



Indicators

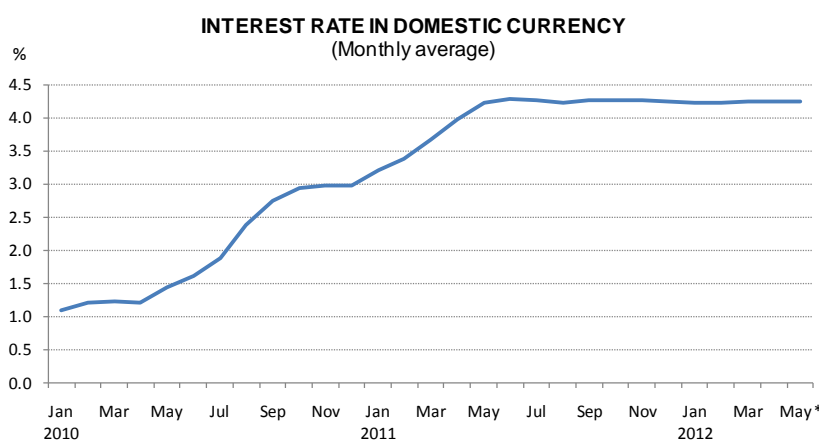
- Interbank interest rate at 4.24 percent
- Corporate prime rate in soles at 5.15 percent
- Exchange rate: S/. 2.643 per dollar
- Trade balance in March: US\$ 584 millions
- Country risk at 159 basis points

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Average interbank interest rate at 4.24 percent

The average **interbank interest rate** in domestic currency at May 8 was 4.24 percent.

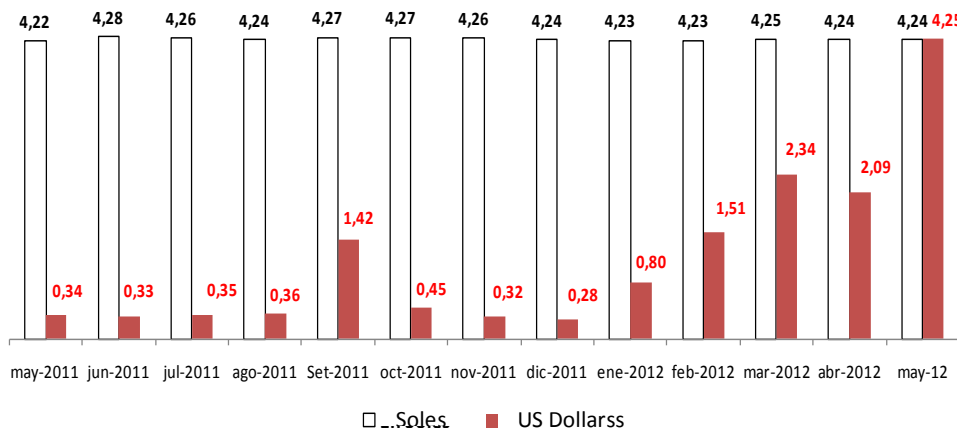


Average interbank rate		
	Average	S.D
January 2011	3.21%	0.10
February	3.37%	0.13
March	3.68%	0.12
April	3.97%	0.10
May	4.23%	0.15
June	4.28%	0.05
July	4.26%	0.02
August	4.23%	0.03
September	4.27%	0.05
October	4.27%	0.03
November	4.26%	0.02
December	4.24%	0.03
January 2012	4.23%	0.02
February	4.23%	0.02
March	4.25%	0.00
April	4.24%	0.02
May 8	4.24%	0.01

* As of 8.

