









Indicators

-  Corporate interest rate at 5.39 percent
-  Interbank interest rate: 4.26 percent
-  Exchange rate: S/. 2.737 per dollar
-  GDP grew 7.1 percent in May
-  Public sector surplus of S/. 487 million in June
-  Country risk at 177 bps.

Content

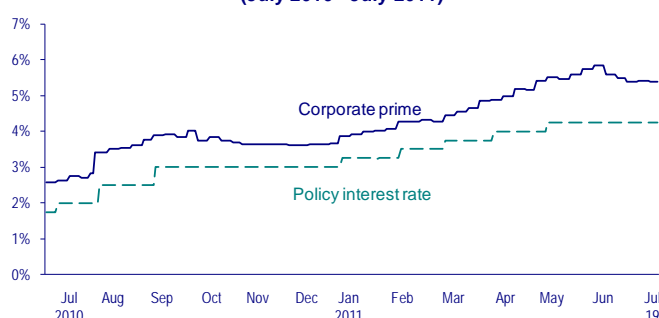
Corporate interest rate in nuevos soles at 5.39 percent	ix
Average interbank interest rate at 4.26 percent	ix
Exchange rate: US dollar traded at S/. 2.737	xi
International reserves reached US\$ 47.535 billion	xi
Liquidity and credit to the private sector at June 30	xii
GDP grew 7.1 percent in May 2011	xiii
Surplus of S/. 487 million in the operations of the non financial public sector	xiv
Country risk at 177 basis points	xv
Lima Stock Exchange	xviii

Corporate interest rate in nuevos soles at 5.39 percent

Between **July 12 and 19, 2011**, the average corporate interest rate in domestic currency fell from 5.41 to 5.39 percent.

Moreover, the average corporate interest rate in foreign currency declined from 2.33 percent to 2.29 percent.

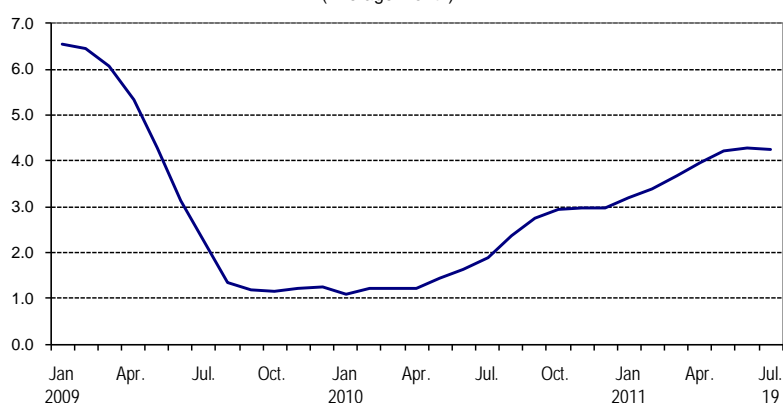
INTEREST RATES IN DOMESTIC CURRENCY
(July 2010 - July 2011)



Average interbank interest rate at 4.26 percent

The average interbank interest rate in domestic currency at July 19 recorded 4.26 percent.

INTEREST RATE IN DOMESTIC CURRENCY
(Average month)



Average interbank rate

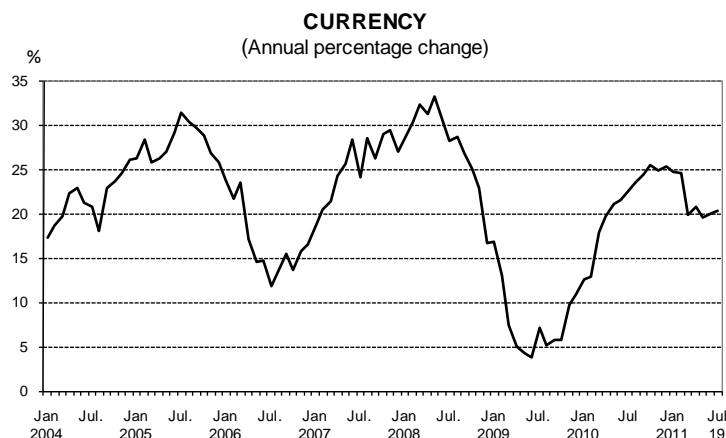
	Average	S.D
December 2009	1.24%	0.02
January 2010	1.09%	0.16
February	1.21%	0.03
March	1.23%	0.02
April	1.22%	0.02
May	1.45%	0.12
June	1.62%	0.11
July	1.90%	0.12
August	2.38%	0.18
September	2.74%	0.23
October	2.94%	0.15
November	2.97%	0.05
December	2.98%	0.02
January 2011	3.21%	0.10
February	3.37%	0.13
March	3.68%	0.12
April	3.97%	0.10
May	4.23%	0.15
June	4.28%	0.05
July 19	4.26%	0.03

