






Indicators

	Exchange rate: S/. 2.79 per US Dollar on May 13
	NFPS surplus: S/. 4.21 billion in April
	Country risk at 140 bps on May 13

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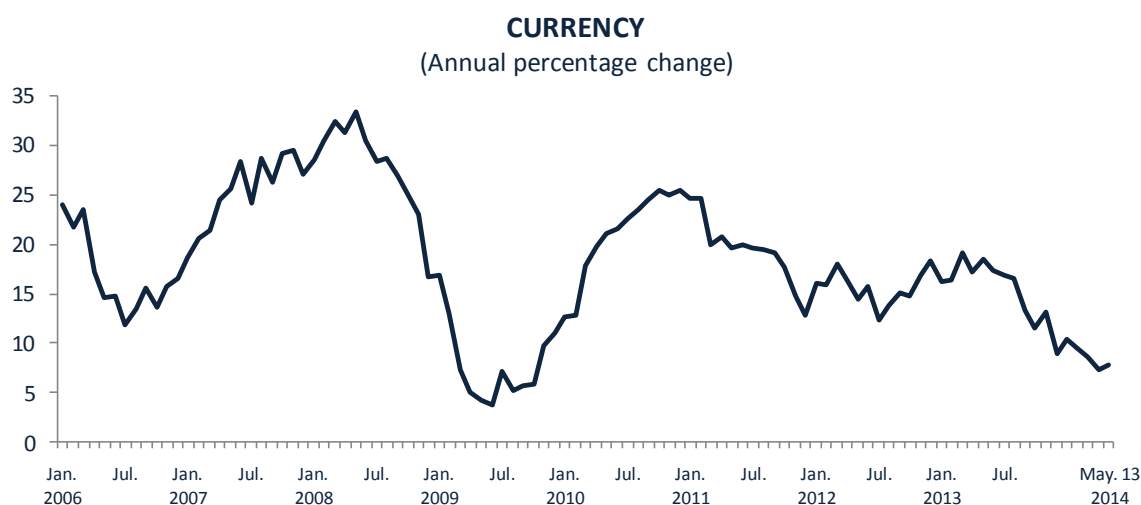
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Monetary and foreign exchange operations

So far in May (at May 13), the Central Bank has made the following operations:

1. BCRPCD: Auctions of 3 and 18-month for a total of S/. 800 million at an average rate of 3.69 percent. Placements of CDBCRP of S/. 1.96 billion. These operations reached a balance of S/. 11.60 billion at May 13.
2. Overnight deposits in domestic currency of depository institutions for a daily average of S/. 911 million (banks' deposits: daily average of S/. 379 million).
3. Repos: Overnight repo for a daily average of S/. 2.07 billion at an average rate of 4.20 percent and 3 -month repos for a daily average of S/. 100 million at an average rate of 4.30 percent. These operations reached a balance of S/. 100 million at May 13
4. 3-month and 1 year Temporary purchase of foreign currency, under repurchase agreements (*fx swaps*) for a total of S/. 400 million at an average rate of 4.31 and 4.83 percent, respectively. These operations reached a balance of S/. 1.30 billion at May 13
5. CDRBCRP: Auctions of 2-month for a total of S/. 200 million at an average rate of 0.07 percent. Placements of CDRBCRP of S/. 1.05 billion. These operations reached a balance of S/. 2.34 billion at May 13.
6. Interventions in the foreign exchange market: The BCRP did not sell foreign currency in the foreign exchange market.

