



Indicators

- ↗ Price of gold at US\$ 1,085.4/troy ounce
- ↘ Price of crude at US\$ 30.4 per barrel on January 12
- ↗ Net international reserves: US\$ 61.75 billion

Content

- Monetary operations and interest rate
- Foreign exchange rate
- International reserves amount to US\$ 61.75 billion at January 7, 2016
- Operations of the Non-Financial Public Sector: December 2015
- International Markets

ix
x
xi
xii
xiii

Monetary operations and interest rate

In January 2016, the BCRP continued carrying out its regular placements of BCRP-CDs with the aim of contributing to increase liquidity in the secondary market of these instruments. It also continued injecting short-term and long-term liquidity in DC to maintain the interbank interest rate close to the policy interest rate.

- Regular repos: The balance of repos at January 12 was S/ 300 million, with an average interest rate of 5.21 percent. At the end of December, regular repos showed a balance of S/ 600 million at an average rate of 4.72 percent.
- Auctions of Treasury funds: On January 12, the balance of Treasury deposits placed through auctions was S/ 3.05 billion with an average interest rate of 5.53 percent. At the end of December, Treasury funds auctioned showed a balance of S/ 2.55 billion at an average rate of 5.47 percent.
- BCRP-CDs: The balance of BCRP-CDs at January 12 was S/. 15.40 billion, with an average rate of 3.84 percent, while this balance at end-December was S/. 15.38 billion, with an average interest rate of 3.79 percent.
- Term deposits: The balance of term deposits at January 12 was S/. 3.50 billion, with an average interest rate of 3.67 percent. At the end of December, this balance was S/. 840 million at a rate of 3.74 percent.
- Overnight deposits: At January 12, overnight deposits showed a balance of S/. 402 million, with an average interest rate of 2.50 percent. At end-December, this balance was S/. 275 million with an average interest rate of 2.50 percent.

In December, the Central Bank has also made the following operations in the foreign exchange market.

- CDR-BCRP: At January 12, these CDs showed a balance of S/. 7.66 billion (US\$ 2.29 billion), with an interest rate of 0.60 percent. Of this balance, CDR-BCRP placed through special repo operations amount to S/. 1.90 billion (US\$ 567 million). At end-December, CDR BCRP showed a balance of S/. 7.06 billion (US\$ 2.12 billion) and an average interest rate of 0.58 percent.
- FX Swaps: The balance of these instruments at January 12 was S/. 28.07 billion, with an average rate of 0.63 percent. At end-December, this balance was S/. 26.35 billion, with an average interest rate of 0.60 percent.
- Intervention in the foreign exchange market: Between January 1 and January 12, the BCRP sold US\$ 80 million in the spot market.

Monetary and foreign exchange operations

(Million S/)

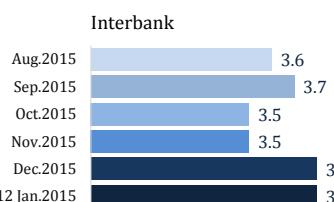
		Injection	Balance (Interest rate)			Placement (Interest rate)					Maturity
			Dec 31. 2015	Jan 12. 2016	Overnight	2-month	3-month	6-month	12-month	18-month	
Monetary operations	Injection	Repos	600	300							300
			(4.72%)	(5.21%)							
	Sterilization	Funds of Treasury	2,550	3,050						500	
			(5.47%)	(5.53%)						(5.84%)	
	Sterilization	CD BCRP	15,380	15,400			1,200	260	30	30	1,500
			(3.79%)	(3.84%)			(4.15%)	(4.38%)	(4.70%)	(5.10%)	
Foreign exchange operations	Sterilization	Term deposits	840	3,500	11,400						8,740
			(3.74%)	(3.67%)	(3.65%)						
	Sterilization	Overnight deposits	275	402	2,600						2,473
			(2.50%)	(2.50%)	(2.50%)						
	FX-Swaps	CDR BCRP	5,157	5,757			900				300
			(0.57%)	(0.60%)			(0.61%)				
		CDR BCRP - Special repos	1,903	1,903							
			(0.60%)	(0.60%)							
		FX-Swaps	26,352	28,069		900	1,337	1,579			2,099
			(0.60%)	(0.63%)		(0.75%)	(0.75%)	(0.68%)			