Monetary operations

The BCRP made the following monetary operations between **July 13 and 19**: i) Auctions of 84-day to 364-day BCRP Certificates of Deposit for a daily average of S/. 96 million. The average rate on these operations, which reached a balance of S/. 3,220 million, was 4.37 percent; ii) Auctions of 1-day to 3-day term deposits in domestic currency for a total of S/. 2.088 billion. The average rate on these operations, which reached a balance of S/. 2,800 million, was 4.15 percent, iii) Purchases of FC for a total of US\$ 634 million, and iv) overnight deposits in domestic currency for a daily average of S/ 201 million.

Currency in circulation at July 19 amounted to S/. 24.648 billion

Between July 12 and 19, 2011, **currency in circulation** increased by S/. 828 million and amounted to S/. 24,648 million. As a result of this, currency in circulation accumulates an increase of S/. 517 million so far this year and registers a growth rate of 20.4 percent in the last 12 months.



BCRP OPERATIONS

(Millions of nuevos soles)

	FLOWS				BALANCE		
	Jun-11	From 12/07 to 19/07	Cummulated		Dec 31, 2010	Jun 30, 2011	Jul 19, 2011
			Monthly*	Annual*			
I. EXCHANGE OPERATIONS	0	1,972	2,015	-6,690			
(Millions of US\$)	0	720	735	-2,399			
1. Over the counter operations	0	713	728	790			
2. Public Sector	0	0	0	-3,039			
3. Other exchange operations 1/	0	7	7	-151			
II. OPERACIONES MONETARIAS	1,402	-1,980	304	6,264	-52,565	-46,604	-46,300
1. Sterilization	1,032	-1,980	674	6,264	-52,565	-46,974	-46,300
a. BCRP instruments	1,419	-1,480	959	8,708	-24,463	-16,714	-15,755
BCRP Certificates of Deposit (CDBCRP)	-850	-630	-720	-3,190	-30	-2,500	-3,220
BCRP Certificates of Deposit Variable in soles (CDV BCRP)	1,073	0	500	-5,114	-3,196	-8,810	-8,310
Readjustable CDBCRP (CDR BCRP)	-275	650	650	-1,425	0	-2,075	-1,425
BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)	0	0	0	450	-450	0	0
Term Deposits	1,471	-1,500	529	17,988	-20,788	-3,329	-2,800
b. Public Sector Deposits in soles	-761	-484	-275	-3,163	-26,726	-29,614	-29,889
c. Other monetary operations 2/	375	-16	-11	718	-1,375	-646	-656
2. Injection (Repos)	370	0	-370	0	0	370	0
III. RESERVE REQUIREMENTS IN DC	-1,284	829	-1,302	-288	-10,077	-9,064	-10,365
IV. OTHER 3/	157	7	107	1,232			
V. CURRENCY **	275	828	1,125	517	24,131	23,524	24,648
(Monthly percentage change)					11.0%	1.2%	4.8%
(Accumulated percentage change)					25.4%	-2.5%	2.1%
(YoY)					25.4%	20.0%	20.4%

* As of July 19, 2011.

