



Indicators

- ↗ Exchange rate: S/. 2.79 per dollar on June 10
- ↗ Surplus in the operations of the non-financial public sector: S/. 517 million in May
- ↗ Country risk at 134 bps

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- BCRP Survey on Macroeconomic Expectations: May 2014
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BCRP Survey on Macroeconomic Expectations: May 2014

The results of the BCRP Survey on Macroeconomic Expectations carried out in May show that the rates of inflation expected for 2014 remain within the Central Bank's target range.

SURVEY OF MACROECONOMIC EXPECTATIONS: INFLATION (%)

	Survey date		
	Mar.31	Apr.30	May.30
ECONOMIC ANALYSTS 1/			
2014	2.8	2.8	2.9
2015	2.5	2.6	2.7
2016	2.5	2.5	2.5
FINANCIAL ENTITIES 2/			
2014	2.7	2.8	2.8
2015	2.5	2.7	2.6
2016	2.5	2.6	2.6
NON-FINANCIAL FIRMS 3/			
2014	3.0	3.0	3.0
2015	3.0	3.0	3.0
2016	3.0	3.0	3.0

1/ 22 analysts in March 2014, 20 in April, and 19 in May.

2/ 22 financial entities in March 2014, 20 in April, and 20 in May.

3/ 358 non-financial firms in March 2014, 365 in April, and 379 in May.

Economic analysts, financial entities, and non-financial firms estimate a growth rate of 5.2 percent in 2014.

SURVEY OF MACROECONOMIC EXPECTATIONS: GDP (%)

	Survey date		
	Mar.31	Apr.30	May.30
ECONOMIC ANALYSTS 1/			
2014	5.4	5.3	5.2
2015	5.7	5.6	5.7
2016	5.9	6.0	6.0
FINANCIAL ENTITIES 2/			
2014	5.4	5.5	5.2
2015	5.5	5.5	5.5
2016	5.5	5.5	5.5
NON-FINANCIAL FIRMS 3/			
2014	5.2	5.5	5.2
2015	5.5	5.5	5.5
2016	5.8	5.8	5.7

1/ 22 analysts in March 2014, 20 in April, and 19 in May.

2/ 22 financial entities in March 2014, 20 in April, and 20 in May.

3/ 358 non-financial firms in March 2014, 365 in April, and 379 in May.

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All the economic agents expect the dollar to be traded between S/. 2.81 and S/. 2.85 at the end of 2014.

	SURVEY OF MACROECONOMIC EXPECTATIONS: EXCHANGE		
	Survey date		
	Mar.31	Apr.30	May.30
ECONOMIC ANALYSTS 1/			
2014	2.85	2.85	2.85
2015	2.90	2.90	2.90
2016	2.90	2.90	2.90
FINANCIAL ENTITIES 2/			
2014	2.85	2.85	2.82
2015	2.85	2.85	2.85
2016	2.87	2.90	2.85
NON-FINANCIAL FIRMS 3/			
2014	2.85	2.82	2.81
2015	2.88	2.85	2.85
2016	2.90	2.90	2.90

1/ 22 analysts in March 2014, 20 in April, and 19 in May.

2/ 22 financial entities in March 2014, 20 in April, and 20 in May.

3/ 358 non-financial firms in March 2014, 365 in April, and 379 in May.

* Exchange rate at end of year.

Non-Financial Public Sector: Surplus of S/. 517 million in May

In May, the non-financial public sector showed a surplus of S/. 517 million and thus accumulated a surplus of S/. 13 billion in the first five months of the year.

The tax revenues of the general government fell 1.0 percent due to lower collections from the income tax, the VAT, and the excise tax.

On the other hand, the non-financial expenditure of the general government increased by 4.0 percent, driven by higher spending in the national government (7.4 percent) and in the regional governments (1.6 percent). Spending in local governments registered a decline of 2.1 percent.

OPERATIONS OF THE NON-FINANCIAL PUBLIC SECTOR 1/
(Million S./.)

