



# Weekly Economic Report

June 6, 2019

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## INFLATION EXPECTATIONS REMAIN WITHIN THE TARGET RANGE

According to the BCRP Survey on Macroeconomic Expectations carried out in May, inflation expectations for this year and for the following years remain within the target range.

**Inflation expectations** in 2019 show levels between 2.4 and 2.5 percent. In 2020 and 2021, they register 2.5 percent.

Survey of Macroeconomic Expectations: Inflation  
(%)

	Survey date:		
	Mar 29, 2019	Apr 30, 2019	May 31, 2019
<b>Economic analysts 1/</b>			
2019	2.20	2.30	2.50
2020	2.30	2.40	2.50
2021	2.40	2.50	2.50
<b>Financial entities 2/</b>			
2019	2.40	2.40	2.40
2020	2.50	2.50	2.50
2021	2.50	2.40	2.50
<b>Non-financial firms 3/</b>			
2019	2.50	2.50	2.50
2020	2.50	2.50	2.50
2021	2.50	2.50	2.50

1/ 22 analysts in March, 21 in April, and May 2019.

2/ 20 financial entities in March, 21 in April, and 19 in May 2019.

3/ 326 non-financial firms in March, 320 in April, and 340 in May 2019.

**Expectations of inflation in 12 months**, which recorded 2.47 percent in May of this year, have been within the target range since May 2017.

### Expectation on inflation in 12 month

(% points)



Moreover, Peru's **GDP is expected** to grow between 3.5 and 3.7 percent in 2019 and between 3.8 and 4.0 percent in the following two years.

#### Survey of Macroeconomic Expectations: GDP growth (%)

	Survey date:		
	Mar 29, 2019	Apr 30, 2019	May 31, 2019
<b>Economic analysts 1/</b>			
2019	3.8	3.8	3.5
2020	4.0	4.0	3.8
2021	3.8	4.0	4.0
<b>Financial entities 2/</b>			
2019	3.9	3.8	3.7
2020	4.0	3.9	3.8
2021	4.0	4.0	3.9
<b>Non-financial firms 3/</b>			
2019	3.8	3.7	3.6
2020	4.0	4.0	4.0
2021	4.0	4.0	4.0

1/ 22 analysts in March, 21 in April, and May 2019.

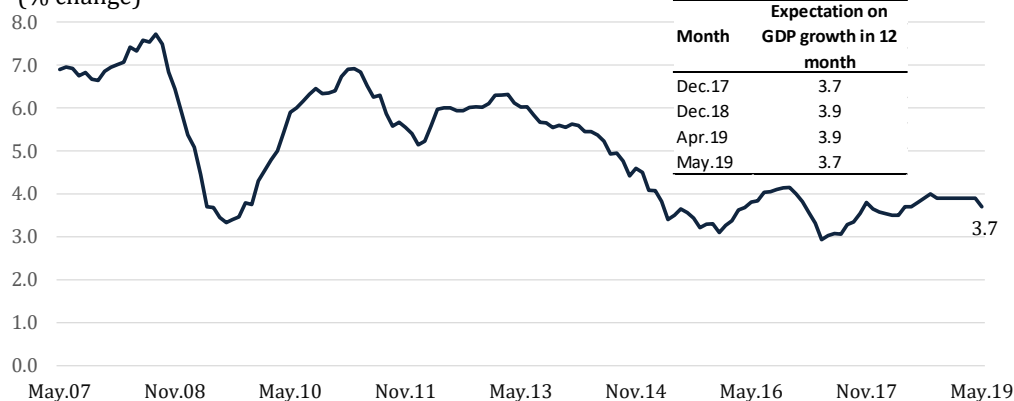
2/ 20 financial entities in March, 21 in April, and 19 in May 2019.

3/ 326 non-financial firms in March, 320 in April, and 340 in May 2019.

The survey results in May also show that the expectations of economic analysts and financial entities for **GDP growth in 12 months** was 3.7 percent.

### Expectation on GDP growth in 12 month by analysts and financial system

(% change)



The USD-PEN exchange rate in 2019 is estimated at S/ 3.35 per US dollar and between S/ 3.35 and S/ 3.40 per US dollar in 2020 and 2021.

**Survey of Macroeconomic Expectations: Exchange rate  
(S/ per US\$)\***

	Survey date:		
	Mar 29, 2019	Apr 30, 2019	May 31, 2019
<b>Economic analysts 1/</b>			
2019	3.32	3.31	3.35
2020	3.34	3.35	3.37
2021	3.36	3.36	3.40
<b>Financial entities 2/</b>			
2019	3.30	3.30	3.35
2020	3.32	3.35	3.35
2021	3.34	3.35	3.35
<b>Non-financial firms 3/</b>			
2019	3.33	3.32	3.35
2020	3.36	3.37	3.37
2021	3.40	3.40	3.40

1/ 22 analysts in March, 21 in April, and May 2019.

2/ 20 financial entities in March, 21 in April, and 19 in May 2019.

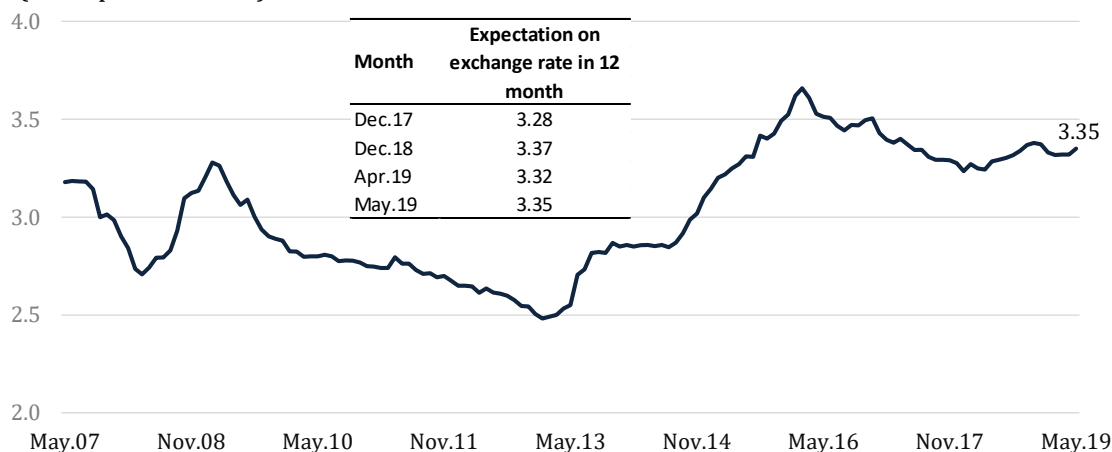
3/ 326 non-financial firms in March, 320 in April, and 340 in May 2019.

\* Exchange rate at end of year.

It is worth mentioning that, in May, economic analysts and financial entities **expected the exchange rate in 12 months** to reach S/ 3.35 per US dollar.

**Expectation on exchange rate in 12 month by analysts and financial system**

(Soles per US dollar)



The survey conducted in May also show that all of the indicators of **business expectations** remain on the optimistic side. Although the indices showed mixed results, the recovery of expectations about the performance of respondents' production sectors in 3 months and in 12 months as well as the recovery of expectations about the demand in 3 months are worth highlighting.

