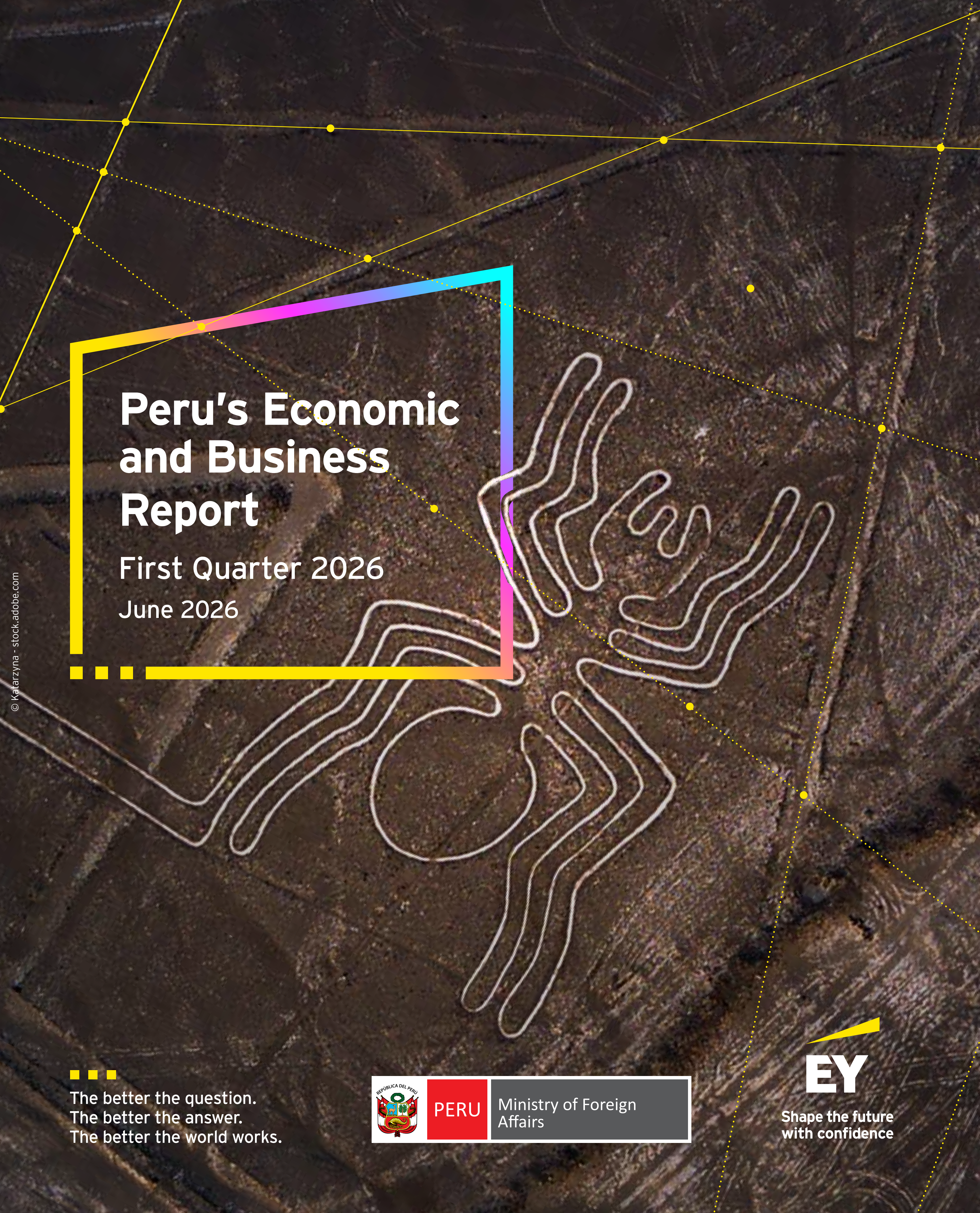

Peru's Economic and Business Report

First Quarter 2026

June 2026

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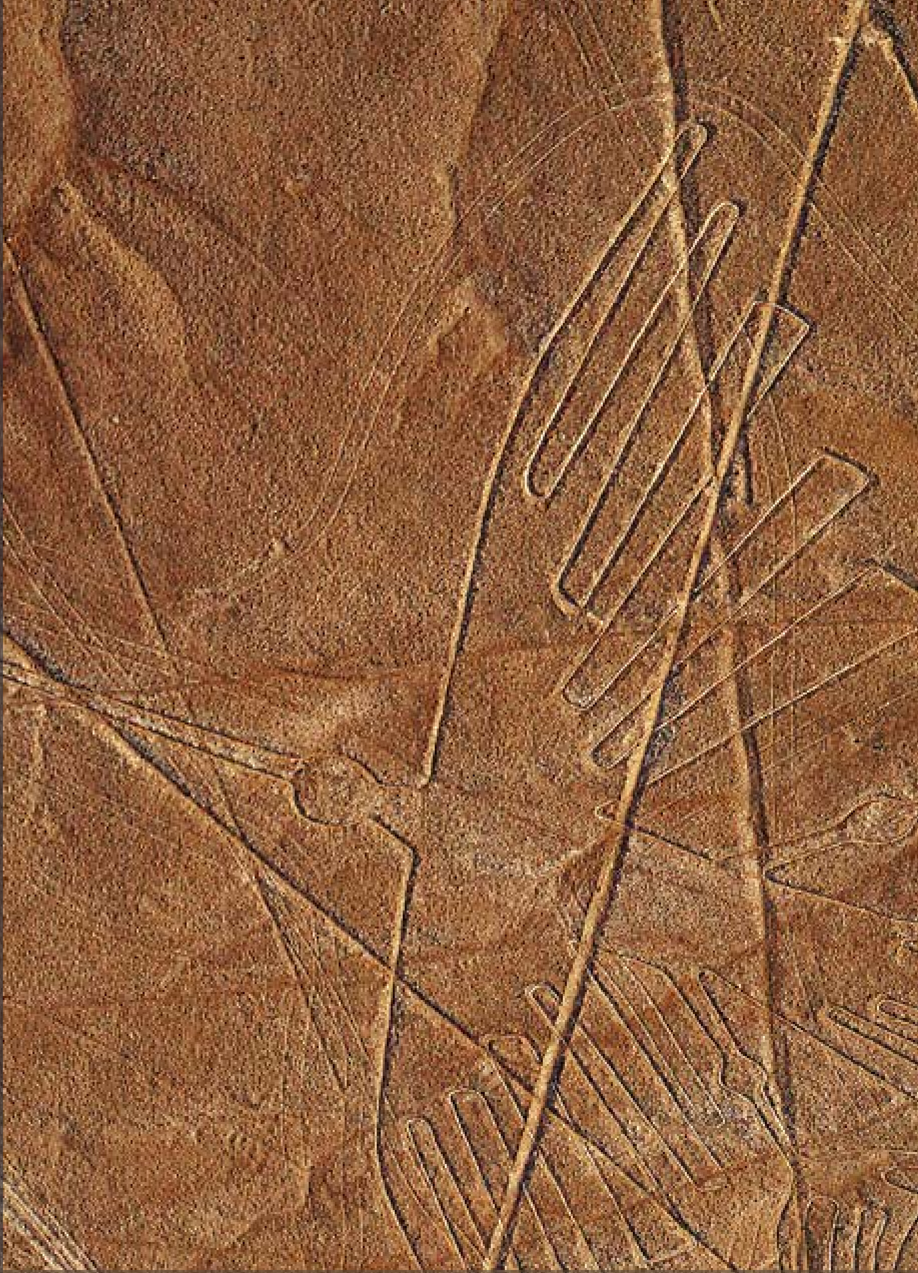


Peru's Economic and Business Report presents quarterly progress and projections of the main macroeconomic indicators.

Peru is considered one of the most important countries in Latin America and one of the world's leading emerging markets, with a solid track record of economic and business stability.

Peru's macroeconomic strengths - low levels of debt, inflation and fiscal deficit, together with high levels of international reserves - are widely recognized, not only by credit rating agencies but also by global investors.

1 COUNTRY OVERVIEW

Government

Peru is a democratic constitutional republic with a multiparty system. The President is the Chief of State and Head of Government and is generally elected every five years.

- President: José María Balcázar*.

The President appoints the Prime Minister and the members of the Cabinet. The legislature consists of a unicameral Congress of 130 members elected for a five-year period. However, following the 2026 electoral process, the legislature will return to a bicameral structure.

