











**Indicators**

-  Corporate interest rate in dollars at 1.21 percent
-  Exchange rate: S/. 2.80 per US dollar
-  Country risk at 179 basis points
-  GDP grew 4.4 percent in September
-  Non-financial public sector recorded deficit of S/. 462 million in October
-  Domestic demand grew 4.4 percent in Q3-2013
-  Surplus in the financial account balance: US\$ 2,091 million in Q3-2013
-  Current revenues of the central government : 21.1 percent of GDP in Q3-2013

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## WEEKLY REPORT

### Corporate prime rate in dollars at 1.21 percent

On November 19, the **corporate prime rate** –the interest rate commercial banks charge to lower risk businesses– in US dollars showed a daily average rate of 1.21 percent. On the other hand, the corporate prime rate in soles recorded a daily average rate of 4.36 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.



### Monetary and exchange operations

Year-to-date (at November 19), the Central Bank has accumulated purchases of FC for a total of US\$ 5.21 billion and sales of FC for a total US\$ 3.84 billion, thus accumulating purchases of foreign currency for a net total of US\$ 1.37 billion. The Central Bank has also sold FC for a total of US\$ 3.85 billion to the public sector. The BCRP net internal assets have increased by S/.9.08 billion.

BCRP OPERATIONS

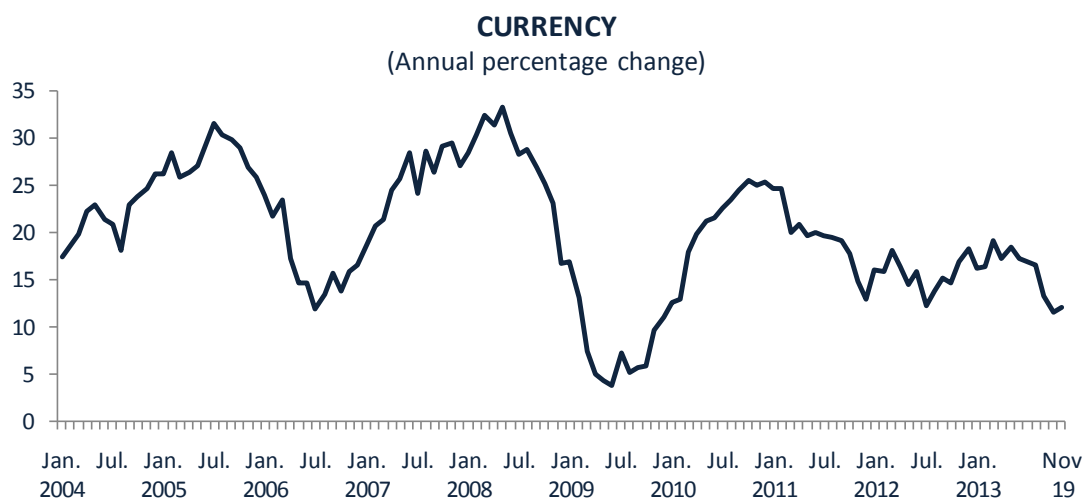
(Million S/.)

	Balance			Flows	
	Dec 31, 2012	Oct 31, 2013	Nov 19, 2013	2013*	Nov-13 *
<b>I. NET INTERNATIONAL POSITION</b>	<b><u>117,462</u></b>	<b><u>121,129</u></b>	<b><u>120,506</u></b>	<b><u>-9,076</u></b>	<b><u>-1,936</u></b>
(Million US\$)	46,063	43,729	43,038	-3,026	-691
1. Exchange Operations				-2,460	-511
a. Over the counter operations				1,369	-511
b. Public sector				-3,848	0
2. Rest				-565	-180
<b>II. NET DOMESTIC ASSET</b>	<b><u>-85,217</u></b>	<b><u>-88,771</u></b>	<b><u>-88,257</u></b>	<b><u>9,081</u></b>	<b><u>1,827</u></b>
1. Monetary Sterilization	-51,567	-48,214	-46,460	5,107	1,754
a. Certificates and Term deposits	-30,053	-26,910	-27,189	2,863	-279
BCRP Certificates of Deposit (CDBCRP)	-20,805	-20,913	-19,763	1,041	1,150
CDR BCRP	0	-505	-2,526	-2,526	-2,021
Term Deposits	-9,248	-5,492	-4,900	4,348	592
b. Reserve requirements in Domestic Currency	-20,491	-20,313	-18,468	2,023	1,845
c. Other monetary operations	-1,024	-990	-803	221	188
2. Fiscal Sterilization	-39,939	-39,186	-39,787	152	-600
3. Other	6,289	-1,371	-2,010	3,821	673
<b>III. CURRENCY **</b>	<b><u>32,244</u></b>	<b><u>32,358</u></b>	<b><u>32,249</u></b>	<b><u>5</u></b>	<b><u>-109</u></b>
(Monthly percentage change)	10.6%	0.7%	-0.3%		
(Accumulated percentage change)	33.6%	0.4%	0.0%		
(YoY)	18.3%	11.5%	12.1%		

\* As of November 19, 2013.

\*\* Preliminary data.

