







Indicators

	Credit to the private sector increased 10.1 percent at September 15
	Liquidity rose 8.5 percent at September 15
	Inflation in September: 0.03 percent
	Price of gold in US\$/oz.tr. 1,132.1

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Monetary operations and interest rate

In September, the BCRP continued carrying out its regular placements of BCRP-CDs with the aim of contributing to increase liquidity in the secondary market of these instruments. It also continued injecting short-term and long-term liquidity in DC to maintain the interbank interest rate close to the policy interest rate.

- **Regular repos:** The balance of regular repos at September 30 was S/. 750 million, with an average interest rate of 4.37 percent. At end-August, these repos showed a balance of S/. 2.10 billion, with an average rate of 4.26 percent.
- **Special repos:** The balance of special repos at September 30 was S/. 2.28 billion, with an average interest rate of 4.12 percent. At the end of August, special repos showed a balance of S/. 1.20 billion and an average rate of 4.10 percent.
- **Currency repos:** The balance of currency repos increased from S/. 24.66 billion at end-August to S/. 28.76 billion at September 30, the average rate of these repos rising from 4.31 percent at the end of August to 4.54 percent at September 30. It is worth pointing out that, of the balance of currency repos recorded on September 30, regular currency repos amount to S/. 16.05 billion, repos for credit expansion amount to S/. 7.90 billion, and repos for credit substitution amount to S/. 4.81 billion. The maturities of these repos range between 24 and 48 months to facilitate the conversion of credit in dollars to credit in soles.
- **Auctions of Treasury deposits:** Treasury deposit funds placed through auctions at September 30 showed a balance of S/. 3.05 billion, with an average interest rate of 4.88 percent. At the end of August, these operations recorded a balance of S/. 2.75 billion, with an average rate of 4.73 percent.
- **Auctions of Banco de la Nación funds:** The balance of Banco de la Nación funds placed through auctions at September 30 showed no variation from the balance recorded on August 31 (S/. 600 million, with an average rate of 4.54 percent).
- **BCRP-CDs:** The balance of BCRP-CDs at September 30 was S/. 16.6 billion, with an average rate of 3.54 percent. At end-August, this balance was S/. 15.14 billion, with an average interest rate of 3.46 percent.
- **Term deposits:** The balance of term deposits at September 30 was S/. 2.68 billion, at an interest rate of 3.44 percent.
- **Overnight deposits:** At September 30, overnight deposits showed a balance of S/. 304 million, at an average rate of 2.25 percent. At the end of August, this balance was S/. 1.06 billion at a rate of 2.0 percent.

At September 30, the Central Bank has also made the following operations in the foreign exchange market.

- In the period of analysis, the BCRP did not intervene in the spot market.
- **CDR-BCRP:** At September 30, these CDs showed a balance of S/. 8.21 billion (US\$ 2.51 billion), with an interest rate of 0.48 percent. Of this balance, CDR-BCRP placed through

special repo operations amount to S/. 2.29 billion (US\$ 704 million). At end-August, CDR BCRP showed a balance of S/. 6.21 billion (US\$ 1.93 billion) and an average interest rate of 0.48 percent.

- FX Swaps: The balance of these instruments at September 30 was S/. 25.69 billion, with an average rate of 0.47 percent. At the close of August, this balance was S/. 26.05 billion, with an average interest rate of 0.46 percent.

Monetary and foreign exchange operations

(Million S/.)

