







### Indicators

-  Price of copper at US\$ 2.04 a pound
-  Price of gold at US\$ 1,113.6 per troy ounce
-  Price of zinc at US\$ 0.70 a pound
-  Country risk at 275 bps

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## Monetary operations and interest rate

On January 26, the interbank interest rate in soles recorded 4.0 percent. So far this month (at January 26), the BCRP has made the following monetary operations:

- **BCRP-CDs:** The balance of BCRP-CDs at January 26 was S/. 15.47 billion, with an average rate of 3.91 percent, while this balance at end-December was S/. 15.38 billion, with an average interest rate of 3.79 percent.
- **Term deposits:** The balance of term deposits at January 26 was S/. 2.44 billion, with an average interest rate of 3.98 percent. At the end of December, this balance was S/. 840 million at a rate of 3.74 percent.
- **Overnight deposits:** At January 26, overnight deposits showed a balance of S/. 175 million, with an average interest rate of 2.75 percent. At end-December, this balance was S/. 275 million with an average interest rate of 2.50 percent.
- **Auctions of Treasury funds:** On January 26, the balance of Treasury deposits placed through auctions was S/ 3.05 billion with an average interest rate of 5.53 percent. At the end of December, Treasury funds auctioned showed a balance of S/ 2.55 billion at an average rate of 5.47 percent.
- **Regular repos:** The balance of repos at January 26 was S/ 300 million, with an average interest rate of 5.21 percent. At the end of December, regular repos showed a balance of S/ 600 million at an average rate of 4.72 percent.

In January, the Central Bank has also made the following operations in the foreign exchange market.

- **Interventions in the foreign exchange market:** Between January 1 and January 26, the BCRP sold US\$ 254 million in the spot market.
- **FX Swaps:** The balance of these instruments at January 26 was S/. 28.86 billion, with an average rate of 0.71 percent. At end-December, this balance was S/. 26.35 billion, with an average interest rate of 0.60 percent.
- **CDR-BCRP:** At January 26, these CDs showed a balance of S/. 8.87 billion (US\$ 2.63 billion), with an interest rate of 0.64 percent. Of this balance, CDR-BCRP placed through special repo operations amount to S/. 1.90 billion (US\$ 567 million). At end-December, CDR BCRP showed a balance of S/. 7.06 billion (US\$ 2.12 billion) and an average interest rate of 0.58 percent.

**Monetary and foreign exchange operations**

(Million S/)

		Balance (Interest rate)		Placement (Interest rate)						
		Dec 31. 2015	Jan 26. 2016	Overnight	1-month	2-month	3-month	6-month	12-month	18-month
Monetary operations	Sterilization	CD BCRP	15,380 (3.79%)	15,472 (3.91%)		48 (4.15%)	2,094 (4.19%)	720 (4.41%)	790 (4.86%)	90 (5.11%)
		Term deposits	840 (3.74%)	2,440 (3.98%)	40,741 (3.83%)					
		Overnight deposits	275 (2.50%)	175 (2.75%)	5,547 (2.70%)					
	Injection	Funds of Treasury	2,550 (5.47%)	3,050 (5.53%)				500 (5.84%)		
		Repos	600 (4.72%)	300 (5.21%)	750 (4.04%)					
Foreign exchange operations	FX-Swaps	26,352 (0.60%)	28,885 (0.71%)		2,418 (0.64%)	5,629 (0.74%)	2,710 (0.70%)			
	CDR BCRP	5,157 (0.57%)	6,964 (0.64%)			2,303 (0.64%)	667 (0.65%)			
	CDR BCRP - Special	1,903	1,903							
	repos	(0.60%)	(0.60%)							

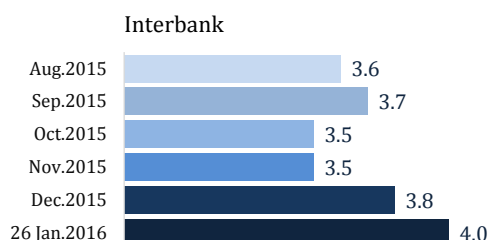
**Interbank interest rate in soles at 4.0 percent**

On January 26, the **interbank interest rate** in soles registered an average monthly rate of 4.0 percent and the rate in dollars showed an annual rate of 0.4 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 5.0 percent, while the rate in dollars registered 1.0 percent.