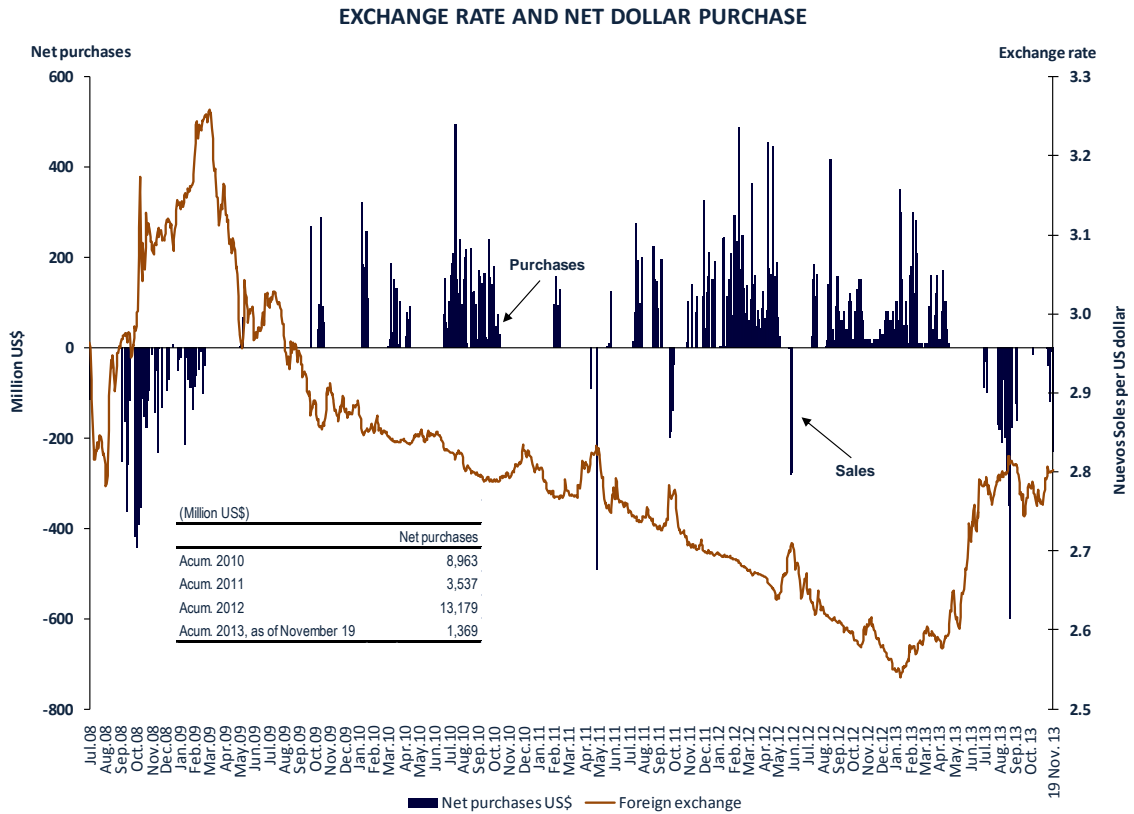
**Currency in circulation** at November 19 showed a balance of S/. 32.25 billion and recorded a growth rate of 12.1 percent in the last 12 months.



**Exchange rate: S/. 2.80 per US dollar**

On November 19, the average selling price of the dollar in the interbank market was S/. 2.80 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\$ 4.52 billion. In net terms, purchases of foreign currency are higher than sales by US\$ 15.55 billion.



**International reserves amount to US\$ 66.74 billion**

**International reserves** at November 19, 2013, totaled US\$ 66.74 billion. This amount of reserves is US\$ 2.75 billion higher than the amount of reserves recorded at end-2012.

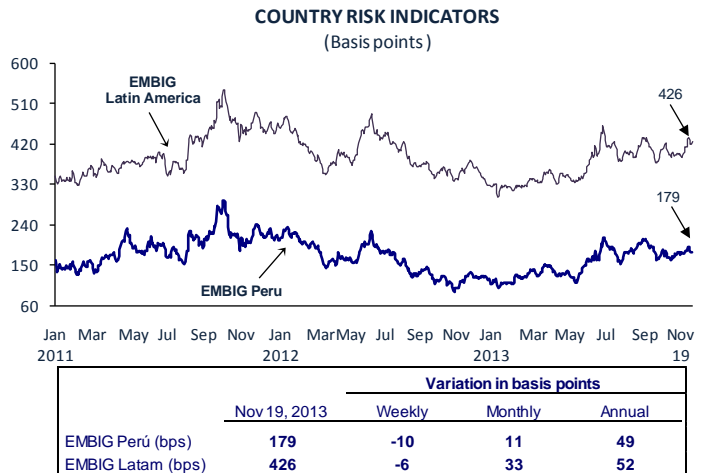


## International Markets

### Country risk at 179 basis points

In November 12-19, the country risk indicator, measured by the **EMBIG Peru** spread, fell from 189 to 179 basis points.

The EMBIG Latin America spread fell 6 basis points due to expectations that the Federal Reserve will delay the tapering of monetary stimulus and due to the announcement of reforms in China.



### Price of gold at US\$ 1,275.8 per troy ounce

In the same period, the price of **gold** dropped 0.4 percent to US\$ 1,275.8 per troy ounce.

The decline in the price of gold was associated with a report of the World Gold Council that said that the global demand for gold had dropped in Q3-2013. However, the decline in the price of gold was in part offset by the depreciation of the dollar and by China's strong physical demand for gold given the proximity of the New Year.



In November 12-19, the price of **copper** dropped 2.5 percent to US\$ 3.15 per pound.

The price of copper fell due to expectations of a lower demand from China following signals that investment in this country's energy sector had slowed down, as well as due to expectations of a higher supply after the presentation of the Rio Tinto copper project in Arizona, which would become the first copper producer in North America.



