



Indicators

- ↗ Corporate interest rate at 3.66 percent
- ↗ Interbank interest rate: 2.98 percent
- ↘ Exchange rate: S/. 2.803 per dollar
- ↖ Non financial public sector recorded deficit of S/. 671 million in November
- ↗ Annual profitability of the LSE: 62.8 percent

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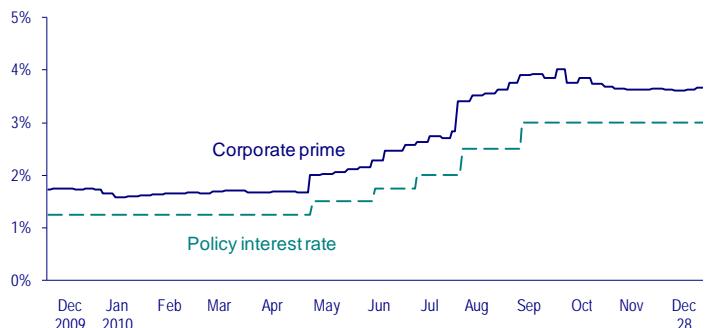
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Corporate interest rate in nuevos soles at 3.66 percent

Between **December 21 and 28**, the average corporate interest rate in domestic currency increased from 3.63 to 3.66 percent.

On the other hand, the average corporate interest rate in foreign currency remained unchanged at 2.14 percent.

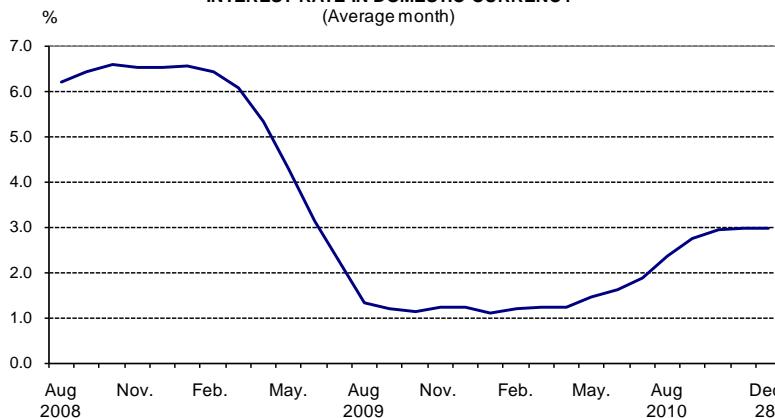
INTEREST RATES IN DOMESTIC CURRENCY
(December 2009 - December 2010)



Average interbank interest rate in December: 2.98 percent

On December 28, the average interest rate in domestic currency recorded 2.98 percent.

INTEREST RATE IN DOMESTIC CURRENCY
(Average month)



	Average interbank rate	S.D
December 2008	6.54%	0.03
March 2009	6.08%	0.13
June	3.13%	0.40
September	1.20%	0.07
December	1.24%	0.02
January 2010	1.09%	0.16
February	1.21%	0.03
March	1.23%	0.02
April	1.22%	0.02
May	1.45%	0.12
June	1.62%	0.11
July	1.90%	0.12
August	2.38%	0.18
September	2.74%	0.23
October	2.94%	0.15
November	2.97%	0.05
December 28	2.98%	0.02

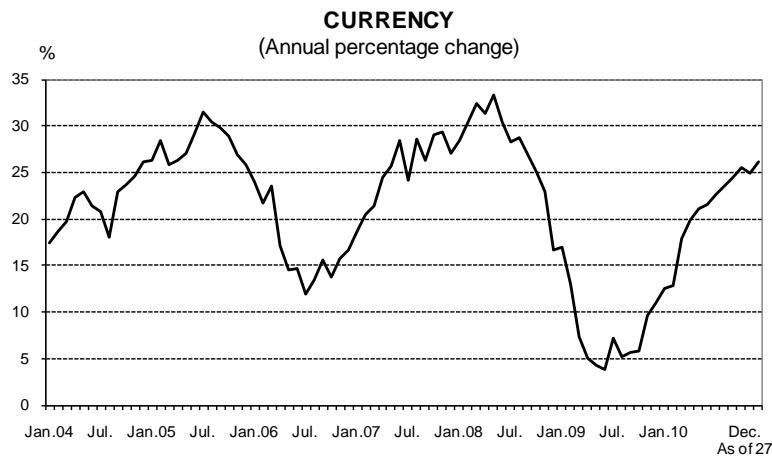
Monetary operations

Between **December 22 and 28**, the Central Bank made the following monetary operations:

- Auctions of 1-day to up to 7-day Term Deposits in domestic currency for a daily average of S/. 8,281 million at an average rate of 2.99 percent, reaching a balance of S/. 21,085 million, and
- Overnight deposits in domestic currency for a total of S/.103 million.