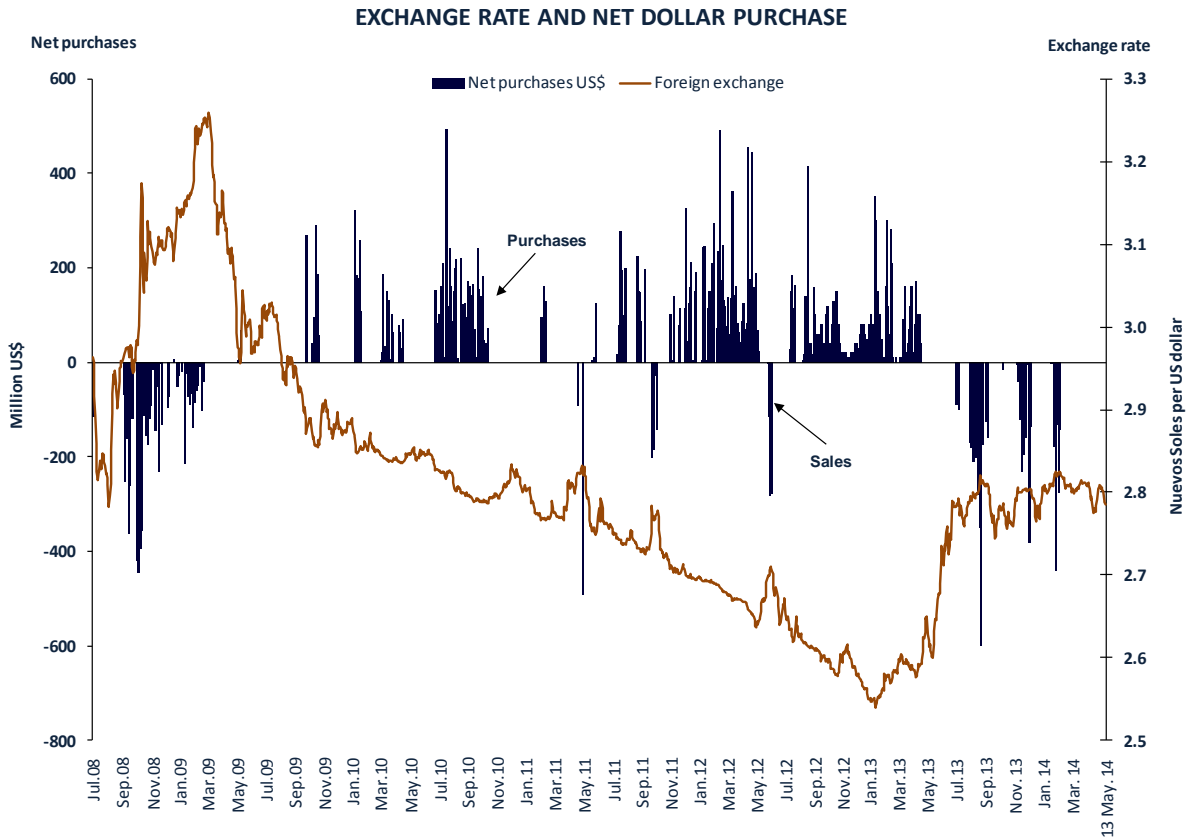
Currency in circulation at May 13, 2014, showed a balance of S/. 33.46 billion and a growth rate of 7.8 percent in the last 12 months.



Exchange rate: S/. 2.79 per US dollar

On May 13, the average selling price of the dollar in the interbank market was S/. 2.79 per dollar.

Since 2012, the Central Bank has purchased foreign currency for a total of US\$ 19.07 billion and sold foreign currency for a total of US\$ 7.35 billion. In net terms, purchases of foreign currency are higher than sales by US\$ 11.71 billion. In the week of May 7–13, the BCRP did not intervene in the foreign exchange market.



International reserves amount to US\$ 65.25 billion

On May 13, 2014, **international reserves** amounted to US\$ 65.25 billion and the foreign exchange position of the BCRP was US\$ 40.53 billion.

Non-Financial Public Sector: Surplus of S/. 4.21 billion in April

The non-financial public sector showed a surplus of S/. 4.21 billion in April, greater by S/. 1.29 billion to the amount obtained in the same month of 2013, due to the growth of tax revenues and decrease of non-financial expenditure.

Tax revenues of the general government increased 7.0 percent by higher growth in the revenues from income tax and VAT and lower tax returns. It is worth pointing out that the revenues from income tax in non-residents.

By the way, the non-financial expenditure of general government grew 3.6 percent, driven by fall in investment spending of the regional and national government.