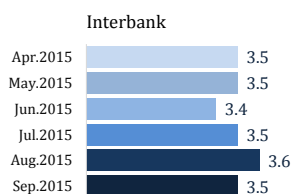
		Balance (Interest rate)		Placement (Interest rate)									Maturity				
		Aug 31. 2015	Sep 30. 2015	Overnight	1 week	2-month	3-month	6-month	12-month	18-month	24-month	36-month		60-month			
Monetary operations	Injection	Repos	2,095 (4.26%)	750 (4.37%)	2,935 (6.14%)	1,600 (6.31%)										5,880	
		Special repos	1,200 (4.10%)	2,284 (4.12%)				1,084 (4.13%)									
		Currency repos (Ordinary)	13,950 (4.49%)	16,050 (4.67%)								700 (5.90%)	1,500 (5.56%)	200 (5.18%)		300	
		Currency repos (Expansion)	5,900 (4.44%)	7,900 (4.84%)								900 (6.13%)	1,100 (5.97%)				
		Currency repos (Substitution)	4,805 (3.61%)	4,805 (3.61%)													
		Funds of Treasury	2,750 (4.73%)	3,050 (4.88%)					300 (6.25%)								
		Funds of Banco de la Nación	600 (4.54%)	600 (4.54%)													
	Sterilization	CD BCRP	15,138 (3.46%)	16,597 (3.54%)				2,800 (3.79%)	200 (3.68%)	200 (3.80%)	207 (4.26%)					1,949	
		Term deposits		2,676 (3.44%)	43,837 (3.30%)	513 (3.50%)										41,674	
		Overnight deposits	1,061 (2.00%)	304 (2.25%)	10,380 (2.18%)											11,137	
Foreign exchange operations	CDR BCRP	5,006 (0.48%)	5,925 (0.49%)				919 (0.51%)										
	CDR BCRP - Special repos	1,201 (0.49%)	2,287 (0.49%)				1,085 (0.46%)										
	FX-Swaps	26,046 (0.46%)	25,687 (0.47%)			500 (0.53%)	5,871 (0.33%)								6,730		

Interbank interest rate in soles at 3.5 percent

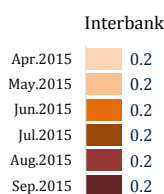
On September 30, the **interbank interest rate** in soles registered 3.5 percent and the rate in dollars registered 0.2 percent. On the same date, the **corporate prime rate** –the interest rate charged by commercial banks to lower risk businesses– in soles recorded a rate of 4.8 percent, while the rate in dollars recorded 1.0 percent.

Interest rates (%)

