



Indicators

	Corporate interest rate at 5.34 percent
	Interbank interest rate: 4.24 percent
	Exchange rate: S/. 2.695 per US dollar
	GDP grew 5.1 percent in October
	Surplus of NFPS of S/. 608 million in November
	Country risk at 218 bps

Content

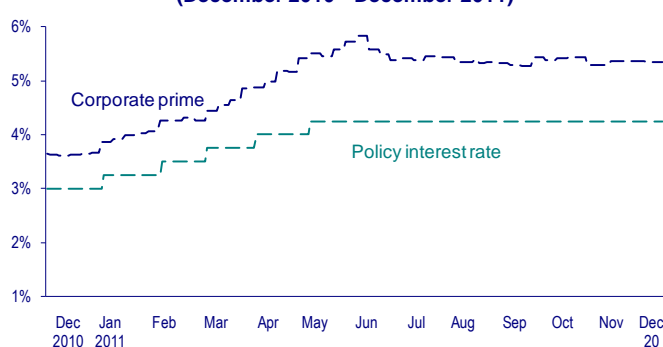
Corporate interest rate in nuevos soles at 5.34 percent	ix
Average interbank interest rate at 4.24 percent	ix
Currency in circulation: S/. 27.01 billion at December 20	x
Exchange rate: S/. 2.695 per dollar	xi
International reserves amounted to US\$ 48.89 billion	xi
GDP recorded a growth rate of 5.1 percent in October	xii
Liquidity and credit to the private sector at November 30	xiv
Non-financial public sector recorded surplus of S/. 608 million in November	xv
Country risk at 218 basis points	xvi
Lima Stock Exchange	xviii

Corporate interest rate in nuevos soles at 5.34 percent

Between December 13 and 20, the average **corporate interest rate** in domestic currency fell from 5.35 to 5.34 percent.

On the other hand, the average corporate interest rate in foreign currency decreased from 2.65 to 2.61 percent.

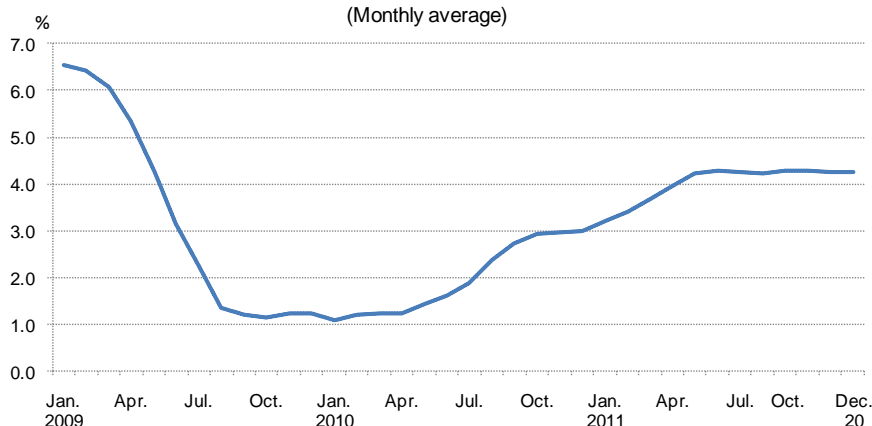
INTEREST RATES IN DOMESTIC CURRENCY
(December 2010 - December 2011)



Average interbank interest rate at 4.24 percent

The average **interbank interest rate** in domestic currency at December 20 was 4.24 percent.

INTEREST RATE IN DOMESTIC CURRENCY
(Monthly average)



