



Indicators

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↘	Interbank interest rate at 3.6 percent so far in October
↘	Country risk at 180 bps

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## Monetary and foreign exchange operations

At October 14, the monetary operations carried out by the Central Bank so far this month have been aimed at injecting liquidity into the market in the short-term to meet the current account requirements of financial entities. The Central Bank has also continued making its regular placements of BCRP-CDs three times a week and has placed CDs for a total of S/. 500 million with the purpose of contributing to increase liquidity in the secondary market of these instruments.

- Repos: At October 14, the BCRP has placed overnight repos for a daily average of S/. 2.98 billion, as well as 1-week repos for a total of S/. 3.0 billion and 3-month repos for a total of S/. 15 million. The balance of these operations at October 14 was S/. 3.65 billion, with an average interest rate of 3.57 percent.
- FX swaps for a total of S/. 91.5 million at an average interest rate of 3.65 percent have been placed. The balance of these operations at October 14 was S/. 4.39 billion, with an average interest rate of 4.13 percent.
- BCRP-CDs: 6-month BCRP-CDs for a total of S/. 200 million were placed at an average rate of 3.60 percent; 12-month BCRP-CDs for a total of S/. 200 million were placed at an average rate of 3.68 percent, and 18-month BCRP-CDs for a total of S/. 100 million were placed at an average rate of 3.70 percent.
- Overnight deposits: At October 14, overnight deposits show a daily average of S/. 627 million. The balance of overnight deposits on this date was S/. 940 million.

In October, the Central Bank has also made operations in the spot foreign exchange market to reduce volatility in the foreign exchange rate.

- CDR BCRP: The Central Bank has placed CDR-BCRP for a total of US\$ 161 million (S/. 465 million) at an average interest rate of 0.15 percent. The balance of these operations at October 14 was US\$ 2.21 billion (S/. 6.42 billion).
- Interventions in the foreign exchange market: At October 14, the BCRP has sold FC for a total of US\$ 50 million in the spot market at an average rate of S/. 2.90 per US dollar.
- Exchange Swaps: So far this month, the BCRP has placed Sell-Exchange Swaps for a total of S/. 1.80 billion (US\$ 620 million). At October 14, these instruments show a balance of S/. 1.80 billion.

## MONETARY AND FOREIGN EXCHANGE OPERATIONS

(Million nuevos soles)

		Balance			Placements						Maturities		
		(Interest rate)			(Interest rate)								
		Aug 31	Sep 30	Oct 14	Overnight	1-week	2-month	3-month	6-month	12-month		18-month	
Moneatry operations	Sterilization	CD BCRP	17,085 (3.74%)	17,565 (3.72%)	15,865 (3.69%)				200 (3.60%)	200 (3.68%)	100 (3.70%)	2,200	
		Term deposit	1,600 (3.33%)										
		Overnight deposits	839 (2.55%)	2,287 (2.30%)	940 (2.30%)	5,642							6,990
	Injection	Repos	930 (4.33%)	5,100 (3.92%)	3,650 (3.57%)	26,832 (3.65%)	3,000 (3.74%)		15 (3.52%)				31,282
		Fx-Swaps	3,200 (4.25%)	4,700 (4.11%)	4,392 (4.13%)				92 (3.65%)				400
Foreign exchange operations	CDR BCRP	1,330 (0.06%)	5,955 (0.08%)	6,420 (0.08%)			465 (0.15%)					0	
	Exchange swaps			1,800 (0.07%)			1,800 (0.07%)					0	

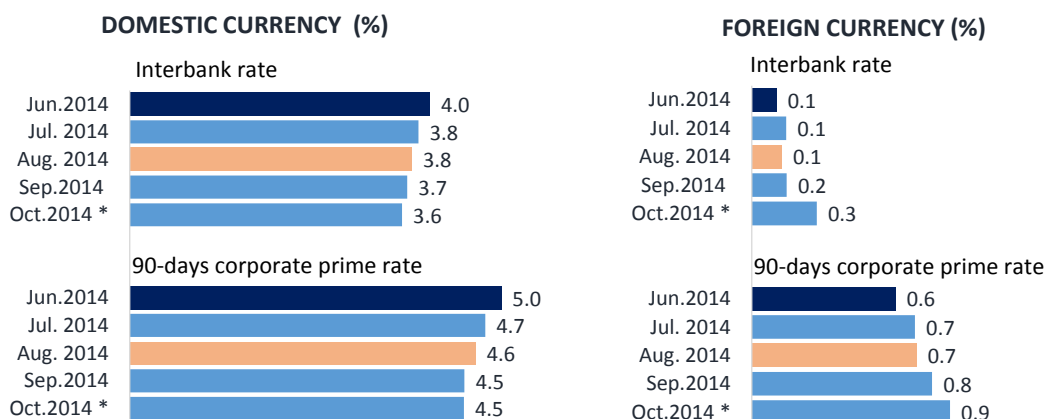
### Interbank interest rate in soles at 3.50 percent

At October 14, the interbank interest rate in soles showed an average level of 3.50 percent, a similar rate to that of the benchmark interest rate.

