



Indicators

	Corporate interest rate in soles at 5.17 percent
	Interbank interest rate at 4.25 percent
	Exchange rate: S/. 2.701 per US dollar
	Inflation in May 2012: 0.04 percent
	Non-traditional exports grew 1.4 percent in April
	Country risk at 208 bps

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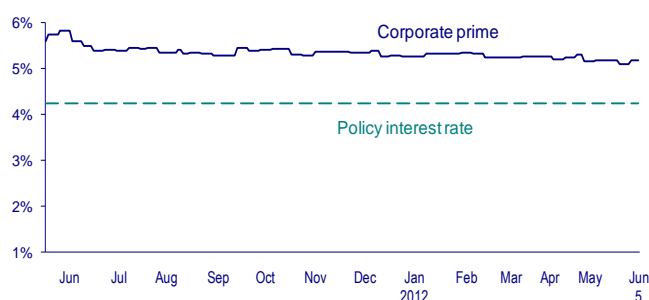
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Corporate prime rate in nuevos soles at 5.17 percent

Between May 29 and June 5, 2012, the average **corporate prime rate** in domestic currency rose from 5.09 to 5.17 percent.

On the other hand, the average corporate interest rate in foreign currency fell from 3.89 to 3.82 percent in the same period.

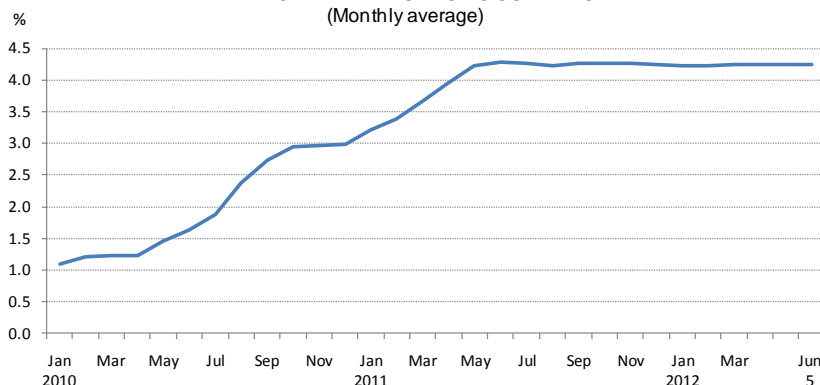
INTEREST RATES IN DOMESTIC CURRENCY
(June 2011 - June 2012)



Average interbank interest rate at 4.25 percent

The average **interbank interest rate** in domestic currency at June 5 was 4.25 percent.

INTEREST RATE IN DOMESTIC CURRENCY
(Monthly average)



Average interbank rate

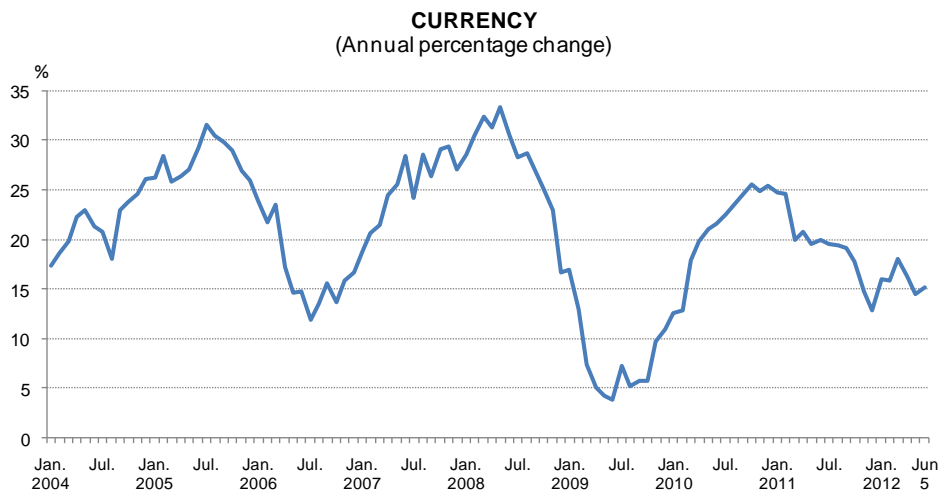
	<u>Average</u>	<u>S.D</u>
January 2011	3.21%	0.10
February	3.37%	0.13
March	3.68%	0.12
April	3.97%	0.10
May	4.23%	0.15
June	4.28%	0.05
July	4.26%	0.02
August	4.23%	0.03
September	4.27%	0.05
October	4.27%	0.03
November	4.26%	0.02
December	4.24%	0.03
January 2012	4.23%	0.02
February	4.23%	0.02
March	4.25%	0.00
April	4.24%	0.02
May	4.24%	0.01
June 5	4.25%	0.00