	May			January - May		
	2013	2014	Real % Chg.	2013	2014	Real % Chg.
1. General government current revenues	9,677	9,875	-1.5	51,663	56,032	4.8
a. Tax revenue	7,220	7,403	-1.0	38,851	42,594	6.0
National	7,000	7,167	-1.1	37,716	41,390	6.1
Local	220	236	3.5	1,135	1,204	2.4
b. Non-tax revenue	2,457	2,472	-2.9	12,812	13,438	1.4
National	2,116	2,176	-0.7	11,175	11,774	1.8
Regional	122	62	-50.6	384	301	-24.1
Local	219	233	2.8	1,253	1,363	5.2
2. General government non-financial expenditure	8,252	8,890	4.0	36,760	40,520	6.6
a. Current	6,184	6,523	1.9	27,532	30,743	7.9
b. Capital	2,068	2,367	10.6	9,227	9,777	2.4
Of which: Gross Capital Formation	2,016	2,182	4.5	8,813	9,187	0.8
3. Others 2/	187	120		130	246	
4. Primary Balance	1,613	1,105		15,032	15,758	
5. Interests	562	588	1.1	3,012	2,757	-11.5
6. Overall Balance	1,051	517		12,021	13,001	

1/ Preliminary.

2/ Includes capital revenues from the General government and primary result of public companies.

Source: MEF, SUNAT, Banco de la Nación, public charities, public institutions and companies.

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Monetary and foreign exchange operations

The balance of the BCRP monetary and foreign exchange operations at June 10 is specified below:

1. BCRP-CDs at end-May showed a balance of S/. 17.57 billion with an average interest of 3.84 percent, while BCRP-CDs at June 10 showed a balance of S/. 14.79 billion with an average interest of 3.82 percent.
2. Overnight deposits recorded a balance of S/. 2.14 billion at the close of May and a balance of S/. 870 million on June 10.
3. Repos showed a balance of S/. 100 million at end May with an average interest rate of 4.30 percent. This balance was the same at June 10.
4. FX swaps: The balance of these operations at the close of May was S/. 1.90 billion with an average interest rate of 4.48 percent. The BCRP has not made any auctions of FX swaps so far this month.
5. CDR-BCRP showed a balance of S/. 910 million at end-May with an interest rate of 0.08 percent and a balance of S/. 710 million at June 10 with an average interest rate of 0.09 percent.

MONETARY AND FOREIGN EXCHANGE OPERATIONS
(Million nuevos soles)

			Balance			Auctions				Placements	
			(Interest rate)			(Interest rate)					
			April 30	May 31	Jun 10	Overnight	6 months	12 months	18 months		
Monetary operations	Sterilization	CD BCRP	12,757	17,566	14,795		200	100	100	3,171	
			(3.83%)	(3.84%)	(3.82%)		(3.84%)	(3.90%)	(3.96%)		
		Overnight deposits	1,300	2,139	870	4,133				5,402	
	Injection	Repos		100	100	5,000				5,000	
				(4.30%)	(4.30%)	(4.06%)					
		Fx-Swaps	900	1,900	1,900						
Foreign exchange operations		CDR BCRP	3,186	910	710					200	
			(0.1%)	(0.08%)	(0.09%)						

Currency in circulation at June 10, 2014, showed a balance of S/. 33.45 billion and a growth rate of 7.7 percent in the last 12 months.