### Corporate prime rate in soles at 4.5 percent

At October 14, the **corporate prime rate** –the interest rate charged by commercial banks to lower risk businesses– in soles recorded a daily average rate of 4.5 percent (a similar rate to that registered in the previous month). In the same period, the corporate prime rate in dollars was 0.9 percent.

## AVERAGE INTEREST RATES

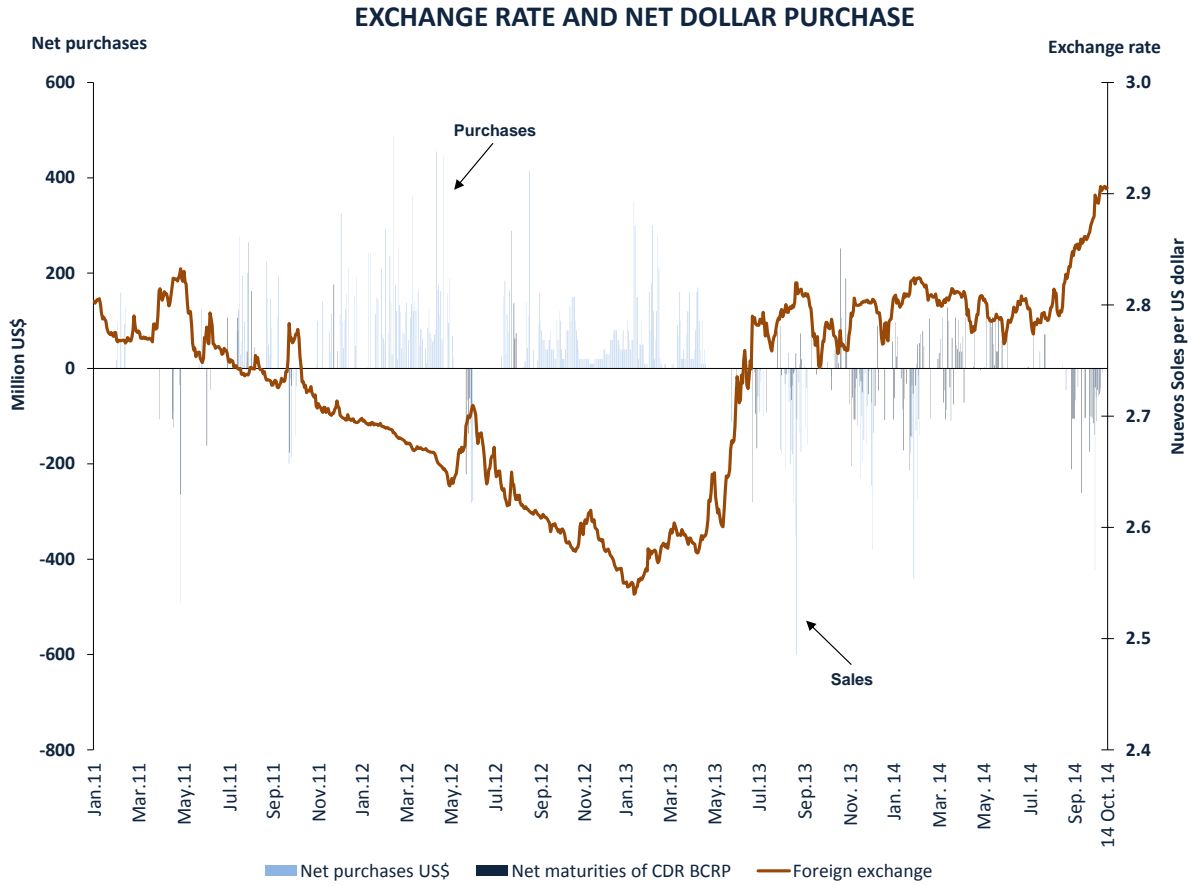


\* As of 14.

