



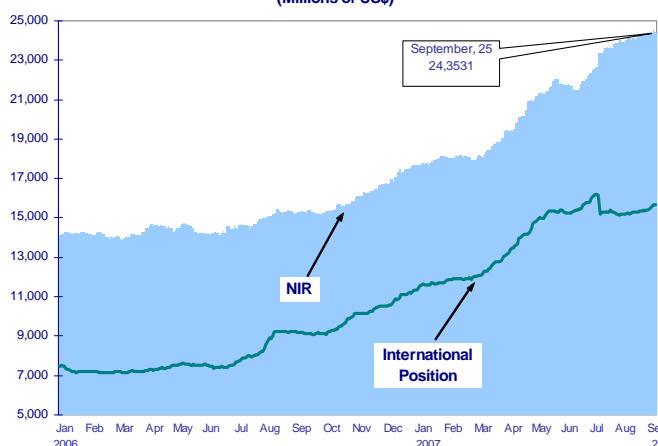
### Indicators

- NIRs amount to US\$ 24,351 million on September 25
- Exchange rate: S/. 3.107 per dollar
- Interbank interest rate at 4.97 percent on September 26
- Economic surplus of S/. 539 million in Central Government operations in August
- Country risk at 134 bps on September 26
- Lima Stock Exchange grew 3.7 percent

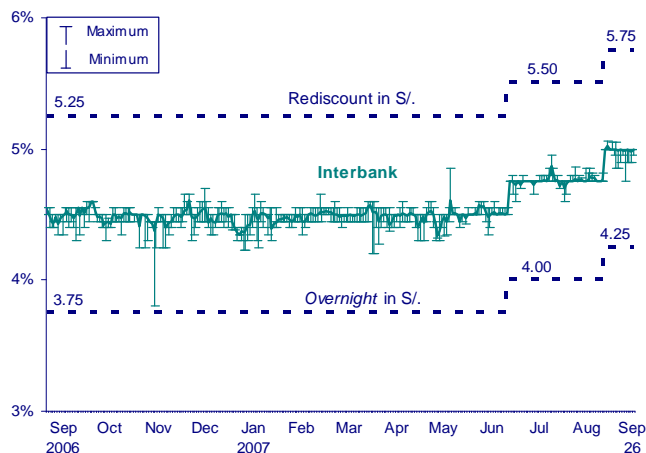
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**International Reserve and International Position of the BCRP**  
January 2006 - September 2007  
(Millions of US\$)



**Interest Rates in Domestic Currency**  
(September 2006 - September 2007)



**Our website**  
<http://www.bcrp.gob.pe>

- Weekly Report N° 38-2007
- Informative note on the Monetary Program: September 2007. BCRP raises the reference interest rate from 4.75% to 5.0%
- Annual Report 2006
- IMF Executive Board Completes First Review under Peru's Stand-By Arrangement
- Inflation Report: Recents trends and macroeconomic forecast -May 2007
- Monetary Policy in a Dual Currency Environment
- Quarterly Charts

### Methodological change in series on liquidity and credit to the private sector

In accordance with international standards, the Central Bank has deemed convenient to exclude investment mutual funds from the categories comprised in the definition of liquidity to the private sector from now on.

This methodological change has been implemented to eliminate the valuation effect of the share of investment mutual funds on the evolution of liquidity. Although these assets are considered to be close substitutes of term deposits, the IMF's Monetary and Financial Statistics Manual recommends excluding them when the quota value of said assets is subject to considerable price variability. This has been the case this year due to the growth of funds invested in stocks, that is, in mixed and variable income assets. Previously, the mutual fund portfolio consisted mainly of deposits and fixed income securities.

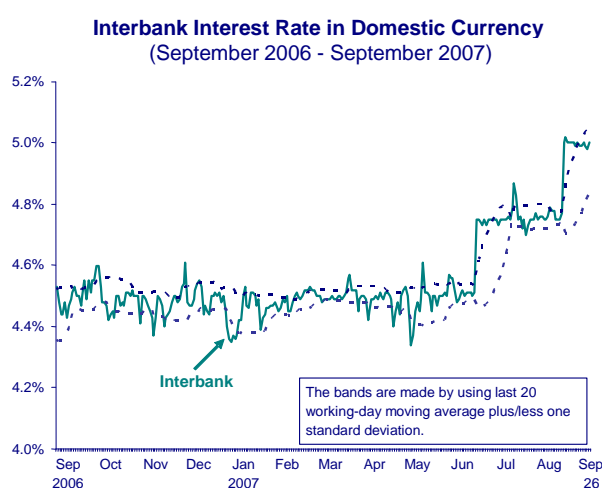
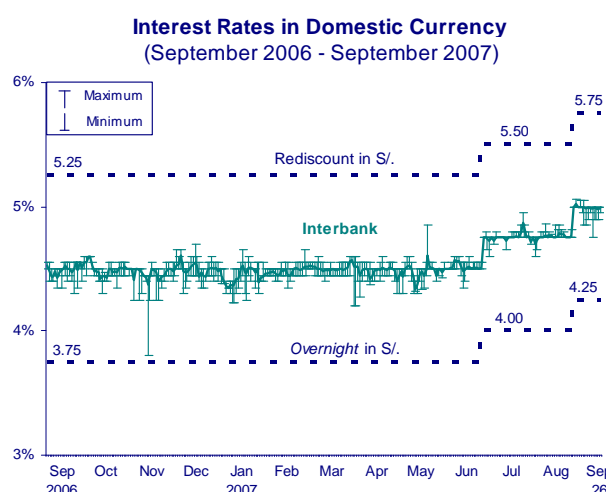
Therefore, liquidity to the private sectors comprises currency (issued by the BCRP), demand deposits (attracted by banks), saving and term deposits and certificates (issued by banks, financial entities and municipal and rural saving banks).

The operations of investment mutual funds will continue to be recorded in the financial system's monetary accounts as part of financial savings.

### Average interbank interest rate at 4.97 percent on September 26

The average interbank interest rate in domestic currency by September 26 was 4.97 percent, a level higher than the average rate posted in August (4.77 percent). Between September 19 and 26, this rate increased from 4.99 to 5.00 percent.

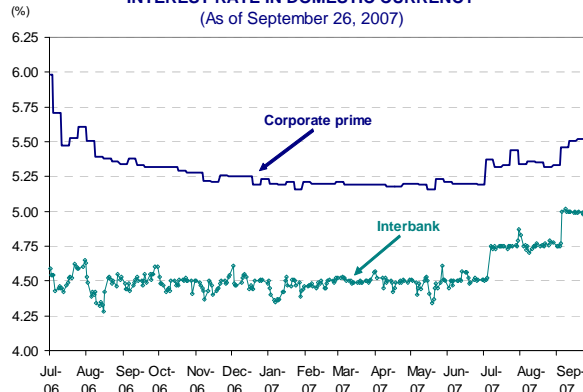
| Interbank Interest Rate Average (percent) |         |      |
|---|---------|------|
|   | Average | S.D. |
| December 2004                             | 3.00    | 0.05 |
| December 2005                             | 3.34    | 0.08 |
| October                                   | 4.50    | 0.04 |
| November                                  | 4.48    | 0.04 |
| December                                  | 4.51    | 0.04 |
| January 2007                              | 4.47    | 0.06 |
| February                                  | 4.48    | 0.02 |
| March                                     | 4.50    | 0.01 |
| April                                     | 4.51    | 0.03 |
| May                                       | 4.49    | 0.06 |
| June                                      | 4.52    | 0.03 |
| July                                      | 4.69    | 0.09 |
| August                                    | 4.77    | 0.04 |
| September 26                              | 4.97    | 0.10 |



