






Indicators

-  Exchange rate: S/. 2.78 per dollar on June 3
-  Inflation in May: 0.23 percent
-  Country risk at 144 bps

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Inflation in Metropolitan Lima: 0.23 percent in May

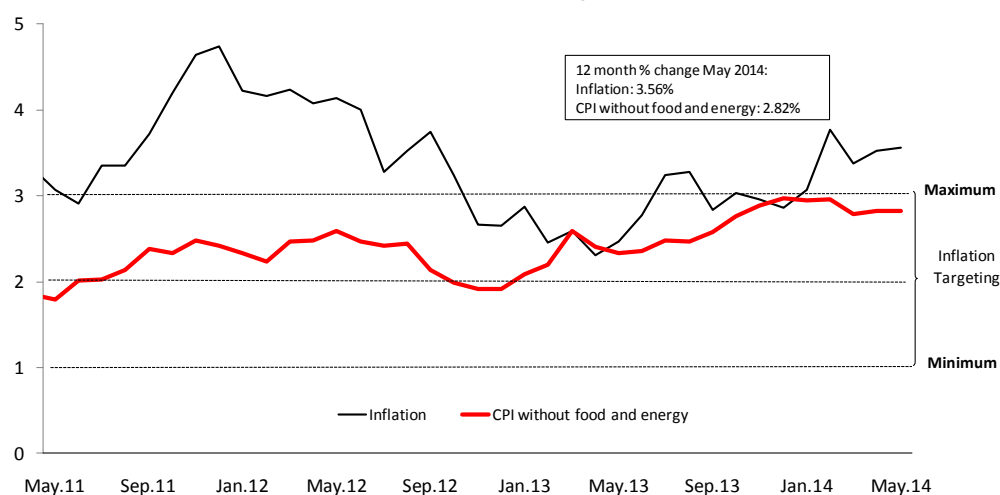
The consumer price index in Metropolitan Lima showed a variation of 0.23 percent in May, as a result of which the variation of inflation in the last 12 months was 3.56 percent. Inflation without food and energy was 0.14 percent in the month and 2.82 percent in the last 12 months.

INFLATION
(Annual % change)

	Weight 2009=100	April 2014		May 2014	
		Month	12 months	Month	12 months
CPI	100.0	0.39	3.52	0.23	3.56
CPI without food and energy	56.4	0.20	2.83	0.14	2.82
Good	21.7	0.3	2.9	0.3	3.0
Services	34.8	0.1	2.8	0.0	2.7
Of which:					
Education	9.1	0.0	4.4	0.0	4.3
Rent	2.4	0.0	3.2	0.3	3.1
Health	1.1	0.7	5.0	0.1	4.7
Food and energy	43.6	0.63	4.36	0.32	4.44
Food	37.8	0.6	3.8	0.4	3.5
Energy	5.7	0.8	8.4	-0.2	10.6

Source: INEI.

INFLATION
(12 month % change)



The items that contributed the most to the growth of inflation in May were chicken meat (0.08 percentage points), meals outside the home (0.04 percentage points), and vehicles (0.02 percentage points). On the other hand, the items that contributed the most to reduce the rate of inflation were citrus fruits (-0.05 percentage points), fresh legumes and national transportation rates (-0.02 percentage points each).

Credit to the private sector and liquidity at May 15

Total credit to the private sector in the last four weeks (at May 15) increased 1.0 percent (S/. 2.03 billion). By currencies, credit in soles grew 0.5 percent (S/. 661 million), while credit in dollars grew 1.7 percent (US\$ 489 million). As a result of this, credit to the private sector registered an annual growth rate of 15.1 percent.

On the other hand, **total liquidity in the private sector** increased 0.6 percent (S/. 1.21 billion), as a result of which liquidity in the private sector accumulated a growth rate of 8.8 percent in the last twelve months. By currencies, liquidity in soles grew 0.7 percent (S/. 929 million), while liquidity in dollars grew 0.4 percent (US\$ 101 million).

Trade Balance: January – April 2014

Exports in the first four months of the year amounted to US\$ 12.00 billion (vs. US\$ 13.48 billion in 2013). Increased exports of fishmeal and non-traditional farming products as well as a decline in exports of metals, were observed in this period.

Imports amounted to US\$ 13.54 billion, US\$ 217 million less than in 2013, due to lower imports of crude and oil derivatives, as well as to lower imports of transport equipments, offset by imports of capital goods for industry.

The terms of trade in the period of January-April 2014 declined 10.0 percent relative to the same period in 2013, mainly as a result of the lower prices registered by gold and copper exports (down 18.8 percent and 12.2 percent, respectively).