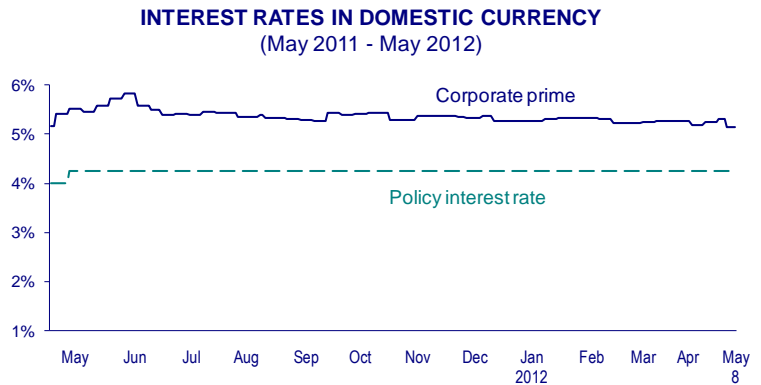
In the first weeks of May, the interbank interest rate in foreign currency has risen from 2.09 percent observed in April to 4.25 percent on average in the first ten days of May. This increase reflects a lower availability of liquidity in foreign currency associated with recent measures of reserve requirements by the central bank and sales of US dollars that banks have been making in previous weeks.

INTERBANK INTEREST RATE IN SOLES AND US DOLLARS (In percentage)

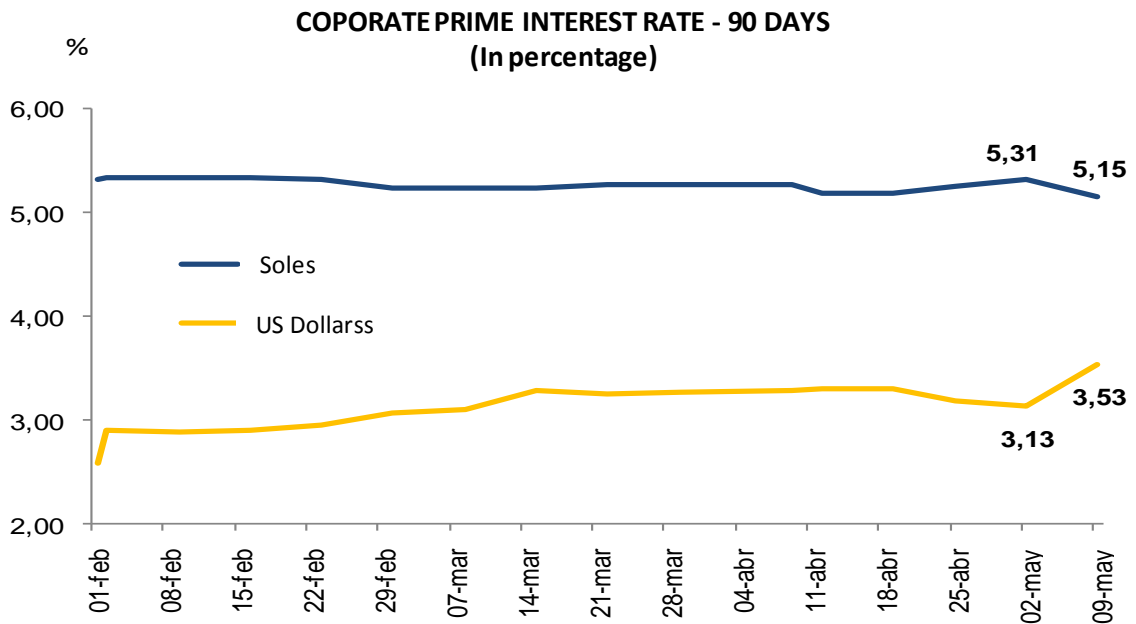


Corporate prime rate in nuevos soles at 5.15 percent

Between April 27 and May 8, 2012, the daily average **corporate prime interest rate** fell from 5.31 to 5.15 percent.



The lower availability of US dollar liquidity was also reflected in the corporate prime interest rate in foreign currency to 90 days, which has risen from 3.13 percent at the end of April to 3.53 percent in this week.



