

**Economic & Commercial Report for the week ending 05<sup>th</sup> May 2017**

**1. Important Trade Fairs in Peru**

Following are the details of important trade fairs to be held in Peru in the next few months (*continued from last week*):

Upcoming events in Peru			
Event	Description	Who will be there	Dates
EXPOALIMENTARIA	Expoalimentaria is the largest international trade show in the region that highlights food and beverages, machinery, equipment, inputs, containers and packaging, services, restaurants, and gastronomy. It has become the focal point of exporters and select buyers from all corners of the globe. <a href="http://www.expoalimentariaperu.com">http://www.expoalimentariaperu.com</a>	Over 43,500 professionals will visit the complex, ones who are producers, food manufacturers, importers, exporters, and suppliers of a range of services and food processing machinery. Likewise, more than 600 exhibitors will display their merchandise using innovative trends and state of the art technology.	27-29 of Sept
PERUMIN	The Peruvian Institute of Mining Engineers PERUMIN - 33rd Mining Convention, biennial event which aims to strengthen the professional development of its participants through the dissemination of new knowledge. <a href="https://www.convencionminera.com/perumin33/index.php">https://www.convencionminera.com/perumin33/index.php</a>	This event will gather national and international companies related to the mining sector	18-22 Sept
EXCON	The XXII International Exhibition of the Construction Sector - EXCON 2017 will bring together more than 550 exhibitors of the main items that make up the construction sector, such as finishes, equipment, construction materials and machinery, which will meet on more than 35,000 m <sup>2</sup> of exhibition area. <a href="http://www.excon.pe">http://www.excon.pe</a>	This fair will bring together the most important companies the construction sector. It gathers more than 5045 exhibitors	10-14 Oct.
EXPOTEXTIL	International exhibition of machinery, equipment and products of the sector of textiles, fabrics, yarns and garments and accessories. <a href="http://expotextilperu.com/">http://expotextilperu.com/</a>	The most important companies on the textil sector will gather in this Fair along with foreign companies.	19-22 Oct

**2. New analysis related to Trade**

**i. MEF increases GDP growth forecast for 2018 and 2019** (*El Comercio : 01/05/2017*) - Despite the impact of El Niño and the Lava Jato case on economic growth this year, the Ministry of Economy and Finance (MEF) is optimistic about the dynamism of the economy between 2018 and 2021. The growth in 2018 will be due to a strong increase in public investment and the reactivation of private investment, which will grow from 0.5% in 2017 to 5% a year later.

**ii. Peruvian imports grow 32.4% in the first quarter** (*Gestión : 02/05/2017*) - In March, Peruvian imports reached a value of US \$ 4059 million, 35% more compared to the same month of 2016. Imports of capital goods and building materials, which constitute 43.7% of total imports by Peru, recorded purchases from abroad valued at US \$ 5,116 million, meaning a significant growth of 62.5%.

**iii. Trade surplus target revised rises to US \$ 3,700 mlls** (*El Comercio : 01/05/2017*) - The Ministry of Economy and Finance corrected its surplus target from US \$ 776 million to US \$ 3,706 million. Peru is the world's second largest producer of copper, third in silver and zinc and sixth in gold. Mining activity is key to its economy because the export of its metals accounts for 60 percent of its total shipments.

**iv. World Bank Group presents new program in support of Peru worth US \$ 500 million** (*Gestión : 02/05/2017*) - The World Bank launched its new program in support of Peru, which is aligned with the plan to modernize the state by 2021, when the country celebrates its bicentennial of independence. The Alliance Framework with the Country (AFC) for the period 2017-2021 was approved by the Executive Board of the World Bank. This framework, with an approximate amount of US \$ 500 million in the first years, supported three strategic pillars: productivity for growth, services to citizens throughout Peru, and environmental management and risks associated with climate change.

**v. Chamber of Commerce of Lima (CCL): Labor productivity grew 2.2%** (*Peru21 : 04/05/2017*) - In 2016, the country's average labour productivity (PL) grew 2.2%, lower than in 2015 (2.5%); However, Peru showed the largest increase in PL compared to nine economies in South America and Mexico, according to the Lima Chamber of Commerce (CCL) and the Institute of Economy and Business Development (IEDEP). "Our country was above Bolivia (1.8%), Uruguay (1.6%), Chile (1.1%), Mexico (0.4%) and Colombia (0%)", said César Peñaranda, executive director of IEDEP-CCL. In the case of Venezuela (-9.3%), Ecuador (-5.8%), Brazil (-4.2%) and Argentina (-2.1%), productivity decreased.

**Bolivia:**

**vi. Exports rise 3.1% and change destination** (*El Deber : 05/05/2017*)- Bolivia reduced the value of its exports in the first quarter to Brazil, the US, Colombia and Belgium and increased them to Argentina, Japan and China, according to a report released today by the National Statistics Institute (INE). Overall, exports grew to 3.1% at the end of March, reaching US \$ 1,694 million, mainly due to sales of hydrocarbons and minerals, compared to 1,643 million in the first quarter of 2016.

**vii. Bolivia plans to sign this month's agreement to use Ilo port at preferential rates** (*Pagina Siete : 02/05/2017* )- The manager of the Port Services Administrator of Bolivia (ASPB), David Sánchez, said on Tuesday that an agreement with the Peruvian National Port Company (Enapu) is expected to be signed this month so that the Bolivian cargo can go overseas from the Peruvian port of Ilo, with preferential rates agreed between both administrations. The ASPB made the request to Peru due to the constant problems in the Chilean port of Arica.

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