TRADE BALANCE

(Million US\$)

	January - April		
	2013	2014	% Chg.
Exports	13,479	12,004	-10.9
Traditional products	10,021	8,290	-17.3
Non-traditional products	3,355	3,637	8.4
Other	102	77	-25.0
Imports	13,756	13,539	-1.6
Consumption goods	2,730	2,848	4.3
Raw materials	6,465	6,264	-3.1
Capital goods	4,491	4,372	-2.7
Other goods	69	55	-21.3
Trade balance	-277	-1,535	

Source: SUNAT.

Monetary and foreign exchange operations

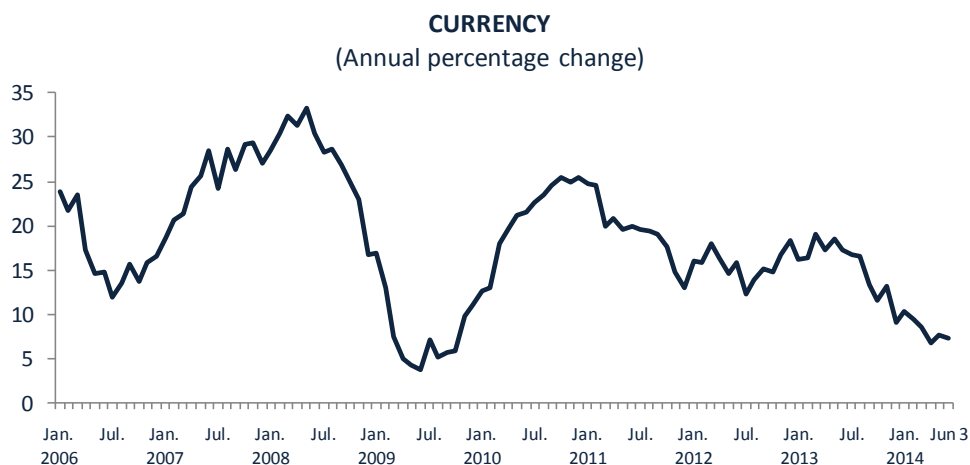
The balance of the BCRP monetary and foreign exchange operations at June 3 is specified below:

1. BCRP-CDs at end-May showed a balance of S/. 17.57 billion with an average interest of 3.84 percent, while BCRP-CDs at June 3 showed a balance of S/. 15.89 billion with an average interest of 3.82 percent.
2. Overnight deposits recorded a balance of S/. 2.14 billion at the close of May and a balance of S/. 360 million on June 3.
3. Repos showed a balance of S/. 100 million at end May with an average interest rate of 4.30 percent and a balance of S/. 1.60 billion at June 3 with an average interest rate of 4.07 percent. The BCRP made two auctions of overnight repos.
4. FX swaps: The balance of these operations at the close of May was S/. 1.90 billion with an average interest rate of 4.48 percent and remained unchanged at June 3. The BCRP has not made any auctions of FX swaps so far this month.
5. CDR-BCRP showed a balance of S/. 910 million at end-May with an interest rate of 0.08 percent and a balance of S/. 710 million at June 3 with an average interest rate of 0.09 percent.

MONETARY AND FOREIGN EXCHANGE OPERATIONS
(Million nuevos soles)

			Balance			Auctions		Placements
			(Interest rate)			(Interest rate)		
			April 30	May 31	Jun 3	Overnight	6 months	
Monetary operations	Sterilization	CD BCRP	12,757 (3.83%)	17,566 (3.84%)	15,895 (3.82%)	100 (3.84%)	1,771	
		Overnight deposits	1,300 (2.8%)	2,139 (2.8%)	360 (2.8%)	641 (2.8%)	2,419	
	Injection	Repos		100 (4.30%)	1,600 (4.07%)	3,500 (4.06%)	2,000	
		Fx-Swaps	900 (4.41%)	1,900 (4.48%)	1,900 (4.48%)			
Foreign exchange operations		CDR BCRP	3,186 (0.1%)	910 (0.08%)	710 (0.09%)		200	