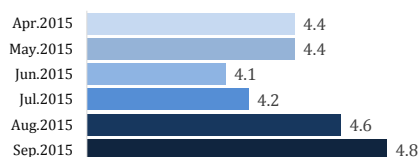
Domestic currency



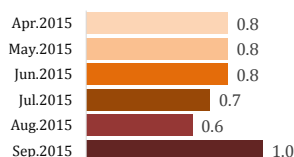
Foreign currency



90-days corporate prime



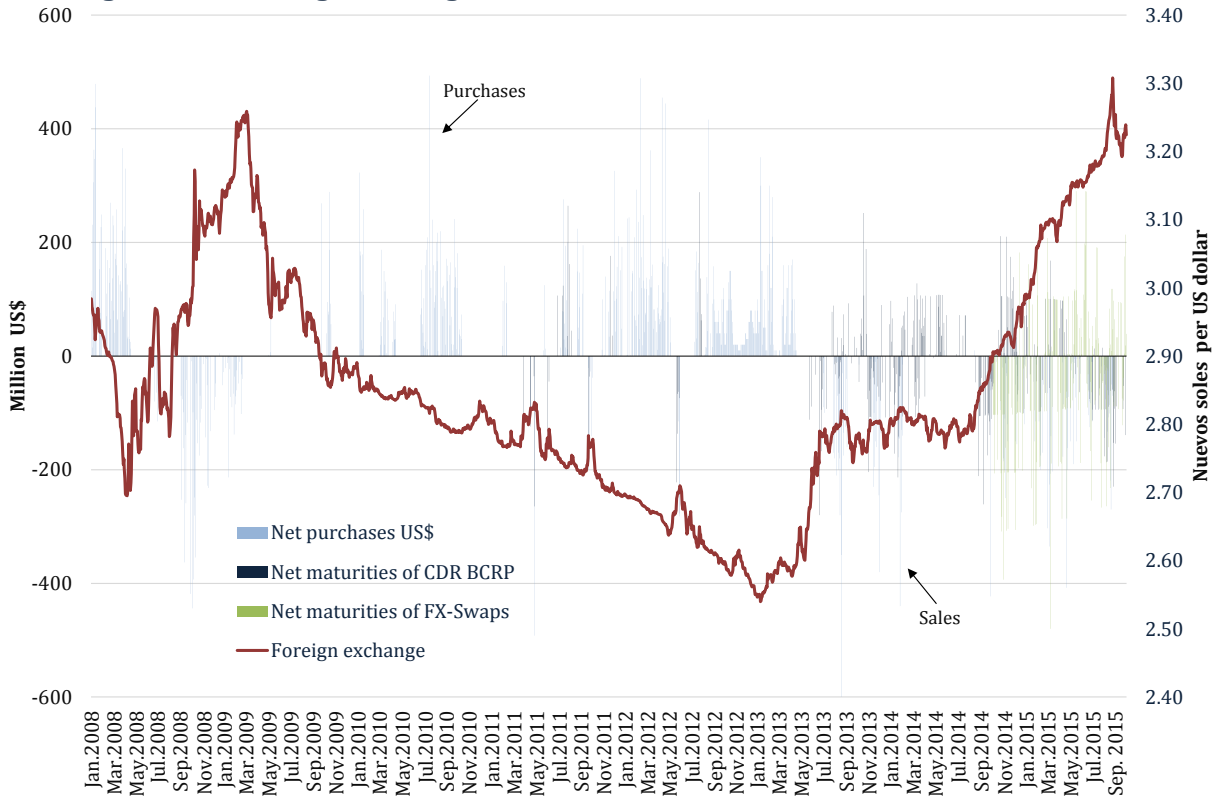
90-days corporate prime



Foreign exchange rate

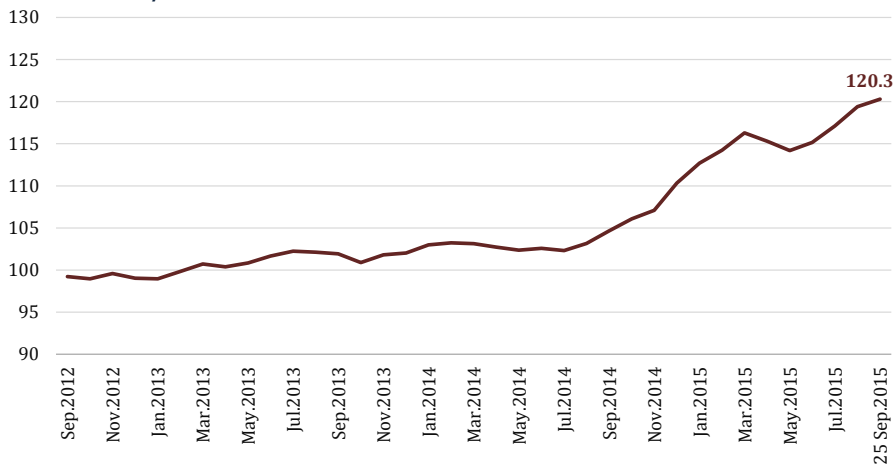
On September 30, the dollar in the interbank market closed with a selling price of S/. 3.24 per dollar.

Exchange rate and foreign exchange intervention



The US dollar has been appreciating against most other currencies in recent months, as reflected in the evolution of the FED index since January 2013. This appreciation of the dollar is associated with expectations that the Federal Reserve (FED) will start normalizing its interest rates.

Fed index 1/



1/ Calculated taking into account currencies of US trading partners weighted by contributions. A rise in the index represents an appreciation of the US dollar.
Source: FED.