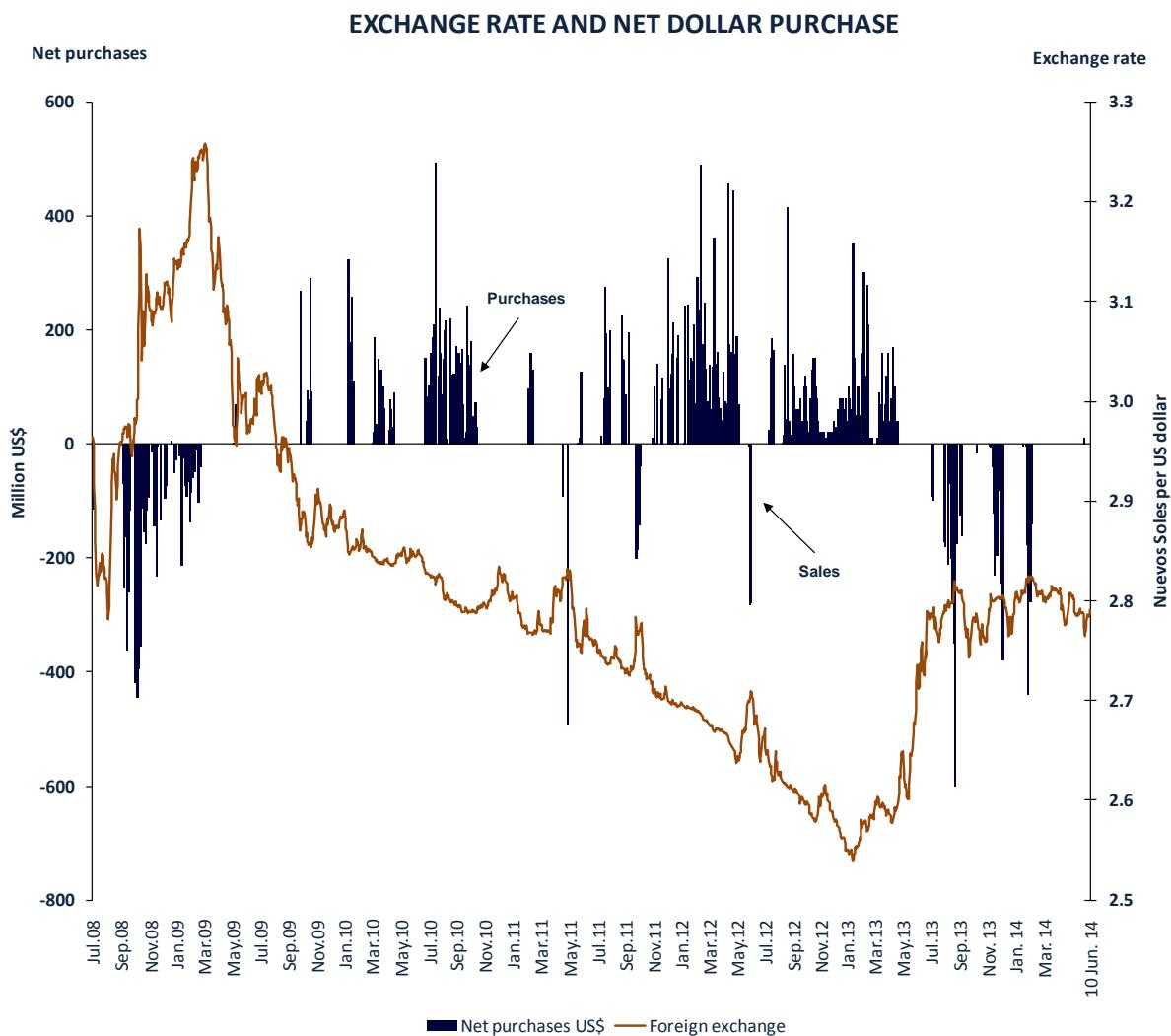
CURRENCY
(Annual percentage change)



Exchange rate: S/. 2.79 per US dollar

On June 10, the average selling price of the dollar in the interbank market was S/. 2.79 per dollar.

Since 2012, the Central Bank has purchased foreign currency for a total of US\$ 19.07 billion and sold foreign currency for a total of US\$ 7.35 billion. In net terms, purchases of foreign currency are higher than sales by US\$ 11.72 billion. The BCRP did not intervene in the foreign exchange market in the week of June 4 to June 10.



International reserves amount to US\$ 64.73 billion

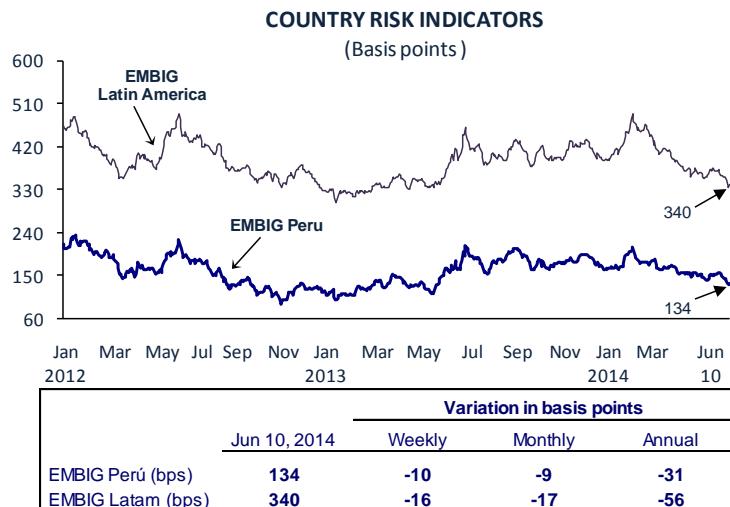
At June 10, 2014, net international reserves amounted to US\$ 64.73 billion and the foreign exchange position of the BCRP was US\$ 40.61 billion.