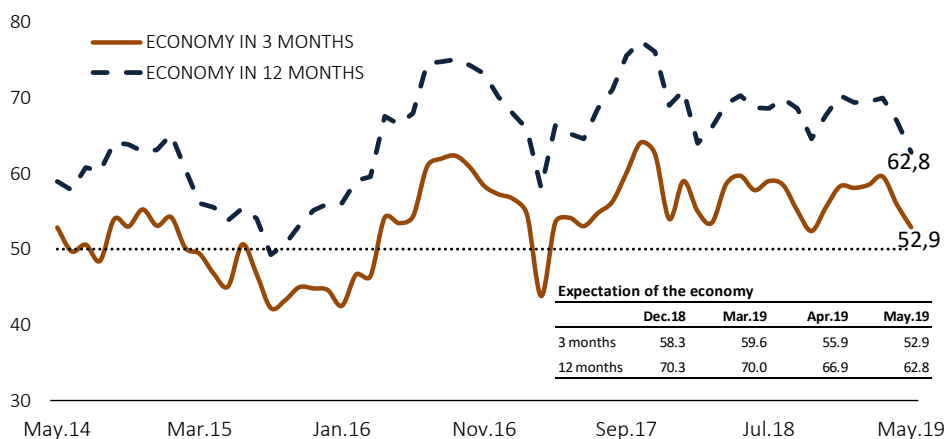
Most of the **indicators on the current situation** remain on the optimistic side.

## Macroeconomic Expectations: Survey Results 1/

		Apr.2019	May.2019	Optimistic tranche >50
<b>EXPECTATION</b>				
1. ECONOMIC SITUATION:	IN 3 MONTHS	55.9	52.9	✓
	IN 12 MONTHS	66.9	62.8	✓
2. SECTOR:	IN 3 MONTHS	54.9	56.3	✓
	IN 12 MONTHS	65.0	65.1	✓
3. COMPANY'S SITUATION:	IN 3 MONTHS	60.4	59.6	✓
	IN 12 MONTHS	72.6	70.6	✓
4. ABOUT DEMAND:	IN 3 MONTHS	60.7	61.3	✓
	IN 12 MONTHS	71.8	71.4	✓
5. NEW PERSONNEL HIRED:	IN 3 MONTHS	49.4	50.2	✓
	IN 12 MONTHS	58.9	56.9	✓
<b>CURRENT SITUATION</b>				
1. BUSINESS SITUATION		56.1	54.3	✓
2. LEVEL OF SALES		57.2	56.7	✓
3. PRODUCTION LEVEL		55.9	54.1	✓
4. DEMAND COMPARED TO THE EXPECTED DEMAND		44.8	44.0	X
5. PURCHASING ORDERS COMPARED TO THE PREVIOUS MONTH		53.0	52.7	✓

1/ Greater than 50 points (neutral) means that confidence is on the optimistic tranche and less than 50 points in the pessimistic tranche.

### Expectation of the economy in 3 and 12 months

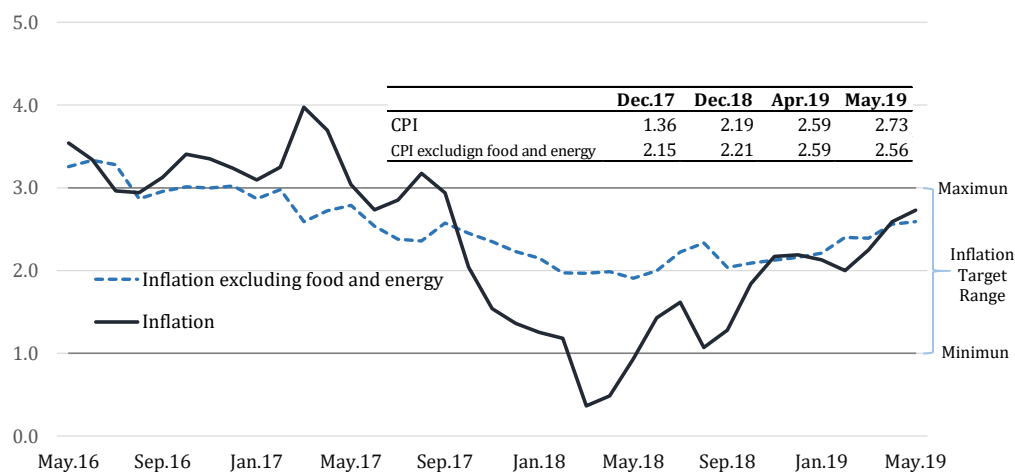


## ANNUAL INFLATION IN MAY WITHIN THE INFLATION TARGET RANGE

In May, inflation registered a monthly rate of 0.15 percent and an annual rate of 2.73 percent –within the BCRP target range of 1 to 3 percent–, reflecting a base effect in the prices of food and energy, which showed an annual decline of 0.30 percent due to the reversal of the effects of the 2017 Niño Costero event.

In addition, remaining within the target range, in May inflation excluding food and energy showed a monthly rate of 0.14 percent and a YoY rate of 2.56 percent (versus 2.59 percent in April).

**Inflation and inflation without food and energy**  
(% change last 12 -month)



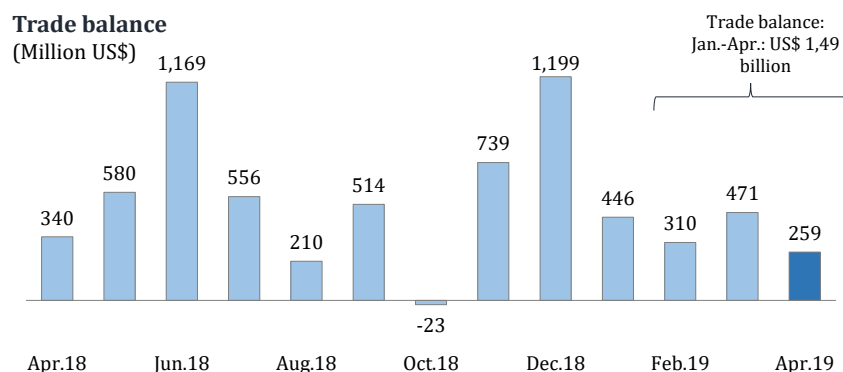
In May, the monthly rate of inflation reflected mainly the rise in the prices of chicken meat (4.3 percent), show tickets (2.8 percent), meals consumed outside the home (0.3 percent), and gasoline and lubricants (1.7 percent). These rises were in part offset by the fall in the prices of vegetables (-3.8 percent), potatoes (-1.8 percent), fresh legumes (-6.5 percent), and tomatoes (-6.4 percent), among other prices.