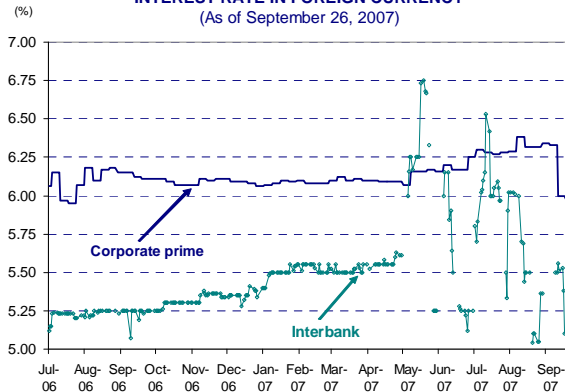
## Corporate prime rate in Nuevos Soles increased to 5.52 percent

Between **September 19 and 26**, the daily average of the 90-day corporate prime rate in domestic currency increased from 5.51 to 5.52 percent, while this rate in dollars fell from 6.00 to 5.97 percent.

**INTEREST RATE IN DOMESTIC CURRENCY**  
(As of September 26, 2007)



**INTEREST RATE IN FOREIGN CURRENCY**  
(As of September 26, 2007)



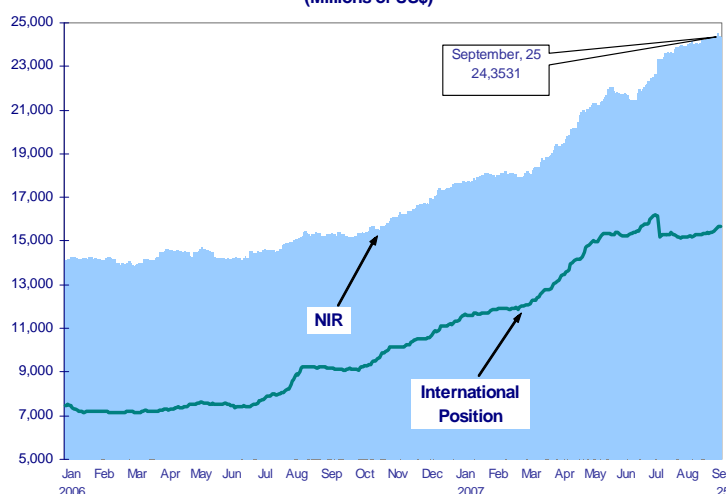
## Monetary operations

Between **September 20 and 26**, the Central Bank made the following monetary operations: i) auctions of BCRP Certificates of Deposit with 1-day, 3-days, 1-month, 6-months, 1-year and 2-year maturities for a daily average of S/. 370.7 million, with an average interest rate of 5.07 percent; ii) purchases of foreign currency for a total of US\$ 361 million; iii) sales of foreign currency (US\$ 140 million) to the Public treasury; and iv) overnight deposits in domestic currency for a total of S/. 549 million.

## International reserves amount to US\$ 24,351 million on September 25

Net international reserves (NIRs) increased US\$ 281 million compared to end August and amounted to US\$ 24,351 million on **September 25**. This increase in the balance of NIRs was mainly due to BCRP exchange operations (US\$ 485 million), higher public sector's deposits (US\$ 228 million), higher valuation of securities (US\$ 170 million), and higher investment yield (US\$ 51 million). This result was partially offset by lower banks' deposits (US\$ 370 million) and by sales of foreign currency to the Public Treasury for the repayment of the external debt (US\$ 290 million).

**International Reserve and International Position of the BCRP**  
January 2006 - September 2007  
(Millions of US\$)

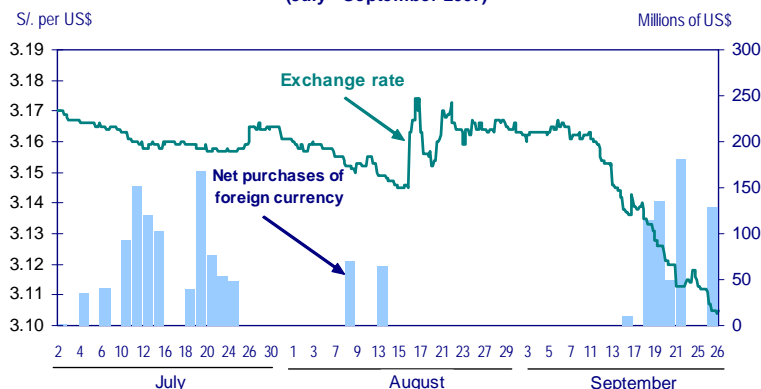


Moreover, the **international position of the BCRP** by September 25 (US\$ 15,656 million) increased by US\$ 379 million compared to end August.

## Exchange rate: S/. 3.107 per dollar

Between September 19 and 26, the average ask price of the interbank exchange rate fell from S/. 3.126 to S/. 3.107 per dollar, as a result of which the Nuevo Sol appreciated 1.8 percent relative to end August. The Central Bank intervened in the exchange market purchasing US\$ 497 million at the Central Bank's Foreign Exchange Desk.

INTERBANK ASK- EXCHANGE RATE AND NET PURCHASES OF FOREIGN CURRENCY  
(July - September 2007)



## Monetary base by September 22, 2007

The balance of the **monetary base** on September 22 (S/. 14,523 million) contracted 2.4 percent (S/. 353 million) compared to end-August. In average terms, the annual growth rate of the monetary base in this period was 27.7 percent (26.5 percent in August).

By sources, the operations that contributed most heavily to the contraction of the monetary base included sales of dollars to the public sector (US\$ 296 million, or S/. 926 million), lower temporary purchases of securities (S/. 530 million), public sector's higher deposits (S/. 363 million) and net placements of BCRP Certificates of Deposit (US\$ 280 million). Conversely, the monetary base expanded due to purchases of foreign currency at the Central Bank's front desk (US\$ 492 million, or S/. 1,534 million) and to banks' lower overnight deposits (S/. 161 million).

## Liquidity and credit to the private sector by August 31

In August, liquidity in **domestic currency** increased 2.0 percent (S/. 763 million), thus amounting to S/. 38,335 million (annual growth of 35.8 percent). Credit to the private sector in domestic currency increased by 1.5 percent (S/. 431 million) and totaled S/. 29,463 million (annual growth of 37.2 percent).

