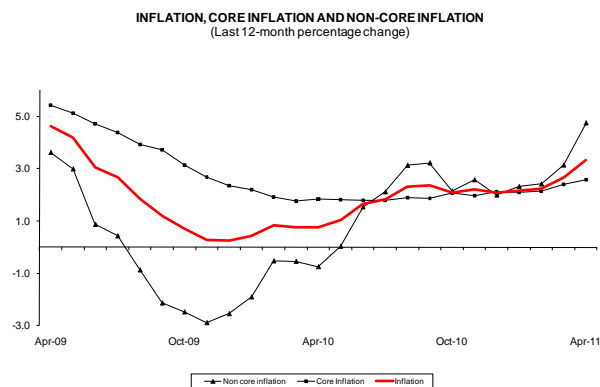
Inflation in April: 0.68 percent

Inflation in April recorded a rate of 0.68 percent and accumulated a rate of 3.34 percent in the last twelve months.

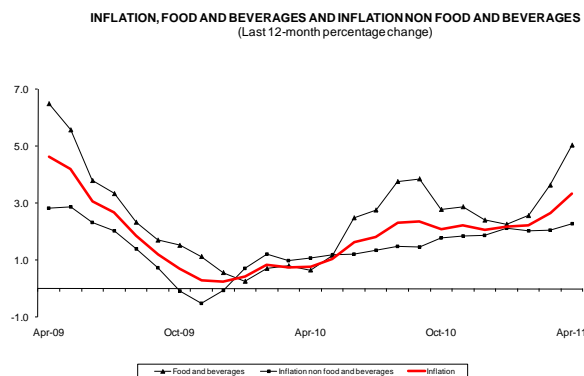
INFLATION
(Accumulated percentage change)

	Weight 2009=100	Monthly		12-month indicator		
		Mar. 2011	Apr. 2011	Apr. 2010	Mar. 2011	Apr. 2011
CPI	100.0	0.70	0.68	0.76	2.66	3.34
Core index	65.2	0.60	0.40	1.85	2.41	2.59
Goods	32.9	0.30	0.46	1.69	1.45	1.83
Services	32.2	0.89	0.34	2.01	3.38	3.36
Non core index	34.8	0.90	1.20	-0.74	3.14	4.75
Food	14.8	2.58	2.40	-1.22	4.03	7.33
Fuel	2.8	-0.15	-0.06	6.73	11.28	10.49
Transporting	8.9	0.26	0.17	0.10	1.72	2.33
Utilities	8.4	-1.08	0.56	-3.37	0.15	0.60
Note.-						
Food and beverages	37.8	1.37	1.21	0.65	3.64	5.05
CPI non food and beverages	62.2	0.29	0.35	1.08	2.06	2.28

Core inflation registered a monthly rate of 0.40 percent and a rate of 2.6 percent in the last 12 months. Non core inflation recorded a rate of 1.20 percent in the month and a rate of 4.7 percent in the last twelve months.



In April food and beverage inflation showed a rate of 1.21 percent and accumulated a rate of 5.0 percent in the last twelve months. The rate of Inflation excluding food and beverages was 0.35 percent (2.3 percent in the last twelve months).



Three items contributed with 0.32 percentage points to inflation in April: fresh and frozen fish (0.12 percentage points) and chicken meat and onion (0.10 percentage points each). On the other hand, three items contributed with -0.12 percentage points to this month's inflation rate: citrus fruit (-0.08 percentage points), other vegetables and papaya (-0.02 percentage points each).

BCRP survey on expectations: April 2010

According to the Survey on Macroeconomic Expectations conducted by the BCRP in April, financial entities and economic analysts have raised their estimates from 3.2 percent to 3.3 and 3.5 percent, respectively, while non financial held them at 3.0 percent. In 2012 and 2013 inflation is expected to converge between 2.5 and 3.0 percent.

SURVEY OF MACROECONOMIC EXPECTATIONS: INFLATION (%)

	Survey date:		
	Feb.28	Mar.31	Apr.30
FINANCIAL ENTITIES ^{1/}			
2011	3.0	3.2	3.5
2012	2.5	2.6	2.6
2013	2.5	2.5	2.5
ECONOMIC ANALYSTS ^{2/}			
2011	3.0	3.3	3.5
2012	2.5	2.5	2.5
2013	2.5	2.5	2.5
NON FINANCIAL FIRMS ^{3/}			
2011	2.5	3.0	3.0
2012	2.5	2.5	3.0
2013	2.5	2.5	3.0

^{1/} 17 financial entities in February 2011, 21 in March and 24 in April.

