02. EXTERNAL SECTOR

1. INTERNATIONAL ENVIRONMENT

Global growth moderated slightly from 3.5 percent in 2023 to 3.3 percent in 2024. Growth in developed economies rose from 1.7 to 1.8 percent between 2023 and 2024, an acceleration explained by the slight recovery in the United Kingdom and the Eurozone. The United States (US), despite being the most dynamic developed economy, showed a slight slowdown compared to 2023.

In emerging economies, the growth rate declined from 4.7 to 4.3 percent, due to lower growth in the two most important economies in this group (China and India).

Table 20

GLOBAL GROWTH

(Annual % chg.)

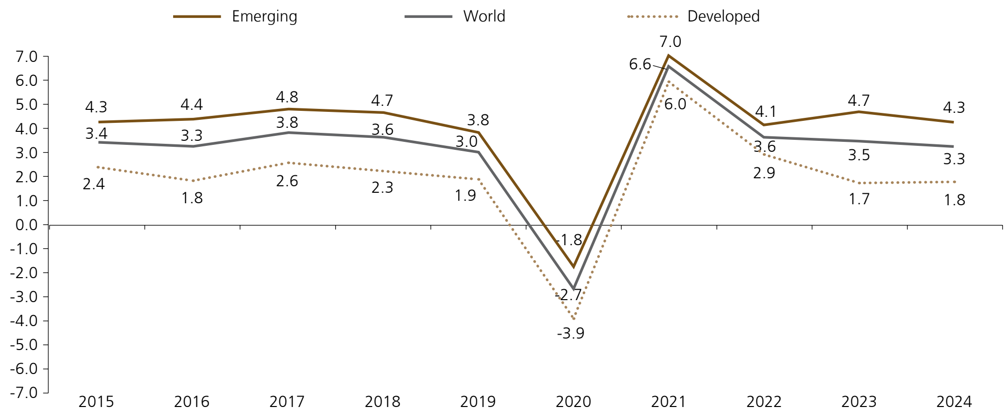
	PPP % 1/	Commerce Peru % 2/	2022	2023	2024	Average 2015-2024
Developed economies	**40.2**	**38.5**	**2.9**	**1.7**	**1.8**	**1.9**
Of which						
1. United States	15.0	14.8	2.5	2.9	2.8	2.5
2. Eurozone	11.6	9.1	3.6	0.6	0.9	1.5
3. Japan	3.4	3.4	0.9	1.5	0.1	0.5
4. United Kingdom	2.2	0.9	4.8	0.4	1.1	1.3
5. Canada	1.3	4.0	4.2	1.5	1.5	1.7
Developing economies	**59.8**	**61.5**	**4.1**	**4.7**	**4.3**	**4.0**
Of which						
1. China	19.1	31.1	3.1	5.4	5.0	5.8
2. India	8.2	4.5	7.6	9.2	6.5	6.0
3. Russia	3.6	0.3	-1.4	4.1	4.1	1.5
4. Latin America and the Caribbean	7.2	12.4	4.2	2.4	2.4	1.0
Brazil	2.4	3.8	3.0	3.2	3.4	0.8
Chile	0.3	2.6	2.2	0.5	2.6	2.0
Colombia	0.6	1.9	7.3	0.7	1.7	2.5
Mexico	1.7	2.0	3.7	3.3	1.5	1.3
Argentina	0.7	2.2	5.3	-1.6	-1.7	0.0
Peru	0.3	-.-	2.8	-0.4	3.3	2.3
World Economy	**100.0**	**100.0**	**3.6**	**3.5**	**3.3**	**3.1**
Memo:						
Trading partners 1/			3.5	3.6	3.3	3.5

1/ Weightings are as of 2024. Global GDP is measured in purchasing power parity (PPP) as calculated by the IMF. Trading partners consider the top 20 as of 2024.
2/ Participation of each country in the total exports plus imports of Peru.
Source: IMF, Statistical institutes and central banks.

Graph 23

WORLD GROWTH: ADVANCED ECONOMIES AND EMERGING MARKETS

(Annual % change)



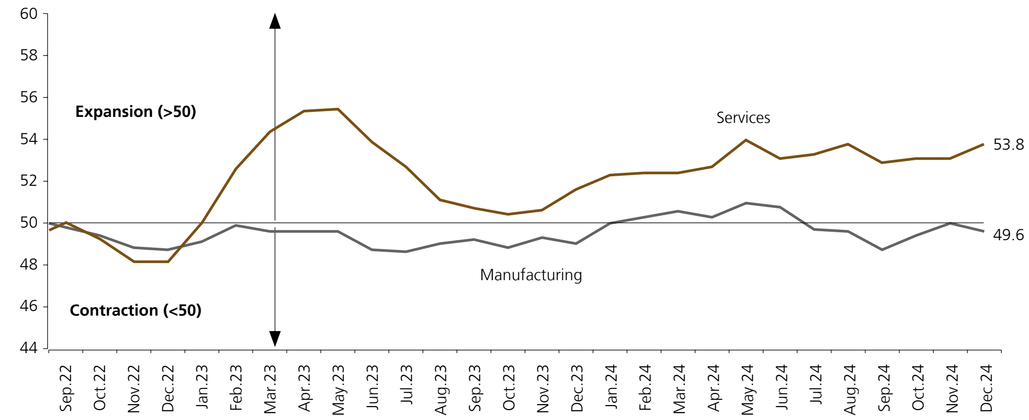
Source: IMF.

The global economy was affected by the persistence of geopolitical tensions in Ukraine and Gaza. In addition, the prospects of worsening trade tensions between the U.S. and China were heightened following the November election result. Furthermore, the slow reduction in inflation limited the easing of monetary policy in the main economies, which was partially offset by expansionary fiscal policies, particularly in the United States, and by China's announcement of stimuli to reactivate consumption and support the real estate sector. As in previous years, the services sector continued to be the most dynamic, favored by the persistence of favorable labor market conditions, particularly in the United States.

Graph 24

PMI GLOBAL: MANUFACTURING AND SERVICES INDICES

(Diffusion index)



Source: S&P Global.

Among developed economies, the **United States** outweighed expectations at the beginning of the year and grew 2.8 percent. Household consumption and gross fixed investment, particularly residential investment, increased. Private consumption was supported by higher demand for both durable and non-durable goods. Less tight conditions in employment generation slowed the expansion of the economy towards the last months of the year.

In **Europe**, the Eurozone's growth rate increased from 0.6 percent in 2023 to 0.9 percent in 2024. The result reflected the recovery of major economies such as France, Spain and the slower contraction of Germany. The recovery in the first two countries mentioned above was influenced by service activities (tourism) and in Germany, the slower pace of decline in the manufacturing sector thanks to the recovery in world trade. The weakness of the Eurozone economy was explained by anemic private consumption (high savings rates); weak business investment (tight financial conditions) and fragile industrial activity (high energy prices and their effect on lower competitiveness in the export sector).

In **China**, the economy grew 5.0 percent and reached its target for the year. The recovery at the beginning of the year was followed by a sharp slowdown in the second and third quarters due to a less dynamic real estate sector and weak domestic demand, limited in part by the fiscal and monetary stimulus that allowed the economy to recover in the last quarter of the year. In addition, growth in the fourth quarter was the highest of the year and was driven by higher exports after orders were brought forward in anticipation of the possible application of tariff measures by the new U.S. administration.

On the other hand, the main **Latin American countries** recorded higher growth rates than in the previous year, with the exception of Mexico. The dynamism among the economies has been differentiated. The countries benefited from the easing of monetary and credit conditions, with the exception of Brazil, whose growth was driven mainly by expansionary fiscal policies, such as subsidies and minimum wage increases. On the other hand, Mexico's slowdown is due to less favorable external conditions (increased trade tensions with the United States), unfavorable conditions in the agricultural sector and reduced private investment.

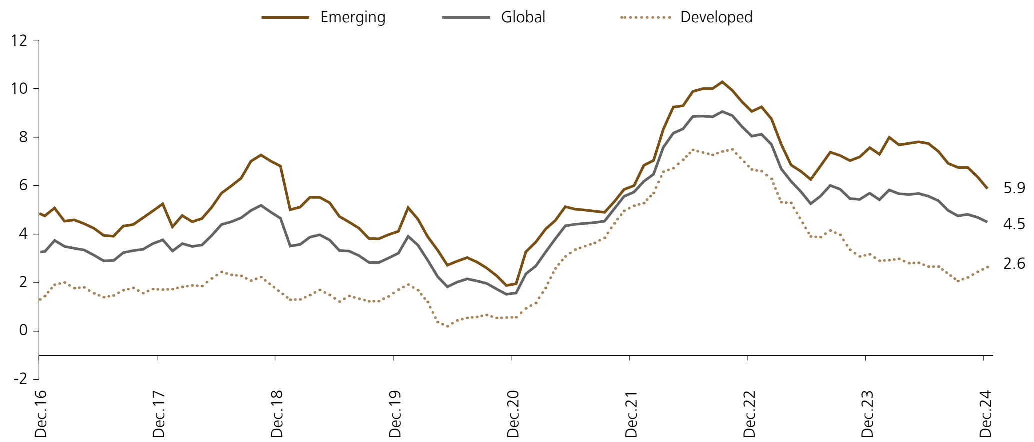
The lower dynamism of world economic activity was accompanied by a reduction in inflation, although this reduction occurred at a slower pace than in 2022 and 2023. Thus, global inflation went from 5.7 to 4.5 percent due to the slow down in price increases in both developed and emerging economies. It should be noted that the trend was not uniform. In the case of developed economies, inflation, after reaching a low of 2.1 percent in September, reversed the trend in the last quarter. Likewise, inflation expectations ended the year on the rise due to the expected impact that several of the announced measures -expansionary fiscal policy, restrictions on migration and tariff increases- would have on prices.

In the particular case of emerging economies, inflation slowed down in China due to excess inventories, lower aggregate demand resulting from domestic consumption and investment affected by a low level of confidence, the real estate crisis and the high level of household debt, which limited the effectiveness of credit stimulus policies. For its part, inflation in most Latin American countries, with the exception of Peru, ended the year above its target range, driven by higher food and energy prices.

Graph 25

GLOBAL INFLATION: DEVELOPED AND EMERGING COUNTRIES

(12-month % chg.)



Inflation (12-month % chg.)

	Dec.20	Dec.21	Dec.22	Mar.23	Jun.23	Sep.23	Dec.23	Mar.24	Jun.24	Sep.24	Dec.24
Global	1.5%	5.7%	8.1%	6.7%	5.3%	5.9%	5.7%	5.7%	5.6%	4.7%	4.5%
Developed	0.6%	5.2%	6.7%	5.3%	3.9%	4.0%	3.2%	3.0%	2.7%	2.1%	2.6%
Emerging	1.9%	6.0%	9.1%	7.7%	6.3%	7.2%	7.6%	7.7%	7.7%	6.8%	5.9%
Developed without USA	-0.1%	3.8%	6.9%	5.6%	4.6%	4.2%	3.0%	2.6%	2.4%	1.8%	2.4%
Emerging without China	4.2%	9.4%	14.2%	12.6%	10.6%	12.3%	13.1%	13.0%	13.0%	11.2%	9.9%

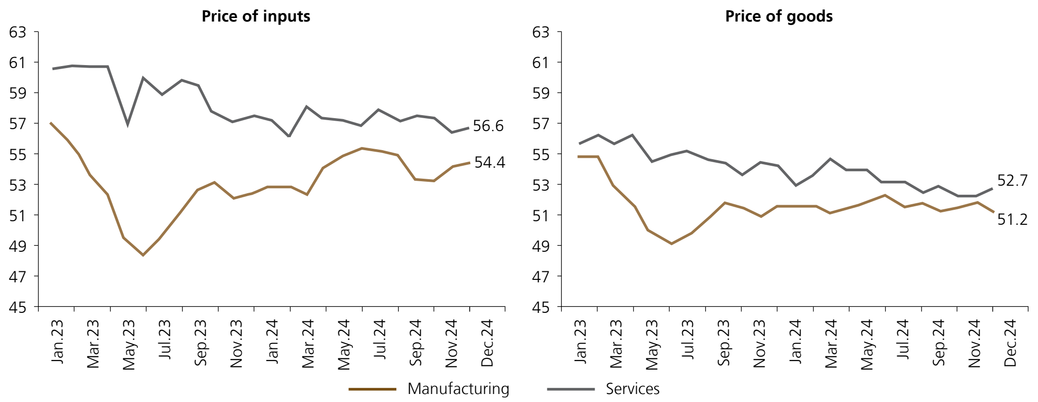
Source: Bloomberg, Trading Economics, statistical institutes and central banks.

At the component level, inflation continued to show clearly differentiated behavior. In most developed economies, services inflation has remained relatively stable, but at rates higher than the target, and also showed downward resistance. In contrast, goods inflation, despite having significantly lower rates, has shown an upward trend due to the evolution of energy prices. This is also observed in the goods and input price components contained in the PMI indices at the global level.

Graph 26

PMI INDEX, PRICE COMPONENTS

(2023-2024)



Source: S&P Global.

The central banks of developed countries, with the exception of Japan, reduced their interest rates in line with falling inflation rates and the moderation of economic activity. The US Federal Reserve (Fed) and the European Central Bank cut rates by 100 bps. each during 2024, while the Bank of England cut rates by only 50 bps. in a context of greater downward resistance to inflation and elevated inflation expectations. In the case of Japan, the central bank raised rates by 35 bps. following an inflation trajectory more in line with its 2 percent target and wage pressures.

However, in the second half of the year, expectations about future cuts for the following years moderated in line with the downward resilience of inflation. These expectations were reinforced, towards the end of the year, following the US election results in November.

