







### Indicators

-  Corporate interest rate at 5.28 percent
-  Interbank interest rate: 4.27 percent
-  Exchange rate: S/. 2.766 per dollar
-  Country risk at 269 bps.

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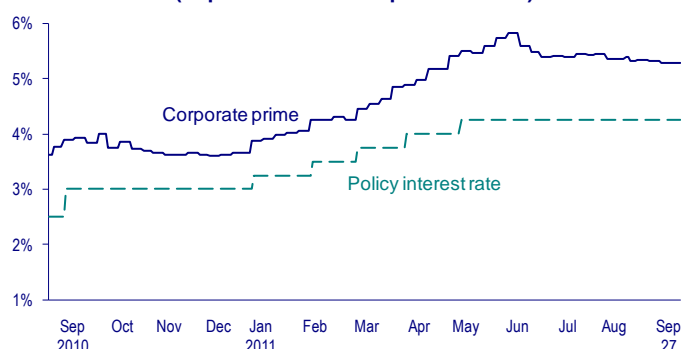
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## Corporate interest rate in nuevos soles at 5.28 percent

Between September 20 and 27, the average **corporate interest rate** in domestic currency fell from 5.29 to 5.28 percent.

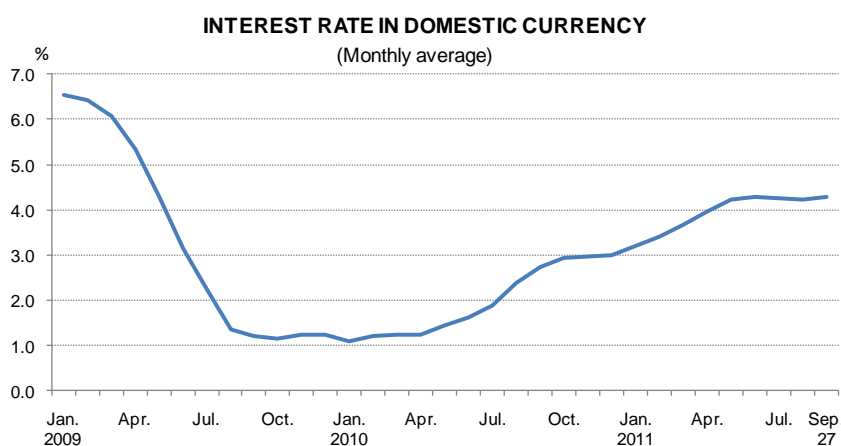
On the other hand, the average corporate interest rate in foreign currency decreased from 2.39 to 2.27 percent.

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



## Average interbank interest rate: 4.27 percent

The average **interbank interest rate** in domestic currency at September 27 was 4.27 percent.



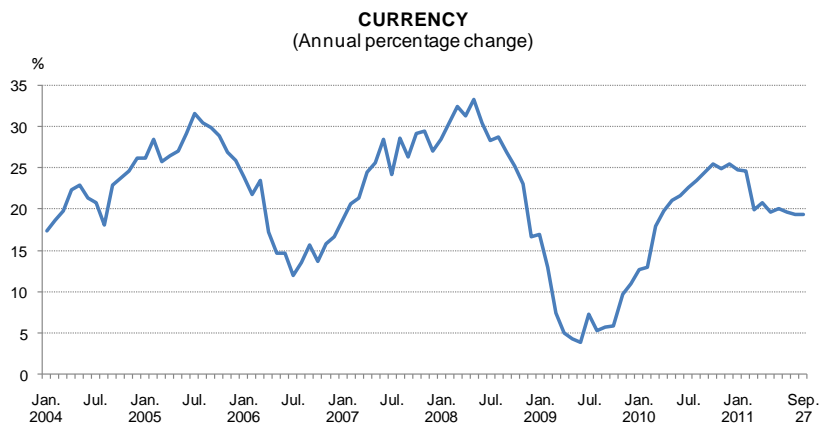
	Average interbank rate	
	Average	S.D
January 2010	1.09%	0.16
February	1.21%	0.03
March	1.23%	0.02
April	1.22%	0.02
May	1.45%	0.12
June	1.62%	0.11
July	1.90%	0.12
August	2.38%	0.18
September	2.74%	0.23
October	2.94%	0.15
November	2.97%	0.05
December	2.98%	0.02
January 2011	3.21%	0.10
February	3.37%	0.13
March	3.68%	0.12
April	3.97%	0.10
May	4.23%	0.15
June	4.28%	0.05
July	4.26%	0.02
August	4.23%	0.03
September 27	4.27%	0.05