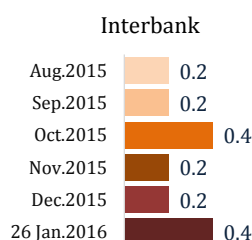
**Interest rates**

(%)

**Domestic currency**



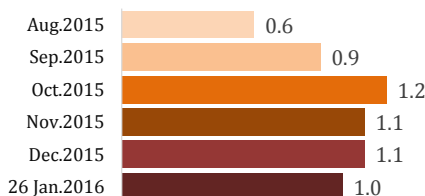
**Foreign currency**



**90-days corporate prime**



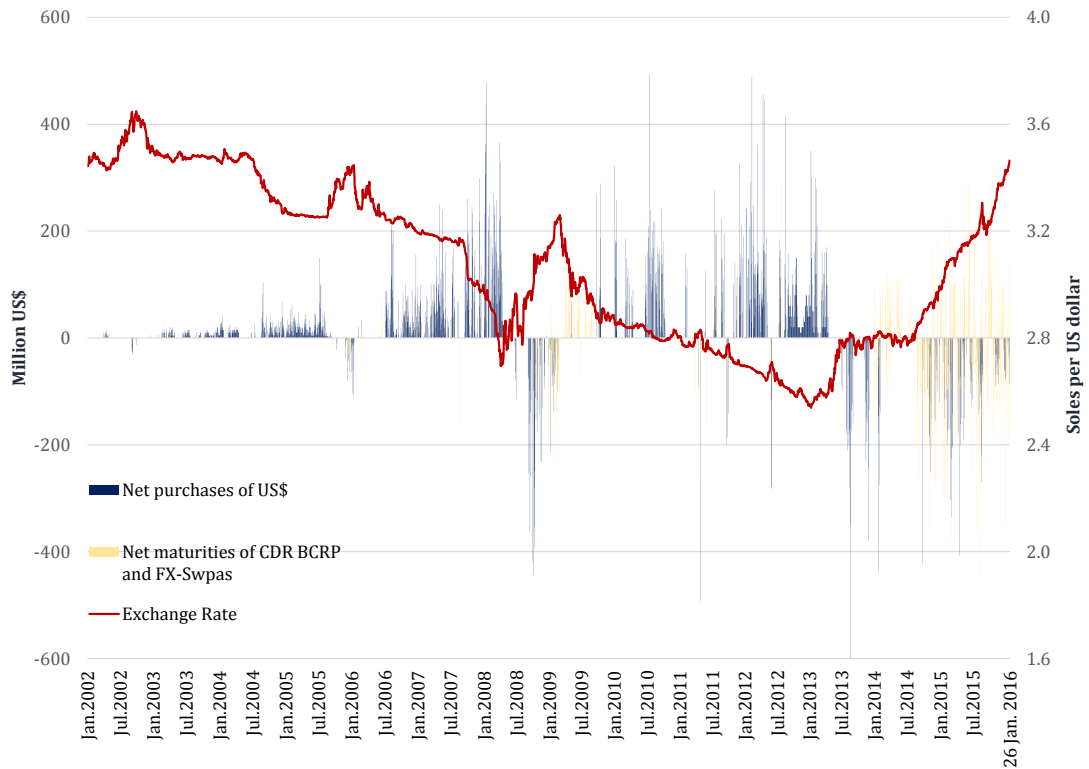
**90-days corporate prime**



**Foreign exchange rate**

On January 26, the US dollar in the interbank market closed with a selling price of S/. 3.46 per dollar.

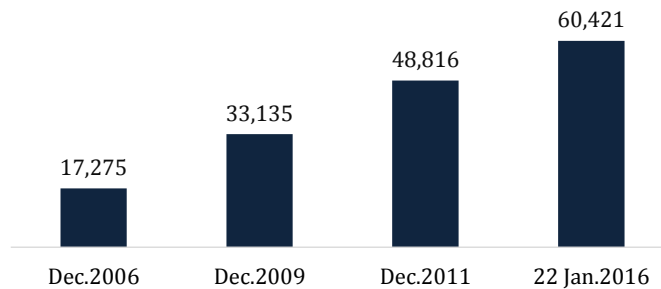
**Exchange rate and foreign exchange intervention**



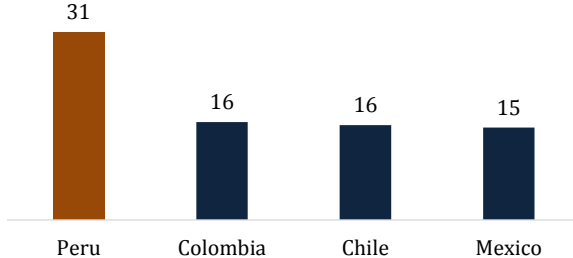
**International reserves amount to US\$ 60.42 billion at January 22, 2016**

On January 22, 2016, Peru’s net international reserves –made up mainly by liquid international assets– amounted to US\$ 60.42 billion. This level of reserves is equivalent to 31 percent of GDP and to 20 months of imports.