Interbank interest rate in soles at 3.8 percent

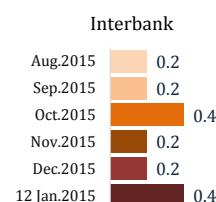
On January 12, the **interbank interest rate** in soles registered an average monthly rate of 3.8 percent and the rate in dollars showed an annual rate of 0.4 percent. On the same date, the **corporate prime rate** –the interest rate charged by commercial banks to lower risk businesses– in soles recorded a rate of 5.0 percent, while the rate in dollars recorded 1.1 percent.

Interest rates (%)

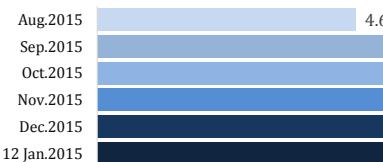
Domestic currency



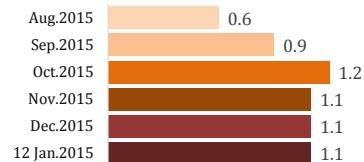
Foreign currency



90-days corporate prime



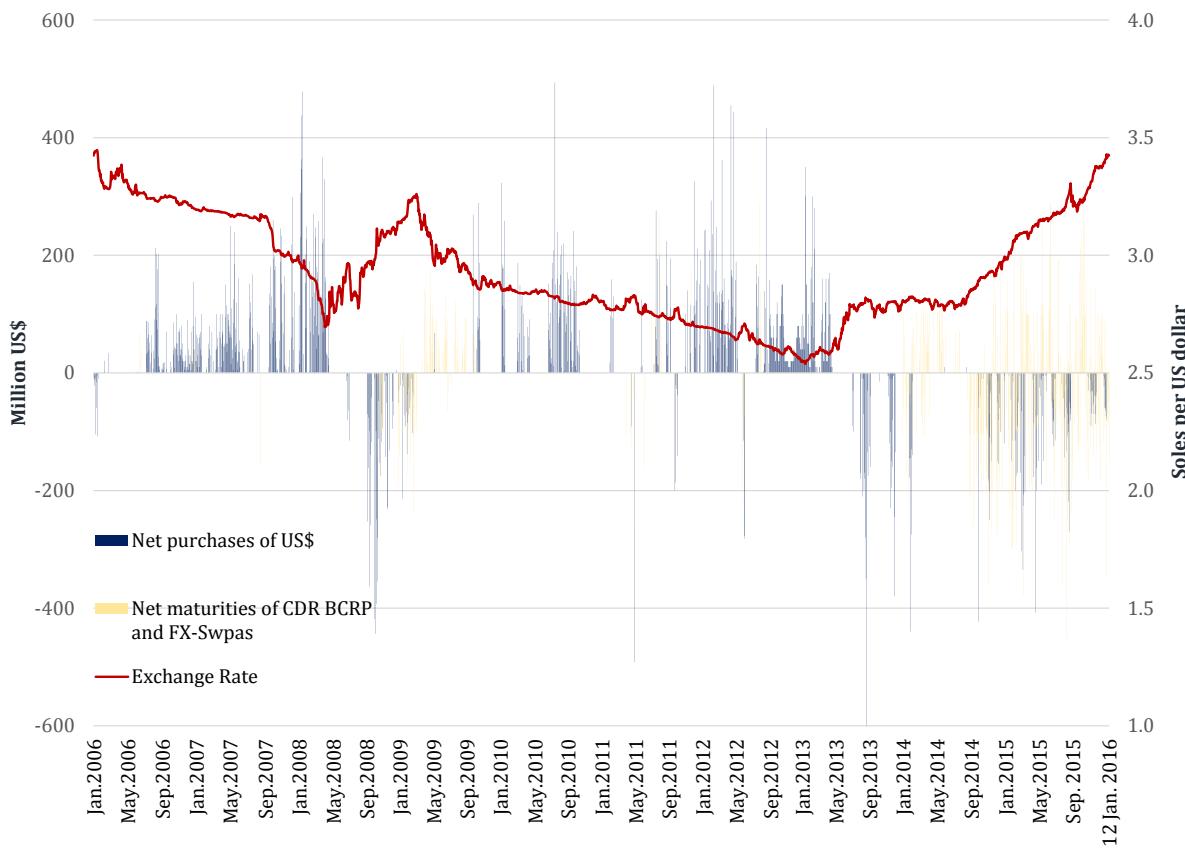
90-days corporate prime



Foreign exchange rate

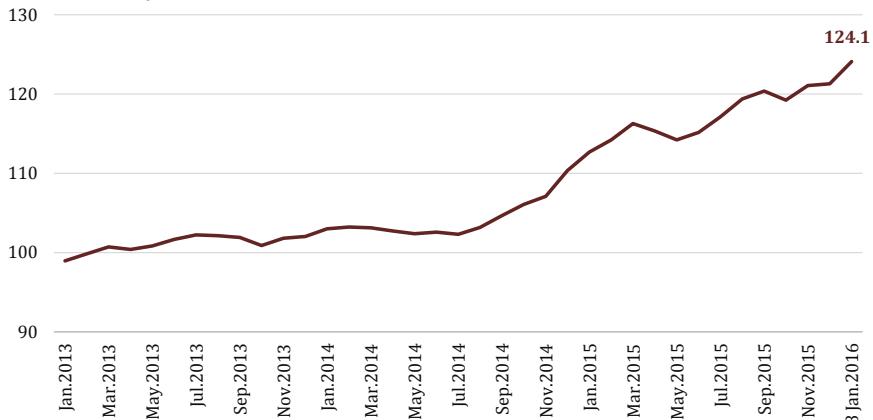
On January 12, the dollar in the interbank market closed with a selling price of S/. 3.42 per dollar.

Exchange rate and foreign exchange intervention



The US dollar has been appreciating against most other currencies in recent months, as reflected in the evolution of the FED index since January 2013. This appreciation of the dollar is associated with expectations that the Federal Reserve (FED) will start normalizing its interest rates.

Fed index 1/



1/ Calculated taking into account currencies of US trading partners weighted by contributions. A rise in the index represents an appreciation of the US dollar.
Source: FED.

resumen informativo

International reserves amount to US\$ 61.75 billion at January 7, 2016

On January 7, 2016, Peru's net international reserves –made up mainly by liquid international assets– amounted to US\$ 61.75 billion. This level of reserves is equivalent to 32 percent of GDP and to 20 months of imports.