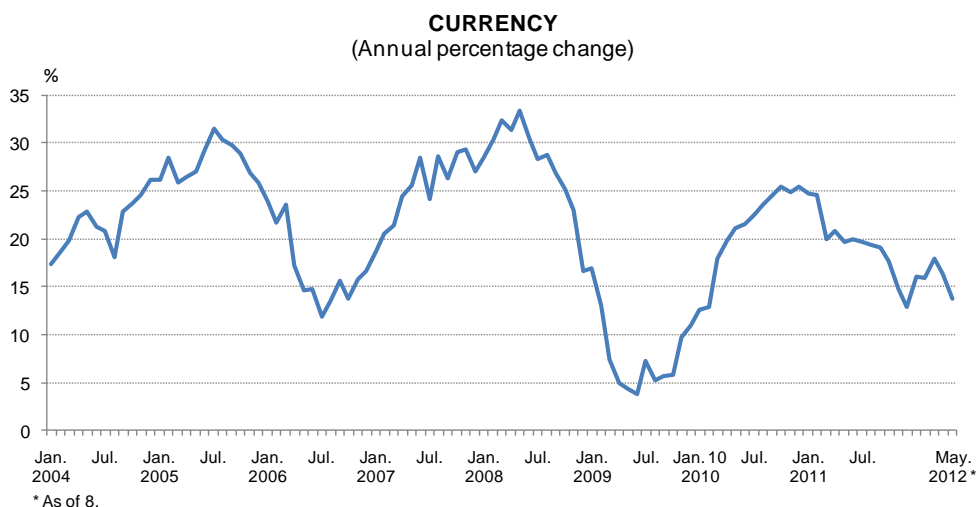
The recent evolution in the interest rates in foreign currency has been reflected in a smaller difference between interest rates in soles and dollars, which has raised the cost of purchases of US dollars in forward market by the banks, reducing the incentive to bet on an appreciation of the domestic currency.

Monetary operations

Between May 2 and 8, 2012, the Central Bank made the following **operations**: i) Auction of 182-371 day BCRP Certificates of Deposit for S/. 50 million. The rate on this operation, which reached a balance of S/. 21.49 billion, was 4.21 percent; ii) Auctions of 1-day to 3-day term deposits in soles for a daily average of S/. 3.08 billion at an average rate of 4.18 percent, reaching a balance of S/. 4.6 billion; iii) Purchases of foreign currency for a total of US\$ 281 million; and iv) Overnight deposits in national currency of S/. 429 million daily average.

Currency in circulation: S/. 26.57 billion at May 8

So far this month, **currency in circulation** decreased by S/. 475 million and registered a growth rate of 13.7 percent in the last twelve months, and amounted to S/. 26.57 billion at May 8.



BCRP OPERATIONS

(Millions of nuevos soles)

	BALANCE			FLOWS	
	Dec 31, 2011	Apr 30, 2012	May 8, 2012	2012*	May-12*
I. NET INTERNATIONAL POSITION	89,910	109,919	110,022	22,401	102
(Millions of US\$)	33,300	41,636	41,675	8,375	39
1. Exchange Operations				8,082	281
a. Over the counter operations				8,079	281
b. Public Sector				0	0
c. BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)				0	0
d. Other exchange operations				3	0
2. Rest				293	-242
II. NET DOMESTIC ASSET	-62,663	-82,879	-83,456	-23,082	-577
1. Monetary Sterilization	-30,592	-43,451	-44,511	-13,919	-1,059
a. Certificates and Term deposits	-17,217	-29,898	-26,091	-8,874	3,808
BCRP Certificates of Deposit (CDBCRP)	-13,580	-21,291	-21,491	-7,911	-200
BCRP Certificates of Deposit Variable in soles (CDV BCRP)	0	0	0	0	0
Readjustable CDBCRP (CDR BCRP)	0	0	0	0	0
BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)	0	0	0	0	0
Term Deposits	-3,637	-8,608	-4,600	-963	4,008
b. Reserve requirements in Domestic Currency	-12,720	-12,662	-17,717	-4,997	-5,055
c. Other monetary operations	-655	-891	-703	-47	188
2. Fiscal Sterilization	-31,940	-41,121	-41,383	-9,442	-262
3. Other	-130	1,693	2,437	279	745
III. CURRENCY ** (I+II)	27,247	27,040	26,565	-682	-475
(Monthly percentage change)	9.2%	1.2%	-1.8%		
(Acumulated percentage change)	12.9%	-0.8%	-2.5%		
(YoY)	12.9%	16.3%	13.7%		

