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Peru Economic Outlook

First quarter 2020

January 2020

Creating Opportunities

Key Points (I)

- After picking up briefly in the third quarter, economic activity slowed down during the final months of 2019. On the expenditure side, this slower rhythm of activity is consistent with weak investment and exports. As a result, we estimate GDP growth of around 2.1% YoY in 2019, down on the 4.0% YoY reported in 2018.

- In our baseline scenario we forecast GDP growth of 3.1% YoY for 2020 and 3.5% YoY in 2021, fueled by the recovery of primary sectors (mining production) and increased support stemming from public expenditure. In addition, by 2021 we expect private spending to perform better, given that several large investment projects are under way.

- The baseline scenario incorporates, on the external front: (i) the recent US-China trade agreement, which significantly reduces uncertainty, although protectionism will continue; and (ii) the fact that central banks will maintain the current expansionary trend in their monetary policies. This environment will favor a soft landing in terms of global growth, mitigating downside risks. In addition, metal and oil prices will remain relatively stable.

Key Points (II)

- On the local side, the baseline scenario envisions: (i) a recovery in mining production; and (ii) better performance in terms of public investment. Moreover, it is assumed that the business confidence will remain around its current level (neutral, though possibly improving once the elections are over) and that any possible weather anomalies will have a limited impact in macroeconomic terms.

- On the fiscal side, the government softened the downward trajectory of the public sector deficit. We believe that the shift to a more gradual rate of convergence of the deficit toward the 1% of GDP ceiling established in the Fiscal Responsibility and Transparency Act (LRTF) will help the country avoid fiscal over-adjustment (in a context of cyclical weakness in the economy), without affecting the solvency of public finances, because with a deficit of 1.5% of GDP the debt can stabilize below the 30% of GDP required by the LRTF.

- In 2019, the local exchange market was characterized by: (i) exchange rate volatility, although relatively limited and linked to external factors (trade tensions, concerns over global growth, the Fed’s monetary policy, and social conflicts in the region), and (ii) a slight appreciation of the Peruvian Sol (PEN) due to increased mining investment, the trade surplus, and the appetite for local financial assets. We estimate that similar trends will continue to buoy up the PEN and therefore expect the exchange rate to close the year (and continue into 2021) within a range of PEN 3.30 to 3.35 per USD, without ruling out episodes of volatility due to a possible increase in international uncertainty and, in the local context, the general elections to be held in 2021.

Key Points (III)

- On the price side, year-on-year inflation closed last year at 1.9% YoY, near the middle of the central bank's target range. Looking forward, we expect demand to recover steadily and oil prices to rise (end-of-period), bringing inflation to close the year at 2.0% YoY, before rising to around 2.4% YoY by 2021.

- In 2019, the central bank maintained its expansionary approach to monetary policy by dropping its benchmark rate by 50 basis points, placing it at 2.25% (current level). The monetary authority maintains a bearish line on domestic demand and inflation. Our baseline scenario incorporates an additional 25bp cut in the first half of 2020, in a context where we expect a more modest recovery in GDP (and domestic demand) than what the central bank was anticipating.

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Contents

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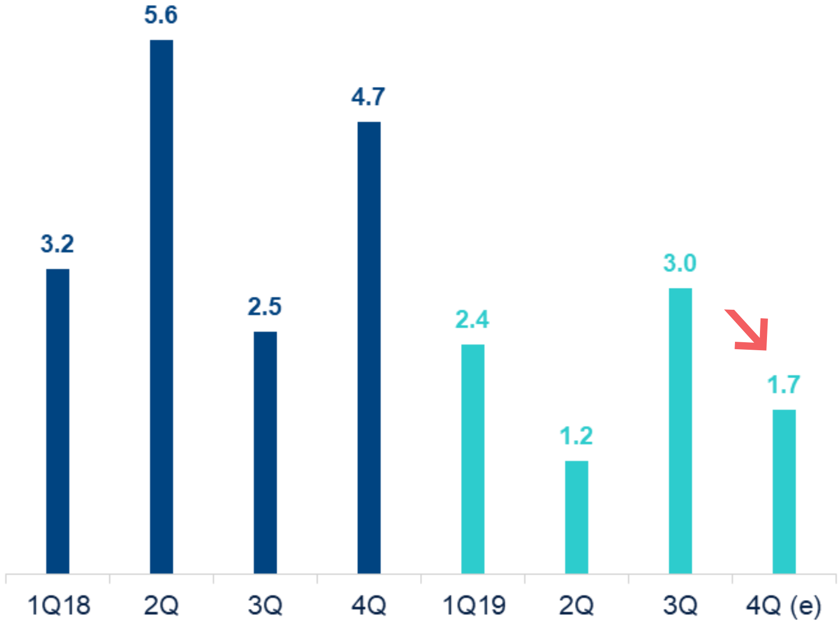
01

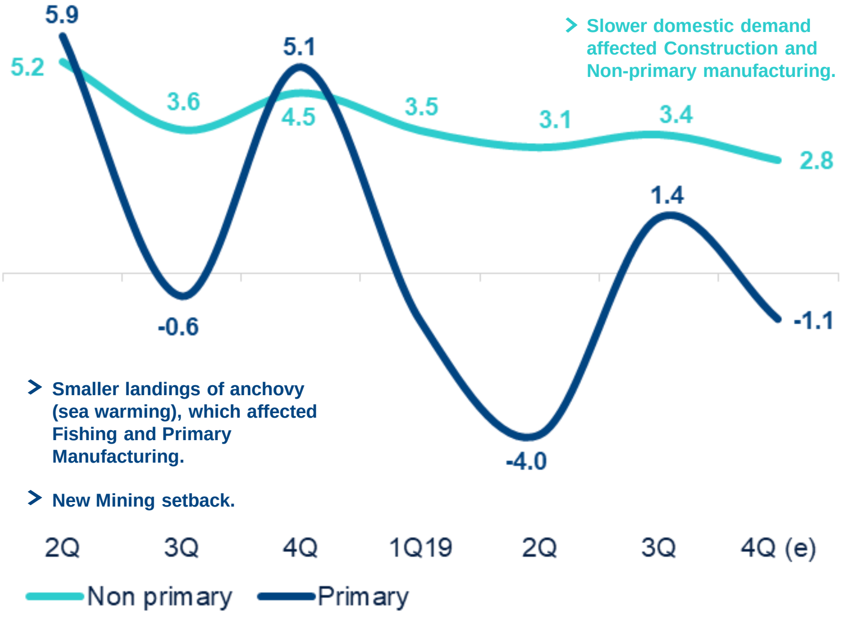
Economic activity

After picking up briefly in the third quarter, economic activity slowed over the last few months of 2019

GDP
(YoY % CHANGE)



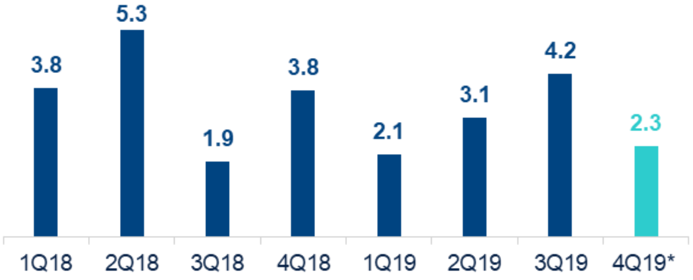
PRIMARY AND NON-PRIMARY GDP
(YoY % CHANGE)



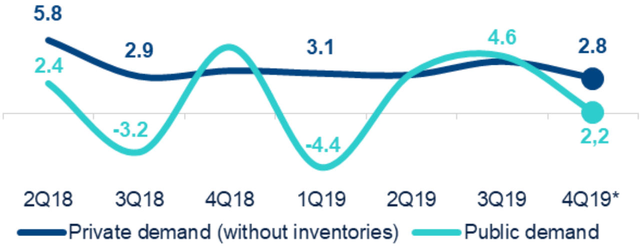
(e) Estimated.
Source: INEI (*Instituto Nacional de Estadística* - Peruvian National Institute of Statistics and IT) and BBVA Research

On the expenditure side, this weaker activity is consistent with weak investment and exports

DOMESTIC DEMAND
(EXCL. INVENTORIES, YoY % CHANGE)



PRIVATE & PUBLIC SPENDING
(YoY % CHANGE)

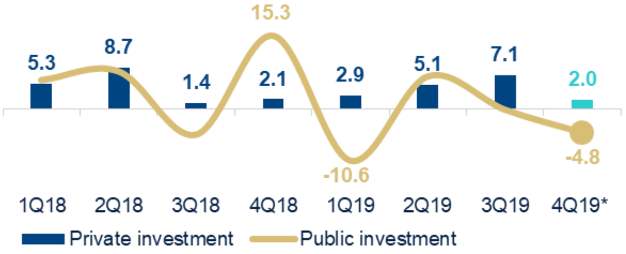


- Within private investment:

Mining investment
3Q19: +19%;
4Q19: +13%

Non-mining investment
3Q19: +5%;
4Q19: 0%

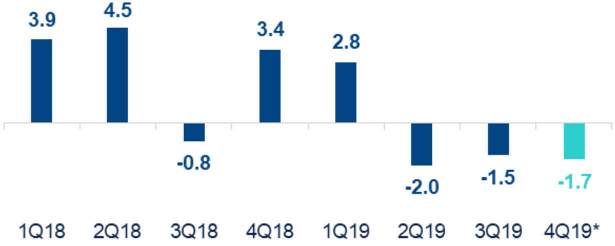
PRIVATE AND PUBLIC INVESTMENT
(YoY % CHANGE)



- **Domestic consumption of cement**
3Q19: +8%;
4Q19: +5%

Imports of capital goods
3Q19: +9%;
4Q19: +4%

EXPORTS
(REAL, YoY % CHANGE)

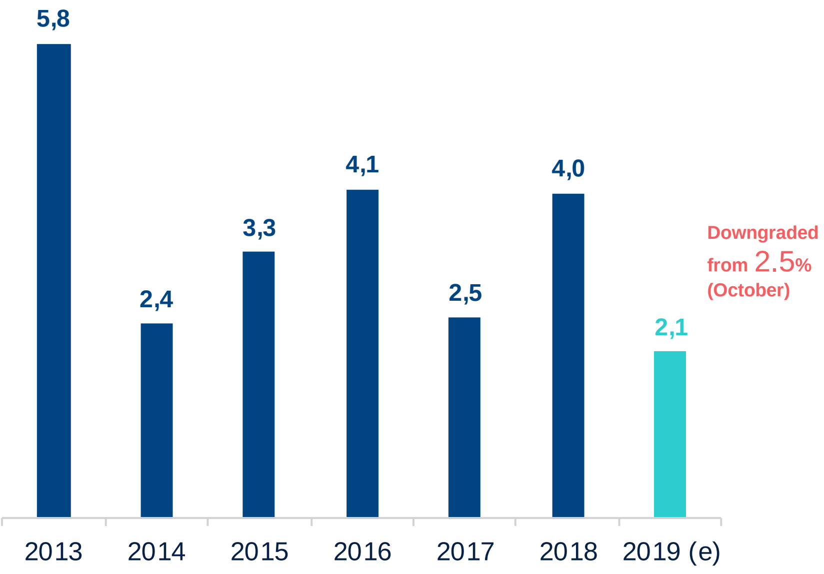


- **Contraction due mainly to weakness in the primary (Mining) sectors.**

*Estimated.
Source: INEI, BCRP (*Banco Central de Reserva del Perú* - Reserve Bank of Peru), SUNAT (*Superintendencia Nacional de Aduanas y de Administración Tributaria* - Peruvian Revenue and Customs Office) and BBVA Research