International Markets

Country risk at 134 basis points

In June 3-10, the country risk indicator, measured by the **EMBIG Peru** spread, fell from 144 to 134 basis points.

On the other hand, the EMBIG Latin America spread fell 16 basis points amid renewed optimism about the recovery of the U.S. economy, in a context in which the European Central Bank reduced interest rates to historical low levels and implemented other stimulus measures.



Price of gold at US\$ 1,259.5 per troy ounce

In the same period, the price of **gold** rose 3.1 percent to US\$ 1,259.5 per troy ounce.

The price of gold was favored by the European Central Bank's reduction of its interest rates to historical minimum levels, although the rise in the price of gold was offset by the strengthening of the dollar against the euro.



In June 3-10, the price of **copper** fell 3.4 percent to US\$ 3.04 per pound.

The copper market was affected by concerns of the Chinese Government regarding the use of this metal as collateral for financing operations.



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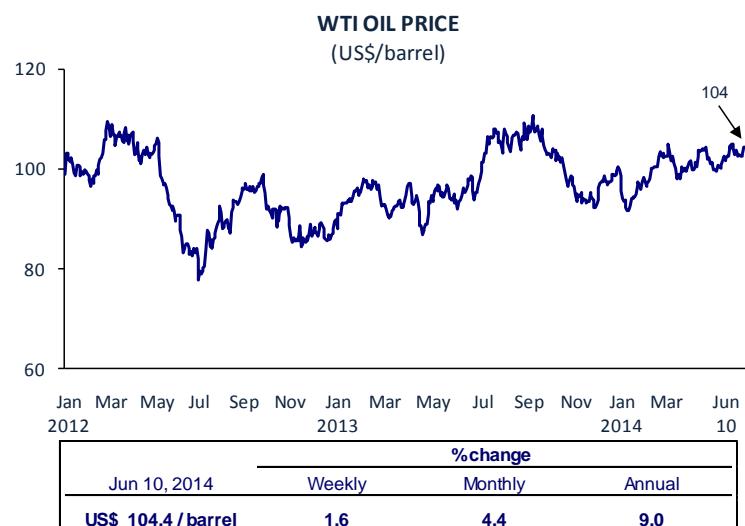
In the period of analysis, the price of **zinc** rose 1.1 percent to US\$ 0.96 per pound.

This upward trend reflected an improvement in the outlook for global demand, as well as tight supplies in the major metal exchange markets.



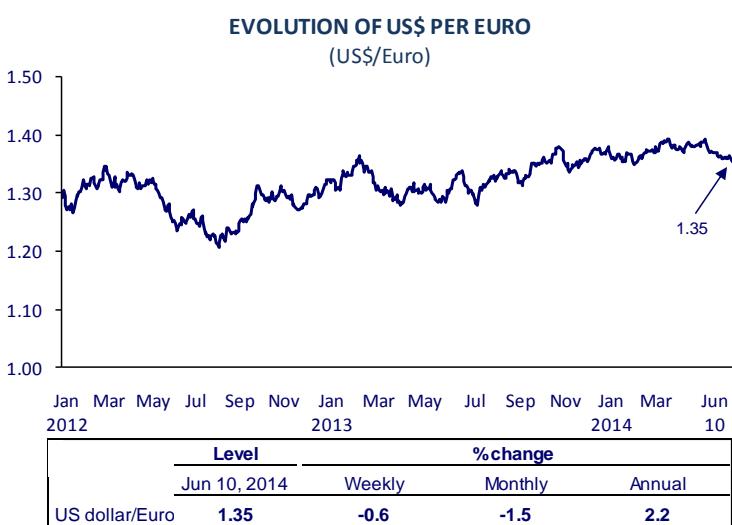
The price of **WTI oil** rose 1.6 percent to US\$ 104.4 per barrel between June 3 and June 10.