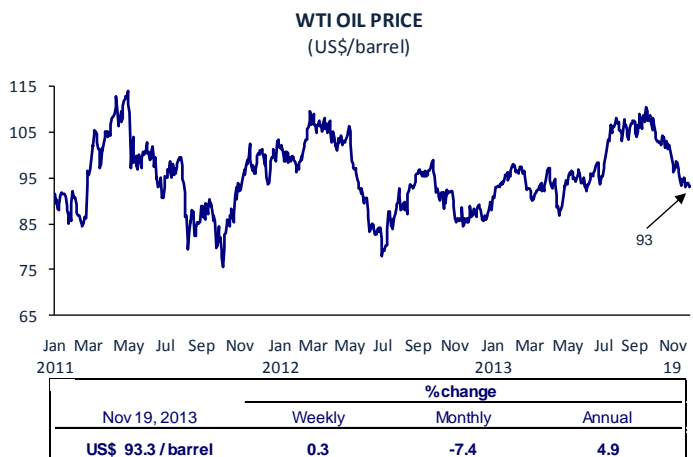
In the same period, the price of **zinc** rose 0.2 percent to US\$ 0.84 per pound.

The rise in the price of this basic metal was associated with a report of the International Zinc and Lead Study Group that said that the global demand for zinc had been higher than the supply in September.



The price of **WTI crude oil** increased 0.3 percent to US\$ 93.3 per barrel between November 12 and 19.

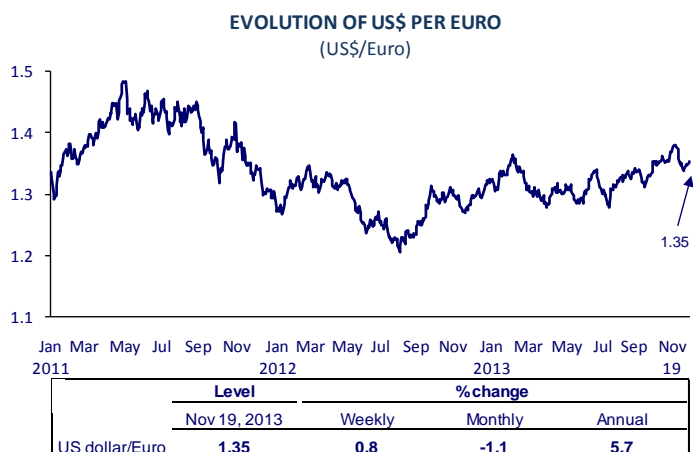
The rise in the price of crude is associated with interruptions in Lybia's supply of oil and with a seasonal increase in demand in winter. However, this price rise was offset after it was reported that U.S. crude and gasoline inventories had increased last week.



## Dollar depreciated against the euro

In November 12-19, the **dollar** depreciated 0.8 percent against the **euro**.

The euro strengthened against the dollar as a result of a rise in German investors' confidence as well as of expectations that the Federal Reserve will delay the withdrawal of quantitative easing (QE).

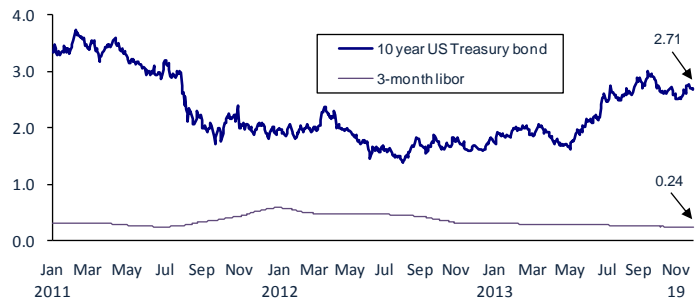


**Yield on 10-year U.S. Treasuries fell to 2.71 percent**

In the week of November 12 to November 19, the **3-month Libor** remained at 0.24 percent.

In this period, the yield on the **10-year US Treasuries** fell from 2.77 to 2.71 percent as a result of hopes that the Fed tapering of QE will be postponed until 2014 after Yellen statements.

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



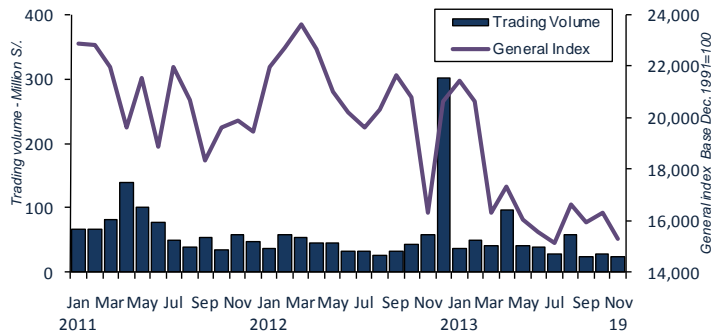
	Variation in basis points			
	Nov 19, 2013	Weekly	Monthly	Annual
3 months Libor (%)	0.24	0	0	-7
US Treasuries (%)	2.71	-7	13	109

**Lima Stock Exchange**

So far this month (at November 19), the **General Index** and the **Selective Index** of the Lima Stock Exchange (LSE) have fallen 6.2 and 5.9 percent, respectively.

During the week of November 12-19, both indices fell 3.6 percent as a result of the lower international prices of metals and the restructuring of investment portfolios.

**LIMA STOCK EXCHANGE INDICATORS**



	As of:		%change compared to:	
	Nov 19, 2013	Nov 12, 2013	Oct 31, 2013	Dec 31, 2012
General Index	15,310	-3.6	-6.2	-25.8
Selective Index	22,414	-3.6	-5.9	-27.7

Year-to-date, the indices of the LSE accumulate losses of 25.8 and 27.7 percent, respectively.