Currency in circulation: S/. 24,158 million on December 27

Between December 14 and 27, **currency in circulation** increased by S/. 1,791 million and amounted to S/. 24,158 million. Thus, so far this year currency in circulation accumulates an increase of S/. 4,917 million and registers a growth rate of 26.2 percent in the last 12 months.



BCRP OPERATIONS

(Millions of nuevos soles)

	FLOWS			BALANCE		
	Nov-10	From 12/14 to 12/27	Accumulated		Dec 31, 2009	Nov 30, 2010
			Monthly*	Annual*		
I. EXCHANGE OPERATIONS	315	-6	-6	25,361		
(Millions of US\$)						
1. Over the counter operations	0	0	0	8,963		
2. Public Sector	0	0	0	-50		
3. Other exchange operations 1/	113	-2	-2	96		
II. MONETARY OPERATIONS	-190	-234	4,838	-17,451	-36,323	-58,612
1. Sterilization	-190	-234	4,838	-17,451	-36,323	-58,612
a. BCRP instruments	619	-23	4,135	-9,555	-14,121	-27,810
BCRP Certificates of Deposit (CDBCRP)	1,141	490	1,140	14,091	-14,121	-1,170
BCRP Certificates of Deposit Variable in soles (CDV BCRP)	-973	-573	-1,073	-3,196	0	-2,123
BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)	-320	0	0	-450	0	-450
Term Deposits	771	60	4,068	-20,000	0	-24,067
b. Public Sector Deposits in soles	-826	-208	618	-8,395	-21,006	-30,019
c. Other monetary operations 2/	18	-3	86	499	-1,196	-783
2. Injection (Repos)	0	0	0	0	0	0
III. RESERVE REQUIREMENTS IN DC	65	1,980	-2,599	-4,521	-4,307	-6,229
IV. OTHER 3/	138	51	149	1,529		
V. CURRENCY **	328	1,791	2,383	4,917	19,241	21,776
(Monthly percentage change)					10.3%	1.5%
(Accumulated percentage change)					29.5%	13.2%
(YoY)					11.0%	24.9%
						26.2%

* As of December 27, 2010.

** Preliminary data.

1/ Includes Swaps auctions in FC and operations outside the counter.

2/ Includes overnight deposits and Deposit Insurance Funds.

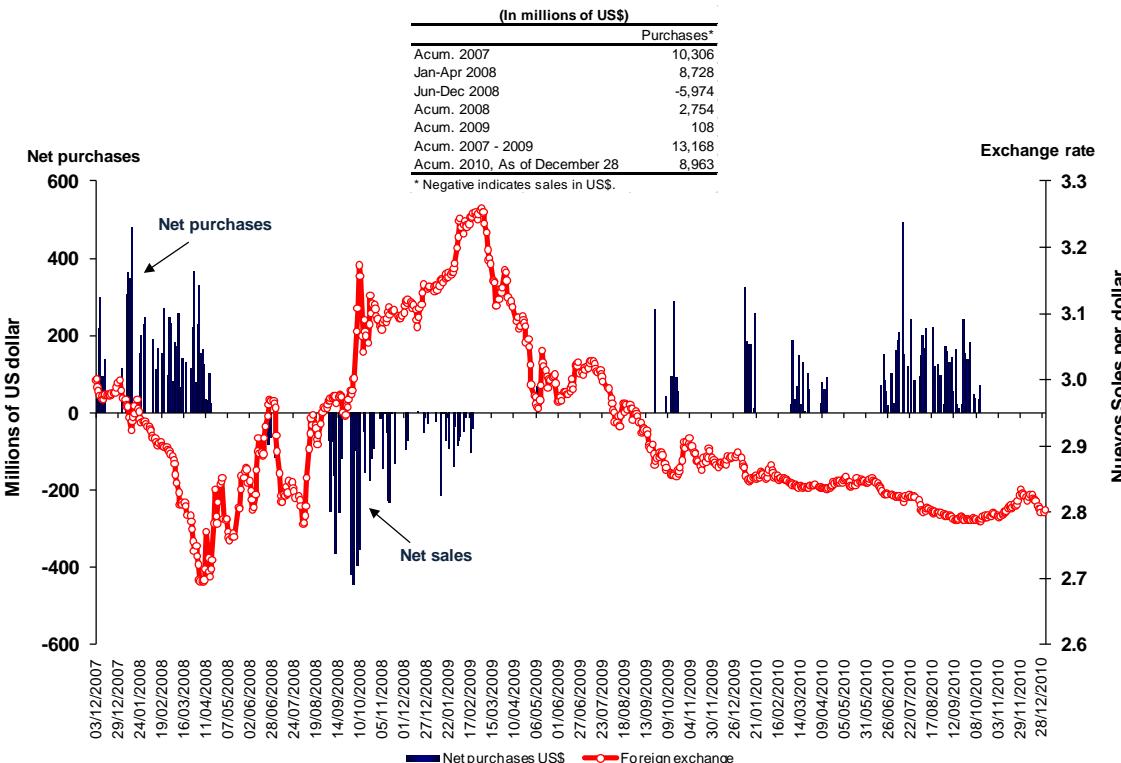
3/ Includes BCRP operative expenses, interest by deposits in the BCRP (overnight, terms and specials), net interest by CDBCRP placements and Central Bank profit transfers to the public sector.