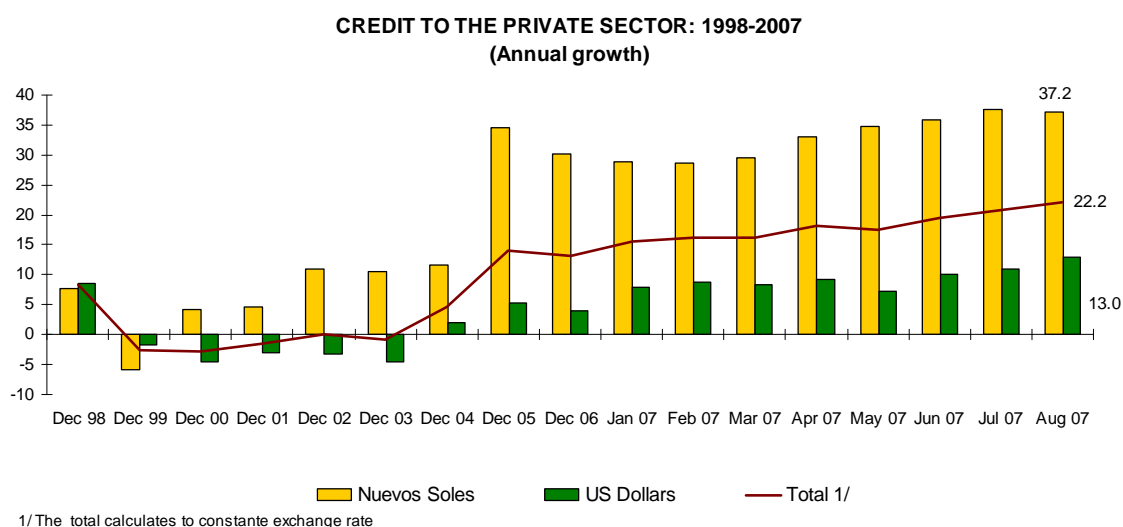
Liquidity in **foreign currency** increased by 2.8 percent (US\$ 326 million), thus amounting to US\$ 12,140 million (annual growth of 16.8 percent). Credit to the private sector in foreign currency increased 1.2 percent (US\$ 145 million) and totaled US\$ 12,628 million (annual growth of 13.0 percent).

It is worth pointing out that the operations of investment mutual funds will not be considered in the series on liquidity and credit to the private sector from now on.

| EVOLUTION OF LIQUIDITY AND CREDIT TO THE PRIVATE SECTOR |                  |                 |                  |                 |                  |                 |                  |                 |                  |                 |
|---|------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|
|   | MONETARY BASE    |                 | LIQUIDITY IN D/C |                 | CREDIT IN D/C    |                 | LIQUIDITY IN F/C |                 | CREDIT IN F/C    |                 |
|   | VAR.(%)<br>MONTH | VAR.(%)<br>YEAR | VAR.(%)<br>MONTH | VAR.(%)<br>YEAR | VAR.(%)<br>MONTH | VAR.(%)<br>YEAR | VAR.(%)<br>MONTH | VAR.(%)<br>YEAR | VAR.(%)<br>MONTH | VAR.(%)<br>YEAR |
| <b>2005</b>   |                  |                 |                  |                 |                  |                 |                  |                 |                  |                 |
| Dec.  | 13.1%            | 25.7%           | 8.4%             | 32.2%           | 6.1%             | 34.6%           | 3.0%             | 11.1%           | -0.2%            | 5.2%            |
| <b>2006</b>   |                  |                 |                  |                 |                  |                 |                  |                 |                  |                 |
| Mar.  | 0.8%             | 24.2%           | 2.7%             | 21.7%           | 2.3%             | 39.4%           | 2.1%             | 21.6%           | 2.2%             | 2.1%            |
| Jun.  | 2.3%             | 16.0%           | 1.4%             | 17.5%           | 2.0%             | 39.4%           | 0.2%             | 13.1%           | 2.1%             | 2.8%            |
| Sep.  | 0.9%             | 13.9%           | 1.0%             | 13.7%           | 2.2%             | 36.8%           | 0.5%             | 13.9%           | 0.9%             | 6.3%            |
| Dec.  | 15.7%            | 18.3%           | 10.6%            | 17.9%           | 3.3%             | 30.2%           | 1.8%             | 12.7%           | -2.1%            | 3.9%            |
| <b>2007</b>   |                  |                 |                  |                 |                  |                 |                  |                 |                  |                 |
| Jan.  | -6.8%            | 18.8%           | 1.0%             | 25.4%           | 0.9%             | 28.8%           | -1.2%            | 7.9%            | -0.3%            | 7.9%            |
| Feb.  | 1.5%             | 20.2%           | 0.1%             | 24.4%           | 2.6%             | 28.5%           | 0.1%             | 6.3%            | 0.5%             | 8.8%            |
| Mar.  | 1.3%             | 20.7%           | 2.9%             | 24.6%           | 3.1%             | 29.5%           | 1.2%             | 5.5%            | 1.7%             | 8.3%            |
| Apr.  | 1.9%             | 22.7%           | -1.7%            | 27.5%           | 4.1%             | 33.1%           | 3.0%             | 9.9%            | 1.3%             | 9.2%            |
| May.  | 0.4%             | 25.3%           | 1.9%             | 30.3%           | 2.2%             | 34.8%           | 2.6%             | 14.0%           | 1.6%             | 7.3%            |
| Jun.  | 3.0%             | 26.2%           | 2.9%             | 32.1%           | 2.8%             | 35.8%           | -1.0%            | 12.6%           | 4.7%             | 10.0%           |
| Jul.  | 5.3%             | 23.0%           | 4.5%             | 34.4%           | 2.9%             | 37.7%           | 2.1%             | 14.3%           | 1.3%             | 10.9%           |
| Aug.  | 0.8%             | 29.5%           | 2.0%             | 35.8%           | 1.5%             | 37.2%           | 2.8%             | 16.8%           | 1.2%             | 13.0%           |
| Memo:   |                  |                 |                  |                 |                  |                 |                  |                 |                  |                 |
| Balance as of Jul. 31<br>(Mill. S/. or Mill. US\$)      | 14,758           |                 | 37,573           |                 | 29,032           |                 | 11,814           |                 | 12,484           |                 |
| Balance as of Aug. 31<br>(Mill. S/. or Mill. US\$)      | 14,876           |                 | 38,335           |                 | 29,463           |                 | 12,140           |                 | 12,628           |                 |

## Evolution of credit to the private sector

In August **credit to the private sector** increased 1.3 percent (S/. 888 million), compared with the previous month, as a result of which the annual growth of credit to the private sector relative to August 2006 was 20.3 percent (22.2 percent when a constant exchange rate is considered).



**Credit to the private sector in nuevos soles** grew at a rate of 1.5 percent (S/. 431 million) in August (2.9 percent in July). **Banks' credit** expanded 1.4 percent (S/. 300 million), mainly due to the growth of consumer loans (which grew at a monthly rate of 2.9 percent, with a flow of S/. 235 million).

The growth rate of credit in soles over the last 12 months was 37.2 percent (with an annual flow of S/. 7,984 million). This evolution was mainly driven by banks (where credit in soles expanded 45.3 percent, with an annual flow of S/. 6,967 million).

#### CREDIT TO THE PRIVATE SECTOR IN DOMESTIC CURRENCY

|                           | Balance of million in Nuevos Soles |               |               | Growth rates      |                   |
|---------------------------|------------------------------------|---------------|---------------|-------------------|-------------------|
|                           | Aug 06                             | Jul 07        | Aug 07        | Aug.07/<br>Aug.06 | Aug.07/<br>Jul.07 |
| Commercial banks          | 15,376                             | 22,043        | 22,343        | 45.3              | 1.4               |
| State bank                | 1,571                              | 2,187         | 2,214         | 40.9              | 1.2               |
| Microfinance institutions | 3,232                              | 4,040         | 4,117         | 27.4              | 1.9               |
| Financial companies       | 1,301                              | 762           | 789           | -39.3             | 3.6               |
| <b>TOTAL</b>              | <b>21,479</b>                      | <b>29,032</b> | <b>29,463</b> | <b>37.2</b>       | <b>1.5</b>        |

On the other hand, **credit to the private sector in dollars** grew 1.2 percent (US\$ 145 million) in August (1.3 percent in July). This higher lending in August is explained by banks' increased placements in dollars (up 1.2 percent, or US\$ 141 million), particularly to the commercial segment (up 0.9 percent, with a flow of US\$ 78 million) and to the consumer segment (up 3.7 percent, with a flow of US\$ 30 million).