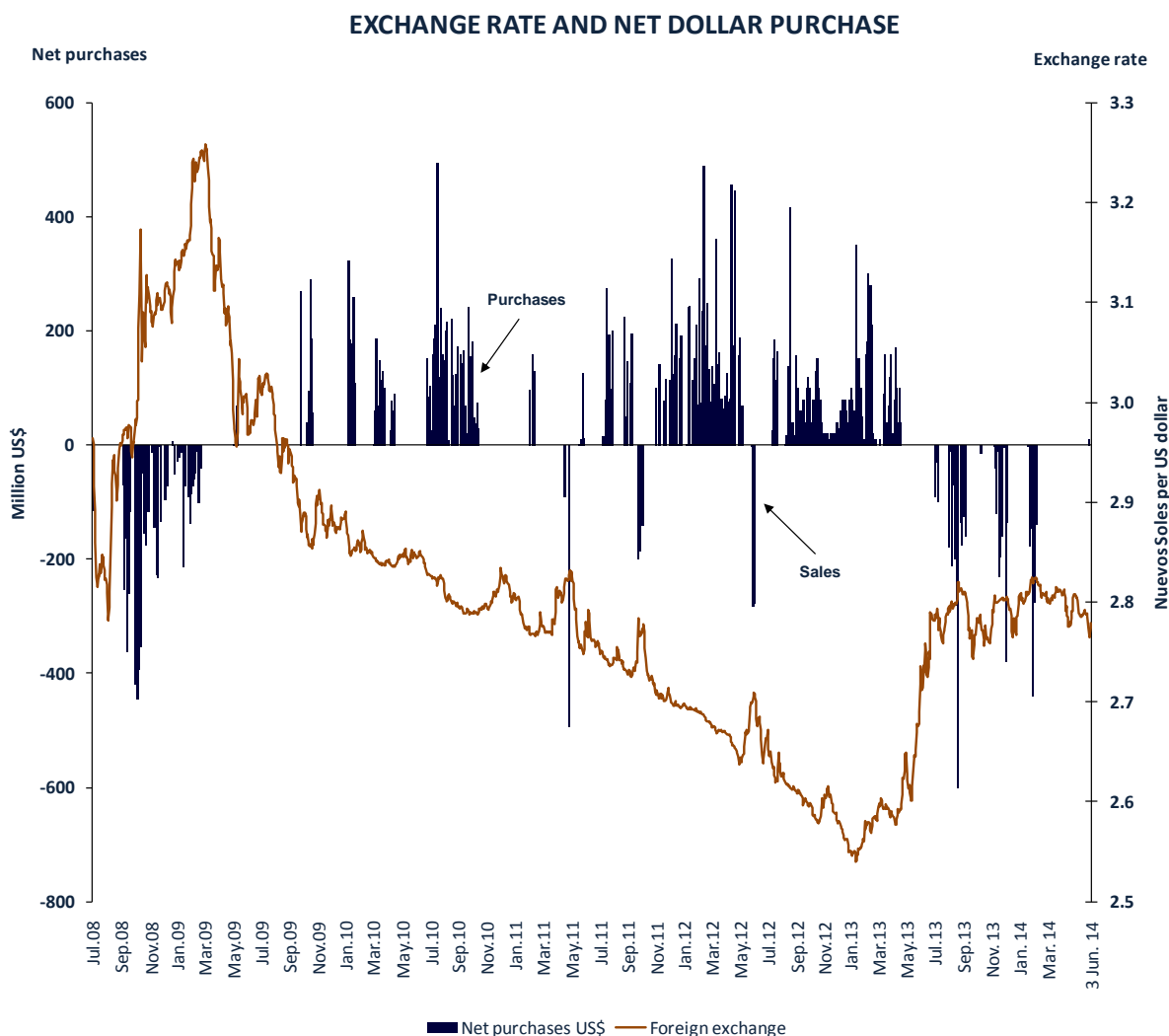
Currency in circulation at June 3, 2014, showed a balance of S/. 33.96 billion and a growth rate of 7.3 percent in the last 12 months.



Exchange rate: S/. 2.78 per US dollar

On June 3, the average selling price of the dollar in the interbank market was S/. 2.78 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\$ 11.72 billion. In the week of May 28 to June 3, the BCRP intervened in the foreign exchange market buying US\$ 10 million.



International reserves amount to US\$ 64.63 billion

At May 30, 2014, net international reserves amounted to US\$ 64.63 billion and the foreign exchange position of the BCRP was US\$ 40.76 billion.

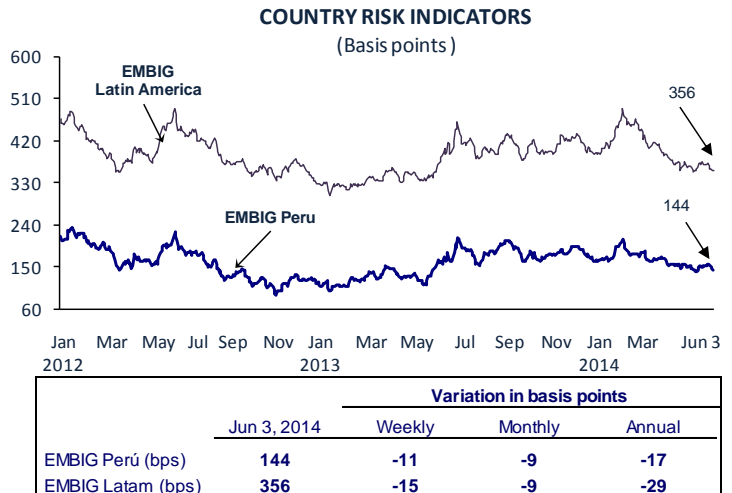
International Markets

Country risk fell to 144 basis points

On **June 3**, the **EMBIG Peru** indicator recorded 144 bps and the **EMBIG LatAm** recorded 356 bps.

