



Indicators

-  Corporate interest in dollars at 1.23 percent
-  International reserves increased by US\$ 3.30 billion relative to end-2012
-  Exchange rate at S/. 2.77 per US dollar
-  Country risk at 175 basis points

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International reserves amount to US\$ 67.28 billion

International reserves at October 22, 2013, totaled US\$ 67.28 billion. This amount of reserves is US\$ 3.30 billion higher than the amount of reserves recorded at end-2012.



Corporate prime rate in dollars at 1.23 percent

On October 22, the **corporate prime rate** –the interest rate commercial banks charge to lower risk businesses– in US dollars showed a daily average rate of 1.23 percent. On the other hand, the corporate prime rate in soles recorded a daily average rate of 4.71 percent.

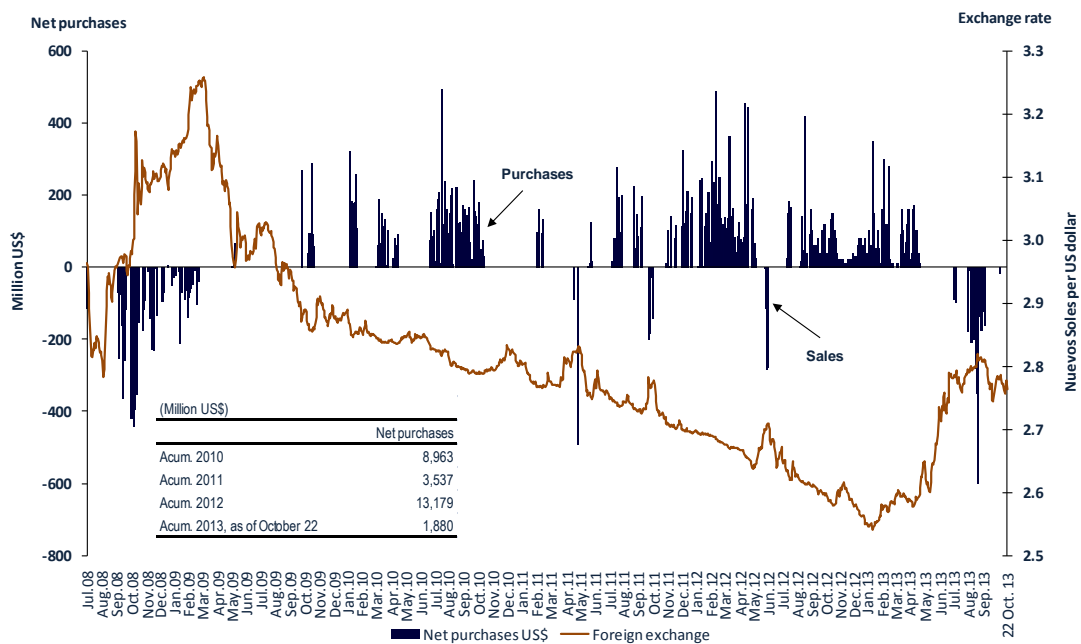
The corporate prime rate in soles is the closest in level to the rate of the Central Bank’s reference interest rate and tends to be the first to respond to the movements of and expectations about the monetary policy rate.

Exchange rate: S/. 2.77 per US dollar

On October 22, the average selling price of the dollar in the interbank market was S/. 2.77 per dollar.

Between 2012 and 2013, the Central Bank purchased foreign currency for a total of US\$ 19.07 billion and sold foreign currency for a total of US\$ 4.01 billion. In net terms, purchases of foreign currency are higher than sales by US\$ 15.06 billion.

EXCHANGE RATE AND NET DOLLAR PURCHASE



Monetary and exchange operations

Year-to-date (at October 22, 2013), the Central Bank has accumulated purchases of FC for a total of US\$ 5.21 billion and sales of FC for a total US\$ 3.33 billion, thus accumulating purchases of foreign currency for a net total of US\$ 1.88 billion. The Central Bank has also sold FC for a total of US\$ 3.75 billion to the public sector. The BCRP net internal assets have increased by S/. 5.86 billion mainly as a result of net maturities of certificates of deposit (CDBCRP) and overnight deposits (S/. 3.24 billion).