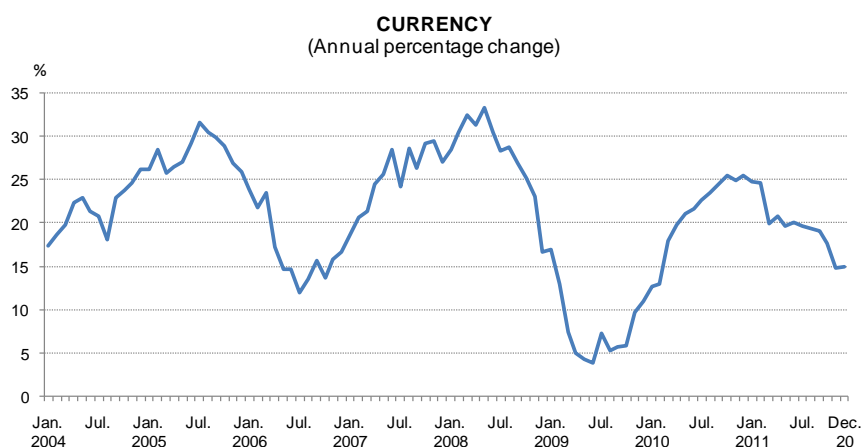
Average interbank rate		
	Average	S.D
January 2010	1.09%	0.16
March	1.23%	0.02
May	1.45%	0.12
July	1.90%	0.12
September	2.74%	0.23
November	2.97%	0.05
December	2.98%	0.02
January 2011	3.21%	0.10
February	3.37%	0.13
March	3.68%	0.12
April	3.97%	0.10
May	4.23%	0.15
June	4.28%	0.05
July	4.26%	0.02
August	4.23%	0.03
September	4.27%	0.05
October	4.27%	0.03
November	4.26%	0.02
December 20	4.24%	0.03

Monetary operations

Between December 14 and December 20, the Central Bank made the following **monetary operations**: i) Auctions of 27-day to 364-day BCRP Certificates of Deposit for a daily average of S/. 380 million. The average rate on these operations, which reached a balance of S/. 12.48 billion, was 4.07 percent; ii) auctions of 1-day to 3-days term deposits in soles for a daily average of S/. 4.86 billion at an average rate of 4.13 percent, reaching a balance of S/. 3.9 billion; iii) purchases of FC for a total of US\$ 152 million, and iv) overnight deposits in DC for a total of US\$ 41 million.

Currency in circulation: S/. 27.01 billion at December 20

Between December 13 and 20, 2011, **currency in circulation** increased by S/. 1,54 billion and amounted to S/. 27.01 billion, thus accumulating an increase of S/. 2.04 billion so far this month. Currency in circulation registers a growth rate of 15.0 percent in the last twelve months.



BCRP OPERATIONS

(Millions of nuevos soles)

	BALANCE			FLOWS	
	Dec 31, 2010	Nov 30, 2011	Dec 20, 2011	Dec-11 *	From 12/13 to 12/20
I. NET INTERNATIONAL POSITION	91,106	87,252	89,200	2,277	646
(Millions of US\$)	32,422	32,316	33,160	844	240
1. Exchange Operations				1,191	344
a. Over the counter operations				1,210	363
b. Public Sector				0	0
c. BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)				-19	-19
d. Other exchange operations				0	0
2. Rest				-347	-105
II. NET DOMESTIC ASSET	-66,975	-62,287	-62,195	-236	891
1. Monetary Sterilization	-35,915	-26,934	-28,682	-1,749	1,316
a. Certificates and Term deposits	-24,463	-15,891	-16,380	-490	-2,350
BCRP Certificates of Deposit (CDBCRP)	-30	-11,720	-12,480	-760	-1,500
BCRP Certificates of Deposit Variable in soles (CDV BCRP)	-3,196	-800	0	800	0
Readjustable CDBCRP (CDR BCRP)	0	0	0	0	0
BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)	-450	-50	0	50	50
Term Deposits	-20,788	-3,320	-3,900	-580	-900
b. Reserve requirements in Domestic Currency	-10,077	-10,233	-11,715	-1,482	3,455
c. Other monetary operations	-1,375	-810	-587	223	211
2. Fiscal Sterilization	-26,726	-33,744	-33,365	379	-769
3. Injection (Repos)					
4. Other	-4,334	-1,610	-147	1,134	345
III. CURRENCY ** (I+II)	24,131	24,965	27,006	2,041	1,537
(Monthly percentage change)	11.0%	-1.3%	8.2%		
(Accumulated percentage change)	25.4%	3.5%	11.9%		
(YoY)	25.4%	14.8%	15.0%		