^{2/} 21 analysts in February 2011, 32 in March and 30 in April.

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

Economic agents maintain their growth estimates for 2011 at 7.0 percent, the estimated constant in the last three months of the survey, except that analysts last month estimated 7.1 percent. In 2012 and 2013 GDP is expected to grow between 6.0 and 6.5 percent.

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

	<u>Survey date:</u>		
	Feb.28	Mar.31	Apr.30
FINANCIAL ENTITIES ^{1/}			
2011	7.0	7.0	7.0
2012	6.3	6.5	6.5
2013	6.0	6.5	6.5
ECONOMIC ANALYSTS ^{2/}			
2011	7.0	7.1	7.0
2012	6.5	6.5	6.5
2013	6.5	6.5	6.3
NON FINANCIAL FIRMS ^{3/}			
2011	7.0	7.0	7.0
2012	7.0	7.0	6.4
2013	6.5	7.0	6.0

^{1/} 17 financial entities in February 2011, 21 in March and 24 in April.

^{2/} 21 analysts in February 2011, 32 in March and 30 in April.

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

Finally, economic agents have revised on the upside the exchange rate, the dollar to be traded between S/. 2.80 and S/. 2.82 at end 2011 and between S/. 2.77 and S/. 2.90 in 2012 and 2013.

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

	<u>Survey date:</u>		
	Feb.28	Mar.31	Apr.30
FINANCIAL ENTITIES ^{1/}			
2011	2.75	2.75	2.80
2012	2.70	2.75	2.78
2013	2.70	2.72	2.77
ECONOMIC ANALYSTS ^{2/}			
2011	2.75	2.74	2.80
2012	2.69	2.70	2.79
2013	2.71	2.70	2.80
NON FINANCIAL FIRMS ^{3/}			
2011	2.80	2.80	2.82
2012	2.80	2.80	2.85
2013	2.82	2.81	2.90

^{1/} 17 financial entities in February 2011, 21 in March and 24 in April.

^{2/} 21 analysts in February 2011, 32 in March and 30 in April.

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

* Exchange rate at the end-of-year.

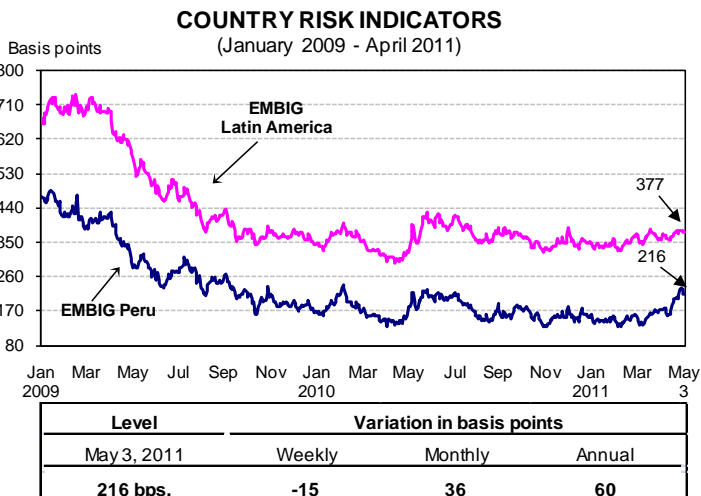
International Markets

Country risk at 216 basis points

On **May 3**, the country risk indicator, measured by the **EMBIG Peru** spread, recorded 216 basis points.

In **April**, the average **EMBIG Peru** rose to 192 basis points (from 157 basis points in March), showing a similar evolution to the one observed in the region, where the debt spread rose 6 basis points in the same period.

The rise in the Latin American debt spread was influenced by higher risk aversion from investors due to higher inflationary expectations.

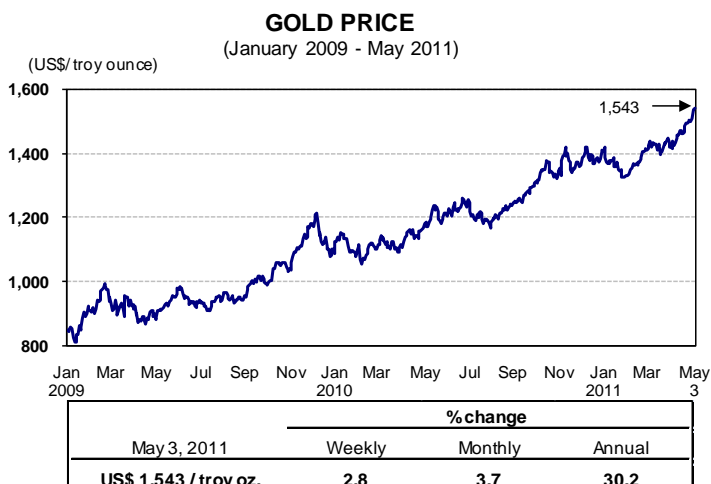


Price of gold recorded US\$ 1,542.9 a troy ounce

On **May 3**, the price of gold reached US\$ 1,542.9/troy ounce, reaching a new record.