BCRP OPERATIONS

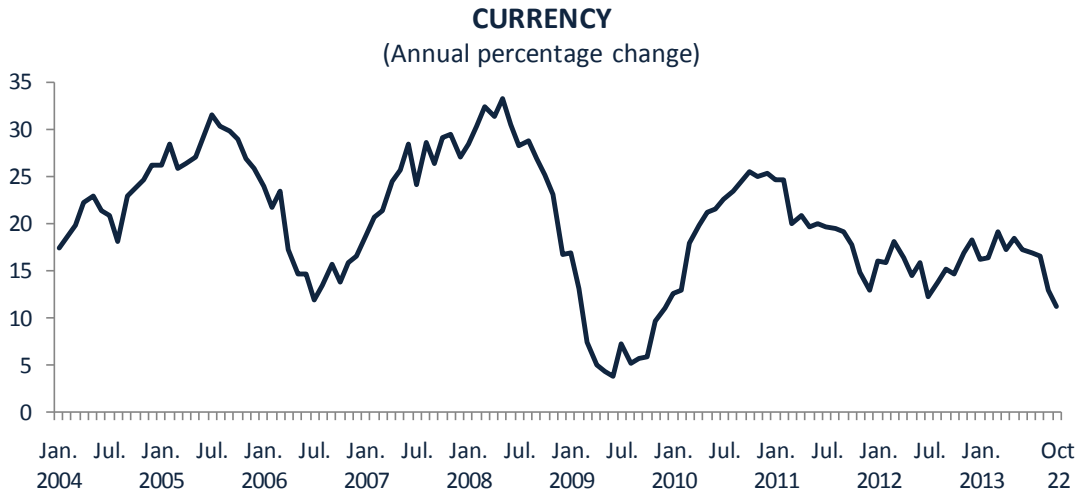
(Million S/.)

	Balance			Flows	
	Dec 31, 2012	Sep 30, 2013	Oct 22, 2013	2013*	Oct-13*
I. NET INTERNATIONAL POSITION	117,462	121,513	121,356	-6,476	715
(Million US\$)	46,063	43,710	43,969	-2,094	260
1. Exchange Operations				-1,849	-63
a. Over the counter operations				1,880	-15
b. Public sector				-3,748	-50
2. Rest				-244	323
II. NET DOMESTIC ASSET	-85,217	-89,387	-89,731	5,856	-1,216
1. Monetary Sterilization	-51,567	-47,642	-47,526	4,041	116
a. Certificates and Term deposits	-30,053	-27,847	-27,748	2,305	99
BCRP Certificates of Deposit (CDBCRP)	-20,805	-20,913	-20,063	742	850
CDR BCRP	0	-2,284	-935	-935	1,349
Term Deposits	-9,248	-4,650	-6,750	2,498	-2,100
b. Reserve requirements in Domestic Currency	-20,491	-17,896	-18,972	1,518	-1,076
c. Other monetary operations	-1,024	-1,899	-806	218	1,093
2. Fiscal Sterilization	-39,939	-40,155	-40,851	-912	-696
3. Other	6,289	-1,590	-1,354	2,727	-636
III. CURRENCY **	32,244	32,126	31,624	-620	-501
(Monthly percentage change)	10.6%	-1.9%	-1.6%		
(Accumulated percentage change)	33.6%	-0.4%	-1.9%		
(YoY)	18.3%	12.9%	11.2%		

* As of October 22, 2013.