Monetary operations

Between May 30 and June 5, 2012, the Central Bank made the following **monetary operations**: i) Auctions of 43-day to 343-day BCRP Certificates of Deposit for a daily average of S/. 100 million. The average rate on these operations, which reached a balance of S/. 21.64 billion, was 4.22 percent; ii) auctions of 1-day to 3-day repos for a daily average of S/. 2.36 billion at an average rate of 4.25 percent, reaching a balance of S/. 1.5 billion; iii) purchases of foreign currency for a total of US\$ 559 million, and iv) overnight deposits in domestic currency for a daily average of US\$ 146 million.

Currency in circulation: S/. 27.03 billion at June 5

Between May 29 and June 5, 2012, **currency in circulation** increased by S/. 408 million and accumulated an increase of S/. 429 million so far this month. Moreover, currency in circulation registered a growth rate of 15.2 percent in the last twelve months and amounted to S/. 27.03 billion at June 5.



BCRP OPERATIONS

(Millions of nuevos soles)

	BALANCE			FLOWS		
	Dec 31, 2011	May 31, 2012	Jun 5, 2012	Annual accumulated	Jun-12 *	From 05/29 to 06/05
I. NET INTERNATIONAL POSITION	89,910	109,845	109,681	19,569	242	-1,811
(Millions of US\$)	33,300	40,533	40,623	7,323	89	-670
1. Exchange Operations				7,381	-1	-700
a. Over the counter operations				7,403	0	-674
b. Public Sector				-25	0	-25
c. BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)				0	0	0
d. Other exchange operations				3	-1	-1
2. Rest				-58	90	30
II. NET DOMESTIC ASSET	-62,663	-83,246	-82,654	-19,789	186	2,219
1. Monetary Sterilization	-30,592	-41,435	-42,010	-11,418	-575	424
a. Certificates and Term deposits	-17,217	-25,211	-23,161	-5,944	2,050	4,335
BCRP Certificates of Deposit (CDBCRP)	-13,580	-21,591	-21,641	-8,061	-50	-450
BCRP Certificates of Deposit Variable in soles (CDV BCRP)	0	0	0	0	0	0
Readjustable CDBCRP (CDR BCRP)	0	-1,520	-1,520	-1,520	0	-200
BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)	0	0	0	0	0	0
Term Deposits	-3,637	-2,100	0	3,637	2,100	4,985
b. Reserve requirements in Domestic Currency	-12,720	-15,310	-18,121	-5,401	-2,811	-3,815
c. Other monetary operations	-655	-914	-728	-73	186	-97
2. Fiscal Sterilization	-31,940	-43,117	-43,235	-11,295	-118	264
3. Repos	0	480	1,500	1,500	1,020	1,500
4. Other	-130	826	1,092	1,424	-141	31
III. CURRENCY ** (+/-)	27,247	26,599	27,027	-220	429	408
(Monthly percentage change)	9.2%	-1.6%	1.6%			
(Accumulated percentage change)	12.9%	-2.4%	-0.8%			
(YoY)	12.9%	14.5%	15.2%			

