



Banco Central de Reserva del Perú

Weekly Economic Report N° 28

July 15, 2011

Indicators

- Corporate interest rate at 5.41 percent
- Interbank interest rate: 4.27 percent
- Exchange rate: S/. 2.743 per US dollar
- Country risk at 189 bps.

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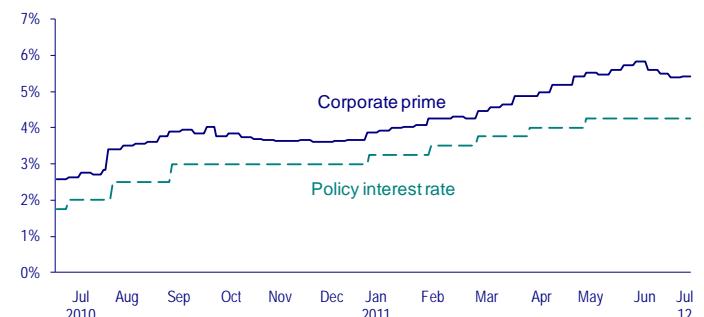
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Corporate interest rate in nuevos soles at 5.41 percent

Between **July 5 and 12, 2011**, the average corporate interest rate in domestic currency rose from 5.39 to 5.41 percent.

The average corporate interest rate in foreign currency fell from 2.46 percent to 2.33 percent.

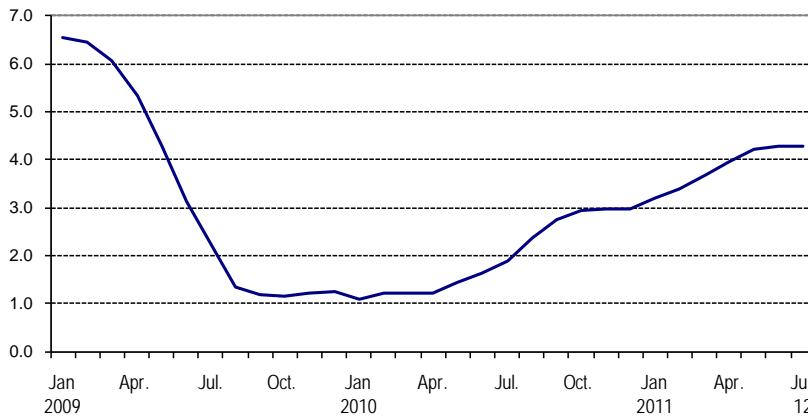
INTEREST RATES IN DOMESTIC CURRENCY
(July 2010 - July 2011)



Average interbank interest rate: 4.27 percent

The average interbank interest rate in domestic currency at July 12 recorded 4.27 percent.

INTEREST RATE IN DOMESTIC CURRENCY
(Average month)



Average interbank rate

	Average	S.D
December 2009	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	2.98%	0.02
January 2011	3.21%	0.10
February	3.37%	0.13
March	3.68%	0.12
April	3.97%	0.10
May	4.23%	0.15
June	4.28%	0.05
July 12	4.27%	0.04

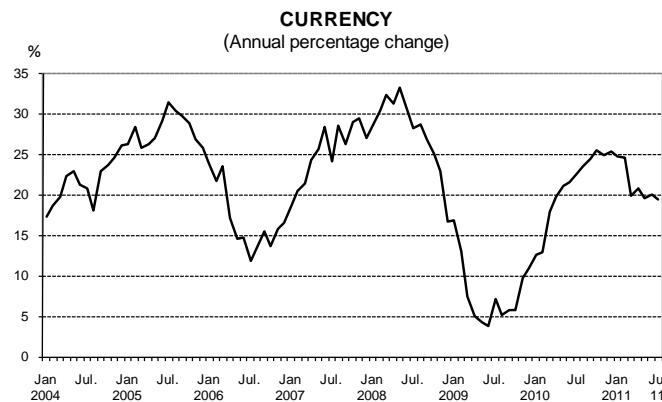
Monetary operations

The BCRP made the following monetary operations between **July 6 and 12**: i) Auctions of 75-day to 371-day BCRP Certificates of Deposit for a daily average of S/. 95 million. The average rate on these operations, which reached a balance of S/. 2.74 billion, was 4.42 percent; ii) Auctions of 1-day repos for a total of S/. 500 million at an average rate of 4.26 percent, with a total balance of S/. 500 million; iii) Auctions of 1-day to 3-day term deposits in domestic currency for a total of S/. 980 million. The average rate on these operations, which reached a balance of S/. 940 million, was 4.13 percent, iv) Purchases of FC for a total of US\$ 94 million, and v) overnight deposits in domestic currency for a daily average of S/ 263 million.

resumen informativo

Currency in circulation at July 11 amounts to S/. 23.67 billion

Between July 5 and 11, 2011, **currency in circulation** shrank by S/. 187 million and amounted to S/. 23.67 billion. As a result of this, currency in circulation accumulates a decline of S/. 465 million so far this year and registers a growth rate of 19.5 percent in the last 12 months.