In **May**, the average country risk, measured by the **EMBIG Peru** spread, fell from 154 bps in April to 149 bps.

In the month, the **Latin American** spread fell 7 bps to 365 bps due to the better Outlook for the U.S. economy.



Price of gold at US\$ 1,242.8 per troy ounce

On **June 3**, the price of **gold** was US\$ 1,242.8 per troy ounce.

The average price of **gold** in **May** was US\$ 1,287.5 per troy ounce, 0.9 percent lower than in April.

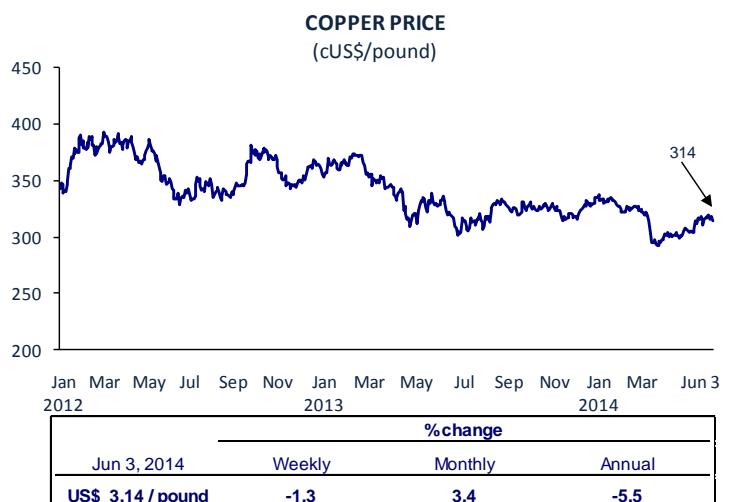
The decline in the price of gold was associated with the strengthening of the dollar and with a lower physical demand of China and India. Moreover, this decline was offset by lower sales of exchange-traded funds (ETF).



The price of **copper** on **June 3** was US\$ 3.14 per pound.

In **May**, the price of **copper** showed an average price of US\$ 3.12 per pound, up 3.2 percent relative to April.

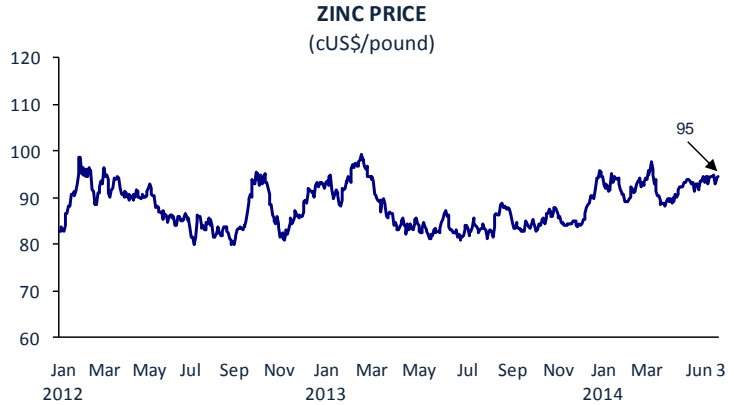
This increase was associated with a strong seasonal demand in China and with the decline of copper inventories at the London Metal Exchange.



On **June 3**, the price of **zinc** was US\$ 0.95 per pound.

The average price of **zinc** in **May** was US\$ 0.93 per troy ounce, 1.5 percent higher than in the previous month.

This rise in the price of zinc was due to the decline of global inventories and to a report of the International Zinc and Lead Study (ILZSG) which said that there was a deficit of 17 thousand tons in the global market of refined zinc in the first quarter of 2014.