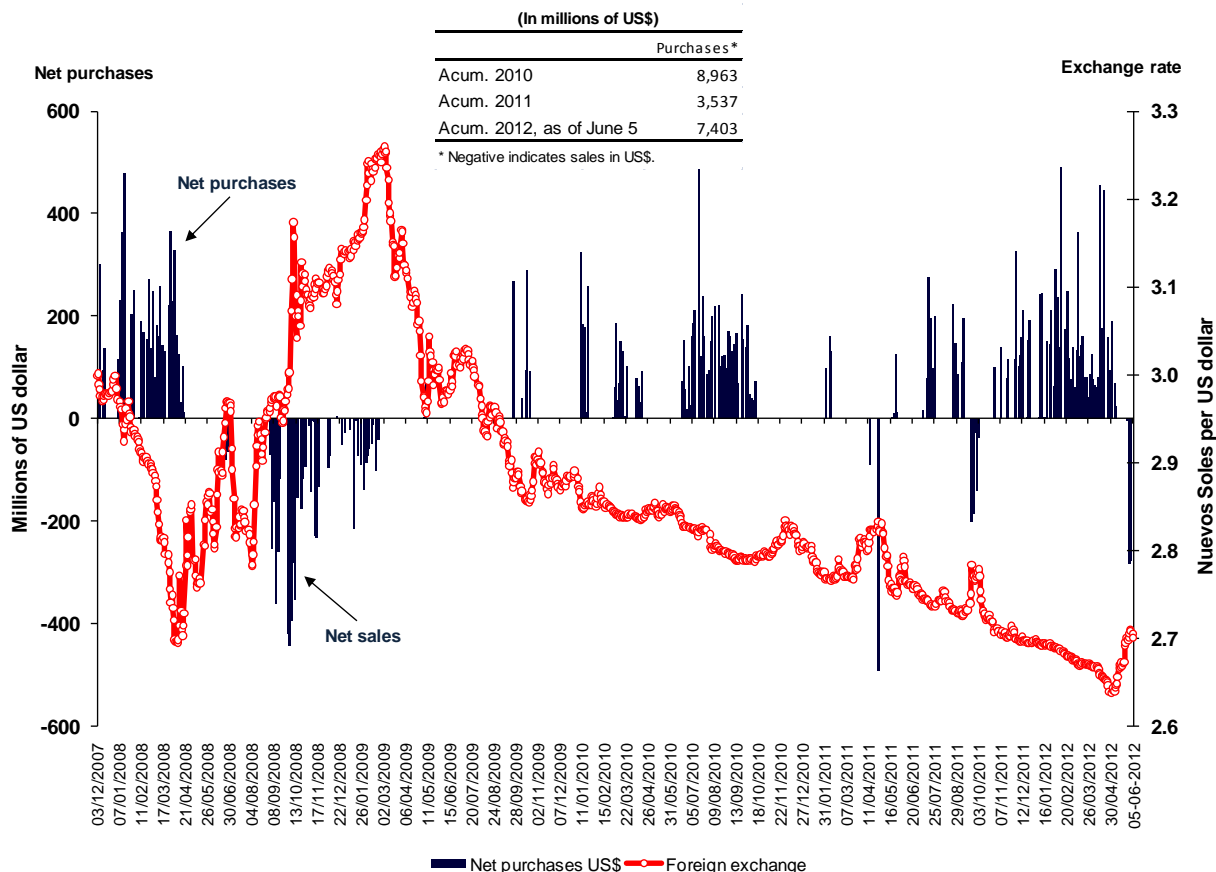
* As of June 5, 2012.

** Preliminary data.

Exchange rate: S/. 2.701 per US dollar

Between May 29 and June 5, the average **selling price of the dollar** in the interbank market rose from S/. 2.700 to S/. 2.701 per dollar, which represented a depreciation of the nuevo sol of 0.03 percent. In this period, the Central Bank intervened in the foreign exchange market selling FC for a total of US\$ 674 million.

EXCHANGE RATE AND NET DOLLAR PURCHASE

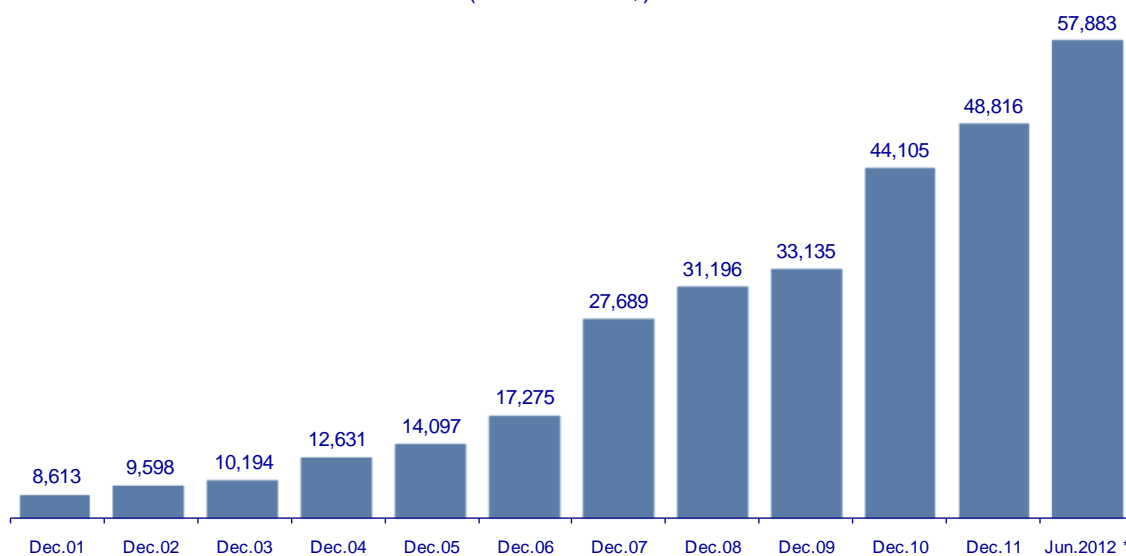


Net international reserves amount to US\$ 57.9 billion

Net international reserves (NIRs) at June 5 amounted to US\$ 57.9 billion. This level of reserves is higher by US\$ 1.0 billion than the one recorded at the end of May 2012.