The rise in the price of crude was associated with a tight supply after the decline of inventories at Cushing-Oklahoma, as well as with expectations of a higher demand in the United States and China.



US dollar appreciated 0.6 percent against the euro

In the week of June 3-10, the **dollar** appreciated 0.6 percent against the **euro** as a result of a report showing a strong rebound of employment in the United States, which provides additional signals that the U.S. economy continues recovering.



Yield on 10-year U.S. Treasuries rose to 2.65 percent

In June 3-10, the **3-month Libor** remained at 0.23 percent.

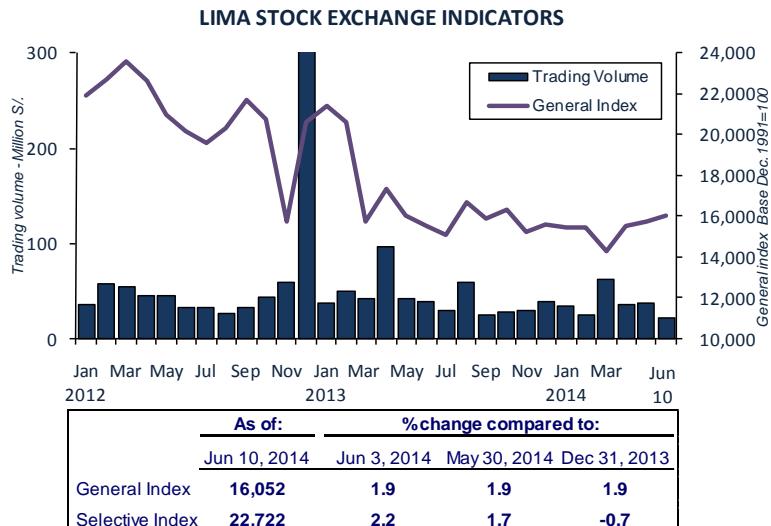
The yield on the **10-year US Treasury bonds** rose from 2.60 percent to 2.65 percent, influenced by recent positive data of employment in the United States.



Lima Stock Exchange

So far this month (at June 10), the **General Index** of the Lima Stock Exchange (LSE) rose 1.9 percent and the **Selective Index** rose 1.7 percent.

During the week of analysis, the indices of the LSE rose 1.9 and 2.2 percent, respectively, in line with the positive performance of the stock markets in the region and favored by signals of a recovery in the U.S. economy.



Year-to-date, the General Index of the LSE has risen 1.9 percent, while the Selective Index has declined 0.7 percent.

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Resumen de Indicadores Económicos / Summary of Economic Indicators