As a result, we estimate that GDP expanded by about 2.1% in 2019, following growth of 4.0% in 2018

GDP
(YoY % CHANGE)



(e) Estimated.
Source: INEI and BBVA Research

In 2019…

External environment

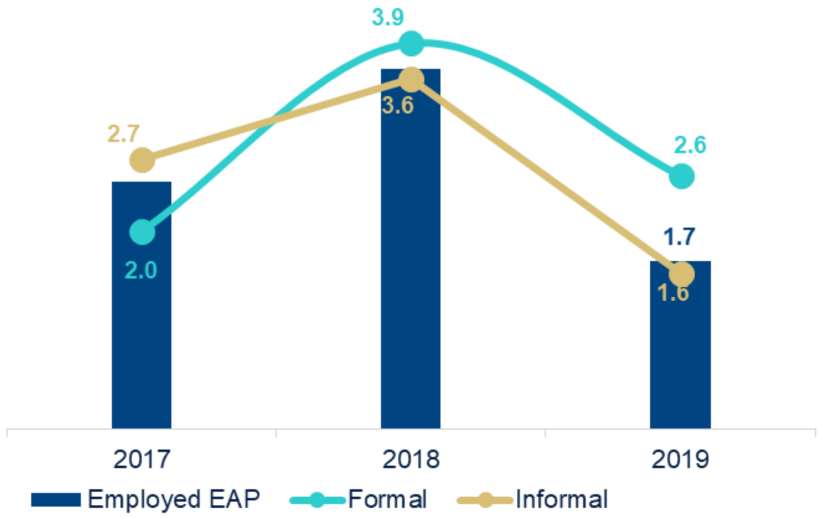
- Uncertainty due to trade tensions.
- Lower growth globally and in terms of Peru's major trading partners.
- Falling metal prices (except gold).
- Increased monetary stimulus.

Domestic environment

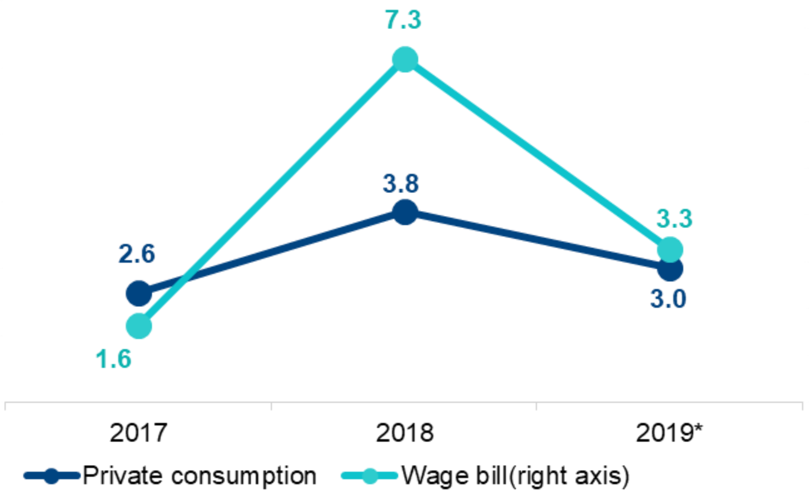
- Mining production continued to face difficulties (low-grade ores, social conflict, depletion of units).
- Sea warming at the end of the year (impacting Fisheries and Manufacturing).
- Change of authorities at the sub-national level (lower public investment).
- Weak business confidence (low local growth, slowdown in global growth, social conflict, political unrest).
- Increased expenditure on reconstruction in the north of the country.
- Greater monetary stimulus.
- Appetite for local financial assets.

In this context, a lower level of dynamism was observed in the generation of employment and private consumption

JOB CREATION*
(YOY % CHANGE)



TOTAL WAGE BILL AND PRIVATE CONSUMPTION**
(YOY % CHANGE, IN REAL TERMS)

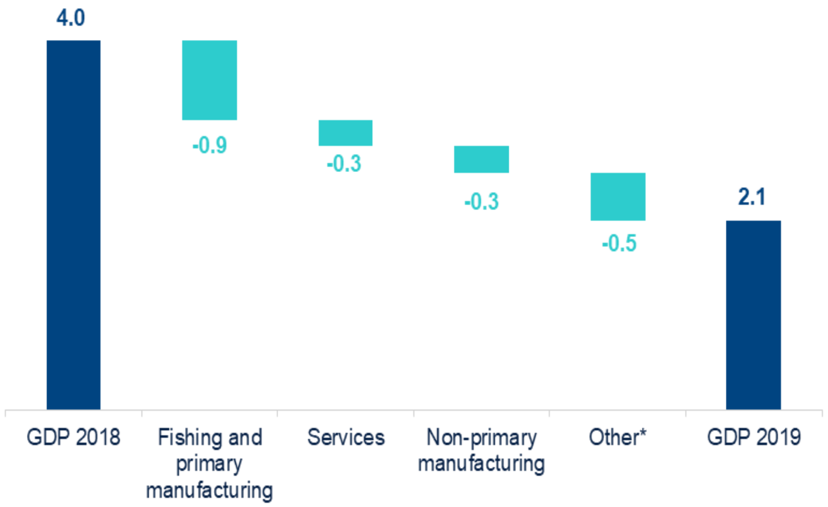


* The employed EAP includes Venezuelan immigrant workers. To determine how many Venezuelan immigrants entered the labor market in 2019, it was assumed that the employed EAP of Venezuelans Peru among the Venezuelan immigrant population in Peru in 2018 remained stable. The employed EAP rate was recorded in September 2019, while formal employment (electronic payroll) was recorded in October. The informal employment figure is obtained from the difference between the overall total and the number of formally employed workers.
** Total wage bill, as recorded in October 2019 and corresponding to workers on an electronic payroll.
Source: BCRP, INEI

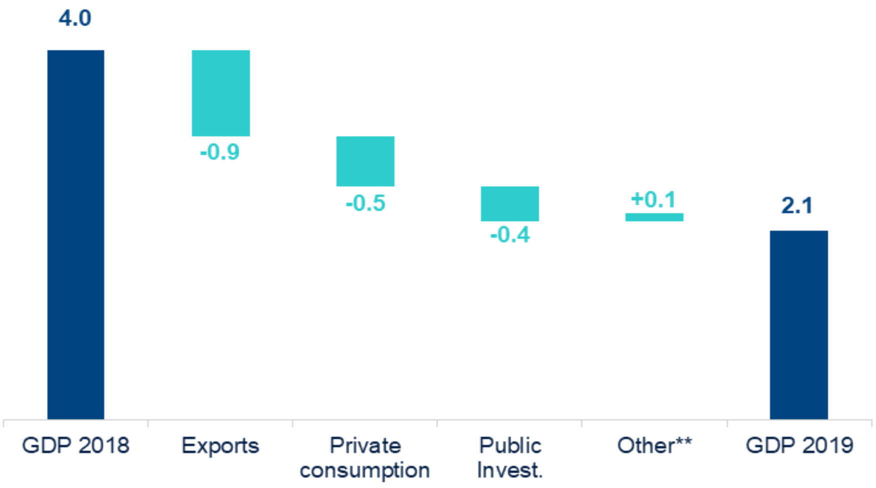
The growth slowdown in 2019 reflected, on the sectoral side, poor performance of the extractive sectors

GDP GROWTH 2018-2019
(YoY % CHANGE AND CHANGES IN CONTRIBUTIONS TO GDP GROWTH)

ON THE SECTORAL SIDE



ON THE EXPENDITURE SIDE



* Other: Includes the mining, agriculture, construction, commerce and electricity and water sectors.
** Other: Includes private investment, public consumption, imports and inventories.
Source: MEF (*Ministerio de Economía y Finanzas* - Peruvian Ministry of Economy and Finance), BCRP and BBVA Research

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We forecast GDP growth of 3.1% in 2020 and 3.5% in 2021

Drivers: Recovery of the primary sectors and increased public expenditure. We also expect to see an improvement in private spending in 2021 in response to large-scale investment in construction projects.

Creating Opportunities

The baseline scenario for 2020 and 2021 includes the following:

01

The trade agreement between the US and China will significantly reduce uncertainty, although protectionism will continue.

02

Central banks will maintain the current expansionary trend in their monetary policies.

03

Soft landing of global growth, with downside risks that have eased.

04

Relatively stable metal and oil prices.

05

Mining output will pick up gradually following the challenges it has been facing.

06

Uptick in public investment: the impact of the change in regional governments will wane and spending on reconstruction and certain infrastructure projects will gather pace.

07

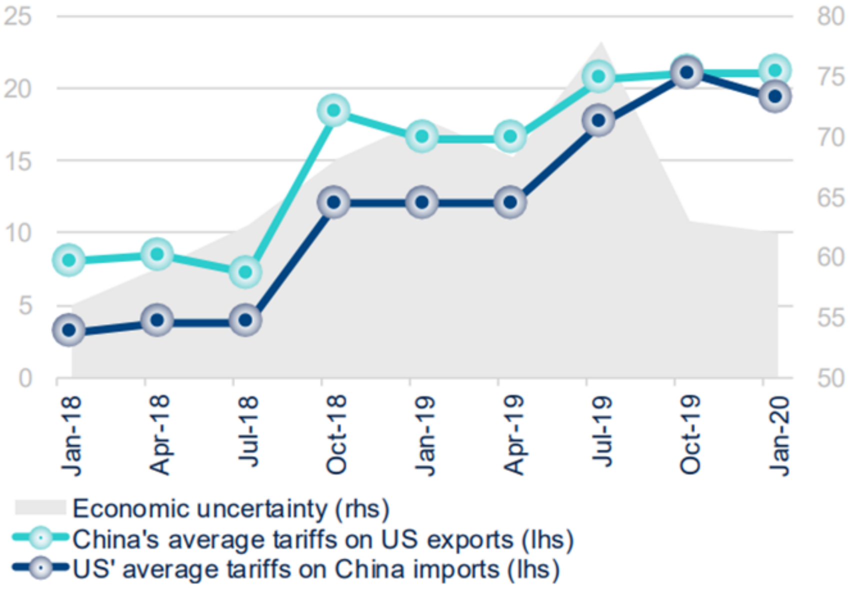
Business confidence in neutral territory, improving once the elections are over.

08

Possible weather anomalies will have a limited impact in macroeconomic terms.

The recent US-China trade agreement has significantly reduced uncertainty, but not protectionism

TARIFFS AND ECONOMIC UNCERTAINTY (*)
(%, INDEX BETWEEN 0 AND 100)

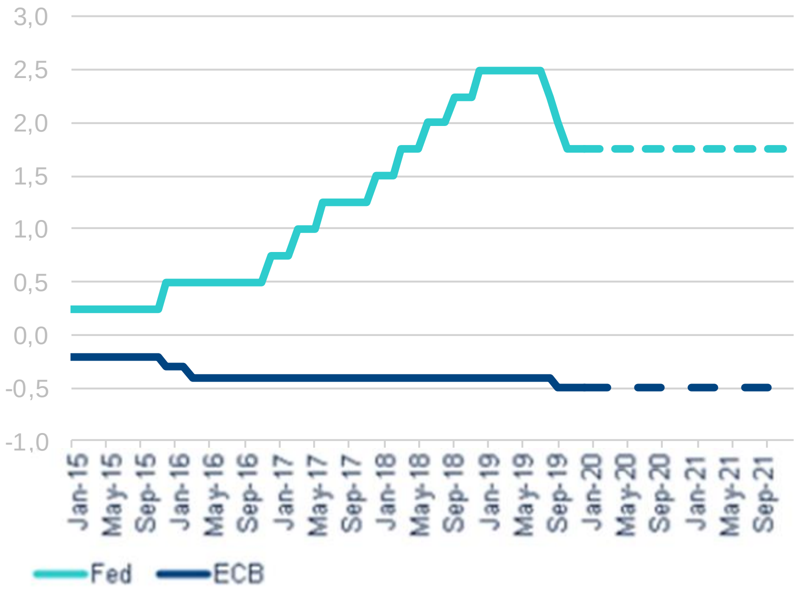


(*) Average tariffs at the beginning of each quarter. BBVA Research Index of Economic Uncertainty: the tone of press articles on economic uncertainty; quarterly average (except 1Q20: average up to January 9, 2020).
Source: BBVA Research, PIIE

- Phase One of the US-China trade deal is positive, despite being limited in scope:
  - Tariffs on imports will remain high despite the announced reductions.
  - We are still far from a definitive solution to the structural problems.
- The risk of a short-term, disorderly Brexit has disappeared, which has helped ease global uncertainty, although this may re-emerge in the second half of the year.