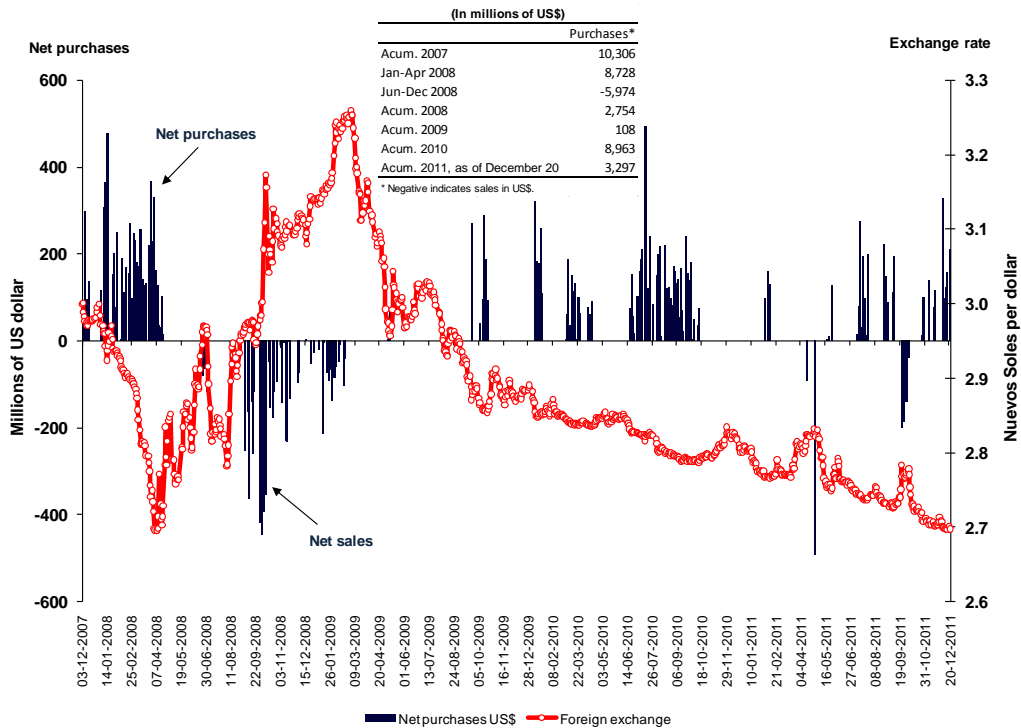
* As of December 20, 2011.

** Preliminary data.

Exchange rate: S/. 2.695 per dollar

Between December 13 and 20, the average **selling price of the dollar** in the interbank market fell from S/. 2.697 to S/. 2.695, which represented an appreciation of the nuevo sol of 0.08 percent. In this period, the Central Bank intervened in the foreign exchange market buying US\$ 363 million.

EXCHANGE RATE AND NET DOLLAR PURCHASE



Between December 13 and 20, banks' balance of **net forward purchases in foreign currency** decreased by US\$ 48 million. So far in December, the balance of net forward purchases has accumulated an increase of US\$ 465 million.

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



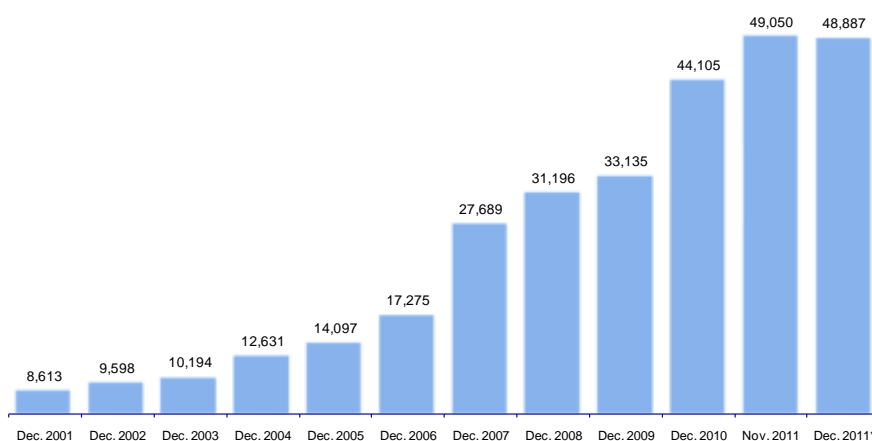
International reserves amounted to US\$ 48.89 billion

Net international reserves (NIRs) at December 20 amounted to US\$ 48.89 billion. This level of reserves is higher by US\$ 4.78 billion than the one recorded at the end of December 2011.