Table 21

MONETARY POLICY INTEREST RATES

(%)

	Dec.2022	Dec.2023	Jun.2024	Dec.2024	Chg. (bps.) Dec.24 with respect to Dec.23
Developed economies					
United States	4.50	5.50	5.50	4.50	-100
Canada	4.25	5.00	4.75	3.25	-175
Eurozone	2.00	4.00	3.75	3.00	-100
United Kingdom	3.50	5.25	5.25	4.75	-50
Sweeden	2.50	4.00	3.75	2.50	-150
Switzerland	1.00	1.75	1.25	0.50	-125
Japan	-0.10	-0.10	0.10	0.25	35
South Korea	3.25	3.50	3.50	3.00	-50
New Zealand	4.25	5.50	5.50	4.25	-125
Australia	3.10	4.35	4.35	4.35	0
Israel	3.25	4.75	4.50	4.50	-25
Latin America					
Brazil	13.75	11.75	10.50	12.25	50
Colombia	12.00	13.00	11.25	9.50	-350
Peru	7.50	6.75	5.75	5.00	-175
Chile	11.25	8.25	5.75	5.00	-325
Mexico	10.50	11.25	11.00	10.00	-125
Uruguay	11.25	9.25	8.50	8.75	-50
Costa Rica	9.00	6.00	4.75	4.00	-200
Asia					
China	3.65	3.45	3.45	3.10	-35
Malaysia	2.75	3.00	3.00	3.00	0
India	6.25	6.50	6.50	6.50	0
Thailand	1.25	2.50	2.50	2.25	-25
Indonesia	5.50	6.00	6.25	6.00	0
Europe					
Czech Republic	7.00	6.75	4.75	4.00	-275
Poland	6.75	5.75	5.75	5.75	0
Russia	7.50	16.00	16.00	21.00	500
Romania	6.75	7.00	7.00	6.50	-50
Africa					
South Africa	7.00	8.25	8.25	7.75	-50

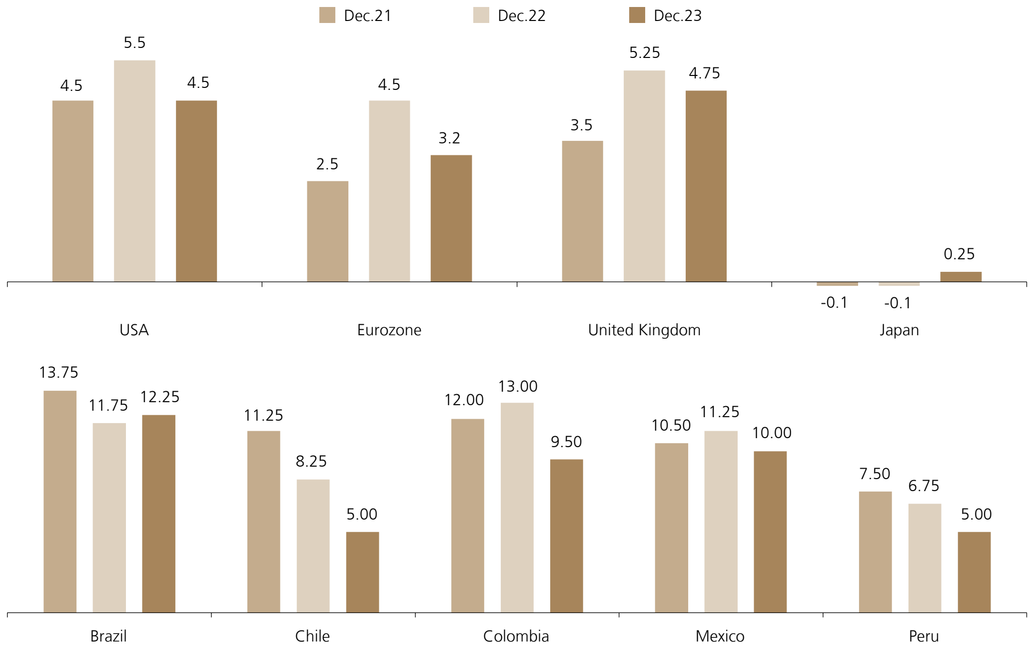
For the Eurozone, the Deposit Facility Rate is used; for China, the Loan Prime Rate.
Source: Central banks, Reuters and others.

In parallel, emerging economies also cut their interest rates during the year, in line with the lower levels of inflation and inflationary expectations and the greater slack in the output gap. Of note were the rate cuts in the region's economies: Colombia by 350 bps, Chile by 325 bps and Peru by 175 bps. In contrast, Brazil raised its interest rate by 50 bps following the overheating of economic activity, higher inflation and inflationary expectations.

Graph 27

MONETARY POLICY INTEREST RATE

(%)



Source: Central banks.

The prospects of a moderation in U.S. economic growth and a gradual reduction in inflation maintained expectations of an easing of the Fed's monetary policy.

In this context, the dollar remained relatively stable during the first three quarters of 2024. Subsequently, persistent inflationary pressures and the U.S. election results again changed the outlook for future Fed rates and strengthened the dollar, which reached a two-year high at the end of 2024. On an annual basis, the DXY dollar index appreciated by nearly 7 percent. In the same vein, sovereign bond yields rose amid expectations of expansionary fiscal policies, higher inflationary pressures and a lower expected Fed rate cut.

Graph 28

INDEX DXY* AND EXCHANGE RATE

(Monetary units per USD. Index 100=01/01/2019)

* An increase (fall) in the DXY Index implies an appreciation (depreciation) of the US dollar against major currencies (euro, yen, pound sterling, Canadian dollar, Swedish krona and Swiss franc).
Source: Reuters.

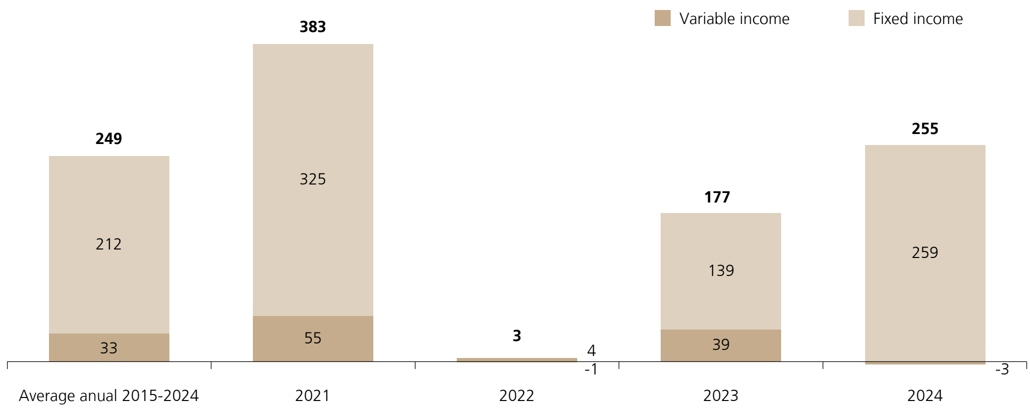
Likewise, the stock markets were up and the good performance of the U.S. stock markets was highlighted (the S&P 500 index advanced 23 percent in 2024 and reached a new historical high) following the momentum of technology firms supported by optimism in artificial intelligence.

The high risk appetite seen during 2024 contributed to the strong inflow of non-resident capital flows into emerging markets, mainly into fixed income instruments given the high rates of return to cope with the inflationary context.

Graph 29

PORTFOLIO CAPITAL FLOWS TO EMERGING MARKETS

(Billion USD)



Source: The Institute of International Finance (IIF).

2. BALANCE OF PAYMENTS

Developments on the international scene in 2024 were predominantly favorable to the balance of payments current account. First, the dynamism of green industries, the scarcity of concentrates and the upturn in geopolitical risks boosted the quotations of the main metals -industrial and precious- exported by Peru. Likewise, high levels of oil supply and inventories and record crops and favorable production prospects for foodstuffs such as wheat and maize reduced the prices of the main inputs that Peru imports.

Although there was a slight slowdown in global growth between 2023 and 2024 (from 3.5 to 3.3 percent), the U.S. economy was the most dynamic - exceeding initial forecasts - and the Eurozone and the United Kingdom showed higher growth, which boosted external demand for our non-traditional products. This was accompanied by a recovery in local production, in a context of stable weather conditions, which helped to meet the increase in external demand.

As a result, the balance of payments current account surplus rose significantly, from 0.3 percent in 2023 to 2.2 percent in 2024. This result was mainly due to an increase in the trade surplus as a result of the following factors: (i) a high growth in the terms of trade (12.6 percent), as a result of the high prices of metals and agriculture sector products; and (ii) higher volumes shipped of traditional fishery products -such as fishmeal and fish oil- gold, and natural gas.

To a lesser extent, the widening of the surplus reflects the effects of the gradual normalization of inbound tourism on exports of services, of favorable employment conditions abroad on remittances, and of the higher yield of Peruvian foreign assets on primary income. In contrast, the year recorded a widening of the primary income deficit, as a result of higher profits of companies with foreign participation, as well as higher public sector interest outlays, which attenuated the previously mentioned surplus pressures.

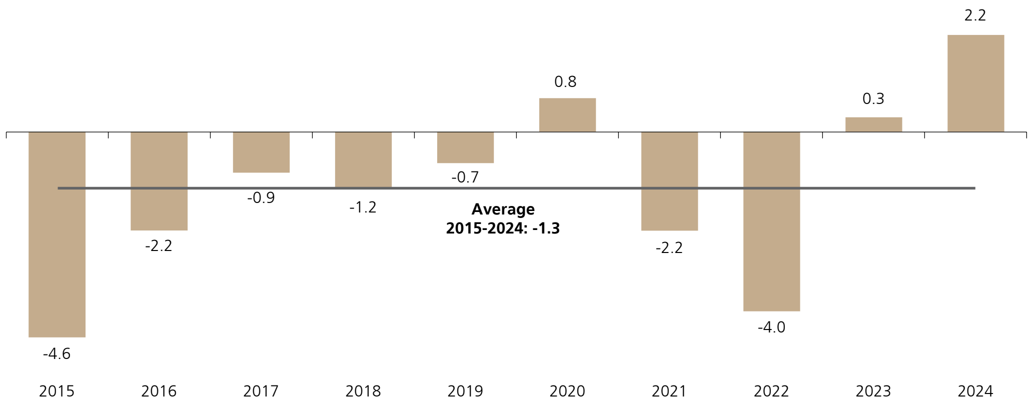
The financial account recorded a net capital inflow of USD 1 995 million, equivalent to 0.7 percent of GDP, as opposed to a net outflow of USD 871 million in 2023 (0.3 percent of output). This change in the dynamics of external capital flows was mainly a reflection of greater external financing received by the public sector for USD 5,272 million, mainly in the form of global bonds that were issued in order to meet the year's financial requirements, in contrast to the reduction of its net debtor position by USD 718 million in 2023.

Private capital flows showed the opposite direction, mainly short-term capital flows, which went from net inflows of USD 227 million in 2023 to net outflows of USD 3 108 million in 2024, a dynamic explained by the higher flow of amortizations made by the banking financial sector, and complementarily by those made by Petroperu. To a lesser extent, the slight acceleration of net outflows from the long-term private financial account contributed due to a higher level of acquisition of foreign assets by mutual funds and private banks.

Graph 30

BALANCE OF PAYMENTS CURRENT ACCOUNT

(% GDP)

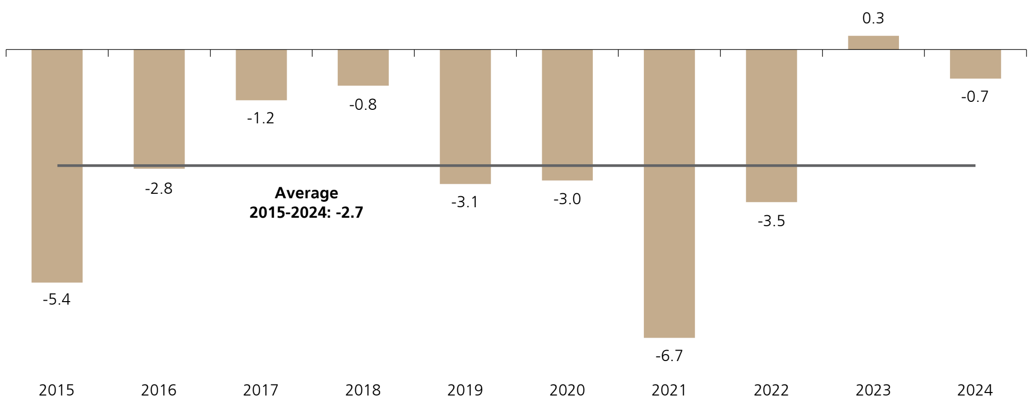


Source: BCRP.

Graph 31

BALANCE OF PAYMENTS FINANCIAL ACCOUNT

(% GDP)



Memo: The result of the financial account represents the flow of net external assets (assets less liabilities).
Source: BCRP.

Table 22

BALANCE OF PAYMENTS

(Million USD)

	2022	2023	2024	% GDP 2023	% GDP 2024	% GDP Average 15-24
I. CURRENT ACCOUNT (1+2+3+4)	**-9,972**	**880**	**6,390**	**0.3**	**2.2**	**-1.3**
1. Goods (a-b)	**10,331**	**17,150**	**24,081**	**6.3**	**8.2**	**3.8**
a. Exports 1/	66,339	67,108	76,172	24.7	25.8	22.4
b. Imports	56,009	49,958	52,091	18.4	17.6	18.6
2. Services (a-b)	**-8,876**	**-7,957**	**-7,916**	**-2.9**	**-2.7**	**-2.3**
a. Exports	5,051	5,862	7,153	2.2	2.4	2.4
b. Imports	13,928	13,819	15,069	5.1	5.1	4.6
3. Primary income (a+b)	**-17,203**	**-15,130**	**-17,379**	**-5.6**	**-5.9**	**-5.2**
a. Private	-15,640	-14,624	-17,482	-5.4	-5.9	-4.8
b. Public	-1,563	-505	104	-0.2	0.0	-0.4
4. Secondary income 2/	**5,777**	**6,817**	**7,604**	**2.5**	**2.6**	**2.4**
Of which: Remittances	3,711	4,447	4,934	1.6	1.7	1.5
II. FINANCIAL ACCOUNT (1+2+3) 3/ ***Net creditor (+) / Net debtor (-)***	**-8,793**	**871**	**-1,995**	**0.3**	**-0.7**	**-2.7**
1. Private Sector (a-b)	**-14,314**	**380**	**169**	**0.1**	**0.1**	**-1.9**
a. Assets	-3,045	5,539	7,852	2.0	2.7	0.5
b. Liabilities	11,269	5,158	7,683	1.9	2.6	2.4
2. Public Sector (a-b)	**1,203**	**718**	**-5,272**	**0.3**	**-1.8**	**-2.0**
a. Assets	105	-36	-35	0.0	0.0	0.0
b. Liabilities 4/	-1,097	-754	5,237	-0.3	1.8	2.0
3. Short-term capital (a-b)	**4,318**	**-227**	**3,108**	**-0.1**	**1.1**	**1.2**
a. Assets	4,115	1,877	955	0.7	0.3	1.3
b. Liabilities	-203	2,104	-2,153	0.8	-0.7	0.1
III. ERRORS AND NET OMMISIONS	**-3,910**	**-2,769**	**-1,331**	**-1.0**	**-0.5**	**-0.8**
IV. BALANCE OF PAYMENT RESULT IV = I - II + III = (1-2)	**-5,089**	**-2,760**	**7,054**	**-1.0**	**2.4**	**0.6**
1. Change in the balance of NIRs	-6,612	-850	7,954	-0.3	2.7	0.7
2. Valuation effect	-1,523	1,910	900	0.7	0.3	0.1

1/ Includes estimate of gold exports not registered by Customs.
2/ Includes income tax by non-residents.
3/ The financial account and its components (private sector, public sector and short-term capital) are expressed as assets net of liabilities.
4/ Considers the sale and purchase between residents and non-residents of government bonds issued abroad or in the market local.
Source: BCRP, MEF, SBS, SUNAT, MINCETUR, PROMPERU, Ministry of Foreign Affairs, COFIDE, ONP, FCR, Tacna Free Trade Zone, Banco de la Nación, Cavali S.A. ICLV, Proinversión, Bank for International Settlements (BIS), and businesses.