Pause at the Fed and the ECB: no signs of any interest rate change on the horizon

FED & ECB: INTEREST RATES(*)
(%, END OF PERIOD)



(*) Deposit interest rate in the case of the ECB. Forecast from Jan-20.
Source: BBVA Research

- FED: the relative resilience of the economy has improved the balance of risks and set the bedrocks for a lengthy pause in monetary policy.

- ECB: the stabilization in growth and the new presidency's policy of maintaining the status quo strengthen expectations of interest rate stability.

The environment will favor a soft landing of global growth

TRADE TENSIONS: PAUSED

- **Agreement between the US and China.**
- **Protectionism** will also remain a concern in other regions.
- **A** less disruptive **Brexit** in the short term.

COUNTER-CYCLICAL POLICIES

- The expansionary **trend of monetary policy** will continue, following recent cuts in interest rates.
- **Fiscal stimulus** will be limited in Europe and somewhat higher in China.

FINANCIAL VOLATILITY IN CHECK

- Limited volatility thanks to the actions undertaken by the **central banks.**
- A moderate **risk appetite.**

COMMODITY PRICES IN CHECK

- Oil prices will remain relatively stable (averaging $58 per barrel in 2020-21).
- Relative **weakness of demand** and the increase in supply in "non-OPEC+" countries.

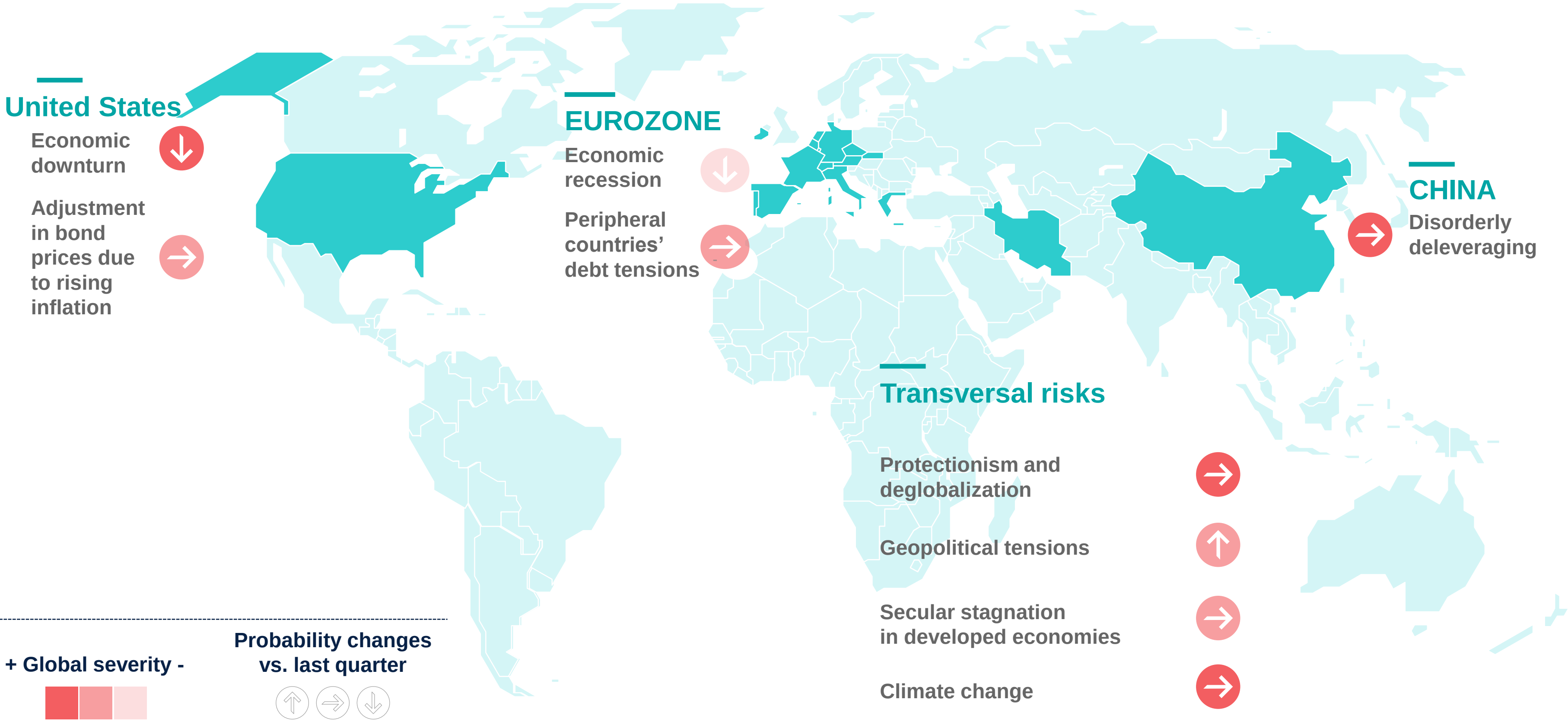
Global growth will stabilize at 3.2% in 2020 and 3.3% in 2021

	United States	LatAm	Eurozone	China	World
2018	2.9	1.6	1.9	6.6	3.6
2019	2.3	0.6	1.2	6.1	3.2
2020	1.8	1.4	0.9	5.8	3.2
2021	2.0	2.1	1.2	5.5	3.3

Outlook upgraded
Outlook unchanged
Outlook downgraded

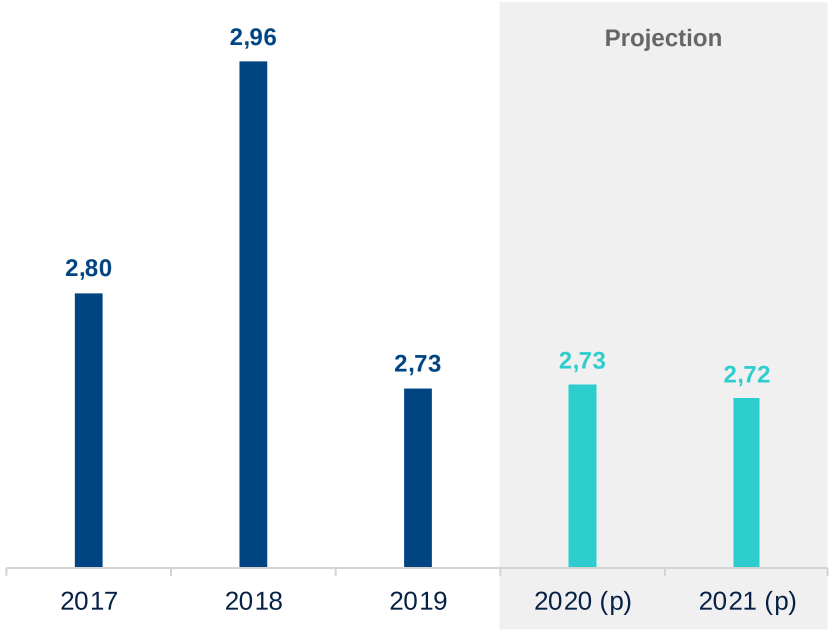
Source: BBVA Research

Risks: cyclical risks are lower while structural risks remain high

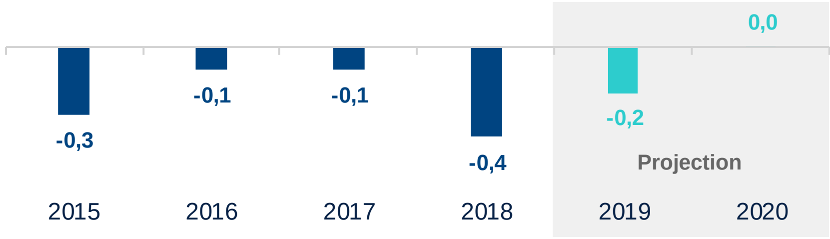


In this context, the price of copper (annual average) will remain relatively stable over the next two years...

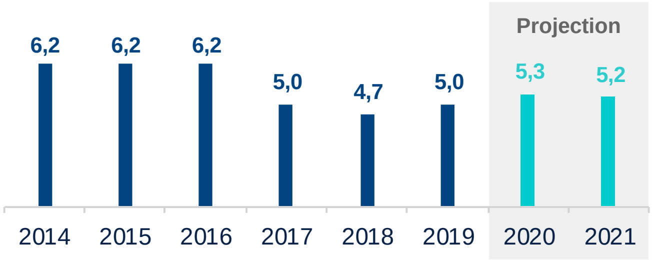
AVERAGE COPPER PRICE
(USD/GBP)



SUPPLY AND DEMAND BALANCE
(MILLIONS OF MT)



CHINA: TOTAL INVESTMENT
(YoY % CHANGE)



China accounts for 50% of total demand for global copper production

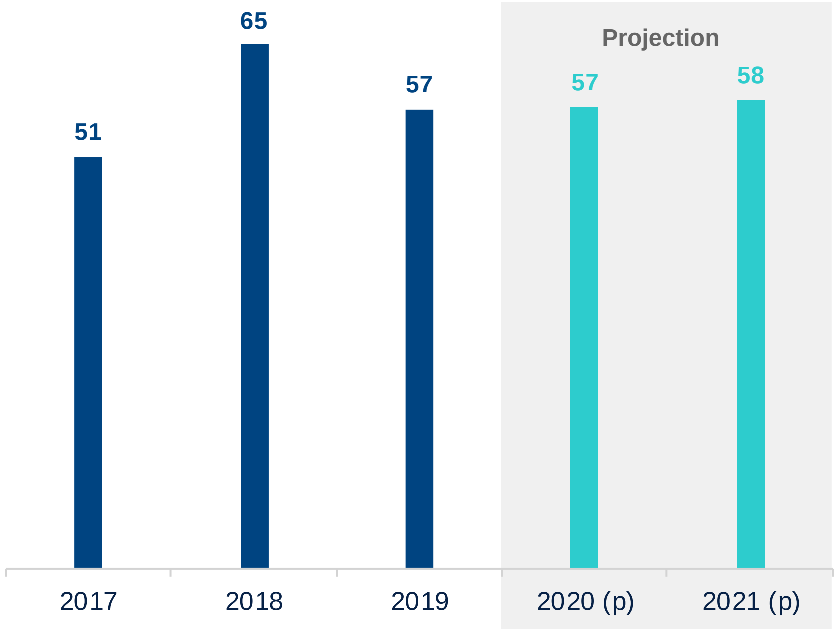
More willing to increase fiscal stimulus measures

For more information, click here to download the mining sector report
Source: Bloomberg, Energy & Metals Consensus Forecasts and BBVA Research

… as in the case of oil prices, despite rising geopolitical tensions in the Middle East

OIL PRICE

(AVERAGE FOR PERIOD, USD/WTI BARREL)