** Preliminary data.

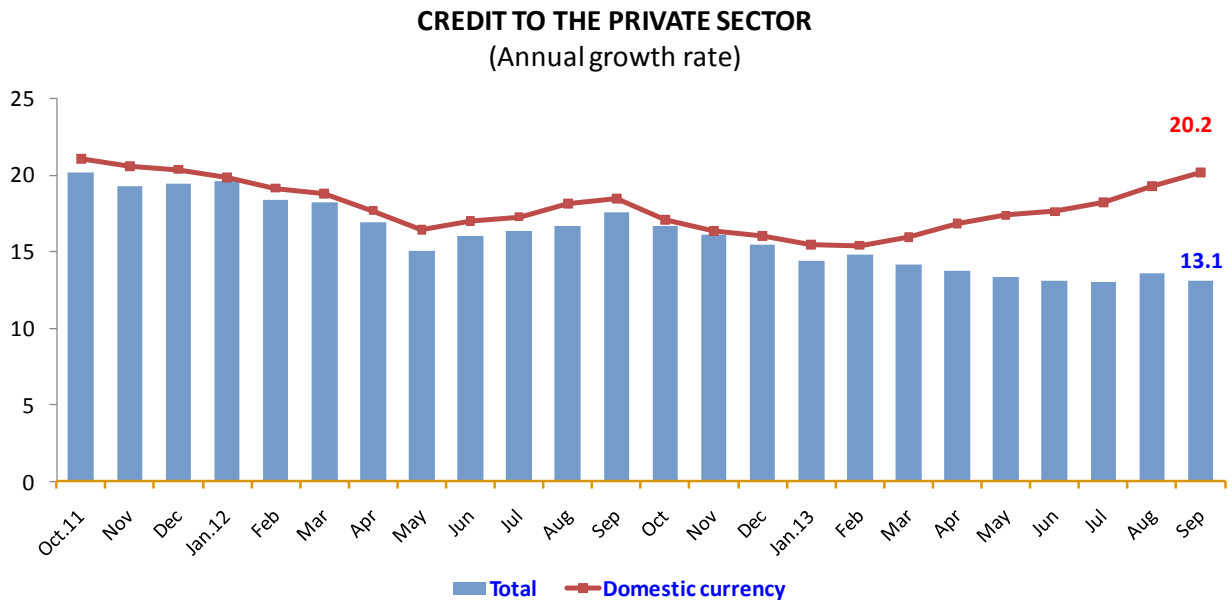
Currency in circulation at October 22 showed a balance of S/. 31.62 billion and a growth rate of 11.2 percent in the last 12 months.



Credit to the private sector and liquidity at September 30

Total credit to the private sector grew 1.1 percent in September (S/. 1.95 billion) and accumulated a growth rate of 13.1 percent compared to September 2012 (13.6 percent in August).

Credit in soles grew 2.3 percent in the month (S/. 2.47 billion) and 20.2 percent in the last 12 months (vs. 19.3 percent in August), while credit in dollars decreased 0.7 percent (negative flow of US\$ 204 million) and accumulated an annual growth rate of 3.8 percent (vs. 6.2 percent in August).



The growth of credit to businesses and credit to individuals slowed down in September: the former grew 1.0 percent (vs. 2.1 percent in August), while the latter grew 1.1 percent (1.2 percent in August). Moreover, in the segment of personal credit, consumer loans grew 0.9 percent in

September (1.1 percent in August) and mortgage loans grew 1.3 percent (a similar rate was recorded in August).

TOTAL CREDIT TO THE PRIVATE SECTOR, BY TYPE OF LOAN

	Balance in million of Nuevos Soles			Growth rates (%)		
	Sep-12	Aug-13	Sep-13	Aug-13/ Aug-12	Sep-13/ Sep-12	Sep-13/ Aug-13
<u>Loans to companies 1/</u>	<u>104,700</u>	<u>116,350</u>	<u>117,570</u>	<u>12.8</u>	<u>12.3</u>	<u>1.0</u>
Foreign trade	9,306	10,781	10,803	8.2	16.1	0.2
Rest	95,394	105,569	106,767	13.3	11.9	1.1
<u>Loans to individuals 2/</u>	<u>58,522</u>	<u>66,309</u>	<u>67,035</u>	<u>15.1</u>	<u>14.5</u>	<u>1.1</u>
Consumer loans	35,139	38,657	39,023	11.3	11.1	0.9
Mortgage	23,384	27,653	28,012	20.8	19.8	1.3
Total	163,222	182,659	184,606	13.6	13.1	1.1

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

2 / Includes persons non profit legal.