Operations of the Non-Financial Public Sector: December 2015

The operations of the non-financial public sector showed a deficit of S/. 12.73 billion in December (S/ 1.39 billion higher than that recorded in December 2014) due mainly to higher non-financial spending at the level of the general government. As a result of this, the operations of the non-financial public sector accumulated a deficit of S/ 12.79 billion in the year.

The tax revenues of the general government rose 3.1 percent, while the non-financial expenditure of the general government increased 4.3 percent as a result of both the current component and the capital component.

Operations of the Non-Financial Public Sector 1/
(Million S./.)

	December			January - December		
	2014	2015	Real % chg.	2014	2015	Real % chg.
1. General government current revenues	10,593	11,109	0.5	127,711	122,033	-7.7
a. Tax revenues	8,128	8,752	3.1	97,646	92,730	-8.3
b. Non-tax revenues	2,465	2,357	-8.4	30,065	29,303	-5.9
2. General government non-financial expenditure	21,633	23,555	4.3	123,845	129,919	1.2
a. Current	14,438	15,579	3.4	89,461	96,835	4.4
b. Capital	7,195	7,976	6.2	34,384	33,084	-7.3
<i>of which:</i>						
<i>Gross capital formation</i>	6,721	6,896	-1.7	31,660	28,762	-12.5
<i>National government</i>	3,034	2,785	-12.1	11,465	12,206	2.7
<i>Regional governments</i>	988	1,047	1.5	6,276	5,541	-15.0
<i>Local governments</i>	2,699	3,065	8.8	13,919	11,014	-23.9
<i>Other capital expenditure</i>	474	1,079	118.3	2,723	4,322	53.3
3. Other 2/	-138	-85		339	1,449	
4. Primary Balance (=1-2+3)	-11,178	-12,531		4,205	-6,438	
5. Interests	158	197	19.3	6,206	6,351	-1.1
6. Overall Balance (=4-5)	-11,336	-12,728		-2,002	-12,789	
<i>Percentage of GDP</i>				<i>-0.3</i>	<i>-2.1</i>	