OPERATIONS OF THE NON-FINANCIAL PUBLIC SECTOR 1/

(Million S/.)

	April			January - April		
	2013	2014	Real % Chg.	2013	2014	Real % Chg.
1. General government current revenues	12,150	13,083	4.0	41,985	45,871	5.6
a. Tax revenue	9,175	10,166	7.0	31,630	35,190	7.6
National	9,003	9,981	7.1	30,716	34,223	7.7
Local	172	185	3.9	915	968	2.2
b. Non-tax revenue	2,974	2,917	-5.3	10,355	10,680	-0.3
National	2,664	2,583	-6.3	9,059	9,266	-1.1
Regional	97	104	3.5	262	284	4.8
Local	214	229	3.6	1,034	1,131	5.7
2. General government non-financial expenditure	8,798	8,780	-3.6	28,508	31,549	7.0
a. Current	6,009	6,387	2.7	21,348	24,137	9.3
b. Capital	2,789	2,393	-17.1	7,160	7,412	0.1
3. Others 2/	174	35		-58	164	
4. Primary Balance	3,525	4,338	18.9	13,420	14,485	4.4
5. Interests	608	130	-79.4	2,450	2,154	-15.0
6. Overall Balance	2,917	4,208	39.3	10,969	12,332	8.7

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.

Trade balance – March 2014

Exports registered US\$ 2.88 billion, of which traditional products correspond US\$ 1.91 billion and non-traditional products (US\$ 940 million). Exports in the Q1-2014 reached US\$ 9.02 billion, registering an increase of 10 percent in non-traditional products exports compared to the similar period of 2013.

In March, Imports reached US\$ 3.37 billion. It is mainly composed by raw materials (US\$ 1.61 billion) and capital goods (US\$ 1.0 billion). With this result, imports reached US\$ 9.96 billion in Q1-2014. Thus, the trade balance in March was -US\$ 490 million.

TRADE BALANCE

(Million US\$)

	March	January - March	
	2014	2013	2014
Exports	2,878	10,278	9,018
Traditional products	1,911	7,657	6,175
Non-traditional products	940	2,539	2,782
Other	27	82	60
Imports	3,368	10,230	9,956
Consumption goods	747	1,996	2,077
Raw materials	1,614	4,847	4,676
Capital goods	1,001	3,338	3,172
Other goods	6	48	30
Trade balance	-490	48	-938

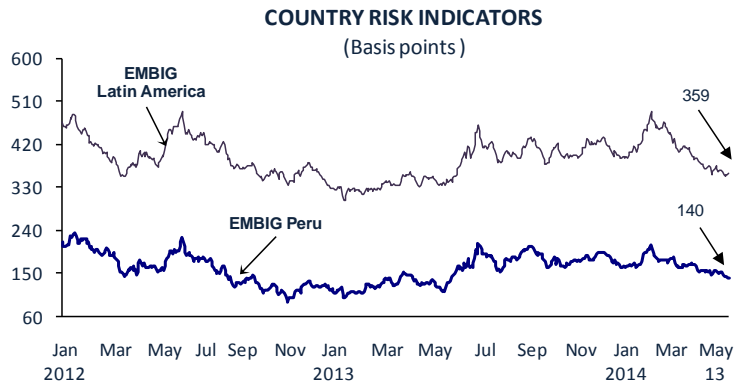
Source: SUNAT.

International Markets

Country risk in 140 basis points

In May 6-13, the country risk indicator, measured by the **EMBIG Peru** spread, decreased from 148 to 140 basis points.

Moreover, the **EMBIG Latin America** spread fell 5 bps amid favorable data in China and positive employment data in the United States, as well as expectations about lower interest rates in this last country.

