








Indicators

-  Corporate interest rate at 5.39 percent
-  Interbank interest rate at 4.29 percent
-  Exchange rate: S/. 2.731 per dollar
-  Trade surplus in August: US\$ 1.08 billion
-  Country risk at 235 bps.

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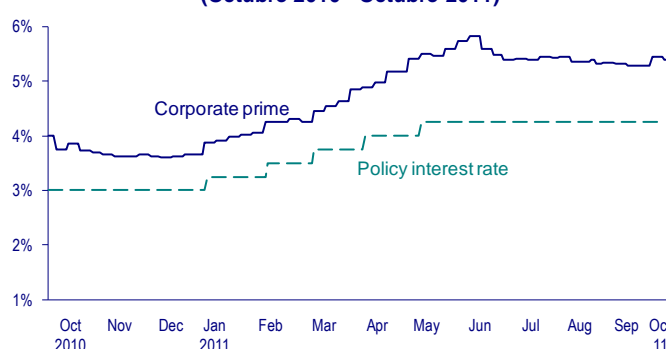
- Corporate interest rate in nuevos soles at 5.39 percent ix
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Corporate interest rate in nuevos soles at 5.39 percent

Between October 4 and 11, the average **corporate interest rate** in domestic currency fell from 5.44 to 5.39 percent.

On the other hand, the average corporate interest rate in foreign currency rose from 2.25 to 2.28 percent.

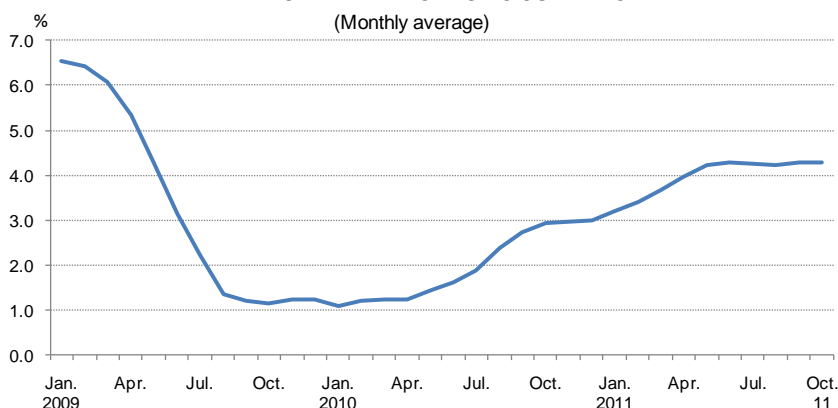
**INTEREST RATES IN DOMESTIC CURRENCY
(Octubre 2010 - Octubre 2011)**



Average interbank interest rate: 4.29 percent

The average **interbank interest rate** in domestic currency at October 11 was 4.29 percent.

**INTEREST RATE IN DOMESTIC CURRENCY
(Monthly average)**



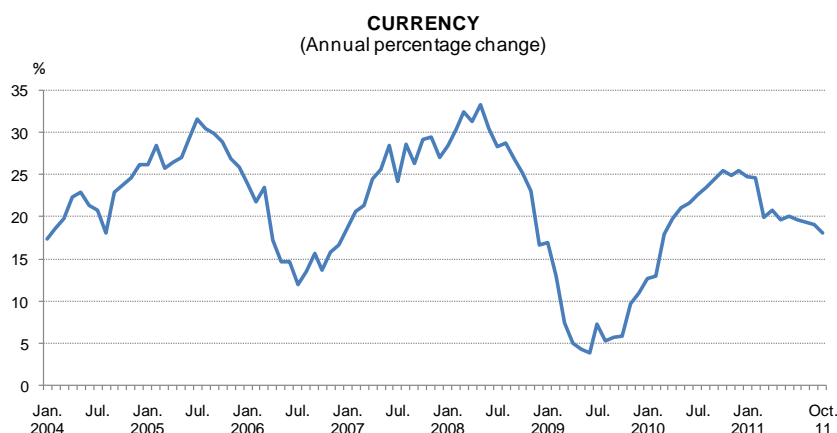
Average interbank rate		
	Average	S.D
January 2010	1.09%	0.16
February	1.21%	0.03
March	1.23%	0.02
April	1.22%	0.02
May	1.45%	0.12
June	1.62%	0.11
July	1.90%	0.12
August	2.38%	0.18
September	2.74%	0.23
October	2.94%	0.15
November	2.97%	0.05
December	2.98%	0.02
January 2011	3.21%	0.10
February	3.37%	0.13
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	4.27%	0.05
October 11	4.29%	0.02