** Preliminary data.

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

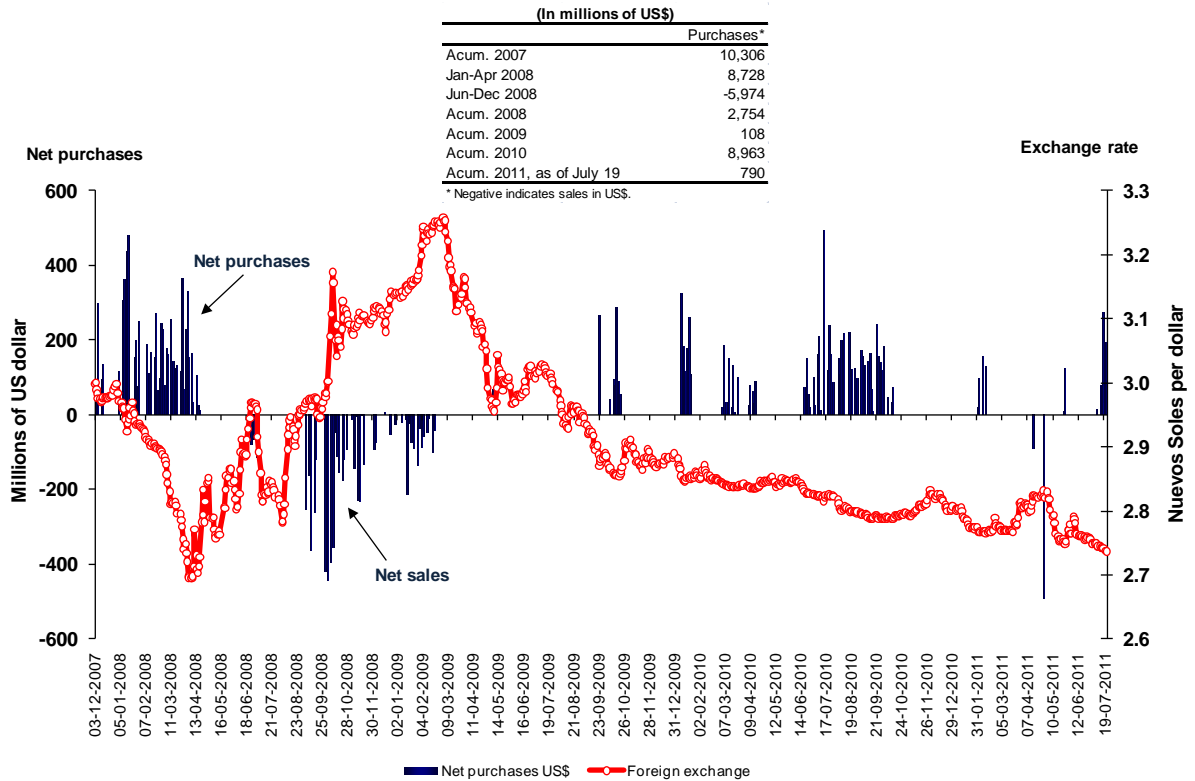
2/ Includes overnight deposits and Deposit Insurance Funds.

3/ Includes BCRP operative expenses, interest by deposits in the BCRP (overnight and terms) and net interest by CDBCRP placements.

Exchange rate: US dollar traded at S/. 2.737

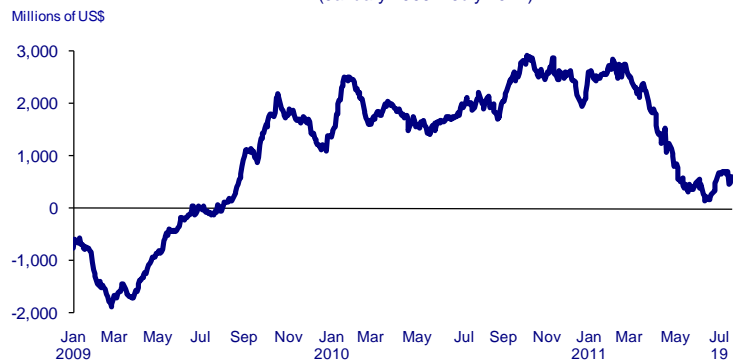
Between July 12 and 19, the average interbank ask price of the dollar fell from S/. 2.743 to S/. 2.737, which represented an appreciation of the nuevo sol of 0.21 percent. In this period the Central Bank intervened in the foreign exchange market buying US\$ 713 million.

EXCHANGE RATE AND NET DOLLAR PURCHASE



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

Between July 12 and 19, banks' balance of net forward purchases in foreign currency declined by US\$ 66 million. So far in July, the balance of net forward purchases has accumulated a decline of US\$ 13 million.



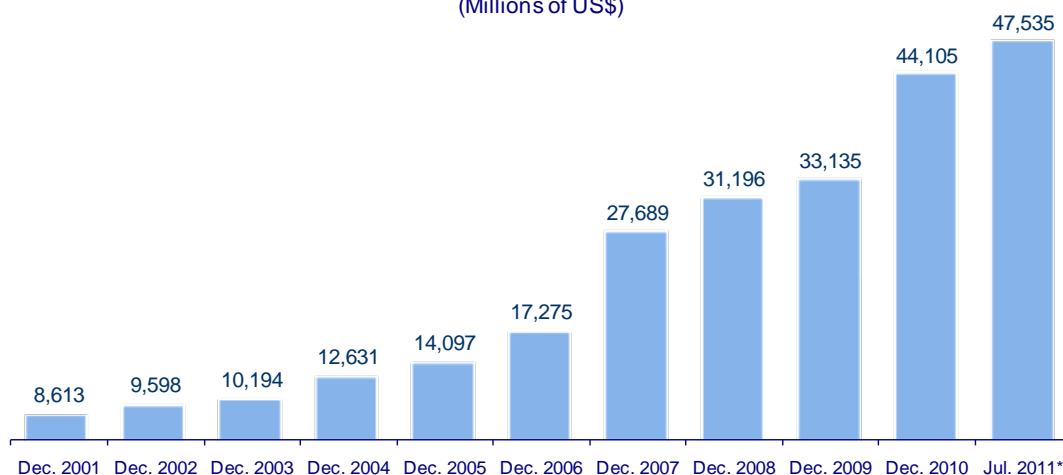
International reserves reached US\$ 47.535 billion