**Weighted Contribution to Inflation: May 2019**

Positive	Weight	% chg.	Contr.	Negative	Weight	% chg.	Contr.
Chicken meat	3.0	4.3	0.11	Other vegetables	0.4	-3.8	-0.02
Shows tickets	1.7	2.8	0.04	Potato	0.9	-1.8	-0.02
Meals outside the home	11.7	0.3	0.04	Fresh legumes	0.2	-6.5	-0.02
Gasoline and lubricants	1.3	1.7	0.02	Tomato	0.2	-6.4	-0.02
Carrot	0.1	8.8	0.02	Celery	0.0	-21.6	-0.01
Other fresh fruits	0.4	2.6	0.01	Tangerine	0.2	-6.9	-0.01
Apple	0.2	3.7	0.01	Papaya	0.2	-3.8	-0.01
Personal care items	4.9	0.1	0.01	National transport	0.3	-2.3	-0.01
Urban fare	8.5	0.1	0.01	Onion	0.4	-1.4	-0.10
Banana	0.3	1.3	0.01	Avocado	0.1	-4.2	-0.10
<b>Total</b>			<b>0.28</b>				<b>-0.14</b>

**TRADE SURPLUS OF US\$ 259 MILLION IN APRIL**

The **trade balance** showed a surplus of US\$ 259 million in April and thus accumulated a balance of US\$ 1.49 billion in the first four months of the year.



## Trade balance

(Million US\$)

	April			January-April		
	2018	2019	% chg.	2018	2019	% chg.
<b>1. Exports</b>	<b>3,807</b>	<b>3,719</b>	<b>-2.3</b>	<b>15,758</b>	<b>14,903</b>	<b>-5.4</b>
Traditional products	2,762	2,708	-2.0	11,533	10,595	-8.1
Non-traditional products	1,031	996	-3.4	4,174	4,249	1.8
Other	14	15	4.7	52	59	14.5
<b>2. Imports</b>	<b>3,467</b>	<b>3,460</b>	<b>-0.2</b>	<b>13,505</b>	<b>13,417</b>	<b>-0.7</b>
Consumer goods	801	724	-9.5	3,151	3,053	-3.1
Raw materials and intermediate goods	1,686	1,711	1.5	6,506	6,482	-0.4
Capital goods	973	1,019	4.7	3,791	3,847	1.5
Other goods	7	6	-16.1	58	34	-40.7
<b>3. Trade balance</b>	<b>340</b>	<b>259</b>		<b>2,253</b>	<b>1,486</b>	

Source: SUNAT and BCRP.

**Exports** in April amounted to US\$ 3.72 billion. The volume of exports increased 2.0 percent due to greater shipments of copper, fishmeal, and coffee, as well as due to higher exports of non-traditional agriculture and fishing products, whereas the average prices of exports decreased 4.2 percent. Moreover, traditional exports in April amounted to US\$ 2.71 billion, while non-traditional exports amounted to US\$ 996 million.

## Exports by group of product

(Million US\$)

	April			January-April		
	2018	2019	% Chg.	2018	2019	% Chg.
<b>1. Traditional products</b>	<b>2,762</b>	<b>2,708</b>	<b>-2.0</b>	<b>11,533</b>	<b>10,595</b>	<b>-8.1</b>
Fishing	71	160	125.4	378	825	118.0
Agricultural	16	24	51.5	114	116	2.3
Mining	2,381	2,292	-3.7	9,750	8,583	-12.0
Oil and natural gas	294	231	-21.3	1,291	1,071	-17.0
<b>2. Non-traditional products</b>	<b>1,031</b>	<b>996</b>	<b>-3.4</b>	<b>4,174</b>	<b>4,249</b>	<b>1.8</b>
Agricultural	389	376	-3.3	1,744	1,830	4.9
Fishing	130	159	22.5	446	542	21.6
Textiles	112	104	-7.2	437	453	3.7
Wood and paper, and its manufacturing	32	27	-17.6	110	111	1.0
Chemicals	137	118	-13.3	519	494	-4.9
Non-metallic minerals	52	53	2.3	199	189	-4.6
Iron & steel, and jewelry	123	107	-12.7	482	411	-14.8
Metal mechanic products	45	43	-3.7	188	181	-3.7
Others 1/	12	9	-27.1	49	39	-21.1
<b>3. Others 2/</b>	<b>14</b>	<b>15</b>	<b>4.7</b>	<b>52</b>	<b>59</b>	<b>14.5</b>
<b>4. TOTAL EXPORS</b>	<b>3,807</b>	<b>3,719</b>	<b>-2.3</b>	<b>15,758</b>	<b>14,903</b>	<b>-5.4</b>

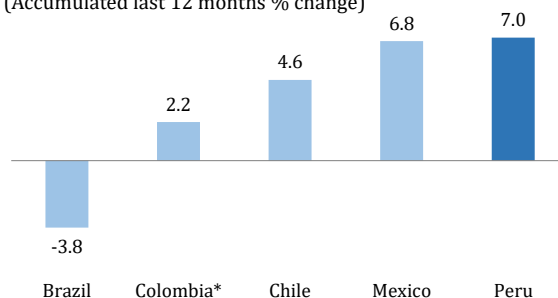
1/ Includes furs, leather, and handicrafts, mainly.

2/ Includes fuels and food sold to foreign ships, and repairs of capital goods.

Source: SUNAT and BCRP.

It is worth pointing out that **Peruvian non-traditional exports** in the last 12 months have registered the highest growth rate (7 percent) of the exports of the main countries in the region.

**Non-traditional exports: April 2019**  
(Accumulated last 12 months % change)



\* It includes the cumulative variation to March.

On the other hand, **imports** in April totaled US \$ 3.46 billion, down 0.2 percent in YoY terms, due to lower purchases of consumer goods and to higher imports of inputs and capital goods. Furthermore, imports increased 0.1 percent in terms of volume and decreased 0.3 percent in terms of value.

**Imports by use or destination**

(Million US\$)

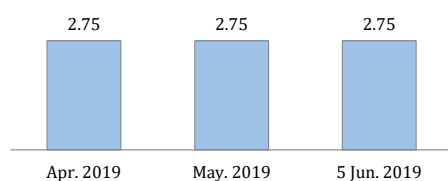
	April			January-April		
	2018	2019	% Chg.	2018	2019	% Chg.
<b>TOTAL IMPORTS</b>	<b>3,467</b>	<b>3,460</b>	<b>-0.2</b>	<b>13,505</b>	<b>13,417</b>	<b>-0.7</b>
<b>1. CONSUMER GOODS</b>	<b>801</b>	<b>724</b>	<b>-9.5</b>	<b>3,151</b>	<b>3,053</b>	<b>-3.1</b>
Non-durable goods	411	407	-1.1	1,689	1,746	3.4
Main food products	46	29	-37.2	211	135	-36.0
Rest	365	378	3.5	1,479	1,612	9.0
Durable goods	389	318	-18.4	1,462	1,306	-10.6
<b>2. INPUTS</b>	<b>1,686</b>	<b>1,711</b>	<b>1.5</b>	<b>6,506</b>	<b>6,482</b>	<b>-0.4</b>
Fuel, oils, and related	519	535	3.1	2,102	1,928	-8.3
Raw materials for agriculture	107	135	25.7	438	472	7.8
Raw materials for industry	1,060	1,042	-1.7	3,966	4,083	2.9
<b>3. CAPITAL GOODS</b>	<b>973</b>	<b>1,019</b>	<b>4.7</b>	<b>3,791</b>	<b>3,847</b>	<b>1.5</b>
Construction materials	88	113	29.0	362	422	16.4
For agriculture	13	12	-4.0	47	45	-6.1
For industry	607	644	6.1	2,402	2,480	3.2
Transportation equipment	266	249	-6.4	979	901	-7.9
<b>4. OTHERS GOODS</b>	<b>7</b>	<b>6</b>	<b>-16.1</b>	<b>58</b>	<b>34</b>	<b>-40.7</b>

Source: SUNAT, Free Trade Zone, and MEF.