The legislative proposals can be submitted by both the executive and legislative branches and will become law once they are approved by the Congress and promulgated by the President. The judicial and electoral bodies are independent.

Geography

- Located on the west central coast of South America, Peru is bordered by the Pacific Ocean to the west, by Chile to the south, by Brazil and Bolivia to the east, and Colombia and Ecuador to the north.
- Peru is divided geographically into three natural regions: the coast, a narrow strip measuring approximately 3,080 km long that accounts for 11.7% of Peru's territory; the highlands, site of the Andean mountain range covering 27.9% of the national territory; and the Amazon rainforest, which occupies 60.4% of the territory and is rich in petroleum and forest resources.

GENERAL INFORMATION

Population 2026
34.7 million
- Urban**: 83.6%
- Rural**: 16.4%

Area
1,285,215 km^2

Languages
Spanish, Quechua and Aymara

Religion
Freedom of Religion
Principal Roman Catholic

Time Zone
GMT - 5 (Greenwich mean time minus five hours). There is no daylight-saving time, and there is only one time zone throughout the entire country

Natural Resources
Gold, copper, silver, zinc, lead, hydrocarbons, fisheries, phosphates and agricultural products such as grapes, avocado, coffee, potato, rice, cotton, asparagus, cocoa and organic bananas, artichokes, sugar, quinoa, blueberries and corn.

*Current Interim President of the Republic. The presidential election has been held and the winner will take office in July 2026.
**As of 2025.
Source: National Institute of Statistics and Information (INEI).

2 MACROECONOMIC INDICATORS AND PROJECTIONS

Currency

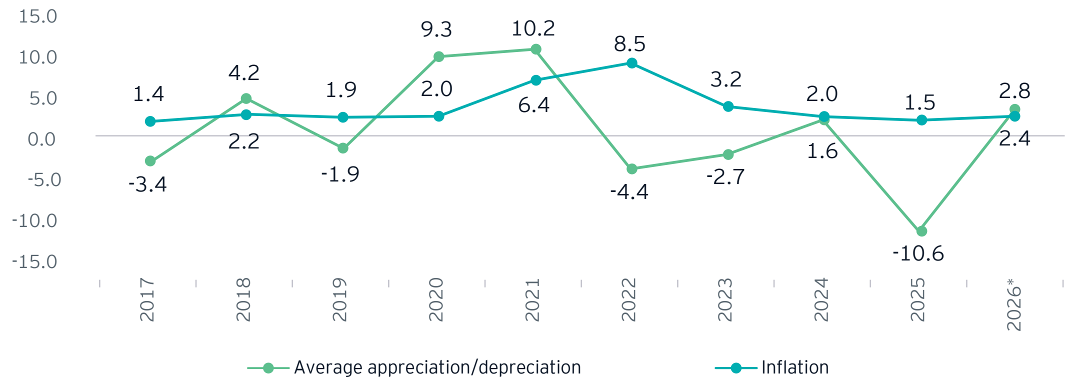
The official currency of Peru is the Sol (PEN - S/). The country has a free-floating exchange rate regime, with the Central Reserve Bank of Peru (BCRP) occasionally intervening for purposes of stabilization. As of March 31, 2026, banks were buying US Dollars at PEN3.480 and selling them at PEN3.495. The expectation of the exchange rate for 2026 is PEN3.47.

As of the end of March 2026, the inflation rate in Peru was 2.9% and the depreciation rate of the Sol against US Dollars for the same period was 3.7%. According to the Central Reserve Bank of Peru (BCRP), it is projected that, at the end of the year 2026, the inflation rate will be 2.4%.

EXCHANGE RATE EVOLUTION: SOLES PER USD1 (END OF EACH YEAR)

*April 2026 Macroeconomic Expectations Survey.
Source: Central Reserve Bank of Peru (BCRP).