## MONTHLY REPORT

### Gross Domestic Product grew 4.4 percent in September

The **GDP grew 4.4 percent** in September, reflecting the performance observed in the sectors of trade and services. With this, GDP accumulates a growth rate of 4.9 percent in the first nine months of the year.

#### GROSS DOMESTIC PRODUCT

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

	% structure of GDP 2012 1/	2013					
		September		Q3		January-September	
		% Chg.	Contribution	% Chg.	Contribution	% Chg.	Contribution
<b>Agriculture and Livestock 2/</b>	<b>7.3</b>	<b>1.7</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>1.7</b>	<b>0.1</b>
Agriculture	4.4	0.9	0.0	-1.2	0.0	1.4	0.1
Livestock	2.3	2.6	0.1	1.5	0.0	2.1	0.0
<b>Fishing</b>	<b>0.4</b>	<b>-7.1</b>	<b>0.0</b>	<b>-0.5</b>	<b>0.0</b>	<b>0.3</b>	<b>0.0</b>
<b>Mining and Fuel 3/</b>	<b>4.7</b>	<b>-2.1</b>	<b>-0.1</b>	<b>3.1</b>	<b>0.2</b>	<b>1.7</b>	<b>0.1</b>
Metallic mining	3.6	-2.5	-0.1	3.4	0.1	0.7	0.0
Hydrocarbons	0.7	-0.2	0.0	1.8	0.0	6.3	0.0
<b>Manufacture</b>	<b>14.2</b>	<b>3.7</b>	<b>0.5</b>	<b>1.4</b>	<b>0.2</b>	<b>1.5</b>	<b>0.2</b>
Based on raw materials	2.4	10.1	0.2	5.1	0.1	3.1	0.1
Non-primary industries	11.7	2.8	0.3	0.8	0.1	1.2	0.1
<b>Electricity and water</b>	<b>2.0</b>	<b>6.0</b>	<b>0.1</b>	<b>6.0</b>	<b>0.1</b>	<b>5.6</b>	<b>0.1</b>
<b>Construction</b>	<b>7.0</b>	<b>-1.3</b>	<b>-0.1</b>	<b>5.8</b>	<b>0.4</b>	<b>10.5</b>	<b>0.7</b>
<b>Commerce</b>	<b>15.3</b>	<b>5.5</b>	<b>0.8</b>	<b>5.1</b>	<b>0.8</b>	<b>5.5</b>	<b>0.9</b>
<b>Services</b>	<b>39.2</b>	<b>6.6</b>	<b>2.6</b>	<b>5.9</b>	<b>2.3</b>	<b>6.1</b>	<b>2.2</b>
Transportation and communications	8.4	5.3	0.4	4.8	0.4	5.3	0.4
Financial and insurance	2.8	9.9	0.3	9.0	0.2	8.2	0.2
Given to companies	7.4	7.9	0.6	7.5	0.5	6.7	0.5
Restaurants and hotels	4.2	7.2	0.3	6.0	0.2	6.6	0.3
Government Services	5.4	4.1	0.2	4.4	0.2	4.7	0.2
Rest of other services	11.1	5.7	0.6	5.7	0.6	5.7	0.6
<b>Taxes</b>	<b>9.9</b>	<b>4.3</b>	<b>0.4</b>	<b>2.7</b>	<b>0.3</b>	<b>3.9</b>	<b>0.4</b>
<b>GDP Global</b>	<b>100.0</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.9</b>	<b>4.9</b>
<b>Primary</b>	<b>14.8</b>	<b>1.5</b>	<b>0.2</b>	<b>1.9</b>	<b>0.3</b>	<b>1.8</b>	<b>0.3</b>
<b>Non-primary</b>	<b>85.2</b>	<b>4.8</b>	<b>4.2</b>	<b>4.8</b>	<b>4.2</b>	<b>5.4</b>	<b>4.6</b>

1/ At 1994 prices.

2/ Includes silviculture sector.

3/ Includes non-metallic mining.

Source: INEI.

Activity in the **agricultural sector** increased 1.7 percent in September as a result of a greater supply of agricultural products for the domestic market and a greater supply of livestock products. As a result of this, the sector accumulates a growth rate of 1.7 percent in the period of January-September.

**Fishing** recorded a decline of 7.1 percent due to a lower catch of giant squid for the industry of frozen seafood products for human consumption. With this result, the sector accumulates year an increase of 0.3 percent between January and September.

Activity in the **mining and hydrocarbons sector** decreased 2.1 percent due to a lower extraction of iron, gold, and zinc. In the first nine months of the year, the sector accumulates a growth rate of 1.7 percent.

**Manufacturing production** grew 3.7 percent, with primary manufacturing activities growing 10.1 percent while non-primary manufacturing grew 2.8 percent. Increased activity in the branches of electrical machinery, rubber, basic chemicals, transport equipment, other paper and cardboard items, and metal products is worth pointing out in the latter. The sector accumulates a growth of 1.5 percent in the period of January - September.

Activity in the **construction sector** fell 1.3 percent in September due mainly to the contraction of the domestic consumption of cement (-1.2 percent) as a result of the slower pace of growth registered in self-construction. In the period of January–September, the construction sector accumulates a growth rate of 10.5 percent.