### Exchange rate: S/. 2.91 per US dollar

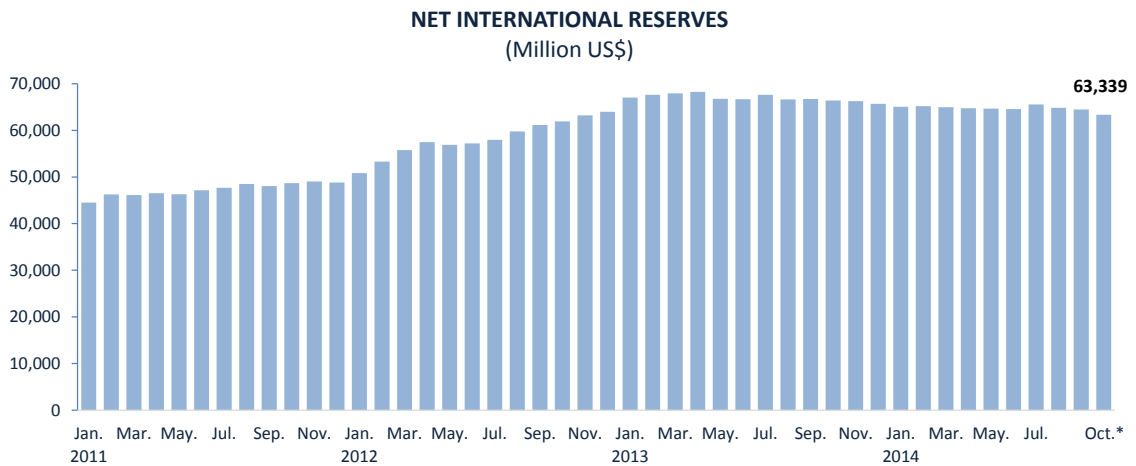
On October 14, the average selling price of the dollar in the interbank market was S/. 2.91 per dollar.

Since 2012 the Central Bank has purchased FC for a total of US\$ 19.08 billion and sold FC for US\$ 7.93 billion. In net terms, the BCRP purchases of foreign currency are US\$ 11.16 billion higher than the BCRP sales of foreign currency.



### International reserves amount to US\$ 63.34 billion on October 14

International reserves on October 14, 2014, amounted to US\$ 63.34 billion. On the same date, the foreign exchange position of the BCRP was US\$ 40.0 billion.

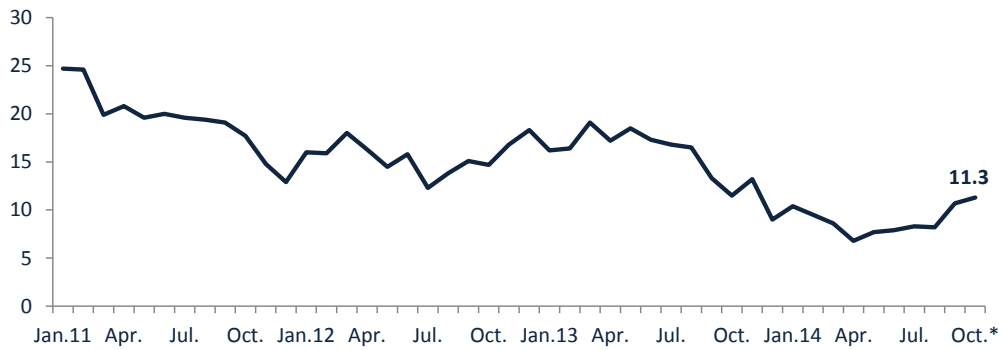


\* As of 14.

### Currency

**Currency in circulation** on October 14, 2014, showed a balance of S/. 35.33 billion and registered a growth rate of 11.3 percent in the last 12 months.

**CURRENCY**  
(Annual percentage change)



\* As of 14.

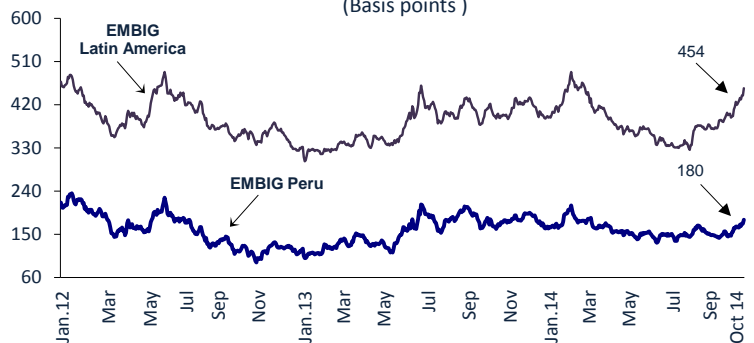
## International Markets

### Country risk at 180 basis points

In October 7-14, the country risk indicator, measured by the **EMBIG Peru** spread, rose from 170 bps to 180 bps.