1/ Preliminary.

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

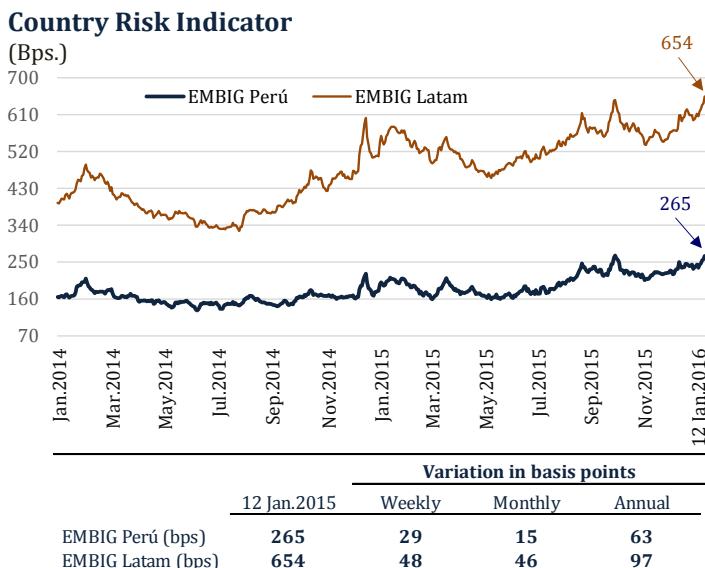
Source: MEF, SUNAT, Banco de la Nación, public charities, public institutions and companies.

International Markets

Country risk at 265 basis points

In January 5-12, the country risk indicator –measured by the EMBIG Peru spread– rose from 236 to 265 basis points.

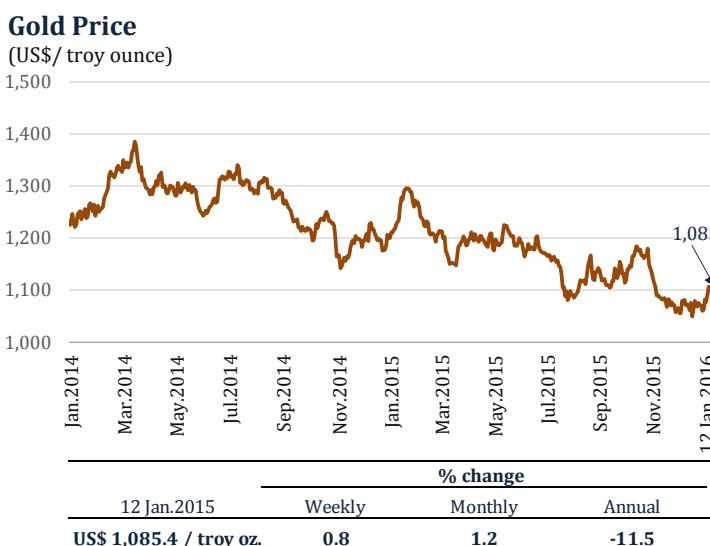
Similarly, the **EMBIG LatAm** spread rose 48 basis points amid increased risk aversion as a result of concerns about economic slowdown in China and the drop recorded in the price of crude.