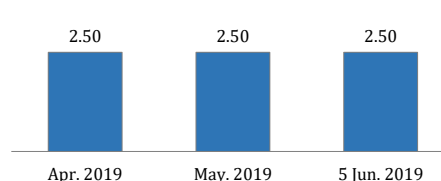
**INTERBANK INTEREST RATE IN SOLES AT 2.75 PERCENT**

On June 5, the **interbank interest rate** in soles showed an annual rate of 2.75 percent and this rate in dollars registered 2.50 percent.

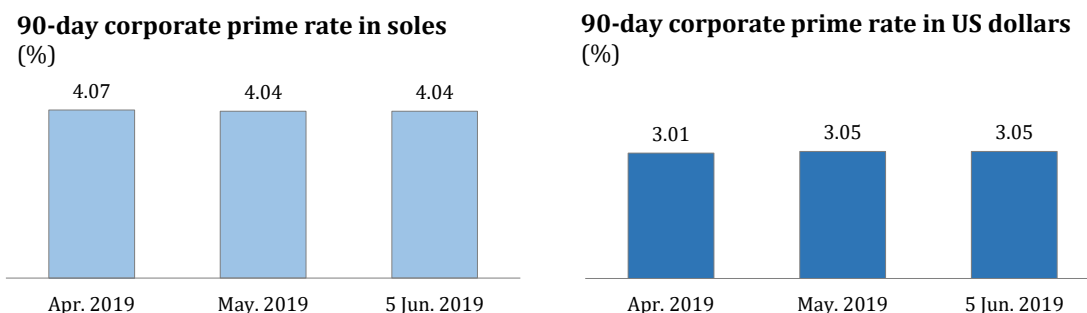
**Interbank interest rate in soles**  
(%)



**Interbank interest rate in US dollars**  
(%)



On the same date, the average **90-day corporate prime rate** –the interest rate charged by commercial banks to lower risk businesses– in soles was 4.04 percent while the prime rate in dollars was 3.05 percent.



### BCRP MONETARY OPERATIONS

At June 5, BCRP has made the following **monetary operations**:

- i. CD BCRP: On June 5, the balance of BCRP certificates of deposit was S/ 27.60 billion, with an average interest rate of 2.8 percent, while this balance at end-May was S/ 27.50 billion, with the same average interest rate.

#### Interest rate of auctions of CD BCRP (%)

	Term (Months)			
	3	6	12	18
6 May.		2.50		
7 May.		2.51		
8 May.			2.68	2.79
9 May.		2.51	2,67-2,68	
10 May.		2.54	2.68	
13 May.		2,53-2,55	2.69	
14 May.			2.69	
15 May.				2.79
16 May.			2.69	
20 May.		2.56		
22 May.				2.77
23 May.			2.68	
27 May.		2.57		
29 May.				2.74
30 May.			2.65	
3 Jun.		2.56		
5 Jun.				2.70

- ii. Overnight deposits: The balance of this instrument on June 5 was S/ 183 million, with an average interest rate of 1.5 percent. At end-May the balance was S/ 1.48 billion, with the same average interest rate.
- iii. Currency repos: On June 5, the balance of regular currency repos was S/ 11.65 billion, with an interest rate of 4.0 percent, while the balance at end May was S/ 10.95 billion, with a similar interest rate. Like at the end of May, credit expansion repos and credit substitution repos showed zero balances on June 5.



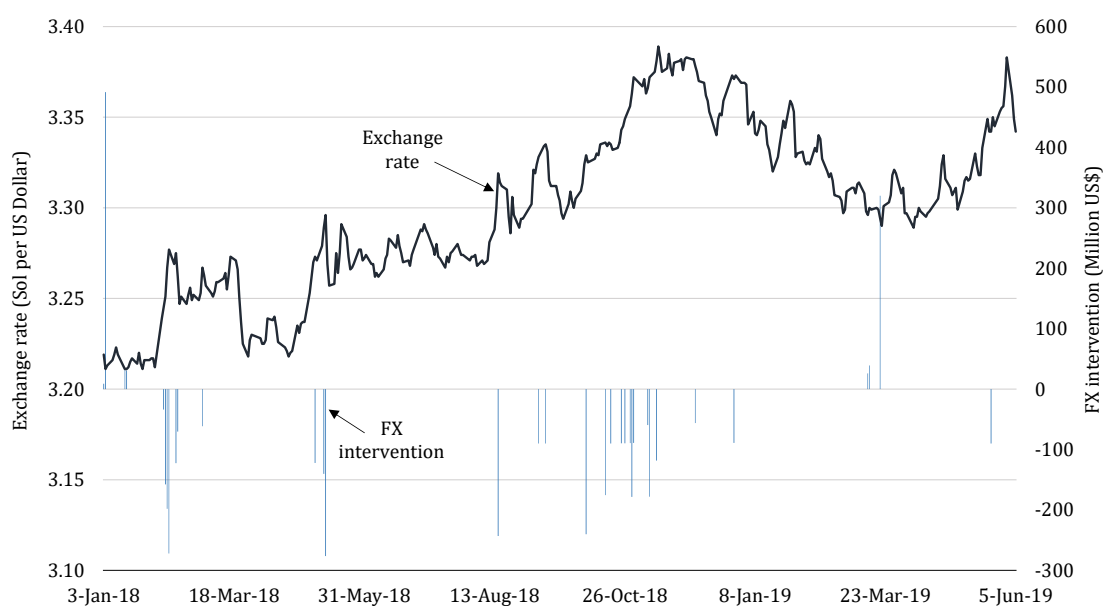
- iv. Security repos: The balance of security repos on June 5 was S/ 7.85 billion with an average interest rate of 3.8 percent, while this balance at the end of May was S/ 6.75 billion, with an average interest rate of 3.9 percent.
- v. Term deposits: Like at the end of May, term deposits showed a zero balance on June 5.
- vi. Auctions of Treasury funds: On June 5, this instrument showed a balance of S/ 4.40 billion with an average interest rate of 4.3 percent, like at the end of May.

As for its **foreign exchange operations**, at June 5, BCRP has not intervened in the foreign exchange market:

- i. BCRP did not intervene in the spot market.
- ii. FX Swaps-sell: The balance of this instrument on June 5 was S/ 300 million (US\$ 90 million), with an average interest rate of 1.6 percent. At the end of May, this instrument showed the same balance.
- iii. CDLD BCRP, CDR BCRP, and FX Swaps-buy: Like at the end of May, these instruments showed zero balances on June 5.

On June 5, the **interbank selling price of the dollar** closed at S/ 3.34 per dollar, a result 1.2 percent lower than at end-May. As a result, the sol accumulates an appreciation of 0.8 percent so far this year.

**Exchange rate and FX intervention of BCRP <sup>1/</sup>**



<sup>1/</sup> Includes sell / purchases of US\$, placements of CDR BCRP and FX-Swaps, and CDLD BCRP.