Net international reserves (NIRs) at July 19 amounted to US\$ 47,535 million. This level of reserves is US\$ 383 million higher than the one recorded at the close of June.

The increase of NIRs recorded so far this month was mainly due to purchases of foreign currency by the Central Bank (US\$ 728 million). This was offset by the decline of banks' and public sector deposits (US\$ 303 and US\$ 8 million, respectively), as well as by the lower valuation of investments (US\$ 13 million).

Furthermore, the exchange rate position of the BCRP at July 19 was US\$ 30,964 million, a sum higher by US\$ 722 million than the one recorded at the close of June

NET INTERNATIONAL RESERVES (Millions of US\$)



* As of July 19.

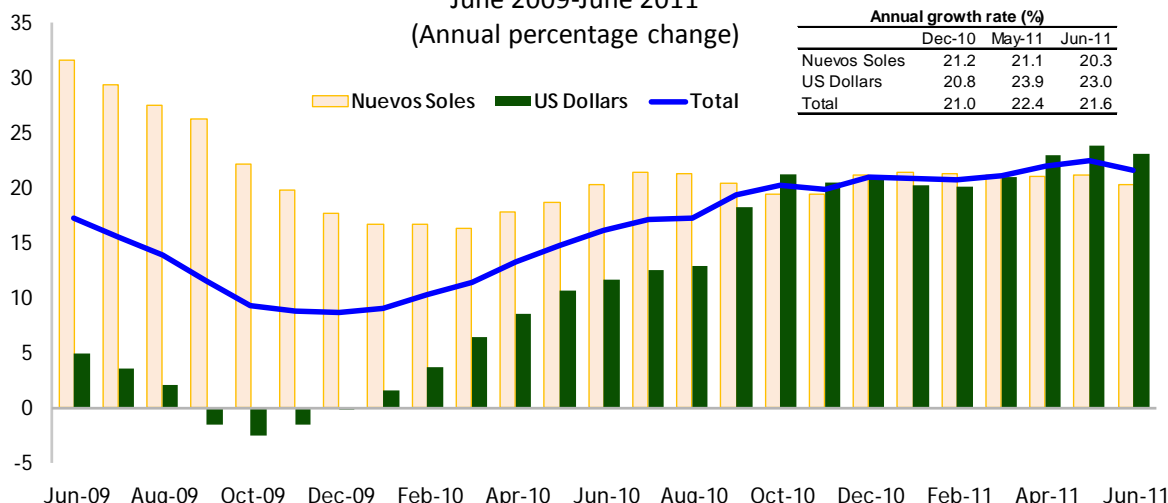
Liquidity and credit to the private sector at June 30

Including the placements of banks' branches abroad, **total credit to the private sector** grew 1.0 percent in June (S/. 1,367 million) and accumulated a growth rate of 21.6 percent in the last 12 months.

By currencies, credit to the private sector in nuevos soles grew 1.3 percent in June (S/. 1,013 million) and 20.3 percent in the last 12 months, while credit to the private sector in dollars grew 0.5 percent in June (US\$ 126 million) and 23.0 percent in the last 12 months.

CREDIT TO THE PRIVATE SECTOR

June 2009-June 2011
(Annual percentage change)



(*) Incluye los créditos de sucursales en el exterior de los bancos locales.

Total liquidity in the private sector grew 1.1 percent in June (S/. 1,656 million) and accumulated an annual growth rate of 21.7 percent. Liquidity in soles increased 0.1 percent in the month (S/. 111 million) and recorded a growth rate of 20.8 percent in the last 12 months. On the other hand, liquidity in dollars grew 2.7 percent (US\$ 546 million) and 23.0 percent compared to June 2010.

GDP grew 7.1 percent in May 2011

Recording a growth rate of **7.1 percent** in June, **GDP** accumulated a rate of 8.0 percent in the first five months of the year. GDP's growth rate in the month of June was mainly associated with the growth of trade and services, particularly financial services, transportation and communications, and services provided to firms.