BCRP OPERATIONS

(Millions of nuevos soles)

	FLOWS				BALANCE		
	Jun-11	From 05/07 to 11/07	Cumulated		Dec 31, 2010	Jun 30, 2011	Jul 11, 2011
			Monthly*	Annual*			
I. EXCHANGE OPERATIONS (Millions of US\$)	0	44	0	-8,662			
1. Over the counter operations	0	16	16	-3,119			
2. Public Sector	0	0	0	-3,039			
3. Other exchange operations 1/	0	1	1	-157			
II. OPERACIONES MONETARIAS	1,402	-2,998	2,284	8,244	-52,565	-46,604	-44,321
1. Sterilization	1,032	-498	2,654	8,244	-52,565	-46,974	-44,321
a. BCRP instruments	1,419	-890	2,439	10,189	-24,463	-16,714	-14,275
BCRP Certificates of Deposit (CDBCRP)	-850	-90	-90	-2,560	-30	-2,500	-2,590
BCRP Certificates of Deposit Variable in soles (CDV BCRP)	1,073	500	500	-5,114	-3,196	-8,810	-8,310
Readjustable CDBCRP (CDR BCRP)	-275	0	0	-2,075	0	-2,075	-2,075
BCRP Certificate of Deposits Payable in Dollars (CDLD BCRP)	0	0	0	450	-450	0	0
Term Deposits	1,471	-1,300	2,029	19,488	-20,788	-3,329	-1,300
b. Public Sector Deposits in soles	-761	260	209	-2,679	-26,726	-29,614	-29,405
c. Other monetary operations 2/	375	131	5	734	-1,375	-646	-640
2. Injection (Repos)	370	-2,500	-370	0	0	370	0
III. RESERVE REQUIREMENTS IN DC	-1,284	2,743	-2,283	-1,269	-10,077	-9,064	-11,346
IV. OTHER 3/	157	24	141	1,222			
V. CURRENCY **	275	-187	142	-465	24,131	23,524	23,666
(Monthly percentage change)					11.0%	1.2%	0.6%
(Accumulated percentage change)					25.4%	-2.5%	-1.9%
(YoY)					25.4%	20.0%	19.5%

* As of July 11, 2011.

** Preliminary data.

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

2/ Includes overnight deposits and Deposit Insurance Funds.

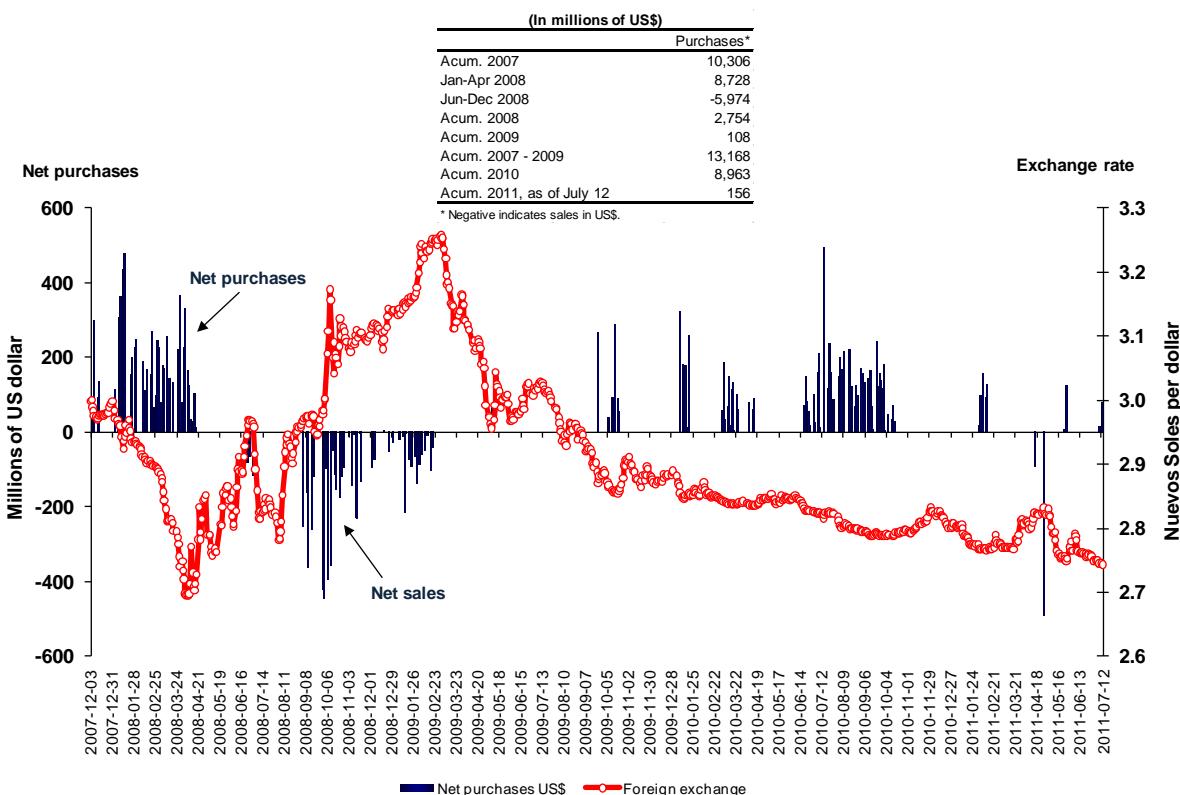
3/ Includes BCRP operative expenses, interest by deposits in the BCRP (overnight, terms and specials), net interest by CDBCRP placements and Central Bank profit transfers to the public sector.