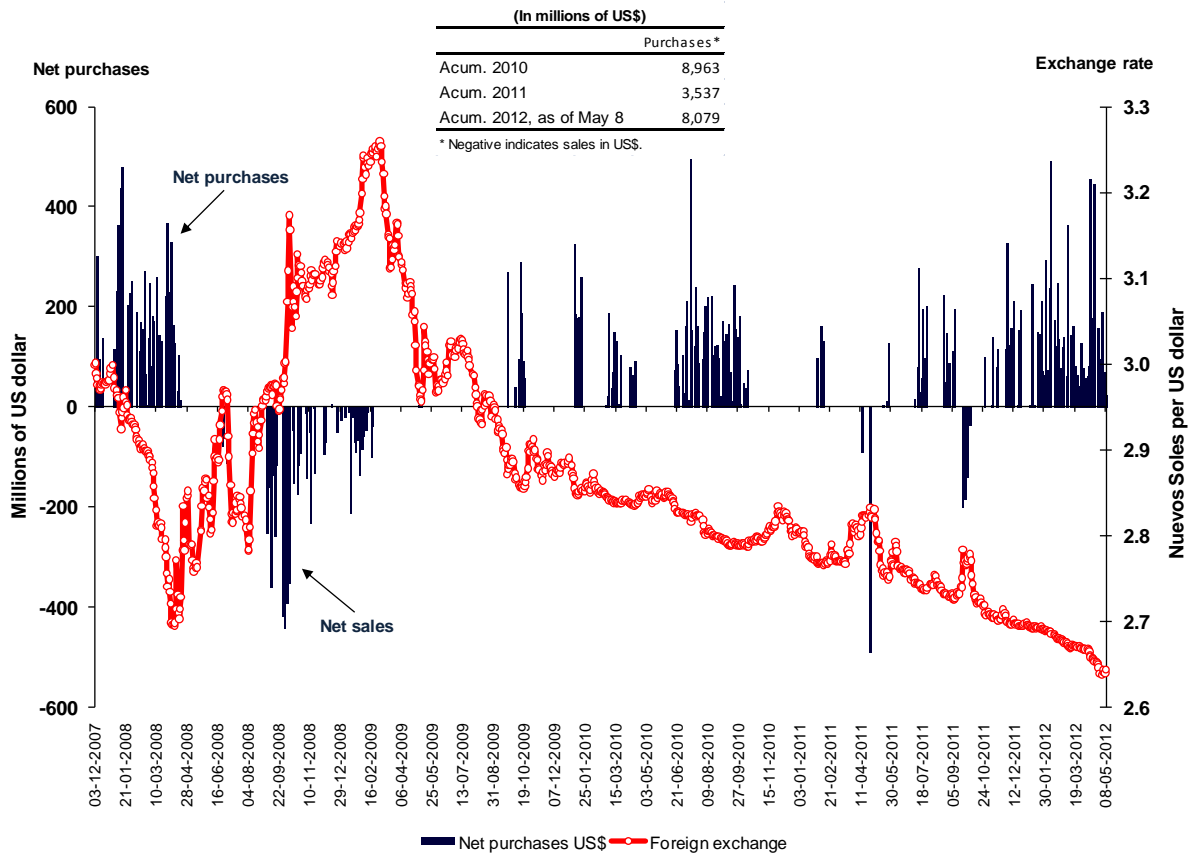
* As of May 8, 2012.

** Preliminary data.

Exchange rate: S/. 2.643 per dollar

Between April 27 and May 8, the average **selling price of the dollar** in the interbank market grew from S/. 2.639 to S/. 2.643 per dollar, which represented an depreciation of the nuevo sol of 0.17 percent. In this period, the Central Bank intervened in the foreign exchange market purchasing foreign currency for a total of US\$ 376 million.