GROSS DOMESTIC PRODUCT

(Real percentage change respect to the same period of previous year)

	Weight GDP 2010 1/	2011			
		May		January - May	
		% Chg.	Contribution	% Chg.	Contribution
Agriculture and Livestock	7.5	0.6	0.1	2.2	0.2
Agriculture	4.5	-1.3	-0.1	-0.1	0.0
Livestock	2.3	5.0	0.1	6.3	0.1
Fishing	0.3	-4.6	0.0	24.3	0.1
Mining and Fuel	5.2	2.7	0.1	-0.4	0.0
Metallic mining	4.1	-3.1	-0.1	-6.1	-0.3
Natural gas and oil	0.7	39.1	0.2	36.5	0.2
Manufacture	15.0	5.1	0.7	10.0	1.5
Based on raw materials	2.5	3.9	0.1	14.8	0.4
Non-primary industries	12.3	5.3	0.6	9.1	1.1
Electricity and water	2.0	8.0	0.2	7.4	0.2
Electricity	1.6	8.7	0.1	8.1	0.1
Water	0.4	0.8	0.0	0.5	0.0
Construction	6.7	3.7	0.2	5.5	0.4
Commerce	15.0	8.8	1.4	9.6	1.5
Other services	48.3	9.5	4.5	9.1	4.3
Transportation and communications	8.0	11.8	0.9	11.3	0.9
Financial and insurance	2.6	14.2	0.3	10.7	0.3
Given to companies	7.2	10.5	0.7	10.1	0.7
Restaurants and hotels	4.0	7.7	0.3	9.6	0.4
Government Services	5.6	5.1	0.2	4.4	0.2
Rest of other services	10.9	8.4	0.8	8.0	0.8
Indirect taxes	10.0	8.7	0.8	9.1	0.9
GDP Global	100.0	7.1	7.1	8.0	8.0
Primary	15.6	1.5	0.3	3.9	0.7
Non-primary	84.4	8.3	6.8	8.9	7.4

1/ At 1994 prices.

Production in the **agriculture sector** registered a slight growth of 0.6 percent in June and accumulated an expansion of 2.2 percent so far this year. The sector's growth is mainly explained by increased livestock production (up 5.0 percent), especially poultry, given that agricultural production contracted 1.3 percent. In the latter sub-sector, the production oriented to the domestic market declined 6.4 percent, mainly as a result of a lower production of rice, while the production oriented to the external markets and to agro-industry grew 12.8 percent as a result of a higher production of coffee, cotton, olives, sugar cane, and asparagus.

Although accumulating an expansion of 24.3 percent year-to-date, the **fishing sector** registered a drop of 4.6 percent in June. This result was mainly associated with the lower catch of giant squid to produce frozen seafood products.

The **mining and hydrocarbons sector** grew 2.7 percent due to the higher production of natural gas, gold and iron, which offset the lower production recorded in most other metal minerals. This sector, which has been showing high volatility in its monthly results, has accumulated a slight decline of 0.4 percent so far this year since the drop observed in metal mining has been offset by a higher production of natural gas.

Non primary manufacturing grew 5.3 percent in June, as a result of which the sector accumulates an expansion of 9.1 percent so far this year. Moreover, 27 of the 38 industrial groups showed higher growth rates. These groups included the glass industry, machinery and equipment, publishing and printing activities, basic chemicals, plastics, food conserves, chocolates and alcoholic beverages, natural and chemical scents, wood and furniture, other garments, and toilette and cleansing products.

The **construction sector** grew 3.7 percent in June and thus accumulated a growth rate of 5.5 percent year-to-date.

Indicators

Preliminary data available to date of indicators on the sectors of fishing, mining and hydrocarbons, construction, electricity and water, include the following:

- According to IMARPE, 706 million tons of anchovy were caught in June. Thus, the volume of anchovy catch in the first semester of the year has reached 4,282 million tons –a higher volume than the annual catch recorded in 2010 (3,331.8 million tons)–, favored by cold temperatures after the 2009-2010 La Niña Event.
- The production of hydrocarbons grew 18.1 percent, according to Perupetro.
- According to ASOCEM, local dispatches of cement declined from 649.2 to 630.9 thousand tons between June 2010 and June 2011.
- The production of electricity grew 854 percent in June according to the Comité de Operación Económica del Sistema Interconectado Nacional (COES).