## Indicators – October 2013

Preliminary data available to date of indicators on the sectors of fishing, hydrocarbons, electricity, and local dispatches of cement include the following:

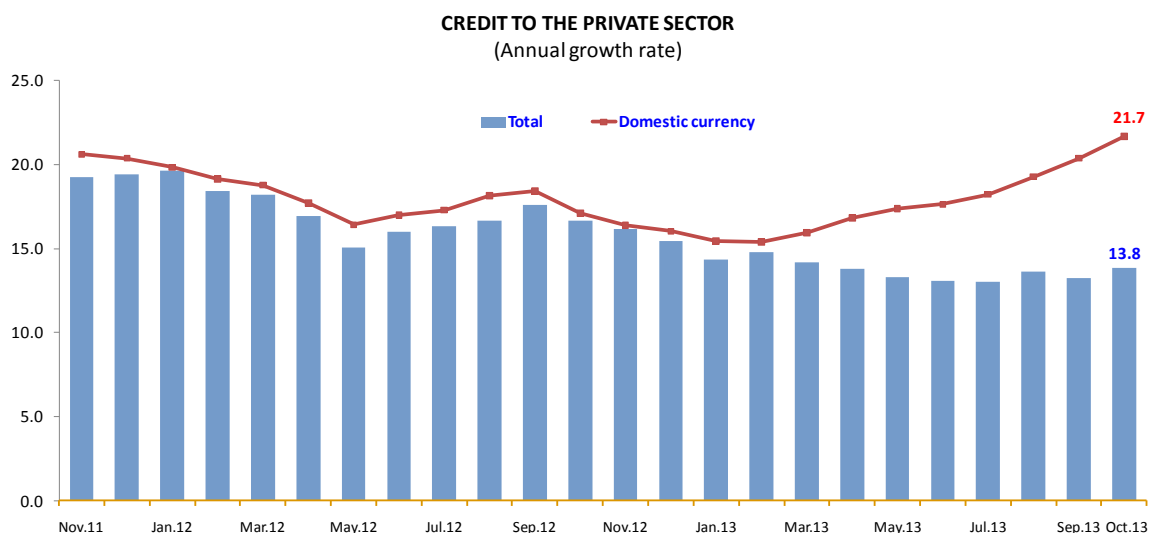
- Anchovy catch increased from 0.2 to 2.7 thousand tons between October 2012 and October 2013, according to the daily report on industrial fishing of Instituto del Mar del Perú (IMARPE).
- The production of hydrocarbons fell 4.4 percent, according to Perupetro.
- The production of electricity increased 7.6 percent according to Comité de Operación Económica del Sistema Interconectado Nacional (COES).
- Local dispatches of cement rose from 904 thousand tons to 939 thousand tons between October 2012 and October 2013, according to Asociación de Productores de Cemento.

## Liquidity and credit to the private sector at October 31

**Total credit to the private sector** increased 1.3 percent in October (S/. 2.39 billion), as a result of which credit to the private sector accumulated a growth of 13.8 percent compared to October 2012 (13.2 percent in September).

Credit to the private sector means financing to businesses and households through of loans and acquisitions of fixed income securities. Their coverage reaches total credit extended by financial institutions that take deposits, which includes commercial banks, the National Bank, financial companies, municipal savings and credit, rural savings and credit, and credit unions.

Credit in soles recorded a monthly growth rate of 1.9 percent in October (S/. 2.14 billion) and a rate of 21.7 percent in the last twelve months (20.4 percent in September), which includes loans to companies with an annual growth of 24.6 percent. Credit in dollars showed a monthly rate of 0.3 percent (US\$ 99 million) and an annual growth of 3.6 percent (3.9 percent in September).





The growth of credit showed a recovery in October, especially in the segment of corporate loans. Credit to businesses grew 1.4 percent in the month (1.1 percent in September), while credit to households grew 1.1 percent (1.3 percent in September). On the other hand, in the segment of credit to individuals, consumer loans registered a monthly growth rate of 1.2 percent in October, (a similar rate to the one recorded in September), while mortgage loans registered a monthly growth rate of 1.1 percent (1.4 percent in September).

## TOTAL CREDIT TO THE PRIVATE SECTOR, BY TYPE OF LOAN

	Balance in million of Nuevos Soles			Growth rates (%)		
	Oct-12	Sep-13	Oct-13	Sep-13/ Sep-12	Oct-13/ Oct-12	Oct-13/ Sep-13
<u>Loans to companies 1/</u>	<u>105,216</u>	<u>117,665</u>	<u>119,295</u>	<u>12.4</u>	<u>13.4</u>	<u>1.4</u>
Foreign trade	9,309	10,803	10,859	16.1	16.6	0.5
Rest	95,907	106,861	108,437	12.0	13.1	1.5
<u>Loans to individuals 2/</u>	<u>59,250</u>	<u>67,157</u>	<u>67,914</u>	<u>14.8</u>	<u>14.6</u>	<u>1.1</u>
Consumer loans	35,533	39,121	39,583	11.3	11.4	1.2
Mortgage	23,717	28,036	28,331	19.9	19.5	1.1
<b>Total</b>	<b>164,465</b>	<b>184,821</b>	<b>187,209</b>	<b>13.2</b>	<b>13.8</b>	<b>1.3</b>

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** increased 0.3 percent in October (S/. 512 million), as a result of which the annual growth rate of liquidity in the private sector went from 13.6 percent in September to 12.8 percent in October. Liquidity includes notes and coins in circulation and total sources raised through demand deposits, savings and term deposits and other financial obligations held by businesses and households.

This monthly growth of liquidity is explained both by higher deposits from the public (up 0.2 percent or S/. 250 million) and by the increase of currency in circulation (0.6 percent or S/. 208 million). By type of deposits, it is worth highlighting that the increase in savings deposits (1.2 percent or S/. 538 million) was in part offset by lower term deposits (down 0.4 percent, or negative flow of S/. 230 million).