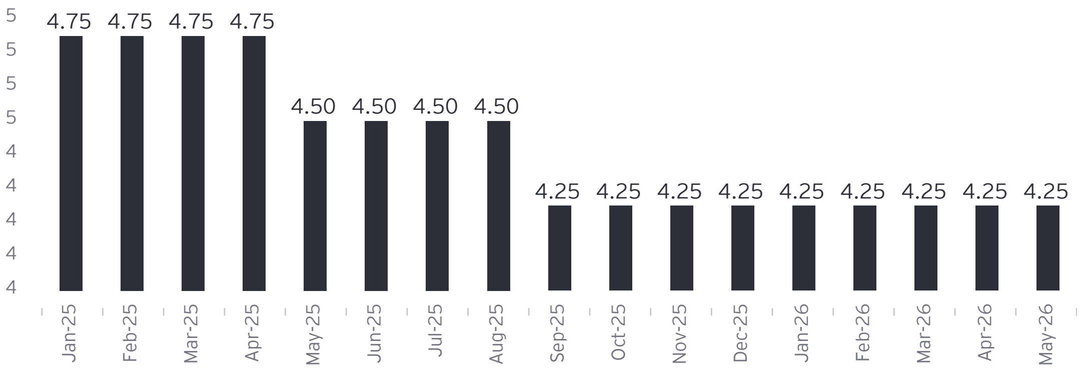
AVERAGE APPRECIATION/DEPRECIATION AND INFLATION (PERCENTAGE)



*Projection. March 2026 Inflation Report. Inflation in Metropolitan Lima.
Source: Central Reserve Bank of Peru (BCRP).

The reference interest rate in May was 4.25%, staying close to the level estimated as neutral.

MONETARY POLICY INTEREST RATE (PERCENTAGE)

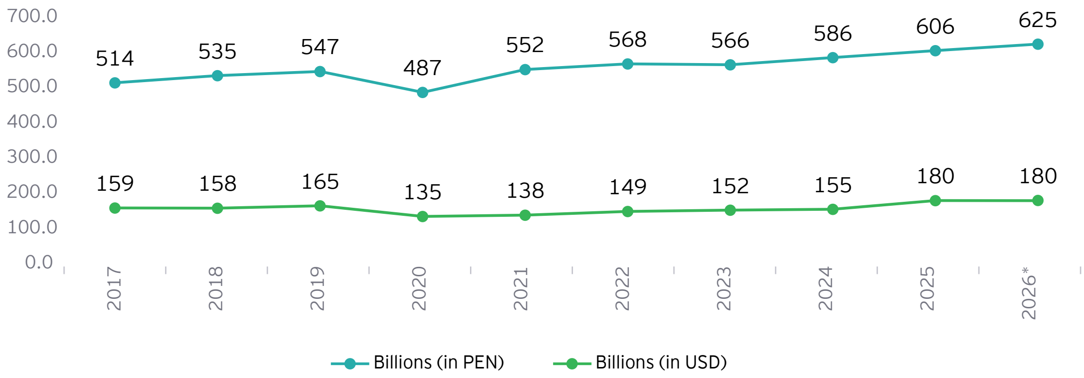


Source: Central Reserve Bank of Peru (BCRP).

Gross Domestic Product (GDP) and International Reserves

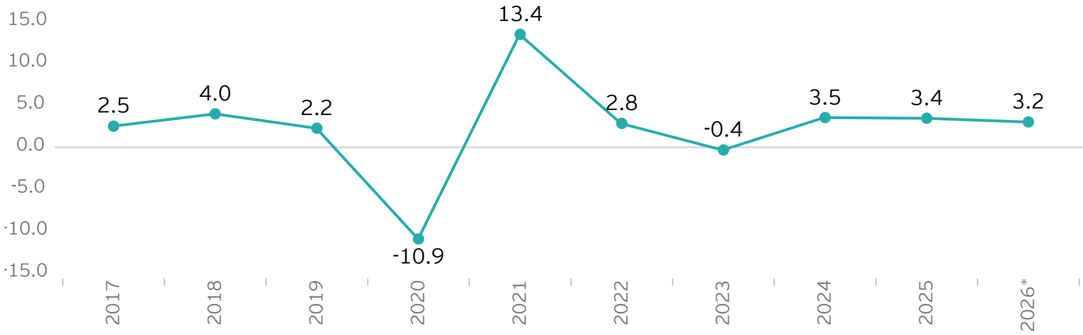
Peru's GDP increased 3.5% in the first quarter (Q1 2026), and it is projected to grow 3.2% in 2026 according to the Central Reserve Bank of Peru (BCRP). Additionally, the Peruvian economy would grow 3.2% annually on average between 2027 and 2029, according to estimates by the Ministry of Economy and Finance (MEF).