So far this month, there was a reduction of banks' deposits (US\$ 958 million), the lower valuation of investments (US\$ 355 million), the reduction of deposits of the Insurance Deposit Fund (US\$ 50 million) at the Central Bank, that was partially offset by BCRP net purchases of foreign currency (US\$ 1.21 billion), taking to a lower level of NIRs at US\$ 163 million than the one recorded at the end of November.

The **foreign exchange position** of the BCRP at December 20 was US\$ 33.16 billion. This amount is higher by US\$ 737 million than the one recorded at end December 2011.

NET INTERNATIONAL RESERVES
(Millions of US\$)



* As of 20.

GDP recorded a growth rate of 5.1 percent in October

GDP recorded a growth rate of 5.1 percent in October and accumulated a rate of 7.2 percent between January and October. In October, non-primary sectors contributed with 5.8 percentage points to GDP growth, the contribution of services and commerce being noteworthy. The contribution of these two sectors also stands out in terms of the variation accumulated so far this year (5.5 percent).

GROSS DOMESTIC PRODUCT

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

	Weight GDP 2010 1/	2011			
		October		January - October	
		% Chg.	Contribution	% Chg.	Contribution
Agriculture and Livestock	7.5	2.1	0.1	3.8	0.3
Agriculture	4.5	0.0	0.0	2.5	0.1
Livestock	2.3	4.4	0.1	5.7	0.1
Fishing	0.3	32.5	0.1	28.1	0.1
Mining and Fuel	5.2	-0.7	0.0	-0.6	0.0
Metallic mining	4.1	-2.2	-0.1	-4.6	-0.2
Hydrocarbons	0.7	6.2	0.0	21.9	0.1
Manufacture	15.0	-0.8	-0.1	6.3	0.9
Based on raw materials	2.5	-0.5	0.0	11.4	0.3
Non-primary industries	12.3	-0.8	-0.1	5.5	0.7
Electricity and water	2.0	7.3	0.1	7.5	0.2
Construction	6.7	4.4	0.3	3.4	0.2
Commerce	15.0	8.7	1.3	9.2	1.4
Other services	48.3	6.8	3.4	8.5	4.1
Transportation and communications	8.0	9.2	0.7	11.3	0.9
Financial and insurance	2.6	10.4	0.2	10.5	0.3
Given to companies	7.2	5.6	0.4	8.9	0.6
Restaurants and hotels	4.0	9.3	0.4	9.6	0.4
Government Services	5.6	5.8	0.3	4.9	0.2
Rest of other services	10.9	5.7	0.6	7.2	0.7
Indirect taxes	10.0	4.4	0.5	7.6	0.7
GDP Global	100.0	5.1	5.1	7.2	7.2
Primary	15.6	1.1	0.1	4.1	0.6
Non-primary	84.4	5.8	5.0	7.7	6.5

1/ At 1994 prices.

Showing a growth rate of 2.1 percent in October, the agricultural sector accumulated an expansion of 3.8 percent in the first ten months of the year. The monthly result registered in the livestock sub-sector (grew 4.4 percent), and the production oriented to the external market, as well as by the higher production of agro-industry crops, accumulated an expansion of 12.9 percent, with higher crops of asparagus, hard corn, sugar cane, cotton and coffee. On the other hand, production for the domestic market fell 4.5 percent by lower crops of potato, banana, cassava and onions.

The fishing sector registered a growth of 32.5 percent in October, accumulated an expansion of 28.1 percent in the first ten months; being the most dynamic sector in this period of the year. The month's result was explained by higher catch of fish landings to produce frozen seafood products (52.8 percent), and a fresh seafood products (47.2 percent).