Monetary operations

Between October 5 and 11, the Central Bank made the following **monetary operations**: i) Auctions of 182-day to 371-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/. 7.03 billion, was 4.18 percent; ii) Auctions of 1 to 3-day overnight repos of securities for a daily average of S/. 4.33 billion. The average rate on these operations, which reached a balance of S/. 3 billion, was 4.30 percent, and iii) overnight deposits in domestic currency for a daily average of S/. 68 million.

Currency in circulation: S/. 24.67 billion at October 11

Between October 4 and 11, 2011, **currency in circulation** declined by S/. 549 million and amounted to S/. 24.67 billion, thus accumulating a contraction of S/. 108 million so far this month. Currency in circulation recorded a growth rate of 18.0 percent in the last twelve months.



BCRP OPERATIONS

(Millions of nuevos soles)

	BALANCE		FLOWS	
	Sep 30, 2011	Oct 11, 2011	Oct-11 *	From 04/10 to 11/10
I. NET INTERNATIONAL POSITION	86,978	86,257	533	899
(Millions of US\$)	31,400	31,596	196	328
1. Exchange Operations			-38	0
a. Over the counter operations			-38	0
b. Public Sector			0	0
c. BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)			0	0
d. Other exchange operations			0	0
2. Rest			234	328
II. NET DOMESTIC ASSET	-62,197	-61,584	-641	-1,448
1. Monetary Sterilization	-27,915	-31,187	-3,273	-174
a. Certificates and Term deposits	-17,000	-15,730	1,270	1,270
BCRP Certificates of Deposit (CDBCRP)	-8,100	-7,030	1,070	1,070
BCRP Certificates of Deposit Variable in soles (CDV BCRP)	-8,310	-8,110	200	200
Readjustable CDBCRP (CDR BCRP)	-590	-590	0	0
BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)	0	0	0	0
Term Deposits	0	0	0	0
b. Reserve requirements in Domestic Currency	-9,534	-14,531	-4,997	-1,253
c. Other monetary operations	-1,380	-927	454	-191
2. Fiscal Sterilization	-31,402	-30,736	666	866
3. Injection (Repos)	470	3,000	2,530	-1,250
4. Other	-3,351	-2,660	-564	-891
III. CURRENCY ** (I+II)	24,781	24,673	-108	-549
(Monthly percentage change)	0.0%	-0.4%		
(Accumulated percentage change)	2.7%	2.2%		
(YoY)	19.1%	18.0%		

