PERU: MAIN MACRO-FINANCIAL INDICATORS

International Economics and Euro Area Department

BANCO DE ESPAÑA
Eurosistema

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## Peru: main economic and social indicators

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>GDP (year-on-year rate)</td>
<td>3.6</td>
<td>6.5</td>
<td>5.8</td>
<td>3.2</td>
<td>-11.0</td>
<td>13.4</td>
<td>2.7</td>
</tr>
<tr>
<td>CPI (year-on-year rate)</td>
<td>2.4</td>
<td>2.8</td>
<td>2.9</td>
<td>2.7</td>
<td>2.0</td>
<td>4.3</td>
<td>8.3</td>
</tr>
<tr>
<td>Underlying CPI (year-on-year rate)</td>
<td>1.8</td>
<td>2.7</td>
<td>3.1</td>
<td>3.1</td>
<td>1.8</td>
<td>3.8</td>
<td>6.5</td>
</tr>
<tr>
<td>Policy interest rate (%)</td>
<td>3.0</td>
<td>4.1</td>
<td>3.8</td>
<td>3.3</td>
<td>0.3</td>
<td>2.5</td>
<td>7.5</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>4.7</td>
<td>4.2</td>
<td>3.4</td>
<td>3.5</td>
<td>7.2</td>
<td>5.1</td>
<td>3.7</td>
</tr>
<tr>
<td>Budget balance (% of GDP)</td>
<td>-1.7</td>
<td>1.2</td>
<td>0.9</td>
<td>-1.8</td>
<td>-9.0</td>
<td>-2.5</td>
<td>-1.3</td>
</tr>
<tr>
<td>Primary balance (% of GDP)</td>
<td>0.6</td>
<td>2.9</td>
<td>1.9</td>
<td>-1.1</td>
<td>-6.9</td>
<td>-1.2</td>
<td>0.0</td>
</tr>
<tr>
<td>Public debt (% of GDP)</td>
<td>47.6</td>
<td>29.1</td>
<td>20.9</td>
<td>24.8</td>
<td>34.6</td>
<td>35.9</td>
<td>33.8</td>
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### External sector

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade openness (% of GDP)</td>
<td>44.2</td>
<td>63.4</td>
<td>60.5</td>
</tr>
<tr>
<td>Current account balance (% of GDP)</td>
<td>-1.8</td>
<td>0.2</td>
<td>-3.3</td>
</tr>
<tr>
<td>Foreign direct investment received (% of GDP)</td>
<td>2.5</td>
<td>4.8</td>
<td>4.9</td>
</tr>
<tr>
<td>Portfolio capital inflows (% of GDP)</td>
<td>-0.5</td>
<td>-0.8</td>
<td>0.0</td>
</tr>
<tr>
<td>Reserves (months of imports)</td>
<td>9.5</td>
<td>9.2</td>
<td>11.7</td>
</tr>
<tr>
<td>Reserves (% of GDP)</td>
<td>17.3</td>
<td>23.7</td>
<td>31.0</td>
</tr>
<tr>
<td>ARA metrics (IMF) (b)</td>
<td>1.5</td>
<td>2.2</td>
<td>2.7</td>
</tr>
<tr>
<td>External debt (% of GDP)</td>
<td>52.8</td>
<td>32.9</td>
<td>30.3</td>
</tr>
<tr>
<td>Domestic debt held by non-residents (% of total)</td>
<td>15.6</td>
<td>26.0</td>
<td>34.9</td>
</tr>
</tbody>
</table>

### Financial markets

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exchange rate against the euro</td>
<td>3.6</td>
<td>4.2</td>
<td>3.6</td>
</tr>
<tr>
<td>Exchange rate against the dollar</td>
<td>3.4</td>
<td>3.1</td>
<td>2.8</td>
</tr>
<tr>
<td>10-year government debt yield (%)</td>
<td>-</td>
<td>-</td>
<td>5.5</td>
</tr>
<tr>
<td>Average government debt maturity (months)</td>
<td>91.7</td>
<td>120.6</td>
<td>153.3</td>
</tr>
<tr>
<td>CDS (basis points)</td>
<td>-</td>
<td>-</td>
<td>130.2</td>
</tr>
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</table>