International reserves amount to US\$ 61.44 billion on September 30

Peru's net international reserves –made up mainly by liquid international assets– amounted to US\$ 61.44 billion on September 30.

Inflation in Metropolitan Lima: 0.03 percent in September

The consumer price index in Metropolitan Lima showed a percentage change of 0.03 percent in the month of September, as a result of which inflation in the last 12 months recorded a rate of 3.90 percent. Inflation without food and energy showed a rate of 0.06 percent in the month and a rate of 3.45 percent in the last 12 months.

Inflation

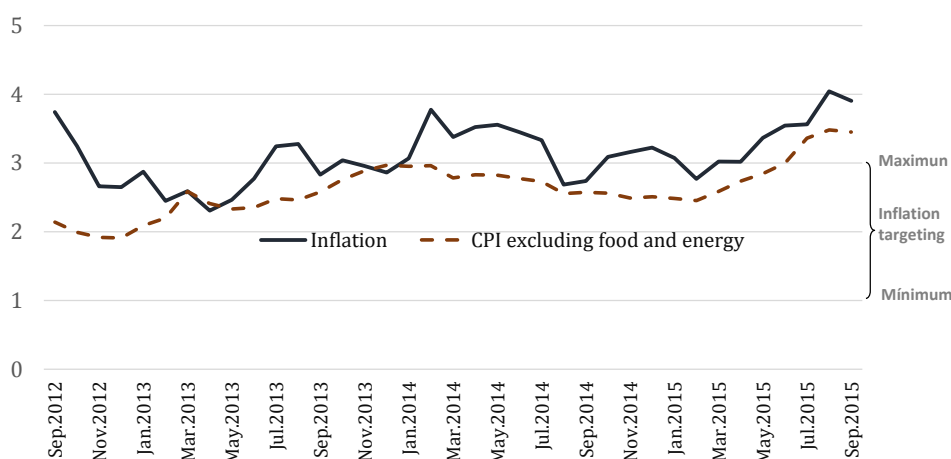
(% change)

	Weigth 2009=100	September 2015	
		Month	12 month
CPI	100.0	0.03	3.90
1. CPI excluding food and energy	56.4	0.06	3.45
i. Goods	21.7	0.3	3.4
ii. Services	34.8	-0.1	3.5
<i>Of which:</i>			
Education	9.1	0.1	5.1
Rent	2.4	0.2	3.4
Health	1.1	-0.2	5.6
2. Food and energy	43.6	-0.01	4.44
i. Food	37.8	0.0	4.5
ii. Energy	5.7	-0.3	4.0

Source: INEI.

Inflation

(% change last 12 month)



The items that contributed the most to increase the rate of inflation in the month were potato, meals outside the home (0.08 percentage points, each one) and poultry meat (0.03 percentage points). On the other hand, the items that contributed the most to reduce the rate of inflation were onion (-0.06 percentage points), gasoline (-0.04 percentage points), and fresh fruits (-0.03 percentage points).

Credit to the private sector and liquidity at September 15, 2015

In the last four weeks, at September 15, 2015, **total credit to the private sector** increased 1.4 percent (S/. 3.37 billion). By currencies, credit in soles grew 3.2 percent (S/. 5.16 billion), while credit in dollars declined 2.4 percent (negative flow of US\$ 601 million). As a result, credit to the private sector showed an annual growth rate of 10.1 percent.

In the same period, **total liquidity in the private sector** increased 1.9 percent (S/. 4.32 billion), as a result of which liquidity in the private sector accumulated a growth rate of 8.5 percent in the last twelve months. By currencies, liquidity in soles decreased 1.4 percent (negative flow of S/. 2.05 billion), while liquidity in dollars increased 8.3 percent (US\$ 2.14 billion).