Price of gold at US\$ 1,085.4 per troy ounce

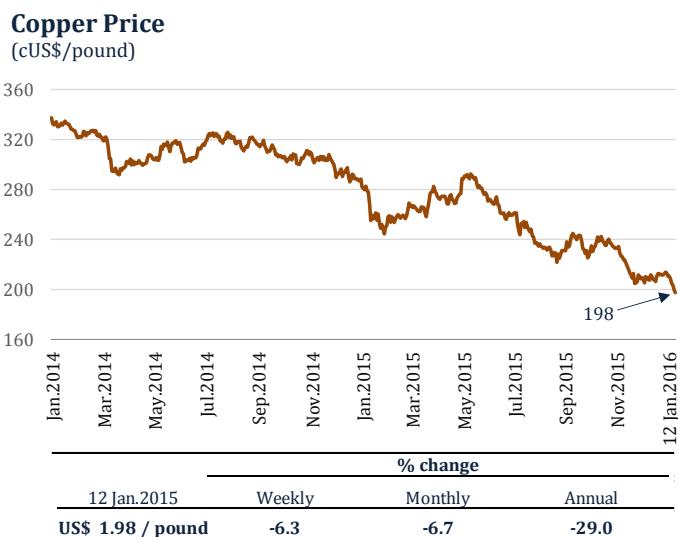
In the same period, the price of gold rose 0.8 percent to US\$ 1,085.4 per troy ounce.

The price of gold rose due to the depreciation of the dollar against its major counterparts and due to the greater demand for safe assets as a result of the fall of the major stock exchange markets.



In January 5-12, the price of **copper** fell 6.3 percent to US\$ 1.98 per pound.

This fall in the price of copper was associated with fears of a further slowdown of growth in China and with the increase of global inventories, especially at the Shanghai stock exchange.



In January 5-12, the price of **zinc** decreased 6.1 percent to US\$ 0.66 a pound.

This decline was associated with fears of a lower demand from China due to negative data of activity in this country, as well as with signals of an oversupply.



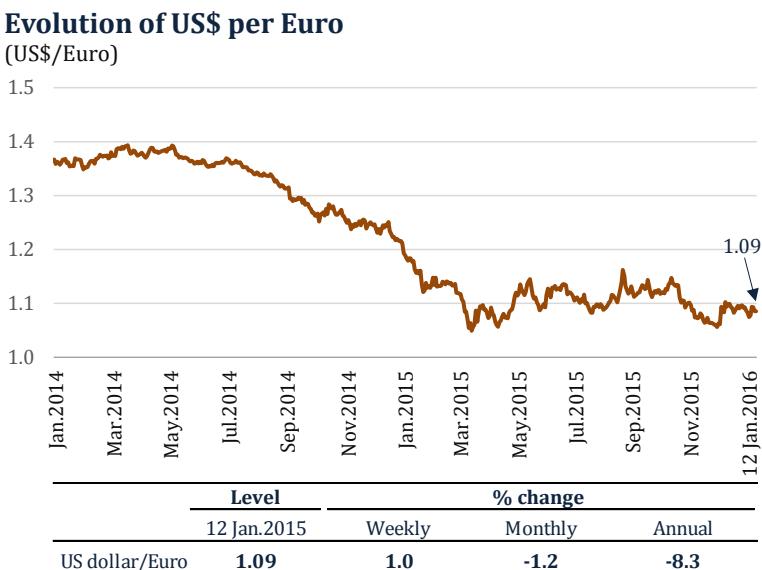
In the same period, the price of **WTI oil** dropped 15.4 percent to US\$ 30.4 per barrel, a minimum low unheard of since April 2004.

The price of crude continues to be affected by downward pressures associated with indications of a weakening of China's demand and by the unexpected increase registered in the weekly production of crude in the United States.



US dollar depreciated against the euro

Between January 5 and January 12, the **dollar** depreciated 1.0 percent against the **euro** amid positive data of activity in the Eurozone (mainly, activity indices and better conditions in the labor market).



Yield on 10-year US Treasuries at 2.10 percent

In January 5-12, the **3-month Libor** rose 1 basis point to 0.61 percent.

On the other hand, the yield on the **10-year US Treasury bonds** fell 13 basis points to 2.10 percent amid increased risk aversion associated with concerns about growth in China, which reflected in the fall observed in the major stock exchange markets.