The mining and hydrocarbon sector fell 0.7 percent due to the lower production of metallic mining (-2.2 percent), mainly by lower production of zinc and copper. On the other hand, rose production gold mining (8.1 percent) and of natural gas (22.0 percent). This sector has accumulated a decrease of 0.6 percent by less influence of metallic mining activity in contrast to the expansion in the production of hydrocarbons.

In October, non primary manufacturing fell 0.8 percent, however, this sector has accumulated a growth rate of 5.5 percent in the first ten months of the year. In the sub-sector of manufacturing based on the processing of raw materials fell 0.5 percent in the month, accumulated a growth of 11.0 percent so far this year. With this development, the manufacturing subsector accumulated a growth of 6.3 percent in the first ten months of the year.

With a rate of 4.4 percent, construction continued showing a positive result driven by the progress of Works in provinces where there are main commercial, hotels and industrial projects. Year-to-date, construction has accumulated an expansion of 3.4 percent.

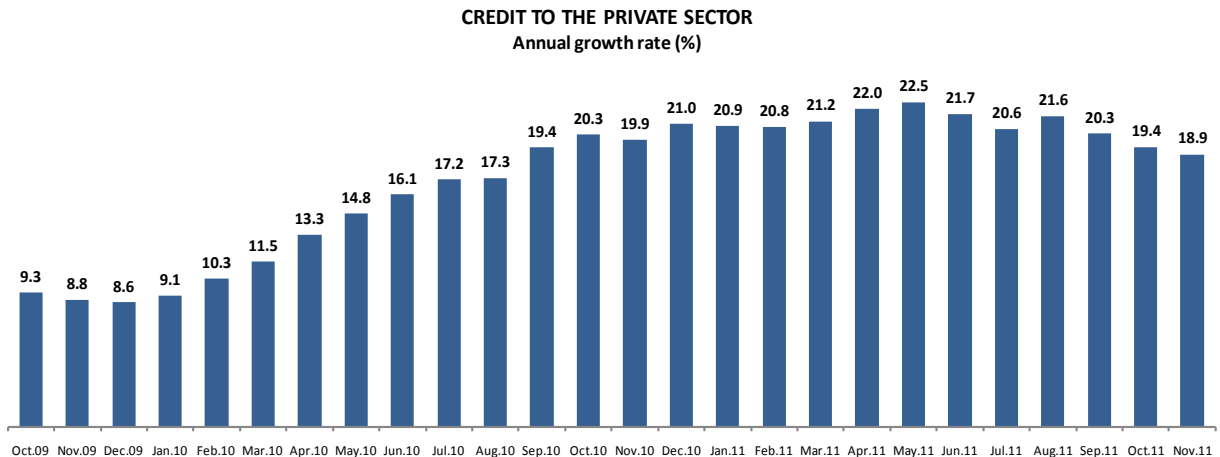
Indicators

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

- According to IMARPE, 517 thousands of tons of anchovy were caught in November. Thus, the volume of anchovy catch in the eleven months of 2011 was 5.3 million tons, higher than the one recorded in 2010 (3.3 million tons).
- Perupetro reported that the production of hydrocarbons grew 1.9 percent in November.
- According to ASOCEM, local dispatches of cement grew from 754.4 to 765.2 thousand tons between November 2010 and November 2011.
- The production of electricity grew 7.7 percent in November according to the Comité de Operación Económica del Sistema Interconectado Nacional (COES).

Liquidity and credit to the private sector at November 30

Total credit to the private sector grew 1.6 percent in November (S/. 2.44 billion) and thus accumulated a growth rate of 18.9 percent in the last 12 months.



(*) Includes loans made by banks branches abroad.

The credit to companies grew 1.4 percent in November, higher than one registered in October (1.1 percent). Excluding credits for foreign trade grew 1.8 percent in November, a higher rate than that recorded in October (1.6 percent).

Also, the credit for individuals showed higher growth rates, in November recorded a monthly rate of 2.1 percent, higher than that obtained in October (1.6 percent). Within the segment of credit for individuals, consumption credits rose by 2.0 percent in the month (1.4 percent in October) and the mortgage loan at 2.2 percent (1.9 percent in October).