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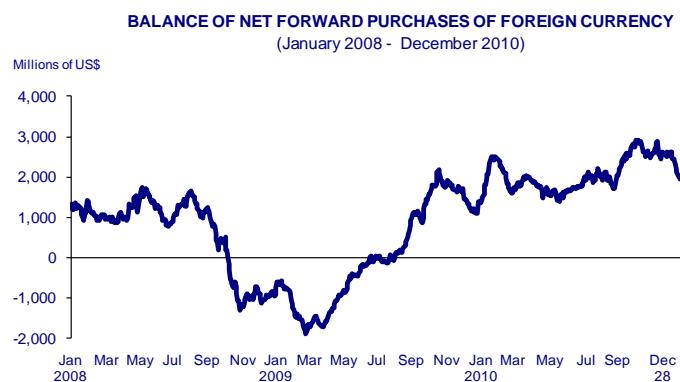
Exchange rate: S/. 2.803 per dollar

Between December 21 and 28, the average interbank ask price of the dollar drop from S/. 2.806 to S/. 2.803, which represented an appreciation of the nuevo sol of 0.08 percent. The BCRP did not intervene in the foreign exchange market in this period.

EXCHANGE RATE AND NET DOLLAR PURCHASE



Between December 21 and 28, banks' balance of net forward purchases of foreign currency increased by US\$ 413 million. So far this month, the balance of net forward purchases of FC has accumulated a decrease of US\$ 214 million.



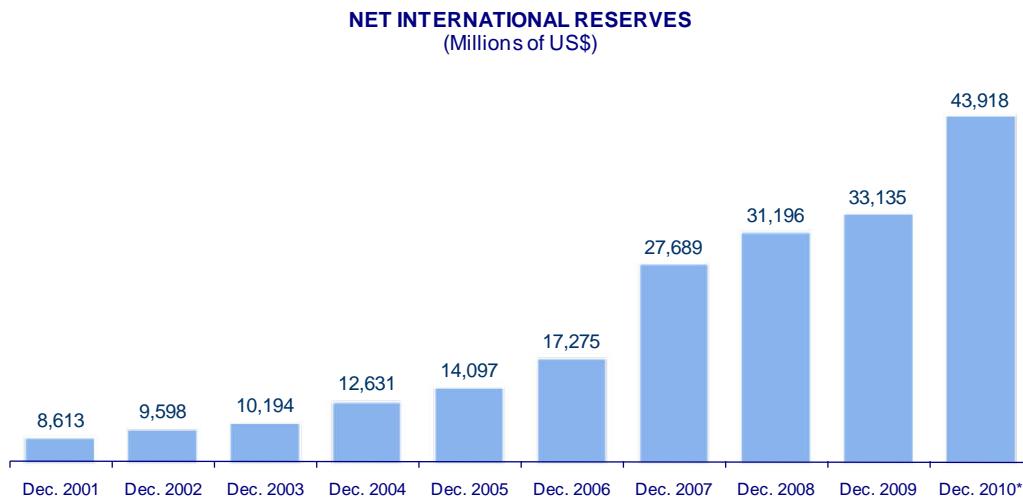
International reserves amount to US\$ 43,918 million

On December 28, net international reserves (NIRs) amounted to US\$ 43,918 million. This level of reserves is US\$ 186 million lower than the one recorded at end November.

The decrease of NIRs observed so far this month resulted mainly from public sector's lower deposits at the Central Bank (down US\$ 681 million) associated with the issuance of bonds in the international market and payment of external debt, and from the lower valuation of investments (down US\$ 92 million). This was partially offset by banks' higher deposits (up US\$ 592 million).

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The exchange rate position of the BCRP at December 28 was US\$ 32,256 million, a sum US\$ 94 million lower than the one registered at the close of November.