The increase in NIRs so far this month is mainly explained by the rise in banks' deposits (US\$ 900 million) and in public sector deposits (US\$ 10 million), as well as by the increase in investment yield (US\$ 94 million).

NET INTERNATIONAL RESERVES
(Millions of US\$)



* As of 5.

Moreover, the **foreign exchange position** of the BCRP at June 5 was US\$ 40.62 billion. This figure is US\$ 89 million higher than the one recorded at the close of May 2012.

Inflation in Metropolitan Lima recorded a rate of 0.04 percent in May

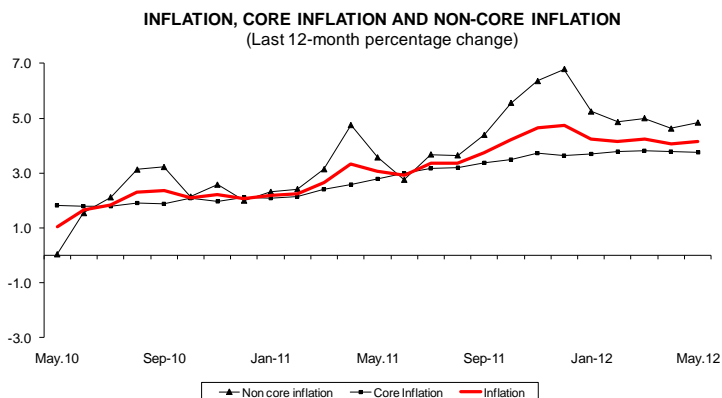
Inflation in Metropolitan Lima showed a rate of 0.04 percent in May and a rate of 4.14 percent in the last twelve months.

INFLATION

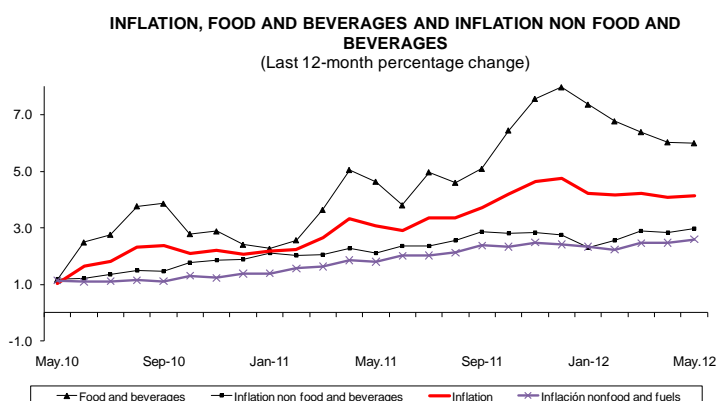
(Accumulated percentage change)

	Weight 2009=100	Monthly		12-month indicator		
		Apr. 2012	May. 2012	May. 2011	Apr. 2012	May. 2012
CPI	100.0	0.53	0.04	3.07	4.08	4.14
Core index	65.2	0.37	0.33	2.80	3.78	3.77
Goods	32.9	0.36	0.31	2.14	3.09	3.05
Services	32.2	0.37	0.35	3.47	4.47	4.48
Non core index	34.8	0.84	-0.50	3.57	4.62	4.84
Food	14.8	1.56	-0.83	5.80	6.38	6.45
Fuel	2.8	0.50	-0.09	7.64	6.18	6.22
Transporting	8.9	0.42	-0.19	1.79	3.46	3.58
Utilities	8.4	0.00	-0.34	-0.10	1.86	2.55
Note.-						
Food and beverages	37.8	0.86	-0.04	4.64	6.03	5.99
CPI non food and beverages	62.2	0.32	0.09	2.10	2.85	2.97
CPI non food and fuels	56.4	0.32	0.23	1.80	2.48	2.59

Core inflation recorded a monthly rate of 0.33 percent and a rate of 3.77 percent in the last twelve months, while non-core inflation recorded a monthly rate of -0.50 percent and a rate of 4.84 percent in the last twelve months.