At June 5, the monetary base has increased by S/ 3.34 billion compared to the end of May due to banks' higher demand for banknotes and coins associated with the

beginning of a new period of reserve requirements . In this context, BCRP injected liquidity through the net placement of security repos (S/ 1.10 billion) and currency repos (S/ 700 million), the net maturity of term deposits (US\$ 1.30 billion), and the decline of public sector deposits at BCRP (S/ 109 million). These operations were in part offset by net placements of CDBCRP (S/ 100 million).

In the last 12 months, the monetary base grew 5.8 percent, mainly as a result of the 5.2 increase observed in the banknotes and coins issued in the same period, in line with the expansion of economic activity.

### Monetary balance of the Central Reserve Bank of Peru

(Million S/)

	Balance			Flows	
	Dec 31, 18	May 31, 19	Jun 5, 19	2019	Jun 5, 19
<b>I. NET INTERNATIONAL RESERVES</b>	<b>202,609</b>	<b>223,463</b>	<b>221,257</b>	<b>19,555</b>	<b>-882</b>
<i>(Millions US\$)</i>	<i>60,121</i>	<i>66,309</i>	<i>66,047</i>	<i>5,926</i>	<i>-262</i>
1. Foreign Exchange Position	39,548	40,924	41,077	1,528	152
2. Deposits of the Commercial Banks	12,898	17,626	17,207	4,309	-419
3. Deposits of the Public Sector	8,202	8,313	8,325	123	12
<b>II. NET DOMESTIC ASSETS</b>	<b>-141,242</b>	<b>-165,515</b>	<b>-159,967</b>	<b>-19,632</b>	<b>4,224</b>
1. Credit to the financial sector in soles	-9,017	-4,424	-1,429	7,588	2,995
a. Security repos	5,950	6,750	7,850	1,900	1,100
b. Currency repos	7,358	10,953	11,653	4,295	700
c. Securities issued	-24,523	-25,049	-25,149	-626	-100
i. CDBCRP	-24,523	-25,049	-25,149	-626	-100
d. Auctions of funds of PT and BN	4,000	4,400	4,400	400	0
e. Other deposits in soles	-1,802	-1,478	-183	1,619	1,295
2. Net assets public sector in soles	-45,439	-56,580	-56,470	-11,032	109
Holding of CDBCRP by Banco de la Nación	-2,538	-2,455	-2,455	183	0
3. Credit to the financial sector in dollars	-43,465	-59,399	-57,642	-14,220	1,409
<i>(Millions US\$)</i>	<i>-12,898</i>	<i>-17,626</i>	<i>-17,207</i>	<i>-4,309</i>	<i>419</i>
a. Deposits in foreign currency	-12,898	-17,626	-17,207	-4,309	419
4. Net assets public sector in dollars	-25,749	-26,028	-25,898	-298	-25
<i>(Millions US\$)</i>	<i>-7,641</i>	<i>-7,723</i>	<i>-7,731</i>	<i>-90</i>	<i>-7</i>
5. Other Net Accounts	-17,572	-19,084	-18,527	-1,670	-264
<b>III. MONETARY BASE (I+II) <sup>1/</sup></b>	<b>61,367</b>	<b>57,948</b>	<b>61,290</b>	<b>-77</b>	<b>3,342</b>
<i>(% change 12 months)</i>	<i>7.3%</i>	<i>6.8%</i>	<i>5.8%</i>		

1/ Currency plus reserve requirement in domestic currency.

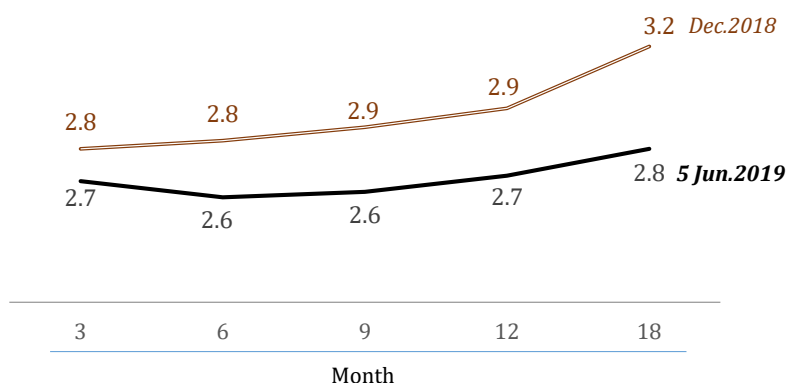
### SHORT-TERM YIELD CURVES

So far in June (at June 5), the yield curve of CD BCRP is below the one observed in December 2018.

BCRP Certificates of Deposit (CD BCRP) are a monetary sterilization instrument that can be traded in the market or used in interbank repos or in repos with BCRP. The yields in the representative terms –3 months to 18 months– provide a guide for short-term

financial operations. The shape of this yield curve is influenced by expectations of future monetary policy rates and by liquidity conditions in the market.

**Yield curve of CDBCRP**  
(%)



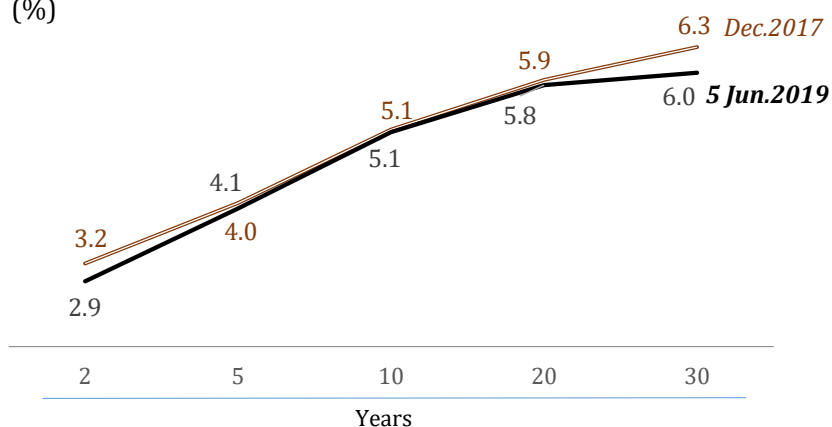

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### PUBLIC TREASURY BONDS

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Markets use the yield on the Public Treasury bonds as a benchmark for terms of 2 years or more. At June 5, 2019, the middle section of the yield curve of sovereign bonds shows slightly lower values to those observed in December 2017.