TOTAL CREDIT TO THE PRIVATE SECTOR, BY TYPE OF PLACEMENT 1 /

	Balance in millions of Nuevos Soles			Growth rate (%)		
	Nov.10	Oct.11	Nov.11	Oct-11/ Oct-10	Nov-11/ Nov-10	Nov-11/ Oct-11
<u>Loans to companies 1 /</u>	<u>86,448</u>	<u>99,497</u>	<u>100,882</u>	<u>17.6</u>	<u>16.7</u>	<u>1.4</u>
Foreign Trade	8,727	8,961	8,730	5.1	0.0	-2.6
Rest	77,722	90,536	92,153	19.0	18.6	1.8
<u>Loans to individuals 2 /</u>	<u>41,701</u>	<u>50,402</u>	<u>51,455</u>	<u>23.3</u>	<u>23.4</u>	<u>2.1</u>
Consumption	25,833	30,646	31,261	20.8	21.0	2.0
Mortgage	15,868	19,756	20,194	27.2	27.3	2.2
TOTAL	128,149	149,899	152,337	19.4	18.9	1.6

1/ Includes loans to legal persons and holdings of corporate bonds, including loans from foreign branches of banks.

2/ Includes persons non profit legal.

On the other hand, **total liquidity in the private sector** grew 2.2 percent in November (S/. 3.31 billion) and thus accumulated an annual growth rate of 18.5 percent. Liquidity in soles grew 1.7 percent in the month (S/. 1.56 billion) and thus recorded a growth rate of 15.8 percent in the last 12 months. On the other hand, liquidity in dollars grew 3.0 percent (US\$ 621 million), thus recording a growth rate of 23.0 percent compared to November 2010.

Non-financial public sector recorded surplus of S/. 608 million in November

The operations of the non financial public sector showed a surplus of S/. 608 million in November 2011. This balance reflected the growth of the tax revenues of the general government (9.0 percent) and the reduction of non financial expenditure (8.1 percent) mainly as a result of lower expenditure of investment (9.9 percent).

The tax revenues of the general government grew by a real 9.0 percent, reflecting increased revenues from the income tax (14.7 percent) and from the value added tax (5.0 percent). Year to date, the current revenues of the general government have grown 14.0 percent, while the non financial expenditure of the general government has declined 1.7 percent.

OPERATIONS OF THE NON-FINANCIAL PUBLIC SECTOR 1/

(Millions of nuevos soles)

	NOVEMBER			JANUARY-NOVEMBER		
	2010	2011	Real %chg.	2010	2011	Real %chg.
1. General government current revenues	7 257	8 394	10.5	78 977	92 968	14.0
a. Tax revenue	5 609	6 398	9.0	60 512	70 938	13.5
National	5 481	6 272	9.3	59 146	69 387	13.6
Local	128	126	- 5.6	1 366	1 551	10.0
b. Non-tax revenue	1 648	1 996	15.8	18 465	22 031	15.6
National	1 419	1 768	19.1	15 859	19 056	16.4
Local	180	171	- 9.4	1 989	2 062	0.5
Regional	49	57	11.8	617	911	43.0
2. General government non-financial expenditure	7 581	7 293	- 8.1	70 826	71 894	- 1.7
a. Current	4 923	4 972	- 3.5	49 534	53 705	5.0
<i>Of which: Fuel Funds</i>	0	0	<i>n.a.</i>	475	1 869	281.0
b. Capital	2 658	2 321	- 16.5	21 292	18 190	- 17.3
<i>Of wich: Gross Capital Formation</i>	2 377	2 242	- 9.9	19 390	16 908	- 15.5
3. Others 2/	- 36	84		249	498	93.3
4. Primary Balance	- 361	1 185		8 401	21 572	
5. Interests	430	578	28.4	4 894	5 540	9.6
External	421	455	3.2	2 819	2 743	-5.7
Domestic	9	123	1183.4	2 076	2 797	30.5
6. Overall Balance	- 791	608		3 506	16 031	