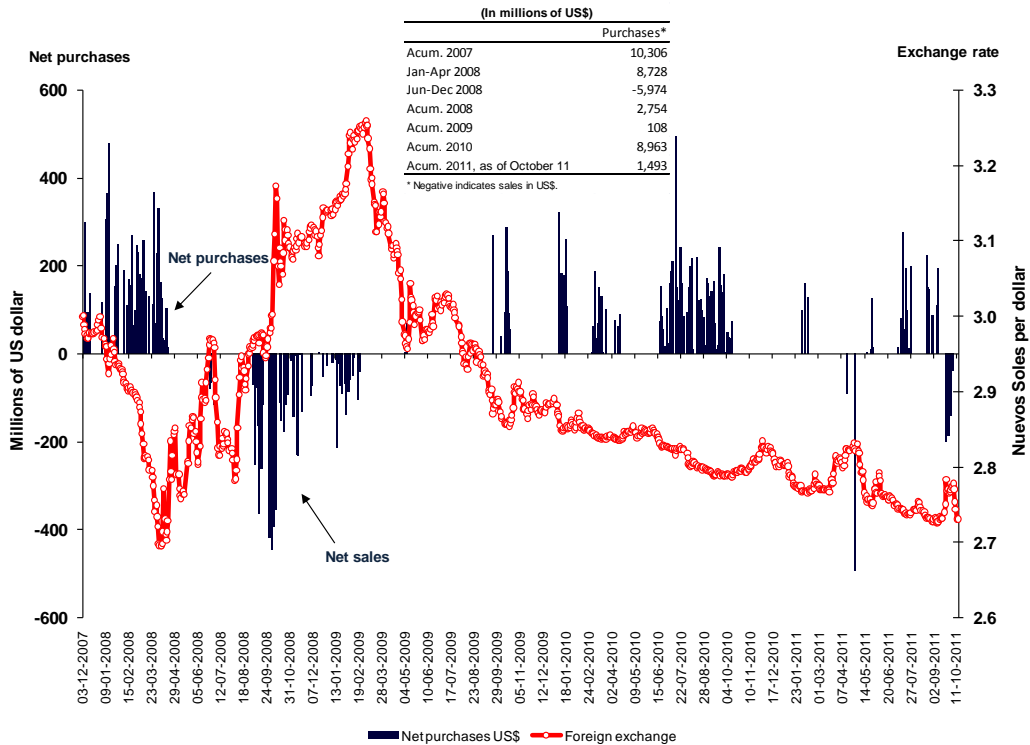
* As of October 11, 2011.

** Preliminary data.

Exchange rate: S/. 2.731 per dollar

Between October 4 and 11, the average **selling price of the dollar** in the interbank market fell from S/. 2.778 to S/. 2.731, which represented an appreciation of the nuevo sol of 1.70 percent. The Central Bank did not intervene in the foreign exchange market in this period.

EXCHANGE RATE AND NET DOLLAR PURCHASE



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



Between October 4 and 11, banks' balance of **net forward purchases in foreign currency** declined by US\$ 40 million. So far this month, the balance of net forward purchases has accumulated an increase of US\$ 58 million.

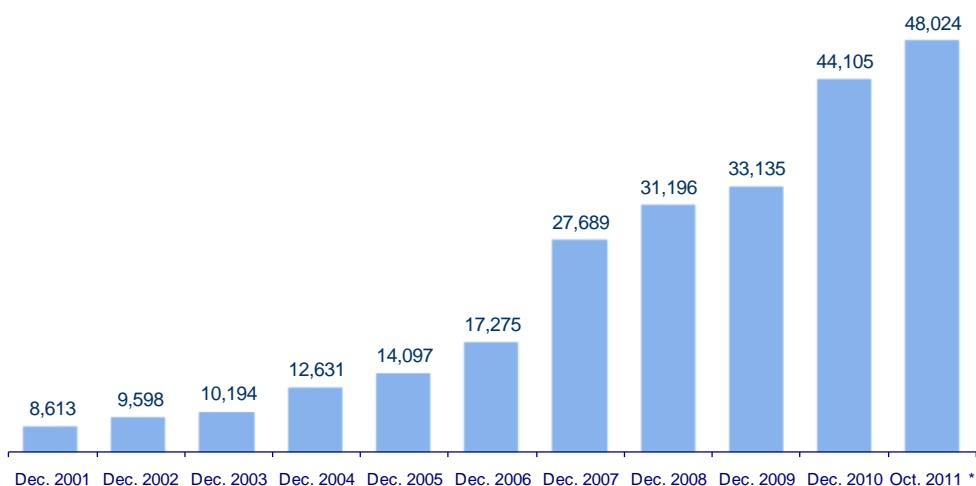
International reserves amounted to US\$ 48.02 billion

Net international reserves (NIRs) at October 11 amounted to US\$ 48.02 billion. This level of reserves is lower by US\$ 44 million than the one recorded at the close of September.

The drop observed in NIRs so far this month was mainly due to the decline of banks' deposits (US\$ 273 million) and to net sales of foreign currency (US\$ 38 million). This was offset by the higher valuation of investments (US\$ 237 million) and by the increase of public sector deposits at the Central Bank (US\$ 31 million).

The **foreign exchange position** of the BCRP at October 11 was US\$ 31.6 billion. This amount is US\$ 196 million higher than the one recorded at the close of September.