International Markets

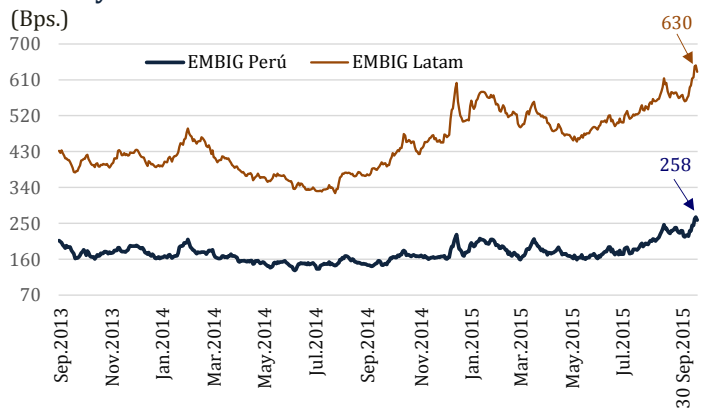
Peru country risk

On **September 30**, the **EMBIG Peru** registered 258 bps while the **region** debt spread recorded 630 bps.

In **September**, the average country risk indicator –measured by the **EMBIG Peru** spread– rose from 217 to 234 bps.

In the same month, the **EMBIG LatAm** spread increased 19 basis points to 586 bps, amid concerns about global growth, mainly China's economy.

Country Risk Indicator



	Variation in basis points			
	30 Sep.2015	Weekly	Monthly	Annual
EMBIG Perú (bps)	258	27	31	96
EMBIG Latam (bps)	630	34	57	214

Price of gold at US\$ 1,114.0 per troy ounce

On **September 30**, the price of **gold** registered US\$ 1,114.0 per troy ounce.

In **September**, **gold** showed an average price of US\$ 1,125.0 per troy ounce, a price level 0.6 percent higher than in August.

The rise in the price of gold was associated with the FED's decision in maintaining its policy rate and with expectations about recovery of physical demand from India.

Gold Price



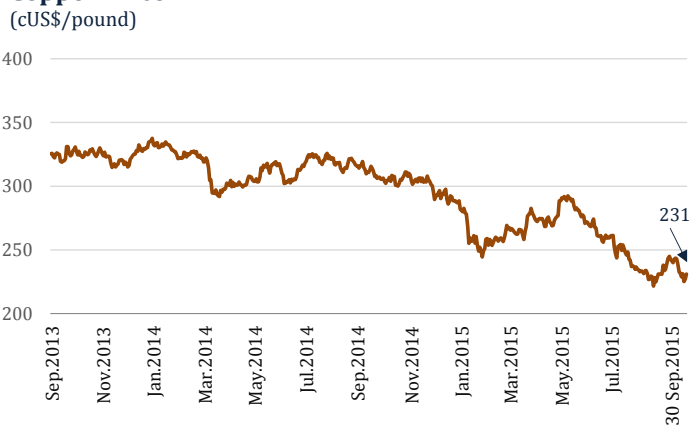
	% change			
	30 Sep.2015	Weekly	Monthly	Annual
US\$ 1,114.0 / troy oz.	-1.5	-1.9	-8.4	

On **September 30**, **copper** was quoted at US\$ 2.31 per pound.

In **September**, the price of **copper** showed an average level of US\$ 2.36 per pound (up 2.3 percent from the previous month).

This increase in the price of copper was influenced by expectations of a more balanced market following the production cuts announced by Glencore, Freeport MacMoRan, and the Jinchuan Group refinery.