Food and beverage inflation registered a monthly rate of -0.04 percent and a rate of 5.99 percent in the last twelve months. On the other hand, inflation excluding food and beverages registered a monthly rate of 0.09 percent and a rate of 2.97 percent in the last twelve months, while inflation without food and energy showed a monthly rate of 0.23 percent and a rate of 2.59 percent in the last twelve months.



Three items contributed with 0.14 percentage points to increase the rate of inflation in the month: meals outside the home (0.08 percentage points), water rates (0.04 percentage points), and fresh and frozen fish (0.02 percentage points). On the other hand, three items contributed with 0.17 percentage points to reduce the monthly rate of inflation: electricity rates (-0.07 percentage points), chicken meat (-0.06 percentage points), and citrus fruits (-0.04 percentage points).

National inflation rate

As from January 2012 the National Institute of Statistics (INEI) publishes the national consumer price index (CPI) in compliance with the provisions of article 1 of Law 29438 approved by Congress. This index provides information on the prices of a basket of 758 goods and services based on the data collected each month using a sample of 117 food markets and 21,200 commercial and services establishments in the country. Approximately 115,790 price data are collected each month.

The index provides information on the prices paid by consumers in the urban areas of 26 of the country's major cities, which includes twenty-four departmental capital cities and two non-capital cities (Chimbote and Tarapoto).

The base period for the new national consumer price index is December 2011 = 100. The weights reflect the importance of households' expenditure in goods and services relative to their total consumption based on the data collected in the 2008-2009 consumption survey (ENAPREF 2008-2009).

In May national inflation recorded a monthly rate of 0.03 percent and a yearly rate of 1.56 percent. Price rises that stand out included accommodation services (0.8 percent), restaurant services (0.5 percent), movie tickets (0.8 percent) and pet food (0.3 percent). On the other hand, food prices declined, including gutted chicken (-2.1 percent), color potato (-2.8 percent), white potato (-1.8 percent), eggs (-3.4 percent), sugar (-0.4 percent), and bottled vegetable oil (-0.4 percent).

BCRP Survey on Macroeconomic Expectations: May 2012

The results of the BCRP Survey on Macroeconomic Expectations show that inflation expectation for this year is 3.2 percent, and for the following two years, economic analysts and financial entities expect an inflation of 2.8 and 2.5 percent, respectively.

SURVEY OF MACROECONOMIC EXPECTATIONS: INFLATION (%)

	Survey date		
	Mar. 31	Apr. 30	May. 31
FINANCIAL ENTITIES 1/			
2012	2.8	3.0	3.2
2013	2.5	2.8	2.8
2014	2.5	2.5	2.5
ECONOMIC ANALYSTS 2/			
2012	2.8	3.0	3.2
2013	2.3	2.6	2.8
2014	2.2	2.5	2.5
NON FINANCIAL FIRMS 3/			
2012	3.0	3.0	3.2
2013	3.0	3.0	3.0
2014	3.0	3.0	3.0

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

2/ 21 analysts in in March 2012, 19 in April, and 24 in May.

3/ Sample of firms of various economic sectors.

Economic analysts have raised their forecasts on GDP growth in 2012 from 5.8 to 6.0 percent, while financial entities and non-financial firms maintain their forecasts at 6.0 percent. For the next two years, economic agents expect a growth rate of 6.0 percent on average.

SURVEY OF MACROECONOMIC EXPECTATIONS: GDP (%)

	Survey date		
	Mar. 31	Apr. 30	May. 31
FINANCIAL ENTITIES 1/			
2012	5.5	6.0	6.0
2013	5.7	6.0	6.0
2014	6.0	6.0	6.0
ECONOMIC ANALYSTS 2/			
2012	5.5	5.8	6.0
2013	6.0	6.2	6.0
2014	6.0	6.0	6.2
NON FINANCIAL FIRMS 3/			
2012	5.8	6.0	6.0
2013	6.0	6.0	6.0
2014	6.0	6.0	6.0

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

2/ 21 analysts in in March 2012, 19 in April, and 24 in May.

3/ Sample of firms of various economic sectors.

An exchange rate of S/. 2.65 per US dollar is now expected for end 2012. As regards economic agents' expectations for the next two years, financial entities and economic analysts expect a lower level of exchange rate, whereas non-financial firms foresee a depreciation in the domestic currency.