Surplus of S/. 487 million in the operations of the non financial public sector

In June the operations of the non financial public sector recorded a surplus of S/. 487 million, a result higher by S/. 353 million than the one registered in June 2010, associated with the 13.7 percent growth observed in the current revenues of the general government. Non financial expenditure, on the other hand, grew 6.5 percent.

The general government tax revenues grew by a real 12.9 percent as a result of higher revenues from the income tax (34.1 percent) and the value added tax (14.8 percent), in a context of growth of GDP and domestic demand.

Year-to-date, the current revenues of the general government have grown 15.0 percent, while non financial expenditure has declined 1.2 percent.

OPERATIONS OF THE NON-FINANCIAL PUBLIC SECTOR 1/

(Millions of nuevos soles)

	JUNE			JANUARY-JUNE		
	2010	2011	Real %chg.	2010	2011	Real %chg.
1. General government current revenues	6,552	7,664	13.7	43,708	51,652	15.0
a. Tax revenue	4,994	5,802	12.9	33,593	39,838	15.4
National	4,894	5,699	13.2	32,766	38,967	15.8
Local	101	104	0.0	826	870	2.5
b. Non-tax revenue	1,558	1,862	16.2	10,115	11,814	13.7
National	1,355	1,715	23.0	8,598	10,317	16.8
Local	162	121	-27.5	1,125	893	-22.7
Regional	41	26	-38.2	391	603	50.1
2. General government non-financial expenditure	6,357	6,965	6.5	35,545	36,071	-1.2
a. Current	4,303	4,468	0.9	25,947	28,001	5.0
b. Capital	2,055	2,497	18.1	9,598	8,070	-18.2
3. Others 2/	44	-112		-210	89	-141.3
4. Primary Balance	239	587		7,952	15,670	
5. Interests	105	101		2,552	2,778	
6. Overall Balance	134	487		5,400	12,892	

1/ Preliminary.

2/ Includes capital revenues from the General government and primary result of public companies.

Source: MEF, SUNAT, Banco de la Nación, public charities, public institutions and companies.

International Markets

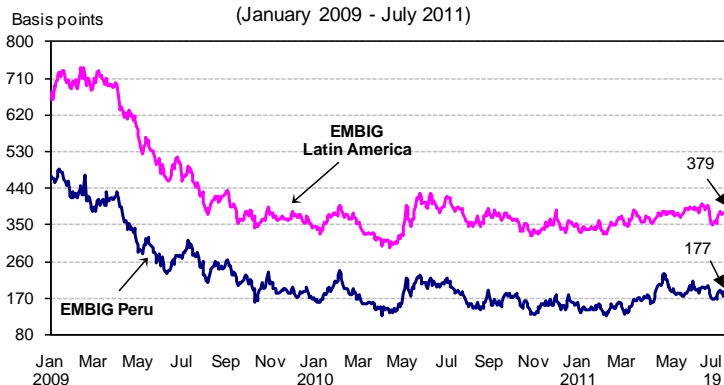
Country risk at 177 basis points

Between July 12 and 19, the country risk indicator –measured by the **EMBIG Peru** spread– fell from 189 to 177 basis points favored by positive domestic expectations.

The spread of the Latin American debt showed a slight decline of 2 basis points and recorded 379 basis points.

COUNTRY RISK INDICATORS

(January 2009 - July 2011)



Level	Variation in basis points		
	Weekly	Monthly	Annual
177 bps.	-12	-20	-2

Price of gold at US\$ 1,601.5 per troy ounce

In the same period, the price of **gold** climbed 3.2 percent to US\$1,601.5 per troy ounce, after reaching a new record high of US\$ 1,607 an ounce on July 18.

The increased demand for gold as an investment asset and the depreciation of the dollar influenced the rise in the price of gold. Moreover, the Commodity Futures Trading Commission (CFTC) reported that non commercial positions in gold increased during the first two weeks of July.

Between July 12 and 19, the price of **copper** rose 2.7 percent to US\$ 4.42 per pound.