In **April**, the average price of **gold** rose 3.7 percent to US\$1,475.6 a troy ounce (from US\$ 1,423.7 in March).

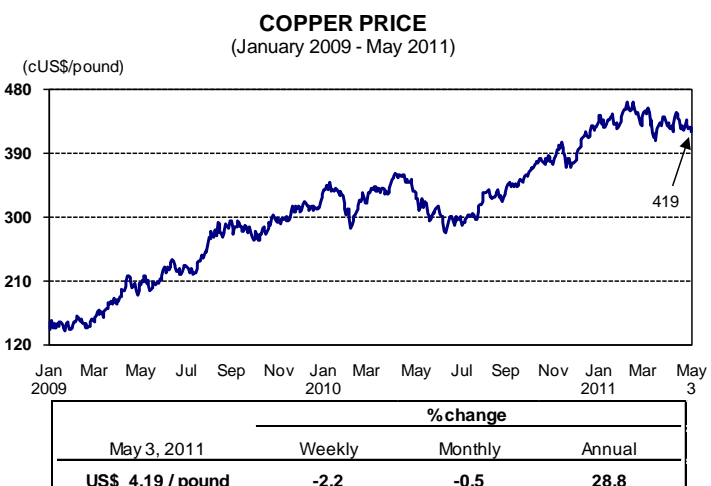
The gold price increase was associated with higher demand of the asset as a hedge against growing inflationary expectations and the dollar depreciation.



On **May 3**, the price of **copper** dropped to US\$ 4.19 a pound.

In **April**, the average price of **copper** fell 0.5 percent, from US\$ 4.32 in March to US\$ 4.30 per pound.

The copper price was influenced by lower demand perspectives from China, the greatest consumer of the metal.



On **May 3**, the price of **zinc** registered US\$ 1.01/pound.

In April, the average price of **zinc** increased 1.0 percent, from US\$ 1.07 in March to US\$ 1.08 a pound.

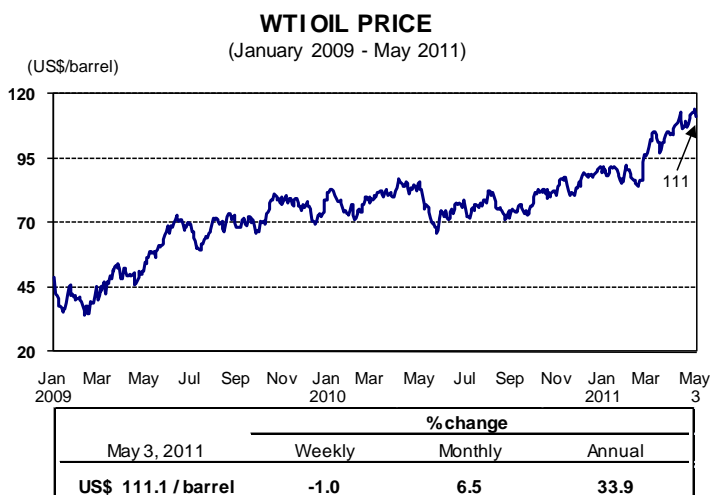
The drop in inventories in the major metal exchanges in the world, explained the rise in the base metal prices. Expectation of new anti-inflationary measures in consumer countries (China, India, and the Eurozone) was the factor that slowed the rise in the price.



On **May 3**, the price of **WTI oil** rose to US\$ 111.1 per barrel

The average price of **WTI oil** rose from US\$ 102.9 in March to US\$ 109.6 per barrel in **April** (6.5 percent).

The increase in the price was supported by the tense political situation in the region of Middle East and North Africa, due to increased demand from investors and the decline in gasoline and distillate inventories in the US.