Credit to the private sector in dollars over the last 12 months grew 13.0 percent (US\$ 1,455 million). This evolution was mostly driven by banks (banks' lending increased 13.1 percent, with an annual flow of US\$ 1,363 million).

#### CREDIT TO THE PRIVATE SECTOR IN FOREIGN CURRENCY

|                           | Balance of million in US dollars |               |               | Growth rates      |                   |
|---------------------------|----------------------------------|---------------|---------------|-------------------|-------------------|
|                           | Aug 06                           | Jul 07        | Aug 07        | Aug.07/<br>Aug.06 | Aug.07/<br>Jul.07 |
| Commercial banks          | 10,392                           | 11,614        | 11,755        | 13.1              | 1.2               |
| State bank                | 184                              | 174           | 174           | -5.5              | -0.1              |
| Microfinance institutions | 553                              | 670           | 674           | 21.9              | 0.6               |
| Financial companies       | 43                               | 25            | 25            | -42.4             | -1.9              |
| <b>TOTAL</b>              | <b>11,173</b>                    | <b>12,484</b> | <b>12,628</b> | <b>13.0</b>       | <b>1.2</b>        |

### Economic surplus of S/. 539 million in August 2007

In August the operations of the central government showed an economic surplus of S/. 539 million, due to the growth of current revenues (which increased 15.6 percent in real terms) and to lower non-financial expenditure (-1.3 percent). Excluding transfers to other public entities, non-financial expenditure increased by 6 percent in real terms. As a result of this, the accumulated surplus by August amounts to S/. 6,708 million, a sum S/. 644 million higher than the one seen in August 2006.

This economic surplus (S/. 539 million) and an **external** financing of S/. 342 million, explained by a World Bank disbursement (US\$ 200 million), allowed reducing domestic financing by S/. 1,078 million, mainly due to increased deposits in the financial system.

The economic surplus of the Central Government over the last 12 months –trend indicator– increased from S/. 4,251 million in July to S/. 5,047 million in August 2007.



# CENTRAL GOVERNMENT OPERATIONS

(Million of Nuevos Soles)

|  | August       |              |              | Jan - Aug     |               |             |
|--|--------------|--------------|--------------|---------------|---------------|-------------|
|  | 2006         | 2007         | % Chg Real   | 2006          | 2007          | % Chg Real  |
| <b>1. CURRENT REVENUES</b>   | <b>4,185</b> | <b>4,947</b> | <b>15.6</b>  | <b>35,661</b> | <b>41,088</b> | <b>14.1</b> |
| A. Tax revenue   | 3,561        | 4,304        | 18.3         | 30,723        | 35,368        | 14.0        |
| B. Non tax revenue   | 625          | 643          | 0.7          | 4,937         | 5,720         | 14.6        |
| <b>2. NON-FINANCIAL EXPENDITURE</b>                                  | <b>3,666</b> | <b>3,701</b> | <b>-1.3</b>  | <b>26,034</b> | <b>30,778</b> | <b>16.9</b> |
| A. Current expenditure   | 2,991        | 3,210        | 5.0          | 23,330        | 27,839        | 18.0        |
| B. Capital expenditure   | 675          | 490          | -28.9        | 2,704         | 2,938         | 7.3         |
| <b>3. CAPITAL REVENUES</b>   | <b>19</b>    | <b>9</b>     | <b>-54.7</b> | <b>281</b>    | <b>290</b>    | <b>1.9</b>  |
| <b>4. PRIMARY BALANCE</b>  | <b>538</b>   | <b>1,255</b> |              | <b>9,908</b>  | <b>10,601</b> |             |
| <b>5. INTEREST PAYMENTS</b>  | <b>795</b>   | <b>717</b>   | <b>-11.8</b> | <b>3,844</b>  | <b>3,893</b>  | <b>0.1</b>  |
| <b>6. OVERALL BALANCE</b>  | <b>-257</b>  | <b>539</b>   |              | <b>6,064</b>  | <b>6,708</b>  |             |
| <b>7. NET FINANCING</b>  | <b>257</b>   | <b>-539</b>  |              | <b>-6,064</b> | <b>-6,708</b> |             |
| 1. External  | -316         | 342          |              | -1,973        | -1,762        |             |
| A. Disbursements   | 39           | 684          |              | 539           | 8,443         |             |
| B. Amortizations   | -355         | -342         |              | -2,512        | -10,205       |             |
| 2. Domestic  | 572          | -1,078       |              | -4,326        | -5,224        |             |
| 3. Privatization   | 2            | 197          |              | 234           | 278           |             |
| Memo:  |              |              |              |               |               |             |
| Net non-financial expenditures of transfers to other public entities | 2,548        | 2,759        | 6.0          | 19,482        | 20,559        | 4.4         |

In August the current revenues of the central government (S/. 4,947 million) grew 15.6 percent in real terms compared to the same month in 2006. This increase in current revenues was explained by the evolution of **tax revenues** (S/. 4,304 million), which grew 18.3 percent in real terms. The growth seen in terms of tax revenues reflected mainly higher revenues for income tax (S/. 4,304 million), value added tax -VAT- (22.6 percent), and other tax revenues (36.9 percent).

# CENTRAL GOVERNMENT OPERATIONS

(Million of Nuevos Soles, accumulated 12 month) \*

|  | Periods of 12 month       |                           |                           |                   |             |
|--|---------------------------|---------------------------|---------------------------|-------------------|-------------|
|  | Sep 2005<br>Aug 2006<br>A | Aug 2006<br>Jul 2007<br>B | Sep 2006<br>Aug 2007<br>C | % Chg Real<br>C/A | C/B         |
|  |                           |                           |                           |                   |             |
| <b>1. CURRENT REVENUES</b>   | <b>49,723</b>             | <b>57,380</b>             | <b>58,142</b>             | <b>15.6</b>       | <b>1.1</b>  |
| A. Tax revenue   | 42,757                    | 49,386                    | 50,130                    | 15.9              | 1.3         |
| B. Non tax revenue   | 6,966                     | 7,994                     | 8,012                     | 13.6              | 0.1         |
| <b>2. NON-FINANCIAL EXPENDITURE</b>                                  | <b>42,009</b>             | <b>47,969</b>             | <b>48,003</b>             | <b>12.8</b>       | <b>-0.1</b> |
| A. Current expenditure   | 36,443                    | 41,542                    | 41,761                    | 13.1              | 0.4         |
| B. Capital expenditure   | 5,566                     | 6,427                     | 6,242                     | 10.6              | -3.0        |
| <b>3. CAPITAL REVENUES</b>   | <b>383</b>                | <b>380</b>                | <b>370</b>                | <b>-4.7</b>       | <b>-2.7</b> |
| <b>4. PRIMARY BALANCE</b>  | <b>8,096</b>              | <b>9,791</b>              | <b>10,509</b>             |                   |             |
| <b>5. INTEREST PAYMENTS</b>  | <b>5,451</b>              | <b>5,541</b>              | <b>5,462</b>              | <b>-1.1</b>       | <b>-1.7</b> |
| <b>6. OVERALL BALANCE</b>  | <b>2,645</b>              | <b>4,251</b>              | <b>5,047</b>              |                   |             |
| <b>7. NET FINANCING</b>  | <b>-2,645</b>             | <b>-4,251</b>             | <b>-5,047</b>             |                   |             |
| 1. External  | -2,363                    | -2,279                    | -1,621                    |                   |             |
| A. Disbursements   | 4,036                     | 9,215                     | 9,860                     |                   |             |
| B. Amortizations   | -6,399                    | -11,494                   | -11,481                   |                   |             |
| 2. Domestic  | -572                      | -2,124                    | -3,773                    |                   |             |
| 3. Privatization   | 291                       | 153                       | 348                       |                   |             |
| Memo:  |                           |                           |                           |                   |             |
| Net non-financial expenditures of transfers to other public entities | 32 363                    | 33 970                    | 34 181                    | 4.3               | 0.4         |

