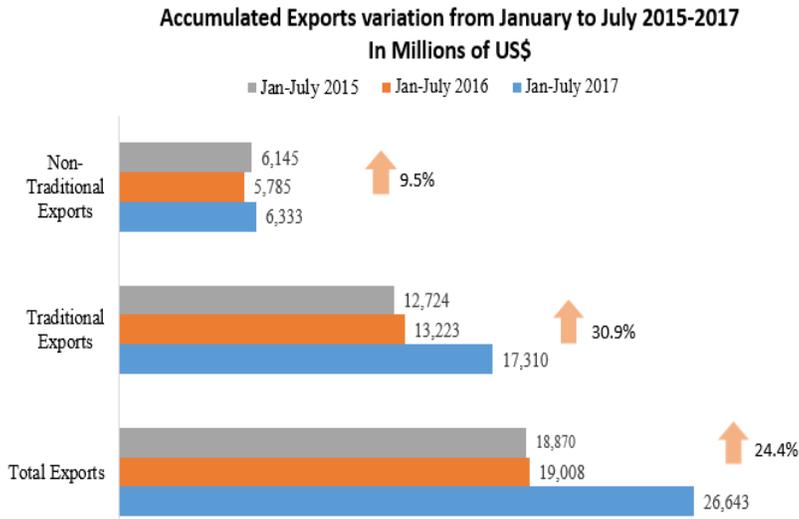


Economic & Commercial Report for the week ending 22nd September 2017

1. Analysis of Trade Data (Peru)

Peru Exports data July 2017



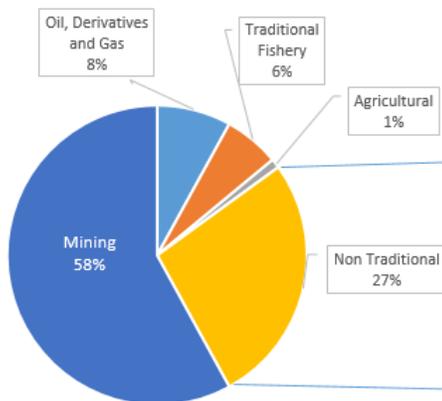
The accumulated export variation from January to July 2015 -2017, show a total increase of 24.4% from the same period last year with an amount of US\$26,643 Million.

The traditional products grew the most with a 30.9% growth compared to the same period last year, with an amount of US\$17,310 Million this year. This group includes metals such as Gold, Copper, etc. On the other hand, Non- traditional exports grew 9.5% with a total amount of US\$ 6,333 Million. This group includes fresh avocados, fresh grapes, fresh and frozen asparagus, etc.

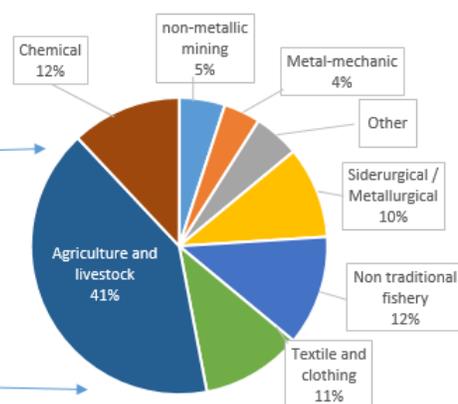
Sector wise exports

Mining occupies the first place with 58% of the exports with a total amount of US\$11,137 Million, followed by the non-traditional economic sector with 27% share (US\$6,333 Million); Oil & Gas 8% share (US\$1,809 Million); Traditional Fishery with 6% share (US\$1,452 Million). And, in the last position, the Agricultural sector with 1% share (US\$245 Million).