**Yield curve of BTP**  
(%)




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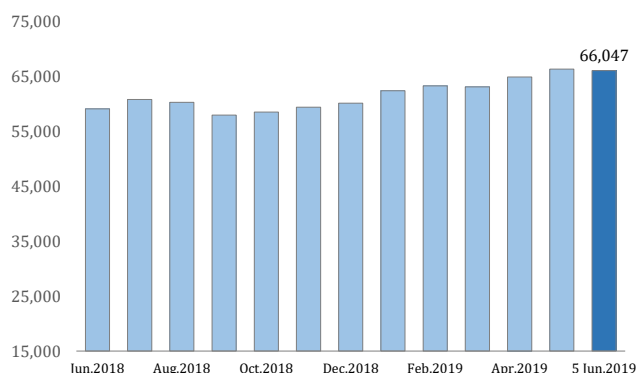
### INTERNATIONAL RESERVES AT US\$ 66.05 BILLION ON JUNE 5

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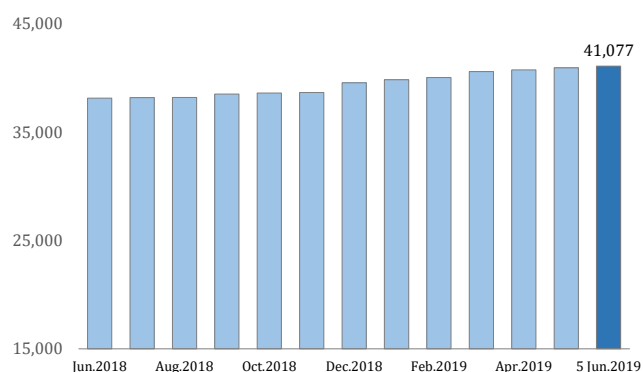
On June 5, Peru's net international reserves –made up mainly by liquid international assets– amounted to US\$ 66.05 billion. This level of reserves, which is US\$ 5.93 billion higher than the amount of NIRs at end December 2018, is equivalent to 29 percent of GDP.

The foreign exchange position of BCRP on June 5 was US\$ 41.08 billion, a figure US\$ 1.53 billion higher than the balance at the end of 2018.

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



**Exchange Position**  
(Million US\$)



## INTERNATIONAL MARKETS

### International price of gold up

In May 29-June 5, the price of **gold** climbed 4.2 percent to US\$ 1,335.1 the troy ounce.

This price rise is explained by the depreciation of the dollar and by a higher demand for safe assets.

**Gold Price**  
(US\$/tr. ounce)



	% change		
	29 May.2019	30 Apr.2018	31 Dec.2018
US\$ 1,335.1/troy oz.	4.2	4.1	4.2

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



	% change		
	29 May.2019	30 Apr.2018	31 Dec.2018
US\$ 2.65/pound	-0.5	-9.5	-2.2

On the other hand, in the same period the price of **copper** fell 0.5 percent to US\$ 2.65 the pound.

This fall is associated with the increase observed in global inventories, especially at the London Metal Exchange.

In the week of May 29-June 5, the price of **zinc** fell 2.8 percent to US\$ 1.18 a pound.

This price fall is associated with expectations of a deterioration of global demand.

### Zinc Price

(ctv. US\$/lb.)



	% change		
	5 Jun.2019	29 May.2019	30 Apr.2018
<b>US\$ 1.18/pound</b>	<b>-2.8</b>	<b>-11.2</b>	<b>3.8</b>

The price of **WTI oil** dropped 12.1 percent to US\$ 51.7 the barrel in May 29-June 5.

The price of oil was affected by fears of a higher growth of crude production in the United States.

### WTI Oil Price

(US\$/barrel)



	% change		
	5 Jun.2019	29 May.2019	30 Apr.2018
<b>US\$ 51.7/barrel</b>	<b>-12.1</b>	<b>-19.1</b>	<b>13.8</b>

## Price of food commodities fell in international markets

In May 29-June 5, the price of **wheat** fell 1.5 percent to US\$ 167.2 the ton.

The price of wheat fell after the USDA reported better conditions for the cultivation of winter wheat in the United States.

### Wheat price

(US\$/ton.)



	% change		
	5 Jun.2019	29 May.2019	30 Apr.2018
<b>US\$ 167.2/ton.</b>	<b>-1.5</b>	<b>14.0</b>	<b>-9.7</b>

In the week of May 29-June 5, the price of **soybean oil** declined 2.3 percent to US\$ 607.8 a ton.

This price was affected by the report of the US Department of Agriculture indicating greater progress in soybean sowing in the United States.

### Soybean oil price (US\$/ton.)



% change			
5 Jun.2019	29 May.2019	30 Apr.2018	31 Dec.2018
<b>US\$ 607.8/ton.</b>	<b>-2.3</b>	<b>2.1</b>	<b>1.0</b>

In the same period, the price of **maize** fell 0.3 percent to US\$ 154.7 a ton.

This price fall was influenced by expectations of an increase in trade tensions between the United States and Mexico.

### Maize price (US\$/ton.)



% change			
5 Jun.2019	29 May.2019	30 Apr.2018	31 Dec.2018
<b>US\$ 154.7/ton.</b>	<b>-0.3</b>	<b>17.7</b>	<b>14.6</b>

## Dollar depreciated in international markets

In May 29-June 5, the **dollar** depreciated 0.9 percent against the **euro**, influenced by weak indicators of activity in the United States.

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



% change			
5 Jun.2019	29 May.2019	30 Apr.2018	31 Dec.2018
<b>1.12 US\$/euro</b>	<b>0.8</b>	<b>0.0</b>	<b>-2.2</b>

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

### FED index

(January 06=100)



Variation in basis points			
31 May.2019	24 May.2019	29 Mar.2019	31 Dec.2018
115.1	0.5	1.2	1.0

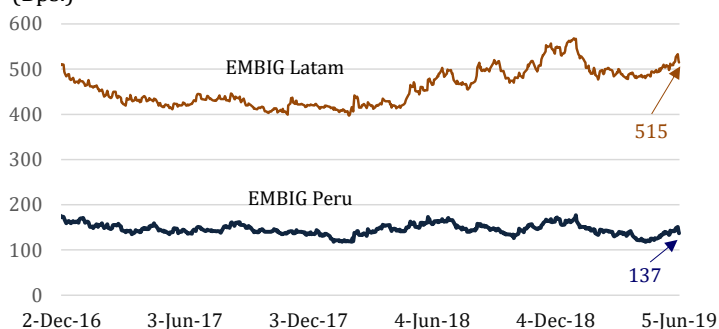
### Country risk fell to 137 basis points

In May 29-June 5, the country risk indicator, measured by the **EMBIG Peru** spread, fell from 141 bps to 137 bps.

On the other hand, in the same period the **EMBIG LatinAmerica** spread remained at 515 bps amid trade tensions and the comments of some Fed authorities pointing to the likelihood that interest rates could be lowered this year.

### Country Risk Indicator

(Bps.)



	Variation in basis points			
	5 Jun.2019	29 May.2019	30 Apr.2018	31 Dec.2018
EMBIG Peru (bps)	137	-4	11	-31
EMBIG Latam (bps)	515	0	20	-53

### Yield on 10-year US Treasuries fell to 2.14 percent

In the week of May 29 – June 5, the yield on the 10-year **Treasury bonds** fell 13 bps to 2.14 percent in a context marked by fears of a global slowdown as a result of greater commercial tensions.