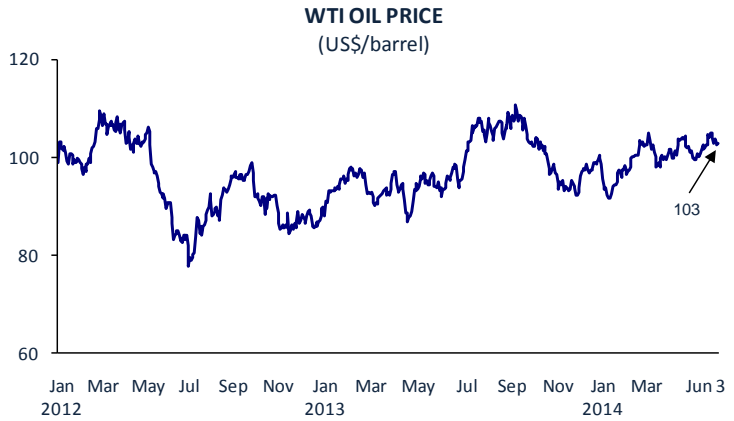


Jun 3, 2014	%change		
	Weekly	Monthly	Annual
US\$ 0.95 / pound	0.1	3.6	9.3

The price of **WTI oil** on **June 3** was US\$ 102.7 per barrel.

The average price of **WTI oil** in **May** was US\$ 102.0/barrel, a similar price to that recorded in April.

The initial downward trend observed in the price of crude due to higher inventories in the USA (maximum levels) reversed in mid-May, following reports of a decline of inventories in Cushing Oklahoma and geopolitical tensions in Libya and Ukraine.

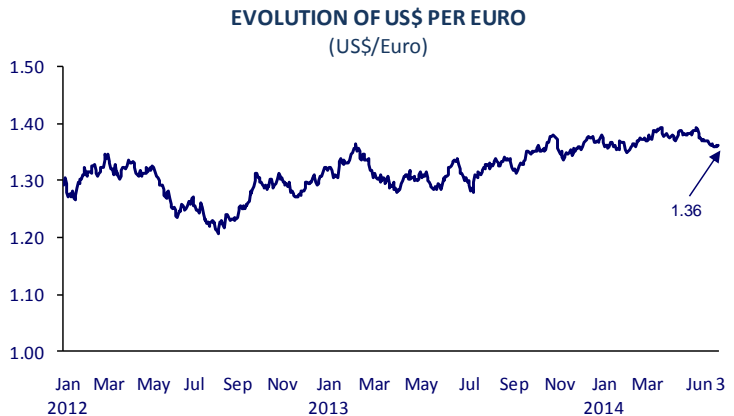


Jun 3, 2014	%change		
	Weekly	Monthly	Annual
US\$ 102.7 / barrel	-1.4	2.9	9.9

Exchange rate: US\$ 1.36 per euro

On **June 3**, the **US dollar-euro** exchange rate was US\$ 1.36 per euro.

In **May**, the **dollar** appreciated on average 0.6 percent against the **euro** amid expectations that the European Central Bank will implement new monetary stimulus programs and that interest rates will remain low in the United States.

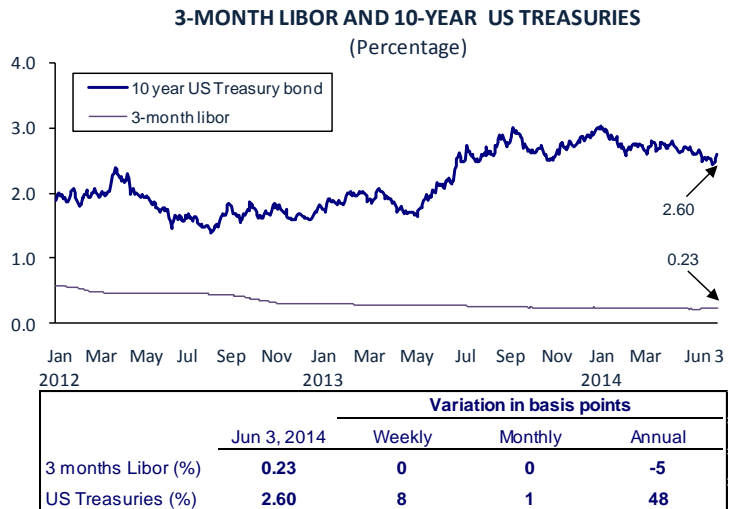


	Level	%change		
	Jun 3, 2014	Weekly	Monthly	Annual
US dollar/Euro	1.36	0.0	-1.8	4.2

Yield on 10-year US Treasuries at 2.60 percent

On **June 3**, the **3-month Libor** recorded 0.23 percent and the yield on the **10-year US Treasury bonds** recorded 2.60 percent.

In **May**, the **3-month Libor** was 0.23 percent while the yield on the **10-year US Treasury bonds** showed a rate of 2.55 percent, 14 bps lower than in April, given the increased demand for hedge assets due to China's negative data and to tensions between Russia and Ukraine.

