



PRESS RELEASE

MONETARY POLICY STATEMENT APRIL 2025 BCRP MAINTAINED THE REFERENCE RATE AT 4.75%

1. The Board of Directors of the Central Reserve Bank of Peru (BCRP) agreed to keep the reference rate steady at 4.75 percent. Future reference rate adjustments will be conditional on new information about inflation and its determinants.
2. The decision to maintain the reference rate considered the following information and projections:
 - i. In March, monthly headline inflation rate was 0.81 percent, and core inflation was 0.64 percent. Between February and March, year-on-year inflation decreased from 1.5 to 1.3 percent, in line with expectations. This monthly inflation result is mainly explained by an increase in the prices of certain food items, as well as a seasonal rise in education costs. Year-on-year core inflation fell from 2.1 percent in February to 1.9 percent in March, close to the midpoint of the target range.
 - ii. Inflation expectations have increased in several major economies, particularly in the United States of America, influenced by rising trade tensions. In this context, the projected convergence of inflation toward its target may be slower than expected.
 - iii. One-year-ahead inflation expectations remained at 2.28 percent in March, within the inflation target range.
 - iv. Year-on-year inflation is expected to return in the coming months to levels close to the center of the target range. Likewise, core inflation is expected to remain around 2 percent.
 - v. In March, the majority of the current situation and economic activity expectations indicators showed a recovery. All expectation indicators remained in the optimistic territory for the third consecutive month, in a context where economic activity is around its potential level.
 - vi. The outlook for global economic activity has deteriorated due to the high uncertainty stemming from restrictive measures on international trade. In this context, financial market volatility has increased, along with risks to the global economy.
3. The Board is particularly attentive to new information on inflation and its determinants, including the evolution of core inflation, inflation expectations, and economic activity, to consider, if necessary, additional changes in the monetary stance. The Board reaffirms its commitment to adopt the necessary actions to maintain inflation within the target range.
4. The Board also decided on the following interest rates on its window facility operations in domestic currency with financial entities:
 - i. Overnight deposits: 2.75 percent per year.
 - ii. Direct security/currency repo and rediscount operations: i) 5.25 percent per year for the first 10 operations in the last 3 months and ii) the interest rate set by the Monetary and Exchange Operations Committee for operations in addition to these 10 operations in the last 3 months. In addition, the Monetary and Exchange Operations Committee may establish higher rates based on the amount of the operations.
5. The BCRP Board's next monetary policy session will take place on May 8, 2025.

Lima, April 10, 2025