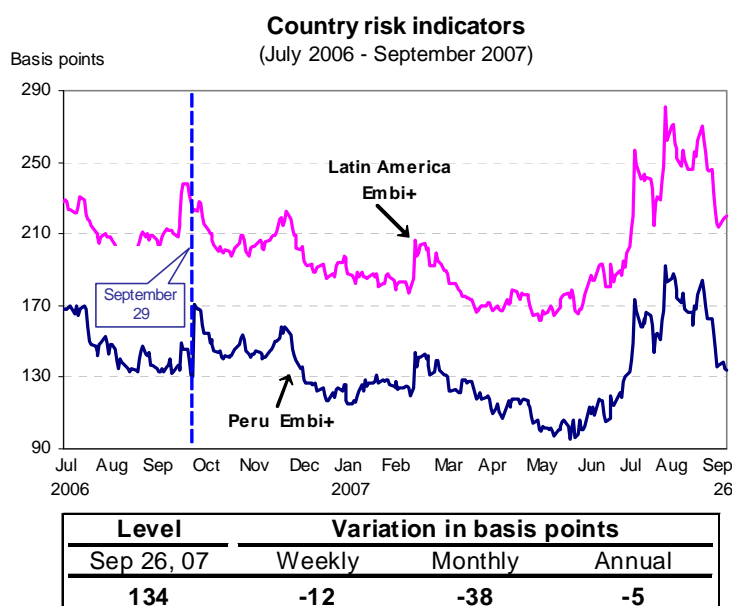
\* To avoid the volatility of monthly series, this chart presents the annual accumulated result.

**Net non-financial expenditure for transfers to other public entities increased 6.0 percent in real terms**, and accumulated a growth rate of 4.4 percent due mainly to increased capital expenditure (S/. 79 million), particularly gross capital formation which grew 19.3 percent. Current non-financial expenditure increased 3.7 percent. By spending groups, goods and services grew 5.2 percent, while transfers to the public sector and salaries and wages grew 4.9 percent and 1.9 percent respectively.

## International Markets

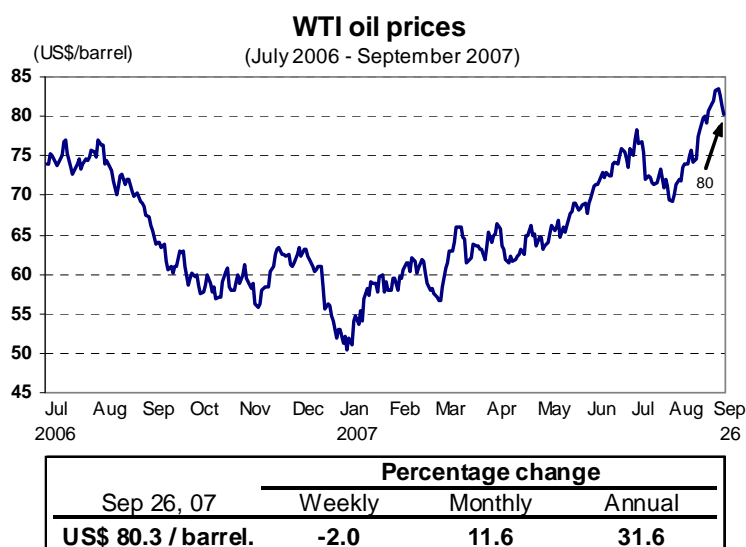
### Country risk at 134 basis points

Between September 19 and 26, the country risk indicator –measured by the **EMBI+ Peru** spread– decreased from 146 to 134 basis points. In line with the evolution of spreads in the region (the EMBI+ Latin America spread declined from 223 to 220 basis points), the reduction seen in the EMBI+ Peru spread was due to the optimism of global markets after the FED decided to cut its reference interest rate, and to the increase seen in the yield on the 10-year US Treasury bond (comparison base).



### Price of petroleum fell to US\$ 80.3 per barrel

The price of **WTI oil** declined 2.0 percent to US\$ 80.3 per barrel between September 19 and 26. This evolution was influenced by the increase seen in crude and gasoline inventories in the United States in the week ended September 21 and by the recovery of most of the oil and gas production in the Gulf of Mexico after a storm caused a temporary closing of oil platforms during the previous week.





In the September 19 – 26 period, the price of **gold** increased 0.7 percent to US\$ 728.5 per ounce troy. This result was associated with the depreciation of the dollar against other currencies –which increased the appeal of gold as an investment option– and with the increase of investors seeking to hedge against the higher price of petroleum.



| Sep 26, 07                 | Percentage change |            |             |
|----------------------------|-------------------|------------|-------------|
|                            | Weekly            | Monthly    | Annual      |
| <b>US\$ 728.5 / oz tr.</b> | <b>0.7</b>        | <b>9.3</b> | <b>23.0</b> |

In the same period of analysis, the price of **copper** increased 3.4 percent to US\$ 3.67 per pound. Factors contributing to this increase included a 2.2 percent drop of inventories at the London Metal Exchange (to 130,950 MT) and concerns about the interruption of copper supply due to increased labor disputes in some mines in Latin America. However, the rise in the price of copper was offset by expectations of a lower demand for this basic metal in the United States after the publication of unfavorable indicators of economic activity (orders of durable goods dropped in August).



| Sep 26, 07                | Percentage change |             |            |
|---------------------------|-------------------|-------------|------------|
|                           | Weekly            | Monthly     | Annual     |
| <b>US\$ 3.67 / pound.</b> | <b>3.4</b>        | <b>10.6</b> | <b>6.5</b> |

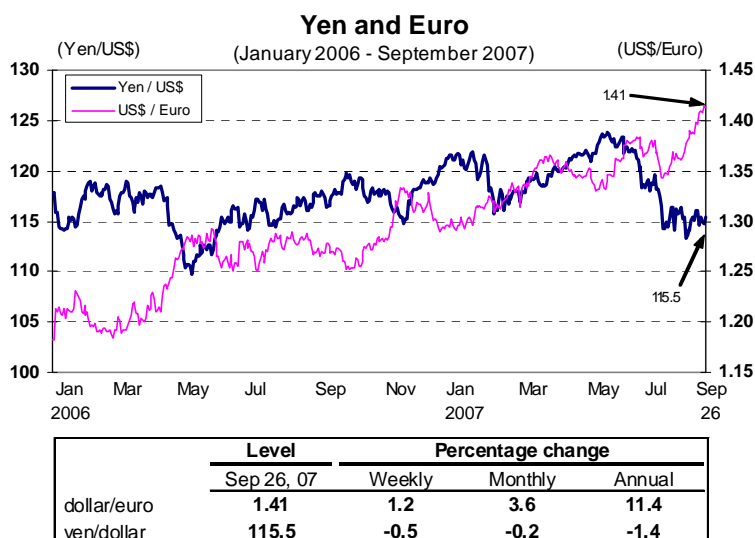
Between September 19 and 26, the price of **zinc** increased 2.3 percent to US\$ 1.36 per pound, due to the reduction of inventories at the London Metal Exchange –zinc inventories fell 9.5 percent to 62,725 MT– and to increased concerns about supply interruptions as a result of possible strikes in some mines in Peru. However, this increase was in part offset by the drop of the index on the construction of new houses in the United States, which renewed concerns that the demand for zinc might decline.