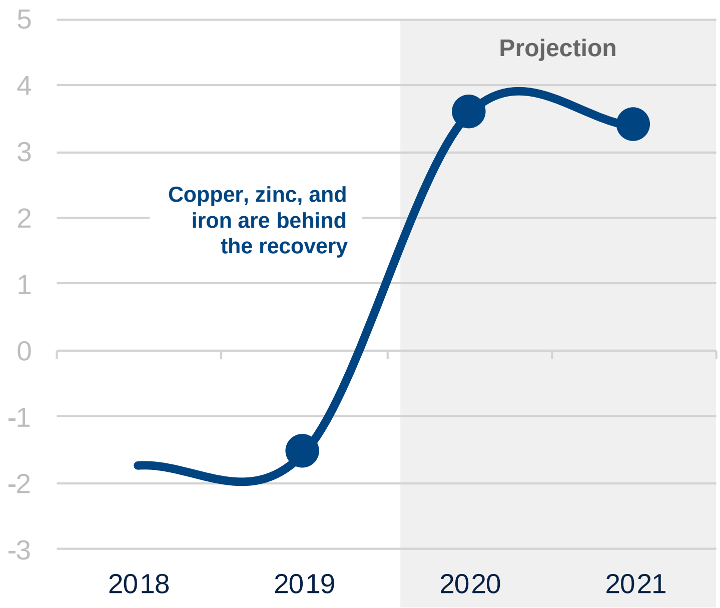


(p) Projected.
Source: Bloomberg and BBVA Research

- Demand for oil is expected to remain slow (mirroring growth in global economic activity, which will stabilize at just over 3%), although it will be higher than in 2019.
- On the supply side, increased production in countries outside OPEC+ (USA, Brazil, Canada, Norway, Guyana) will more than offset the adjustments made by this organization.
- On balance, oil prices (average for the year) will be around USD 58 per barrel.
- Protectionism and geopolitical tensions in the Middle East will be the main sources of volatility.

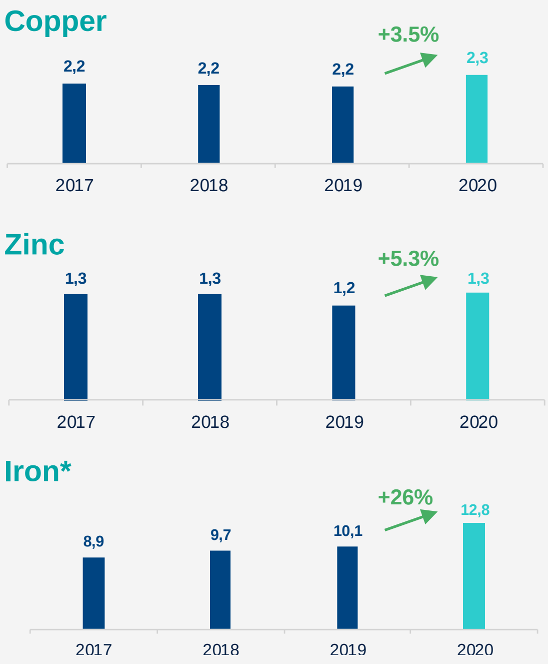
On the local side, we expect to see a recovery in mining production after the difficulties it faced last year

MINING PRODUCTION*
(YOY % CHANGE)



For more information, click here to download the mining sector report
* Estimated figure for 2019.
Source: MINEM, BCRP, and BBVA Research

MINING PRODUCTION BY METAL
(MILLIONS OF MT)



Expansion of Toquepala to reach full production capacity

Standardization in some mining units

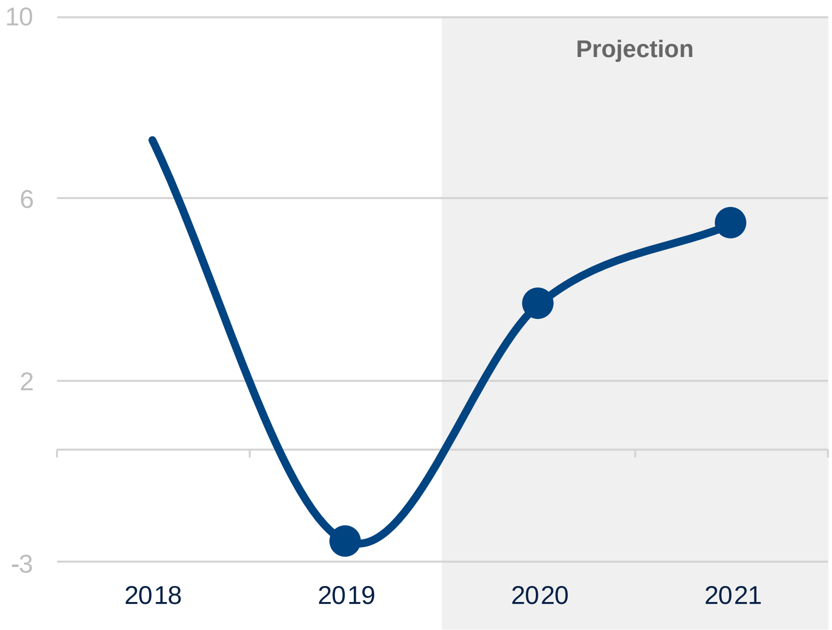
Zinc production (ore laws) now standardized

Expansion of the mining unit in Marcona (Shougang)

*Represents 3% of metal mining production.

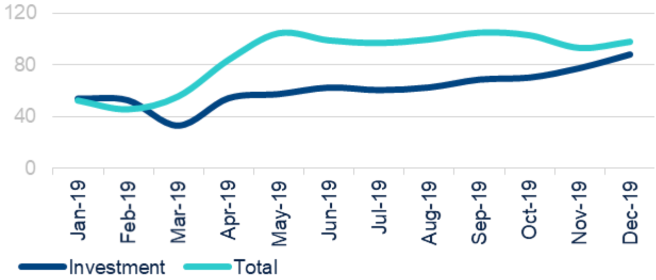
Public investment will rise

PUBLIC INVESTMENT*
(YoY % CHANGE)



* Includes central government and public companies.
Source: BCRP, MEF and BBVA Research

SPENDING ON RECONSTRUCTION IN THE NORTH OF THE COUNTRY
(USD MILLIONS,THREE-MONTH AVERAGE)



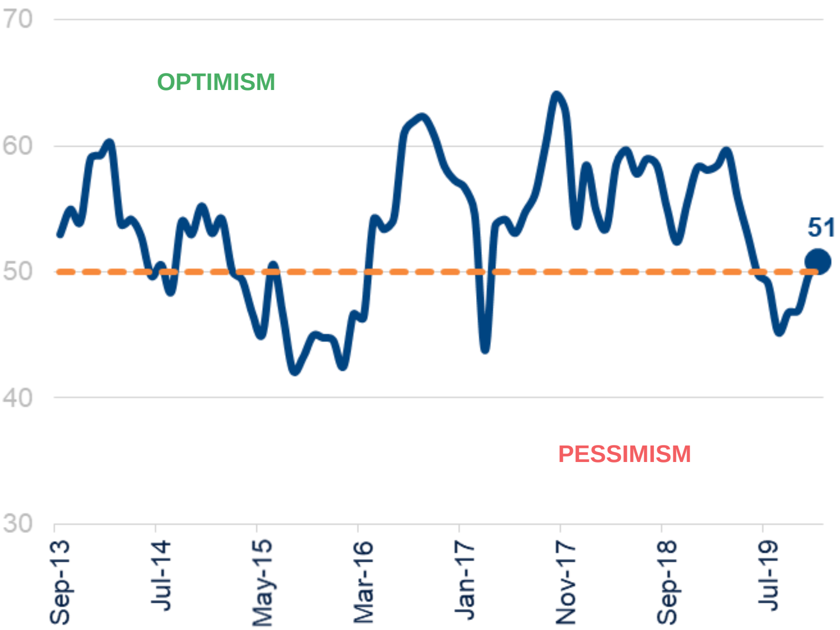
Total expenditure for 2019: USD 1.1 billion

Total expenditure for 2020: USD 1.2 billion

- The effect of the change in regional governments will wane, accelerating growth in public investment at a regional level in 2020.
- Accelerated expenditure on reconstruction in the north of the country.
- Further progress in the construction of Line 2 of the Lima Metro.

Business confidence will remain neutral, though possibly improving once the elections are over

BUSINESS CONFIDENCE
(POINTS)



Source: BCRP and BBVA Research

... in the context of...

External environment

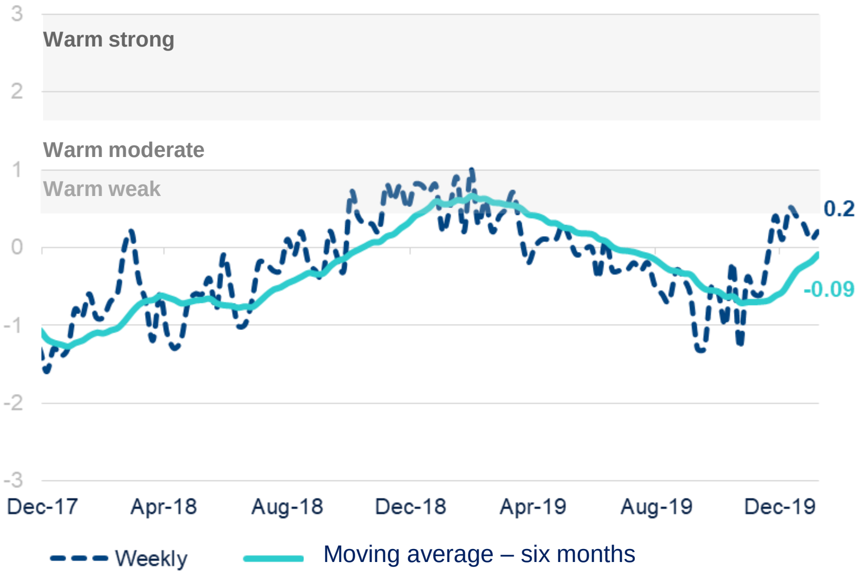
- Stabilization of global growth

Domestic environment

- Better growth figures for economic activity.
- Electoral processes come and go.
- Base scenario assumes that: (i) the business environment will remain largely unchanged and (ii) there will be no further escalation of social conflicts.

Base scenario also considers that possible weather anomalies will have a narrow impact in macroeconomic terms

ANOMALY IN THE TEMPERATURE OF THE SEA OFF THE PERUVIAN COAST
(IN ºC)



Source: NOAA, ENFEN (*Estudio Nacional del Fenómeno el Niño* — Study of the Phenomenon known as "El Niño") and BBVA Research

ENFEN OFFICIAL STATEMENT N° 1-2020

Callao, January 13th 2020

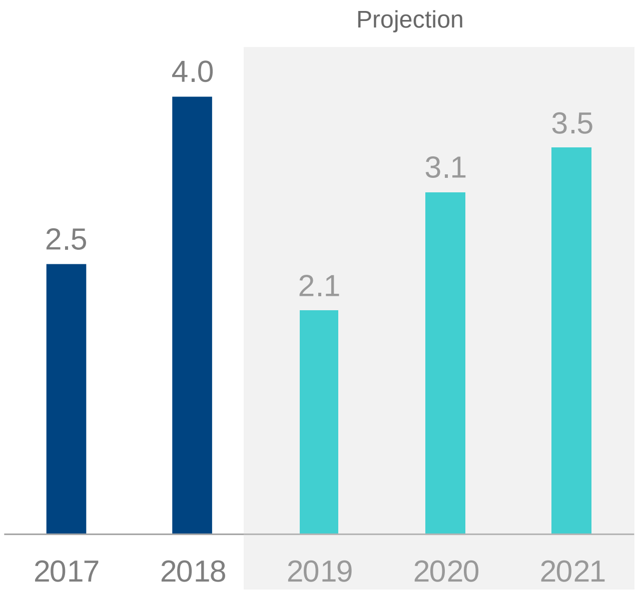
Warning System Status: Not Active

Because of warm kelvin waves between January and March of 2020, it is expected that the sea surface temperature will rise in the Northern Coast and in the Center of Peru. Thus, episodic rainfall above normal but without reaching extraordinary levels in Tumbes and Piura cannot be discarded.