Liquidity in soles grew 0.7 percent in October (S/. 874 million), as a result of which it recorded a growth rate of 11.7 percent in the last twelve months (13.9 percent in September). On the other hand, liquidity in dollars decreased 0.6 percent in the month (negative flow of US\$ 142 million) and grew 15.1 percent compared to October 2012 (13.0 percent in September).

## LIQUIDITY BY TYPE OF LIABILITY

	Balance in million of Nuevos Soles			Growth rates (%)		
	Oct-12	Sep-13	Oct-13	Sep-13/ Sep-12	Oct-13/ Oct-12	Oct-13/ Sep-13
Currency	29,026	32,246	32,455	13.3	11.8	0.6
<u>Deposits</u>	<u>135,719</u>	<u>152,577</u>	<u>152,827</u>	<u>13.4</u>	<u>12.6</u>	<u>0.2</u>
Demand deposits	41,633	45,725	45,667	9.8	9.7	-0.1
Saving deposits	38,012	43,210	43,748	13.5	15.1	1.2
Term deposits	56,073	63,642	63,412	16.0	13.1	-0.4
CTS	10,469	13,211	13,071	24.9	24.9	-1.1
Securities and others 1/	1,922	2,592	2,646	37.3	37.6	2.1
<b>Total</b>	<b>166,667</b>	<b>187,415</b>	<b>187,928</b>	<b>13.6</b>	<b>12.8</b>	<b>0.3</b>

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

## Non-financial public sector registered a deficit of S/. 462 million in October 2013

The non-financial public sector registered a deficit of S/. 462 million in October. In this month, the current revenues of the general government (S/. 9.84 billion) grew 5.1 percent due to the increase observed in both the tax revenues of the general government (5.3 percent) and in non-tax revenues (4.2 percent).

The non-financial expenditure of the general government (S/. 9.99 billion) registered a real growth of 8.7 percent as a result of the increase of spending in the national government (8.6 percent), regional governments (14.1 percent), and local governments (4.4 percent).

### OPERATIONS OF THE NON-FINANCIAL PUBLIC SECTOR 1/ (Million S/.)

	October			January - October		
	2012	2013	Real % Chg.	2012	2013	Real % Chg.
<b>1. General government current revenues</b>	<b>9,087</b>	<b>9,839</b>	<b>5.1</b>	<b>94,392</b>	<b>99,904</b>	<b>3.0</b>
a. Tax revenue	7,041	7,643	5.3	71,554	75,357	2.5
National	6,917	7,506	5.3	69,882	73,412	2.2
Local	124	137	7.1	1,673	1,945	13.2
b. Non-tax revenue	2,046	2,196	4.2	22,837	24,547	4.6
National	1,810	1,942	4.1	19,749	21,529	6.1
Regional	43	45	2.3	801	674	-18.1
Local	193	209	5.2	2,287	2,345	-0.2
<b>2. General government non-financial expenditure</b>	<b>8,921</b>	<b>9,991</b>	<b>8.7</b>	<b>71,596</b>	<b>82,348</b>	<b>11.9</b>
a. Current	5,894	6,639	9.3	52,161	58,914	9.9
b. Capital	3,027	3,352	7.5	19,435	23,433	17.3
<i>Of wich: Gross Capital Formation</i>	<i>2,867</i>	<i>3,137</i>	<i>6.2</i>	<i>18,239</i>	<i>21,686</i>	<i>15.7</i>
<b>3. Others 2/</b>	<b>121</b>	<b>-15</b>		<b>1,451</b>	<b>1,057</b>	
<b>4. Primary Balance</b>	<b>287</b>	<b>-167</b>		<b>24,247</b>	<b>18,613</b>	
<b>5. Interests</b>	<b>383</b>	<b>295</b>	<b>-25.2</b>	<b>4,932</b>	<b>5,457</b>	<b>7.6</b>
<b>6. Overall Balance</b>	<b>-95</b>	<b>-462</b>		<b>19,315</b>	<b>13,156</b>	

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.

## MACROECONOMIC REPORT: Q III- 2013

### GDP and domestic demand grew 4.4 percent

In Q3, GDP and domestic demand both grew 4.4 percent. The components of domestic demand that contributed most to this growth were private consumption and government spending, especially public investment.

#### GROSS DOMESTIC PRODUCT BY TYPE OF EXPENDITURE

(Annual growth rates )

	2012			2013	
	Q3	Jan.-Sep.	Year	Q3	Jan.-Sep.
<b>I. Domestic Demand</b>	<b>9.4</b>	<b>7.2</b>	<b>7.3</b>	<b>4.4</b>	<b>6.2</b>
1. Private expenditure	9.1	6.6	6.4	3.4	5.3
Consumption	5.8	5.9	5.8	5.1	5.2
Fixed private investment	15.3	14.1	13.5	2.1	4.8
2. Public expenditure	11.3	11.8	13.3	10.7	12.0
Consumption	5.5	4.3	9.4	7.4	7.4
Investment	22.7	29.4	20.8	16.1	20.5
<b>II. Net exports</b>	<b>-80.8</b>	<b>-27.3</b>	<b>-32.2</b>	<b>-4.4</b>	<b>-32.1</b>
1. Exports	3.2	6.8	5.4	3.6	-0.3
2. Imports	15.2	10.6	10.4	3.8	6.6
<b>III. GDP (I+II)</b>	<b>6.8</b>	<b>6.4</b>	<b>6.3</b>	<b>4.4</b>	<b>4.9</b>