NET INTERNATIONAL RESERVES
(Millions of US\$)



* As of 11.

Liquidity and credit at September 15

In the last four weeks **total liquidity in the private sector** increased 1.5 percent (S/. 2.14 billion) and thus accumulated a growth rate of 20.0 percent in the last twelve months. By currencies, liquidity in soles grew 1.4 percent (S/. 1.24 billion), while liquidity in dollars grew 1.6 percent (US\$ 322 million).

On the other hand, **total credit to the private sector** grew 1.3 percent (S/. 1.87 billion) in the same period. By currencies, credit in soles grew 1.5 percent (S/. 1.12 billion), while credit in dollars grew 1.1 percent (US\$ 266 million). With this, total liquidity to the private sector records an annual growth rate of 21.4 percent.

Non traditional exports grew 47.4 percent in August

In August 2011 the **trade balance** showed a surplus of US\$ 1.08 billion –the second highest surplus in the year– and accumulated a positive balance of US\$ 6.10 billion so far this year.

TRADE BALANCE
(Millions of US\$)

	August			January - August		
	2010	2011	% change	2010	2011	% change
EXPORTS	2,985	4,559	52.7	22,086	30,420	37.7
Traditional products	2,358	3,634	54.1	17,244	23,853	38.3
Non-traditional products	612	901	47.4	4,682	6,360	35.8
Other products	16	24	53.6	159	207	29.7
IMPORTS	2,579	3,484	35.1	18,064	24,324	34.7
Consumption goods	502	649	29.5	3,342	4,162	24.5
Raw materials	1,226	1,775	44.9	8,935	12,193	36.5
Capital goods	831	1,032	24.2	5,636	7,724	37.0
Other goods	20	27	33.5	151	246	63.3
TRADE BALANCE	406	1,075		4,022	6,095	

Exports, which grew 52.7 percent compared to August 2010, amounted to US\$ 4.56 billion. The volume of exports grew 20.9 percent, while export prices grew 26.4 percent. The growth in the volume of exports is explained by increased exports of copper, gold, and some non traditional exports (especially agricultural and chemical products), while the growth of exports in terms of average prices is associated with the higher prices recorded by copper, gold and zinc, and non traditional exports, such as textiles and chemical products.

Imports, which grew 35.1 percent compared to August 2010, amounted to US\$ 3.48 billion. The volume of imports grew 16.4 percent, mainly due to higher imports of durable consumer goods, such as cars (30.9 percent), television sets (18.5 percent), motorcycles (42.7 percent), and furniture (38.3 percent). On the other hand, the average prices of imports grew 16.1 percent, mainly as a result of the increase observed in the prices of inputs such as crude (44.6 percent).

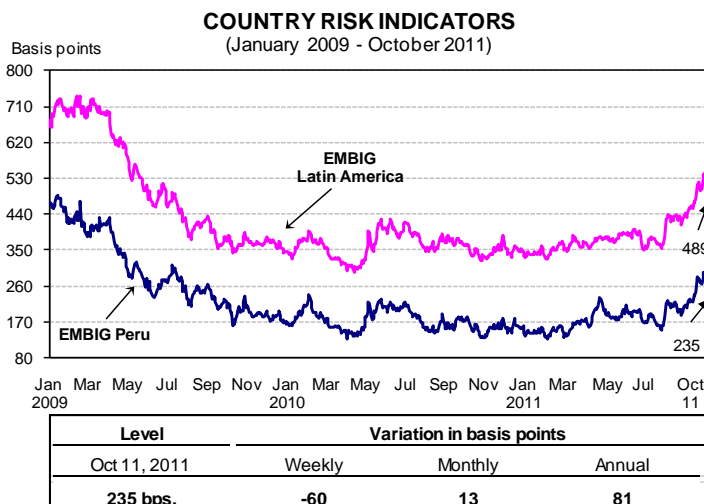
In August the terms of trade increased 8.9 percent compared to the same month in 2010. The prices of exports grew 26.4 percent, while the prices of imports grew 16.1 percent.