In spite of the warming described in the previous paragraph, The Multisectoral Committee ENFEN maintains the state of alert "Not Active" because given observed conditions, the warming is not expected to extend beyond the beginning of autumn.

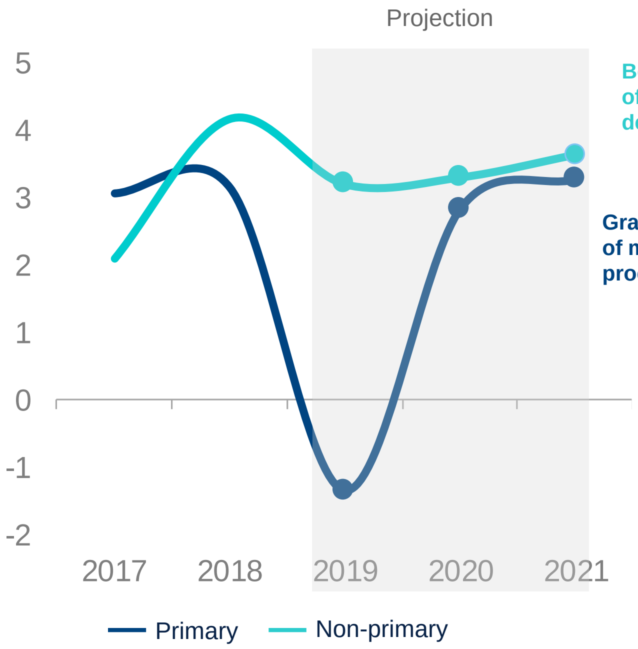
This baseline scenario is consistent with growth of 3.1% in 2020 and 3.5% in 2021

GDP
(YoY % CHANGE)



Growth projections for 2020 and 2021 unchanged from previous forecast (October).

SECTOR GDP
(YoY % CHANGE)



Better performance of domestic demand.

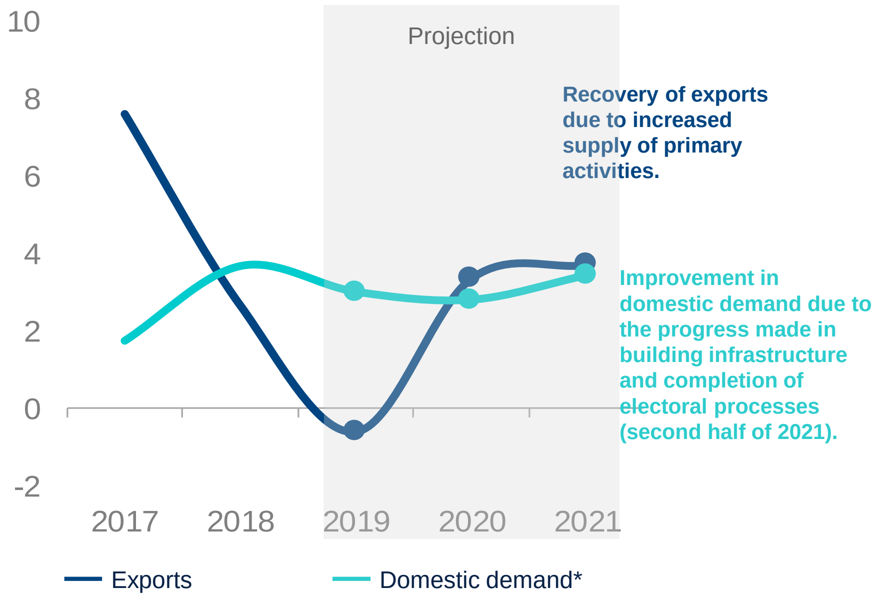
Gradual recovery of mining production.

Source: BCRP and BBVA Research

On the demand side, we expect to see an improvement in public spending, plus an improved showing from private spending in 2021

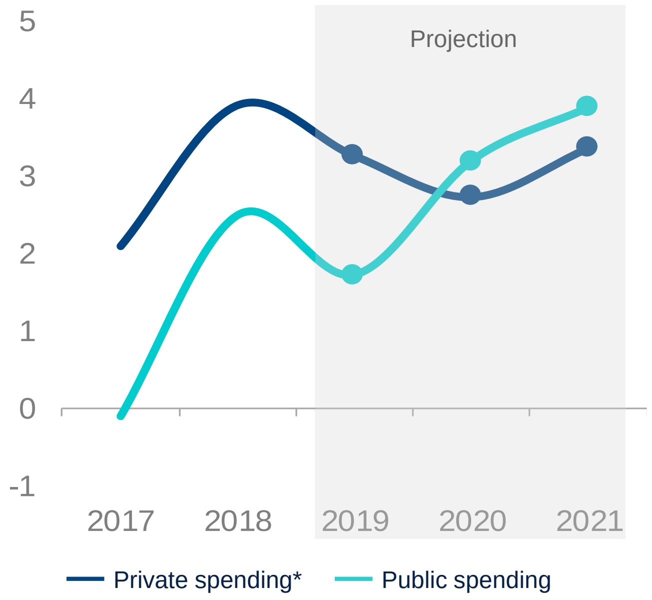
DOMESTIC DEMAND* AND EXPORTS

(YoY % CHANGE)



PRIVATE & PUBLIC SPENDING

(YoY % CHANGE)



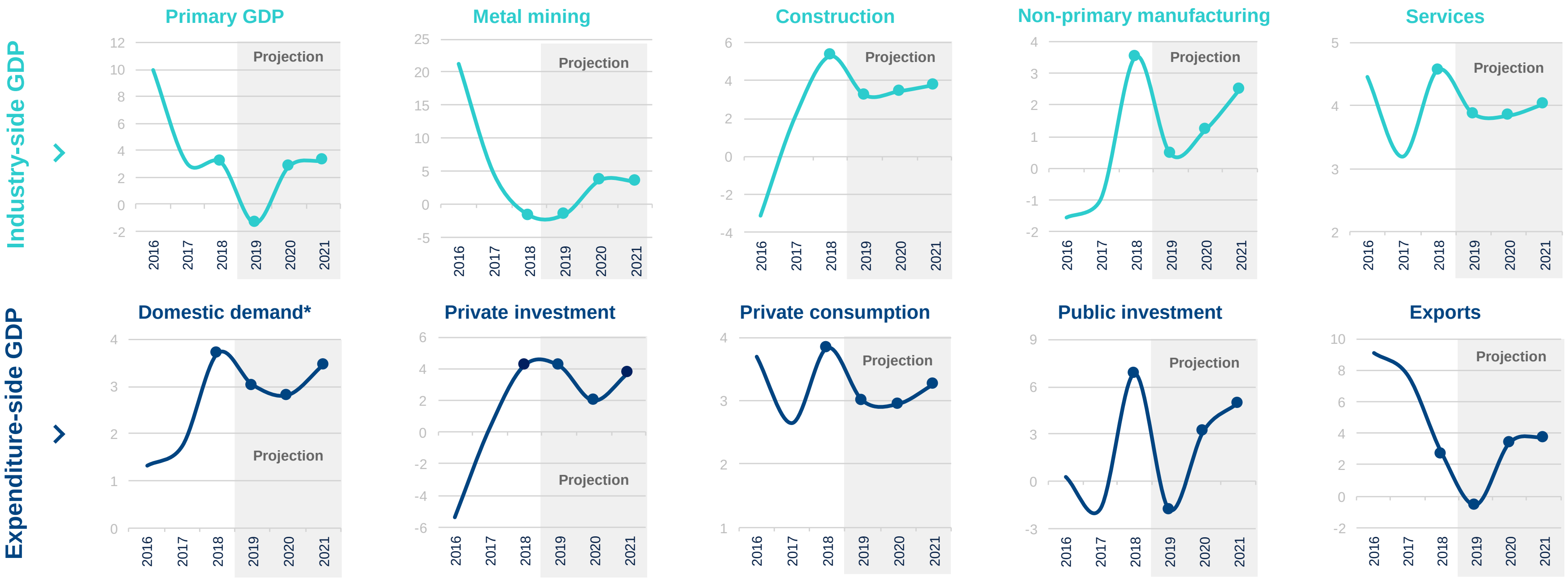
* Inventories not included.

Source: BCRP and BBVA Research

Increased growth will be supported by gradual normalization of mining production and public investment, as well as private expenditure in 2021

GDP: SELECTED COMPONENTS FOR THE EXPENDITURE SIDE AND INDUSTRY SIDE

(IN REAL TERMS, YoY % CHANGE, PROJECTIONS 2019 TO 2021)



* Excludes inventory accumulation.

Source: BCRP and BBVA Research

Main risks to the forecast baseline scenario?

Downward bias
Upward bias

External

Downward bias:

- Escalation of geopolitical and trade tensions
- US economic downturn.
- Disorderly adjustment of Chinese imbalances.

LOCAL

Downward bias:

- Muted recovery of primary sectors (mining).
- Escalation of social conflicts.
- Heightened domestic political risk.
- Climate anomalies.

Upward bias:

- Unlocking of infrastructure projects.
- Increased public spending.

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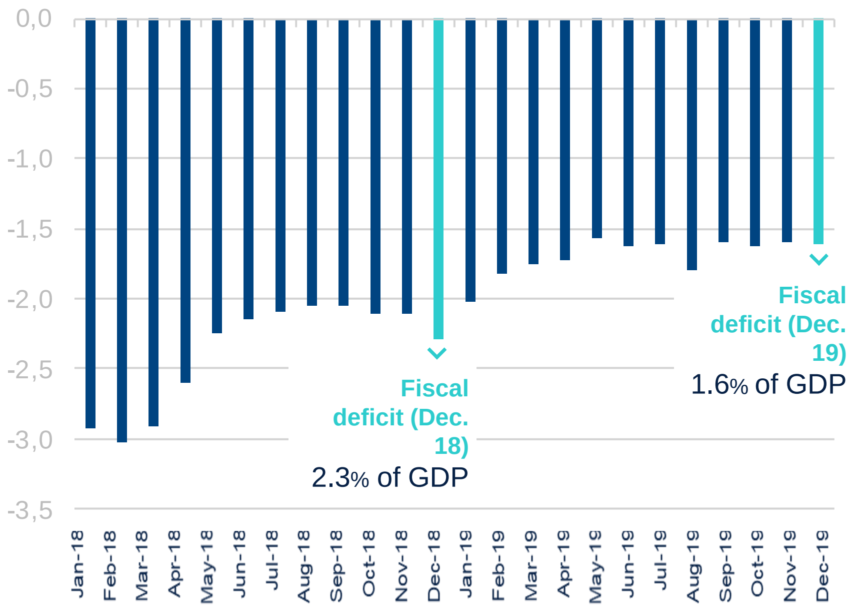
02

Fiscal result and public debt

The process of consolidating the fiscal accounts continued throughout 2019

FISCAL RESULT*
(% OF GDP)