*As of December 28.

Liquidity and credit to the private sector

At December 15, **total liquidity in the private sector** had grown 5.0 percent (S/. 6,474 million) in the last four weeks. By currencies, liquidity in soles grew 6.6 percent (S/. 5,159 million), while liquidity in dollars grew 2.5 percent (US\$ 455 million). With this, total liquidity accumulates a growth of 21.4 percent in the last 12 months.

Moreover, **total credit to the private sector** grew 2.9 percent (S/. 3,537 million) in the same period. By currencies, credit in soles grew 2.4 percent (S/. 1,634 million), while credit in dollars grew 3.5 percent (US\$ 658 million). With this, total credit to the private sector has accumulated a growth rate of 16.7 percent in the last 12 months and if credits made by branches abroad to banks were included, the total credit to the private sector will be 20.2 percent in the last 12 months.

In November the non financial public sector recorded a deficit of S/. 671 million

The S/. 671 million deficit recorded by the non financial public sector in November 2010, which was S/. 439 million lower than the one observed in November 2009. This is mainly explained by the higher general government's current revenues 23.0 percent, while the non-financial expenditure grew 15.5 percent.

The real growth rate of general government's tax revenues was positive (20.0 percent). Mainly as a result of higher proceeds from value added tax (21.8 percent), and income tax (20.4 percent) due to the higher prices of mineral exports and to increased economic activity.

The non financial expenditure of the general government registered a real growth of 15.5 percent as a result of increased expenditure on capital goods (32.3 percent). So far this year, the current revenue of the general government has grown 20.0 percent, while non financial expenditure has grown 12.8 percent.

NON FINANCIAL PUBLIC SECTOR OPERATIONS (NFPS) 1/
(Millions of nuevos soles)

	NOVEMBER			JANUARY - NOVEMBER		
	2009	2010	Real % chg.	2009	2010	Real % chg.
1. General Government Current Revenue	5,872	7,381	23.0	64,814	78,914	20.0
a. Tax revenue	4,542	5,571	20.0	48,927	60,436	21.7
b. Non tax revenue	1,331	1,810	33.0	15,888	18,478	14.6
2. General Government Non Financial Expenditure	6,394	7,549	15.5	62,014	70,970	12.8
a. Current	4,413	4,870	8.0	45,965	49,643	6.4
b. Capital	1,981	2,679	32.3	16,049	21,326	30.9
<i>Of which: Gross Capital Formation</i>	1,747	2,396	34.1	14,616	19,415	30.9
3. Other 2/	-134	-71	- 48.0	1,411	72	- 95.0
4. Primary Balance	-655	-240		4,211	8,016	
5. Interests	454	432	-7.1	4,892	4,982	0.3
External	368	421	12.0	3,011	2,824	-7.6
Domestic	87	11	-87.7	1,882	2,158	13.0
6. NFPS Overall Balance	-1,110	-671		-681	3,034	

1/ Preliminary.

2/ Includes Capital revenue of General Government and state companies primary balance.

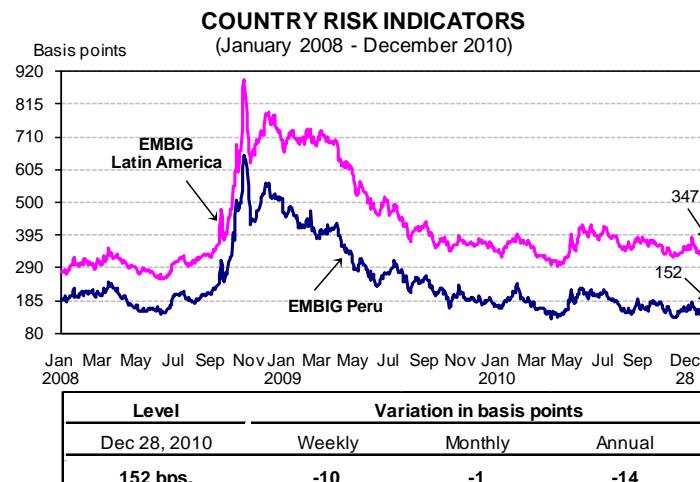
Source: MEF, BN, Sunat, EsSalud, public welfare agencies, state companies and public institutions.

International Markets

Country risk at 152 basis points

Between December 21 and 28, the country risk indicator, measured by the **EMBIG Peru** spread, decreased to 152 from 162 basis points.

The spread of the Latin American debt dropped 11 basis points due to optimism in the financial markets after an extension on tax benefits in the US.



Price of gold increased to US\$ 1,405.0/troy ounce

In the same period, the price of **gold** rose 1.4 percent to US\$ 1,405.0 per troy ounce.