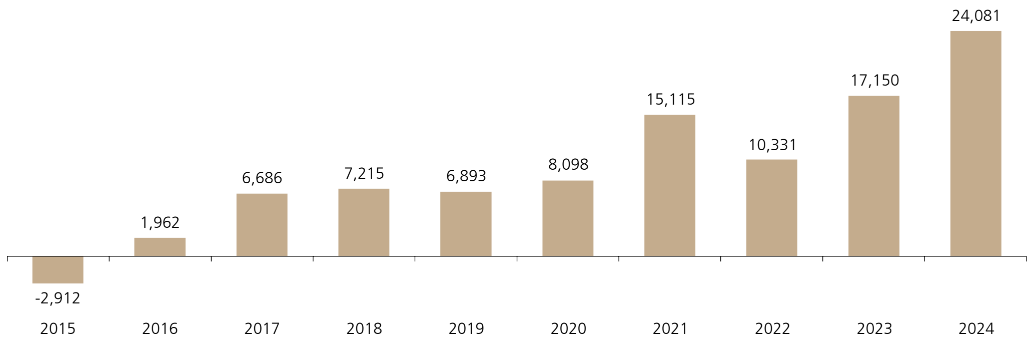
2.1 BALANCE OF TRADE IN GOODS

The trade balance recorded a positive balance equivalent to 8.2 percent of GDP (USD 24,081 million) in 2024, up 1.9 percentage points from 6.3 percent of GDP in the previous year (USD 17,150 million). This ratio as a percentage of GDP is the highest recorded since 2007 (8.3 percent). The increase in the surplus, in nominal terms, was mainly due to the increase in exports of USD 9,064 million, in a context of rising prices of exported metals and agriculture and livestock products, as well as the increase in exported volumes of traditional products, especially gold. For its part, imports grew by USD 2,134 million, with an increase in the volume of imported industrial inputs, in line with the recovery of inventories during the year.

Graph 32

TRADE BALANCE 1/

(Million USD)

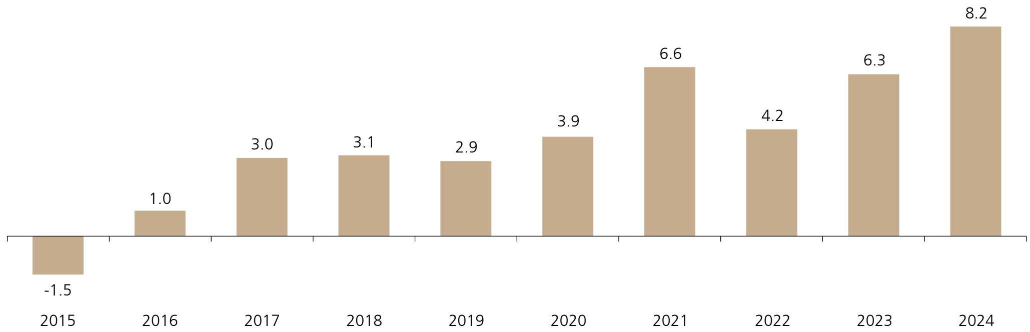


1/ The 2022, 2023 and 2024 exports of Copper, Zinc and Molybdenum have been estimated based on the exports reported to the MINEM in the cases of business that having made shipments do not yet appear in the exports registry.
Source: BCRP and Sunat.

Graph 33

TRADE BALANCE

(% GDP)



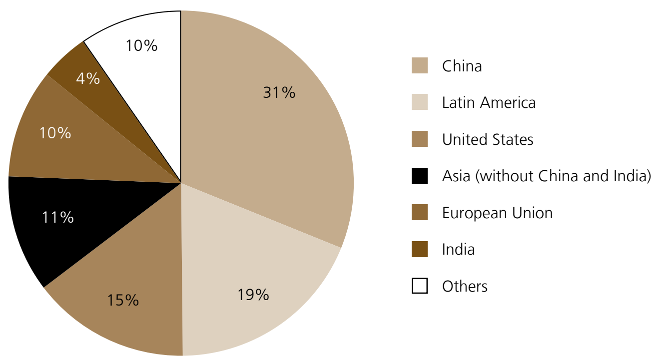
Source: BCRP and Sunat.

Peru's two main trading partners continued to be China and the United States. Transactions with these countries accounted for 45.9 percent of total trade in 2024. The rise of India as the third largest trading partner is noteworthy, mainly due to the increase in gold exports to that country.

Graph 34

MAIN TRADING PARTNERS 2024 1/

(Percentage share)



1/ Participation of each country/region in the total exports and imports of Peru.
Source: BCRP and Sunat.

Table 23

TRADE BY MAIN COUNTRIES AND REGIONS

(Percentage share)

	Exports 1/			Imports 2/			X+M		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
China	31.8	34.5	32.9	25.0	25.9	28.5	28.7	30.9	31.1
United States	12.9	13.7	12.5	24.8	21.0	18.1	18.4	16.8	14.8
India	3.5	3.8	6.2	1.8	2.1	2.1	2.7	3.1	4.5
Canada	4.1	4.5	5.1	1.9	2.2	2.5	3.1	3.6	4.0
Brazil	2.5	2.6	2.1	6.9	7.0	6.3	4.5	4.5	3.8
Japan	4.8	3.5	4.3	1.8	2.0	2.0	3.4	2.9	3.4
Bolivia	5.1	4.3	3.3	2.1	1.8	1.6	3.7	3.2	2.6
Chile	3.0	2.8	2.7	2.7	2.5	2.3	2.9	2.7	2.6
Spain	2.5	2.8	2.7	1.4	1.5	1.6	2.0	2.3	2.2
Argentina	0.3	0.3	0.3	4.8	4.9	5.0	2.4	2.2	2.2
South Korea	4.2	3.5	2.7	1.6	1.6	1.3	3.0	2.7	2.1
Ecuador	2.0	1.7	1.4	1.7	2.3	3.0	1.8	2.0	2.0
Mexico	1.3	1.3	1.2	3.4	3.4	3.1	2.2	2.2	2.0
Colombia	1.6	1.2	1.2	2.1	2.4	2.8	1.8	1.7	1.9
Germany	1.7	1.5	1.3	2.5	2.5	2.2	2.0	1.9	1.7
Italy	0.9	1.1	1.1	1.3	1.5	1.4	1.1	1.3	1.2
Vietnam	0.1	0.1	0.1	1.3	1.4	1.4	0.7	0.6	0.6
Thailand	0.2	0.2	0.2	0.8	0.9	1.0	0.5	0.5	0.5
Taiwan	0.7	0.5	0.4	0.7	0.6	0.5	0.7	0.6	0.5
Russia	0.2	0.1	0.1	0.6	0.5	0.6	0.3	0.3	0.3
Rest	16.8	16.0	18.3	10.9	12.1	12.6	14.1	14.3	15.9
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
China	31.8	34.5	32.9	25.0	25.9	28.5	28.7	30.9	31.1
Latin America	17.4	16.0	13.9	24.6	25.7	25.7	20.7	20.1	18.7
United States	12.9	13.7	12.5	24.8	21.0	18.1	18.4	16.8	14.8
Asia (without China e India)	12.2	10.8	12.1	11.6	5.6	9.3	11.9	8.6	11.0
European Union	10.2	10.3	10.9	8.4	9.1	9.2	9.4	9.8	10.2
Others	15.5	14.7	17.6	5.6	12.7	9.1	10.9	13.8	14.2

X: Exports M: Imports

1/ The Exports of 2022, 2023 and 2024 of Copper, Zinc and Molybdenum have been estimated based on the exports reported to the Minem, in the cases of Business that having made shipments, are not yet listed in the export log.

2/ Imports were grouped by country of origin. Likewise, the Remaining Goods category includes "Other Goods," which includes defense equipment, donations, and Others for which country of origin is not available.

Source: BCRP and Sunat.

Exports

Exports in 2024 totaled USD 76,172 million, USD 9,064 million higher than recorded the previous year. The result is explained by the joint expansion of the volume exported (5.2 percent) and the price (7.9 percent), the latter explained by the high international prices of metals. With respect to the volume of the traditional sector, growth is supported by the recovery of fishmeal and fish oil production, higher sales of natural gas in line with its production, and the growth of gold exports (driven by its high prices). Meanwhile, in the non-traditional sector, the increase was supported by higher prices of exported products (9.8 percent), mainly in the agriculture sector and fisheries, due to the lower supply of some Peruvian products in the world market. Non-traditional exports recorded a growth rate of 1.3 percent per year due to the recovery of the agriculture sector, as well as higher international demand for textiles, iron and steel, and chemical products.

Traditional exports

Traditional exports totaled USD 55,451 million, 14.5 percent higher than recorded in 2023 (USD 48,449 million), mainly due to the mining sector. There was a 7.0 percent per year increase in both volumes and prices, the latter due to higher metal prices.

Table 24

EXPORTS BY GROUP OF ECONOMIC ACTIVITY

(Million USD)

	2022	2023	2024	Part. % 2024 1/	% chg. 2024/2023
1. Agriculture and livestock	**8,591**	**8,995**	**11,187**	**14.7**	**24.4**
Blueberries	1,320	1,669	2,252	20.1	35.0
Grapes	1,346	1,765	1,727	15.4	-2.1
Avocados	884	964	1,248	11.2	29.4
Coffee	1,236	829	1,101	9.8	32.8
Fruit, legumes, and canned vegetables	1,049	943	874	7.8	-7.3
Fresh asparagus	370	391	407	3.6	4.0
Cereals, leguminous, and oil seed	281	310	385	3.4	24.0
Mangoes	296	255	316	2.8	24.1
Rest	1,810	1,868	2,877	25.7	54.0
2. Fishing	**4,025**	**2,919**	**3,606**	**4.7**	**23.5**
Fishmeal	1,817	904	1,613	44.7	78.4
Fish oil	569	238	675	18.7	183.9
Giant Squid	633	871	358	9.9	-58.9
Canned or frozen products	389	354	406	11.3	14.8
Prawns	115	60	40	1.1	-33.9
Rest	502	493	515	14.3	4.5
3. Mining	**39,673**	**44,156**	**49,711**	**65.3**	**12.6**
Copper 2/	19,679	23,123	23,483	47.2	1.6
Gold	10,194	11,054	15,514	31.2	40.3
Lead	1,786	1,953	2,414	4.9	23.6
Zinc 2/	2,842	2,363	2,208	4.4	-6.5
Iron	1,750	1,715	1,701	3.4	-0.8
Molybdenum 2/	1,150	1,431	1,581	3.2	10.5
Tin	783	654	901	1.8	37.8
Calcium phosphates	501	573	508	1.0	-11.2
Zinc products	394	327	235	0.5	-28.0
Silver refined	90	98	129	0.3	31.4
Rest	504	951	1,036	2.1	8.9
4. Hydrocarbons	**5,905**	**3,939**	**4,001**	**5.3**	**1.6**
Natural gas	2,739	2,399	2,508	62.7	4.5
Oil and oil products	3,166	1,540	1,494	37.3	-3.0
5. Manufacturing	**7,892**	**6,881**	**7,451**	**9.8**	**8.3**
Papel and chemicals	2,534	2,186	2,393	32.1	9.5
Textiles	1,873	1,602	1,637	22.0	2.1
Copper products	644	564	842	11.3	49.3
Prepared animal food	284	241	235	3.2	-2.2
Milling and Bakery	269	290	285	3.8	-1.6
Jewelry	94	100	199	2.7	98.6
Iron products	238	239	158	2.1	-33.8
Glasses and glass produts	162	167	142	1.9	-14.7
Manufacturing and metals	122	88	106	1.4	19.8
Tile floors	95	91	92	1.2	0.6
Dairy products	38	51	59	0.8	16.0
Rest	1,539	1,262	1,303	17.5	3.3
6. Others 3/	**254**	**217**	**215**	**0.3**	**-0.9**
Total	**66,339**	**67,108**	**76,172**	**100.0**	**13.5**

1/ For each economic activity group, it shows its share of total exports, and for each category within to group, it shows the share of exports for that economic activity group.
2/ The Exports of Copper, Zinc and Molybdenum for 2022, 2023 and 2024 have been estimated based on the Exports reported to the Minem, in the cases of Business that having made shipments, are not yet listed in the export log.
3/ Includes the sale of fuel and food to foreign ships.
Source: BCRP and Sunat.

Table 25

EXPORTS

(% change)

	Volume			Price		
	2022	2023	2024	2022	2023	2024
TRADITIONAL EXPORTS	**1.4**	**6.4**	**7.0**	**1.0**	**-5.0**	**7.0**
Of which:						
Fishmeal	-7.8	-53.2	88.8	9.1	6.4	-5.5
Coffee	13.8	-22.4	31.8	41.2	-13.5	0.8
Copper	5.6	19.5	-2.0	-10.0	-1.7	3.6
Gold	0.0	0.5	14.2	0.1	7.9	22.9
Zinc	-3.9	14.7	-19.4	10.2	-27.5	16.0
Crude oil and derivatives	0.8	17.6	3.7	35.4	-25.5	0.8
Natural gas	34.8	6.3	8.5	37.9	-54.2	-10.7
NON-TRADITIONAL EXPORTS	**5.6**	**-2.1**	**1.3**	**6.7**	**3.7**	**9.8**
Of which:						
Agriculture and livestocks	10.1	-1.7	3.6	-3.4	11.5	17.5
Textiles	4.7	-15.1	5.8	14.3	0.8	-3.4
Fishing	-9.6	16.1	-35.9	19.6	-6.6	15.6
Chemicals	0.3	-5.7	12.3	22.8	-9.8	-2.3
Iron & steel, and jewelry	3.0	-3.6	22.0	3.7	-6.6	5.5
TOTAL	**2.6**	**3.8**	**5.2**	**2.5**	**-2.6**	**7.9**

Source: BCRP and Sunat.