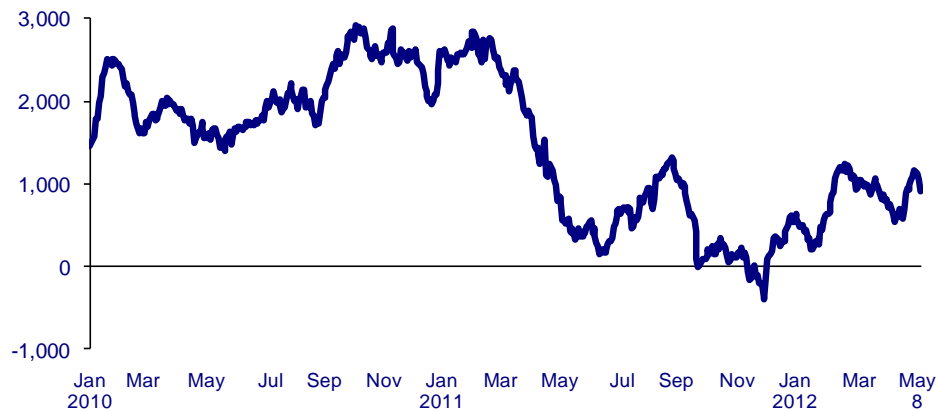
EXCHANGE RATE AND NET DOLLAR PURCHASE



Between May 1 and 8, banks' balance of **net forward purchases of foreign currency** fell by US\$ 167 million. On April, the balance of net forward purchases of foreign currency has accumulated an increase of US\$ 287 million.

BALANCE OF NET FORWARD PURCHASES OF FOREIGN CURRENCY

(January 2010 - May 2012)

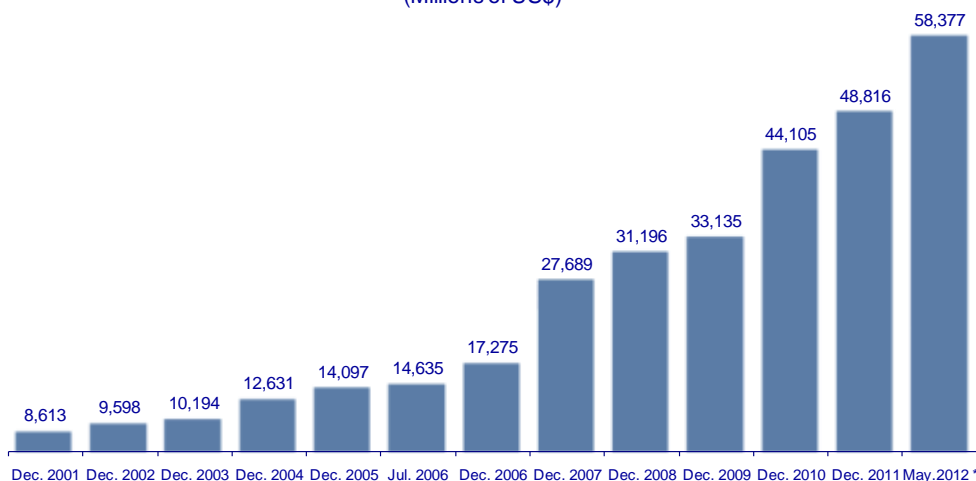


Net international reserves amount to US\$ 58.38 billion

As of May 8, **Net international reserves (NIRs)** amounted to US\$ 58.38 billion. This level of reserves is higher by US\$ 888 million than the one recorded at the end of April 2012.

The increase in NIRs recorded in this month resulted mainly by higher banks' deposits (US\$ 810 million) and lower public sector's deposits (US\$ 27 million) and net purchases of foreign currency by the Central Bank (US\$ 281 million). This increase was partially offset by lower yield investments (US\$ 241 million).

NET INTERNATIONAL RESERVES
(Millions of US\$)



* As of 8.

The **foreign exchange position** of the BCRP at May 8 was US\$ 41.68 billion, US\$ 39 million higher than the one recorded at the close of April.