SURVEY OF MACROECONOMIC EXPECTATIONS: EXCHANGE RATE*

	Survey date		
	Mar. 31	Apr. 30	May. 31
FINANCIAL ENTITIES 1/			
2012	2.65	2.62	2.65
2013	2.64	2.60	2.61
2014	2.64	2.60	2.60
ECONOMIC ANALYSTS 2/			
2012	2.65	2.62	2.65
2013	2.63	2.60	2.62
2014	2.62	2.59	2.60
NON FINANCIAL FIRMS 3/			
2012	2.65	2.65	2.65
2013	2.68	2.68	2.70
2014	2.70	2.70	2.70

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

2/ 21 analysts in in March 2012, 19 in April, and 24 in May.

3/ Sample of firms of various economic sectors.

* Exchange rate at the end of year.

Non-traditional exports grew 1.4 percent in April 2012

In April the **trade balance** registered a deficit of US\$ 144 million. The value of **exports** (US\$ 3.06 billion) declined 11.2 percent compared to April 2011 mainly due to lower sales of traditional products.

The volume of exports dropped 6.3 percent. This result was mainly associated with the decline observed in exports of gold (34.2 percent), especially those made by gold trading companies, as well as with the decline registered in exports of copper (11.6 percent) and zinc (23.7 percent) due to the lower content obtained in these minerals.

TRADE BALANCE

(Millions of US\$)

	2011	2012		Var.% de Abril		January - April		
	Apr.	Mar.	Apr.	Previous months	12 month	2011	2012	% Chg.
EXPORTS	3,442	3,980	3,057	-23.2	-11.2	13,548	14,737	8.8
Traditional products	2,651	3,011	2,246	-25.4	-15.3	10,424	11,240	7.8
Non-traditional products	768	935	779	-16.7	1.4	3,021	3,374	11.7
Other	23	34	32	-5.7	40.1	103	123	19.5
IMPORTS	3,100	3,396	3,201	-5.7	3.3	11,300	12,765	13.0
Consumption goods	498	627	568	-9.3	14.2	1,924	2,415	25.5
Raw materials	1,658	1,535	1,539	0.2	-7.2	5,683	6,075	6.9
Capital goods	911	1,204	1,073	-10.9	17.7	3,566	4,183	17.3
Other goods	32	30	21	-30.2	-34.8	127	93	-26.9
TRADE BALANCE	342	584	-144			2,248	1,972	

Source: BCRP, SUNAT and companies.

On the other hand, registering a level 3.3 percent higher than in April 2011, **imports** amounted to US\$ 3.20 billion in April 2012. The volume of imports grew 2.6 percent due to higher purchases of durable consumer goods and capital goods.

Amount of payment transactions handled through payment systems showed a monthly increase of 17.6 percent in May

A total of S/. 283 billion was transferred between the entities of the financial system through payment systems in May 2012. This amount is 17.6 percent higher than the one recorded in April.

This increase is mainly explained by the dynamism observed in the payment transactions made through the RTGS system, which in May accounted for funds transfers for a total of S/. 261 billion.

It is worth pointing out that payment systems consist of the real time gross settlement system (RTGS), which is administered by the Central Reserve Bank of Peru and used to settle high value transactions; the Multibank Securities Settlement system (MSSS), which is managed by Cavali and used to settle operations in the secondary market of securities, such as sovereign bonds and operations in the Lima Stock Exchange (LSE), and the Cámara de Compensación Electrónica (CCE) or Electronic Clearing House, used for low value payments made through checks and credit transfers.

A total of 1.2 million orders of funds transfers for a monthly average of S/. 250 billion have been made through payment systems between January and May 2012. In annual terms, this amount is equivalent to nearly 6 times Peru's GDP, which reflects the systemic importance that payment systems have for the country's economy.

The average value of each transaction made through the RTGS system in this period was S/. 4.3 million.

PAYMENT SYSTEM TRANSFERS
(Monthly average January-May 2012)

	Amount (Mill. S/.)	Number Thousand	Participation	
			Amount	Number
RTGS	228,758	53	91.8%	4.7%
MSSS	3,185	25	1.3%	2.2%
CCE	17,359	1,052	7.0%	93.1%
Checks	13,880	678	5.6%	60.1%
Credit transfers	3,479	373	1.4%	33.0%
TOTAL	249,303	1,130	100.0%	100.0%