GROSS DOMESTIC PRODUCT (CONSTANT GDP)



*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

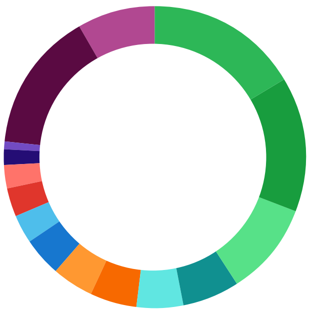
GROSS DOMESTIC PRODUCT (CONSTANT GDP) (PERCENTAGE CHANGE)



*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

Note: The 2025 GDP measured in current prices amounted to USD342.0 billion.

PERU'S GROSS DOMESTIC PRODUCT (GDP) BY ECONOMIC SECTOR, BASED ON THE ECONOMIC STRUCTURE OF THE YEAR 2007



- Manufacturing 16.5%
- Mining and Hydrocarbons 14.4%
- Commerce 10.2%
- Agriculture and livestock 5.9%
- Construction 5.1%
- Transport and couriers 5.0%
- Public administration and defense 4.3%
- Services provided to companies 4.2%
- Finance and insurance 3.2%
- Accommodation and restaurants 2.9%
- Telecommunications 2.7%
- Electricity and water 1.7%
- Fisheries 0.7%
- Other services 14.9%
- Import duties and other taxes 8.3%

Source: National Institute of Statistics and Information (INEI).

GROSS DOMESTIC PRODUCT (CONSTANT GDP) BY INDUSTRY (PERCENTAGE CHANGE)

Industry	2017	2018	2019	2020	2021	2022	2023	2024	2025	Q1 2026	2026*
Agriculture and Livestock	2.9	7.7	3.5	1.0	4.6	4.6	-2.0	5.6	5.6	1.5	2.5
Fisheries	4.7	47.7	-17.2	4.2	9.9	-11.4	-21.2	27.2	2.9	-9.1	-6.6
Mining	4.5	-1.7	-0.8	-13.8	10.5	-0.0	10.9	3.2	2.0	1.2	-0.1
Hydrocarbons	-2.4	-0.0	4.6	-11.0	-4.6	4.0	0.7	2.1	-1.6	-14.5	-4.7
Manufacturing **	-0.2	5.9	-1.7	-12.5	18.6	1.0	-6.5	4.6	2.9	1.8	2.1
Electricity and Water	1.1	4.4	3.9	-6.1	8.5	3.9	3.7	2.4	2.0	3.0	2.9
Construction	2.1	5.3	1.4	-13.4	35.0	3.1	-8.2	3.6	6.7	13.3	6.0
Commerce	1.0	2.6	3.0	-16.0	17.8	3.3	2.4	3.0	3.6	4.9	4.0
Services	3.3	4.3	3.8	-10.2	11.5	3.6	-0.3	3.1	3.4	4.0	3.9
GDP	2.5	4.0	2.2	-10.9	13.4	2.8	-0.4	3.5	3.4	3.5	3.2

*Projection. March 2026 Inflation Report. Q1 = First Quarter of 2026.
** The projection is a weighted average of primary and non-primary GDP.
Source: Central Reserve Bank of Peru (BCRP), National Institute of Statistics and Information (INEI).

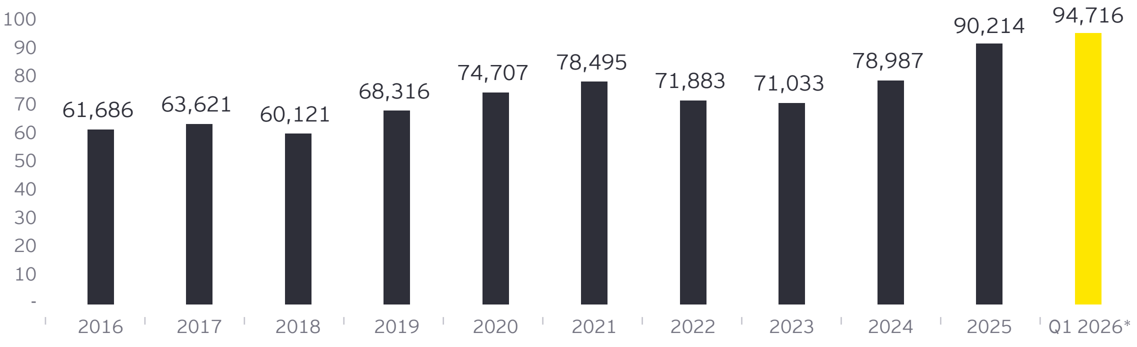
GROSS DOMESTIC PRODUCT (CONSTANT GDP) BY TYPE OF EXPENDITURE (PERCENTAGE CHANGE)

