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Latam Daily: Peru Posts a Record Trade Surplus

- Peru: Record trade surplus for 2021

PERU: RECORD TRADE SURPLUS FOR 2021

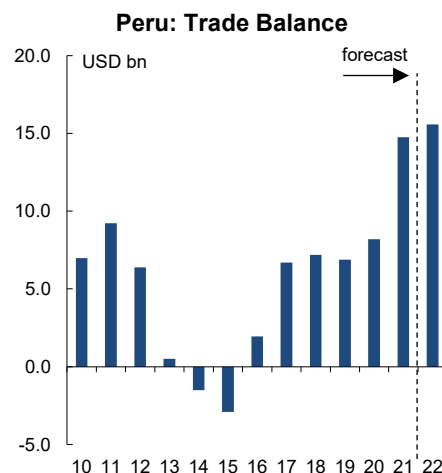
Peru posted a record trade surplus of USD 14.8 bn in 2021, slightly above our estimate of USD 14.1 bn, and an 80.1% increase over 2020, according to BCRP's figures (chart 1).

Exports totaled USD 63.1 bn (+47.1%), with imports of USD 48.3 bn (+39.3%). The trade surplus was mainly due to an improvement in the terms of trade (+11.8%), which reached its highest level since 2010, reflecting in particular the increase in the price of main export products such as copper, zinc and gas natural, partially offset by the rise in import prices led by fuels and foods, such as corn and soybeans (chart 2). The trade balance was also pushed higher by a significant recovery in the export volumes of textiles, chemicals and basic metals industries, which were affected in 2020 by the global recession, as well as agricultural exports.

Our forecast projects a trade balance of USD 15.6 bn in 2022. This estimate includes exports of USD 65.9 bn, driven by higher copper shipments (Mina Justa will have its first full year of production and Quellaveco will start operations in the H2-2022), dynamism of textile and clothing shipments, which benefit from higher orders from US importers who are shifting orders from Asian to Latin American suppliers, and the positive trend of agricultural exports driven by global demand for fresh fruits and vegetables. We expect imports to reach USD 50.3 bn, as a result of the higher imported value of fuels, reflecting a higher oil price, and consumer goods as the recovery of employment and income continues. These imports are likely to be partially offset by lower purchases of capital goods, in line with the projected drop in private investment due to the deterioration of business expectations associated with the persistent political noise.

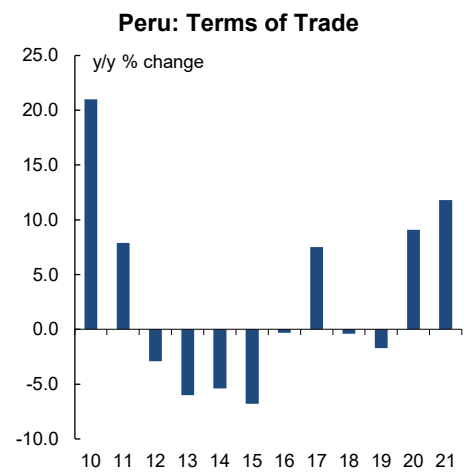
—Pablo Nano

Chart 1



Sources: Scotiabank Economics, BCRP.

Chart 2



Sources: Scotiabank Economics, BCRP.

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