| Sep 26, 07                | Percentage change |             |              |
|---------------------------|-------------------|-------------|--------------|
|                           | Weekly            | Monthly     | Annual       |
| <b>US\$ 1.36 / pound.</b> | <b>2.3</b>        | <b>-3.2</b> | <b>-10.9</b> |

## Dollar depreciated against the euro and the yen

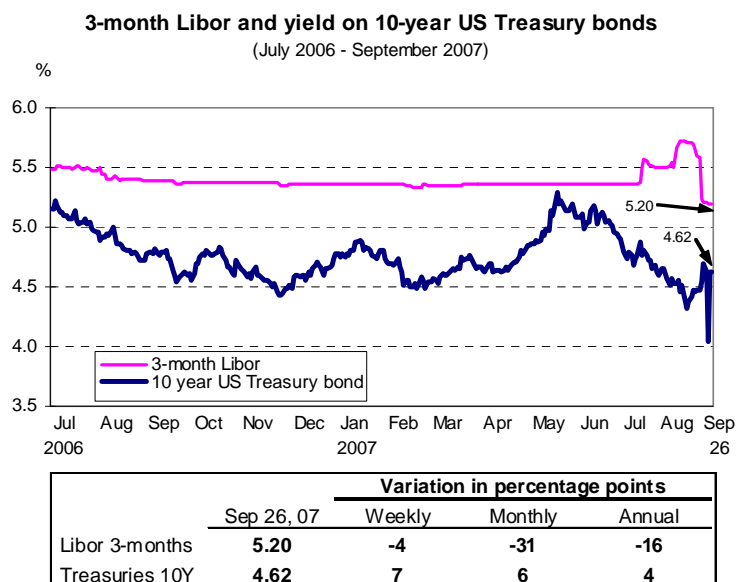
In the same period of analysis, the **dollar** depreciated 1.2 percent against the **euro** and 0.5 percent against the **yen**. The dollar weakened against the main other currencies due to the publication of negative indicators of economic activity (orders of durable goods dropped in August to their lowest level since January 2007 and the Conference Board consumer confidence index fell to its lowest level since November 2005) and to negative indicators on the real estate market (prices dropped by 3.9 percent in July), all of which fueled expectations that the Federal Reserve may cut its interest rates again.



Moreover, increased concerns about the evolution of the German economy –after the business confidence index (IFO) fell from 105.8 to 104.2 in September– prevented the euro from appreciating even further.

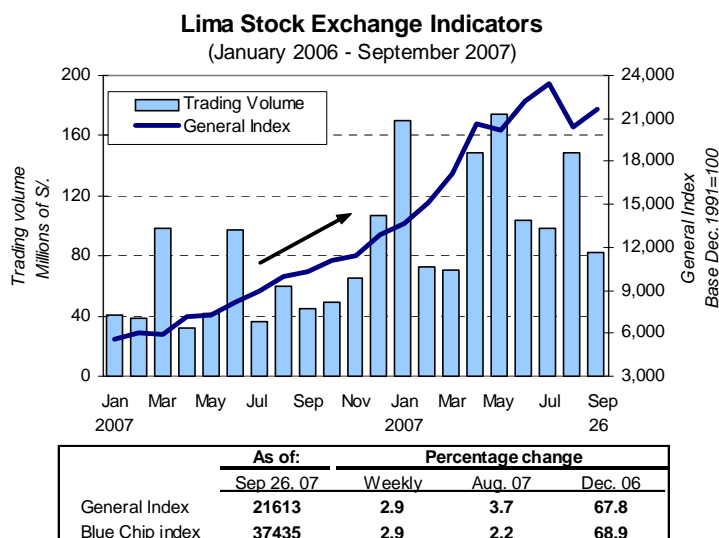
## Yield on 10-year US Treasuries increased to 4.62 percent

Between September 19 and 26, the the **3-month Libor** fell from 5.24 to 5.20 percent, while the yield on the **10-year US Treasury bond** increased from 4.55 to 4.62 percent. The increase seen in the case of the Treasury bond was explained by expectations of greater inflation after the Federal Reserve reduced its interest rates. However, this increase was offset by concerns of a lower growth in the US economy after the publication of negative indicators of economic activity.



## Lima Stock Exchange grew 3.7 percent

By September 26, the General and Blue Chip indices of the Lima Stock Exchange (LSE) had grown 3.7 and 2.2 percent respectively, driven by the optimism observed in the international context and by the advance seen in the international prices of basic and precious metals. Another factor contributing to this evolution was the progress made in terms of the signing of free trade agreement between Peru and the United States, which encouraged investors to take positions in the local market, particularly in the agroindustrial sector.



So far this year, the General and Blue Chip indices at the LSE have grown 67.8 and 68.9 percent respectively.