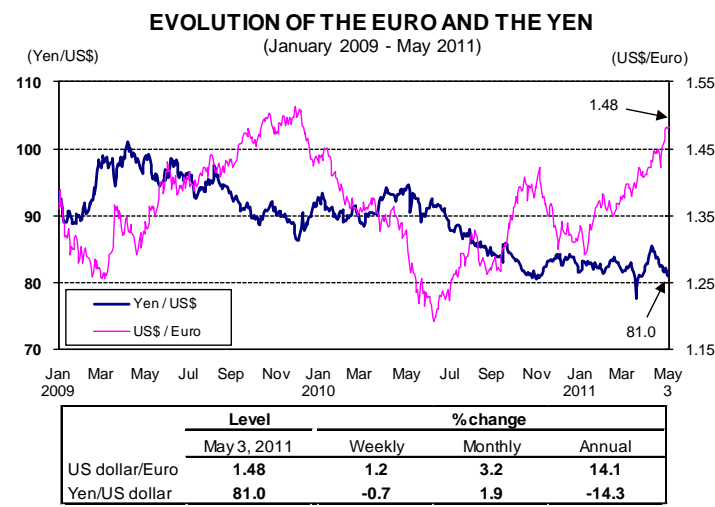


On average, US dollar depreciated against the euro in April

In **April**, the **dollar** depreciated 3.2 percent on average against the **euro**.

This positive evolution of the euro against the dollar was mainly due to an increase in the European Central Bank interest rate and signals of further adjustments for the remainder of the year, as well as signals of a long period of unchanged Federal Reserve rates.

Against the **yen**, the dollar appreciated 1.9 percent.



On **May 3**, the euro was traded at US\$ 1.48 and the US dollar was traded at 81.7 yens.

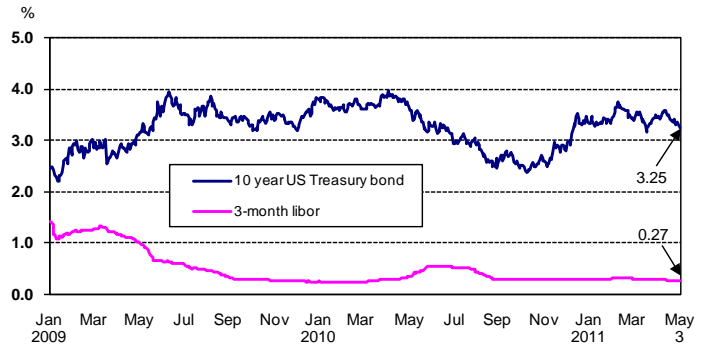
Yield on 10-year US Treasuries rose on average to 3.43 percent in April

In **April**, on average terms the **3-month Libor** decreased from 0.31 percent in March to 0.28 percent, while the yield on the **10-year US Treasury bonds** rose to 3.43 percent from 3.40 percent in March.

The rise in the yield of US Treasury bonds was due to higher inflationary expectations.

3-MONTH LIBOR AND 10-YEARS US TREASURIES

(January 2009 - May 2011)



	% change			
	May 3, 2011	Weekly	Monthly	Annual
3 months Libor	0.27	0	-3	-8
US Treasuries	3.25	-6	3	-35

On **May 3**, the **3-month Libor** decreased to 0.27 percent, while the yield on the **10-year US Treasury bonds** recorded 3.25 percent.

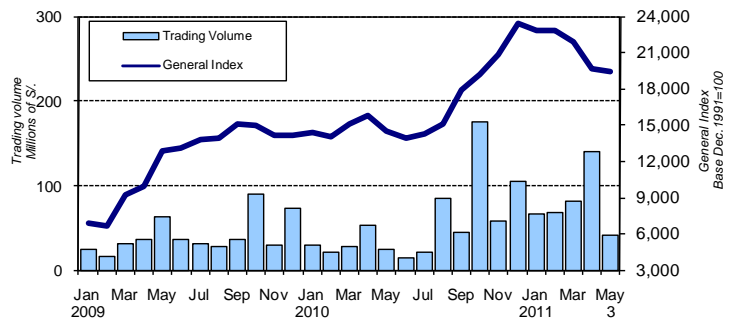
Lima Stock Exchange

In **April**, the **General Index** and the **Selective Index** of the Lima Stock Exchange (LSE) have fallen 10.6 and 8.8 percent, respectively.

The lower price of the stock indices during the month was mainly due to the investors' uncertainty among presidential elections and the mixed evolution of international commodity prices.

LIMA STOCK EXCHANGE INDICATORS

(January 2009 - May 2011)



	As of:	% change compared to:		
	May 3, 2011	Apr 26, 2011	Apr 29, 2011	Dec 31.10
General Index	19,485	9.7	-0.8	-16.6
Selective Index	27,133	10.6	-0.8	-15.3

Year-to-date, the indices of the LSE accumulate losses of 16.6 percent and 15.3 percent.