Gold recorded rises again during the week due to the depreciation of the dollar and seasonal demand for jewelry gold from India, as well as the high demand from investors in an uncertainty situation about financial developments in Europe.



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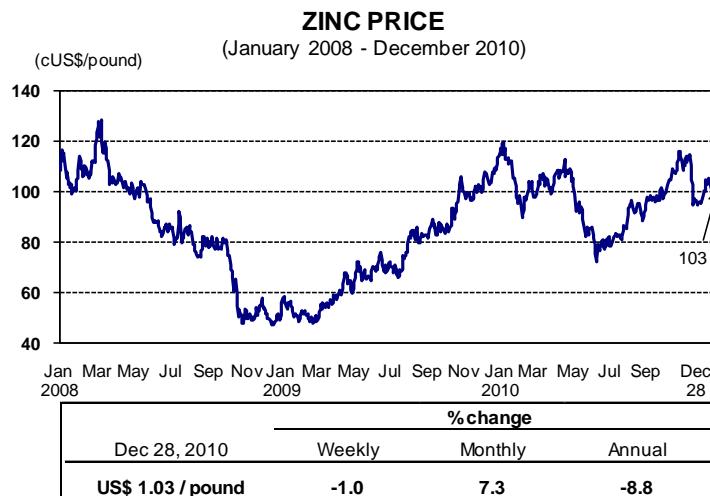
Between December 21 and 28, the price of **copper** decreased slightly 0.2 percent to US\$ 4.26 a pound.

The lower price of copper was associated primarily with profit taking by investors, but remained near record levels (US\$ 4.27 per pound) because there still are supply worries.



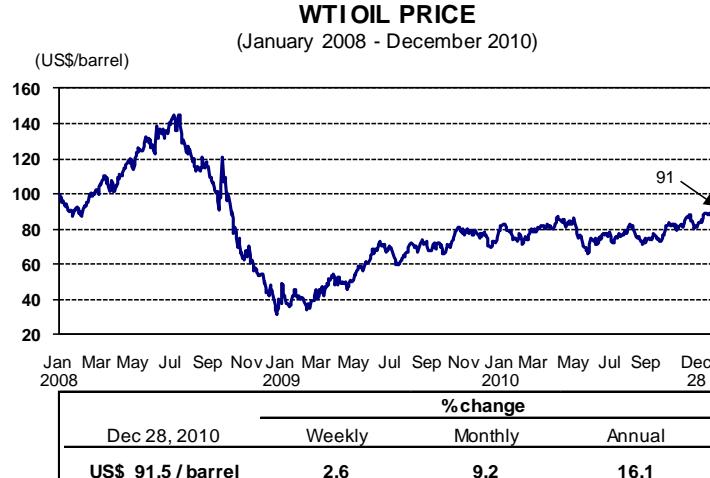
Between December 21 and 28, the price of **zinc** decreased 1.0 percent to US\$ 1.03 per pound.

The price of zinc revised downward after the report ILZSG (International Lead and Zinc Study Group) confirmed that the zinc market is in surplus (dating to October).



The price of **WTI oil** rose 2.6 percent to US\$ 91.5 per barrel between December 21 and 28.

Crude oil prices continued to post gains on expectations of acceleration in US growth, the intense cold in the Northern Hemisphere that increased fuel consumption and the drop in crude inventories in the US at the lowest levels of recent years.

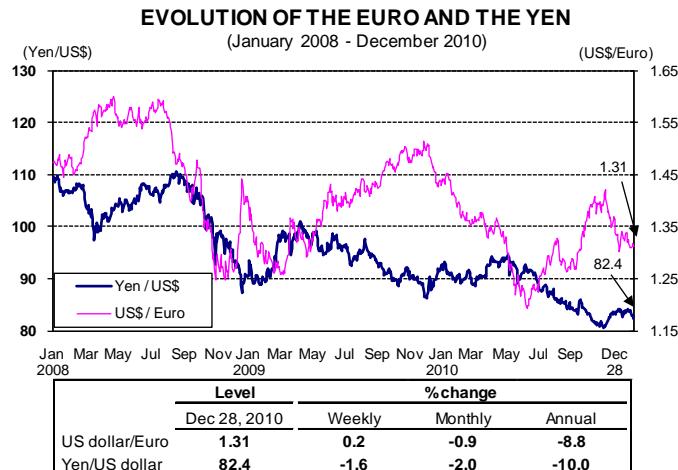


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US dollar depreciated against euro and yen

Between December 21 and 28, the **dollar** depreciated 0.2 percent against the **euro** and 1.6 percent against the **yen**.