Resumen de Indicadores Económicos / Summary of Economic Indicators

|  | 2006  | 2007   |        |        |        |         |         |         |         |         |        |       |
|--|---|--------|--------|--------|--------|---------|---------|---------|---------|---------|--------|-------|
|  | Dic.  | Mar    | Jun    | Jul    | Ago    | 20 Set. | 21 Set. | 24 Set. | 25 Set. | 26 Set. | Set    |       |
| RESERVAS INTERNACIONALES (Mills. US\$) / INTERNATIONAL RESERVES  |   |        |        |        |        |         |         |         |         |         | Var.   |       |
| Posición de cambio / <i>Net international position</i>   | 11 086  | 12 403 | 15 305 | 15 286 | 15 277 | 15 554  | 15 655  | 15 650  | 15 656  |         | 379    |       |
| Reservas internacionales netas / <i>Net international reserves</i>                                     | 17 275  | 18 427 | 21 528 | 23 333 | 24 069 | 24 362  | 24 498  | 24 388  | 24 351  |         | 281    |       |
| Depósitos del sistema financiero en el BCRP / <i>Financial system deposits at BCRP</i>                 | 3 481   | 3 629  | 3 523  | 3 759  | 4 341  | 4 188   | 4 133   | 4 015   | 3 970   |         | -370   |       |
| Empresas bancarias / <i>Banks</i>  | 3 312   | 3 245  | 3 395  | 3 649  | 4 092  | 3 932   | 3 898   | 3 785   | 3 734   |         | -358   |       |
| Banco de la Nación / <i>Banco de la Nación</i>   | 92  | 312    | 58     | 37     | 187    | 182     | 163     | 158     | 166     |         | -21    |       |
| Resto de instituciones financieras / <i>Other financial institutions</i>                               | 77  | 72     | 70     | 73     | 62     | 74      | 72      | 71      | 70      |         | 9      |       |
| Depósitos del sector público en el BCRP / <i>Public sector deposits at BCRP *</i>                      | 2 778   | 2 490  | 2 854  | 4 433  | 4 620  | 4 743   | 4 834   | 4 846   | 4 848   |         | 228    |       |
| OPERACIONES CAMBIARIAS BCR (Mill. US\$) / BCRP FOREIGN OPERATIONS                                      | Acum.   | Acum.  | Acum.  | Acum.  | Acum.  |         |         |         |         |         | Acum.  |       |
|  | 645   | 411    | 207    | -158   | -65    | 0       | 91      | 0       | 0       | 130     | 325    |       |
| Compras netas en Mesa de Negociación / <i>Net purchases of foreign currency</i>                        | 695   | 610    | 371    | 933    | 135    | 50      | 181     | 0       | 0       | 130     | 622    |       |
| Operaciones swaps netas / <i>Net swap operations</i>   | 0   | 0      | 0      | 0      | 0      | 0       | 0       | 0       | 0       | 0       | 0      |       |
| Operaciones con el Sector Público / <i>Public sector</i>   | -50   | -200   | -168   | -1 091 | -200   | -50     | -90     | 0       | 0       | 0       | -296   |       |
| TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE  | Prom.   | Prom.  | Prom.  | Prom.  | Prom.  |         |         |         |         |         | Prom.  |       |
| Compra interbancario / <i>Interbank</i>  | Promedio / <i>Average</i>   | 3,204  | 3,185  | 3,170  | 3,160  | 3,157   | 3,119   | 3,113   | 3,114   | 3,111   | 3,104  | 3,140 |
| Venta Interbancario<br><i>Interbank Ask</i>  | Apertura / <i>Opening</i>   | 3,207  | 3,186  | 3,171  | 3,162  | 3,159   | 3,124   | 3,119   | 3,115   | 3,114   | 3,110  | 3,143 |
|  | Mediodía / <i>Midday</i>  | 3,206  | 3,186  | 3,171  | 3,162  | 3,159   | 3,120   | 3,113   | 3,118   | 3,112   | 3,105  | 3,141 |
|  | Cierre / <i>Close</i>   | 3,206  | 3,186  | 3,171  | 3,162  | 3,159   | 3,120   | 3,114   | 3,115   | 3,111   | 3,105  | 3,141 |
|  | Promedio / <i>Average</i>   | 3,206  | 3,186  | 3,171  | 3,162  | 3,159   | 3,121   | 3,115   | 3,115   | 3,113   | 3,107  | 3,142 |
| Sistema Bancario (SBS)<br><i>Banking System</i>  | Compra / <i>Bid</i>   | 3,205  | 3,185  | 3,170  | 3,160  | 3,158   | 3,120   | 3,113   | 3,114   | 3,112   | 3,105  | 3,141 |
|  | Venta / <i>Ask</i>  | 3,206  | 3,186  | 3,171  | 3,161  | 3,159   | 3,121   | 3,113   | 3,115   | 3,113   | 3,106  | 3,142 |
| Índice de tipo de cambio real (2001 = 100) / <i>Real exchange rate Index (2001 = 100)</i>              | 106,3   | 106,1  | 107,7  | 108,2  | 107,3  |         |         |         |         |         |        |       |
| INDICADORES MONETARIOS / MONETARY INDICATORS   |   |        |        |        |        |         |         |         |         |         |        |       |
| Moneda nacional / Domestic currency  |   |        |        |        |        |         |         |         |         |         |        |       |
| Emisión Primaria<br><i>Monetary base</i>   | (Var. % mensual) / (% monthly change)                               | 15,7   | 1,3    | 3,0    | 5,3    | 0,8     |         |         |         |         |        |       |
|  | (Var. % últimos 12 meses) / (% 12-month change)                     | 18,3   | 20,7   | 26,2   | 23,0   | 29,5    |         |         |         |         |        |       |
| Oferta monetaria<br><i>Money Supply</i>  | (Var. % mensual) / (% monthly change)                               | 12,4   | 2,0    | 5,7    | 1,1    | 1,2     |         |         |         |         |        |       |
|  | (Var. % últimos 12 meses) / (% 12-month change)                     | 18,0   | 29,1   | 43,7   | 41,4   | 39,4    |         |         |         |         |        |       |
| Crédito sector privado<br><i>Crédit to the private sector</i>  | (Var. % mensual) / (% monthly change)                               | 3,1    | 3,4    | 5,8    | 3,3    | 1,2     |         |         |         |         |        |       |
|  | (Var. % últimos 12 meses) / (% 12-month change)                     | 29,0   | 30,3   | 41,8   | 44,5   | 44,1    |         |         |         |         |        |       |
| TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>                    |   | 1,0    | 3,9    | 4,2    | 0,9    | 5,7     | -0,4    | -0,4    | -1,2    |         |        |       |
| Superávit de encaje promedio ( % respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>        |   | 0,9    | 0,9    | 1,0    | 0,8    | 0,9     | 1,2     | 1,1     | 1,0     |         |        |       |
| Cuenta corriente de los bancos (saldo mill. S./.) / <i>Banks' current account (balance)</i>            |   | 305    | 351    | 420    | 442    | 425     | 241     | 156     | 132     | 103     | 103    |       |
| Créditos por regulación monetaria (millones de S./.) / <i>Rediscounts (Millions of S./.)</i>           |   | 0      | 0      | 0      | 0      | 0       | 0       | 0       | 0       | 0       | 0      | 0     |
| Depósitos públicos en el BCRP (millones S./.) / <i>Public sector deposits at the BCRP (Mills.S./.)</i> |   | 10 172 | 11 159 | 15 866 | 16 432 | 16 455  | 16 883  | 16 818  | 17 053  | 17 000  | 16 953 |       |
| Certificados de Depósitos BCRP (saldo Mill.S./.) / <i>CDBCRP balance (Millions of S./.)</i>            |   | 8 066  | 12 016 | 15 852 | 14 335 | 13 493  | 13 557  | 13 773  | 13 673  | 13 823  | 14 203 |       |
| CD Reajustables BCRP (saldo Mill.S./.) / <i>CDRBCRP balance (Millions of S./.)</i>                     |   | 0      | 0      | 0      | 0      | 500     | 500     | 500     | 500     | 500     | 500    |       |
| Operaciones de reporte (saldo Mill. S./.) / <i>repos (Balance millions of S./.)</i>                    |   | 0      | 0      | 0      | 400    | 530     | 0       | 0       | 0       | 0       | 0      | 0     |
| Tasa de interés (%)<br><i>Interest rates (%)</i>   | TAMN / <i>Average lending rates in domestic currency</i>            | 23,08  | 23,31  | 22,39  | 23,26  | 22,87   | 22,44   | 22,30   | 22,46   | 22,34   | 22,30  | 22,58 |
|  | Préstamos y descuentos hasta 360 días / <i>Loans &amp; discount</i> | 13,79  | 14,03  | 13,14  | 12,91  | 12,95   | 12,82   | 12,78   | 12,85   | 12,83   | 12,92  | 12,83 |