resumen informativo

Exchange rate: S/. 2.743 per US dollar

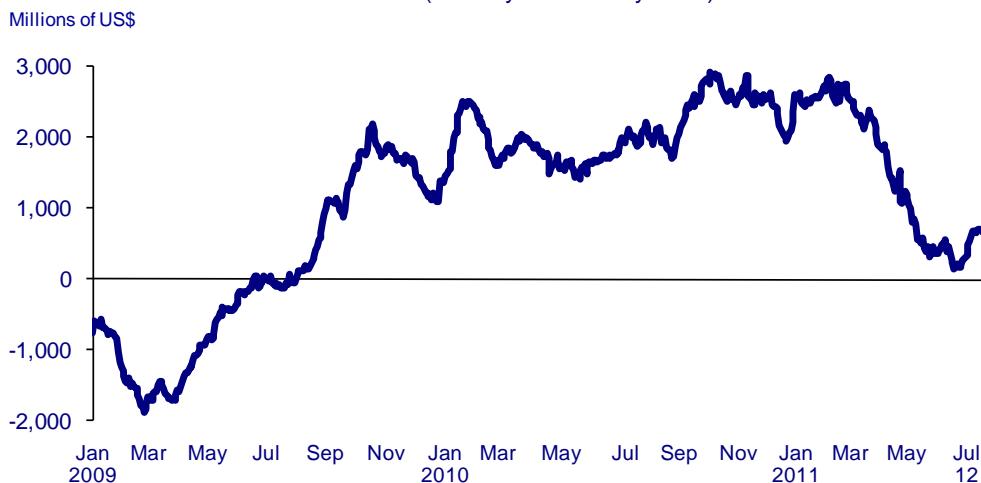
Between July 5 and 12, the average interbank ask price of the dollar fell from S/. 2.750 to S/. 2.743. In this period the Central Bank intervened in the foreign exchange market buying US\$ 94 million.

EXCHANGE RATE AND NET DOLLAR PURCHASE



Between July 5 and 12, banks' balance of net forward purchases in foreign currency increased by US\$ 19 million. So far in July, the balance of net forward purchases has increased by US\$ 52 million.

BALANCE OF NET FORWARD PURCHASES OF FOREIGN CURRENCY (January 2009 - July 2011)



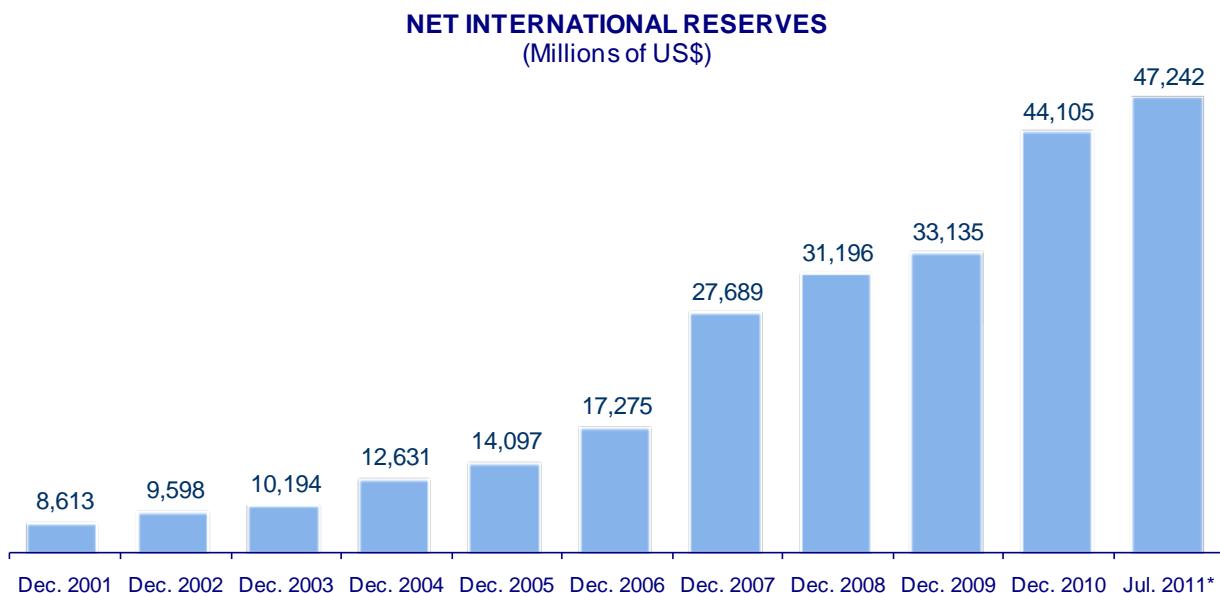
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International reserves amounted to US\$ 47.24 billion

Net international reserves (NIRs) at July 12 amounted to US\$ 47.24 billion. This level of reserves is US\$ 90 million higher than the one recorded at the close of June.