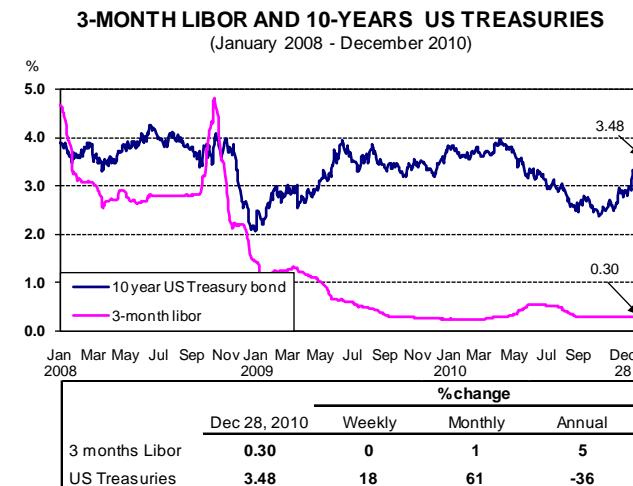
In both cases, the evolution of the US currency was driven by the lower risk aversion associated with optimism in financial markets following the approval of the extension of tax benefits in the US.



The yield on the 10-year US Treasury bonds rose to 3.48 percent

In the same period of analysis, the **3-month Libor** remained at 0.30 percent, while the yield on the 10-year **US Treasury bonds** rose from 3.31 percent to 3.48 percent.

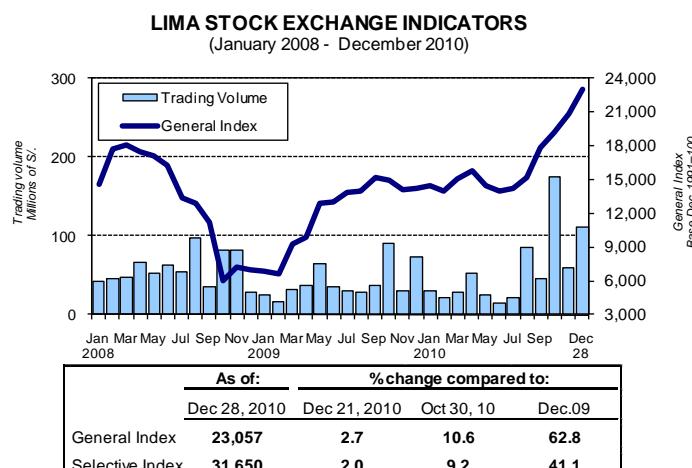
The US Treasury yield rose a result of the adoption of a two-year extension of tax benefits in the US that raises growth expectations.



Annual profitability of the Lima Stock Exchange reached 62.8 percent

So far this month (at December 28), the **General Index** and the **Selective Index** of the Lima Stock Exchange (LSE) have grown 10.6 and 9.2 percent, respectively.

During the week (December 21-28), the General Index and the Selective Index rose 2.7 percent and 2.0 percent, respectively, lead by the mining sector stock, and by the approval of the law that will facilitate the merge of the stock exchanges of Lima, Chile and Colombia.



Year-to-date, the General and the Selective Indices of the LSE have accumulated gains of 62.8 percent and 41.1 percent, respectively.

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Resumen de Indicadores Económicos / Summary of Economic Indicators