#### GROSS DOMESTIC PRODUCT BY TYPE OF EXPENDITURE

(% contributions)

	2012			2013	
	Q3	Jan.-Sep.	Year	Q3	Jan.-Sep.
<b>I. Domestic Demand</b>	<b>9.7</b>	<b>7.5</b>	<b>7.6</b>	<b>4.7</b>	<b>6.5</b>
1. Private expenditure	8.2	6.1	5.8	3.2	4.9
Consumption	3.8	3.9	3.9	3.3	3.5
Fixed private investment	3.5	3.2	3.0	0.5	1.2
Change on inventories	0.8	-1.1	-1.1	-0.7	0.3
2. Public expenditure	1.6	1.5	1.9	1.5	1.5
Consumption	0.5	0.4	0.9	0.7	0.6
Investment	1.1	1.1	1.0	0.9	0.9
<b>II. Net exports</b>	<b>-2.9</b>	<b>-1.1</b>	<b>-1.3</b>	<b>-0.3</b>	<b>-1.6</b>
1. Exports	0.6	1.2	1.0	0.7	0.0
2. Imports	3.6	2.3	2.3	1.0	1.5
<b>III. GDP (I+II)</b>	<b>6.8</b>	<b>6.4</b>	<b>6.3</b>	<b>4.4</b>	<b>4.9</b>

1/ At 1994 prices.

The growth of GDP in Q3-2013 was driven by the dynamism of non-primary sectors, which grew 4.8 percent mainly as a result of increased activity in the sectors of construction (5.8 percent), trade (5.1 percent), and services (5.6 percent). On the other hand, the primary sectors grew 1.9 percent. Within the latter, the industry based on raw materials and metallic mining showed the highest increases (5.1 and 3.4 percent, respectively).

## Flow of long-term private capital amounted to US\$ 4,198 million in Q3-2013

In Q3-2013 the **current account of the balance of payments** recorded a deficit of US\$ 2.82 billion (5.7 percent of GDP). This balance was financed by medium-term and long-term private capital inflows. On the other hand, the trade balance showed an increase of imports relative to exports equivalent to 0.3 percent of GDP.

### BALANCE OF PAYMENT (Million US\$)

	2012			2013	
	Q3	Jan.-Sep.	Year	Q3	Jan.-Sep.
<b>I. CURRENT ACCOUNT BALANCE</b>	<b>-2,333</b>	<b>-4,929</b>	<b>-6,842</b>	<b>-2,819</b>	<b>-8,436</b>
<i>(As % of GDP)</i>	<b>-4.7</b>	<b>-3.4</b>	<b>-3.4</b>	<b>-5.7</b>	<b>-5.5</b>
1. Trade balance	886	3,874	4,821	-169	-686
a. Exports FOB	11,903	34,465	45,933	10,962	31,202
b. Imports FOB	-11,017	-30,591	-41,113	-11,130	-31,888
2. Services	-645	-1,619	-2,258	-475	-1,450
a. Exports FOB	1,308	3,790	5,130	1,520	4,332
b. Imports FOB	-1,953	-5,409	-7,388	-1,994	-5,781
3. Investment income	-3,405	-9,638	-12,701	-2,981	-8,704
a. Private	-3,145	-8,979	-11,980	-2,712	-7,885
b. Public	-259	-659	-721	-269	-819
4. Current transfers	830	2,453	3,296	805	2,404
of which: Workers' remittances	704	2,071	2,788	677	2,003
<b>II. FINANCIAL ACCOUNT</b>	<b>5,158</b>	<b>15,870</b>	<b>19,779</b>	<b>2,091</b>	<b>12,603</b>
1. Private sector	5,054	13,233	16,236	4,198	15,353
2. Public sector	-201	1,590	1,315	179	-616
3. Short-term capital	305	1,047	2,228	-2,287	-2,135
<b>III. EXCEPTIONAL FINANCING</b>	<b>2</b>	<b>12</b>	<b>19</b>	<b>2</b>	<b>3</b>
<b>IV. NET ERRORS AND OMISSIONS</b>	<b>413</b>	<b>1,009</b>	<b>1,871</b>	<b>315</b>	<b>-181</b>
<b>V. TOTAL</b>	<b>3,240</b>	<b>11,962</b>	<b>14,827</b>	<b>-412</b>	<b>3,988</b>
<b>(V = I + II + III + IV) = (1-2)</b>					
1. Change in Central Bank reserves	3,936	12,345	15,176	47	2,738
2. Valuation changes	696	383	349	459	-1,250

Source: BCRP, MEF, SBS, SUNAT, Ministry of Foreign Affairs, Cofide, ONP, FCR, Tacna Free Trade Zone, Banco de la Nación, Cavali S.A. ICLV, Proinversión, Bank for International Settlements (BIS), and companies.

## Public Finances

The operations of the **non-financial public sector** recorded an economic **deficit** of 0.1 percent in Q3-2013 and an economic surplus of 1.0 percent in the last four quarters. This evolution is mainly associated with higher non-financial expenditure in the all the various government levels.