The increase of NIRs recorded so far this month was mainly associated with higher banks' and public sector deposits (up US\$ 132 million and US\$ 11 million, respectively), as well as with the BCRP purchases of foreign currency (US\$ 94 million). This was offset by the lower valuation of investments (US\$ 122 million).

The exchange rate position of the BCRP at July 12 was US\$ 30.21 billion, a sum US\$ 28 million lower than the one recorded at the close of June.



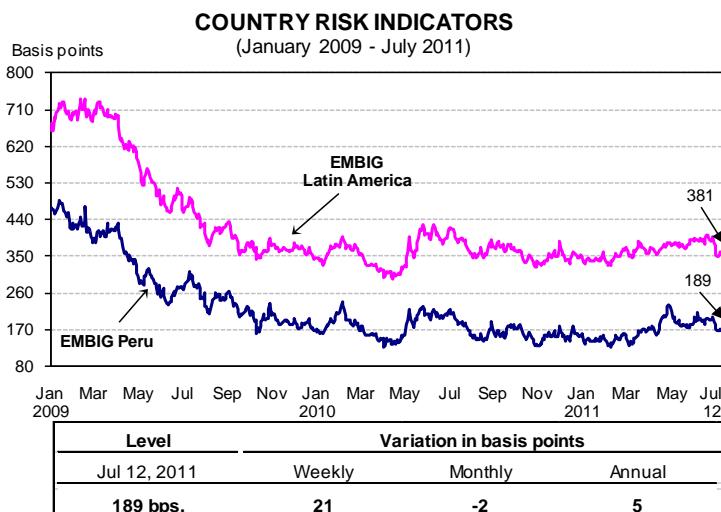
* As of July 12.

International Markets

Country risk at 189 basis points

Between July 5 and 12, the country risk indicator –measured by the **EMBIG Peru** spread– rose from 168 to 189 basis points.

The spread of the Latin American debt rose 24 bps due to increased risk aversion in financial markets as a result of fears of contagion of the Greek debt crisis to other Euro zone economies.



resumen informativo

Price of gold reached US\$ 1,552.0 per troy ounce

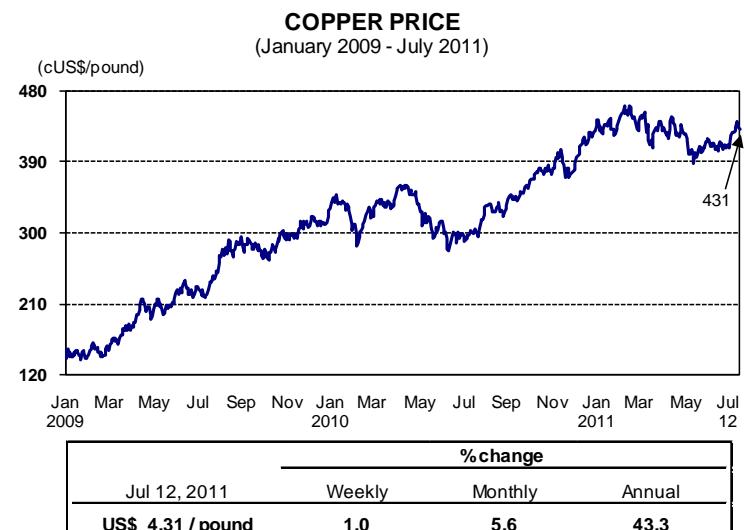
In the same period, the price of **gold** rose 2.8 percent to US\$ 1,552.0 per troy ounce.

The price of gold showed an upward trend during the week due to greater uncertainty about the financial situation of the Euro zone and its effect on the recovery of global economic activity. Despite this, the Commodity Futures Trading Commission (CFTC) reported that non commercial positions dropped again during the first week of July.



Between July 5 and 12, the price of **copper** rose to US\$ 4.31 a pound (1.0 percent).

The price of copper rose again due to supply problems stemming from the fact that strikes in Indonesian and Chilean mines continue, as well as due to the increase of non commercial positions of copper. The metal exchange markets reported a new 0.4 percent drop in inventories, which reached a level of 624 thousand tons.



Between July 5 and 12, the price of **zinc** fell 2.6 percent to US\$ 1.04 per pound.