On the other hand, the **EMBIG LatinAmerica** spread rose 20 bps amid concerns about global growth after the IMF revised down its growth forecast.

**COUNTRY RISK INDICATORS**  
(Basis points)



	Variation in basis points			
	Oct 14, 2014	Weekly	Monthly	Annual
EMBIG Perú (bps)	180	10	30	14
EMBIG Latam (bps)	454	20	70	58

### Price of gold at US\$ 1,234.8 per troy ounce

In the same period, the price of **gold** rose 2.0 percent to US\$ 1,234.8 per troy ounce.

The price of gold was affected by an increased demand for this metal as a hedge after the drop observed in global exchange markets. In addition, declining expectations that the Federal Reserve will start raising its interest rates earlier than expected also affected this price.

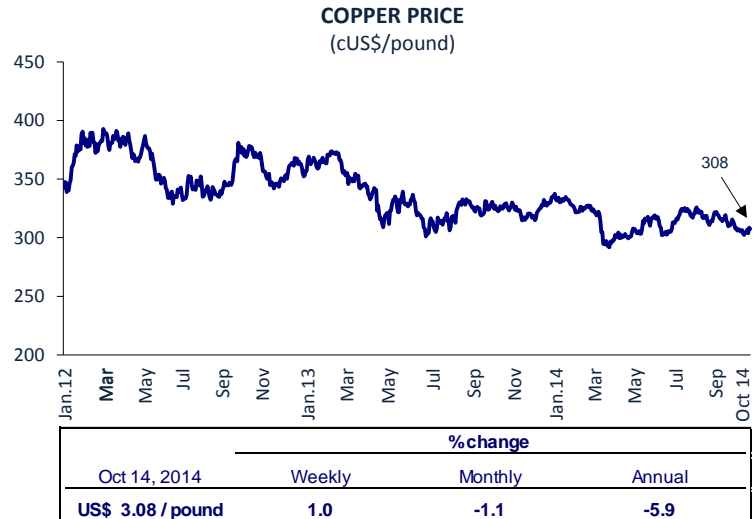
**GOLD PRICE**  
(US\$/ troy ounce)



	% change			
	Oct 14, 2014	Weekly	Monthly	Annual
US\$ 1,234.8 / troy oz.	2.0	0.3	-3.9	

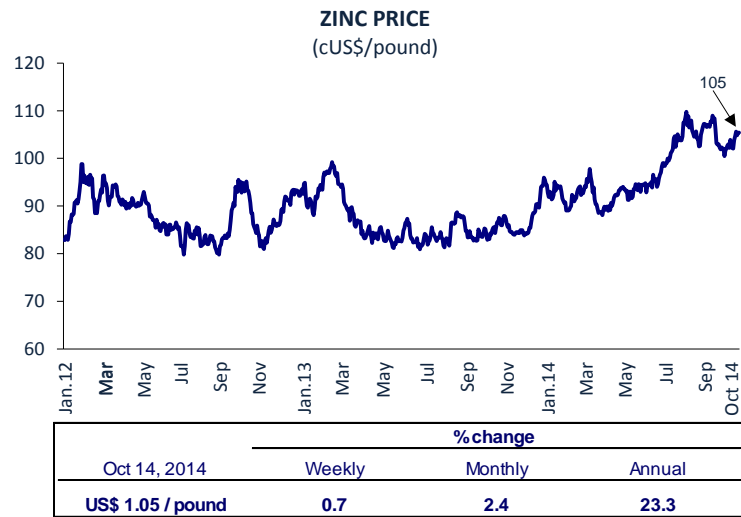
In the week of October 7-October 14, the price of **copper** rose 1.0 percent to US\$ 3.08 per pound.

The price of copper rose mainly due to the growth of China's imports of copper in September, when it registered a maximum high in five months.



