

Economic & Commercial Report for the week ending 03rd February 2017

1. Analysis of Trade Data (Peru)

Trade surplus stood at US\$1.73 billion in 2016

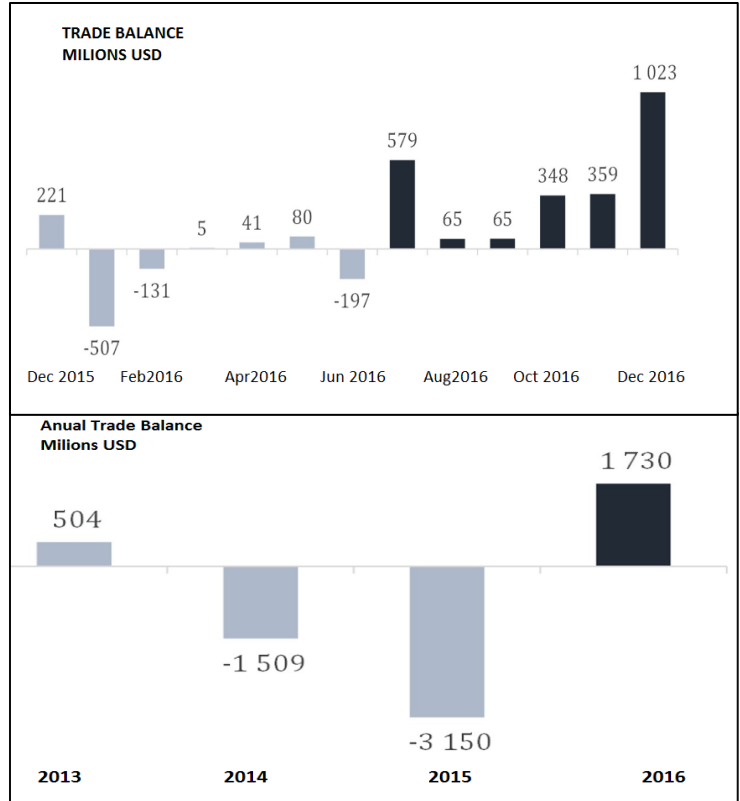
(Source : *Gestión* – 02/02/2017)

According to the report of the Central Reserve Bank of Peru (BCR), after two years of deficits, Peru's trade balance amounted surplus of US\$ 1.73 billion in 2016 due to exports' positive performance over the year.

In December 2016, the trade surplus reached US\$ 1.02 billion, marking six months of positive outputs. The increase was explained by higher exports volume (10.6%) and value (13.1%).

December recorded US\$ 4.03 billion in exports, 25% more as compared to December 2015. The growth was mainly driven by higher shipments of traditional (33.1%) and non-traditional (9.5%) products.

With this result, exports totaled US\$ 36.83 billion in 2016, a 7.6% rise over the previous year. Likewise, December imports reached US\$3.008 billion, totaling US\$ 35.10 billion in 2016.



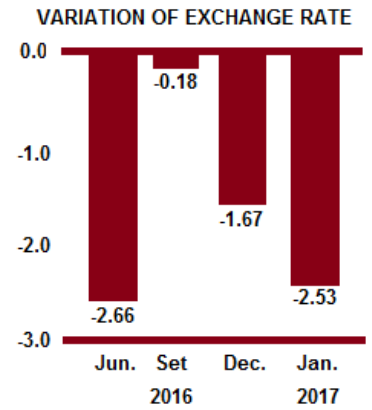
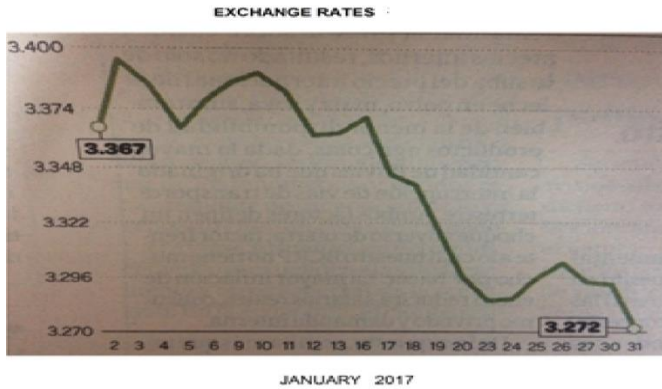
2. New analysis related to Trade

i. Peru mining, hydrocarbons sector up 16.29% in 2016 (*Andina* : 01/02/2017) - According to the report of National Institute of Statistics and Informatics (INEI), Peru's mining and hydrocarbons sector grew 16.29% during 2016, driven by greater production of the metal-mechanic subsector (21.18%). In 2016, main metals were copper (40.1% of growth), molybdenum (27.8%), silver (6.7%), iron (4.7%) and gold (4.2%).

ii. Mining sector experiences a severe slowdown in December 2016 and grew only 8.57% (*Gestión* – 02/02/2017) - Mining was the engine of the Peruvian economy during 2016. The average growth of the sector from January to November was 16%, but it experiences a severe slowdown in December (8.57%) due to the fall of copper production (11.4%), lead (13.8%) and tin (8.8%).

iii. INEI: National Consumer Price Index increased 0.24% in January (*Gestión* – 02/02/2017) - According to the report of the National Institute of Statistics and Informatics (INEI) National Consumer Price Index has increased by 0.24% in January due to the increase of prices of products and services of four categories: Restaurants and Hotels (0.49%), Food and Non-Alcoholic Beverages (0.35%), Health (0.28%, medical services prices increased by 1%), Furniture, Household Articles and Housing Conservation (0.25%).

iv. **Dollar exchange rate closes January at S/. 3.272, registers its biggest fall since June** (*Gestión – 01/02/2017*) - According to the report of the Central Reserve Bank of Peru (BCR), on January 31, 2017 the dollar was valued at S/. 3.27 (its lowest since April 22, 2016), showing an average fall of 2.53% in the first month of 2017. This represents its biggest decline since June 2016 (2.6%). It is estimated that on February, American dollar will be valued between S/3.25 and S/3.30, assuming that BCR will intervene to mitigate the fall of the currency.



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 February 3, 2017