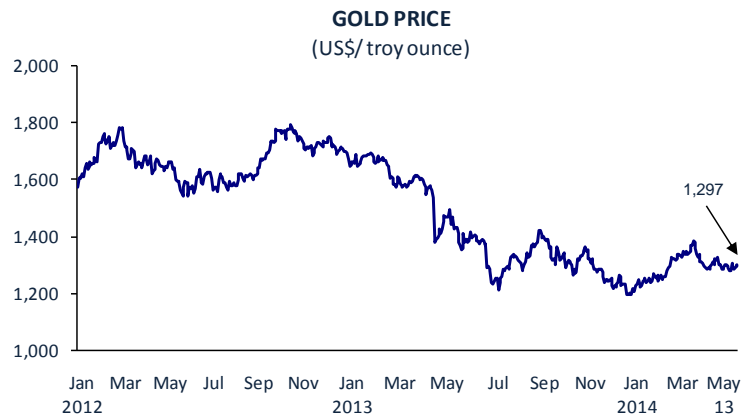


	Variation in basis points			
	May 13, 2014	Weekly	Monthly	Annual
EMBIG Perú (bps)	140	-8	-16	25
EMBIG Latam (bps)	359	-5	-15	19

Price of gold down to US\$ 1,296.5 per troy ounce

In the same period, the price of **gold** fell 0.7 percent to US\$ 1,296.5 per troy ounce.

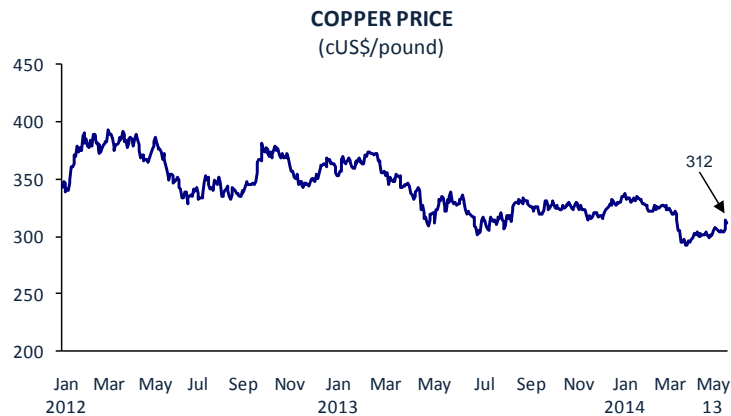
The fall in the price due to an appreciation of the dollar against the euro and better stock market gains which reduce the interest in the precious metal.



	% change			
	May 13, 2014	Weekly	Monthly	Annual
US\$ 1,306.3 / troy oz.		-0.7	-1.6	-9.4

In May 6-13, the price of **copper** rose 2.1 percent to US\$ 3.12 per pound.

The rise in the price of copper was associated with signs of physical metal shortages due to lower inventories in the London Metal Exchange, the lowest level since October 2008.



May 13, 2014	% change		
	Weekly	Monthly	Annual
US\$ 3.12 / pound	2.1	3.0	-6.3

In the same period, the price of **zinc** rose 0.7 percent to US\$ 0.94 per pound.

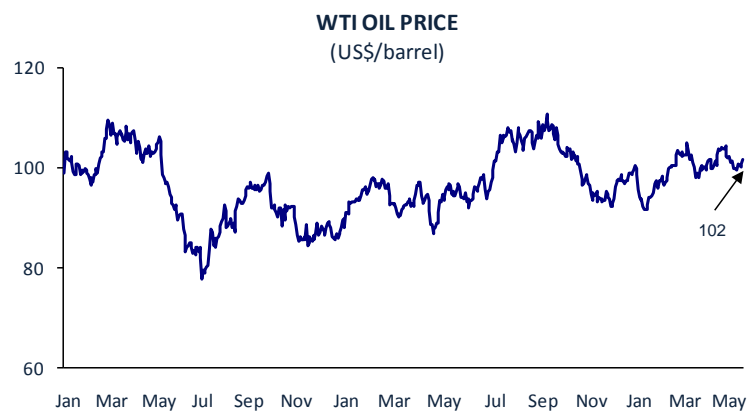
The price of zinc increased driven by a decrease of global inventories and higher demand expectation due to favorable trade data in China during April.