## Monetary operations

Between September 21 and 27, the BCRP made the following **monetary operations**: i) Auctions of 168-day to 357-day BCRP Certificates of Deposit for a daily average of S/. 80 million. The average rate on these operations, which reached a balance of S/. 8.04 billion, was 4.22 percent; ii) Exchange rate operations over the counter for US\$ 407 million; iii) Direct Repo for S/. 900 million, with an average rate for this operation of 5.05 percent; and iii) overnight deposits in domestic currency for a daily average of S/. 222 million.

## Currency in circulation: S/. 24.76 billion at September 27

Between September 20 and 27, 2011, **currency in circulation** rose by S/. 104 million and amounted to S/. 24.76 billion, thus accumulating a decline of S/. 30 million so far this month. Currency in circulation recorded a growth rate of 19.3 percent in the last twelve months.



### BCRP OPERATIONS

(Millions of nuevos soles)

(Net International Position + Net Domestic Asset = Currency)

	BALANCE		FLOWS	
	Aug 31, 2011	Sep 27, 2011	Sep-11 *	From 20/09 to 27/09
<b>I. NET INTERNATIONAL POSITION</b>	<b>88,895</b>	<b>87,874</b>	<b>-2,324</b>	<b>-1,980</b>
(Millions of US\$)	32,562	31,723	-839	-713
<b>1. Exchange Operations</b>			<b>-101</b>	<b>-407</b>
a. Over the counter operations			-102	-407
b. Public Sector			0	0
c. BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)			0	0
d. Other exchange operations			1	0
<b>2. Rest</b>			<b>-738</b>	<b>-307</b>
<b>II. NET DOMESTIC ASSET</b>	<b>-64,107</b>	<b>-63,115</b>	<b>2,294</b>	<b>2,084</b>
<b>1. Monetary Sterilization</b>	<b>-29,428</b>	<b>-27,248</b>	<b>2,181</b>	<b>2,135</b>
a. Certificates and Term deposits	-20,623	-16,940	3,682	-250
BCRP Certificates of Deposit (CDBCRP)	-6,230	-8,040	-1,810	340
BCRP Certificates of Deposit Variable in soles (CDV BCRP)	-8,310	-8,310	0	0
Readjustable CDBCRP (CDR BCRP)	0	-590	-590	-590
BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)	0	0	0	0
Term Deposits	-6,082	0	6,082	0
b. Reserve requirements in Domestic Currency	-8,141	-8,773	-632	2,944
c. Other monetary operations	-665	-1,534	-869	-559
<b>2. Fiscal Sterilization</b>	<b>-29,998</b>	<b>-32,046</b>	<b>-2,048</b>	<b>-913</b>
<b>3. Injection (Repos)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>4. Other</b>	<b>-4,681</b>	<b>-3,822</b>	<b>2,162</b>	<b>861</b>
<b>III. CURRENCY **</b>	<b>24,788</b>	<b>24,758</b>	<b>-30</b>	<b>104</b>
(Monthly percentage change)	-1.9%	-0.1%		
(Acumulated percentage change)	2.7%	2.6%		
(YoY)	18.4%	19.3%		