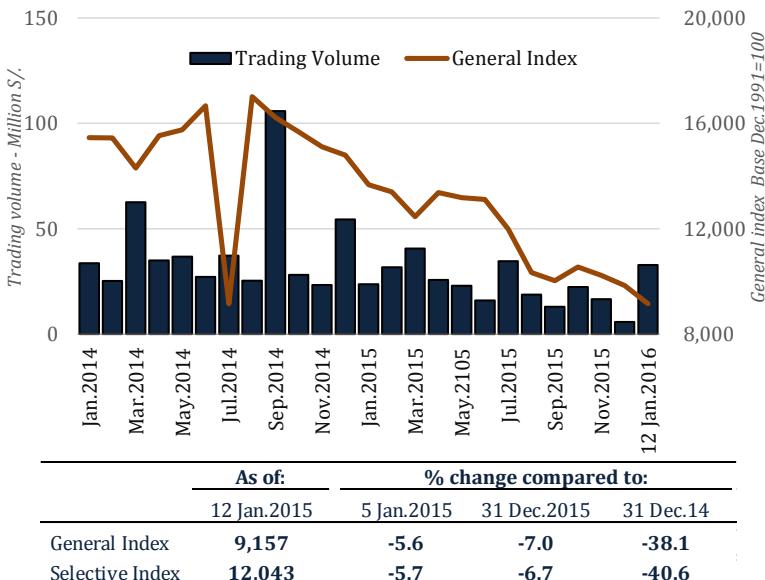


Lima Stock Exchange

Between January 5 and January 12, the **General Index** of the Lima Stock Exchange (LSE) fell 5.6 percent and the **Selective Index** fell 5.7 percent.

The LSE, like the major stock exchanges in the region, was affected by the decline in the international prices of basic metals.