May 13, 2014	% change		
	Weekly	Monthly	Annual
US\$ 0.94 / pound	0.7	1.4	13.2

The price of **WTI oil** increased 2.2 percent to US\$ 101.7 per barrel between May 6 and May 13.

The rise in the price of crude is explained by the announcement of lower inventories of crude in United States and a possible supply disruption by tensions in Ukraine and concerns in Libya.



May 13, 2014	% change		
	Weekly	Monthly	Annual
US\$ 101.7 / barrel	2.2	-2.0	6.9

U.S. dollar appreciated 1.6 percent against the euro

In the week of May 6-13, the **dollar** appreciated 1.6 percent against the **euro**.

This positive evolution of the dollar against the euro was associated with expectations about continued lower interest rates in USA against expectations that the European Central Bank would further monetary stimulus in its June meeting.

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



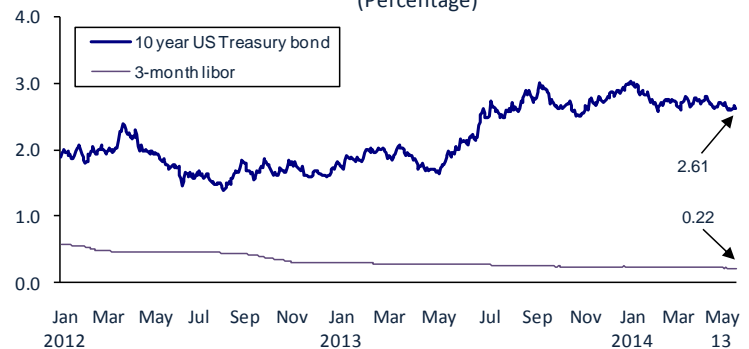
	Level		%change	
	May 13, 2014	Weekly	Monthly	Annual
US dollar/Euro	1.37	-1.6	-1.3	5.6

Yield on 10-year US Treasuries at 2.61 percent

In May 6-13, the **3-month Libor** kept to 0.22 percent

the yield on the **10-year US Treasury bonds** rose 2 bps to 2.61 percent as a result of expectations of recovery of the U.S. economy.

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



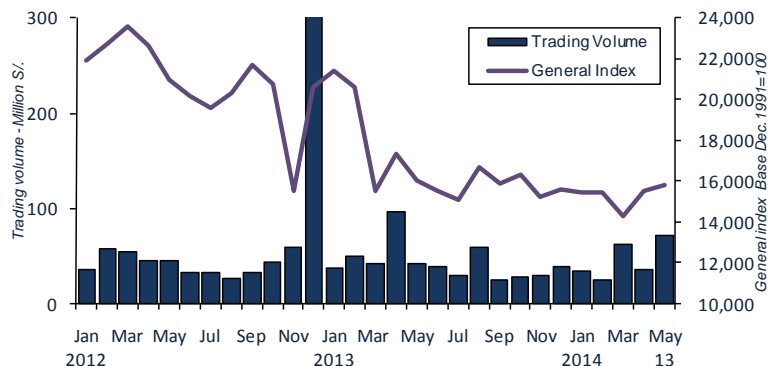
	Variation in basis points			
	May 13, 2014	Weekly	Monthly	Annual
3 months Libor (%)	0.22	0	0	-5
US Treasuries (%)	2.61	2	-2	69

Lima Stock Exchange

So far this month (at May 13), the **General** and the **Selective Index** of the Lima Stock Exchange (LSE) have risen 1.9 and 1.1 percent, respectively.

During the week of May 6-13, the indices of the LSE rose 1.3 and 0.6 percent, respectively, driven by the announcements of favorable corporate financial results in Q1-2014.

LIMA STOCK EXCHANGE INDICATORS



	As of:		%change compared to:	
	May 13, 2014	May 6, 2014	Apr 30, 2014	Dec 31, 2013
General Index	15,816	1.3	1.9	0.4
Selective Index	22,671	0.6	1.1	-0.9

So far this year, the General index rose 0.4 percent and Selective declined 0.9 percent.