### Banking sector

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size of the sector (% of GDP)</td>
<td>-</td>
<td>-</td>
<td>24.4</td>
</tr>
<tr>
<td>Credit to the private sector (% of GDP)</td>
<td>27.6</td>
<td>28.4</td>
<td>38.0</td>
</tr>
<tr>
<td>Basel credit-to-GDP gap (c)</td>
<td>-</td>
<td>-</td>
<td>2.4</td>
</tr>
<tr>
<td>Housing prices (year-on-year)</td>
<td>0.0</td>
<td>13.1</td>
<td>16.1</td>
</tr>
<tr>
<td>Regulatory capital/RWA</td>
<td>-</td>
<td>-</td>
<td>14.0</td>
</tr>
<tr>
<td>Tier 1</td>
<td>-</td>
<td>-</td>
<td>10.7</td>
</tr>
<tr>
<td>RWAs/total assets</td>
<td>67.0</td>
<td>64.9</td>
<td>71.3</td>
</tr>
<tr>
<td>Non-performing loans (% of portfolio)</td>
<td>-</td>
<td>-</td>
<td>2.3</td>
</tr>
<tr>
<td>ROA (d)</td>
<td>0.9</td>
<td>2.2</td>
<td>2.9</td>
</tr>
<tr>
<td>ROE (e)</td>
<td>8.1</td>
<td>24.9</td>
<td>21.2</td>
</tr>
<tr>
<td>Liquidity ratio</td>
<td>28.5</td>
<td>42.3</td>
<td>41.8</td>
</tr>
<tr>
<td>Primary expenditure (% of total revenues)</td>
<td>-</td>
<td>-</td>
<td>49.6</td>
</tr>
<tr>
<td>Net interest income (% of gross revenues) (f)</td>
<td>-</td>
<td>-</td>
<td>85.5</td>
</tr>
</tbody>
</table>

### SOURCES: IMF, Thomson Reuters and national statistics.

- **a** Percentage of population with income of less than $3.66 (purchasing power parity in 2017 dollars) per day.
- **b** Drawing on the IMF's calculations for assessing reserve adequacy, which take into account the level of reserves relative to different aggregates and the related opportunity cost.
- **c** Difference between the actual level and the trend in credit to the private sector as a percentage of GDP.
- **d** Return on Assets (ROA) is defined as profit as a percentage of assets in the banking sector portfolio.
- **e** Return on Equity (ROE) is defined as profit as a percentage of capital in the banking sector.
- **f** Defined as the ratio of net income from financial intermediation to operating income. Provisioning expenses are not included in the numerator. Operating income comprises income from financial intermediation, income from services, income from shares and other operating income/expenditure, except for administration expenses.
The risk level is indicated with shades of green (associated with lower levels of vulnerability), yellow (medium vulnerability) and red (variables in the highest risk percentiles).

**Table 2**

**Peru: situation of vulnerability (a)**

<table>
<thead>
<tr>
<th>Time series</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>Latest figure</th>
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<td>H1</td>
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<tr>
<td>H2</td>
<td>H2</td>
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<td>H2</td>
<td>H2</td>
<td>H2</td>
<td>H2</td>
</tr>
</tbody>
</table>

- Sovereign spread (bp)
- Stock market (quarterly change)
- Exchange rate (quarterly change)
- Sovereign spread (quarterly change)
- GDP (year-on-year)
- Inflation
- Industrial output
- Currency overvaluation
- Budget balance (% of GDP)
- Gross public sector debt (% of GDP)
- Credit (real, year-on-year)
- Deposits (real, year-on-year)
- Net foreign assets of banks (% of GDP)
- Non-performing loans (% of portfolio)
- Loan-to-deposit ratio
- Banks’ equity index (quarterly change)
- Banks’ external debt spread
- Interbank interest rate
- Net interest income
- Banking risk (BICRA)
- Banks’ equity index (BICRA)
- Banking risk (IHS)
- Current account balance (% of GDP)
- Foreign direct investment (% of GDP)
- External debt (% of GDP)
- Short-term external debt (% of reserves)
- Reserves (% of GDP)
- External debt service (% of exports)
- Portfolio investment (% of GDP)
- GDP per capita (change)
- Political risk (IHS)
- Geopolitical risk (GPR)
- Sovereign rating
- Stability/Absence of violence (percentile)


- The risk level is indicated with shades of green (associated with lower levels of vulnerability), yellow (medium vulnerability) and red (variables in the highest risk percentiles).
### Spain and euro area exposure to Peru (2022, unless otherwise indicated)

<table>
<thead>
<tr>
<th>Source</th>
<th>Euro area</th>
<th>Spain</th>
<th>Percentage of GDP</th>
<th>Percentage of total</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exports of goods (2022)</td>
<td>4.3</td>
<td>0.8</td>
<td>0.0</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Imports of goods (2022)</td>
<td>7.0</td>
<td>1.8</td>
<td>0.0</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Exports of services (2021)</td>
<td>2.3</td>
<td>—</td>
<td>0.0</td>
<td>—</td>
<td>0.1</td>
</tr>
<tr>
<td>Imports of services (2021)</td>
<td>0.7</td>
<td>—</td>
<td>0.0</td>
<td>—</td>
<td>0.0</td>
</tr>
<tr>
<td>International Investment Position: Foreign direct investment, Assets (2021)</td>
<td>23.1</td>
<td>4.3</td>
<td>0.2</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>International Investment Position: Foreign direct investment, Liabilities (2021)</td>
<td>5.2</td>
<td>0.8</td>
<td>0.0</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td>International Investment Position: Portfolio investment, Assets (June 2022)</td>
<td>18.2</td>
<td>0.1</td>
<td>0.1</td>
<td>0.0</td>
<td>0.1</td>
</tr>
<tr>
<td>International Investment Position: Portfolio investment, Liabilities (June 2022)</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Credit exposure to Peru of BIS reporting banks (a) (December 2022)</td>
<td>33.6</td>
<td>30.0</td>
<td>0.2</td>
<td>2.1</td>
<td>0.3</td>
</tr>
<tr>
<td>Claims of Peruvian banks vis-à-vis residents of the euro area or Spain (December 2022)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Debt of Peruvian residents to banks from the euro area or Spain (b) (December 2022)</td>
<td>33.6</td>
<td>30.0</td>
<td>13.8</td>
<td>12.3</td>
<td>49.3</td>
</tr>
</tbody>
</table>