BCRP Survey on Macroeconomic Expectations: April 2012

The results of the BCRP Survey on Macroeconomic Expectations carried out in April show that inflation forecasts for 2012 and next two years located inside the inflation target range.

SURVEY OF MACROECONOMIC EXPECTATIONS: INFLATION (%)

	Survey date		
	Feb. 29	Mar. 31	Apr. 30
FINANCIAL ENTITIES 1/			
2012	2.7	2.8	3.0
2013	2.5	2.5	2.8
2014	2.5	2.5	2.5
ECONOMIC ANALYSTS 2/			
2012	2.8	2.8	3.0
2013	2.4	2.3	2.6
2014	2.4	2.2	2.5
NON FINANCIAL FIRMS 3/			
2012	3.0	3.0	3.0
2013	3.0	3.0	3.0
2014	3.0	3.0	3.0

1/ 22 financial entities in February 2012, 24 in March and 22 in April.

2/ 23 analysts in February 2012, 21 in March, and 19 in April.

3/ Sample of firms of various economic sectors.

Financial institutions and economic analysts revised upwards their GDP growth forecasts for this year from 5.5 to 6.0 and 5.8 percent respectively, while non-financial firms revised them upwards from 5.8 to 6.0 percent. For 2013 and 2014, forecasts for this variable are between 6.0 and 6.2 percent.

SURVEY OF MACROECONOMIC EXPECTATIONS: GDP (%)

	<u>Survey date</u>		
	Feb. 29	Mar. 31	Apr. 30
FINANCIAL ENTITIES 1/			
2012	5.3	5.5	6.0
2013	5.6	5.7	6.0
2014	6.0	6.0	6.0
ECONOMIC ANALYSTS 2/			
2012	5.0	5.5	5.8
2013	5.6	6.0	6.2
2014	6.0	6.0	6.0
NON FINANCIAL FIRMS 3/			
2012	5.5	5.8	6.0
2013	6.0	6.0	6.0
2014	6.0	6.0	6.0

1/ 22 financial entities in February 2012, 24 in March and 22 in April.

2/ 23 analysts in February 2012, 21 in March, and 17 in April.

3/ Sample of firms of various economic sectors.

With respect to the exchange rate projection, agents of the financial system and economic analysts revised downwards their forecasts; while non financial firms kept it.

SURVEY OF MACROECONOMIC EXPECTATIONS: EXCHANGE RATE*

	<u>Survey date</u>		
	Feb. 29	Mar. 31	Apr. 30
FINANCIAL ENTITIES 1/			
2012	2.65	2.65	2.62
2013	2.65	2.64	2.60
2014	2.64	2.64	2.60
ECONOMIC ANALYSTS 2/			
2012	2.65	2.65	2.62
2013	2.64	2.63	2.60
2014	2.63	2.62	2.59
NON FINANCIAL FIRMS 3/			
2012	2.68	2.65	2.65
2013	2.70	2.68	2.68
2014	2.70	2.70	2.70

1/ 22 financial entities in February 2012, 24 in March and 22 in April.

2/ 23 analysts in February 2012, 21 in March, and 19 in April.

3/ Sample of firms of various economic sectors.

* Exchange rate at the end of year.

Non traditional exports grew 14,5 percent in March 2012

In March 2012, the **trade balance** was positive at US\$ 584 million, thus accumulating US\$ 2.12 billion so far this year, higher than the first quarter in the previous year

In March, the **export value** totaled US\$ 3.98 billion, 5.5 percent higher than in March 2011. The higher sales abroad in March are mainly explained by an increase in non-traditional exports (14.5 percent) such as agriculture products, chemicals, textiles and fishmeal.

The export volume increased 5.3 percent compared due to higher shipments of non-traditional products (11.7 percent). Pointing out shipments of agricultural and chemical sectors. The volume of traditional exports grew 3.5 percent due to higher volumes of fishmeal and copper.