Lima Stock Exchange Indicators



resumen informativo

Resumen de Indicadores Económicos / Summary of Economic Indicators

	2014							2015							2016						
	Dic.	Mar.	Jun.	Set.	Oct.	Nov.	Dic.	7 Ene.	8 Ene.	11 Ene.	12 Ene.	Ene.	Var.	Acum.	7 Ene.	8 Ene.	11 Ene.	12 Ene.	Ene.		
RESERVAS INTERNACIONALES (Mils. US\$) / INTERNATIONAL RESERVES																Acum.					
Posición de cambio / Net international position	35 368	31 674	28 359	26 359	26 227	25 238	25 858	25 811	25 796	25 795	25 787	-71									
Reservas internacionales netas / Net international reserves	62 308	61 323	60 017	61 439	62 172	62 196	61 485	61 747	61 749	61 375	61 313	-172									
Depositos del sistema financiero en el BCRP / Financial system deposits at BCRP	15 649	17 566	19 828	21 636	22 480	22 407	22 559	22 830	22 845	22 441	22 380	-179									
Empresas bancarias / Banks	14 881	16 936	19 227	20 981	21 813	21 698	21 807	22 166	22 185	21 783	21 697	-110									
Banco de la Nación / Banco de la Nación	145	114	74	49	49	56	82	112	122	100	113	31									
Resto de instituciones financieras / Other financial institutions	623	516	527	607	619	652	670	552	538	559	570	-100									
Depósitos del sector público en el BCRP / Public sector deposits at BCRP *	11 919	12 725	12 437	14 018	14 016	15 093	13 601	13 577	13 577	13 610	13 616	15									
OPERACIONES CAMBIARIAS BCR (Mils. US\$) / BCRP FOREIGN OPERATIONS																Acum.					
Origen externa de la emisión primaria / External origin of monetary base	-126	-1 673	-904	0	-212	-845	647	0	0	0	0	-80									
Compras netas en Mesa de Negociación / Net purchases of foreign currency	-790	-1 415	-643	0	-43	-782	-296	0	0	0	0	-80									
Operaciones swaps netas / Net swap operations	-2	0	0	0	0	0	0	0	0	0	0	0									
Compras con compromiso de recompras en ME (neto) / Net swaps auctions in FC	1 000	0	0	0	0	0	0	0	0	0	0	0									
Operaciones con el Sector Público / Public sector	-335	0	0	0	-170	-65	942	0	0	0	0	0									
TIPO DE CAMBIO (S/ por US\$) / EXCHANGE RATE																Prom.					
Compra interbancario/Interbank	2,961	3,092	3,161	3,218	3,248	3,336	3,383	3,421	3,426	3,425	3,422	3,422									
Apertura / Opening	2,965	3,094	3,163	3,223	3,251	3,339	3,386	3,425	3,428	3,431	3,422	3,422									
Venta Interbancario	2,963	3,094	3,162	3,220	3,251	3,339	3,385	3,424	3,430	3,428	3,426	3,426									
Interbank Ask	2,964	3,092	3,163	3,219	3,252	3,339	3,384	3,424	3,427	3,424	3,423	3,423									
Promedio / Average	2,963	3,093	3,162	3,221	3,250	3,339	3,385	3,423	3,429	3,427	3,424	3,423									
Sistema Bancario (SBS)	2,960	3,090	3,160	3,217	3,246	3,335	3,380	3,420	3,425	3,424	3,423	3,421									
Banking System	2,963	3,093	3,162	3,221	3,250	3,338	3,385	3,423	3,428	3,428	3,426	3,424									
Indice de tipo de cambio real (2009 = 100) / Real exchange rate Index (2009 = 100)	94,1	93,9	96,1	93,6	94,9	96,1	96,4														
INDICADORES MONETARIOS / MONETARY INDICATORS																					
Moneda nacional / Domestic currency																					
Emisión Primaria	(Var. % mensual) / (% monthly change)	13,6	0,3	-0,4	-1,2	0,9	1,8	8,0	3,2	1,8	-0,8	-2,4									
Monetary base	(Var. % últimos 12 meses) / (% 12-month change)	3,7	3,0	-1,1	-2,1	0,3	0,1	-4,8													
Oferta monetaria	(Var. % mensual) / (% monthly change)	5,9	-1,6	-0,2	0,0	0,9	1,1														
Money Supply	(Var. % últimos 12 meses) / (% 12-month change)	10,1	7,9	6,4	3,1	3,5	4,5														
Crédito sector privado	(Var. % mensual) / (% monthly change)	1,6	3,6	1,9	2,7	1,4	2,3														
Crédito al private sector	(Var. % últimos 12 meses) / (% 12-month change)	18,2	19,2	24,5	29,6	29,0	29,2														
TOSE saldo fin de periodo (Var.% acum. en el mes) / TOSE balance (% change)	1,5	0,5	0,8	-1,1	2,2	2,2	2,7	1,1	1,2	1,3											
Supervit de encajos promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)	0,3	0,3	0,3	0,1	0,1	0,2	0,1	1,4	1,4	1,4											