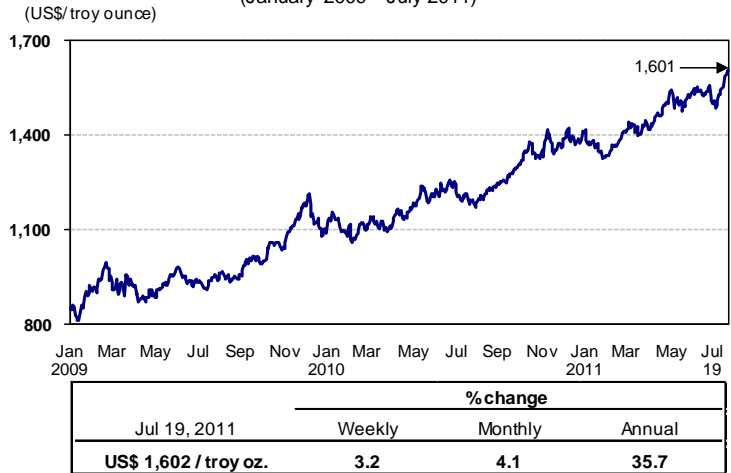
The price of the basic metal recovered during the week, driven by expectations of a higher demand following the publication of reports with positive indicators of economic activity in China.

The price of copper rose even though inventories in stock markets increased 3 percent to 645 thousand tons during the week.

Between July 12 and 19, the price of **zinc** increased 5.9 percent to US\$ 1.11 a pound.

The price of zinc climbed favored by recovery prospects for demand after China's positive indicators of activity, as well as by the drop of inventories in the major stock exchange markets.

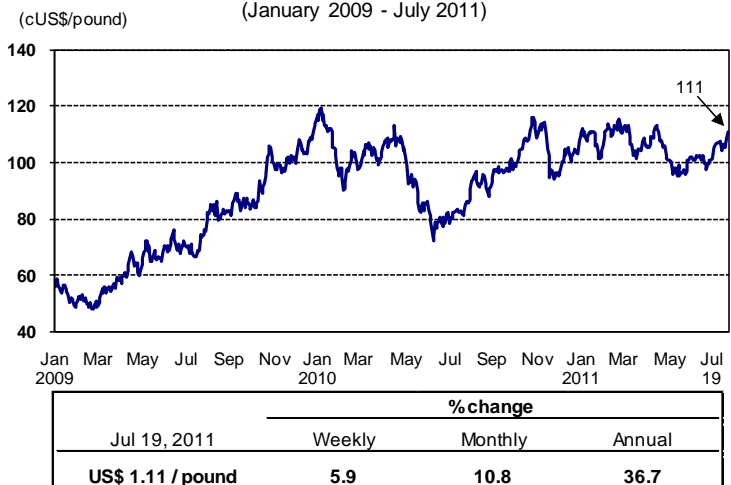
GOLD PRICE
(January 2009 - July 2011)



COPPER PRICE
(January 2009 - July 2011)

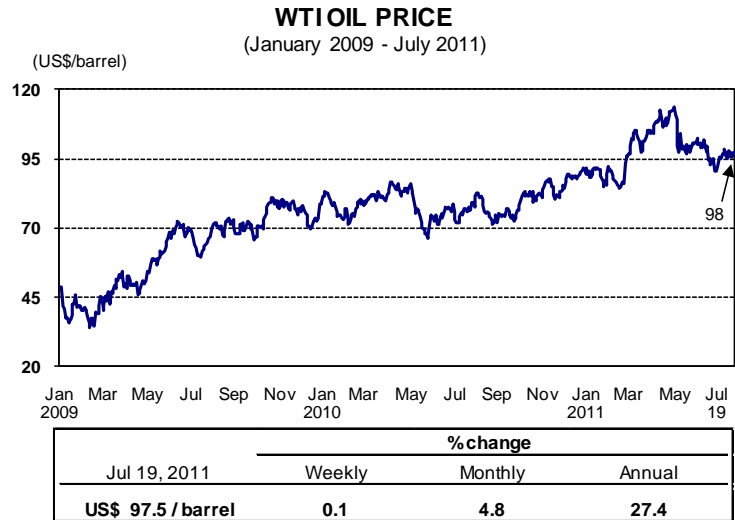


ZINC PRICE
(January 2009 - July 2011)



The price of **WTI oil** rose slightly to US\$ 97.5 per barrel (0.1 percent) between July 12 and 19.

This slight rise was associated with the International Energy Agency's upward revision of demand forecasts for 2012 and with the increase of non commercial positions in crude oil. However, the rise in the price of oil was offset by Saudi Arabia's unilateral decision of increasing its production by 700 thousand barrels per day.