	2007	2008	2009	2010																		
	Dic	Dic	Dic	Mar	Jun	Ago	Set	Oct	Nov	21 Dic.	22 Dic.	23 Dic.	27 Dic.	28 Dic.	Dic	Var.						
RESERVAS INTERNACIONALES (Mils. US\$) / INTERNATIONAL RESERVES																						
Posición de cambio / Net international position	19 622	21 365	22 988	25 168	25 885	29 779	32 212	32 709	32 350	32 261	32 256	32 244	32 258	32 256		.94						
Reservas internacionales netas / Net international reserves	27 689	31 196	33 135	35 269	35 341	40 204	42 464	42 956	44 104	44 262	44 325	44 073	44 028	43 918		-186						
Depositos del sistema financiero en el BCRP / Financial system deposits at BCRP	4 635	6 581	5 853	6 011	6 349	7 193	7 042	6 969	6 694	7 677	7 744	7 482	7 424	7 286		592						
Empresas bancarias / Banks	4 396	6 297	5 462	5 438	5 609	6 690	6 454	6 356	6 013	7 044	7 101	6 813	6 769	6 607		594						
Banco de la Nación / Banco de la Nación	174	255	302	488	643	393	480	507	573	530	562	565	551	576		3						
Resto de instituciones financieras / Other financial institutions	65	29	89	85	97	110	107	105	108	103	81	104	104	103		.5						
Depositos del sector público en el BCRP / Public sector deposits at BCRP *	3 407	3 274	4 304	4 056	3 079	3 238	3 218	3 266	5 041	4 305	4 293	4 330	4 328	4 359		-681						
OPERACIONES CAMBIARIAS BCR (Mil. US\$) / BCRP FOREIGN OPERATIONS																						
	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.							Acum.	
Compras netas en Mesa de Negociación / Net purchases of foreign currency	656	-331	85	956	536	1 755	1 887	267	112	0	0	0	0	0		-1						
Operaciones swaps netas / Net swap operations	854	-289	0	956	526	1 784	1 914	227	0	0	0	0	0	0		0						
Compras con compromiso de recompras en ME (neto) / Net swaps auctions in FC	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0						
Operaciones con el Sector Público / Public sector	0	-10	0	0	0	-17	0	0	0	0	0	0	0	0		0						
-200	-33	82	0	0	0	0	0	0	0	0	0	0	0	0		0						
TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE																					Prom.	
Compra interbancario/Interbank	Promedio / Average	2,980	3,113	2,877	2,839	2,838	2,801	2,790	2,791	2,805	2,804	2,804	2,798	2,799	2,802	2,815						
Apertura / Opening		2,983	3,117	2,879	2,840	2,840	2,804	2,792	2,793	2,805	2,806	2,807	2,801	2,801	2,800	2,817						
Mediodía / Midday		2,982	3,115	2,878	2,840	2,839	2,802	2,791	2,792	2,806	2,804	2,804	2,800	2,801	2,805	2,817						
Cierre / Close		2,983	3,117	2,879	2,840	2,838	2,802	2,792	2,793	2,806	2,805	2,803	2,800	2,803	2,805	2,816						
Promedio / Average		2,982	3,116	2,879	2,840	2,839	2,803	2,791	2,792	2,806	2,805	2,800	2,801	2,803	2,817							
Sistema Bancario (SBS)	Compra / Bid	2,980	3,113	2,877	2,838	2,837	2,802	2,790	2,791	2,805	2,805	2,804	2,799	2,799	2,802	2,816						
Banking System	Venta / Ask	2,982	3,115	2,878	2,840	2,839	2,803	2,791	2,792	2,806	2,805	2,805	2,801	2,800	2,803	2,817						
Indice de tipo de cambio real (2001 = 100) / Real exchange rate Index (2001 = 100)		104,5	99,4	100,3	96,1	94,1	95,0	95,7	97,7	97,9												
INDICADORES MONETARIOS / MONETARY INDICATORS																						
Moneda nacional / Domestic currency																						
Emisión Primaria (Var. % mensual) / (% monthly change)	14,3	11,8	13,1	3,2	2,5	-1,4	0,1	8,0	0,9													
(Var. % últimos 12 meses) / (% 12-month change)	28,2	25,5	5,5	16,3	20,9	26,8	26,5	35,1	34,5													
Oferta monetaria (Var. % mensual) / (% monthly change)	5,2	2,3	5,3	3,3	1,8	3,4	0,1	2,2	4,5													
(Var. % últimos 12 meses) / (% 12-month change)	33,6	26,5	15,0	24,0	26,0	28,6	28,9	30,7														
Crédito sector privado (Var. % mensual) / (% monthly change)	2,9	2,6	0,7	1,7	2,0	0,7	0,7	1,5	2,9													
(Var. % últimos 12 meses) / (% 12-month change)	37,9	44,6	17,6	16,3	20,3	21,0	20,3	19,4	19,9													
TOSE saldo fin de periodo (Var. % acum. en el mes) / TOSE balance (% change)	0,0	0,8	-0,6	3,4	1,2	6,4	-0,8	10,1	0,1	1,7	2,3	1,0										
Superávit de encajos promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)	0,4	1,0	0,1	0,1	0,1	0,1	0,0	0,0	0,1	1,3	1,2	1,0										