International Markets

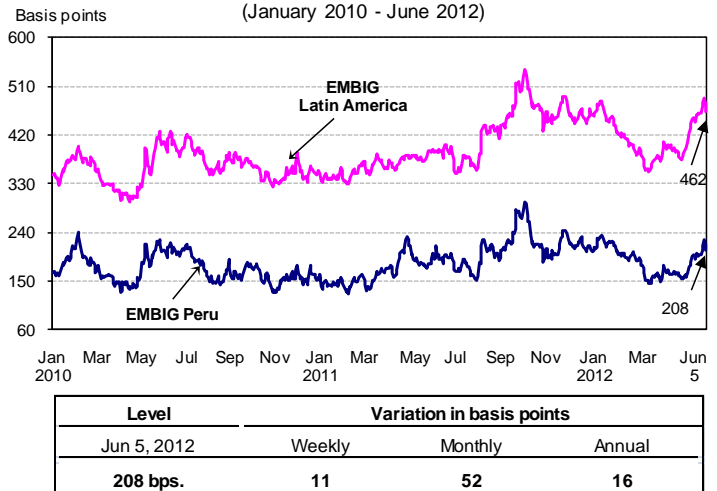
Country risk at 208 basis points

On **June 5**, the **EMBIG Peru** spread recorded 208 basis points.

In **May**, the average of the country risk indicator, measured by the **EMBIG Peru** spread, rose from 164 to 180 basis points.

The spread of the Latin American debt also rose 33 basis points. This rise is explained by increased global risk aversion associated with uncertainty about the situation in the Eurozone.

COUNTRY RISK INDICATORS
(January 2010 - June 2012)



Price of gold recorded US\$ 1,611.7 per troy ounce

On **June 5**, the price of **gold** recorded US\$ 1,611.7/troy ounce.

In **May**, the price of **gold** fell 3.7 percent and registered an average level of US\$ 1,589.6 per troy ounce.

This downward trend was associated with the strengthening of the dollar against the euro and with India's lower physical demand for this metal. Reports indicating that exports of jewelry of Italy –Europe's main producer of jewels– would drop 12 percent this year contributed also to the drop in the price of gold.

GOLD PRICE
(January 2010 - June 2012)



On **June 5** the price of **copper** registered US\$ 3.34 per pound.

The price of **copper** fell 4.0 percent in May to an average level of US\$ 3.60 per pound.

The price of copper showed a downward trend due mainly to investors' liquidation of their positions given perceptions of increased risk, expectations of lower growth, and the increase of inventories in the major metal exchange markets.

COPPER PRICE
(January 2010 - June 2012)



On **June 5** the price of **zinc** reached US\$ 0.84 per pound.

The price of **zinc** dropped 3.1 percent in May to an average monthly level of US\$ 0.88 per pound.

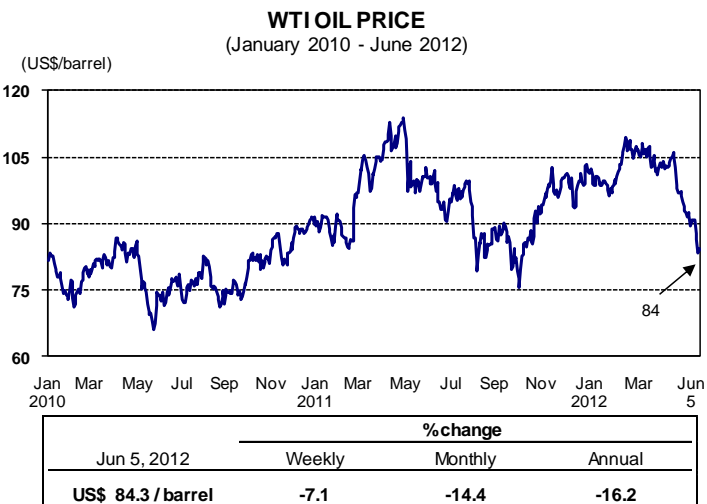
This drop in the price of this basic metal was influenced by concerns about the recovery of the demand for commodities due to signals of China's lower demand –decline of China's imports– and by higher inventories at the London Metal Exchange (LME).



On **June 5**, the price of **WTI oil** recorded US\$ 84.3 per barrel.

In May the price of **WTI oil** fell 8.5 percent to an average of US\$ 94.5 per barrel.

The decline in the price of crude is explained by expectations that USA will release some of its strategic reserves given that crude inventories have reached their highest level since August 1990, and by lower concerns about disruptions in the supply of the Middle East.