### 10-Year US Treasury rate

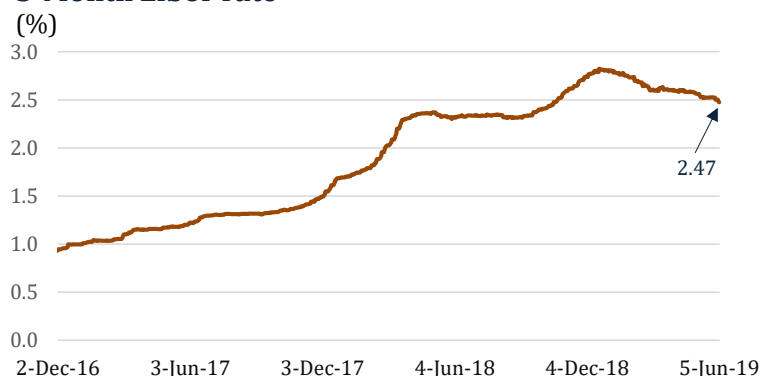
(%)



Variation in basis points			
5 Jun.2019	29 May.2019	30 Apr.2018	31 Dec.2018
2.14%	-13	-37	-55

In the same period, the **3-month Libor** fell 5 bps to 2.47 percent, influenced by positive indicators in some Eurozone economies and by encouraging news regarding the Brexit.

### 3-Month Libor rate



Variation in basis points			
5 Jun.2019	29 May.2019	30 Apr.2018	31 Dec.2018
2.47%	-5	-10	-33

## INDICES OF THE LIMA STOCK EXCHANGE ROSE IN MAY 29-JUNE 5

In the week of May 29-June 5, the **General Index** (IGBVL-Peru General) of the Lima Stock Exchange (LSE) rose 2.3 percent while the **Selective Index** (ISBVL-Lima 25) rose 0.7 percent.

This rise in the LSE indices reflected the increase registered in the international prices of precious metals.

Year-to-date, the General Index has risen 3.9 percent, while the Selective Index has fallen 3.9 percent.

### Lima Stock Exchange Indicators



	As of:	% change compared to:		
	5 Jun.2019	29 May.2019	30 Apr.2018	31 Dec.2018
Peru General	20,101	2.3	-3.8	3.9
Lima 25	25,485	0.7	-6.8	-3.9