International Markets

Country risk declined to 235 basis points

Between October 4 and 11, the country risk indicator, measured by the EMBIG Peru spread, fell from 295 to 235 basis points.

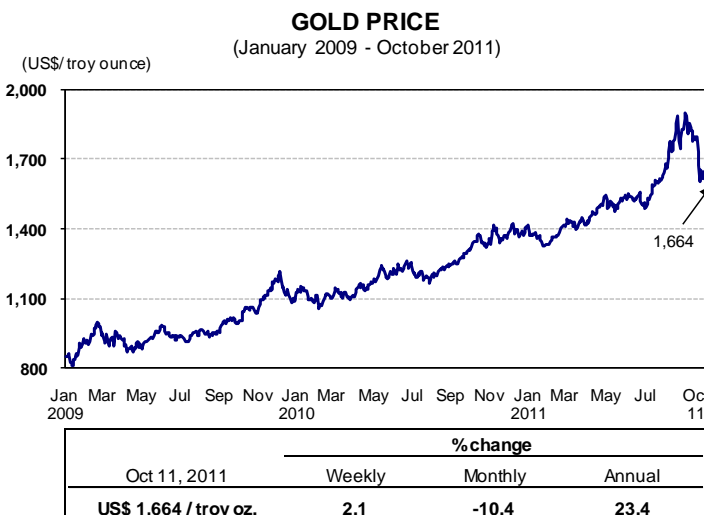
Furthermore, the spread of the region's debt also showed a downward correction (it dropped 53 basis points) in a context of reduction of global risk aversion.



Price of gold rose to US\$ 1,663.5 per troy ounce

In the same period, the price of **gold** rose 2.1 percent to US\$ 1,633.5 per troy ounce.

Gold registered new rises during the week due to the depreciation of the dollar against the euro and to increased purchases of physical gold.



Between October 4 and 11, the price of **copper** rose 6.3 percent to US\$ 3.27/pound.

The price of copper rebounded with the return of the Chinese market participants after the festivities of the Golden Week. The rise in the price of this metal was also encouraged by the decline of inventories at the London Metal Exchange (inventories dropped 4 percent to 459 thousand tons).

COPPER PRICE
(January 2009 - October 2011)



Between October 4 and 11, the price of **zinc** rose 2.5 percent to US\$ 0.85/pound.

The price of this metal was favored by the decline of zinc inventories at the major metal exchange markets, as well as by positive economic data in the U.S. which improved the outlook for zinc demand.

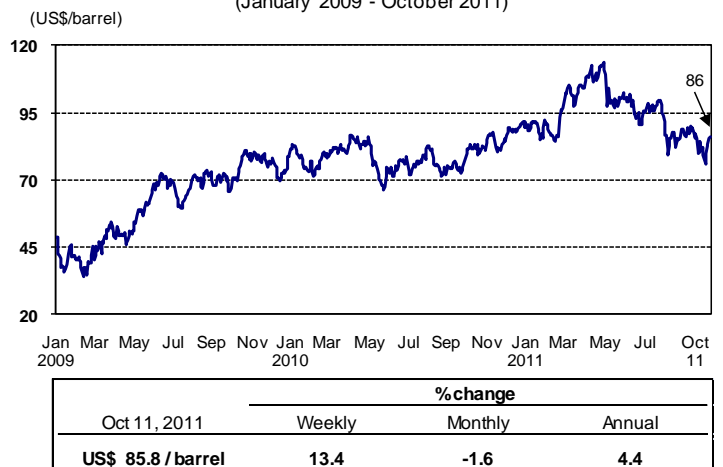
ZINC PRICE
(January 2009 - October 2011)



Between October 4 and 11, the price of **WTI oil** recorded a significant rise (13.4 percent) and reached US\$ 85.8 per barrel.

The drop in crude inventories in the U.S. and the temporary suspension of Kuwait's exports of oil generated the rise in the price of crude.