Total liquidity in the private sector decreased 0.5 percent in September (negative flow of S/. 967 million) and thus registered an annual growth rate of 13.5 percent (15.1 percent in August). This decrease of liquidity in the month is explained both by lower deposits (-0.2 percent or a negative flow of S/. 285 millions) and by a decline in currency in circulation (-1.9 percent or a negative flow of S/. 615 million). By type of deposits, demand deposits declined 1.2 percent (negative flow of S/. 568 million), but this decline was in part offset by higher saving deposits (0.8 percent or S/. 332 million).

Liquidity in soles declined 1.9 percent in September (negative flow of S/. 2.42 billion) and thus registered an annual growth rate of 13.8 percent (18.1 percent in August), while liquidity in dollars grew 2.5 percent (US\$ 569 million) and thus registered a growth rate of 12.8 percent compared to September 2012 (9.0 percent in August).

LIQUIDITY BY TYPE OF LIABILITY

	Balance in million of Nuevos Soles			Growth rates (%)		
	Sep-12	Aug-13	Sep-13	Aug-13/ Aug-12	Sep-13/ Sep-12	Sep-13/ Aug-13
Currency	28,462	32,861	32,246	16.6	13.3	-1.9
<u>Deposits</u>	<u>134,606</u>	<u>152,653</u>	<u>152,368</u>	<u>14.5</u>	<u>13.2</u>	<u>-0.2</u>
Demand deposits	41,662	46,293	45,725	7.2	9.8	-1.2
Saving deposits	38,071	42,857	43,189	13.5	13.4	0.8
Term deposits	54,873	63,502	63,454	21.3	15.6	-0.1
CTS	10,575	13,352	13,211	25.3	24.9	-1.1
Securities and others 1/	1,888	2,639	2,573	34.6	36.3	-2.5
Total	164,957	188,154	187,187	15.1	13.5	-0.5

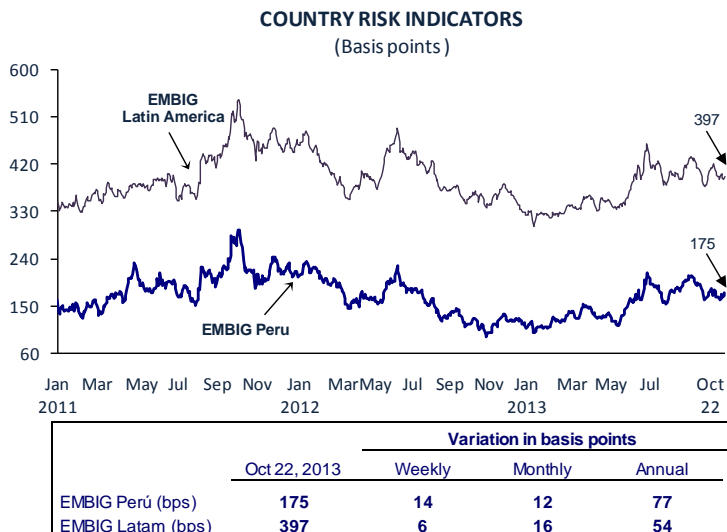
1/ Includes debt securities and other obligations issued by the depository corporations and by non-financial private sector.

International Markets

Country risk at 175 basis points

In October 15-22, the country risk indicator, measured by the **EMBIG Peru** spread, rose from 161 to 175 basis points.

The EMBIG Latin America spread rose 6 basis points amid a context of uncertainty due to the temporary nature of the fiscal solution reached in the United States.



Price of gold rose to US\$ 1,333.0 per troy ounce

In the same period, the price of **gold** increased 4.9 percent to US\$ 1,333.0 per troy ounce.

The price of gold rose due to increased expectations that the Federal Reserve will postpone the withdrawal of quantitative easing as well as due to the continuous physical demand for gold during the period of higher seasonal demand as a result of festivals in India.



Between October 15 and 22, the price of **copper** rose 1.0 percent to US\$ 3.29 per pound.