Variables	2017	2018	2019	2020	2021	2022	2023	2024	2025	Q1 2026	2026*
Domestic Demand	1.7	3.6	2.8	-9.3	14.0	2.4	-1.1	4.0	5.6	6.6	4.9
a. Private Consumption	2.6	3.8	3.2	-9.9	12.5	3.5	0.1	2.8	3.6	3.5	3.4
b. Public Consumption	2.9	2.4	4.3	7.9	4.8	-0.2	4.9	2.3	3.3	7.4	2.7
c. Private Investment	-0.1	3.6	5.1	-16.4	35.2	0.0	-6.1	3.3	10.0	13.2	9.5
d. Public Investment	-1.8	5.5	-1.5	-15.1	24.7	6.0	2.4	14.7	5.7	-0.2	1.0
Exports	7.0	2.9	1.0	-19.9	12.8	5.5	4.0	6.7	4.7	0.8	1.6
Imports	3.7	1.3	3.1	-13.6	15.3	3.7	0.9	8.5	12.6	11.4	7.7
GDP	2.5	4.0	2.2	-10.9	13.4	2.8	-0.4	3.5	3.4	3.5	3.2

*Projection. March 2026 Inflation Report. Q1 = First Quarter of 2026.
Source: Central Reserve Bank of Peru (BCRP).

Peru is estimated to maintain a comfortable level of international reserves, representing 26.5% of GDP in 2025. At the end of the Q1 2026, these reserves reached USD94.7 billion.

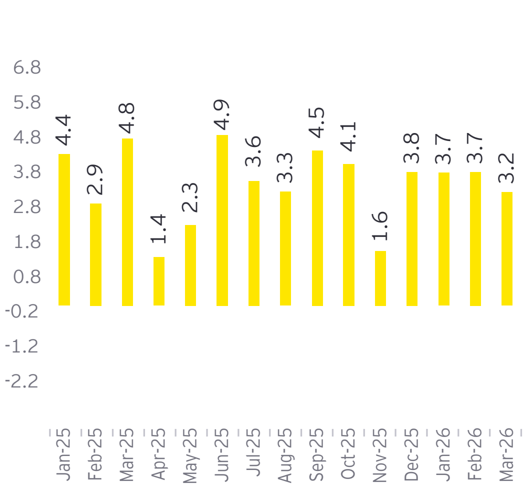
NET INTERNATIONAL RESERVES (IN USD MILLIONS)



*Q1=First Quarter of 2026.
Source: Central Reserve Bank of Peru (BCRP).

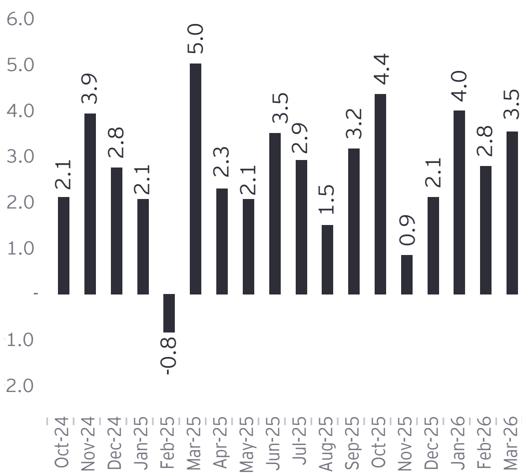
The economy grew at a 3.5% rate in Q1 2026, mainly reflecting strong private consumption and investment, supported by rising employment, low inflation, and declining interest rates.