Cuenta corriente de los bancos (saldo mill. S/) / Banks current account (balance)	4 129	2 304	2 098	1 998	1 722	1 726	1 748	4 010	3 350	2 398	1 803										
Créditos por regulación monetaria (millones de S/) / Rediscounts (Millions of S/)	0	0	0	0	0	0	0	0	0	0	0										
Depósitos públicos en el BCRP (millones S/) / Public sector deposits at the BCRP (Millions of S/)	36 488	38 784	39 233	33 693	31 478	30 000	30 694	28 546	28 280	28 249	28 057										
Certificados de Depósito BCRP (saldo Mill.S.) / CDBCRP balance (Millions of S/)	15 575	18 343	16 583	16 597	17 798	17 781	15 380	14 370	14 770	15 100	15 400										
Subasta de Depósitos a Plazo (saldo Mill.S.) / Time Deposits Auctions (Millions of S/)*	0	0	0	2 676	2 683	1 097	840	2 250	2 000	3 350	3 500										
CDBCRP con Negociación Restringida (Saldo Mill.S.) / CDBCRP-NR balance (Millions of S/)	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/)*	0	0	0	0	0	0	0	160	160	160	160										
CD Liquidables en Dólares del BCRP (Saldo Mill.S.) / CDLL BCRP- balance (Millions of S/)**	0	0	0	0	0	0	0	0	0	0	0										
CD Reajustables BCRP (saldo Mill.S.) / CDRBCRP balance (Millions of S/)	2 590	1 935	1 140	8 211	7 233	7 319	7 059	6 759	7 059	7 059	7 659										
Operaciones de reporte monedas / Currency repos (Balance millions of S/)	8 600	12 300	20 905	28 755	28 655	28 655	27 605	27 605	27 605	27 605	27 605										
Operaciones de reporte (saldo Mill. S.) / repos (Balance millions of S/)	9 900	17 200	23 536	31 789	31 189	30 105	29 805	29 805	29 805	29 805	29 805										
Tasa de interés / Interest rates (%)																					
Tasa de interés (%)																					
Tasa de interés (%)	TAMN / Average lending rates in domestic currency	15,68	16,09	16,18	16,10	16,14	16,09	16,11	16,24	16,24	16,22	16,28	16,27								
	Préstamos hasta 360 días / Loans up to 360 days ****	10,79	12,28	10,86	10,84	10,95	10,95	11,05	11,21	11,21	11,22	n.d.	11,26								
	Interbancaria / Interbank	3,80	3,40	3,42	3,66	3,52	3,50	3,79	3,75	3,75	3,75	3,75	3,75								
	Preferencial corporativa a 90 días / Corporate Prime	4,70	4,20	4,10	4,90	4,75	4,86	5,00	5,00	5,00	5,00	5,00	4,97								
	Operaciones de reporte con CDBCRP / CDBCRP repos	4,56	4,08	4,16	4,51	4,55	4,59	4,76	4,75	4,75	4,75	4,75	4,75								
	Operaciones de reporte monedas / Currency repos	4,30	4,14	4,14	4,54	4,54	4,58	4,72	4,72	4,72	4,72	4,72	4,72								
	Créditos por regulación monetaria / Rediscounts *****	4,30	4,05	3,80	4,05	4,05	4,05	4,05	4,30	4,30	4,30	4,30	4,30								
	Del saldo de CDBCRP / CDBCRP balance	3,64	3,56	3,43	3,54	3,64	3,69	3,79	3,82	3,84	3,84	3,85	3,85								
	Del saldo de depósitos a Plazo / Time Deposits	s.m.	s.m.	s.m.	3,44	3,46	3,48	3,74	3,68	3,61	3,66	3,67	3,67								
	Spread del saldo del CDV BCRP - MN / Spread CDV BCRP	s.m.	s.m.	s.m.	s.m.	s.m.	0,10	0,10	0,10	0,10	0,10	0,10	0,10								
Moneda extranjera / foreign currency																					
Crédito sector privado	(Var. % mensual) / (% monthly change)	-0,6	-3,3	-3,3	-1,5	-2,0	-2,0														
Crédito al private sector	(Var. % últimos 12 meses) / (% 12-month change)	0,3	-4,6	-14,2	-17,4	-18,3	-19,4														
TOSE saldo fin de periodo (Var.% acum. en el mes) / TOSE balance (% change)	-0,4	0,8	-0,4	5,5	-1,2	-0,6	-1,2	0,8	0,8	0,8	0,8	0,4									
Supervit de encajos promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)	0,7	0,5	0,1	0,3	-0,1	0,3	0,7	4,9	5,1	5,1	5,3										
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										
Créditos por regulación monetaria (millones de US\$) / Rediscount	0	0	0	0	0	0	0	0	0	0	0										
Tasa de interés (%)	TAMEX / Average lending rates in foreign currency	7,55	7,78	7,68	7,65	7,68	7,82	7,89	8,14	8,14	8,14	8,15	8,16								
	Préstamos hasta 360 días / Loans up to 360 days ****	5,34	5,42	5,06	4,83	4,83	4,97	5,04	5,46	5,47	5,45	n.d.	5,37								
	Interbancaria / Interbank	0,16	0,23	0,15	0,15	0,36	0,20	0,18	0,35	0,35	0,35	0,35	0,35				</td				