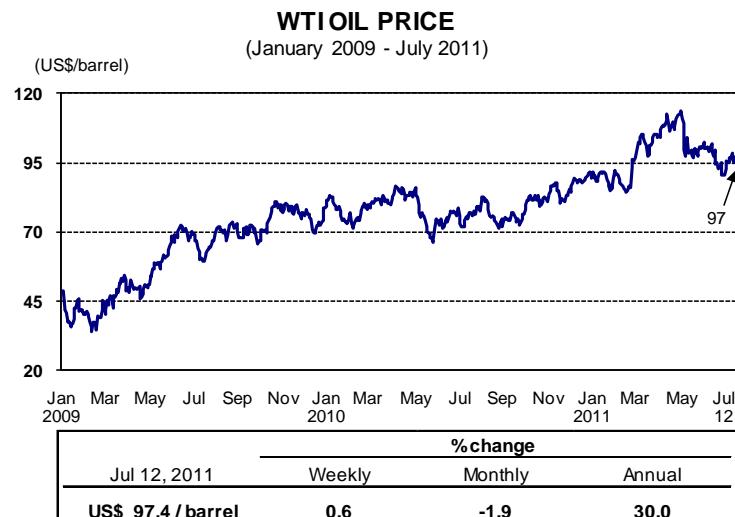
The decline in the price of zinc was influenced by expectations of lower demand due to renewed concerns about Europe's financial situation and fears of a possible contagion to other regions, as well as by negative indicators in the US economy.



resumen informativo

Recording a slight rise of 0.6 percent, the price of **WTI oil** reached US\$ 97.4 per barrel in the period of July 5-12.

This rise was associated with the drop of crude inventories in USA and with the increase of non commercial positions. The US Energy Department reported a 0.2 drop in crude inventories in the first week of the month and the CFTC reported that non commercial positions of crude had increased by 2.8 percent.

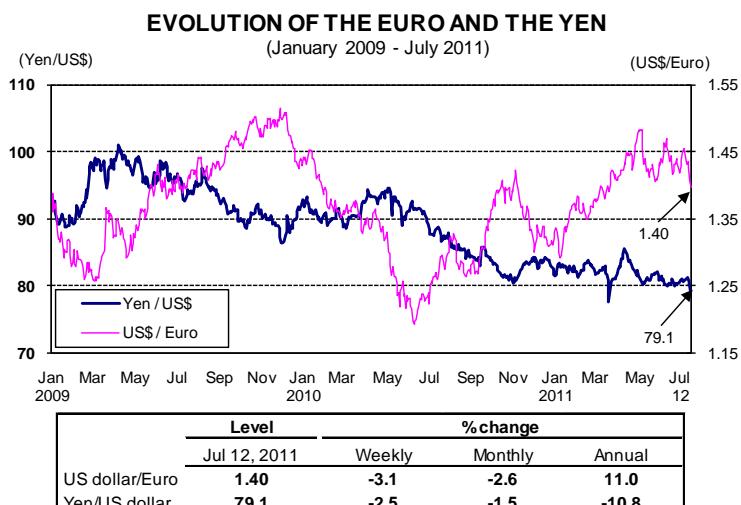


Dollar appreciated against the euro

Between July 5 and 12, the **dollar** appreciated 3.1 percent against the **euro**.

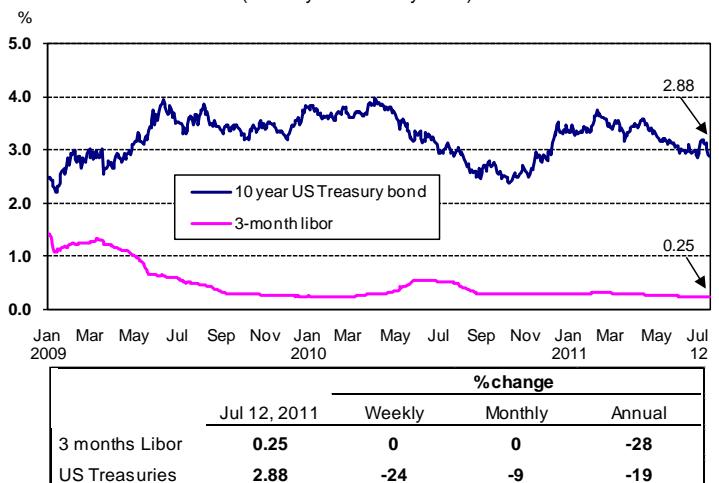
The dollar gained ground against the euro due to higher risk aversion associated with fears that the Greek debt crisis might spread to other Euro zone countries.

On the other hand, the dollar depreciated 2.5 percent against the **yen** due to worries about the moderation of global growth following the publication of US employment data.



Yield on 10-year US Treasuries at 2.88 percent

3-MONTH LIBOR AND 10-YEARS US TREASURIES



Between July 5 and 12, the **3-month Libor** remained at 0.25 percent, while the yield on the **10-year US Treasury bonds** fell from 3.12 to 2.88 percent.