The rise in the price of copper was influenced by expectations of a higher demand after the growth rate of China's GDP in Q3. However, this rise was in part offset by the higher production of copper concentrates anticipated for Q4.



In the week of October 15 to 22, the price of **zinc** rose 2.3 percent to US\$ 0.88 per pound.

The price of zinc increased due to the positive expectations generated by the growth of China's GDP in Q3 and due to prospects of a lower future supply as a result of the closure of mines whose production cycle has come to an end.

ZINC PRICE
(cUS\$/pound)



Oct 22, 2013	%change		
	Weekly	Monthly	Annual
US\$ 0.88 / pound	2.3	3.8	4.5

The price of **WTI crude oil** dropped 3.4 percent to US\$ 97.8 per barrel in the week of October 15-22.

This lower price of crude is explained by a higher-than-expected increase in crude inventories in the USA and by the restoration of flows of crude exports from Nigeria and Iraq to nearly normal levels. Expectations that part of the restrictions on Iranian exports of crude will be removed have also contributed to this drop in the price of crude oil.

WTI OIL PRICE
(US\$/barrel)



Oct 22, 2013	%change		
	Weekly	Monthly	Annual
US\$ 97.8 / barrel	-3.4	-6.6	10.2

US dollar depreciated against the euro

Between October 15 and 22, the **dollar** depreciated 1.9 percent against the **euro**.

The dollar weakened against the euro influenced by concerns about the negative economic impact that the government shutdown in the USA could have and by expectations that the Federal Reserve will postpone the withdrawal of quantitative easing.

EVOLUTION OF US\$ PER EURO
(US\$/Euro)



	Level	%change		
	Oct 22, 2013	Weekly	Monthly	Annual
US dollar/Euro	1.38	1.9	1.9	5.5

Yield on 10-year US Treasuries at 2.51 percent

Between October 15 and 22, the **3-month Libor** remained at 0.24 percent.

In the same period, the yield on the **10-year US Treasury bonds** fell from 2.73 to 2.51 percent influenced by expectations that the Federal Reserve will postpone the withdrawal of monetary stimulus.

3-MONTH LIBOR AND 10-YEAR US TREASURIES
(Percentage)



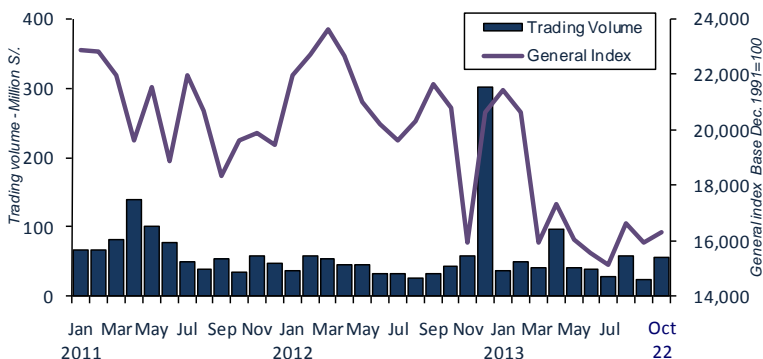
	Variation in basis points			
	Oct 22, 2013	Weekly	Monthly	Annual
3 months Libor (%)	0.24	0	-1	-8
US Treasuries (%)	2.51	-22	-22	70

Lima Stock Exchange

So far this month, at October 22, the **General Index** of the Lima Stock Exchange (LSE) has increased 2.3 percent and the **Selective Index** of the LSE has increased 2.4 percent.

In the week of October 15-22, the General Index rose 5.0 percent and the Selective Index rose 4.0 percent favored by mining and industrial stocks, in line with the positive evolution of the international prices of metals, as well as by expectations that the FED will maintain monetary stimulus.

LIMA STOCK EXCHANGE INDICATORS



	%change compared to:				
	As of:	Oct 22, 2013	Oct 15, 2013	Sep 30, 2013	Dec 31, 2012
General Index	16,286	5.0	2.3	-21.1	
Selective Index	23,848	4.0	2.4	-23.1	

So far this year, the indices of the LSE accumulate losses of 21.1 and 23.1 percent, respectively.