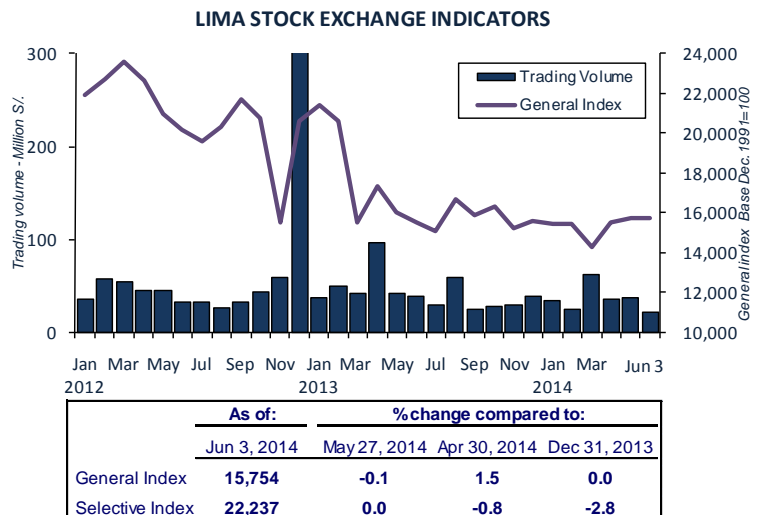


Lima Stock Exchange

In **May**, the **General Index** of the Lima Stock Exchange (LSE) rose 1.5 percent, while the **Selective Index** of the LSE fell 0.4 percent.

The LSE indices showed these levels influenced by the announcement of local businesses' positive financial results in the first quarter of the year and by volatility in international markets.

So far this year (at **June 3**), the General index shows no variation, while the Selective Index has fallen 2.8 percent.