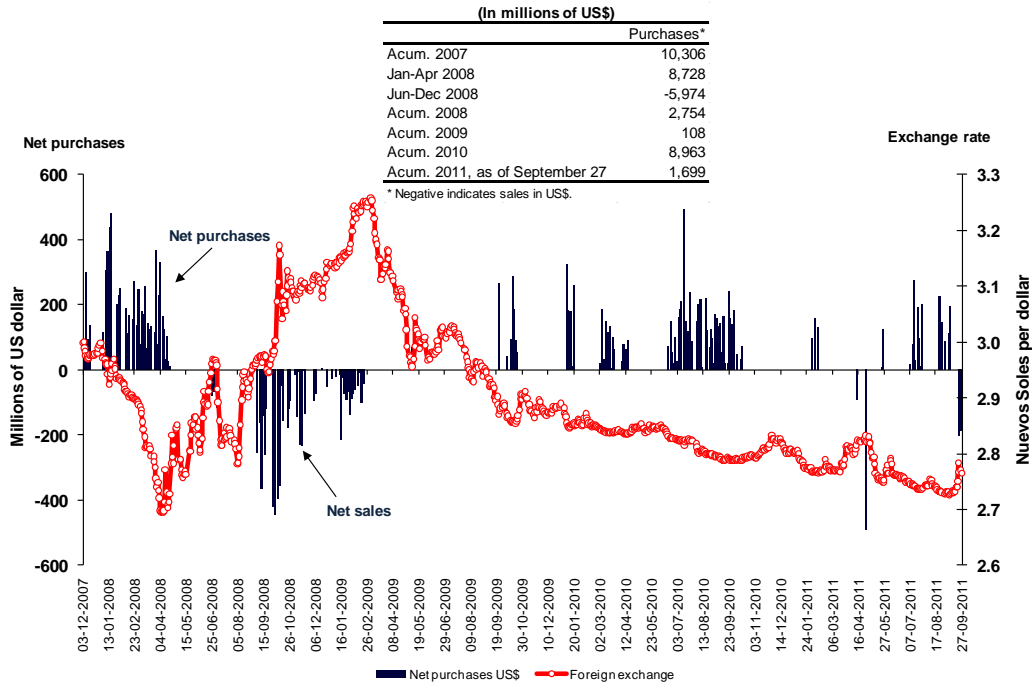
\* As of September 27, 2011.

\*\* Preliminary data.

**Exchange rate: S/. 2.766 per dollar**

Between September 20 and 27, the average **interbank ask price of the dollar** rose from S/. 2.740 to S/. 2.766, which represented a depreciation of the nuevo sol of 0.95 percent. The Central Bank intervened in the foreign exchange market by selling US\$ 407 million.

**EXCHANGE RATE AND NET DOLLAR PURCHASE**



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



Between September 20 and 27, banks' balance of **net forward purchases in foreign currency** fell by US\$ 504 million. So far this month, the balance of net forward purchases has accumulated a decline of US\$ 1.13 billion.

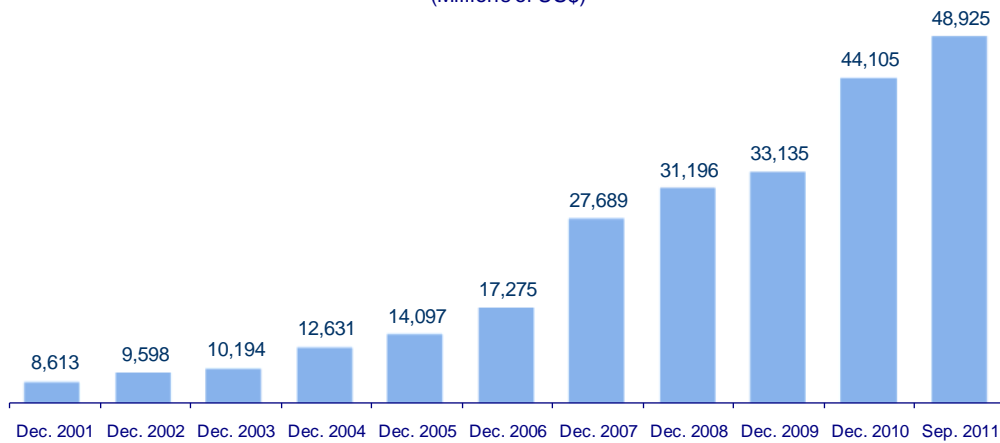
**International reserves total US\$ 48.93 billion**

**Net international reserves (NIRs)** at September 27 amounted to US\$ 48.93 billion. This level of reserves is US\$ 410 million higher than the one recorded at the close of August.