|  | Interbancaria / <i>Interbank</i>                                    | 4,51   | 4,50   | 4,52   | 4,69   | 4,77    | 4,99    | 5,00    | 4,99    | 4,98    | 5,00   | 4,97  |
|  | Preferencial corporativa a 90 días / <i>Corporate Prime</i>         | 5,23   | 5,18   | 5,20   | 5,34   | 5,35    | 5,52    | 5,52    | 5,52    | 5,52    | 5,52   | 5,47  |
|  | Operaciones de reporte con CDBCRP / <i>CDBCRP repos</i>             | s.m.   | s.m.   | s.m.   | 4,82   | 4,79    | s.m.    | s.m.    | s.m.    | s.m.    | s.m.   |       |
|  | Créditos por regulación monetaria / <i>Rediscounts **</i>           | 5,25   | 5,25   | 5,25   | 5,50   | 5,50    | 5,75    | 5,75    | 5,75    | 5,75    | 5,75   | 5,75  |
|  | Del saldo de CDBCRP / <i>CDBCRP balance</i>                         | 5,12   | 5,24   | 5,26   | 5,32   | 5,33    | 5,32    | 5,32    | 5,32    | 5,32    | 5,32   |       |
| Moneda extranjera / foreign currency   |   |        |        |        |        |         |         |         |         |         |        |       |
| Crédito sector privado<br><i>Crédit to the private sector</i>  | (Var. % mensual) / (% monthly change)                               | -2,3   | 1,7    | 4,9    | 1,3    | 1,2     |         |         |         |         |        |       |
|  | (Var. % últimos 12 meses) / (% 12-month change)                     | 3,2    | 7,7    | 9,7    | 10,7   | 13,1    |         |         |         |         |        |       |
| TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>                    |   | 2,4    | -0,9   | -2,5   | 5,2    | 0,9     | 0,1     | -0,1    | -0,3    |         |        |       |
| Superávit de encaje promedio ( % respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>        |   | 0,3    | 0,3    | 0,2    | 0,2    | 0,2     | 1,6     | 1,8     | 1,9     |         |        |       |
| Créditos por regulación monetaria (millones de US dólares) / <i>Rediscounts</i>                        |   | 0      | 0      | 0      | 0      | 0       | 0       | 0       | 0       | 0       | 0      | 0     |
| Tasa de interés (%)<br><i>Interest rates (%)</i>   | TAMEX / <i>Average lending rates in foreign currency</i>            | 10,80  | 10,65  | 10,58  | 10,45  | 10,43   | 10,54   | 10,53   | 10,50   | 10,50   | 10,44  | 10,55 |
|  | Préstamos y descuentos hasta 360 días / <i>Loans &amp; discount</i> | 10,05  | 9,93   | 9,92   | 9,71   | 9,73    | 9,92    | 9,93    | 9,93    | 9,92    | 9,81   | 9,89  |
|  | Interbancaria / <i>Interbank</i>                                    | 5,37   | 5,51   | 5,76   | 6,05   | 5,70    | s.m.    | s.m.    | 5,00    | s.m.    | 4,90   | 5,40  |
|  | Preferencial corporativa a 90 días / <i>Corporate Prime</i>         | 6,09   | 6,11   | 6,18   | 6,28   | 6,33    | 5,97    | 5,97    | 5,97    | 5,97    | 5,97   | 6,14  |
|  | Créditos por regulación monetaria / <i>Rediscounts ***</i>          | s.m.   | s.m.   | s.m.   | s.m.   | s.m.    | s.m.    | s.m.    | s.m.    | s.m.    | s.m.   | s.m.  |
| INDICADORES BURSÁTILES / STOCK MARKET INDICES  | Acum.   | Acum.  | Acum.  | Acum.  | Acum.  |         |         |         |         |         | Acum.  |       |
| Índice General Bursátil (Var. %) / <i>General Index (% change)</i>                                     | 12,2  | 13,2   | 11,1   | 4,7    | -11,0  | -1,1    | 1,7     | 1,1     | -0,1    | 1,4     | 3,7    |       |
| Índice Selectivo Bursátil (Var. %) / <i>Blue Chip Index (% change)</i>                                 | 12,1  | 11,3   | 12,4   | 5,7    | -11,9  | -1,4    | 1,8     | 1,3     | -0,3    | 1,4     | 2,2    |       |
| Monto negociado en acciones (Mill. S./.) - Prom. diario  | 107,1   | 70,5   | 103,7  | 98,3   | 148,6  | 62,8    | 65,3    | 63,5    | 86,2    | 75,5    | 82,4   |       |
| INFLACIÓN (%) / INFLATION (%)  |   |        |        |        |        |         |         |         |         |         |        |       |
| Inflación mensual / <i>Monthly</i>   | 0,03  | 0,35   | 0,47   | 0,48   | 0,14   |         |         |         |         |         |        |       |
| Inflación últimos 12 meses / % 12 months change  | 1,14  | 0,25   | 1,55   | 2,21   | 2,20   |         |         |         |         |         |        |       |
| GOBIERNO CENTRAL (Mill. S./.) / CENTRAL GOVERNMENT (Mills. of S./.)                                    |   |        |        |        |        |         |         |         |         |         |        |       |
| Resultado primario / <i>Primary balance</i>  | -1 840  | 1 356  | -1 821 | 1 113  | 1 255  |         |         |         |         |         |        |       |
| Ingresos corrientes / <i>Current revenue</i>   | 4 409   | 4 665  | 4 650  | 5 060  | 4 947  |         |         |         |         |         |        |       |
| Gastos no financieros / <i>Non-financial expenditure</i>   | 6 289   | 3 318  | 6 499  | 4 069  | 3 701  |         |         |         |         |         |        |       |
| COMERCIO EXTERIOR (Mills. US\$) / FOREIGN TRADE (Mills. of US\$)                                       |   |        |        |        |        |         |         |         |         |         |        |       |
| Balanza Comercial / <i>Trade balance</i>   | 1 117   | 685    | 879    | 865    |        |         |         |         |         |         |        |       |
| Exportaciones / <i>Exports</i>   | 2 545   | 2 092  | 2 401  | 2 615  |        |         |         |         |         |         |        |       |
| Importaciones / <i>Imports</i>   | 1 427   | 1 407  | 1 522  | 1 750  |        |         |         |         |         |         |        |       |
| PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT                                      |   |        |        |        |        |         |         |         |         |         |        |       |
| Variac. %, respecto al mismo mes del año anterior / <i>Annual rate of growth</i> (12 months)           | 8,1   | 6,6    | 6,6    | 8,4    |        |         |         |         |         |         |        |       |
| COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS  | Prom.   | Prom.  | Prom.  | Prom.  | Prom.  |         |         |         |         |         | Prom.  |       |
| LIBOR a tres meses (%) / <i>LIBOR 3-month (%)</i>  | 5,36  | 5,35   | 5,36   | 5,36   | 5,47   | 5,21    | 5,20    | 5,20    | 5,20    | 5,20    | 5,52   |       |
| Dow Jones (Var. %) / (% change)  | 1,97  | 0,70   | -1,61  | -1,47  | 1,10   | -0,35   | 0,39    | -0,44   | 0,14    | 0,72    | 3,90   |       |
| Rendimiento de los U.S. Treasuries (10 años) / <i>U.S. Treasuries yield (10 years)</i>                 | 4,56  | 4,56   | 5,11   | 4,99   | 4,69   | 4,70    | 4,62    | 4,05    | 4,63    | 4,62    | 4,48   |       |
| Stripped spread del EMBI+ PERÚ (pbs) / <i>EMBI+ PERU stripped spread (basis points) ****</i>           | 131   | 132    | 103    | 129    | 169    | 136     | 137     | 138     | 135     | 134     | 158    |       |

\* Incluye depósitos de Promcepri, Fondo de Estabilización Fiscal (FEF), Cofide, fondos administrados por la ONP, y otros depósitos del MEF. El detalle se presenta en el cuadro No.24 de la Nota Semanal.

\*\* A partir del 7 de setiembre de 2007, esta tasa se elevó a 5,75%.

\*\*\* Las tasas de interés para los créditos de regulación monetaria en dólares serán a la tasa Libor a un mes más un punto porcentual.

\*\*\*\* Desde el 29 de setiembre de 2006, el JP Morgan, de acuerdo a sus criterios de liquidez de mercado, ha incluido dentro de su EMBI+ PERÚ los bonos globales Peru 2025 y 2033. Al ser los spreads de dichos b a los 200 pbs, ello explica el aumento de cerca de 40 pbs en el EMBI+ PERÚ a partir del 29 de setiembre.

Fuente: BCRP, INEI, Banco de la Nación, BVL, Sunat, SBS, Reuters y Bloomberg.

Elaboración: Departamento de Publicaciones Económicas.