WTI OIL PRICE
(January 2009 - October 2011)



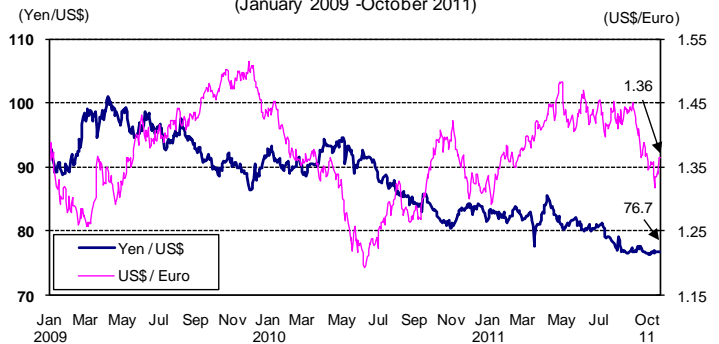
US dollar depreciated against the euro

In October 4-11, the **dollar** depreciated 2.3 percent against the **euro**.

The dollar lost ground against the euro due to the improvement of the outlook for the Eurozone after European leaders declared that they were committed to solve the problems of the euro-zone promptly.

Moreover, the dollar depreciated 0.2 percent against the **yen**.

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



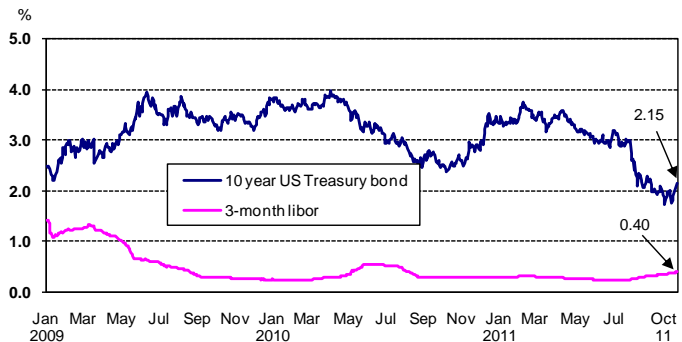
	Level	%change		
	Oct 11, 2011	Weekly	Monthly	Annual
US dollar/Euro	1.36	2.3	0.0	-1.6
Yen/US dollar	76.7	-0.2	-1.1	-6.6

Yield on 10-year US Treasuries rose to 2.15 percent

Between October 4 and 11, the **3-month Libor** rose 2 basis points to 0.40 percent, while the yield on the 10-year **US Treasury bond** rose from 1.82 to 2.15 percent.

The yield on US Treasuries showed an increase as a result of positive data on employment and services in the U.S.

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



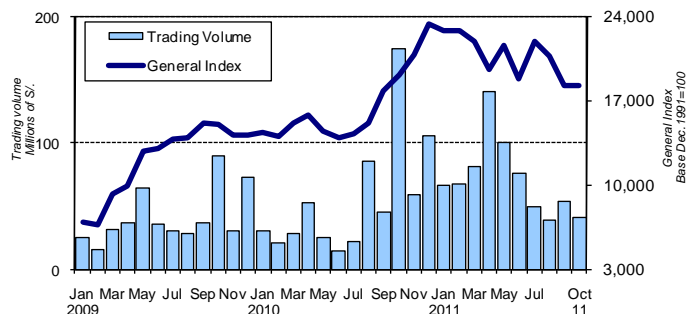
	Variation in basis points			
	Oct 11, 2011	Weekly	Monthly	Annual
3 months Libor	0.40	2	6	11
US Treasuries	2.15	33	23	-24

Lima Stock Exchange

So far this month (at October 11), the **General Index** and the **Selective Index** of the Lima Stock Exchange (LSE) have declined 0.7 and 0.9 percent, respectively.

In the week of analysis (October 4-7), the General Index rose 5.5 percent and the Selective Index rose 5.0 percent, favored by the good performance of external markets, the recovery in the price of metals, and favorable expectations regarding business results in Q3.

LIMA STOCK EXCHANGE INDICATORS
(January 2009 - October 2011)



	As of:	% change compared to:		
	Oct 11, 2011	Oct 4, 2011	Sep 30, 2011	Dec 31.10
General Index	18,269	5.5	-0.7	-21.8
Selective Index	25,333	5.0	-0.9	-21.0

Year-to-date, the indices of the LSE accumulate losses of 21.8 and 21.0 percent, respectively.