Mining exports recorded a total of USD 47,934 million, 13.1 percent higher than in 2023. In line with the high international prices, most metal prices increased: the export price of gold increased by 22.9 percent; the price of zinc by 16.0 percent and copper by 3.6 percent.

In terms of volumes, 2,766 thousand fine metric tons (TMF) of copper were exported, 48 thousand TMF less than in 2023, due to lower exports of refined copper, a situation that would be related to higher demand from local steel companies. For its part, copper concentrate exports totaled 2,476 thousand metric tons, 3 thousand metric tons more than reported in 2023. With respect to gold, driven by the high price and the increase in formal exports not recorded in production, 6,468 thousand troy ounces were shipped (growth of 14.2 percent). Meanwhile, zinc recorded exports of 1,075 thousand metric tons, down 19.4 percent due to lower grades from Antamina. With these results, Peru continues to maintain a leading position in world mining production, with zinc, molybdenum, copper and silver standing out.

Table 26

MINING PRODUCTION, 2024

Item	World ranking of Peru
Copper	3
Silver	3
Zinc	2
Lead	4
Molybdenum	2
Tin	4
Gold	10

Source: Mineral Commodity Summaries 2025 - US Geological Survey.

Foreign sales of oil and natural gas amounted to USD 4,001 million, representing a 1.6 percent increase over the previous year. The result is mainly explained by an 8.5 percent increase in natural gas volumes, in line with production, and a 46.9 percent increase in crude oil volumes (mainly by Petrotal). This increase was offset by a 10.7 percent reduction in the price of natural gas.

The value of fishery exports increased to USD 2,288 million in 2024, an amount 100.3 percent higher, due to the recovery in fishmeal and fish oil production compared to 2023, a year in which the warming of the sea caused the suspension of the first fishing season. This explained that the exported volume of fishmeal and fish oil grew by 88.8 percent and 180.9 percent, respectively, although without reaching the volumes exported in 2022.

Non-traditional exports

Exports of non-traditional products reached a record US$20,505 million, 11.2 percent higher than in 2023, mainly due to higher prices (9.8 percent) and, to a lesser extent, higher volumes (1.3 percent). Volumes in the iron and steel (22 percent), chemical (12.3 percent), textile (5.8 percent), and agriculture and livestock (3.6 percent) sectors grew most notably.

The main destination markets for non-traditional products were the United States with USD 6,616 million and the Netherlands with USD 1,917 million. For the former, an increase of 16.2 percent was reported with respect to 2023, while the latter grew by 28.0 percent. With respect to the other countries, the common behavior has been one of growth. The countries with the largest increases were Spain (22.8 percent), Canada (24.5 percent) and the United Kingdom (21.0 percent). However, some countries showed significant declines such as China (41.6 percent) and South Korea (20.0 percent) associated with lower sales of fishery products.

Table 27

MAIN DESTINATION: NON-TRADITIONAL EXPORTS

(Million USD)

	2022	2023	2024	% chg. 2024/2023	Average % chg. 2015-2024
United States	5,591	5,692	6,616	16.2	8.8
Netherlands	1,450	1,498	1,917	28.0	11.3
Chile	1,209	1,200	1,233	2.7	6.3
Spain	766	829	1,018	22.8	8.0
Ecuador	1,078	969	914	-5.7	2.0
Colombia	852	714	824	15.3	13.7
Mexico	615	691	741	7.1	-0.8
Brazil	524	533	612	14.9	2.3
China	697	950	555	-41.6	1.6
United Kingdom	396	431	522	21.0	7.4
Bolivia	645	511	489	-4.3	-1.5
Canada	317	306	381	24.5	7.9
South Korea	400	425	340	-20.0	10.2
Hong Kong	233	236	301	27.5	2.2
Belgium	210	205	275	33.7	7.8
Rest	3,178	3,249	3,770	16.0	3.1
Total	**18,162**	**18,441**	**20,505**	**11.2**	**5.8**
Memo:					
Latin America	5,743	5,454	5,780	6.0	2.6
United States	5,591	5,692	6,616	16.2	8.8
European Union	3,333	3,379	4,110	21.6	7.0
Asia (without China)	1,375	1,456	1,660	14.0	7.5
China	697	950	555	-41.6	1.6
Others	1,422	1,509	1,784	18.2	6.0

Source: Sunat and BCRP.

In the case of the United States, the main destination for non-traditional products, the agriculture, textile and iron and steel sectors were the most important, accounting for 83.5 percent of total non-traditional exports to the U.S. market in 2024. The most sold products were blueberries (USD 1,246 million), fresh grapes (USD 851 million), calcium phosphates (USD 320 million) and fresh asparagus (USD 276 million).

Sales of **agriculture and livestock products** reached a record US$11,164 million, which implies a 21.8 percent growth. The result was mainly explained by the 17.5 percent increase in prices due to: i) adverse weather conditions in 2023 that reduced the supply of Peruvian fruits in the world market, which increased the international price of products such as grapes, avocados and mangoes; and ii) the high international price of cocoa, which caused the export price to grow 147.8 percent per year. The subsequent recovery in the second half of the year led the sector to report 3.6 percent per year growth in export volume, led by growth in blueberries (57.6 percent), mandarin oranges (35.3 percent), and quinoa (20.8 percent).

Despite this situation, Peru remains the world's leading exporter of blueberries and grapes. In the last decade, sales of agriculture sector products grew at an average annual rate of 10.3 percent, so that the value exported in 2024 was nearly three times what was reported in 2014. The result reflects higher planted areas and yields for products with high international demand.

Table 28

MAIN NON-TRADITIONAL AGRICULTURAL PRODUCTS

(Million USD)

Most popular products	2014	2024	Average % chg. 2015-2024
Blueberries	30	2,252	53.8
Fresh grapes	643	1,727	10.4
Fresh avocados	304	1,248	15.2
Cocoa and other uses	152	740	17.2
Fresh asparagus	385	407	0.6
Fresh mangoes	138	316	8.6
Tangerines	88	290	12.7
Butter and cocoa oil	49	272	18.8
Shrimp and prawn feed	141	224	4.7
Quinoa	196	133	-3.8
Whole paprika	46	130	11.0
Onions	66	127	6.8
Canned artichokes	93	120	2.6
Organic bananas	119	115	-0.4
Sweet cookies	43	109	9.8
Ginger	27	106	14.6
Subtotal	2,520	8,316	12.7
Total	**4,198**	**11,164**	**10.3**

Source: BCRP and Sunat.

Exports of iron, steel and jewelry reached a record of USD 1,996 million, 28.7% higher than in 2023. This is explained by an average volume growth of 22.0 percent, after the sector benefited from the construction of *data centers* in the United States (main market with 32.3 percent of total exports), which has translated into an increase in the demand for copper products such as refined copper strips, copper rod and refined copper bars. In line with the evolution of metal prices in that year, the price increased by 5.5 percent.

Textile exports reached a value of USD 1,637 million, 2.1% higher than the value recorded in 2023. The volume shipped recorded a growth rate of 5.8 percent, while prices fell by 3.4 percent. The result behind the higher sales is mainly explained by the recovery in demand from the United States (the main market with 51.3 percent of total exports) for clothing, as well as by the increase in sales of cotton fabrics to Colombia and fine alpaca hair to China.

Chemical exports totaled USD 2,192 million in 2024, 9.7% higher than recorded the previous year. The volume shipped recorded a growth rate of 12.3 percent, while prices fell by 2.3 percent. The main markets for chemical products were Chile, Ecuador and Bolivia, which together with the United States acquired 46.8 percent of total exports. The largest sales were of lemon oils, zinc oxide and plastic products such as polyethylene film, polypropylene film , plastic boxes and preforms. Over the last ten years, the sector's export volume recorded an average annual growth rate of 2.7 percent.

Exports of **fishery products** were USD 1,319 million in 2024, 25.8 percent lower than in the previous year. Problems in the availability and catch of squid caused the worst drop in the average volume exported since records have been kept (-35.9 percent). Frozen and canned squid export volumes fell 65.9 percent and 78.1 percent, respectively. This result was partially offset by an increase in the average export price of 15.6 percent (associated with the lower Peruvian supply of squid), as well as higher sales of fan shells, frozen fish, and canned tuna. Since 2020, China has been the main market for fishery products, but due to the fall in the export of squid, in 2024 it lost its leadership (from 27.1 percent of total exports in 2023 to 11.6 percent in 2024) to the United States and Spain.

Imports

Imports amounted to USD 52 091 million, USD 2 134 million higher than in 2023, due to the greater dynamism in the three categories, mainly capital goods (9.0 percent), non-durable consumer goods (6.3 percent) and raw materials for industry (4.7 percent).

Table 29

FOB IMPORTS BY USE OR DESTINATION

(Million USD)

	Fob Value: Million USD			% chg.			% chg. Average
	2022	2023	2024	2022	2023	2024	2015-2024
TOTAL IMPORTS	**56,009**	**49,958**	**52,091**	**16.7**	**-10.8**	**4.3**	**2.4**
1. Consumer goods	**10,973**	**11,225**	**11,675**	**7.6**	**2.3**	**4.0**	**2.8**
Non-durable goods	6,560	6,502	6,910	11.6	-0.9	6.3	4.0
Main food products	588	569	615	10.5	-3.3	8.2	2.5
Rest	5,973	5,933	6,295	11.7	-0.7	6.1	4.2
Durable goods	4,413	4,724	4,765	2.0	7.0	0.9	1.2
2. Inputs	**30,957**	**24,869**	**25,387**	**30.1**	**-19.7**	**2.1**	**3.1**
Fuel, oils, and related	10,495	8,659	8,347	72.8	-17.5	-3.6	3.8
Raw materials for agriculture	2,319	1,884	2,043	22.0	-18.8	8.5	4.3
Raw materials for industry	18,143	14,326	14,997	14.7	-21.0	4.7	2.5
3. Capital goods	**13,994**	**13,704**	**14,932**	**0.8**	**-2.1**	**9.0**	**1.5**
Construction materials	1,455	1,158	1,325	-5.3	-20.4	14.4	-0.7
For agriculture	186	161	175	-0.1	-13.5	8.5	2.2
For industry	8,883	8,806	9,453	0.2	-0.9	7.3	0.8
Transportation equipment	3,469	3,579	3,980	5.1	3.2	11.2	4.1
4. Others goods	**85**	**159**	**97**	**-23.7**	**88.2**	**-39.3**	**-13.9**

Source: Sunat, Zofratacna and MEF.

The volume of total imports increased by 8.9 percent, driven mainly by higher purchases of inputs (10.4 percent), in line with a recovery of industrial input inventories, and higher purchases of capital goods (9.3 percent). In contrast, the import price index declined by 4.2 percent, reflecting lower oil, food and industrial input prices. As for industrial input prices, there was a generalized reduction in all products, although in average terms, at a slower pace than in the previous year.

Table 30

IMPORTS

(% change)

	Volume			Price		
	2022	2023	2024	2022	2023	2024
TOTAL IMPORTS	**2.4**	**-1.4**	**8.9**	**13.9**	**-9.6**	**-4.2**
1. Consumer goods	**5.7**	**4.1**	**5.7**	**1.8**	**-1.7**	**-1.6**
Non-durable goods	10.1	1.0	8.6	1.4	-1.9	-2.1
Food	-1.7	-0.7	2.1	12.4	-2.6	6.0
Rest	11.4	1.2	9.2	0.3	-1.8	-2.9
Durable	-0.3	8.7	1.8	2.4	-1.5	-0.9
2. Inputs	**3.3**	**-4.5**	**10.4**	**25.9**	**-15.9**	**-7.6**
Main Foods	-5.9	1.7	8.0	21.8	-14.1	-15.3
Oil and derivatives	12.4	2.7	2.4	52.9	-18.0	-5.4
Industrial supplies	0.4	-9.6	16.0	16.3	-15.0	-7.3
Plastics	0.4	-14.9	18.4	1.9	-23.5	-0.5
Iron & Steel	-13.4	-14.7	7.9	17.5	-18.8	-10.5
Textiles	3.5	-19.3	15.1	18.7	-11.4	-4.2
Papers	23.7	-25.5	18.7	31.6	-12.9	-12.5
Chemical products	6.6	-8.7	17.1	17.3	-2.3	-9.5
Organic chemicals	-2.9	0.2	12.8	11.7	-14.7	-9.0
Rest	1.1	-5.7	17.1	18.3	-15.2	-7.3
3. Capital goods	**-1.6**	**-0.3**	**9.3**	**2.4**	**-1.8**	**-0.3**
Construction materials	-7.5	-18.9	14.8	2.4	-1.8	-0.3
Rest of capital goods	-0.8	1.9	8.8	2.4	-1.8	-0.3

Source: Sunat, Zofratacna and MEF.
Elaboration: BCRP.

In 2024, imports of non-durable consumer goods increased by USD 409 million (6.3 percent), driven mainly by a greater flow of cleaning products, perfumery and footwear. Within the main food items, imports grew by USD 47 million due to increased purchases of rice, sugar and meats, as a result of higher prices for these products.

During the year, imports of consumer durables rose by US$42 million (0.9 percent), driven by higher purchases of household appliances, furniture, plastic goods and *courier* shipments, mainly concentrated in the last quarter. However, this increase was mostly counterbalanced by a drop in automobile imports, due to the disinvestment of inventories by companies in the sector.

Likewise, imports of inputs grew by USD 518 million, driven by an increase in the purchase of raw materials for industry (USD 671 million), despite the reduction in fuel purchases (-USD 312 million). This result reflected the fall in the international price of oil, the build-up of inventories in industry and the recovery of domestic demand with respect to 2023.

The value of crude oil and derivatives purchases decreased by USD 272 million (-3.2 percent), explained by a decrease in prices (-5.4 percent), especially in derivatives (-8.9 percent), and by a lower import volume of derivatives (-9.2 percent), mainly gasoline and lubricating oils.

On the other hand, the value of imports of capital goods increased by USD 1,228 million, due to the increase in imports of machinery and equipment (USD 647 million) and transportation equipment (USD 401 million). In terms of volume, imports of capital goods excluding construction materials grew by 8.8 percent, which is in line with the recovery of domestic investment. The main products that increased their imports were laptops, dump trucks, gantry cranes and electric streetcars; the latter two were linked to large investment projects carried out during the year, such as the Port of Chancay and Line 2 of the Lima Metro.