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

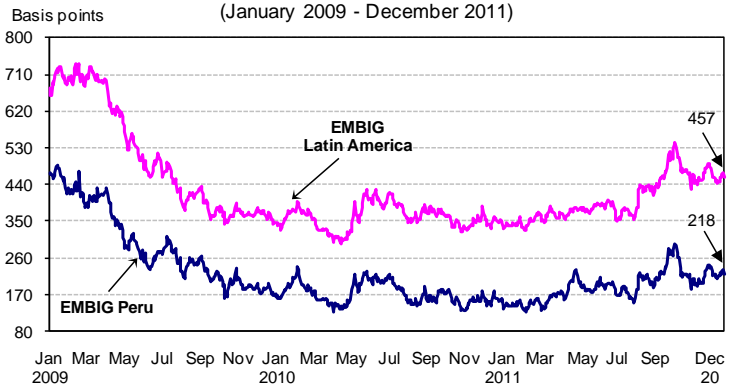
Country risk at 218 basis points

In December 13-20, the country risk indicator, measured by the **EMBIG Peru** spread, rose from 215 to 218 basis points.

The spread of the Latin American bonds rose 9 basis points due to global risk aversion associated with the fears in foreign markets following the debt crisis in Europe.

COUNTRY RISK INDICATORS

(January 2009 - December 2011)



Level	Variation in basis points		
	Weekly	Monthly	Annual
Dec 20, 2011	3	1	53
218 bps.			

Price of gold fell to US\$ 1,617.0 per troy ounce

In the same period, the price of **gold** fell 2.6 percent to US\$ 1,617.0 per troy ounce.

The price of gold dropped due to the higher demand for liquidity by some European commercial bank. The sale of gold by some investment funds to take profits and improve their year-end balances to offset losses in other assets, also influenced the fall of the precious metal.

GOLD PRICE

(January 2009 - December 2011)



Dec 20, 2011	%change		
	Weekly	Monthly	Annual
US\$ 1,617 / troy oz.	-2.6	-6.3	17.1

Between December 13 and 20, the price of **copper** declined 4.1 percent to US\$ 3.30 per pound.

The drop in the price of copper was associated basically with the impact of lower demand outlook for Europe's debt crisis and a warm growth in China and increased inventory levels in main metal exchanges in the world.

COPPER PRICE

(January 2009 - December 2011)



Dec 20, 2011	%change		
	Weekly	Monthly	Annual
US\$ 3.30 / pound	-4.1	-4.1	-21.4

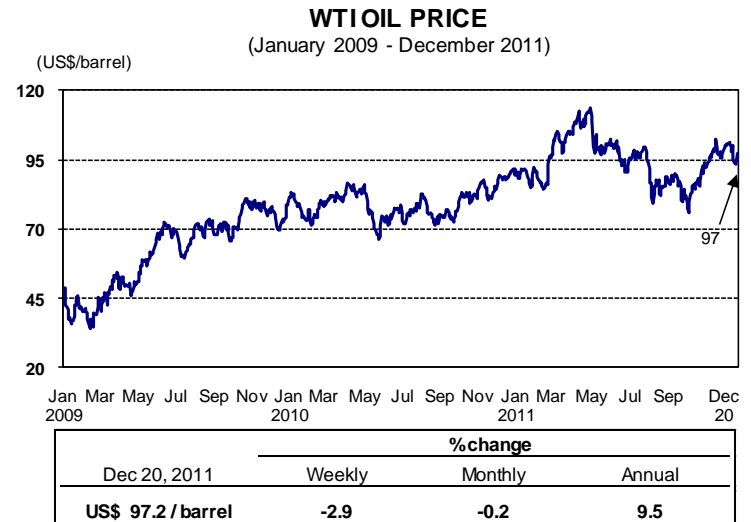
In the same period, the price of **zinc** dropped 4.8 percent to US\$ 0.83/pound.

The decline in the price of zinc was encouraged by a massive liquidation by persistent fears that a recession in the euro affects China's demand and rising inventories in London Metal Exchange.



Between December 13 and 20, the price of **WTI oil** fell 2.9 percent to US\$ 97.2 per barrel.

The main factors accounting for this drop in the price of oil were the lower demand against the background of economic growth in Europe and China. Fears that OPEC lacks a mechanism to rapidly reduce the production of its member countries, also led to a drop in oil prices.