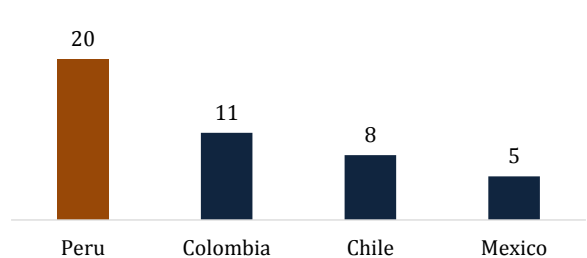
**Perú: Net International Reserves**  
(Million US\$)



**Ratio NIR/GDP: January 2016**  
(%)



**Ratio NIR/Imports: January 2016**  
(N° months)



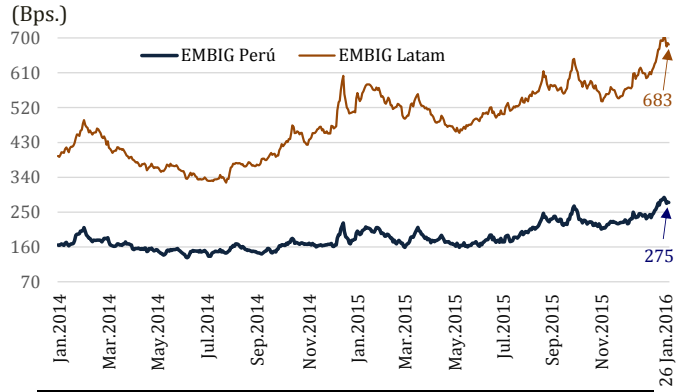
**International Markets**

**Country risk at 275 basis points**

In January 19-26, the country risk indicator –measured by the EMBIG Peru spread– rose from 284 to 275 basis points.

On the other hand, the **EMBIG LatAm** spread fell 9 basis points in a context marked by a recovery of the price of oil and expectations of greater stimulus programs in China and in Europe (further stimulus from the European Central Bank).

**Country Risk Indicator**



	Variation in basis points			
	26 Jan. 2016	Weekly	Monthly	Annual
EMBIG Perú (bps)	275	-9	33	77
EMBIG Latam (bps)	683	-9	74	118

**Price of gold at US\$ 1,113.6 per troy ounce**

In the same period, the price of **gold** rose 2.5 percent to US\$ 1,113.6 per troy ounce.

The rise in the price of gold was associated with volatility in financial markets and with the greater likelihood that a more gradual pace will be seen in the Federal Reserve policy of interest rate rises.

**Gold Price**



	% change			
	26 Jan. 2016	Weekly	Monthly	Annual
US\$ 1,086.3 / troy oz.		2.5	3.5	-14.0

**Copper Price**



	% change			
	26 Jan. 2016	Weekly	Monthly	Annual
US\$ 2.04 / pound		1.4	-3.5	-18.0

In January 19-26, the price of **copper** rose 1.4 percent to US\$ 2.04 per pound.

This rise was supported by China's record level of copper imports in 2015, but offset by the global oversupply of this metal.

In January 19-26, the price of **zinc** rose 1.9 percent to US\$ 0.70 a pound.

Data showing China's increased imports of zinc in December and expectations of greater stimulus in Europe and China supported this rise.

**Zinc Price**  
(cUS\$/pound)

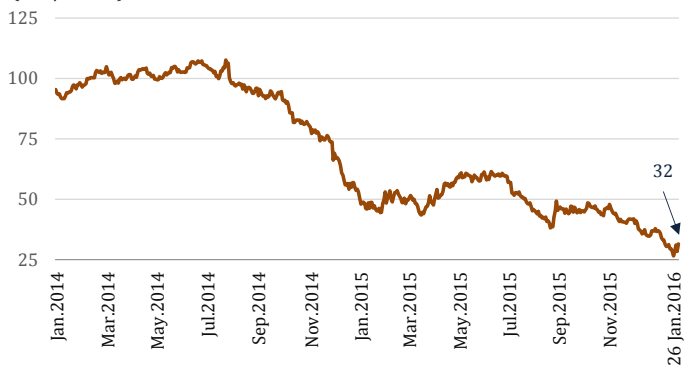


26 Jan. 2016	% change		
	Weekly	Monthly	Annual
US\$ 0.70 / pound	1.9	1.1	-25.8

In the week of analysis, the price of **WTI oil** rose 10.5 percent to US\$ 31.5 a barrel.

This price rise is associated with expectations of a higher demand for heating oil due to the harsh winter anticipated following the strong snow storm and the cold temperatures affecting the United States, Europe, and China. In addition, the attack on Libya's oil facilities early this week has also contributed to this price rise.