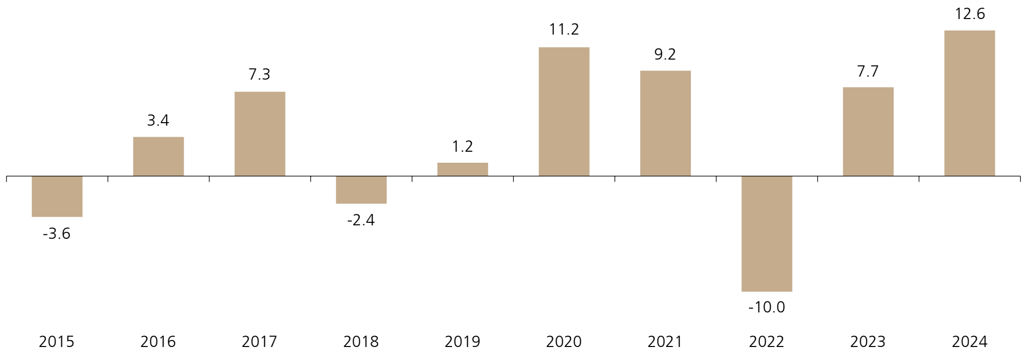
2.2 Terms of trade[4]

In 2024, the terms of trade recorded a 12.6 percent year-on-year increase. This was due to an increase in export prices (7.9 percent), mainly for gold (22.9 percent), zinc (16.0 percent), and non-traditional agriculture and livestock products (17.5 percent). In addition, import prices fell by 4.2 percent, as a result of lower input prices (-7.6 percent), especially oil and oil derivatives (-5.4 percent) and industrial inputs (-7.3 percent).

Graph 35

TERMS OF TRADE

(% chg.)



Source: BCRP.

Table 31

TERMS OF TRADE

(Annual % change)

Years	Export prices	Import prices	Terms of trade
2022	2.5	13.9	-10.0
2023	-2.6	-9.6	7.7
2024	7.9	-4.2	12.6
Average % chg. 2015-2024	**3.5**	**0.1**	**3.4**

Source: BCRP.

The average price of **copper** increased 8 percent per year, from USD/lb 3.85 in 2023 to USD/lb 4.17 in 2024. After peaking at USD/lb 4.92 on May 20, the copper price declined and closed the year at USD/lb 4.04 as a monthly average for December.

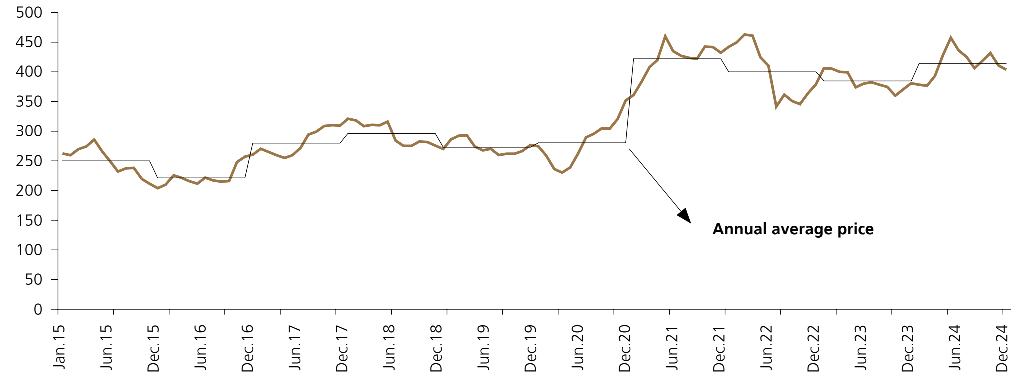
4 In this Report, for the 1994-2024 period, revisions were made to exports and imports. In the case of exports, the volumes and prices of minerals and hydrocarbons were revised. In addition to the revision of volumes and prices of hydrocarbons, methodological changes have been incorporated in the calculation of the prices of the three main categories (consumption, inputs and capital goods), in order to incorporate the increased weight of China as the main source of origin of imports.

In 2024 supply and demand factors drove copper prices higher. Disruptions in mine and smelter production were recorded due to a shortage of concentrates and lower availability of recycled copper following changes in Chinese policies. An increase in speculative positions in financial markets such as the Comex, and a recovery in demand, especially in the semi-manufacturing sector, also contributed.

Graph 36

PRICE OF COPPER: 2015-2024

(Monthly average, USD cents per pound)



Source: Reuters.

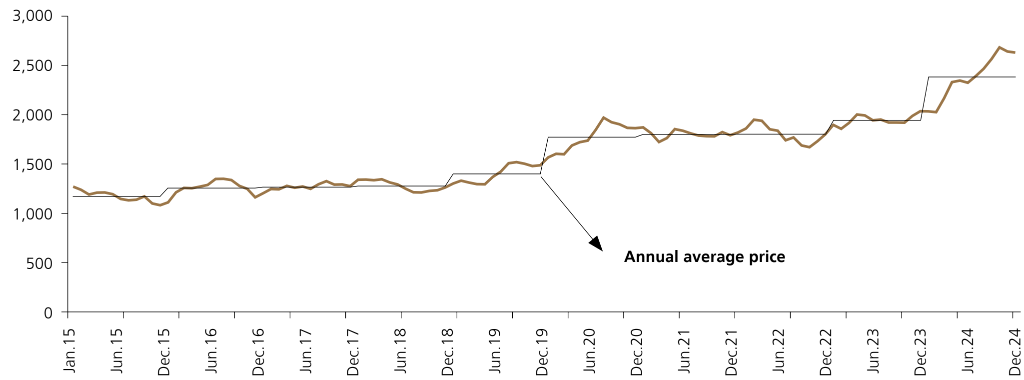
The average **gold price** increased by 23 percent from USD 1 943/oz tr in 2023 to USD 2 388/oz tr in 2024.

The gold price increased due to higher demand for safe-haven assets in response to increased geopolitical and economic risks. On the one hand, the depreciation of the dollar, particularly during the third quarter, put upward pressure on the price. On the other hand, increasing risks from conflicts in the Middle East, international tensions and uncertainty surrounding the policies of the new U.S. administration intensified the search for safe assets. In addition, purchases by central banks - notably Poland, Turkey, India and China - and the flow into exchange-traded funds (ETFs), reinforced the rise, allowing the metal to reach historical highs at various times during the year. In the fourth quarter, this trend was only partially reversed due to expectations of a stronger dollar.

Graph 37

PRICE OF GOLD: 2015-2024

(Monthly average, USD/tr. ounce)



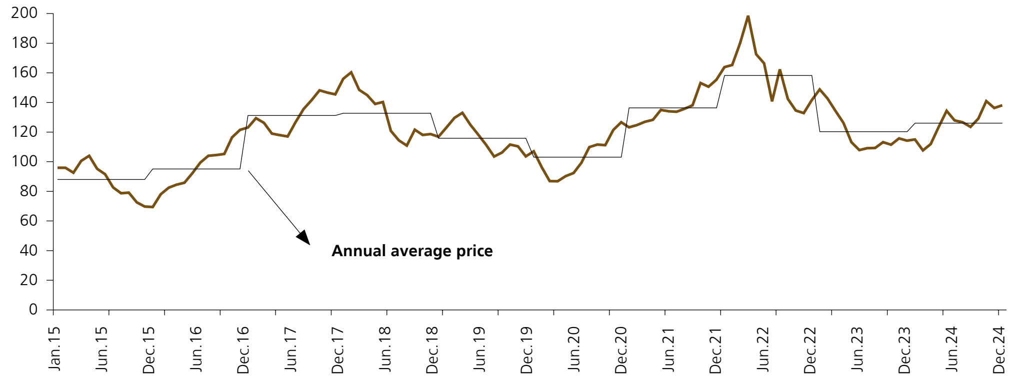
Source: Reuters.

The average price of **zinc** increased 5 percent in 2024 (from USD/lb 1.20 to USD/lb 1.26). This price increase was due to supply constraints and operational adjustments. Concentrate shortages reduced refined zinc production, while mine output experienced its third consecutive annual decline. In China, major smelters cut production and brought forward maintenance due to financial losses; and in Europe, high energy prices forced some facilities to operate at reduced capacity or temporarily suspend production. In addition, supply chain disruptions in regions such as South Africa have contributed to a tight supply picture.

Graph 38

PRICE OF ZINC: 2015-2024

(Monthly average, USD cents per pound)



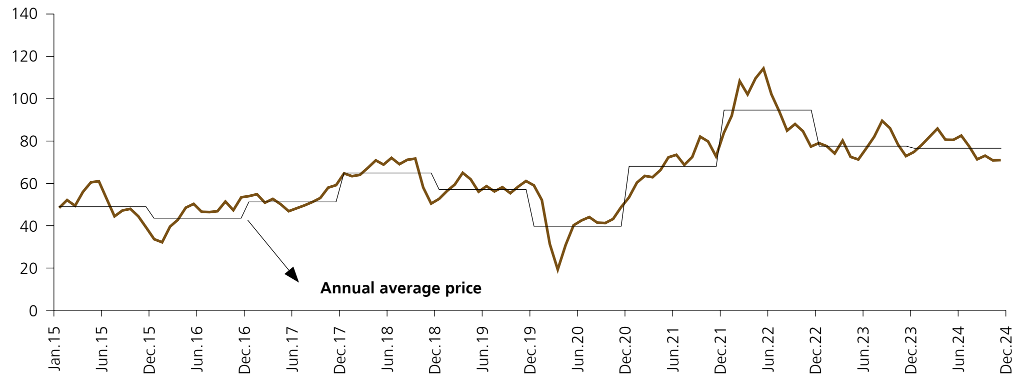
Source: Reuters.

The average price of **WTI oil** decreased 1 percent in 2024 (from USD 78 per barrel to USD 77 per barrel). The slight decrease in the oil price in 2024 was associated with lower demand in markets such as China, the United States and Europe; rising inventories and lower unplanned outages due to the conflicts in the Black Sea and the Middle East. However, the downward trend was partially counterbalanced by the forecasts of the International Energy Agency and OPEC, which anticipated a growth in world demand to peak levels in the coming years, and by the continuation of production cuts that kept supply below pre-pandemic levels.

Graph 39

WTI OIL PRICE: 2015-2024

(Monthly average, USD per barrel)



Source: Reuters.

2.3 SERVICES[5]

The deficit for services totaled USD 7,916 million, USD 41 million lower than in the same period of 2023, mainly due to higher revenues from international travel and tickets, as a result of the recovery in the inflow of non-resident travelers. On the other hand, there were higher outflows from maritime transport freight, which in the second half of the year were affected by the stress in the container market, and outflows from other services and telecommunications, IT and information services.

Table 32

SERVICES

(Million USD)

	2022	2023	2024	% chg. 2023	% chg. 2024	% chg. 24/22
I. TRANSPORTATION (a-b) 1/	**-4,724**	**-2,582**	**-2,876**	**-45.3**	**11.4**	**-39.1**
a. Credit	1,586	1,789	2,041	12.8	14.1	28.7
b. Debit	6,310	4,370	4,918	-30.7	12.5	-22.1
II. TRAVEL (a-b)	**-96**	**-539**	**164**	**461.7**	**-130.4**	**-270.7**
a. Credit	2,226	2,765	3,676	24.2	32.9	65.1
b. Debit	2,322	3,304	3,512	42.3	6.3	51.2
III. COMMUNICATIONS (a-b)	**-1,453**	**-1,905**	**-2,113**	**31.2**	**10.9**	**45.5**
a. Credit	121	131	154	8.0	18.0	27.5
b. Debit	1,574	2,036	2,267	29.4	11.4	44.1
IV. INSURANCE AND REINSURANCE (a-b)	**-791**	**-978**	**-967**	**23.5**	**-1.1**	**22.2**
a. Credit	122	135	150	10.8	11.2	23.2
b. Debit	913	1,113	1,117	21.8	0.4	22.3
V. OTHERS SERVICES (a-b) 2/	**-1,813**	**-1,954**	**-2,123**	**7.8**	**8.6**	**17.1**
a. Credit	996	1,042	1,131	4.6	8.5	13.6
b. Debit	2,809	2,997	3,254	6.7	8.6	15.8
VI. TOTAL (a-b)	**-8,876**	**-7,957**	**-7,916**	**-10.4**	**-0.5**	**-10.8**
a. Credit	5,051	5,862	7,153	16.1	22.0	41.6
b. Debit	13,928	13,819	15,069	-0.8	9.0	8.2

Memo: Credits refer to income from services, while debits are expenses.
1 / Includes courier and postal services, port expenses of ships and aircraft and transport commissions, mainly.
2/ Includes government services, financial services (including financial intermediation services measured indirectly-SIFMI), and information technology services, royalties, leasing of equipment, and business services.
Source: BCRP, SUNAT, SBS, Mincetur, PROMPERÚ, Ministry of of Trade Affairs and businesses.

Travel services recorded a surplus of USD 164 million, reflecting credits of USD 3,676 million (32.9 percent per year), due to the higher arrival of non-resident travelers to the country through Jorge Chávez International Airport (29.7 percent per year), however, it is still 17.9 percent below the pre-pandemic level (2019). On the other hand, non-resident arrivals by other means reached only 31.4 percent of pre-pandemic levels.

The transport services deficit totaled USD 2,876 million, USD 295 million higher than recorded in 2023, mainly due to freight outflows (14.4 percent). International shipping freight rose during the second half of the year due to route congestion. On the other hand, higher sales of international tickets by foreign airlines were recorded (7.5 percent), due to the increased departure of resident travelers. Credits increased by USD 253 million (14.1 percent) as a result of higher ticket sales by domestic airlines (22.5 percent), following the increase in arrivals of non-resident travelers to the country.