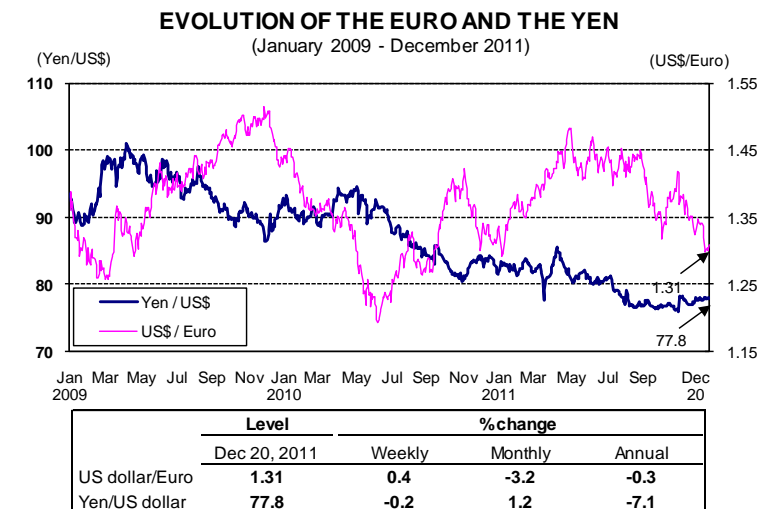


Dollar depreciated against the euro

Between December 13 and 20, the **dollar** depreciated 0.4 percent against the **euro**.

The dollar's weakness against the euro was a result of increased risk appetite among investors after it was reported housing starts data in the United States better than expected.

The dollar depreciated 0.2 percent against the **yen**.



Yield on 10-year US Treasuries fell to 1.92 percent

Between December 13 and 20, the **3-month Libor** rose 2 basis point to 0.57 percent, while the yield on the 10-year **US Treasury bond** fell from 1.97 to 1.92 percent.

Concerns about the European crisis, partially offset by the good published data on the US economy, led to a greater demand for Treasury bonds of the United States.

3-MONTH LIBOR AND 10-YEAR US TREASURIES

(January 2009 - December 2011)



	Variation in basis points			
	Dec 20, 2011	Weekly	Monthly	Annual
3 months Libor	0.57	2	8	27
US Treasuries	1.92	-4	-9	-141

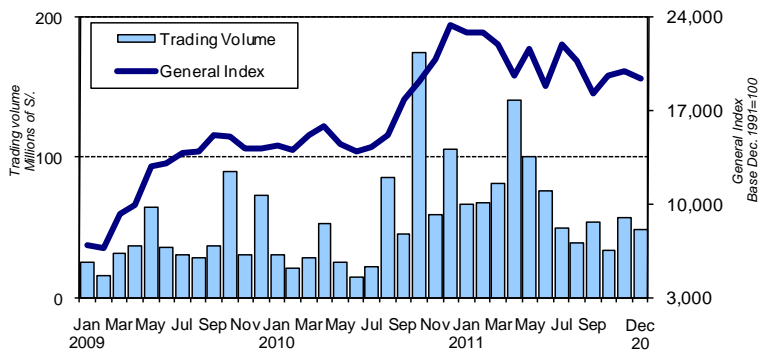
Lima Stock Exchange

So far this month, at December 20, the **General Index** and the **Selective Index** of the Lima Stock Exchange (LSE) have fallen 2.7 and 2.3 percent, respectively.

During the week (December 13-20), the indices fell 1.1 and 0.9 percent, respectively. The LSE market performance continued influenced by developments in international financial markets and falling commodity prices.

LIMA STOCK EXCHANGE INDICATORS

(January 2009 - December 2011)



	As of:	% change compared to:		
	Dec 20, 2011	Dec 13, 2011	Oct 31, 2011	Dec 31.10
General Index	19,370	-1.1	-2.7	-17.1
Selective Index	27,218	-0.9	-2.3	-15.1

So far this year, the General Index and the Selective Index of the LSE have accumulated declines of 17.1 and 15.1 percent, respectively.