The increase of NIRs registered so far this month was mainly due to higher banks' deposits (up by US\$ 1.30 billion) and higher investments yields (US\$ 5 million). This was offset by the lower valuation of investments (US\$ 760 million) sales of foreign currency over the counter (US\$ 102 million) and by the reduction of public sector deposits at the Central Bank (down US\$ 50 million).

The **exchange rate position** of the BCRP at September 27 was US\$ 31.72 billion. This amount is US\$ 839 million lower than the one recorded at the close of August.

**NET INTERNATIONAL RESERVES**  
(Millions of US\$)



\* As of 27.

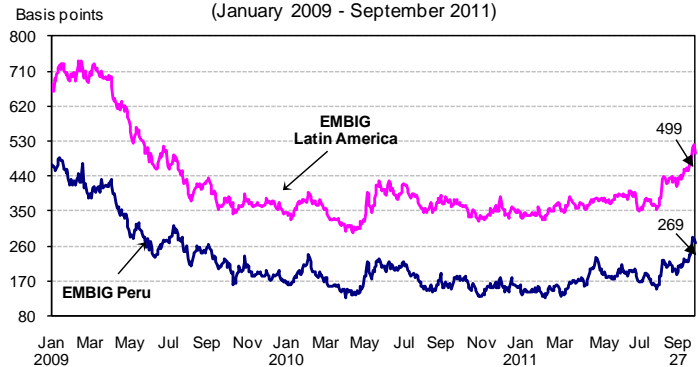
**International Markets**

**Country risk at 269 basis points**

Between September 20 and 27, the country risk indicator, measured by the **EMBIG Peru** spread, rose from 236 to 269 basis points.

The spread of the region's debt rose 31 basis points due to higher global risk aversion as a result of a negative report from the FED and renewed concerns of a Greek default.

**COUNTRY RISK INDICATORS**  
(January 2009 - September 2011)



Level	Variation in basis points		
	Weekly	Monthly	Annual
Sep 27, 2011	33	67	89
<b>269 bps.</b>			

**Price of gold reached US\$ 1,655.5 per troy ounce**

In the same period, the price of **gold** dropped 8.0 percent to US\$ 1,655.5 per troy ounce.

The gold price decrease of this week was mainly explained by liquidation of position to cover losses in other markets and the appreciation of the dollar against the euro.

**GOLD PRICE**  
(January 2009 - September 2011)



Sep 27, 2011	% change		
	Weekly	Monthly	Annual
<b>US\$ 1,656 / troy oz.</b>	<b>-8.0</b>	<b>-7.4</b>	<b>27.6</b>

Between September 20 and 27, the price of **copper** fell 10.4 percent to US\$ 3.41 per pound.

The price of the base metal fell again after negative growth perspectives and the liquidation of commercial position from investors.

**COPPER PRICE**  
(January 2009 - September 2011)



Sep 27, 2011	%change		
	Weekly	Monthly	Annual
<b>US\$ 3.41 / pound</b>	<b>-10.4</b>	<b>-17.2</b>	<b>-5.0</b>

In the same period, the price of **zinc** decreased 8.7 percent to US\$ 0.86 per pound, the lowest level in one year.

The drop in the price of zinc was explained by the concerns of the global recession and its effect on the demand of base metals.

**ZINC PRICE**  
(January 2009 - September 2011)



Sep 27, 2011	%change		
	Weekly	Monthly	Annual
<b>US\$ 0.86 / pound</b>	<b>-8.7</b>	<b>-13.8</b>	<b>-13.2</b>

The price of **WTI oil** fell 2.8 percent to US\$ 84.5 per barrel between September 20 and 27.