## OPERATIONS OF THE NON-FINANCIAL PUBLIC SECTOR 1/

(% GDP)

	2012			2013	
	Q3	Jan-Sep.	Year	Q3	Jan-Sep.
<b>1. General government current revenues</b>	<b>20.7</b>	<b>21.9</b>	<b>21.6</b>	<b>21.1</b>	<b>21.8</b>
a. Tax revenue	15.6	16.5	16.4	16.0	16.4
b. Non-tax revenue	5.1	5.3	5.2	5.1	5.4
<b>2. General government non-financial expenditure</b>	<b>18.3</b>	<b>16.1</b>	<b>18.6</b>	<b>19.8</b>	<b>17.5</b>
a. Current	12.9	11.9	13.1	13.7	12.7
b. Capital	5.3	4.2	5.5	6.1	4.9
<i>which: Gross Capital Formation</i>	4.9	3.9	5.2	5.5	4.5
<b>3. Others 2/</b>	<b>0.0</b>	<b>0.3</b>	<b>0.3</b>	<b>0.1</b>	<b>0.3</b>
<b>4. Primary Balance</b>	<b>2.5</b>	<b>6.1</b>	<b>3.2</b>	<b>1.4</b>	<b>4.5</b>
<b>5. Interest</b>	<b>1.4</b>	<b>1.2</b>	<b>1.1</b>	<b>1.5</b>	<b>1.2</b>
Foreign	0.5	0.5	0.5	0.5	0.6
Domestic	0.9	0.7	0.5	1.0	0.7
<b>6. Overall Balance</b>	<b>1.1</b>	<b>5.0</b>	<b>2.1</b>	<b>-0.1</b>	<b>3.3</b>
<b>7. Financing</b>	<b>-1.1</b>	<b>-5.0</b>	<b>-2.1</b>	<b>0.1</b>	<b>-3.3</b>
Foreign	0.2	-0.2	-0.3	0.2	-1.1
Domestic	-1.2	-4.8	-1.9	-0.2	-2.2

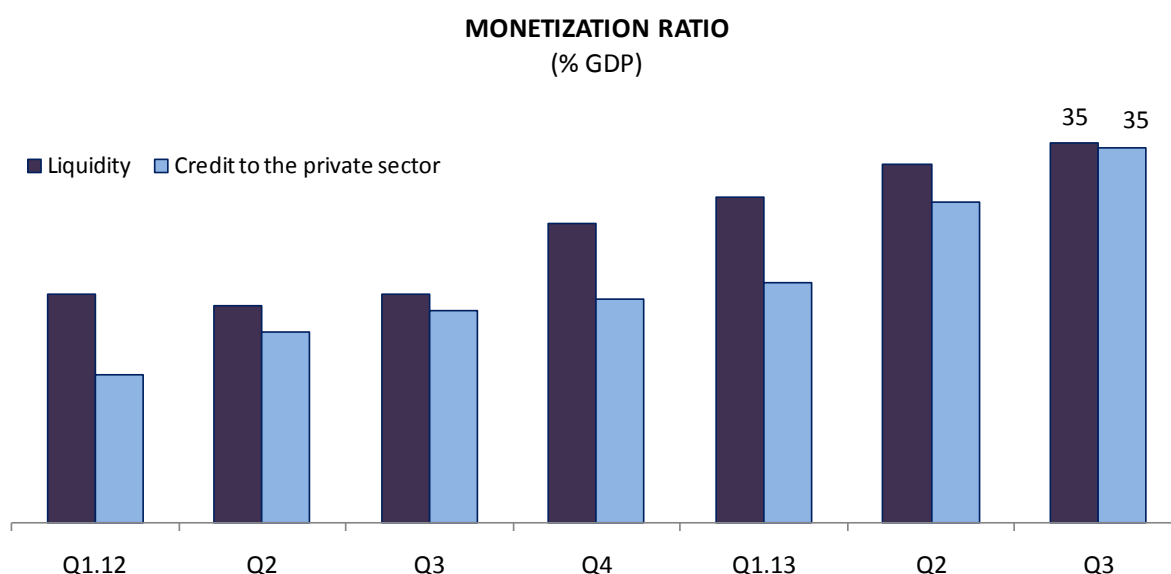
1/ Preliminary.

2 / Includes capital revenues of the General Government and state enterprises primary result.

Source: MEF, BN, Sunat, EsSalud, public charities, state enterprises and public institutions.

### Monetization ratios

The ratios of monetization, which measure the level of liquidity and the level of credit to the private sector as a percentage of GDP, continued showing a rising trend over the year. In Q3-2013, these indicators were equivalent to 35 percent of GDP in both cases.



## Savings-investment

In Q3-2013, **domestic investment** was equivalent to 28.5 percent of GDP, which represents a decrease of 0.2 percentage points compared to the same quarter in 2012 (28.7 percent). Private investment also declined by 0.2 percentage points (from 22.1 to 21.9 percent of GDP).

### SAVINGS - INVESTMENT GAP

(% Nominal GDP)

	2012			2013	
	Q3	Jan.-Sep.	Year	Q3	Jan.-Sep.
<b>Total investment</b>	<b>28.7</b>	<b>27.4</b>	<b>26.8</b>	<b>28.5</b>	<b>28.6</b>
Gross Fixed Investment	27.1	26.5	26.6	27.6	27.5
Private investment	22.1	22.2	21.4	21.9	22.5
Public investment	5.1	4.3	5.2	5.7	5.0
Change on inventories	1.5	0.9	0.2	0.9	1.1
<b>Total savings</b>	<b>28.7</b>	<b>27.4</b>	<b>26.8</b>	<b>28.5</b>	<b>28.6</b>
External saving 1/	4.7	3.4	3.4	5.7	5.5
Domestic saving	24.0	24.0	23.3	22.8	23.1
Private savings	17.5	14.7	15.4	16.7	14.8
Public savings	6.5	9.3	7.8	6.2	8.3

1/ Positive signe indicas deficit in the current account of the balance of payment.

Source: BCRP.