Copper Price



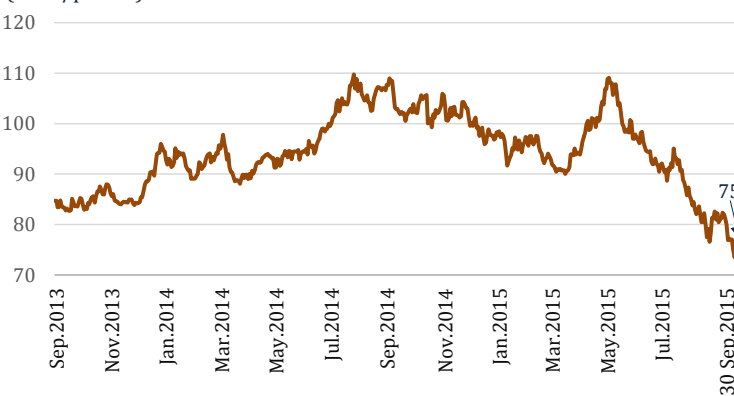
	% change			
	30 Sep.2015	Weekly	Monthly	Annual
US\$ 2.31 / pound	-0.4	0.0	-24.4	

The price of **zinc** recorded US\$ 0.75 per pound on **September 30**.

Moreover, the average price of **zinc** in **September** was US\$ 0.78 per pound, a price level 4.8 percent lower than in August.

The lower price of zinc reflects an unexpected increase of inventories in the major metal exchange markets and weak demand from China.

Zinc Price
(cUS\$/pound)



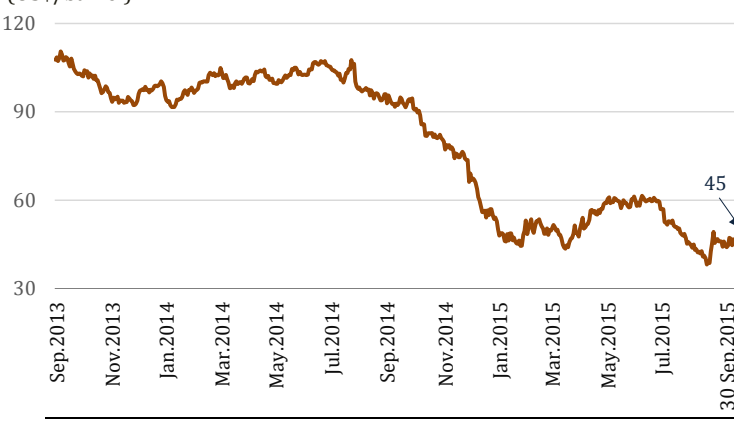
30 Sep.2015	% change		
	Weekly	Monthly	Annual
US\$ 0.75 / pound	0.2	-7.6	-27.6

The price of **WTI oil** on **September 30** was US\$ 45.1 per barrel.

In **September**, the average price of **WTI oil** was US\$ 45.5 per barrel (up 6.5 percent from August).

The rise in the price of crude oil was driven by a reduction in the OPEC supply and by a reduction of the number of oil platforms operating in the United States.

WTI Oil Price
(US\$/barrel)



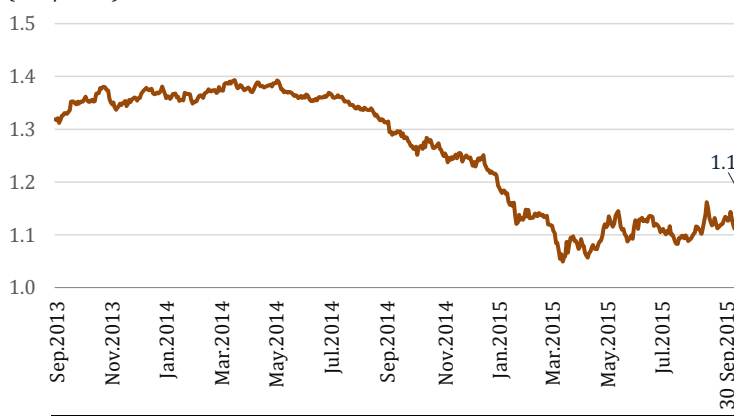
30 Sep.2015	% change		
	Weekly	Monthly	Annual
US\$ 45.1 / barrel	1.6	-8.4	-50.5

USD-euro exchange rate: US\$ 1.12 per euro

On **September 30**, the exchange rate was US\$ 1.12 per euro.