TRADE BALANCE
(Millions of US\$)

	2011	2012		% Change March		January - March		
	Mar	Feb	Mar	Previous months	12 months	2011	2012	% Chg.
EXPORTS	3,773	3,770	3,980	5.6	5.5	10,106	11,680	15.6
Traditional products	2,926	2,925	3,011	3.0	2.9	7,774	8,994	15.7
Non-traditional products	817	812	935	15.2	14.5	2,253	2,596	15.2
Other	30	33	34	3.8	15.4	79	90	13.5
IMPORTS	2,902	2,865	3,396	18.5	17.0	8,200	9,564	16.6
Consumption goods	545	611	627	2.6	14.9	1,426	1,846	29.4
Raw materials	1,415	1,329	1,535	15.5	8.5	4,024	4,536	12.7
Capital goods	927	913	1,204	31.9	30.0	2,654	3,109	17.2
Other goods	15	12	30	114.6	100.7	95	72	-24.2
TRADE BALANCE	871	904	584			1,906	2,115	

Imports totaled US\$ 3.39 billion, 17.0 percent higher than in March 2011. The volume of imports rose by 12.6 percent, due to increased purchases of capital goods, durable consumer goods and oil and derivatives. The average price increased 3.9 percent, highlighting the rising price of oil and derivatives and chemical products.

International Markets

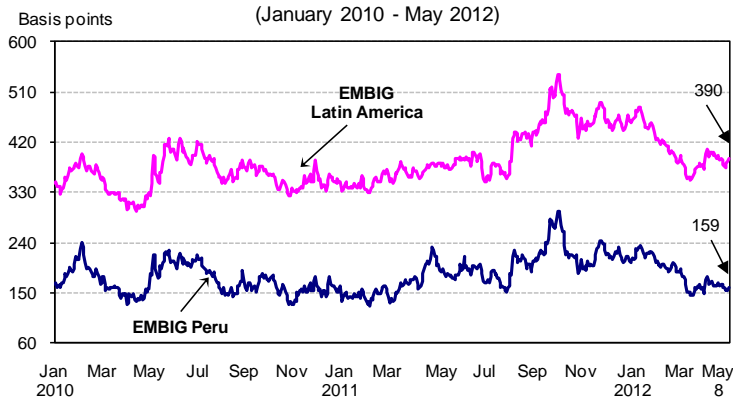
Country risk at 159 basis points

Between May 1 and 8, the country risk indicator, measured by the **EMBIG Peru** spread, decreased from 160 to 159 basis points.

Meanwhile, the debt spread of the region grew 11 basis points mainly due to the higher risk aversion after the election results in France and Greece, and the publication of negative economic indicators in the Eurozone.

COUNTRY RISK INDICATORS

(January 2010 - May 2012)



Level	Variation in basis points		
May 8, 2012	Weekly	Monthly	Annual
159 bps.	-1	6	-30

Price of gold decreased to US\$ 1,596.7 per troy ounce

In the same period, the price of **gold** decreased 4.0 percent to US\$ 1,596.7 per troy ounce.

The price of gold was affected by strengthening of dollar against the euro and the lower physical demand from India.

GOLD PRICE
(January 2010 - May 2012)



May 8, 2012	%change		
	Weekly	Monthly	Annual
US\$ 1,597 / troy oz.	-4.0	-1.5	6.8

COPPER PRICE
(January 2010 - May 2012)



May 8, 2012	%change		
	Weekly	Monthly	Annual
US\$ 3.73 / pound	-3.4	-2.6	-6.3

Between May 1 and 8, the price of **copper** fell 3.4 percent to US\$ 3.73 a pound.

This decrease was explained by uncertainty over Europe to solve its debt crisis, which fueled fears about the demand for industrial metals. The solution of labor problems at the Escondida mine in Chile, also influenced the falling price of metal.

COTIZACIÓN DEL ZINC
(Enero 2010 - Mayo 2012)



8-May-12	Variación % acumulada		
	Semanal	Mensual	Annual
US\$ 0,90 / lb.	-3,0	0,0	-5,6

Between May 1 and 28, the price of **zinc** decreased 3.0 percent and recorded US\$ 0.90 a pound.