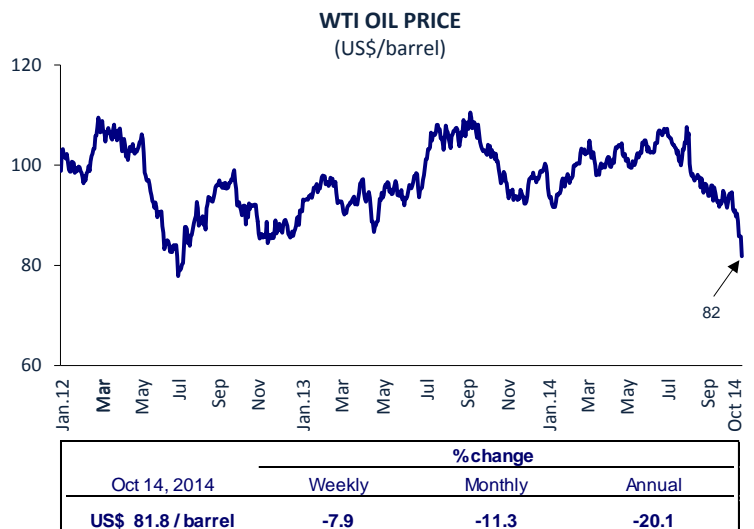
In the same period, the price of **zinc** rose 0.7 percent to US\$ 1.05 per pound.

The rise in the price of zinc reflected the decline of inventories in the London Metal Exchange and China's favorable trade data.



In October 7 – 14, the price of **WTI oil** dropped 7.9 percent to US\$ 81.8 per barrel.

The price of crude was affected by evidence of a slowdown in the demand, as well as by signals of a global oversupply of crude, as reflected in the increase of weekly inventories in the United States.



### US dollar appreciated against the euro

Between October 7 and October 14, the **dollar** appreciated 0.1 percent against the **euro**.

The US dollar strengthened slightly against the euro after the publication of data indicating a higher weakening of growth in the Eurozone.

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



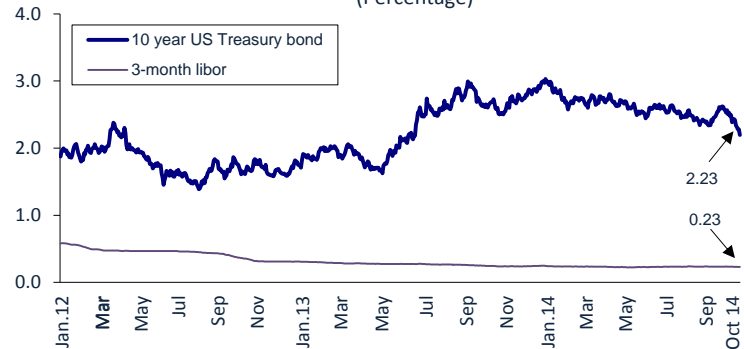
	Level	% change		
	Oct 14, 2014	Weekly	Monthly	Annual
US dollar/Euro	1.27	-0.1	-2.4	-6.7

### Yield on 10-year US Treasuries at 2.20 percent

Between October 7 and October 14, the **3-month Libor** remained at 0.23 percent.

On the other hand, the yield on the **10-year US Treasuries** dropped 14 basis points to 2.20 percent after the IMF revised down its growth forecast.

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



	Variation in basis points			
	Oct 14, 2014	Weekly	Monthly	Annual
3 months Libor (%)	0.23	0	0	-2
US Treasuries (%)	2.20	-14	-41	-49

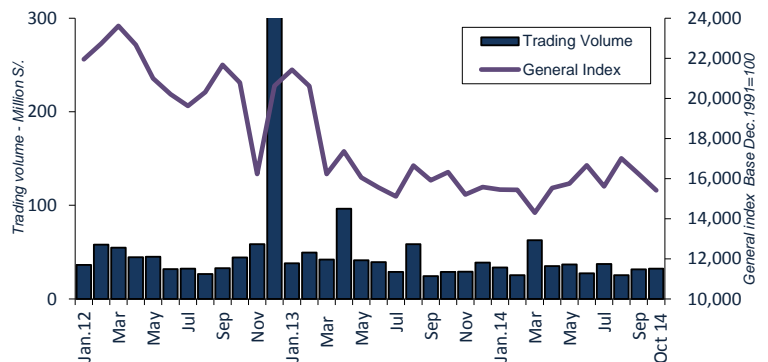
### Lima Stock Exchange

In the week of October 7-October 14, the **General Index** of the Lima Stock Exchange (LSE) grew 1.3 percent and the **Selective Index** grew 1.1 percent.

The behavior of both indices was favored by the rise in the prices of basic and precious metals.

Year-to-date, the General Index has fallen 0.9 percent and the Selective Index has fallen 6.5 percent.

LIMA STOCK EXCHANGE INDICATORS



	As of:	% change compared to:		
	Oct 14, 2014	Oct 7, 2014	Sep 30, 2014	Dec 31, 2013
General Index	15,616	1.3	-3.8	-0.9
Selective Index	21,394	1.1	-4.2	-6.5