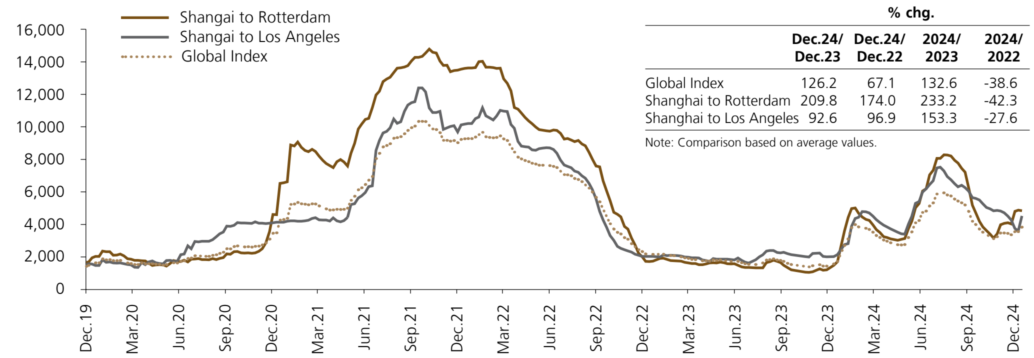
5 In this Report, for the period 2012-2024, a new estimate of digital services is included based on the information of the collection of the general sales tax (from January and February 2025) on digital services and import of intangible goods (Netflix tax), provided by non-domiciled persons in favor of individuals who do not perform business activities. This new estimate implied a new presentation of the figures. The Communications account has been replaced by the Telecommunications, Computing and Information account, which includes the new estimate of digital services. In the presentation prior to this Report, Computer and Information services were part of the Other services account.

On an annual average basis, the main international price benchmarks for freight costs, such as the Drewry's index for containers and the Baltic Dry index for bulk transportation, recorded higher levels than those of 2023. The Drewry's index increased by 132.6 percent on average, reflecting the global trade congestion crisis during the year. In the case of Peru, the average freight rate remained stable compared to 2023. However, the cost of freight from China experienced a significant increase, rising 25.9 percent on average and 9.7 percent at year-end, peaking in the third quarter.

Graph 40

DREWRY'S GLOBAL CONTAINER INDEX

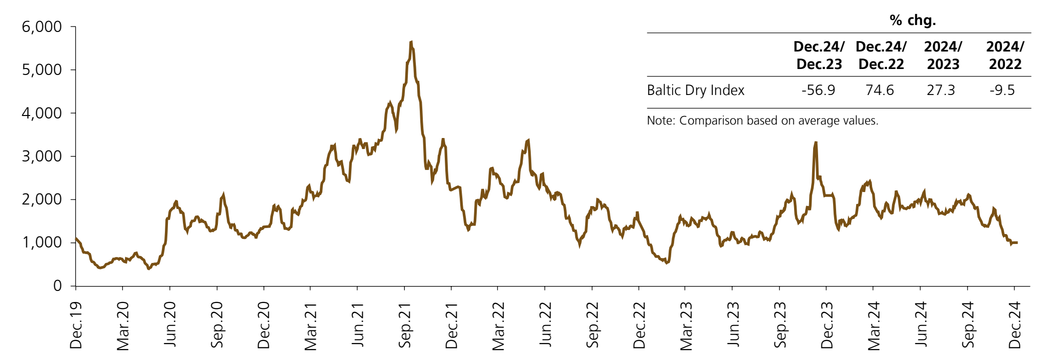
(USD per 40-foot container)



Source: Drewry.

Graph 41

BALTIC DRY INDEX

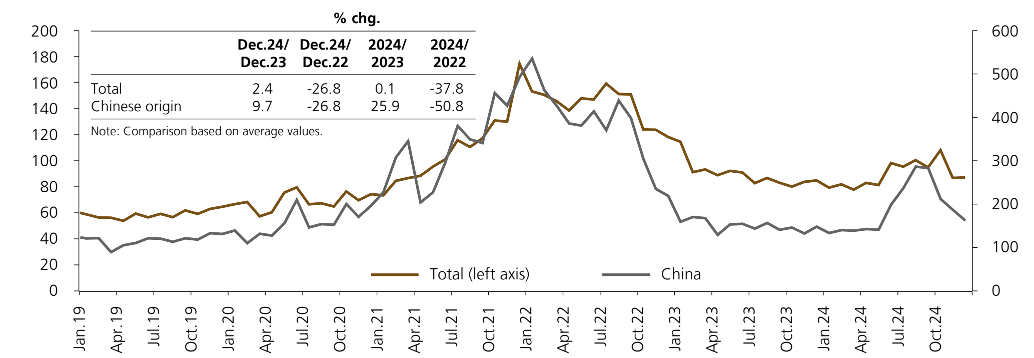


Source: Baltic Exchange.

Graph 42

FREIGHTS ACCORDING TO REGION OF ORIGIN

(USD/MT)



Source: BCRP.

Telecommunications, computer and information services recorded a deficit of UDD 2,113 million, USD 208 million higher than in 2023. Debits increased by USD 231 million (11.4%), mainly due to higher payments for digital services. For its part, loans grew by USD 24 million (18.0 percent), due to higher telecommunications services.

The insurance and reinsurance account showed a deficit of USD 967 million in 2024, USD 10 million higher than recorded in 2023, due to the increase in premiums paid for reinsured risk abroad.

Other services reached a deficit of USD 2,123 million, USD 169 million higher than in 2023. Debits increased by USD 258 million (8.6 percent), mainly due to higher payments for financial services. For its part, loans grew by USD 89 million (8.5 percent), mainly due to higher corporate loans.

2.4 PRIMARY INCOME

Primary revenue had a deficit of USD 17,379 million in 2024, USD 2,249 million (14.9 percent) higher than in the previous year, mainly due to higher outflows, which amounted to USD 23,048 million and were USD 3,201 million higher than in the previous year. This amount reflects the higher profits of companies with foreign participation, and the higher interest expenses of the public sector, in a context of higher liabilities of this sector. These higher outflows were partially counterbalanced by higher revenues, mainly from the public sector, given a higher balance of reserve assets.

Table 33

PRIMARY INCOME 1/

(Million USD)

	2022	2023	2024	% chg.	
				2023	2024
I. REVENUE	**2,394**	**4,718**	**5,670**	**97.0**	**20.2**
Private Sector	**1,313**	**2,230**	**2,380**	**69.9**	**6.7**
Public Sector	**1,081**	**2,488**	**3,289**	**130.1**	**32.2**
II. EXPENDITURE	**19,597**	**19,848**	**23,048**	**1.3**	**16.1**
Private Sector	**16,953**	**16,855**	**19,863**	**-0.6**	**17.8**
Profits 2/	15,049	14,092	17,060	-6.4	21.1
Interests	1,904	2,762	2,803	45.1	1.5
Bonds	752	730	830	-2.9	13.7
Loans	1,151	2,032	1,972	76.5	-2.9
Long-term	799	1,350	1,300	69.0	-3.7
Short-term 3/	352	682	672	93.6	-1.4
Public Sector 4/	**2,644**	**2,993**	**3,186**	**13.2**	**6.4**
Interests on long-term loans	255	717	872	181.2	21.7
Interests on bonds	2,377	2,263	2,314	-4.8	2.2
Others	13	13	0	-0.3	-100.0
III. TOTAL (I-II)	**-17,203**	**-15,130**	**-17,379**	**-12.1**	**14.9**
Private Sector	-15,640	-14,624	-17,482	-6.5	19.5
Public Sector	-1,563	-505	104	-67.7	-120.5

1/ Excludes financial intermediation services indirectly measured (FISIM).
2/ Profits or losses accrued in the period. Includes profits and dividends sent abroad plus undistributed profits.
3/ Includes interests of non-financial public enterprises and liabilities in domestic currency with non-residents.
4/ Includes commissions.
Source: BCRP, MEF, Cofide, ONP and business.

Profits of foreign direct investment companies were USD 17,060 million, USD 2,968 million higher than the previous year (21.1 percent), thanks to better results in all sectors except hydrocarbons. The mining sector recorded the largest increase in profits (USD 1,748 million), mainly due to higher international prices of copper, gold and zinc. The industry sector, with higher profits of USD 622 million, benefited from the higher export volume of fishing companies, given the restrictions they presented in 2023. The increase in profits in the services sector, by USD 500 million, reflected the better performance of banks, with lower provisioning costs and higher revenues, and of companies related to domestic demand. In the same line, the energy sector presented better profits, mainly due to those companies related to energy generation. On the other hand, the hydrocarbons sector presented lower profits of USD 139 million, mainly due to the reduction in natural gas export prices compared to 2023.

Earnings of foreign direct investment companies in 2024 were affected by the losses of one company in the telephone sector, due to tax contingencies and loss of market share.

Table 34

PROFITS BY SECTOR

(Million USD)

	2022	2023	2024	Change 2024/2023	
				Absolute chg.	% chg.
1. Mining	6,236	6,020	7,769	1,748	29.0
2. Hydrocarbons	3,040	1,695	1,555	-139	-8.2
3. Industry	948	1,102	1,724	622	56.4
4. Services	4,055	4,564	5,065	500	11.0
5. Energy and others	771	711	948	236	33.2
TOTAL	**15,049**	**14,092**	**17,060**	**2,968**	**21.1**

Source: Business. Includes estimates.

2.5 SECONDARY INCOME

Secondary income amounted to USD 7,604 million in 2024, an increase of USD 786 million over 2023, due to higher remittances from Peruvians abroad and, to a lesser extent, higher payments of the non-resident tax. Remittances abroad totaled USD 331 million, mainly to Venezuela.

Remittance income from Peruvian workers abroad reached USD 4,934 million, 11.0 percent higher than in 2023 and 47.5 percent higher than in 2019, the year before the pandemic. With this, remittances accounted for 1.7 percent of GDP in 2024. The increase in remittances from Peruvians abroad is explained by the recovery of employment in the main countries from which remittances originate and by the greater number of Peruvians who would have migrated abroad, which according to the General Directorate of Migration would total more than 500 thousand in the last three years (2022-2024). According to countries, remittances from the United States (13.2 percent), Spain (19.4 percent) and Italy (15.5 percent) increased. Remittances received from these countries accounted for 70.5 percent of total remittances to the country in 2024 (54.6 percent in 2019).

Table 35

FOREIGN REMITTANCES

Year	Million USD	% change	% GDP
2022	3,711	2.9	1.5
2023	4,447	19.8	1.6
2024	4,934	11.0	1.7

Source: SBS, banks and companies.

Table 36

FOREIGN REMITTANCES BTY COUNTRIES

	Annual Remittance (% share)			Annual Average Remittance (USD)			Number of shippings (Thousands)		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
United States	47.1	48.1	49.1	301	297	296	5,805	7,204	8,166
Spain	11.0	12.4	13.3	263	270	265	1,553	2,045	2,481
Italy	7.7	7.8	8.1	225	236	240	1,273	1,459	1,657
Chile	11.2	9.2	8.0	231	217	193	1,801	1,892	2,034
Japan	5.2	4.3	4.3	511	512	513	378	375	415
Argentina	1.6	1.3	1.3	159	154	170	381	383	364
Rest de countries 1/	16.1	16.8	16.0	295	321	309	1,522	1,781	1,912
Total	**100.0**	**100.0**	**100.0**	**280**	**294**	**294**	**12,712**	**15,140**	**17,029**

1/ Includes estimates of remittances by informal means not classified by country, except in cases of Annual Average Remittance and Number of Shipments, for which such estimate is excluded.
Source: SBS, banks and companies.

The main source of origin of remittances was money transfer companies (MTOs) and other means, which intermediated 50.2 percent of total remittances. For its part, banks accounted for 45.9 percent.

Table 37

FOREIGN REMITTANCES BY SOURCES

(% share)

	2019	2020	2021	2022	2023	2024
ETFs - Other 1/	47.5	50.5	54.6	55.9	53.9	50.2
Banks	40.5	45.5	41.4	40.1	42.1	45.9
Informal	12.0	4.0	4.0	4.0	4.0	4.0
Remittances from abroad	**100**	**100**	**100**	**100**	**100**	**100**

1/ Fund Transfer Companies (ETFs) and other means.
Source: SBS, banks and companies.

2.6 PRIVATE SECTOR FINANCIAL ACCOUNT

The long-term financial account of the private sector showed a higher investment in external assets of USD 169 million in 2024, a lower result compared to the higher net investment in external assets of USD 380 million in 2023. This result is attributed to an increase in portfolio assets and direct investment, which was higher than the increase in external liabilities of the same items.

Table 38

FINANCIAL ACCOUNT DEL PRIVATE SECTOR 1/

(Million USD)

	2022	2023	2024	Absolute change 2023	Absolute change 2024
I. ASSETS	**-3,045**	**5,539**	**7,852**	**8,584**	**2,314**
1. Direct investment	**-587**	**1,476**	**1,174**	**2,063**	**-303**
2. Portfolio investment 2/	**-2,458**	**4,062**	**6,679**	**6,521**	**2,616**
II. LIABILITIES	**11,269**	**5,158**	**7,683**	**-6,110**	**2,525**
1. Direct investment (a+b)	**11,201**	**4,339**	**6,799**	**-6,862**	**2,460**
a. Equity	10,121	5,002	6,994	-5,119	1,993
ReInvestment	8,276	4,973	7,126	-3,303	2,153
Contributions and other capital operations	1,845	29	-132	-1,816	-161
b. Debt instruments	1,080	-663	-195	-1,743	468
2. Portfolio investment	**-1,162**	**-140**	**2,487**	**1,021**	**2,627**
Equity securities 3/	-110	-24	20	86	44
Fixed income 4/	-1,052	-117	2,467	935	2,583
3. Loans	**1,229**	**960**	**-1,603**	**-269**	**-2,563**
Disbursements	3,938	3,917	3,630	-21	-287
Amortization	-2,709	-2,957	-5,233	-249	-2,275
III. TOTAL (I-II)	**-14,314**	**380**	**169**	**14,694**	**-211**
Memo:					
Foreign Direct Investment in the country, old methodology 5/	12,191	3,745	5,870	-8,446	2,125

1/ Expressed in terms of assets net of liabilities.
2/ Includes stocks and other foreign assets of the financial and non-financial sector. Includes financial derivatives.
3/ Considers the net purchase of shares by non-residents through the LSE, recorded by CAVALI SA ICLV.
4/ Includes bonds and alike.
5/ FDI liabilities with the directional principle (Balance of Payments Manual, 5th edition).
Source: BCRP, Cavali S.A. ICLV, Agencia de Promoción de la Private investment (ProInvestment) and Business.

Foreign assets increased by USD 7,852 million after an increase of USD 5,539 million in 2023. The flow of direct investment was lower than in the previous year due to lower reinvestment and the sales of assets abroad by Alicorp and minera Latinoamericana. Regarding portfolio investment, there was a net acquisition of assets for USD 6,679 million, USD 2,616 million higher than that recorded last year, mainly explained by higher net purchases of Mutual Funds and Private Banking (versus lower purchases by AFPs and insurance companies).

Liabilities grew by USD 7,683 million in 2024, USD 2,525 million higher than in the previous year. Foreign direct investment grew by USD 6,799 million, which represents USD 2,460 million more than in 2023. This is mainly explained by higher reinvestment, in line with the increase in profits due to the economic situation; and to a lesser extent by lower amortizations with related foreign companies. On the other hand, net capital withdrawals by non-resident investors -related to the sale of companies in the electricity and fishing sectors- were recorded.