The price was affected by rising inventories in the major metal exchanges in the world and concerns about the recovery in demand for metals.

Between May 1 and 8, the price of **WTI oil** decreased 8.0 percent and recorded US\$ 97.0 per barrel.

This decline was associated with increases in crude and gasoline inventories in the United States for seven consecutive weeks and expectations of lower demand for oil in the US, following the release of weak jobs data.

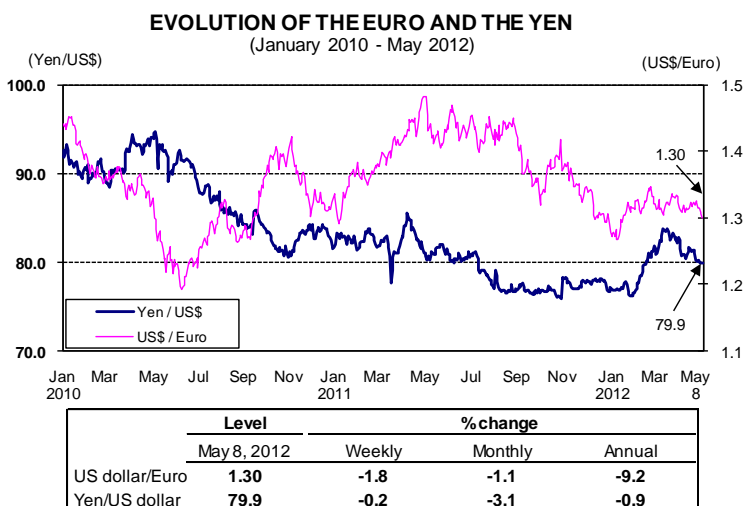


Dollar appreciated against the euro

In May 1-8, the **dollar** appreciated 1.8 percent against the **euro**.

This evolution of the euro against the dollar happened by crisis in the Eurozone after election results in France and Greece.

Against the **yen**, the dollar depreciated 0.2 percent.



Yield on 10-year US Treasuries located at 1.84 percent

Between May 1 and 8, the **3-month Libor** remained at 0.47 percent, while the **yield on the 10 year-US Treasuries** fell from 1.94 to 1.84 percent.

The decrease on US Treasury yields occurred due to higher demand of safe assets before the political crisis in Europe.

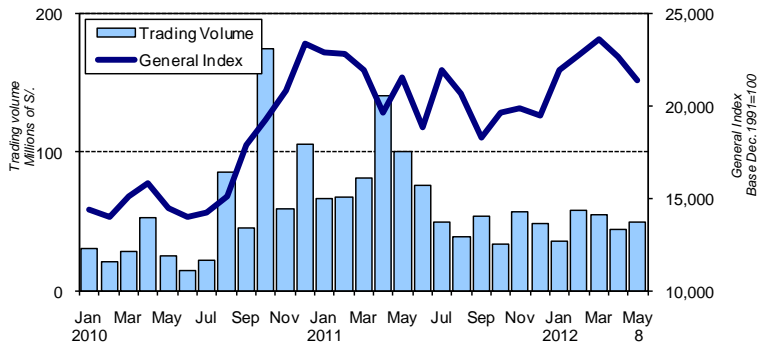


Annual profitability at the Lima Stock Exchange reached 9.9 percent

LIMA STOCK EXCHANGE INDICATORS
(January 2010 - May 2012)

During the week of analysis (May 1-8), both indices, the **General** and the **Selective**, decreased 5.7 and 5.3 percent, respectively

This evolution of LSE was due to a decline in foreign markets and prices of basic and precious metals, following the renewed fears of a debt crisis in the Eurozone.



	As of:		% change compared to:	
	May 8, 2012	May 1, 2012	Apr 30, 2012	Dec 31, 2011
General Index	21,394	-5.7	-5.7	9.9
Selective Index	30,717	-5.3	-5.3	12.4

So far this year, the General and Selective indices of the LSE have risen 9.9 and 12.4 percent, respectively.