**WTI Oil Price**  
(US\$/barrel)



26 Jan. 2016	% change		
	Weekly	Monthly	Annual
US\$ 31.5 / barrel	10.5	-14.8	-30.3

**US dollar appreciated against the euro**

Between January 19 and January 26, the **dollar** appreciated 0.3 percent against the **euro** amid expectations of greater stimulus from the European Central Bank as well as expectations regarding the policy communiqué of the U.S. Federal Reserve.

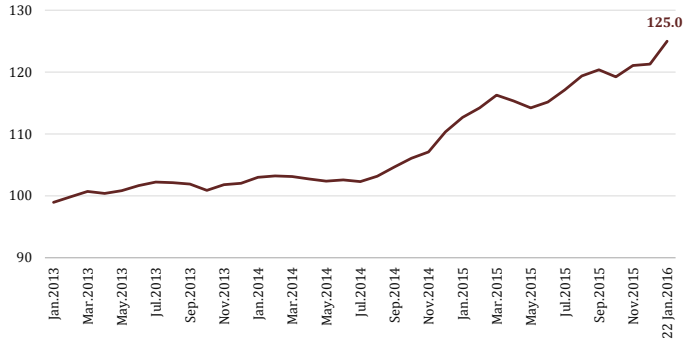
**Evolution of US\$ per Euro**  
(US\$/Euro)



26 Jan. 2016	Level	% change		
		Weekly	Monthly	Annual
US dollar/Euro	1.09	-0.3	-0.8	-3.2

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/



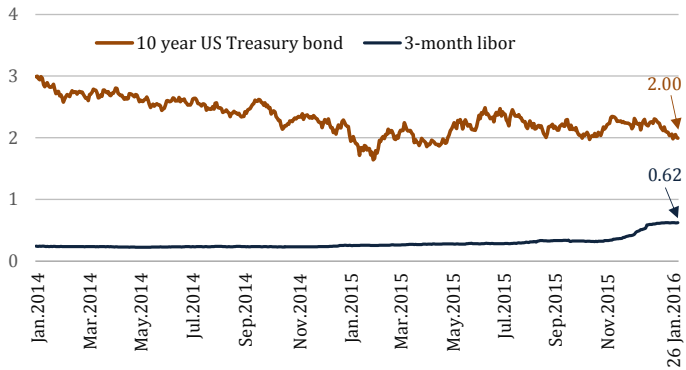
1/ Calculated taking into account currencies of US trading partners weighted by contributions. A rise in the index represents an appreciation of the US dollar.  
Source: FED.

### Yield on 10-year US Treasuries at 2.0 percent

In January 19-26, the **3-month Libor** remained at 0.62 percent.

On the other hand, the yield on the **10-year US Treasury bonds** fell 6 basis points to 2.0 percent amid volatility in financial markets.

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



Variation in basis points

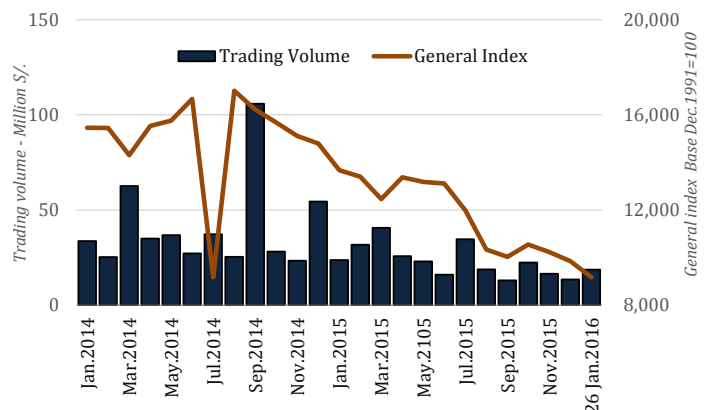
	26 Jan. 2016	Weekly	Monthly	Annual
3 months Libor (%)	0.62	0	3	37
US Treasuries (%)	2.00	-6	-26	17

### Lima Stock Exchange

Between January 19 and January 26, the **General Index** of the Lima Stock Exchange (LSE) rose 3.1 percent and the **Selective Index** rose 2.3 percent.

The LSE indices were influenced by the positive performance of mining and industrial stocks due to the advancement observed in the international prices of commodities.

Lima Stock Exchange Indicators



	As of:		% change compared to:	
	26 Jan. 2016	19 Jan. 2016	29 Dec. 2015	31 Dec. 14
General Index	9,171	3.1	-6.9	-38.0
Selective Index	11,932	2.3	-7.5	-41.1