In **September**, the **US dollar** depreciated 0.8 percent on average against the **euro** amid Fed's decision in maintaining its reference rate and statements of Mario Draghi, ECB President, who said it was too early to determine whether further monetary stimulus is needed.

Evolution of US\$ per Euro
(US\$/Euro)



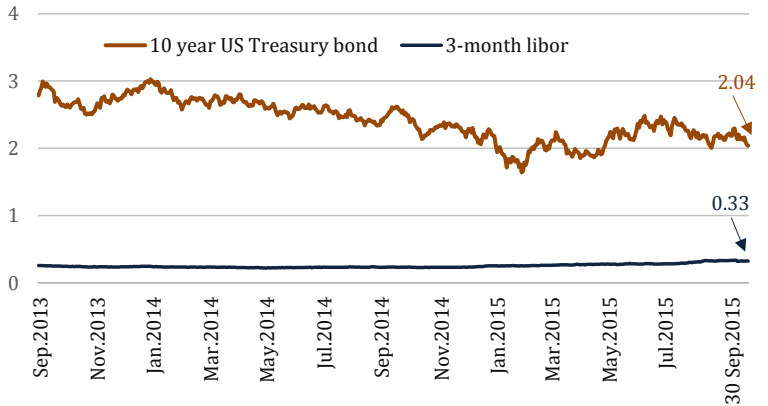
30 Sep.2015	Level	% change		
	30 Sep.2015	Weekly	Monthly	Annual
US dollar/Euro	1.12	-0.1	-0.3	-11.5

Yield on 10-year US Treasuries at 2.04 percent

On **September 30**, the **3-month Libor** recorded 0.33 percent and the yield on the **10-year US Treasury bonds** recorded 2.04 percent.

In **September**, the **3-month Libor** registered 0.33 percent, while the yield on the **10-year US Treasury bonds** showed a rate of 2.16 percent –similar to the previous month– amid a positive indicators in the United States and fears about China.

3-Month Libor and 10-Year US Treasuries (%)



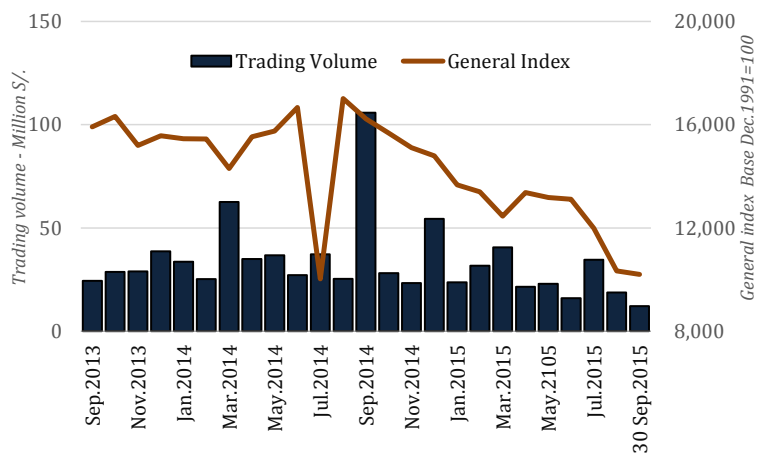
	Variation in basis points			
	30 Sep.2015	Weekly	Monthly	Annual
3 months Libor (%)	0.33	0	0	9
US Treasuries (%)	2.04	-11	-18	-45

Lima Stock Exchange

In **September**, the **General Index** of the Lima Stock Exchange (LSE) fell 3.0 percent and the **Selective Index** fell 6.1 percent.

The LSE indices were influenced by a negative performance of main stock exchanges in the region and concerns on Chinese growth.

Lima Stock Exchange Indicators



	As of:	% change compared to:		
	30 Sep.2015	23 Sep.2015	31 Aug.2015	31 Dec.14
General Index	10,031	-0.2	-3.0	-32.2
Selective Index	13,982	-0.9	-6.1	-31.0