Portfolio investment in the country increased by USD 2,487 million in 2024, driven by higher issuance in the financial and non-financial sectors. In the latter, the issuance by the energy sector in the foreign market stood out, whose resources were mainly used to amortize debt within the same sector. In particular, Niagara Energy used part of these funds to pay the debt acquired in the second quarter of 2024, associated with the purchase of Enel Generación's assets, an operation that was financed through a bond issue for USD 1.2 billion.

Long-term loans recorded a net amortization of USD 1,603 million, a result that contrasts with that of 2023, with net long-term disbursements of USD 960 million. During this period, the main sectors that amortized were the energy and mining sectors.

2.7 SHORT-TERM CAPITAL

In 2024, net short-term capital outflows of USD 3 108 million were recorded, in contrast to net inflows of USD 227 million observed in the previous year. This result is mainly explained by the amortization of short-term liabilities in the banking financial sector, which amounted to USD 1,794 million, in contrast to the increase in short-term liabilities recorded in 2023 for USD 1,037 million in the same sector. Additionally, in the non-financial sector, amortizations of short-term liabilities were recorded for USD 403 million, in contrast to the increase in short-term liabilities recorded in 2023 for USD 1004 million, mainly due to Petroperu's amortizations in 2024.

Table 39

SHORT-TERM CAPITAL FINANCIAL ACCOUNT

(Million USD)

	2022	2023	2024	Absolute change	
				2023	2024
1. BANKS (a-b)	**610**	**-900**	**2,282**	**-1,510**	**3,181**
a. Assets	738	137	488	-601	350
b. Liabilities	128	1,037	-1,794	909	-2,831
2. BCRP	**0**	**0**	**0**	**0**	**0**
3. BANCO DE LA NACIÓN (a-b)	**46**	**-8**	**-29**	**-54**	**-21**
a. Assets	46	-8	-29	-54	-21
b. Liabilities	0	0	0	0	0
4. NON-FINANCIAL BANKS (a-b)	**-346**	**0**	**-88**	**346**	**-88**
a. Assets	-312	62	-44	375	-106
b. Liabilities	34	63	44	29	-19
5. NON-FINANCIAL SECTOR (a-b)	**4,008**	**680**	**943**	**-3,328**	**263**
a. Assets	3,643	1,685	540	-1,959	-1,144
b. Liabilities	-365	1,004	-403	1,369	-1,408
6. TOTAL (a-b)	**4,318**	**-227**	**3,108**	**-4,546**	**3,336**
a. Assets	4,115	1,877	955	-2,239	-921
b. Liabilities	-203	2,104	-2,153	2,307	-4,257

1/ Expressed in terms of net assets of liabilities.
Source: BCRP, Bank for International Settlements (BIS) and Business.

2.8 PUBLIC SECTOR FINANCIAL ACCOUNT

Public sector external financing in 2024 recorded a net capital inflow (increase in the net debtor position) of USD 5,272 million, which contrasts with the net capital outflow of USD 718 million in

2023. This result is attributed, on the one hand, to the issuance of global bonds by the General Government for USD 3 billion during the third quarter of the year; and, on the other hand, to the acceleration in the pace of net purchases of General Government bonds held by non-residents, which increased from USD 16 million in 2023 to USD 3,589 million in 2024.

The dynamics of external public indebtedness was associated with higher financing requirements -in response to the increase in the fiscal deficit- and a change in the composition of financing sources, which favored the use of global bonds, whose issuance increased from 0.0 percent of GDP in 2023 to 1.1 percent in 2024. External issuance complemented the domestic debt operations approved for the year.

Table 40

PUBLIC SECTOR FINANCIAL ACCOUNT 1/ 2/

(Million USD)

	2022	2023	2024	Absolute change	
				2023	2024
I. ASSETS	**105**	**-36**	**-35**	**-141**	**1**
II. LIABILITIES	**-1,097**	**-754**	**5,237**	**343**	**5,992**
1. Portfolio investment 3/	**-1,876**	**-1,657**	**4,387**	**219**	**6,043**
Issuance	600	0	3,300	-600	3,300
General Government	0	0	3,000	0	3,000
Financial enterprises	600	0	300	-600	300
Non-financial firms	0	0	0	0	0
Amortizations	-658	-1,801	-2,252	-1,143	-451
General Government	0	-1,628	-1,548	-1,628	81
Financial enterprises	-658	-173	-704	485	-531
Non-financial firms	0	0	0	0	0
Other transactions (a-b) 4/	-1,817	145	3,338	1,962	3,194
a. Sovereign Bonds held by non-residents	-1,888	16	3,589	1,904	3,573
b. Global Bonds held by residents	-71	-129	250	-58	379
2. Loans	**779**	**902**	**851**	**124**	**-52**
Disbursements	1,838	2,006	1,968	168	-38
General Government	1,836	1,934	1,940	98	6
Financial enterprises	0	12	13	12	0
Non-financial firms	2	60	16	57	-44
Amortizations	-1,060	-1,103	-1,117	-44	-14
General Government	-834	-889	-846	-54	43
Financial enterprises	-45	-44	-101	1	-57
Non-financial firms	-181	-171	-170	9	1
III. TOTAL (I-II)	**1,203**	**718**	**-5,272**	**-485**	**-5,990**

1/ Medium- and long-term debt.
2/ Expressed in terms of assets net of liabilities.
3/ Bonds are classified according to the market where they are issued. Global bonds, issued in foreign markets, are part of external debt including those purchased by residents. For public financial companies, since 2012 the Corporate Bonds of COFIDE and since 2013 the Corporate Bonds of the Fondo Mivienda are included. For non-financial public businesses, since 2017 Petroperú Corporate Bonds are included.
4/ For the purchase and sale between residents and non-residents of government bonds issued abroad or in the market local and includes bonds issued by the Metropolitan Municipality of Lima (MML), in December 2023 and September 2024, acquired by non-residents.
Source: MEF, BCRP.

2.9 POSITION OF EXTERNAL ASSETS AND LIABILITIES

External assets totaled USD 175,622 million in December 2024, representing 59.5 percent of GDP, reflecting an increase of 0.7 percentage points compared to the previous year. Of the total of these assets, 45 percent is made up of BCRP reserves, equivalent to 26.8 percent of GDP. The increase in BCRP reserve assets (by USD 7,881 million) and in financial system assets (by USD 4,949 million), mainly portfolio assets, is noteworthy.

External liabilities decreased to 91.9 percent of GDP at the end of 2024, compared to 96.0 percent of GDP in 2023. This reduction in terms of GDP is mainly explained by: (i) higher amortizations of private debt, short-term debt of the banking sector and medium and long-term debt of the non-financial sector, and (ii) the decrease in foreign direct investment.

Table 41

NET INTERNATIONAL INVESTMENT POSITION 1/

(Levels at the end of period in million USD)

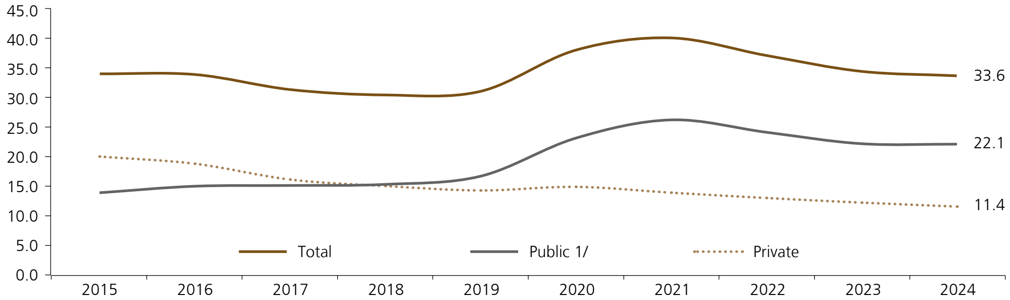
	2022	2023	2024	% GDP	
				2023	2024
I. ASSETS	**152,622**	**159,992**	**175,622**	**58.8**	**59.5**
1. Reserve assets	**72,246**	**71,319**	**79,200**	**26.2**	**26.8**
2. Financial system 2/	**25,013**	**30,142**	**35,090**	**11.1**	**11.9**
3. Other assets	**55,363**	**58,532**	**61,332**	**21.5**	**20.8**
II. LIABILITIES	**252,882**	**261,464**	**271,324**	**96.0**	**91.9**
1. Direct investment	**135,076**	**139,415**	**146,215**	**51.2**	**49.5**
2. Equity securities (portfolio)	**13,297**	**14,240**	**14,001**	**5.2**	**4.7**
3. Loans, bonds and other debts	**101,632**	**104,987**	**108,432**	**38.6**	**36.7**
Medium and long-term	**92,218**	**93,469**	**99,066**	**34.3**	**33.6**
Private Sector 3/	32,104	32,984	33,713	12.1	11.4
Public Sector (i+ii-iii) 4/ 5/	60,114	60,485	65,353	22.2	22.1
i. Public external debt	46,194	46,026	47,774	16.9	16.2
ii. Securities debt of the domestic secondary market held by non-residents	14,731	15,141	18,512	5.6	6.3
iii. Securities debt of the external secondary market held by residents	811	682	932	0.3	0.3
Short-term	**9,414**	**11,518**	**9,365**	**4.2**	**3.2**
Financial system 3/	4,007	5,107	3,357	1.9	1.1
Others	5,407	6,411	6,008	2.4	2.0
4. Central Reserve Bank of Peru	**2,877**	**2,821**	**2,677**	**1.0**	**0.9**
Short-term	363	286	214	0.1	0.1
Long-term 6/	2,514	2,535	2,463	0.9	0.8
III. TOTAL (I-II)	**-100,260**	**-101,472**	**-95,702**	**-37.3**	**-32.4**

1/ Expressed in terms of assets net of liabilities.
2/ Includes assets in domestic currency against non-residents. Excludes BCRP.
3/ Includes obligations in domestic currency with non-residents.
4/ Includes the debt of the General Government and public enterprises.
5/ Government bonds issued abroad and held by residents are excluded from external liabilities of the public sector. Locally issued government bonds held by non-residents are included in the external liabilities of this same sector. Includes bonds issued by the Metropolitan Municipality of Lima (MML), in December 2023 and September 2024, acquired by non-residents.
6/ Includes allocations of Special Drawing Rights (SDR).
Source: BCRP, MEF, Cavali SA ICLV, Proinversión, BIS, and businesses.

Graph 43

BALANCE OF MEDIUM- AND LONG-TERM EXTERNAL DEBT, 2015-2024

(% GDP)



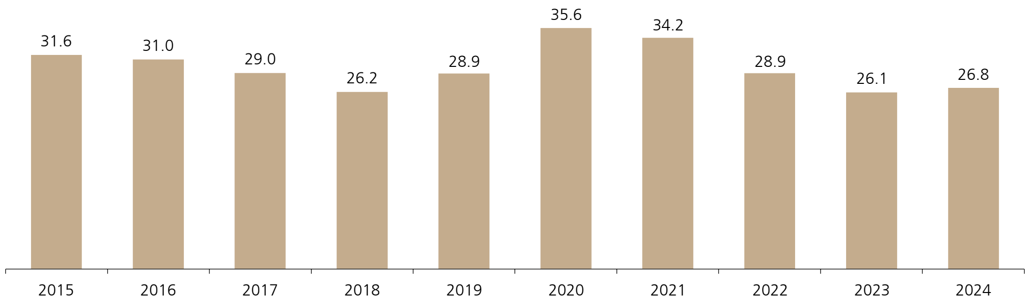
1/ The public external debt, using the criterion of residence of the holders of the debt, is the sum of external debt of the total public sector (including financial sector) by the issue market and the holding of sovereign bonds and bonds of the Municipality of Lima held by non-residents, and excluding debt issued abroad held by residents.
Source: BCRP.

The soundness of the balance of payments in the face of negative external events can be evaluated by considering the amount of net international reserves (NIRs) as a percentage of GDP, the balance of short-term external debt or the sum of these liabilities and the current account deficit. The NIRs for 2024 amounted to USD 78,987 million, which represented 26.8 percent of GDP and is capable of covering more than 5 times the balance of short-term external borrowings and almost 9 times the sum of these liabilities plus the current account deficit (surplus in 2024).

Graph 44

NET INTERNATIONAL RESERVES

(% GDP)



Source: BCRP.

Table 42

NIR INDICATORS

	2021	2022	2023	2024
As a % of:				
a. GDP	34.2	28.9	26.1	26.8
b. Short-term external debt 1/	557	460	348	518
c. Short-term external debt plus current account deficit	409	281	364	892

1/ Includes short-term debt balance plus redemption (1-year) from private and public sector.
Source: BCRP.

2.10 ADMINISTRATION OF INTERNATIONAL RESERVES

At the end of 2024, 77 percent of the international reserves investment portfolio was invested in high credit quality liquid securities, 19 percent in deposits in first class foreign banks and the remaining 4 percent in gold. The securities portfolio is mainly composed of sovereign debt securities and issues of supranational organizations and foreign public entities with long-term credit ratings equal to or higher than A+.

International reserve assets generated a yield of S/ 11,632 million in 2024, 36.6 percent higher than the previous year, as a result of higher international interest rates.

Table 43

COMPOSITION OF INVESTMENT PORTFOLIO

(% structure, end of period)

Item	2022	2023	2024	Average 2015-2024
Deposits abroad	20	13	19	26
Securities	77	83	77	71
Gold	3	4	4	3
TOTAL	**100**	**100**	**100**	**100**

Source: BCRP.

Table 44

MATURITY AND RATING OF INVESTMENT PORTFOLIO

(% structure, end of period)

	2022	2023	2024	Average 2015-2024
By maturity term	**100**	**100**	**100**	**100**
0-3 months	39	41	28	46
3-12 months	22	17	12	16
> 1 year	39	42	60	38
By long-term rating	**100**	**100**	**100**	**100**
AAA	63	57	67	54
AA+/AA/AA-	24	28	22	26
A+/A/A-	13	15	11	20

Source: BCRP.

In terms of portfolio quality, 67 percent of the portfolio was held in entities with a long-term credit rating of AAA, and the rest in entities with a rating between AA+ and A. For its part, the average duration of the investment portfolio was 1.34 in 2024.

The effective exposure of the BCRP's foreign exchange position to the U.S. dollar stood at 85 percent, and to other currencies and gold at 15 percent.