**Sources:** IMF, OECD, Eurostat, BIS and national statistics.

- **a** With respect to euro area and Spanish figures.
- **b** With respect to Peruvian figures.
PERU: MAIN MACRO-FINANCIAL INDICATORS

1.a Share of global GDP (%) (2022)

- Peru: 9.3%
- United States: 15.6%
- China: 18.5%
- Spain: 1.4%
- Rest of the euro area: 7.0%
- Rest of Latin America: 10.1%
- Rest of the world: 1.4%

1.b Share of Latin American GDP (%) (2022)

- Argentina: 17.7%
- Brazil: 9.6%
- Chile: 4.3%
- Colombia: 31.5%
- Mexico: 24.8%
- Peru: 7.5%
- Other: 4.7%

1.c Breakdown of GDP: supply (%) (2022)

- Agriculture, forestry and fishing: 35.5%
- Manufacturing: 14.1%
- Mining and quarrying: 7.4%
- Oil and other fuels: 12.0%
- Other industry (water, gas and electricity): 11.7%
- Construction: 7.0%
- Distributive trade, repairs, transportation, accomm. and food services: 6.7%
- Other services: 6.7%
- Taxes and subsidies: 6.7%

1.d Breakdown of GDP: demand (%) (2022)

- Private consumption: 64.9%
- Government consumption: 13.1%
- Investment: 22.2%
- Net exports: -0.3%

1.e Exports of goods, by sector (%) (2020)

- Agriculture, forestry and fishing: 48.3%
- Mining and quarrying: 36.5%
- Manufacturing: 14.2%

1.f Exports of goods, by destination (%) (2022)

- United States: 32.7%
- China: 12.4%
- Spain: 32.2%
- Rest of the euro area: 11.9%
- Rest of Latin America: 8.2%
- Rest of the world: 2.6%

1.g Imports of goods, by sector (%) (2020)

- Agriculture, forestry and fishing: 91.7%
- Mining and quarrying: 2.7%
- Manufacturing: 5.5%

1.h Imports of goods, by origin (%) (2022)

- United States: 40.6%
- China: 23.4%
- Spain: 15.7%
- Rest of the euro area: 10.8%
- Rest of Latin America: 7.2%
- Rest of the world: 2.1%

SOURCES: OECD and IMF.
2.a Breakdown of the banking sector (March 2023): loans

- Municipal credit cooperatives: 9
- Other foreign-owned private banks: 4
- Other domestic private banks: 7
- Agrobanco: 0
- Banco de la Nación: 3
- Banco de Crédito del Perú: 29

2.b Breakdown of the banking sector (March 2023): deposits

- Municipal credit cooperatives: 7
- Other foreign-owned private banks: 5
- Other domestic private banks: 5
- Banco de la Nación: 10
- Interbank: 11
- Banco de Crédito del Perú: 30

2.c Exposures to material third countries, by type of exposure (December 2022) (a)

- United Kingdom
- United States
- Mexico
- Brazil
- Turkey
- Chile
- Peru
- Colombia
- Argentina

SOURCES: Superintendencia del Mercado de Valores and Banco de España.

a Credit and other claims on households and non-financial corporations, excluding public entities and financial institutions.
b 1% of any of the types of exposure.


b The Geopolitical Risk (GPR) Index is a measure of adverse geopolitical events based on a survey of newspaper articles in the English-speaking press covering geopolitical unrest.
Chart 4
Peru: exchange rates, stock market, sovereign spreads, long-term interest rates, financial conditions and financial stress

4.a Exchange rates of the Peruvian sol

4.b Stock exchange index

4.c Sovereign spread

**SOURCES:** Banco de España and Refinitiv.

a Ratio of export prices to import prices.
Chart 4
Peru: exchange rates, stock market, sovereign spreads, long-term interest rates, financial conditions and financial stress (cont’d)

4.d Long-term interest rate in local currency

4.e Financial conditions index

4.f Financial stress index

 SOURCES: Banco de España and Refinitiv.

a Estimated using a principal component methodology drawing on changes in the stock market, short and long-term interest rates, the price of commodities and exchange rate fluctuations.

b Calculated on the basis of volatilities and spreads of six market segments, standardised and grouped discounting any cross-correlations between indicators.