The price of oil was mainly affected by the deceleration of the global economy, the demand for oil, and an increase in the dollar. The decrease of oil inventories in the US, lowest level since January, partially offset the decline.

**WTI OIL PRICE**  
(January 2009 - September 2011)



Sep 27, 2011	%change		
	Weekly	Monthly	Annual
<b>US\$ 84.5 / barrel</b>	<b>-2.8</b>	<b>-1.1</b>	<b>10.4</b>

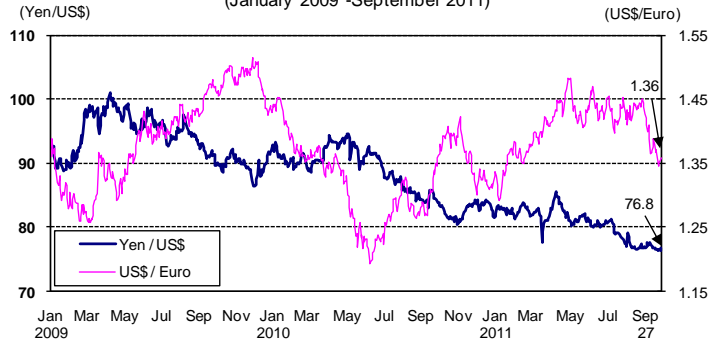
**Dollar appreciated against the euro and yen**

In September 20-27, the **dollar** appreciated 0.9 percent against the **euro**.

The evolution of the US currency was explained by higher risk aversion around the financial problems of Europe.

The dollar appreciated 0.4 percent against the **yen**.

**EVOLUTION OF THE EURO AND THE YEN**  
(January 2009 -September 2011)



	Level	% change		
	Sep 27, 2011	Weekly	Monthly	Annual
US dollar/Euro	1.36	-0.9	-6.3	1.1
Yen/US dollar	76.8	0.4	0.1	-8.9

**Yield on 10-year US Treasuries at 1.97 percent**

Between September 20 and 27, the **3-month Libor** rose 1 basis point to 0.37 percent, while the yield on the **10-year US Treasury bond** rose from 1.94 to 1.97 percent.

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



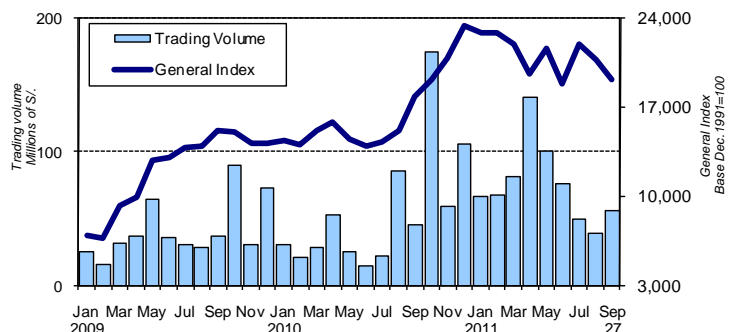
	Variation in basis points			
	Sep 27, 2011	Weekly	Monthly	Annual
3 months Libor	0.37	1	4	8
US Treasuries	1.97	3	-22	-55

**Lima Stock Exchange**

So far this month, as of September 27, the **General** and **Selective** indices of the Lima Stock Exchange (LSE) have declined 7.6 and 7.9 percent, respectively.

In the week of analysis (September 20-27), both indices showed negative results, falling 5.8 and 6.0 percent, respectively, following the trend of the main stock exchanges in the region, affected by the decline of the price of metals and the uncertainty of the global outlook.

**LIMA STOCK EXCHANGE INDICATORS**  
(January 2009 - August 2011)



	As of:	% change compared to:		
	Sep 27, 2011	Sep 20, 2011	Aug 31, 2011	Dec 31.10
General Index	19,134	-5.8	-7.6	-18.1
Selective Index	26,616	-6.0	-7.9	-17.0

So far this year, the indices of the LSE have accumulated declines of 18.1 and 17.0 percent, respectively.