Participation of economic sectors in exports from January to July 2017



Distribution of Non-Traditional Exports



Regarding the distribution of the Non-traditional economic sector exports, Agriculture and livestock ranks first with a 41% of share (US\$ 2,588 Million), followed by Non-traditional fishery with a 12% share (US\$ 729 Million); Chemical with 12% share (US\$ 758 Million), Textiles and clothing with a share of 11% (US\$ 703 Million) and; finally, Siderurgical/Metallurgical sector with a share of 10% and an export amount of US\$ 634 Million

2. News analysis related to Trade

Peru:

i. **Economic projections of the Central Reserve Bank (BCR) for 2017 - 2018** (*Gestión : 19/09/2017*) - The Central Reserve Bank (BCR) forecasts a GDP growth in 2017 at 2.8%; while for 2018, it expects it to be at 4.2%. For domestic demand, it expects growth of 2.3%, higher than its first estimate (1.9%). The issuing entity expects inflation for this year to remain between 2% and 2.5%, while for 2018 it could be less. Regarding the inflow of foreign capital for 2017 - long term - would have a growth of 5%, higher than initially estimated. Meanwhile, by 2018 this would be at 4.2%.

ii. **Peru PM: New Fin Min to boost public investment** (*Andina : 18/09/2017*) - The newly-appointed Economy and Finance Minister Claudia Cooper will promote major topics like public investment, Peru's Prime Minister Mercedes Araoz said on Monday. "She will work on key economic measures, the finance sector, which is key to pass the budget and boost public investment; now is the time, we cannot fall behind with these processes," Araoz underlined. Moreover, special emphasis will be put on Reconstruction with Changes works, and important steps will be taken to attract private investment, she said. According to the Cabinet chief, Claudia Cooper is a smart woman with experience in public and private sectors.

iii. **Peru: Agro-exports likely to exceed US\$6 billion by end-2017** (*Andina : 21/09/2017*) - Peruvian agro-exports will surpass US\$6 billion in 2017 paving its way towards reaching US\$10 billion by 2021, Agriculture and Irrigation Minister Jose Manuel Hernandez projected. According to the cabinet member, agriculture sector currently registers an increase in foreign sales. "Agro-exports expanded 9.5% as at July 2017" he told RPP radio and TV news station.

iv. **Peru can secure competitive financing thanks to sound fiscal position** (*Andina : 21/09/2017*) - Peru can get competitive financing from international markets thanks to its sound fiscal performance confirmed by investment grade ratings from three credit rating agencies, Economy and Finance Minister Claudia Cooper affirmed. "We have a sound fiscal position that everyone trusts. Therefore, we must remain committed to keeping Peru a fiscally responsible country, and we are one of the best in this regard," she stated. Speaking at Perumin 33, the mining sector fair, Cooper said long-term loans of up to 40 years —with quite competitive nominal rates— are more likely to be granted. "We can use it to fund infrastructure and housing works. This triggers a significant revival. It is thus one of the main pillars when it comes to ensuring a more sustainable, dynamic and rapid growth of the country," she asserted.

Bolivia:

v. **The IDB estimates to approve \$ 520M in loans by 2018** (*La Razon : 20/09/2017*) - The Inter-American Development Bank (IDB) granted Bolivia \$ 3.7 billion in loans and condoned debts for just over \$ 1 billion over the past 11 years. For next year it estimates to approve \$ 520 million for the execution of different projects, mainly infrastructure. IDB President Luis Alberto Moreno reported on the relationship with Bolivia and reviewed the disbursements made during the administration of President Evo Morales, with whom he held a meeting in New York on Monday in the framework of the General Assembly of the United Nations (UN). The international body allocates credit funds to sectors such as infrastructure, energy, water and sanitation, but also to social area such as social employment and health. An estimated US \$ 520 million in new credit approvals are expected next year.

vi. **Deposits and credits of the financial system increased by 7.34% and 16.72% respectively** (*La Razon : 20/09/2017*) - The Economic Commission for Latin America and the Caribbean (ECLAC) maintains the growth forecast for Bolivia at 4%, while the forecast for the region is 1.1% after two years of contraction.