GROSS DOMESTIC PRODUCT (YEAR-OVER-YEAR PERCENTAGE CHANGE)



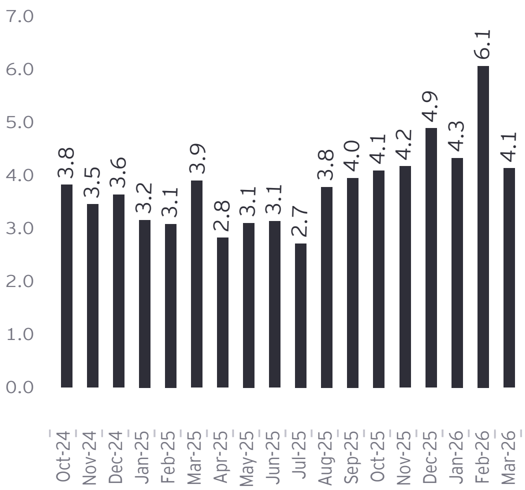
Source: Central Reserve Bank of Peru (BCRP), National Institute of Statistics and Information (INEI).

ELECTRICITY PRODUCTION (YEAR-OVER-YEAR PERCENTAGE CHANGE)



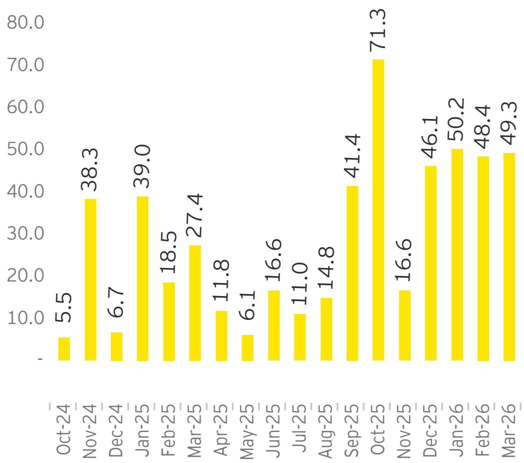
Source: Central Reserve Bank of Peru (BCRP), National Institute of Statistics and Information (INEI).

COMMERCE SECTOR GDP EVOLUTION (YEAR-OVER-YEAR PERCENTAGE CHANGE)



Source: Central Reserve Bank of Peru (BCRP).

TRADITIONAL EXPORTS (YEAR-OVER-YEAR PERCENTAGE CHANGE)

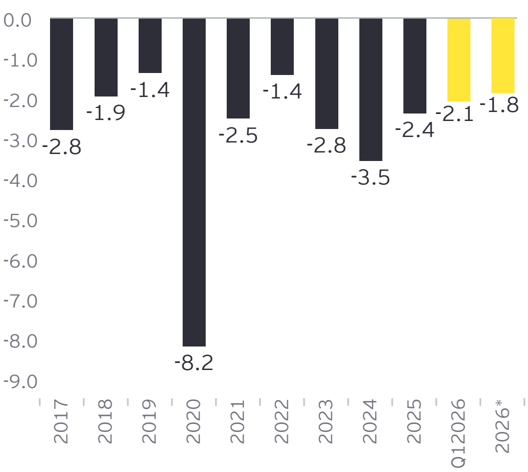


Source: Central Reserve Bank of Peru (BCRP).

Public Sector

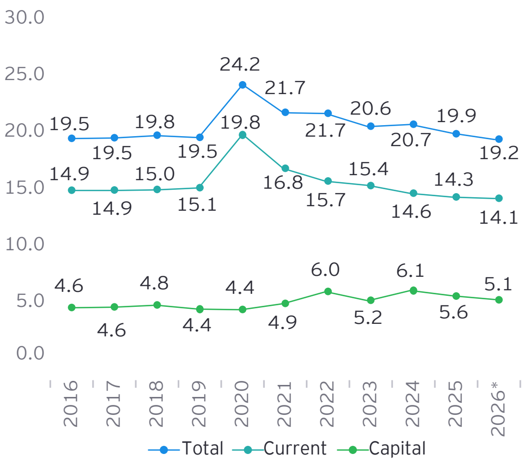
The non-financial public sector cumulative fiscal deficit declined from 2.4% of GDP in 2025 to 2.1% in the first quarter of 2026, driven by increased current revenues, higher export prices and tax enforcement measures from robust economic activity. Whilst it is projected to be 1.8% of GDP by the end of the year, public spending is projected to be around 19.2% of GDP in 2026.