* Non-financial public sector.
Source: BCRP and BBVA Research

TAX REVENUES

Tax revenue	real change % 2018	real change % 2019	% of GDP 2018	% of GDP 2019
General goverment	11.2%	4.2%	19.3	19.7
Central government tax revenue	13.8%	3.7%	14.1	14.4
Income tax	11.8%	3.5%	5.6	5.7
IGV	9.6%	2.5%	8.2	8.3
ISC	7.2%	17.3%	0.9	1.1

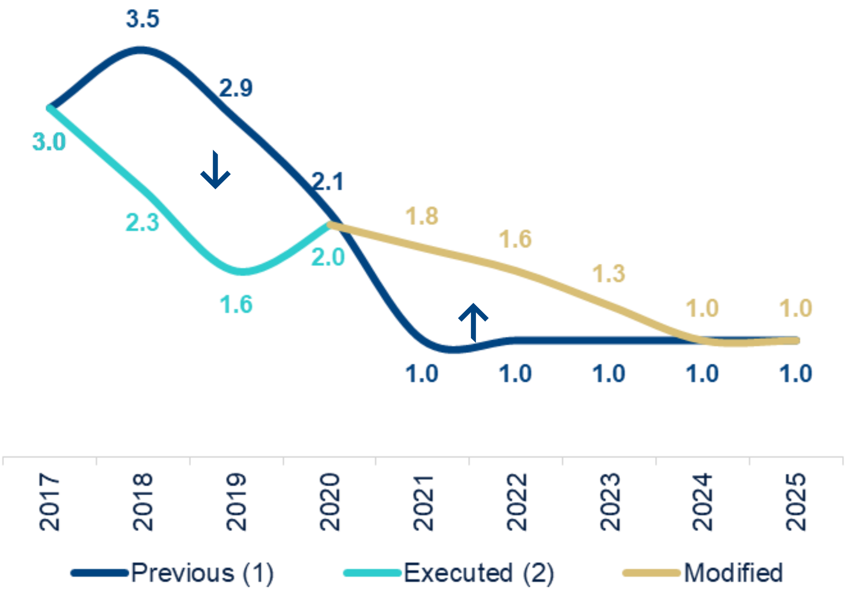
INVESTMENT EXPENDITURE*

Investment expenditure	real change % 2018	real change % 2019	% of GDP 2018	% of GDP 2019
Total	10.6%	-6.3%	4.3	4.0
National	11.3%	0.7%	1.5	1.5
Subnational	10.2%	-10.3%	2.8	2.4

*General government

While the government has eased the deficit reduction path, this will not affect the creditworthiness of fiscal accounts or the country's credit rating

FISCAL DEFICIT*
(% OF GDP)



* Non-financial public sector.
1: Multi-Year Macroeconomic Framework 2018 – 2021
2: The 2019 data is estimated
Source: MEF

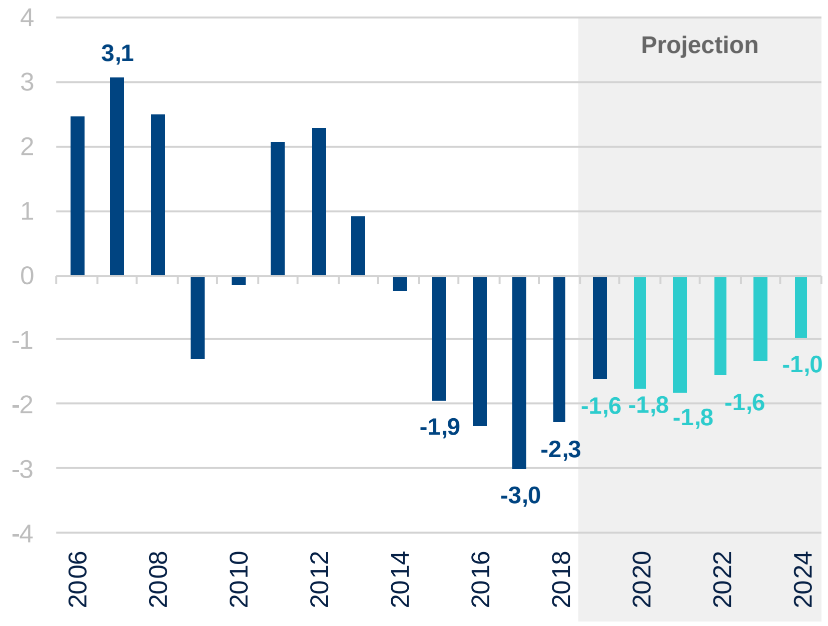
- Although the Fiscal Responsibility and Transparency Act (LRTF) envisions a more gradual convergence of the fiscal deficit toward 1% of GDP (or less), this will not affect the solvency of public finances. This is because with a deficit averaging 1.5%, public debt can be stabilized below the 30% established in the LRTF.
- The change is consistent with avoiding fiscal over-adjustment (in a context where the economy is still showing signs of cyclical weakness) without affecting the sustainability of public debt.

Peru's rating remains stable after fiscal adjustments, according to Moody's

The credit rating will not be affected after the changes in the fiscal deficit trajectory, according to Moody's

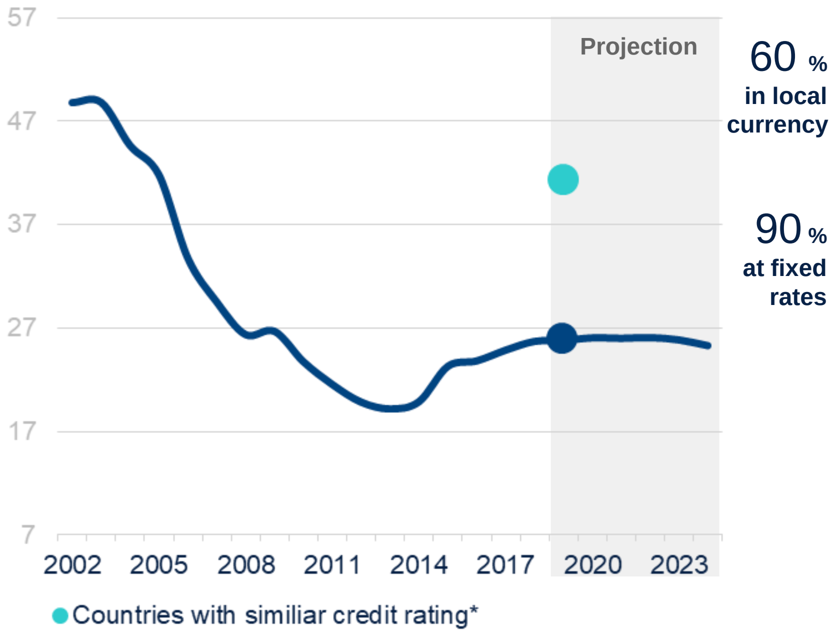
Our baseline scenario assumes a fiscal consolidation process similar to that announced by the government

FISCAL RESULT*
(% OF GDP)



* Non-financial public sector. Figures for 2019 are estimated
Source: BCRP and BBVA Research

GROSS PUBLIC DEBT*
(% OF GDP)



* Includes countries that Fitch, S&P and Moody's consider as having a similar sovereign credit rating to that of Peru. Based on the median for this group of countries.

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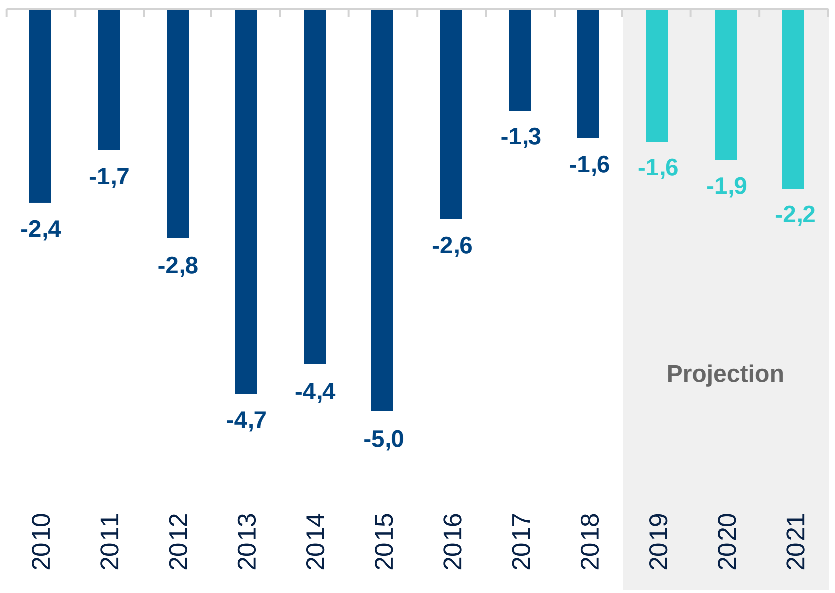
03

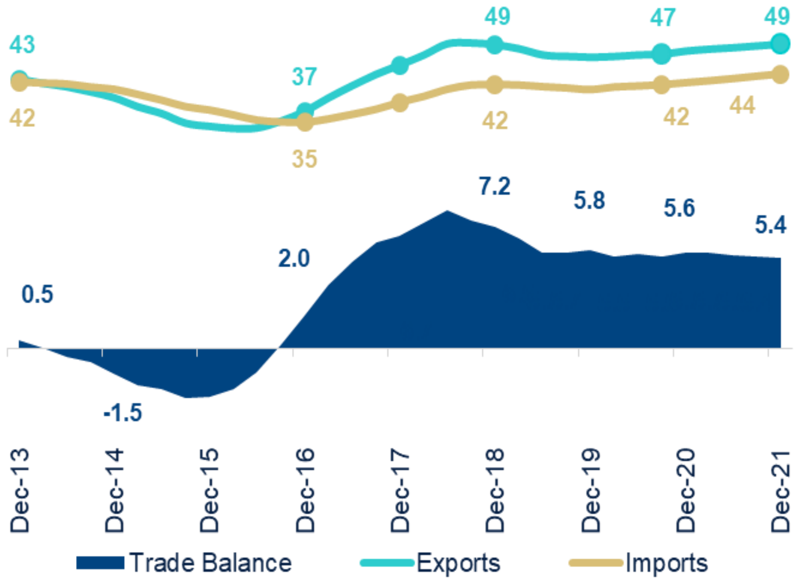
External sector and exchange market

External accounts: a limited and sustainable deficit in the balance of payments current account due to the trade surplus

BALANCE OF PAYMENTS: CURRENT ACCOUNT
(% OF GDP)



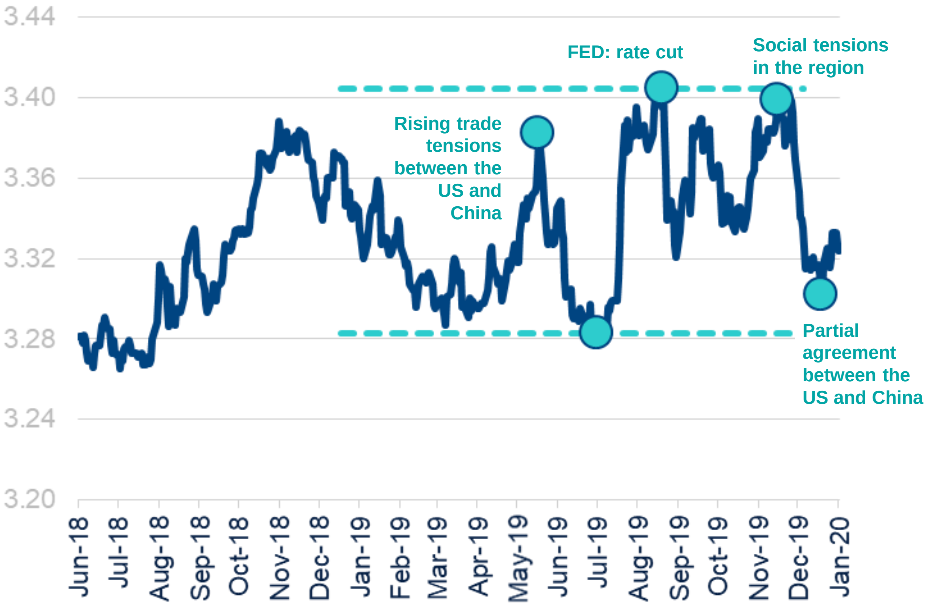
TRADE BALANCE
(USD BILLION, ACCUMULATED OVER THE LAST FOUR QUARTERS)