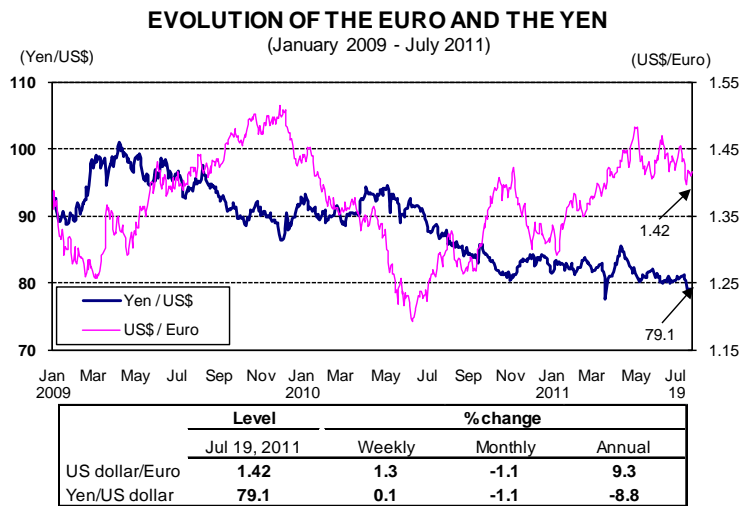


Dollar depreciated against the euro

Between July 12 and 19, the **dollar** depreciated 1.3 percent against the **euro**.

This was mainly explained by the fact that uncertainty regarding the debt crisis in the Eurozone was more than offset by negative data of activity in the US and by rating agencies' warnings about a possible downgrading if the debt ceiling is not raised in USA.

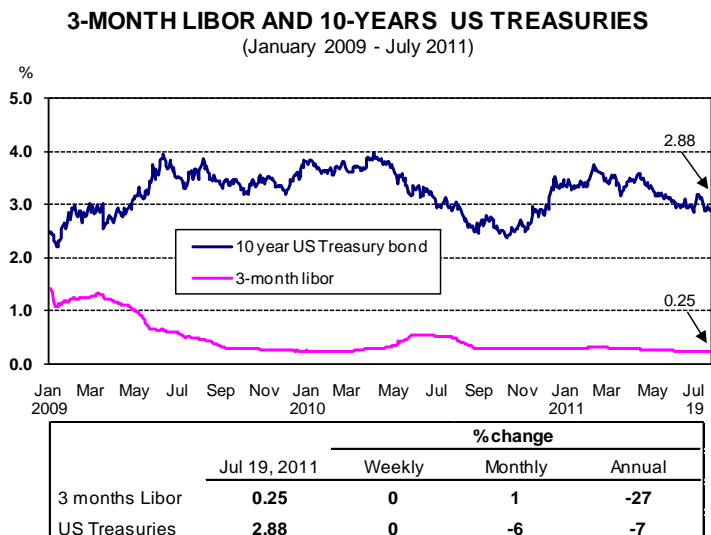
On the other hand, the dollar appreciated 0.1 percent against the **yen**.



Yield on 10-year US Treasuries: 2.88 percent

Between July 12 and 19, the **3-month Libor** remained at 0.25 percent.

The yield on the **10-year US Treasury bonds** showed no major variation and remained at 2.88 percent.

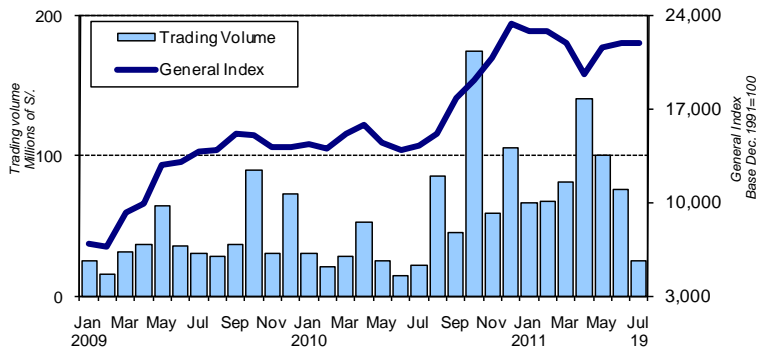


Lima Stock Exchange

The indices of the Lima Stock Exchange (LSE) at July 19 show positives results: the **General Index** has risen 16.3 percent and the **Selective Index** has risen 17.8 percent.

During the week of analysis (July 12 – 19), both the General and the Selective indices rose (10.2 and 11.4 percent, respectively), driven by leading mining shares after the positive mining results recorded in Q2 and by favorable domestic expectations.

LIMA STOCK EXCHANGE INDICATORS
(January 2009 - July 2011)



	As of:	% change compared to:		
	Jul 19, 2011	Jul 12, 2011	Jun 30, 2011	Dec 31.10
General Index	21,964	10.2	16.3	-6.0
Selective Index	30,453	11.4	17.8	-5.0

So far this year, the indices of the LSE accumulate declines of 6.0 and 5.0 percent, respectively.