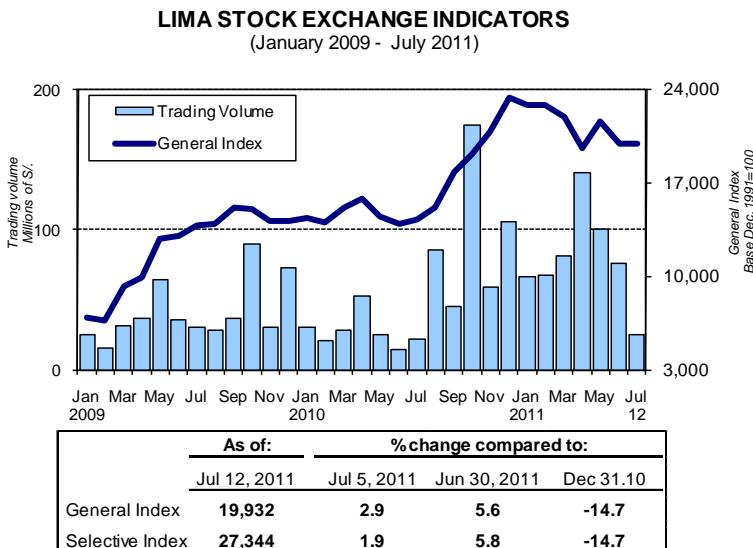
The yield on the US Treasury bond showed a reduction in line with increased risk aversion in financial markets.

resumen informativo

Lima Stock Exchange

So far this month (at July 12), the **General Index** and the **Selective Index** of the Lima Stock Exchange (LSE) have grown 5.6 and 5.8 percent, respectively.

During the week of analysis (July 5 to 12), both indices increased (the former rose 2.9 percent and the latter rose 1.9 percent), driven by the positive performance of industrial and mining shares which were favored by the rise observed in the international prices of metals.



Year-to-date, both of the indices of the LSE have declined 14.7 percent.