Source: BCRP and BBVA Research

In 2019, the local exchange market was characterized by: (i) volatility, though kept in check, mainly by external factors…

EXCHANGE RATE
(USDPEN)

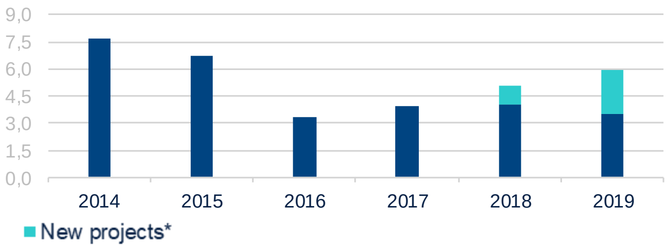


- Exchange rate volatility mainly due to external factors:
  - Escalation of trade tensions and concerns about global growth
  - More dovish FED
  - Social tensions in the region

Source: Bloomberg and BBVA Research

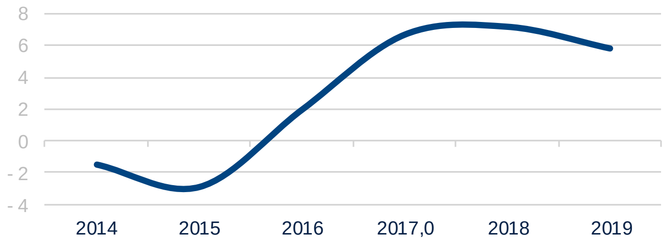
… and (ii) appreciation, especially toward the end of the year, due to increased mining investment, trade surplus, and appetite for financial assets

MINING INVESTMENT
(USD BILLIONS)

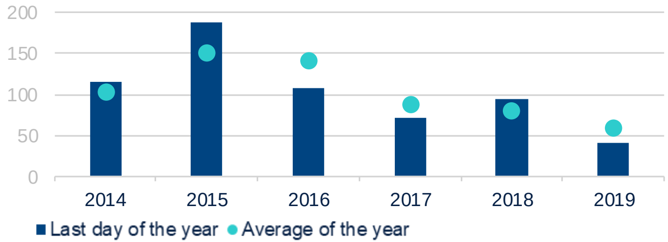


* New projects include Quellaveco, Mina Justa and Toromocho Expansion.

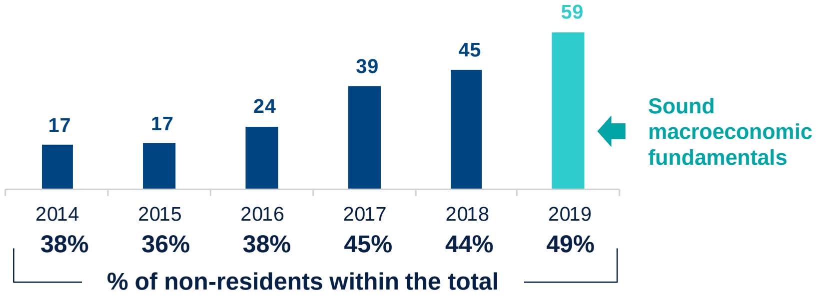
TRADE SURPLUS
(USD BILLIONS, ACCUMULATED OVER THE LAST FOUR QUARTERS)



5-YEAR CDS
(BPS)



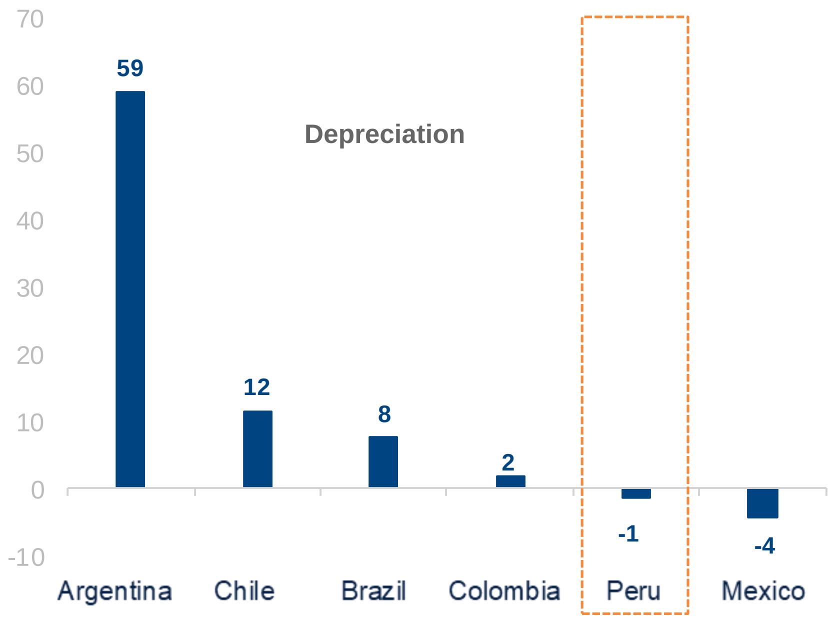
HOLDING OF BONDS BY NON-RESIDENTS
(BILLIONS OF PEN, DECEMBER OF EACH YEAR)



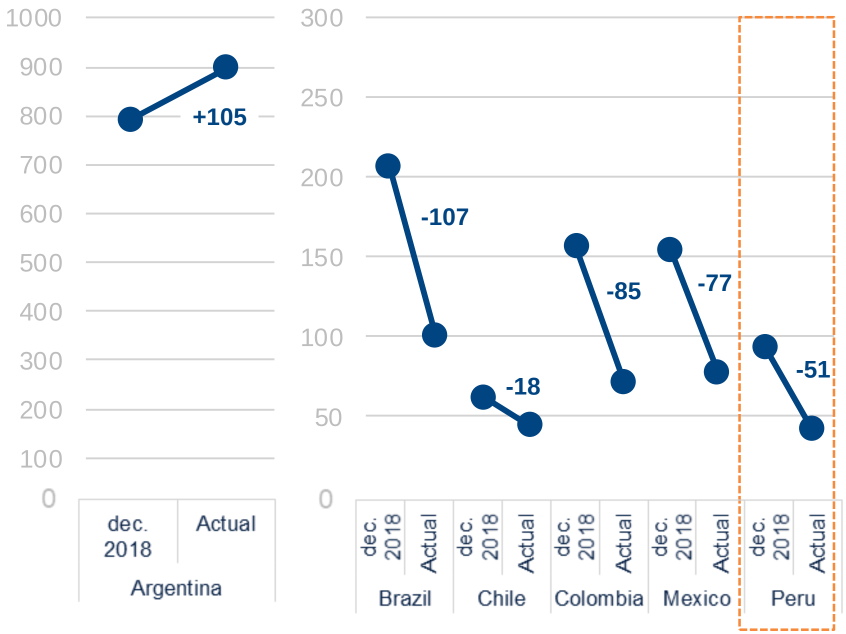
Source: BCRP, Bloomberg and BBVA Research

The strength of the PEN was a particular highlight within the region and we believe it will continue for the next two years

PERCENTAGE EXCHANGE RATE FLUCTUATION
(LOCAL CURRENCY UNITS PER DOLLAR, YEAR 2019)



5-year CDS
(bps)



Source: BCRP and BBVA Research

Thus, we estimate that the PEN will close the year (and continue into 2021) in a range of PEN 3.30 to 3.35 per USD, without ruling out episodes of volatility

Appreciation

Recovery of mining production

Trade surplus (around USD 5.5 billion)

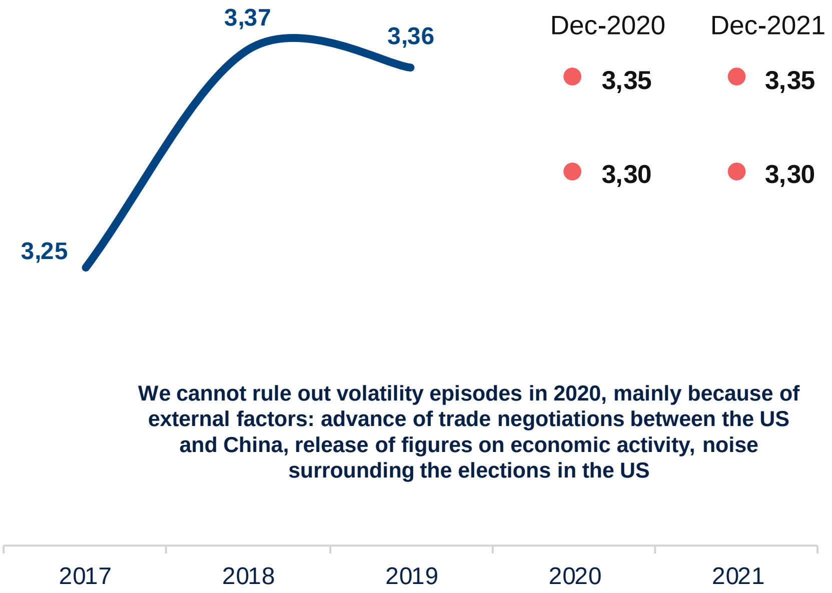
Increased mining investment in 2020 (around USD 6.3 billion)

Sound macroeconomic fundamentals

Depreciation

Heightened political risk at home

EXCHANGE RATE
(USD/PEN, AVERAGE FOR THE MONTH)



Source: BCRP and BBVA Research

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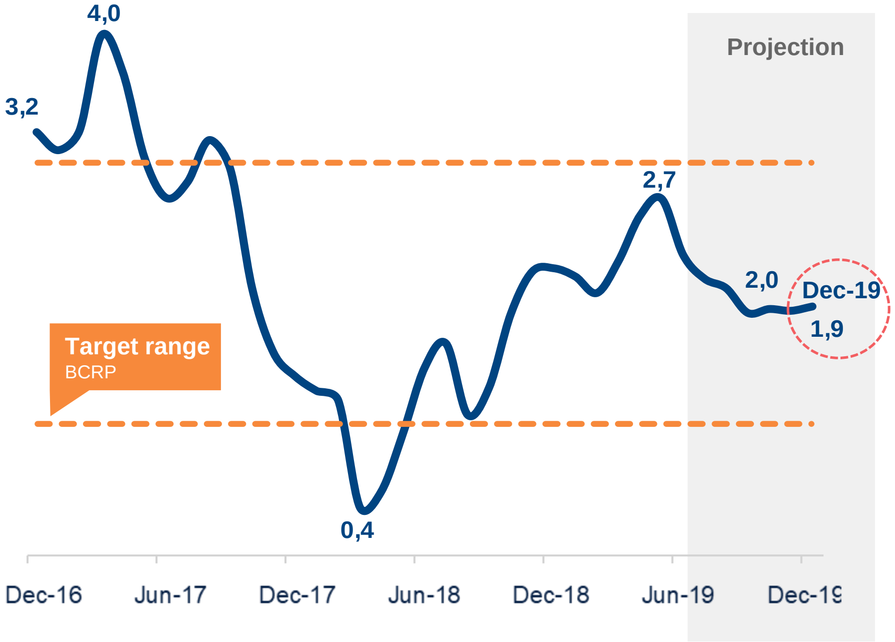
04