	2012												2013							2014						
	Dic	Mar	Jun	Set	Dic	Ene	Feb	Mar	Abr	May	3 Jun	4 Jun	5 Jun	6 Jun	9 Jun	10 Jun	Jun	Var.								
RESERVAS INTERNACIONALES (Mills. US\$) / INTERNATIONAL RESERVES																										
Posición de cambio / Net international position	46 063	48 397	46 775	43 711	41 097	40 013	39 952	40 075	40 458	40 759	40 669	40 744	40 740	40 717	40 608	-152	-152									
Reservas internacionales netas / Net international reserves	63 991	67 918	66 683	65 729	65 663	65 074	65 175	64 954	64 729	64 629	64 119	64 179	64 527	64 808	64 797	64 726	97									
Depositos del sistema financiero en el BCRP / Financial system deposits at BCRP	10 068	10 522	10 946	13 550	14 383	14 908	15 407	15 038	14 505	14 127	13 808	13 842	14 117	14 407	14 419	14 354	227									
Empresas bancarias / Banks	9 648	10 078	10 637	13 257	13 994	14 488	15 048	14 552	14 043	13 486	13 131	13 196	13 466	13 173	13 808	13 737	251									
Banco de la Nación / Banco de la Nación	250	253	120	53	93	114	97	125	91	246	264	251	255	254	233	229	-17									
Resto de instituciones financieras / Other financial institutions	169	191	189	240	297	306	262	361	371	395	413	395	393	380	378	389	-7									
Depositos del sector público en el BCRP / Public sector deposits at BCRP *	8 198	9 613	9 546	10 049	10 759	10 718	10 390	10 429	10 247	10 295	10 234	10 263	10 263	10 263	10 263	10 363	68									
OPERACIONES CAMBIARIAS BCR (MIL US\$) / BCR FOREIGN OPERATIONS																										
Origen externa de la emisión primaria / External origin of monetary base	1 382	518	-1 136	-474	-1 058	-1 036	-429	112	218	371	0	0	0	0	0	-100	-99									
Compras netas en Mercado Negociación / Net purchases of foreign currency	1 380	1 010	0	-325	-760	-1 040	-430	0	0	10	0	0	0	0	0	0	0									
Operaciones swaps netas / Net swap operations	0	0	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	0	0	0	0	0	0	0	107	215	358	0	0	0	0	0	0	0									
Operaciones con el Sector Público / Public sector	0	-492	-1 136	-150	-299	0	1	0	0	2	0	0	0	0	0	-100	-99									
TIPO DE CAMBIO (S/ per US\$) / EXCHANGE RATE																										
Compra Interbancario / Interbank bid	Promedio / Average	2.568	2.593	2.748	2.777	2.786	2.809	2.812	2.806	2.794	2.786	2.778	2.784	2.783	2.786	2.789	2.783									
Apertura / Opening	2.569	2.594	2.753	2.780	2.788	2.810	2.814	2.807	2.795	2.789	2.777	2.789	2.783	2.787	2.789	2.783										
Mediodía / Midday	2.569	2.594	2.749	2.779	2.787	2.810	2.813	2.808	2.795	2.787	2.779	2.785	2.784	2.788	2.790	2.784										
Cierre / Close	2.568	2.595	2.752	2.779	2.788	2.811	2.813	2.808	2.795	2.787	2.783	2.787	2.786	2.785	2.786	2.786										
Promedio / Average	2.569	2.595	2.751	2.779	2.788	2.810	2.813	2.807	2.795	2.788	2.779	2.785	2.784	2.788	2.791	2.784										
Sistema Bancario (SBS) Compra / Bid	2.568	2.593	2.747	2.777	2.785	2.808	2.812	2.806	2.794	2.786	2.777	2.784	2.784	2.786	2.788	2.782										
Banking System Venta / Ask	2.569	2.595	2.748	2.780	2.787	2.810	2.813	2.807	2.795	2.788	2.779	2.786	2.784	2.788	2.789	2.784										
Índice de tipo de cambio real (2009 = 100) / Real exchange rate Index (2009 = 100)	89,5	89,9	93,9	94,3	94,9	95,6	95,3	94,9	94,7	94,6																