Resumen de Indicadores Económicos / Summary of Economic Indicators

	2013						2014											
	Set	Dic	Ene	Feb	Mar	Abr	27 May	28 May	29 May	30 May	May	2 Jun	3 Jun	Jun				
RESERVAS INTERNACIONALES (Mills. US\$) / INTERNATIONAL RESERVES	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.					Var.							
Posición de cambio / Net international position	43 711	41 097	40 013	39 952	40 075	40 458	40 608	40 593	40 640	40 759	302	40 678	40 673	-86				
Reservas internacionales netas / Net international reserves	66 729	65 663	65 074	65 175	64 954	64 729	64 687	64 623	64 482	64 629	-100	64 280	64 119	-510				
Depósitos del sistema financiero en el BCRP / Financial system deposits at BCRP	13 550	14 383	14 908	15 407	15 038	14 505	14 383	14 335	14 111	14 127	-378	13 906	13 808	-319				
Empresas bancarias / Banks	13 257	13 994	14 488	15 048	14 552	14 043	13 745	13 708	13 461	13 486	-557	13 241	13 131	-355				
Banco de la Nación / Banco de la Nación	53	93	114	97	125	91	254	240	252	246	155	250	264	18				
Resto de instituciones financieras / Other financial institutions	240	297	306	262	361	371	383	387	398	395	24	415	413	17				
Depósitos del sector público en el BCRP / Public sector deposits at BCRP *	10 049	10 759	10 718	10 390	10 429	10 247	10 299	10 299	10 291	10 295	49	10 248	10 234	-61				
OPERACIONES CAMBIARIAS BCR (Mills. US\$) / BCRP FOREIGN OPERATIONS	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.					Acum.			Acum.				
Origen externo de la emisión primaria / External origin of monetary base	-474	-1 058	-1 036	-429	112	218	1	0	10	108	371	1	0	1				
Compras netas en Mesa de Negociación / Net purchases of foreign currency	-325	-760	-1 040	-430	0	0	0	0	10	0	10	0	0	0				
Operaciones swaps netas / Net swap operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Compras con compromiso de recompras en ME (neto) / Net swaps auctions in FC	0	0	0	0	107	215	0	0	0	108	358	0	0	0				
Operaciones con el Sector Público / Public sector	-150	-299	0	1	0	0	1	0	0	0	2	1	0	1				
TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.					Prom.			Prom.				
Compra interbancario / Interbank	2.777	2.786	2.809	2.812	2.806	2.794	2.785	2.773	2.758	2.766	2.786	2.773	2.778	2.776				
Apertura / Opening	2.780	2.788	2.810	2.814	2.807	2.795	2.790	2.781	2.763	2.769	2.789	2.771	2.777	2.774				
Venta Interbancario	2.779	2.787	2.810	2.813	2.808	2.795	2.784	2.772	2.755	2.767	2.787	2.775	2.779	2.777				
Interbank Ask	2.779	2.788	2.811	2.813	2.808	2.795	2.784	2.770	2.759	2.766	2.787	2.777	2.783	2.780				
Promedio / Average	2.779	2.788	2.810	2.812	2.807	2.795	2.786	2.775	2.765	2.767	2.788	2.774	2.779	2.777				
Sistema Bancario (SBS)	2.777	2.785	2.808	2.812	2.806	2.794	2.784	2.775	2.760	2.764	2.786	2.770	2.777	2.774				
Banking System	2.780	2.787	2.810	2.813	2.807	2.795	2.786	2.776	2.761	2.767	2.788	2.774	2.779	2.777				
Índice de tipo de cambio real (2009 = 100) / Real exchange rate Index (2009 = 100)	94.3	94.9	95.6	95.3	94.9	94.7					94.6							
INDICADORES MONETARIOS / MONETARY INDICATORS																		
Moneda nacional / Domestic currency																		
Emisión Primaria (Var. % mensual) / (% monthly change)	-7.8	-1.3	-3.6	-2.6	-4.6	4.3					-4.6							
Monetary base (Var. % últimos 12 meses) / (% 12-month change)	5.3	-1.5	-1.6	-1.0	-14.3	-7.1					-12.4							
Oferta monetaria (Var. % mensual) / (% monthly change)	-1.8	4.2	-0.8	0.4	0.0	-0.4												
Money Supply (Var. % últimos 12 meses) / (% 12-month change)	14.1	10.8	8.6	6.1	5.6	4.9												
Crédito sector privado (Var. % mensual) / (% monthly change)	2.5	1.2	0.8	1.9	2.0	1.0												
Crédit to the private sector (Var. % últimos 12 meses) / (% 12-month change)	20.3	22.5	23.6	24.8	25.1	24.1												
TOSE saldo fin de período (Var. % acum. en el mes) / TOSE balance (% change)	-0.2	-0.8	-2.9	1.1	1.7	-0.6	0.5	0.8	1.1	1.7	1.7	0.2	-0.7	-0.4				
Superávit de encaje promedio (w respecto al TOSE) / Average reserve surplus (% of TOSE)	0.1	0.3	0.1	0.1	0.1	0.1	0.6	0.5	0.3	0.2	0.2	0.2	0.2	0.7				
Cuenta corriente de los bancos (saldo mill. S/) / Banks' current account (balance)	10 921	9 729	7 731	4 687	6 633	5 995	4 037	3 954	2 570	2 985	5 954	7 394	7 705					
Créditos por regulación monetaria (millones de S/) / Rediscounts (Millions of S/.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Depósitos públicos en el BCRP (millones S/) / Public sector deposits at the BCRP (Mills.S/.)	40 155	36 646	37 877	37 828	40 819	44 346	44 998	44 993	44 917	44 552	44 552	44 906	44 816					
Certificados de Depósito BCRP (saldo Mill.S/) / CDBCRP balance (Millions of S/.)	20 913	18 992	17 793	16 193	14 613	12 757	17 195	17 466	17 566	17 566	17 566	16 495	15 895					
Subasta de Depósitos a Plazo (saldo Mill S/) / Time Deposits Auctions (Millions of S/.)**	4 650	0	0	0	0	0	0	0	0	0	0	0	0	0				
CDBCRP con Negociación Restringida (Saldo Mill S/) / CDBCRP-NR balance (Millions of S/.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