resumen informativo

Resumen de Indicadores Económicos / Summary of Economic Indicators

RESERVAS INTERNACIONALES (Mils. US\$) / INTERNATIONAL RESERVES	2008		2009		2010				2011							
	Dic.	Dic.	Mar.	Jun.	Set.	Dic.	May.	Jun.	5 Jul.	6 Jul.	7 Jul.	8 Jul.	11 Jul.	12 Jul.	Jul.	
	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.								Var.
Posición de cambio / Net international position	21 365	22 988	25 168	25 858	32 212	32 423	30 211	30 242	30 226	30 195	30 220	30 224	30 149	30 214	-28	
Reservas internacionales netas / Net international reserves	31 196	33 135	35 269	35 341	42 464	44 105	46 307	47 152	47 283	47 277	47 256	47 433	47 242	47 242	90	
Depósitos del sistema financiero en el BCRP / Financial system deposits at BCRP	6 581	5 853	6 011	6 349	7 042	7 326	9 116	9 891	10 047	10 073	10 026	10 203	10 103	10 023	132	
Empresas bancarias / Banks	6 297	5 462	5 438	5 609	6 454	6 655	8 347	9 149	9 270	9 319	9 283	9 473	9 370	9 298	149	
Banco de la Nación / Banco de la Nación	255	302	488	643	480	545	624	614	603	584	580	572	576	576	-38	
Resto de instituciones financieras / Other financial institutions	29	89	85	97	107	126	145	127	174	170	164	158	157	149	21	
Depósitos del sector público en el BCRP / Public sector deposits at BCRP *	3 274	4 304	4 056	3 079	3 218	4 339	7 003	7 011	7 027	7 026	7 026	7 023	7 023	7 022	11	
OPERACIONES CAMBIAZAS BCR (MIL. US\$) / BCRP FOREIGN OPERATIONS																
Origen externo de la emisión primaria / External origin of monetary base	-331	85	956	536	1 887	-1	-2 749	0	0	0	15	1	0	79	95	
Compras netas en Mesa de Negociación / Net purchases of foreign currency	-289	0	956	526	1 914	0	148	0	0	0	15	0	0	79	94	
Operaciones swaps netas / Net swap operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Compras con compromiso de recompras en ME (neto) / Net swaps auctions in FC	-10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Operaciones con el Sector Público / Public sector	-33	82	0	0	0	0	-2 899	0	0	0	0	0	0	0	0	
TIPO DE CAMBIO (\$/ por US\$) / EXCHANGE RATE																
Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.
Compra interbancario / Interbank	3,113	2,877	2,839	2,838	2,790	2,815	2,774	2,763	2,749	2,748	2,742	2,744	2,744	2,742	2,746	2,746
Apertura / Opening	3,117	2,879	2,840	2,840	2,792	2,816	2,777	2,768	2,750	2,752	2,746	2,749	2,748	2,746	2,750	2,750
Mediodía / Midday	3,115	2,878	2,840	2,839	2,791	2,816	2,775	2,764	2,749	2,749	2,745	2,744	2,743	2,743	2,746	2,746
Cierre / Close	3,117	2,879	2,840	2,838	2,792	2,815	2,774	2,764	2,751	2,746	2,744	2,743	2,743	2,743	2,746	2,746
Promedio / Average	3,116	2,879	2,840	2,839	2,791	2,816	2,776	2,765	2,750	2,749	2,744	2,745	2,745	2,743	2,747	2,747
Sistema Bancario (SBS)	Compra / Bid	3,113	2,877	2,838	2,837	2,790	2,815	2,774	2,763	2,749	2,749	2,743	2,744	2,742	2,746	2,746
Banking System	Venta / Ask	3,115	2,878	2,840	2,839	2,791	2,816	2,775	2,765	2,750	2,749	2,744	2,745	2,743	2,747	2,747
Índice de tipo de cambio real (2001 = 100) / Real exchange rate Index (2001 = 100)	99,4	100,3	96,1	94,1	95,7	98,2	99,3	99,5								
INDICADORES MONETARIOS / MONETARY INDICATORS																
Moneda nacional / Domestic currency																
Emisión Primaria (Var. % mensual) / (% monthly change)	11,8	13,1	3,2	2,5	0,1	22,1	-1,5	5,0								
<i>Monetary base</i> (Var. % últimos 12 meses) / (% 12-month change)	25,5	5,5	16,3	20,9	26,5	45,3	34,4	37,8								
Oferta monetaria (Var. % mensual) / (% monthly change)	2,9	5,3	3,3	1,8	0,5	5,6	2,0									
<i>Money Supply</i> (Var. % últimos 12 meses) / (% 12-month change)	26,5	15,0	24,0	26,0	28,9	30,5	23,9									
Crédito sector privado (Var. % mensual) / (% monthly change)	2,6	0,7	1,7	2,0	0,7	2,3	1,7									
<i>Credit to the private sector</i> (Var. % últimos 12 meses) / (% 12-month change)	46,4	17,6	16,3	20,3	20,4	21,2	21,1									
TOSE saldo fin de período (Var. % acum. en el mes) / TOSE balance (% change)	0,8	-0,6	3,4	1,2	-0,8	1,2	1,4	-0,9	-0,5	-0,2	0,6	0,9				
Superávit de encajos promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)	1,0	0,1	0,1	0,1	0,0	0,1	0,1	0,0	5,5	5,2	5,0	4,6				
Cuenta corriente de los bancos (saldo mill. S.) / Banks' current account (balance)	1 779	1 202	1 450	352	2 331	4 892	5 670	3 220	8 100	7 435	7 354	6 028	5 921	6 303		
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
Depósitos públicos en el BCRP (millones S.) / Public sector deposits at the BCRP (Mills.S.)	23 568	21 006	22 224	27 823	28 888	26 726	28 853	29 614	29 054	28 601	28 460	28 504	29 405	n.d.		
Certificados de Depósito BCRP (saldo Mill.S.) / CD BCRP balance (Millions of S.)	7 721	14 121	21 753	17 570	29 768	30	1 650	2 500	2 550	2 550	2 580	2 680	2 590	2 740		
Subasta de Depósitos a Plazo (saldo Mill. S.) / Time Deposits Auctions (Millions of S.)**	0	0	0	0	0	20 788	4 800	3 329	0	0	0	700	1 300	940		
CDBCRP con Negociación Restringida (Saldo Mill. S.) / CD BCRP-NR balance (Millions of S.)	6 483	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
CDBCRP-MN con Tasa Variable (CDV BCRP) (Saldo Mill. S.) / CDV BCRP- balance (Millions of S.)***	3 990	0	0	0	0	0	1 800	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	