INDICADORES MONETARIOS / MONETARY INDICATORS

	Moneda nacional / Domestic currency												Moneda extranjera / Foreign currency													
Emitución Primaria (Var. % mensual) / (% monthly change)	8,0	-3,6	-4,6	-7,8	-1,3	-3,6	-2,6	-4,6	4,3	-4,6																
Monetary base (Var. % últimos 12 meses) / (%12-month change)	31,9	33,8	30,3	5,3	-1,5	-1,6	-1,0	-14,3	-7,1	-12,4																
Oferta monetaria (Var. % mensual) / (% monthly change)	4,6	0,5	-0,1	-1,8	4,2	-0,8	0,4	0,0	-0,4																	
Money Supply (Var. % últimos 12 meses) / (%12-month change)	23,1	22,7	20,3	14,1	10,8	8,6	6,1	5,6	4,9																	
Crédito sector privado (Var. % mensual) / (% monthly change)	1,8	1,8	2,3	2,5	1,2	0,8	1,9	2,0	1,0																	
Crédito a la private sector (Var. % últimos 12 meses) / (%12-month change)	16,0	15,9	17,6	20,3	22,5	23,6	24,8	25,1	24,1																	
TOSE saldo fin de período (Var. % acum. en el mes) / TOSE balance (% change)	0,6	0,6	0,0	-0,2	-0,8	-2,9	1,1	1,7	-0,6	1,7	-0,6	-0,6	-0,2	0,1	0,7											
Superávit de encaje promedio (%) respecto al TOSE) / Average reserve surplus (% of TOSE)	0,1	0,5	0,6	0,1	0,3	0,1	0,1	0,1	0,1	0,2	0,2	0,6	0,9	1,1	1,3											
Cuenta corriente de los bancos (saldo mill. S/) / Banks' current account (balance)	12 391	15 018	10 604	10 921	9 729	7 731	4 687	6 633	5 995	5 954	7 705	7 626	7 834	7 516	7 363	7 285										
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	0	0	0	0	0	
Depositos públicos en el BCRP (millón S/) / Public sector deposits at the BCRP (Mills.S.)	39 939	38 995	40 244	40 155	36 646	37 877	37 828	40 819	44 346	44 552	44 816	44 695	44 544	44 336	44 340	44 222										
Certificados de Depósito BCRP (saldo Mill S.) / CD/BCRP balance (Millions of S.)**	20 805	23 335	27 261	20 913	18 992	17 793	16 193	14 613	12 757	17 566	15 895	15 595	15 195	14 695	14 795											
Subasta de Depósitos a Plazo (saldo Mill S.) / Time Deposits Auctions (Millions of S.)***	9 248	12 700	6 400	4 650	0	0	0	0	0	0	0	0	0	0	0	0										
CD/BCRP con Negociación Restringida (Saldo Mill S.) / CD/BCRP-NR balance (Millions of S.)**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0										
CD/BCRP-MN con Tasa Variable (CD/BCRP) (Saldo Mill S.) / CDV/BCRP-Balance (Millions of S.) ***	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0										
CD Liquidados en Dólares del BCRP (Saldo Mill S.) / CD/LD BCRP -balance (Millions of S.) ***	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0										
CD Reajustables BCRP (saldo Mill S.) / CD/RB BCRP balance (Millions of S.)	0	0	2 323	2 284	3 111	5 435	4 845	3 871	3 186	910	710	710	710	710	710	710										
Operaciones de reporte (saldo mill. S./) / repos / Balance millions of S./	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0										
Tasa de interés (%) / Interest rates (%)	TAMIN / Average lending rates in domestic currency	19,11	19,06	18,81	17,61	15,91	15,98	15,80	15,61	15,53	15,61	15,73	15,77	15,85	15,86	15,92	15,82									
Préstamos hasta 360 días / Loans up to 360 days ****	17,24	16,07	14,90	13,02	12,19	12,28	11,94	11,65	11,66	11,82	9,82	12,02	12,09	12,14	12,20	11,84										
Interbancaria / Interbank	4,25	4,24	4,26	4,29	4,11	4,11	4,18	4,01	4,05	3,95	4,00	4,00	4,00	4,00	4,00	4,00										
Preferencial corporativa a 90 días / Corporate Prime	5,03	4,66	4,52	4,72	4,48	4,54	4,81	4,96	4,95	5,03	5,04	4,91	4,91	4,91	4,91	4,97										
Operaciones de reporte con CD/BCRP / CD/BCRP repos	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.	s.m.										
Créditos por regulación monetaria / Rediscounts *****	5,05	5,05	5,05	4,80	4,80	4,80	4,80	4,80	4,80	4,80	4,80	4,80	4,80	4,80	4,80	4,80										
Operaciones de reporte en ME (saldo Mill. US\$) / repos in US\$ (Balance millions of US\$)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
TASEM / Average lending rates in foreign currency	8,15	8,68	8,60	8,28	8,02	7,94	7,81	7,64	7,46	7,39	7,38	7,38	7,35	7,35	7,39	7,39										
Préstamos hasta 360 días / Loans up to 360 days ****	6,51	7,36	7,14	6,57	6,10	5,97	5,89	5,46	5,17	5,10	5,10	5,10	5,09	5,08	5,07	5,11										
Interbancaria / Interbank	1,10	2,15	0,28	0,15	0,15	0,15	0,15	0,15	0,15	0,11	0,11	0,11	0,11	0,11	0,11	0,11										
Preferencial corporativa a 90 días / Corporate Prime	4,00	5,56	2,47	1,47	0,95	0,80	0,67	0,65	0,63	0,62	0,62	0,63	0,63	0,63	0,63	0,63										