Table 45

INTERNATIONAL POSITION: EFFECTIVE EXPOSURE

(% structure, end of period)

	2022	2023	2024	Average 2015-2024
USD	88	88	85	87
Other currencies	8	8	10	9
Gold	4	4	5	4
Total	**100**	**100**	**100**	**100**

Source: BCRP.

During 2024, the issuance of socially responsible bonds or bonds that follow environmental and social protection guidelines (ESG) continued to increase due to greater investor demand for this type of asset. Thus, as part of the investment of international reserves made during 2024, USD 1,305 million of these bonds were purchased, of which USD 182 million were green bonds; USD 553 million were sustainable bonds; and USD 570 million were social bonds. After that, the balance of ESG bonds, which include the three aforementioned categories, amounted to USD 3,169 million as of December 31, 2024 in US dollars, Canadian dollars, Australian dollars, Euros and British pounds .[6]

6 The exchange rates of December 31, 2024 were used to calculate the year-end balance in USD, and the exchange rates on the day of purchase were used to convert purchases in currencies other than USD.

Box 1
PERU'S TRADE POLICY

This box presents the evolution and characteristics of Peruvian trade policy so far this century. In particular, it reviews how the structural reform of trade liberalization carried out at the end of the last century laid the foundations for deeper trade integration in the following decades.

Trade liberalization and the reduction of import tariffs

In 1990, a profound trade reform was initiated with the aim of integrating the Peruvian economy into the world economy, increasing efficiency in the allocation of resources and creating the conditions for sustained growth in output and employment based on the exploitation of the country's comparative advantages. This reform was based on the principle that a small economy such as Peru's needs greater trade openness in order to increase its productivity and gain access to international advances and innovations.[7]

The reform involved liberalizing international trade through a significant reduction in the level and dispersion of tariffs, the elimination of import prohibitions and non-tariff restrictions, an active policy to attract foreign investment and the elimination of the multiple exchange rate regime, establishing a market-determined exchange rate, among other aspects. In the area of exports, the tax subsidy for non-traditional exports was eliminated[8] and measures were taken to rationalize and simplify procedures for foreign trade operations and customs regimes .[9]

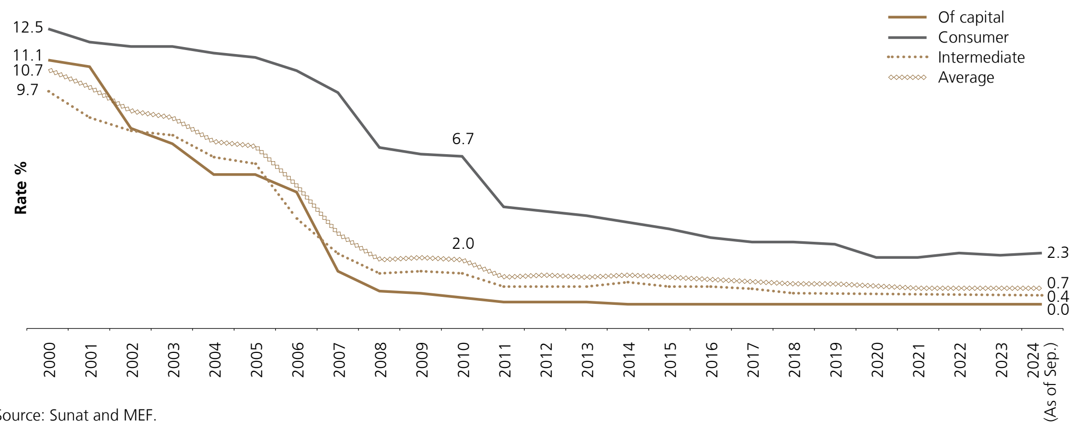
During the first decade of the 21st century, Peru deepened its trade liberalization process. Between 2000 and 2010, the average effective tariff applied to imports was reduced from around 11 percent to 2 percent. In addition, the tariff system was simplified, adopting a more uniform structure. This process was accompanied by improvements in customs procedures by Sunat. [10]

Liberalization also sought to expand Peru's export supply, with emphasis on non-traditional sectors such as agribusiness, fishing for human consumption and certain manufactured products. The government facilitated the participation of Peruvian companies in international trade fairs and improved the logistical infrastructure for trade.[11] At the same time, the strategy of reducing tariffs on imports continued, reaching an effective rate of 0.7 percent in 2024, with a structure that reduced tariffs on capital goods and affects consumer goods relatively more than inputs.

7 Paz Soldán J. and Rivera M. (1999). La Reforma Comercial y de Aduanas. Research Paper. Peruvian Institute of Economics.
8 Annual Report 1990, Central Reserve Bank of Peru. This subsidy, called the Certificate of Tax Reimbursement for Non-Traditional Exports (CERTEX), transferred between 25 and 45 percent of the value exported.
9 Abusada, R., Illescas, J. and Taboada, S. (2001). Integrating Peru to the world. Centro de Investigación de la Universidad de Pacífico; Instituto Peruano de Economía.
10 Sialer, J.A. (2011). Chronological evolution of the tariff and tariff policies in Peru. Lex - Journal of the Faculty of Law and Political Science of Alas Peruanas University. Vol. 9, N°8.
11 Aráoz, M. (2005). Peru: trade policy and international insertion. Inter-American Development Bank.

PERÚ: EFFECTIVE TARIFF BY TYPE OF GOODS: 2000-2024

(%)



Source: Sunat and MEF.
Elaborated by BCRP.

Currently, the import tariff structure has only three levels: zero, six and eleven percent. It should be noted that 75.6 percent of total imports have a zero tariff rate, which applies to 17 percent of imports of consumer goods, 86.4 percent of imports of inputs and all imports of capital goods.

TARIFF STRUCTURE ACCORDING TO TYPE OF GOODS

Number of subheadings and CIF value in millions USD of 2024 (as of September)

Advalorem Level tariffs	Consumer goods		Intermediate goods		Capital goods		Total	
	Number of Subheadings	Value	Number of Subheadings	Value	Number of Subheadings	Value	Number of Subheadings	Value
0%	522	1,426	3,366	17,456	1,762	11,414	5,650	30,296
6%	1,180	5,550	497	2,355	0	0	1,677	7,905
11%	416	1,432	260	384	0	0	676	1,816
Total	**2,118**	**8,407**	**4,123**	**20,196**	**1,762**	**11,414**	**8,003**	**40,017**
(Percentage distribution)								
0%	24.6%	17.0%	81.6%	86.4%	100.0%	100.0%	70.6%	75.7%
6%	55.7%	66.0%	12.1%	11.7%	0.0%	0.0%	21.0%	19.8%
11%	19.6%	17.0%	6.3%	1.9%	0.0%	0.0%	8.4%	4.5%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Average nominal tariff	**5.5%**		**1.4%**		**0.0%**		**2.2%**	
Tariff dispersion	**3.7%**		**3.2%**		**0.0%**		**3.6%**	
Effective Tariff*	**2.3%**		**0.4%**		**0.0%**		**0.7%**	

* Effective tariff = (CIF Advalorem collection amount / CIF import amount)*100.
Memo:
1) Prepared based on the 2022 Customs Tariff, approved by Supreme Decree No. 404-2021-EF, and amendments.
2) Does not include subheadings of "Chapter 98 Goods with special treatment" of the Customs Tariff.
Source: Sunat and MEF.
Elaborated by MEF.

According to World Trade Organization (WTO) data, **Peru is one of the 10 countries with the lowest average nominal tariff rate**, considering the simple average tariff of each of the 141 countries with data available for 2023).[12] The world average tariff, weighted by GDP adjusted for purchasing power parity, was 7.2 percent for 2023 (Peru's average nominal tariff was 2.2 percent in 2024).

12 These data correspond to the MFN ("Most Favored Nation") tariff, which are the tariff rates that WTO member countries can charge each other (so that all receive the same treatment), excluding preferential tariffs provided for in free trade agreements.

Peru's tariff reduction strategy consolidated the liberalization begun in the 1990s and paved the way for a more ambitious strategy based on the signing of trade agreements.

Trade agreements and market diversification

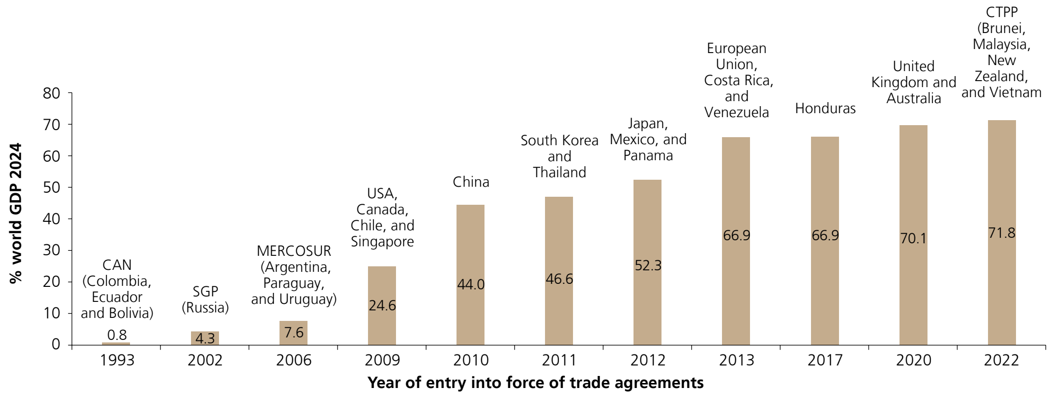
Starting in the second half of the 2000s, Peru adopted an active strategy of negotiating and signing trade agreements as a central axis of its trade policy. The objectives of this phase were to expand preferential access to key markets, diversify export destinations, attract foreign investment and consolidate the country's image as an open and reliable economy.

One of the most important milestones was the signing of the Peru - United States Trade Promotion Agreement, which entered into force in 2009. The background of this free trade agreement (FTA) dates back to the Andean Trade Preference Act (ATPA[13]) of 1991. Although this mechanism was mainly focused on combating drug exports from the Andean countries, in practice, the ATPA became a tool to promote international trade. Under the ATPA, Peru benefited from unilateral preferences granted by the United States to certain goods. Later, the Trade Promotion and Drug Eradication Act (ATPDEA[14]) renewed the ATPA in 2002 and extended trade preferences to clothing (which previously did not benefit from the ATPA). Against this background, between 2003 and 2005 the authorities of both countries negotiated an FTA, extending the benefits to other sectors. However, in contrast with the ATPA and the ATPDEA, which meant a unilateral opening by the United States to accept the entry of Peruvian exports, the FTA represented a bilateral opening agreement .[15]

The Trade Promotion Agreement between Peru and the United States not only opened up new opportunities for Peruvian products in the U.S. market, but also established standards in areas such as intellectual property, services, government procurement, and dispute settlement, among others. This was followed by other strategic agreements that came into force with Canada (2009), China (2010), South Korea (2011), Japan (2012), and the European Union (2013), among others. Thus, to date, the countries with which Peru has trade agreements represent 71.8 percent of world GDP.

EVOLUTION OF TRADE AGREEMENTS IN PERU: % WORLD GDP

(Cumulative of the countries with which Peru has current trade agreements)



Source: Mincetur and International Monetary Fund (World Economic Outlook April 2025). Memo: The percentage is corrected for purchasing power parity. In the case of the CTPP, only 4 new markets are added for Peru: Brunei, Malaysia, New Zealand and Vietnam, since the rest of the countries in this block have already been incorporated in the calculation of the percentage from previous years. Abbreviations: CAN=Andean Community of Nations; GSP: Generalized System of Preferences; Mercosur=Southern Common Market; CTPP=Comprehensive and Progressive Agreement for Transpacific Partnership.
Elaborated by BCRP.

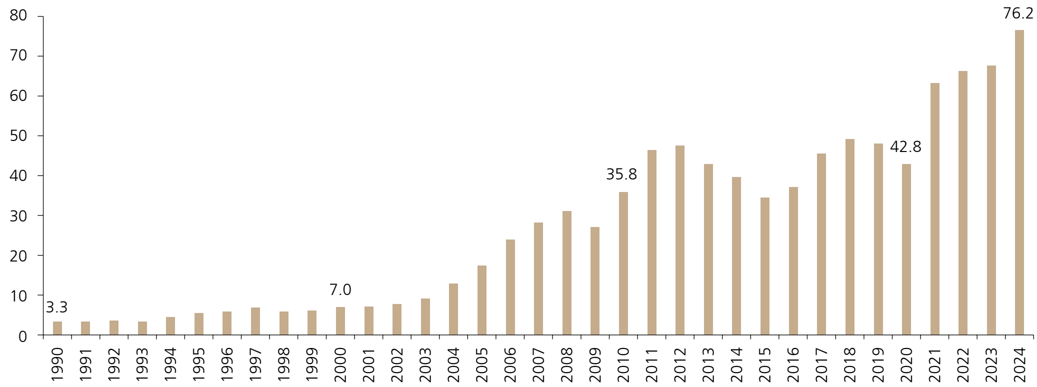
13 Andean Trade Preference Agreement.
14 Andean Trade Promotion and Drug Eradication Act.
15 Box 6 of the May 2006 Inflation Report. https://www.bcrp.gob.pe/docs/Publicaciones/Reporte-Inflacion/2006/mayo/ri-mayo-2006-recuadro-6.pdf

In addition, Peru has also actively participated in the Asia-Pacific Economic Cooperation (APEC) forum and is one of the founding countries of the Pacific Alliance (together with Chile, Colombia and Mexico), a regional bloc created in 2012 with the aim of deepening economic integration and jointly projecting itself into Asia-Pacific markets.

The signing of these agreements not only facilitated the expansion of exports (from US$3.3 billion in 1990 to US$76.2 billion in 2024), but also promoted a modernization of the legal and regulatory framework for trade. Many of these treaties include chapters on sanitary norms, technical standards, e-commerce, the environment and labor rights, reflecting the new dimensions of international trade.

VALUE OF EXPORTS OF GOODS

(Billions USD)



Final comments

The trade reform initiated in the 1990s and subsequent progress in reducing import tariffs -simplification of the tariff system, the signing and entry into force of trade agreements, as well as improvements in customs procedures and modernization of the institutional framework-contributed to the expansion and diversification of exports, as well as to greater access to capital goods and inputs for businesses and consumer goods for households.

To further leverage the benefits of foreign trade, it is necessary to continue expanding trade agreements, as well as to continue improving the environment to facilitate export and import operations, including actions that complement the effectiveness of previous ones, such as, for example, developing infrastructure, accelerating digitalization and automation, and strengthening inter-institutional coordination.