CD Liquidables en Dólares del BCRP (Saldo Mill. S.) / CDLD BCRP- balance (Millions of S.) ***	5 412	0	0	14	0	0	0	370	1 900	1 000	500	500	0	0	0	
Operaciones de reporte de saldo (Mill. S.) / repos Balance millions of S.)																
Tasa de interés (%) / Interest rates (%)																
TAMIN / Average lending rates in domestic currency	23,04	19,93	19,49	19,13	18,36	18,74	18,49	18,59	18,91	18,84	18,74	18,81	18,76	18,71	18,85	
Préstamos hasta 360 días / Loans up to 360 days ****	15,25	11,13	10,77	10,77	13,01	14,20	13,10	13,28	13,79	13,76	n.d.	n.d.	n.d.	n.d.	13,68	
Interbancaria / Interbank	6,54	1,24	1,23	1,62	2,74	2,98	4,23	4,28	4,25	4,25	4,25	4,25	4,25	4,25	4,27	
Preferencial corporativa a 90 días / Corporate Prime	7,51	1,74	1,69	2,31	3,85	3,63	5,46	5,65	5,39	5,39	5,41	5,41	5,41	5,41	5,40	
Operaciones de reporte con CD BCRP / CD BCRP repos	6,96	s.m.	2,55	s.m.	s.m.	s.m.	s.m.	s.m.	4,30	4,39	4,52	4,52	4,52	4,52	s.m.	
Créditos por regulación monetaria / Rediscounts *****	7,25	2,05	2,05	2,55	3,80	3,80	5,05	5,05	5,05	5,05	5,05	5,05	5,05	5,05	5,05	
Del saldo de CD BCRP / CD BCRP balance	5,87	1,70	1,50	1,57	2,87	3,90	4,40	4,39	4,39	4,39	4,39	4,39	4,39	4,42	4,42	
Del saldo de CD BCRP-NR / CD BCRP-NR balance	5,87	s.m.	s.m.	s.m.	s.m.	3,04	4,20	4,20	s.m.	s.m.	s.m.	s.m.	3,90	4,18	4,23	
Del saldo de CDLD BCRP / CDLD BCRP- balance	7,27	s.m.	s.m.	s.m.	s.m.	s.m.	3,12	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	
Spread del saldo del CDV BCRP - MN / Spread CDV BCRP	5,412	0	0	0	0	0	0,09	0,07	0,07	0,07	0,07	0,07	0,07	0,07	0,07	
INDICADORES BURSÁTILES / STOCK MARKET INDICES																
Moneda extranjera / foreign currency																
Crédito sector privado (Var. % mensual) / (% monthly change)	0,1	1,3	1,9	0,9	-0,7	2,4	4,0									
<i>Credit to the private sector</i> (Var. % últimos 12 meses) / (% 12-month change)	16,7	0,8	7,3	11,7	12,5	14,3	23,8									
TOSE saldo fin de período (Var. % acum. en el mes) / TOSE balance (% change)	-1,1	-0,5	0,9	3,9	-3,7	4,6	2,1	3,9	-0,1	-0,1	0,7	0,4	0,4	0,3	-0,8	0,9
Superávit de encajos promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)	1,0	0,5	0,5	0,3	0,7	0,5	0,2	0,2	2,6	2,6	2,5	2,5	2,5	2,5		
Créditos por regulación monetaria / Rediscounts *****	0	0	0	0	0	0	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.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	
INDICADORES BURSÁTILES / STOCK MARKET INDICES																
Índice General Bursátil (Var. %) / General Index (% change)	-4,8	-0,8	8,1	-3,5	17,9	11,5	9,8	-12,5	0,0	0,4	2,1	0,3	-0,8	0,9	5,6	
Índice Selectivo Bursátil (Var. %) / Blue Chip Index (% change)	-4,8	-2,7	5,1	-4,0	14,2	10,0	8,9	-13,2	1,9	0,9	1,9	-0,2	-1,3	0,7	5,8	
Monto negociado en acciones (Mill. S.) - Prom. Diario / Trading volume -Average daily (Mill. of S.)	29,2	73,5	28,5	20,9	45,4	105,4	100,7	76,6	32,7	19,5	21,3	20,2	9,8	49,4	23,4	
INFLACIÓN (%) / INFLATION (%)																
Inflación mensual / Monthly	0,36	0,32	0,28	0,25	-0,03	0,18	-0,02	0,10								
Inflación últimos 12 meses / % 12 months change	6,65	0,25	0,76	1,64	2,37	2,08	3,07	2,91								
GOBIERNO CENTRAL (Mill. S.) / CENTRAL GOVERNMENT (Mills. of S.)																
Resultado primario / Primary balance	-1 598	-3 749	1 424	519	207	-3 285	1 306									
Ingresos corrientes / Current revenue	5 092	5 408	6 744	5 649	5 887	6 069	7 163									
Gastos no financieros / Non-financial expenditure	6 711	9 171	5 348	5 140	5 706	9 374	5 873									
COMERCIO EXTERIOR (Mills. US\$) / FOREIGN TRADE (Mills. of US\$)																
Balanza Comercial / Trade balance	37	936	443	813	604	1 027	641									
Exportaciones / Exports	1 948	2 942	2 830	3 107	3 302	3 713	3 914									
Importaciones / Imports	1 911	2 006	2 387	2 294	2 698	2 686	3 273									
PRODUCTO BRUTO INTERNO (índice 1994=100) / GROSS DOMESTIC PRODUCT																
Variac. % respecto al mismo mes del año anterior / Annual rate of growth (12 months)	4,7	4,9	8,8	11,9	10,3	8,9										
COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS																

* Incluye depósitos de Promecapi, 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 18 de enero de 2008, el BCRP utiliza los depósitos a plazo en moneda nacional como instrumento monetario.

*** A partir del 6 de octubre de 2010, el BCPR utiliza Certificado de Depósito en Moneda Nacional con Tasa de Interés Variable (CDV BCRP) y CLIQ Liquidados en Dólares (CLDLCBPR) como instrumentos monetarios.

**** Las empresas reportan a la SBS información más segmentada de las tasas de interés. Estos cambios introducidos por la SBS al reporte de tasas activas (Res. SBS N° 11356-2008; Oficio Múltiple N° 24719-2010-SBS) son a partir de julio de 2010.

**** Las empresas reportan a la SBS información más segmentada de las tasas de interés. Estos cambios introducidos por la SBS al reporte de tasas activas (RES. SBS N° 11536-2008; Oficio Múltiple N° 24719-2010-SBS) son a partir de junio de 2010.

***** Las tasas de interés para los créditos de regulación monetaria

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

Elaboración: Departamento de Publicaciones Económicas.