CDBCRP-MN con Tasa Variable (CDV BCRP) (Saldo Mill S/) / CDVBCRP- balance (Millions of S/.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
CD Liquidables en Dólares del BCRP (Saldo Mill S/) / CDLD BCRP- balance (Millions of S/.)***	2 284	3 114	5 435	4 845	3 871	3 186	910	910	910	910	910	910	910	710				
CD Reajustables BCRP (saldo Mill.S/) / CDRBCRP balance (Millions of S/.)	0	950	2 000	500	500	0	100	100	100	100	100	2 100	1 600					
Operaciones de reporte (saldo Mill. S/) / repos Balance millions of S/.)	17.61	15.91	15.98	15.80	15.61	15.53	15.67	15.68	15.69	15.68	15.61	15.74	15.73	15.74				
TAMN / Average lending rates in domestic currency	13.02	12.19	12.28	11.94	11.65	11.66	11.89	11.83	11.83	11.82	11.82	11.86	11.82	11.18				
Préstamos hasta 360 días / Loans up to 360 days****	4.29	4.11	4.11	4.18	4.01	4.05	3.83	3.83	3.87	4.00	3.95	4.00	4.00	4.00				
Interbancaria / Interbank	4.72	4.48	4.54	4.81	4.96	4.95	5.01	5.01	5.04	5.04	5.03	5.04	5.04	5.04				
Preferencial corporativa a 90 días / Corporate Prime	s.m.	4.80	4.52	4.15	4.11	s.m.	4.30	4.30	4.30	4.30	4.30	4.07	4.07	4.07				
Operaciones de reporte con CDBCRP / CDBCRP repos	5.05	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80				
Créditos por regulación monetaria / Rediscounts *****	3.89	3.87	3.86	3.87	3.85	3.83	3.84	3.84	3.84	3.84	3.84	3.83	3.83	3.82				
Del saldo de CDBCRP / CDBCRP balance	4.17	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.				
Del saldo de depósitos a Plazo / Time Deposits	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.				
Del saldo de CDBCRP-NR / CDBCRP-NR balance	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.				
Del saldo de CDLD BCRP / CDLD BCRP- balance	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.				
Spread del saldo del CDV BCRP - MN / Spread CDV BCRP	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.				
Moneda extranjera / foreign currency																		
Crédito sector privado (Var. % mensual) / (% monthly change)	-0.7	0.1	0.2	-0.6	-0.2	1.4												
Crédit to the private sector (Var. % últimos 12 meses) / (% 12-month change)	4.4	2.9	3.4	2.5	2.2	4.2												
TOSE saldo fin de período (Var. % acum. en el mes) / TOSE balance (% change)	-0.3	2.4	3.3	3.4	-0.4	-2.8	-0.8	-1.4	-1.5	-1.9	-1.9	-0.2	-0.2					
Superávit de encaje promedio (w respecto al TOSE) / Average reserve surplus (% of TOSE)	0.4	0.4	0.4	0.4	0.3	0.4	1.0	0.7	0.5	0.4	0.4	-1.1	-1.1					
Operaciones de reporte en ME (saldo Mill. US\$) / repos in US\$ (Balance millions of US\$)	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Créditos por regulación monetaria (millones de US dólares) / Rediscounts	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
TAMEX / Average lending rates in foreign currency	8.28	8.02	7.94	7.91	7.81	7.64	7.44	7.43	7.44	7.45	7.46	7.49	7.39	7.44				
Préstamos hasta 360 días / Loans up to 360 days****	6.57	6.10	5.97	5.89	5.72	5.46	5.17	5.13	5.16	5.17	5.17	5.23	5.10	5.16				
Interbancaria / Interbank	0.15	0.15	0.15	0.15	0.15	0.11	0.07	0.05	0.05	s.m.	0.11	0.11	0.11	0.11				
Preferencial corporativa a 90 días / Corporate Prime	1.47	0.95	0.80	0.67	0.65	0.63	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62				
Créditos por regulación monetaria / Rediscounts *****	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.				
Compras con compromiso de recompras en ME (neto)	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.				
Ratio de dolarización de la liquidez (%) / Liquidity dollarization ratio (%)	34.0	33.0	34.0	34.1	34.2	34.2												
Ratio de dolarización de los depósitos (%) / Deposits dollarization ratio (%)	41.5	40.6	41.5	41.5	41.6	41.6												
INDICADORES BURSÁTILES / STOCK MARKET INDICES	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.					Acum.			Acum.				
Índice General Bursátil (Var. % / General Index (% change)	-4.4	3.6	-1.9	-0.1	-7.4	8.6	-0.1	-0.7	0.1	0.5	1.5	-0.1	0.1	0.0				
Índice Selectivo Bursátil (Var. % / Blue Chip Index (% change)	-7.2	3.5	-1.0	-1.0	-7.7	8.3	-0.7	-0.8	0.3	0.9	-0.4	-0.5	0.1	-0.4				
Monto negociado en acciones (Mill. S/.) - Prom. Diario / Trading volume - Average daily (Mill. of	24.4	38.7	33.6	25.2	62.6	35.0	23.5	37.6	26.6	51.3	36.8	21.6	25.8	23.7				
INFLACIÓN (%) / INFLATION (%)																		
Inflación mensual / Monthly	0.11	0.17	0.32	0.60	0.52	0.39					0.23							
Inflación últimos 12 meses / % 12 months change	2.83	2.86	3.07	3.78	3.38	3.52					3.56							
GOBIERNO CENTRAL (Mills. S/) / CENTRAL GOVERNMENT (Mills. of S/.)																		
Resultado primario / Primary balance	1 317	-5 902	4 029	1 650	1 783	4 242												
Ingresos corrientes / Current revenue	8 330	9 351	9 816	8 201	9 808	11 601												
Gastos no financieros / Non-financial expenditure	7 032	15 324	5 797	6 555	8 152	7 368												
COMERCIO EXTERIOR (Mills. US\$) / FOREIGN TRADE (Mills. of US\$)																		
Balanza Comercial / Trade balance	216	629	-617	208	-265	-861												
Exportaciones / Exports	3 631	3 788	3 000	3 178	3 104													