Resumen de Indicadores Económicos																		
	2016	2017	2018					2019										
	Dic.	Dic.	Mar.	Jun.	Set.	Dic.	Ene.	Feb.	Mar.	Abr.	May. 30	May. 31	May.	Jun. 3	Jun. 4	Jun. 5	Jun.	
	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	
<b>RESERVAS INTERNACIONALES (MibL. US\$)</b>																		
Posición de cambio	27 116	37 493	38 101	38 120	38 498	39 548	39 828	40 033	40 582	40 738	40 807	40 924	187	41 028	41 062	41 077	152	
Reservas internacionales netas	61 686	63 621	62 032	59 079	57 941	60 121	62 380	63 254	63 091	64 882	65 855	66 309	1 427	66 205	66 197	66 047	-262	
Depósitos del sistema financiero en el BCRP	19 937	17 345	15 752	13 006	11 729	12 948	14 874	15 563	14 556	16 316	17 520	17 782	1 466	17 626	17 628	17 445	-337	
Empresas bancarias	18 903	16 660	15 141	12 466	11 244	12 515	14 472	15 167	14 084	15 677	16 877	17 162	1 485	16 984	16 956	16 735	-427	
Banco de la Nación	378	157	120	144	112	51	71	38	34	220	196	156	-64	186	205	238	83	
Resto de instituciones financieras	657	529	491	397	372	382	331	358	437	418	447	463	45	456	467	471	8	
Depósitos del sector público en el BCRP*	15 065	9 349	8 733	8 494	8 256	8 152	8 215	8 190	8 417	8 395	8 107	8 157	-237	8 108	8 067	8 087	-71	
<b>OPERACIONES CAMBIARIAS BCR (MibL. US\$)</b>																		
Operaciones Cambiarias	2	3 441	-224	61	210	651	2	148	405	90	0	1	8	28	36	0	64	
Compras netas en Mesa de Negociación	0	16	0	0	0	0	0	0	385	0	0	0	0	0	0	0	0	
Operaciones con el Sector Público	0	3 670	153	61	210	650	1	148	18	89	0	1	8	28	36	0	64	
Otros	2	-245	-377	0	0	1	1	0	2	1	0	0	0	0	0	0	0	
<b>TIPO DE CAMBIO (S/. por US\$)</b>																		
	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	
Compra interbancario	3,394	3,246	3,250	3,271	3,311	3,363	3,343	3,321	3,304	3,303	3,362	3,372	3,332	3,370	3,348	3,349	3,356	
Venta Interbancario	Apertura	3,401	3,250	3,252	3,273	3,313	3,365	3,346	3,322	3,304	3,364	3,374	3,335	3,379	3,351	3,347	3,359	
	Mediodia	3,396	3,246	3,251	3,272	3,312	3,366	3,344	3,322	3,306	3,363	3,372	3,333	3,371	3,348	3,354	3,358	
	Cierre	3,395	3,249	3,251	3,273	3,313	3,364	3,344	3,321	3,306	3,367	3,383	3,333	3,362	3,349	3,342	3,351	
	Promedio	3,397	3,248	3,252	3,272	3,313	3,365	3,344	3,322	3,306	3,365	3,374	3,334	3,372	3,349	3,350	3,357	
Sistema Bancario (SBS)	Compra	3,393	3,244	3,249	3,270	3,310	3,362	3,342	3,320	3,303	3,368	3,367	3,331	3,372	3,348	3,351	3,357	
	Venta	3,398	3,248	3,252	3,272	3,313	3,366	3,345	3,323	3,306	3,363	3,370	3,334	3,373	3,351	3,353	3,359	
Índice de tipo de cambio real (2009 = 100)	96,1	97,0	99,6	97,2	96,0	96,4	97,0	96,9	95,7	95,6			95,3					
<b>INDICADORES MONETARIOS</b>																		
<b>Moneda nacional / Domestic currency</b>																		
Emisión Primaria (Var. % mensual)	6,9	7,6	2,2	2,5	-2,1	7,6	-4,8	-0,8	-0,2	1,0	-2,0	-0,8	-0,8	5,9	6,0	5,8		
Monetary base (Var. % últimos 12 meses)	4,1	8,3	10,5	7,2	8,9	7,3	6,5	6,5	4,0	6,6	5,0	6,8	6,8	2,7	4,7	5,8		
Oferta monetaria (Var. % mensual)	3,5	3,7	0,8	0,5	-0,2	3,7	-0,8	-0,5	2,5	-1,3								
Money Supply (Var. % últimos 12 meses)	9,0	12,5	14,9	12,4	11,6	12,1	10,6	9,7	11,6	11,1								
Crédito sector privado (Var. % mensual)	0,3	0,8	0,9	0,8	1,1	1,5	0,3	0,3	1,3	0,4								
Crédito to the private sector (Var. % últimos 12 meses)	7,2	5,3	7,4	9,3	10,1	11,6	11,8	11,2	11,7	10,7								
TOSE saldo fin de periodo (Var. % acum. en el mes)	-0,5	2,1	-0,5	0,6	-1,0	3,2	0,5	0,8	0,9	-1,0	0,4	0,4	0,4	0,2	-0,5			
Superávit de encaje promedio (% respecto al TOSE)	0,2	0,2	0,1	0,2	0,1	0,1	0,1	0,1	0,2	0,1	0,1	0,1	0,1	-0,2	0,2			
Cuenta corriente de los bancos (saldo mill. S/.)	2 539	2 383	2 272	2 720	2 303	2 623	2 465	2 935	2 794	3 024	883	859	2 325	4 372	4 401	4 283		
Depósitos públicos en el BCRP (millones S/.)	28 467	42 169	39 330	42 762	42 423	39 546	39 082	40 047	44 687	49 063	50 244	50 370	50 370	50 566	50 439	50 261	50 261	
Certificados de Depósito BCRP (saldo Mill.S/.)	22 964	30 747	32 343	26 574	25 961	27 061	29 494	31 394	29 226	27 742	27 504	27 504	27 504	27 554	27 554	27 604	27 604	
Subasta de Depósitos a Plazo (saldo Mill.S/.) **	0	0	0	0	0	0	200	128	0	0	1 000	0	0	0	0	0	0	
CDBCRP-MN con Tasa Variable (CDV BCRP) (Saldo Mill.S/.) ***	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
CD Reajustables BCRP (saldo Mill.S/.)	805	835	1 887	510	0	0	0	0	0	0	0	0	0	0	0	0	0	
Operaciones de reporte monedas (saldo Mill.S/.)	26 630	16 680	14 380	8 058	6 858	7 358	7 453	8 353	8 653	10 353	10 953	10 953	10 953	11 053	11 253	11 653	11 653	
Operaciones de reporte (saldo Mill.S/.)	28 729	22 100	17 320	13 988	12 973	13 308	12 208	13 203	14 753	17 203	16 703	17 703	17 703	20 003	19 753	19 503	19 503	
Tasa de interés (%)	TAMN	17,19	15,82	15,11	14,10	14,31	14,30	14,32	14,37	14,49	14,51	14,54	14,53	14,48	14,52	14,53	14,51	14,52
	Préstamos hasta 360 días ****	11,60	11,08	10,88	10,36	10,55	10,92	10,89	10,89	11,04	11,16	11,20	n.d.	11,13	n.d.	n.d.	n.d.	n.d.
	Interbancaria	4,37	3,26	2,81	2,78	2,75	2,75	2,75	2,75	2,75	2,75	2,75	2,75	2,75	2,75	2,75	2,75	2,75
	Preferencial corporativa a 90 días	5,19	3,58	3,24	3,47	3,88	4,31	4,53	4,36	4,05	4,05	4,04	4,04	4,04	4,04	4,04	4,04	4,04
	Operaciones de reporte con CDBCRP	2,43	3,79	4,13	3,35	3,58	3,95	3,91	4,02	3,96	3,92	4,04	3,86	3,86	3,63	3,69	3,77	3,77
	Operaciones de reporte monedas	4,86	4,88	4,84	4,80	3,72	3,80	3,75	3,88	4,09	4,03	4,00	4,00	4,00	3,99	3,98	3,97	3,97
	Créditos por regulación monetaria *****	4,80	3,80	3,30	3,30	3,30	3,30	3,30	3,30	3,30	3,30	3,30	3,30	3,30	3,30	3,30	3,30	3,30
	Del saldo de CDBCRP	4,75	3,96	3,23	2,96	2,73	2,69	2,72	2,73	2,74	2,75	2,75	2,75	2,75	2,75	2,75	2,75	2,75
Del saldo de depósitos a Plazo	3,70	3,01	2,27	2,26	2,21	2,64	2,00	2,71	2,52	2,42	2,53	2,53	2,53	s.m.	s.m.	s.m.	s.m.	
Spread del saldo del CDV BCRP - MN	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.	s.m.	s.m.	s.m.	
<b>Moneda extranjera / Foreign currency</b>																		
Crédito sector privado (Var. % mensual)	2,3	0,8	0,1	0,2	0,9	0,8	-1,9	-0,5	1,3	0,1								
(Var. % últimos 12 meses)	1,9	8,5	8,1	8,6	6,9	3,0	1,1	0,3	1,5	1,2								
TOSE saldo fin de periodo (Var. % acum. en el mes)	0,7	2,1	0,2	-0,4	-2,2	-1,0	3,6	0,7	0,7	2,7	3,1	3,5	3,5	0,0	0,7			
Superávit de encaje promedio (% respecto al TOSE)	0,6	0,5	0,4	0,8	1,1	0,4	0,3	0,4	0,9	0,5	0,3	0,4	0,4	5,3	6,5			
Tasa de interés (%)	TAMEX	7,56	6,71	7,15	7,38	7,72	7,88	7,99	8,25	8,12	7,83	7,66	7,70	7,71	7,72	7,74	7,72	7,73
	Préstamos hasta 360 días ****	4,58	3,94	4,32	4,58	4,95	4,97	5,10	5,31	5,21	4,99	4,78	n.d.	4,88	n.d.	n.d.	n.d.	n.d.
	Interbancaria	0,58	1,50	1,58	1,95	2,00	2,29	2,50	2,50	2,50	2,50	s.m.	s.m.	2,50	s.m.	s.m.	s.m.	s.m.
	Preferencial corporativa a 90 días	1,20	2,27	2,65	3,00	3,02	3,35	3,48	3,36	3,15	3,05	3,05	3,05	3,05	3,05	3,05	3,05	3,05
Ratio de dolarización de la liquidez (%)	34,6	32,4	32,4	32,2	31,6	30,8	31,0	31,0	30,5	30,9								
Ratio de dolarización de los depósitos (%)	42,4	39,5	38,8	38,9	38,1	37,3	37,4	37,3	36,7	37,2								
<b>INDICADORES BURSÁTILES</b>																		
Índice General Bursátil (Var. %)	0,9	1,4	-2,4	-4,9	0,6	0,9	4,3	2,1	2,3	-1,0	0,8	0,6	-4,7	0,3	0,0	0,6	0,9	
Índice Selectivo Bursátil (Var. %)	1,6	-1,3	-4,4	-7,9	-2,0	0,2	3,0	0,7	1,9	-2,4	0,4	-0,7	-7,7	-0,2	0,4	0,8	1,0	
Monto negociado en acciones (Mill. S/.) - Prom. Diario /	28,6	55,0	34,7	35,5	30,9	48,7	26,7	37,9	35,0	20,4	19,9	50,3	92,2	23,5	11,2	9,1	14,6	
<b>INFLACIÓN (%)</b>																		
Inflación mensual	0,33	0,16	0,49	0,33	0,19	0,18	0,07	0,13	0,73	0,20			0,15					
Inflación últimos 12 meses	3,23	1,36	0,36	1,43	1,28	2,19	2,13	2,00	2,25	2,59			2,73					
<b>SECTOR PÚBLICO NO FINANCIERO (MibL. S/.)</b>																		
Resultado primario	-7 688	-8 659	1 411	-726	-1 635	-9 847	1 935	2 772	1 939	3 515								
Ingresos corrientes del GG	11 651	12 835	12 307	11 246	11 164	11 899	12 685	11 921	12 690	16 007								
Gastos no financieros del GG	19 701	21 491	11 139	11 569	12 190	21 670	10 665	9 867	10 665	11 952								
<b>COMERCIO EXTERIOR (MibL. US\$)</b>																		
Balanza Comercial	1 087	1 240	667	1 169	514	1 199	446	310	471	259								