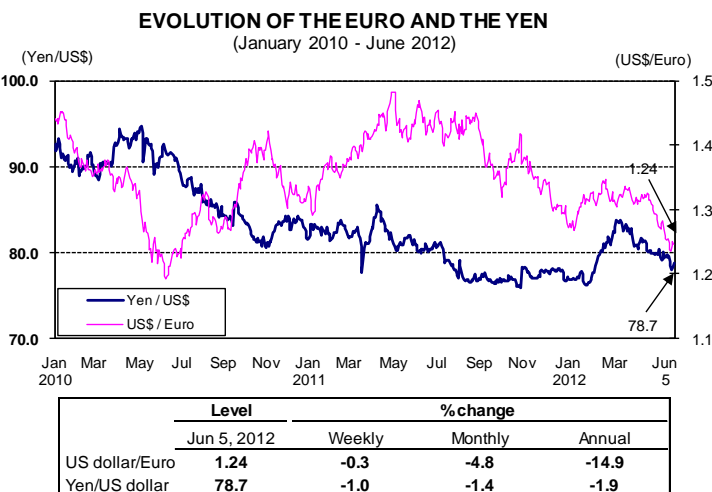


US dollar appreciated against the euro in May

In May the **dollar** appreciated 2.9 percent on average against the **euro**.

The evolution of the US currency reflected increased risk in financial markets after the crisis in Europe intensified due to the possible exit of Greece of the Eurozone.

On the other hand, the dollar depreciated 2.0 percent on average against the **yen**.



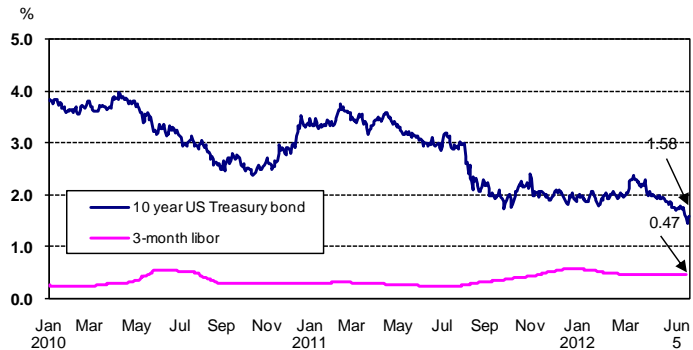
On June 5, the exchange rate was 1.24 dollars per euro and 78.7 yens per US dollar.

Yield on 10-year US Treasuries declined to 1.79 percent in May

In May, on average terms the **3-month Libor** remained at 0.47 percent, while the yield on the 10-year **US Treasury bonds** fell 24 basis points to 1.79 percent.

Increased fears in financial markets about a worsening of the debt crisis in the Eurozone generated a higher preference for US treasury bonds.

3-MONTH LIBOR AND 10-YEAR US TREASURIES
(January 2010 - June 2012)



	Variation in basis points			
	Jun 5, 2012	Weekly	Monthly	Annual
3 months Libor	0.47	0	0	22
US Treasuries	1.58	-17	-30	-141

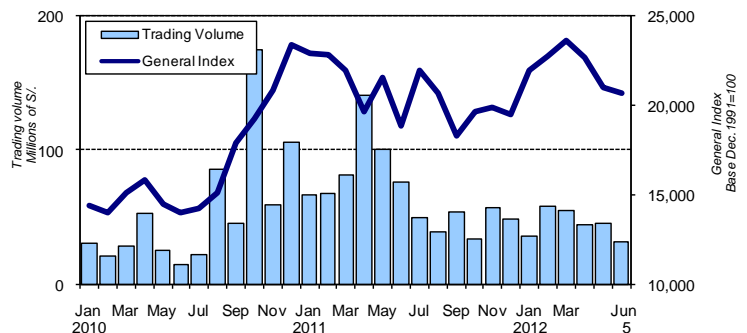
On June 5, the **3-month Libor** registered 0.47 percent and the yield on the 10-year **US Treasury bonds** recorded 1.58 percent.

Annual yield at the Lima Stock Exchange reached 6.1 percent

So far in 2012 (at **June 5**), the **General Index** and the **Selective Index** of the Lima Stock Exchange (LSE) accumulate increases of 6.1 and 7.8 percent, respectively.

In May, the **General Index** and the **Selective Index** of the Lima Stock Exchange (LSE) fell 7.4 and 6.7 percent, respectively, due to volatility in external markets as a result of renewed fears regarding the Eurozone debt crisis and due to the decline observed in the prices of basic and precious metals.

LIMA STOCK EXCHANGE INDICATORS
(January 2010 - June 2012)



	As of:	% change compared to:		
	Jun 5, 2012	May 29, 2012	May 31, 2012	Dec 31, 2011
General Index	20,656	-1.8	-1.6	6.1
Selective Index	29,466	-2.9	-2.7	7.8