Cuenta corriente de los bancos (saldo Mils. S.) / Banks' current account (balance)	531	1 779	1 202	1 450	352	2 109	2 331	3 776	4 698	4 615	4 296	2 606	3 333	2 704								
Créditos por regulación monetaria (millones de S.) / Rediscounts (Millions of S.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Depositos públicos en el BCRP (millones S.) / Public sector deposits at the BCRP (Mils.S.)	16 924	23 568	21 006	22 224	27 823	28 341	28 888	29 193	30 019	29 547	29 175	29 920	29 402	n.d.								
Certificados de Depósito BCRP (saldo Mills.) / CDBCRP balance (Millions of S.)	21 458	7 721	14 121	21 753	17 570	25 252	29 768	2 311	1 170	340	340	340	30	30								
Subasta de Depósitos a Plazo (saldo Mill S.) / Time Deposits Auctions (Millions of S.)**	0	0	0	0	0	0	0	0	24 888	24 067	18 831	19 031	19 831	20 000	21 085							
CDBCRP con Negociación Restringida (Saldo Mill S.) / CDBCRP-NR balance (Millions of S.)	0	6 483	0	0	0	0	0	0	0	0	0	0	0	0	0							
CDBCRP-MN con Tasa Variable (CDV BCRP) (Saldo Mill S.) / CDVBCRP- balance (Millions of S.) ***									1 150	2 123	3 196	3 196	3 196	3 196								
CD Liquidables en Dólares en el BCRP (Saldo Mill S.) / CDLDCBCRP- balance (Millions of S.) ***									130	450	450	450	450	450								
CD Reajustables BCRP (saldo Mill S.) / CDRBCRP balance (Millions of S.)	0	3 990	0	0	0	0	0	0	0	0	0	0	0	0	0							
Operaciones de reporte (saldo Mill S.) / Rediscosunts (Millions of S.)	0	5 412	0	0	14	0	0	0	0	0	0	0	0	0	0							
Tasa de interés (%)	TAMN / Average lending rates in domestic currency	22,27	23,04	19,93	19,49	19,13	18,07	18,36	18,72	18,72	18,66	18,69	18,74	18,76	18,83	18,73						
	Préstamos y descuentos hasta 360 días / Loans & discount	13,24	15,25	11,13	10,77	12,61	13,01	13,77	14,34	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	14,27						
	Interbancaria / Interbank	4,99	6,54	1,24	1,23	1,62	2,38	2,74	2,94	2,97	3,00	3,00	3,00	3,00	3,00	2,99	3,00	2,98				
	Preferencial corporativa a 90 días / Corporate Prime	5,60	7,51	1,74	1,69	2,31	3,41	3,85	3,80	3,64	3,63	3,66	3,66	3,66	3,66	3,66	3,66	3,66	3,66	3,66	3,63	
	Operaciones de reporte con CDBCRP / CDBCRP repos	s.m.	6,96	s.m.	s.m.	2,55	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.		
	Créditos por regulación monetaria / Rediscounts ****	5,75	7,25	2,05	2,05	2,55	3,30	3,80	3,80	3,80	3,80	3,80	3,80	3,80	3,80	3,80	3,80	3,80	3,80	3,80		
	Dei saldo de CDBCRP / CDBCRP balance	5,46	5,87	1,70	1,50	1,57	2,42	2,87	2,96	2,86	3,42	3,42	3,42	3,42	3,42	3,42	3,42	3,42	3,42	3,42		
	Del saldo de depósitos a Plazo / Time Deposits	s.m.	3,00	3,06	3,06	3,06	3,05	3,05	3,05	3,05	3,05	3,05	3,05									
	Del saldo de CDBCRP-NR / CDBCRP-NR balance	s.m.	6,40	5,09	1,10	1,32	1,66	3,56	2,63	2,33	2,20	2,14	2,14	2,14	2,14	2,14	2,14	2,14	2,14	2,14		
	Spread del saldo del CDV BCRP - MN / Spread CDV BCRP									0,70	0,09	0,09	0,09	0,09	0,09	0,09	0,09	0,09	0,09	0,09		
Moneda extrajera / Foreign currency																						
Efectos de regulación monetaria (millones de US\$) / Rediscounts (Millions of US\$)	2,9	2,0	1,3	1,9	0,9	-1,4	-0,8	1,4	1,8													
(Var. % mensual) / General Index (% change)	29,5	16,7	0,8	7,3	11,7	11,6	12,4	13,8	13,3													
TOSE saldo fin de periodo (Var. % acum. en el mes) / TOSE balance (% change)	6,1	-1,1	-0,5	0,9	3,9	-2,8	-3,7	-0,7	-0,7													
Superávit de encajos promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)	0,3	1,0	0,5	0,5	0,3	0,8	0,7	0,3	0,3													
Créditos por regulación monetaria / Rediscounts *****	0	0	0	0	0	0	0	0	0													
Compras con compromiso de recompras en ME (neto)	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.													
INDICADORES BURSÁTILES / STOCK MARKET INDICES																					Acum.	
Indice General Bursátil (Var. %) / General Index (% change)	-4,0	-4,8	-0,8	8,1	-3,5	6,2	17,9	7,6	8,5	1,6	1,2	-0,1	0,7	0,4	10,6							
Indice Selectivo Bursátil (Var. %) / Blue Chip Index (% change)	-5,5	-																				