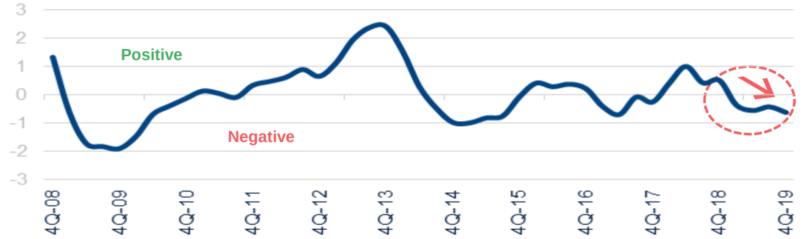
Inflation and monetary policy

Inflation closed 2019 at around the middle of the target range, with little in the way of demand pressures, anchored expectations and…

INFLATION
(YOY % CHANGE IN CPI)

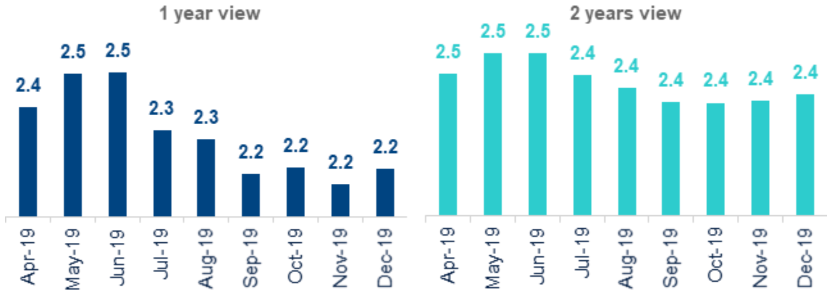


OUTPUT GAP*
(% OF POTENTIAL GDP)



*Total GDP Indicator of demand pressure.

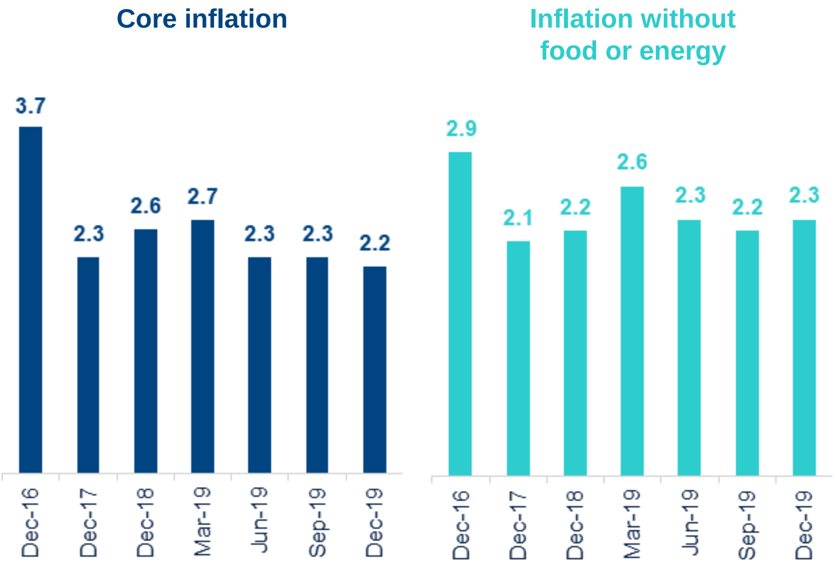
INFLATION EXPECTATIONS
(%)



Source: INEI, BCRP and BBVA Research

…a slowdown in food inflation

INFLATION METRICS LINKED TO DEMAND
(YOY % CHANGE)

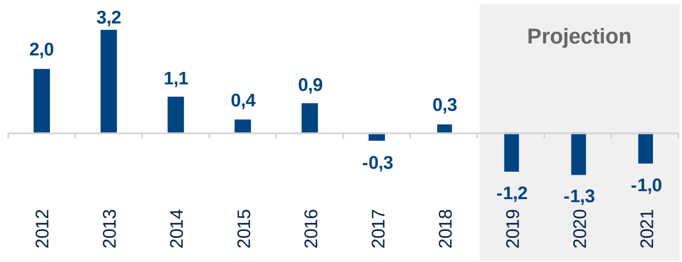


CPI – HOUSEHOLD FOOD AND DRINK
(YOY % CHANGE)

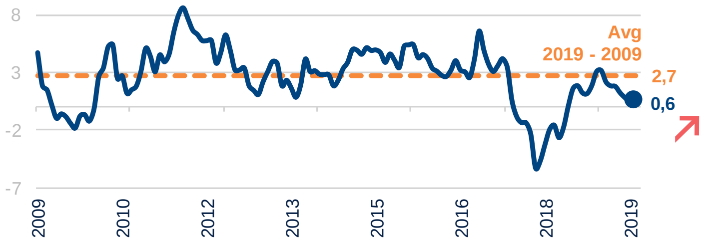
Source: INEI, BCRP and BBVA Research

Looking forward, what factors will influence inflation?

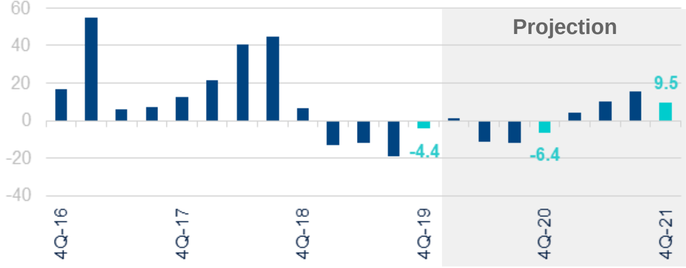
OUTPUT GAP*
(% OF POTENTIAL GDP)



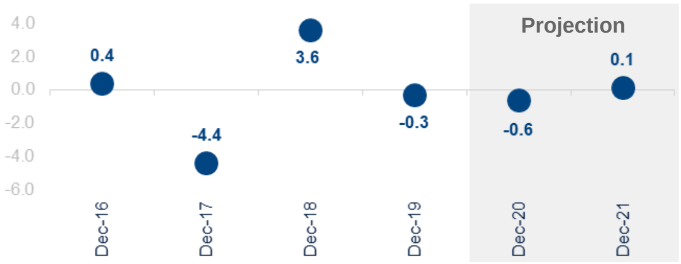
CPI – HOUSEHOLD FOOD AND DRINK
(YOY % CHANGE)



OIL PRICE
(YOY % CHANGE)



EXCHANGE RATE
(YOY % CHANGE, END OF PERIOD)



* Total GDP, average of three methodologies. Indicator of demand pressure.
Source: INEI, BCRP and BBVA Research

In this context, inflationary pressures will remain tight in the coming months

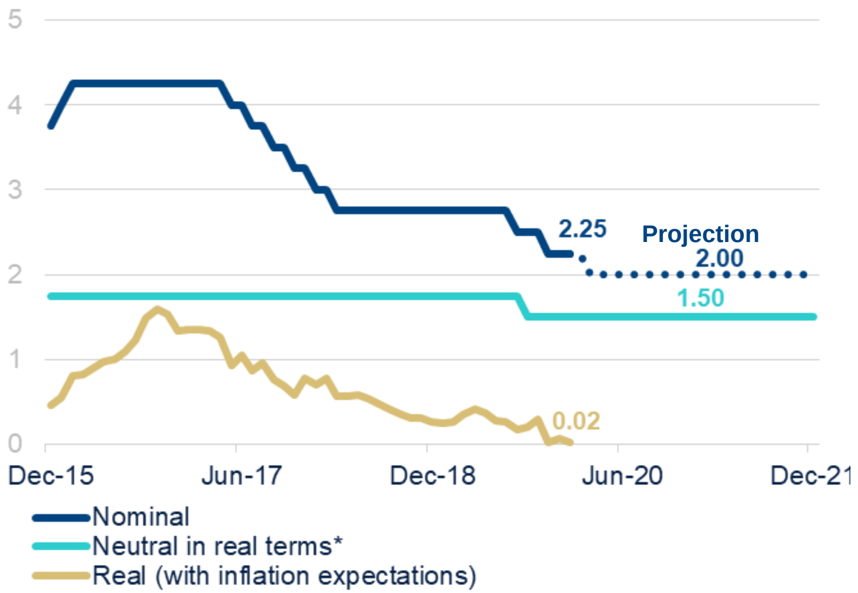
INFLATION
(YOY % CHANGE IN CPI)

Source: INEI, BCRP and BBVA Research

- The gaps in the economy will gradually close, according to our estimates of the output gap.
- Oil prices will begin to rally following the decline seen in previous years.
- The increase in food prices will normalize.
- Relatively stable exchange rate.

Following the November cut, the Central Bank has maintained its policy rate at 2.25%. We anticipate an additional cut in the first half of 2020

REFERENCE INTEREST RATE
(%)



* The neutral rate was re-estimated in the September 2019 Inflation Report, from 1.75% to 1.50%. Own estimates point to a value of close to 1.25%, providing less in the way of monetary stimulus.
Source: BCRP

Information Note (Monetary Program – January 2020)

- The Central Bank maintains a downward bias in its outlook for domestic demand and inflation.
- Primary sectors and public investment performed negatively in 2019, which was attenuated by the activity of the non-primary sectors.
- Inflation and business expectations remain unchanged.
- We still expect to see a gradual closing of the output gap.

BBVA Research forecast (25bp cut), based on:

- Private spending will slow in 2020.
- Fiscal momentum will also slow.
- Rebound in economy activity mainly within the primary sectors.
- Price outlook is positive

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05

Summary of macroeconomic forecasts

Macroeconomic forecasts

	2014	2015	2016	2017	2018	2019 (e)	2020 (f)	2021 (f)
GDP (% chg.)	2.4	3.3	4.1	2.5	4.0	2.1	3.1	3.5
Domestic demand (excludes inv., % chg.)	2.4	2.3	1.3	1.7	3.7	3.0	2.8	3.5
Private spending (% chg.)	2.3	1.9	1.5	2.1	3.9	3.3	2.7	3.4
Private consumption (% chg.)	3.9	4.0	3.7	2.6	3.8	3.0	2.9	3.3
Private investment (% chg.)	-2.2	-4.2	-5.4	0.2	4.2	4.2	2.0	3.8
Public spending (% chg.)	3.1	4.5	0.3	-0.1	2.5	1.1	3.2	3.9
Public consumption (% chg.)	6.0	9.8	0.3	0.5	0.8	2.4	3.2	3.5
Public investment (% chg.)	-2.7	-6.9	0.3	-1.8	6.8	-2.0	3.2	5.0
Exchange rate (vs. USD, EOP)	2.96	3.38	3.40	3.25	3.37	3.36	3.34	3.34
Inflation (% YoY, eop)	3.2	4.4	3.2	1.4	2.2	1.9	2.0	2.4
Policy interest rate (%, eop)	3.50	3.75	4.25	3.25	2.75	2.25	2.00	2.00
Fiscal balance (% GDP)	-0.3	-1.9	-2.3	-3.0	-2.3	-1.6	-1.8	-1.8
Current account (% GDP)	-4.4	-5.0	-2.6	-1.3	-1.6	-1.6	-1.9	-2.2
Exports (billions of USD)	39.5	34.4	37.1	45.4	49.0	46.8	47.9	49.1
Imports (billions of USD)	41.0	37.3	35.1	38.7	41.9	41.0	42.2	43.8

(e) Estimate. (f) Forecast.
Forecast closing date: January 20, 2020.
Source: BCRP and BBVA Research Peru

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