ECONOMIC RESULTS (TAX SURPLUS / DEFICIT) OF THE NON-FINANCIAL PUBLIC SECTOR (PERCENTAGE OF GDP)



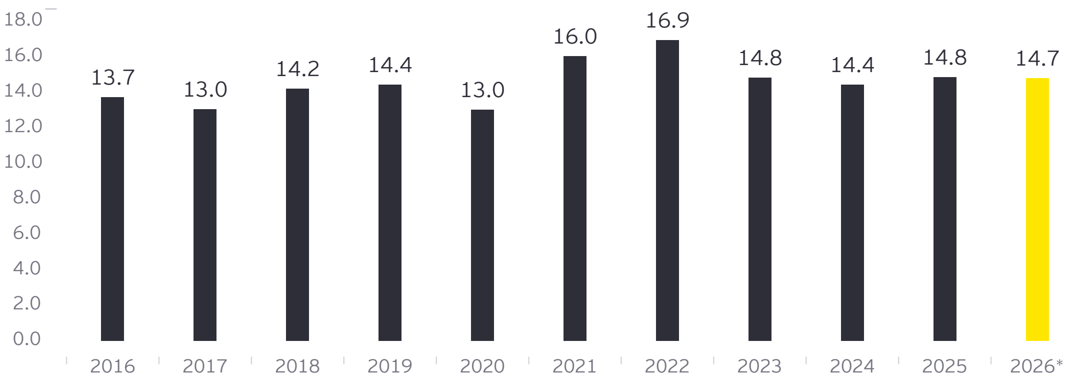
*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

NON-FINANCIAL PUBLIC SPENDING (PERCENTAGE OF GDP)



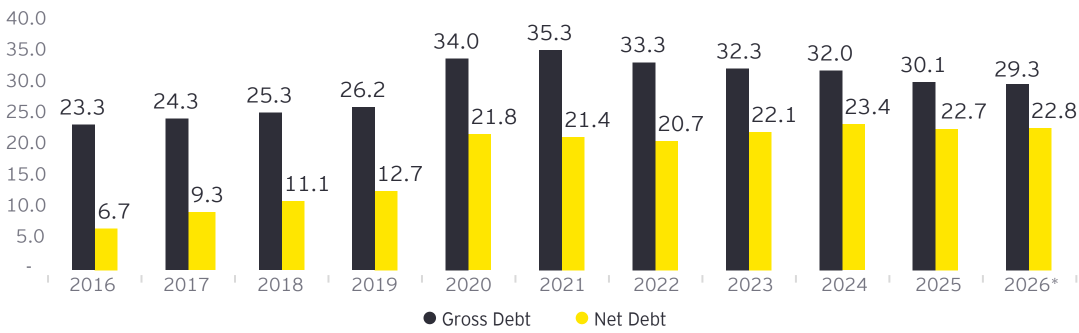
*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

TAX BURDEN - GENERAL GOVERNMENT CURRENT REVENUES (PERCENTAGE OF GDP)



*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

DEBT OF NON-FINANCIAL PUBLIC SECTOR (PERCENTAGE OF GDP)

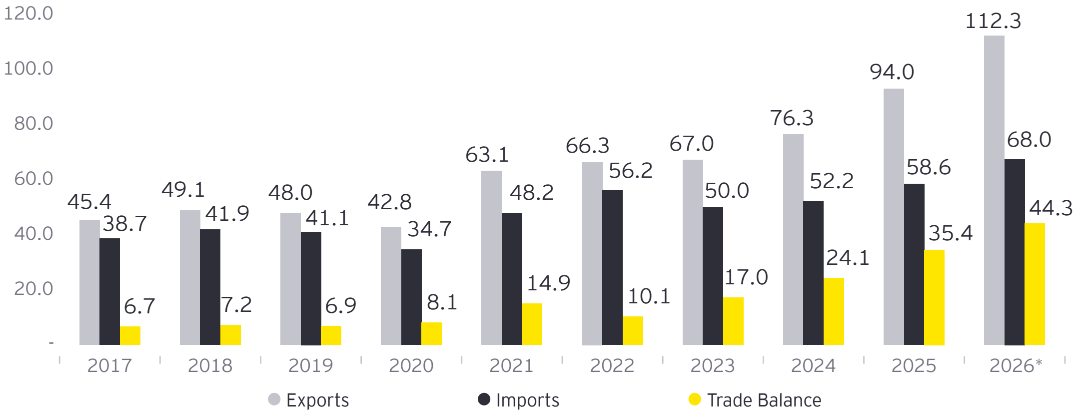


*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

International Trade

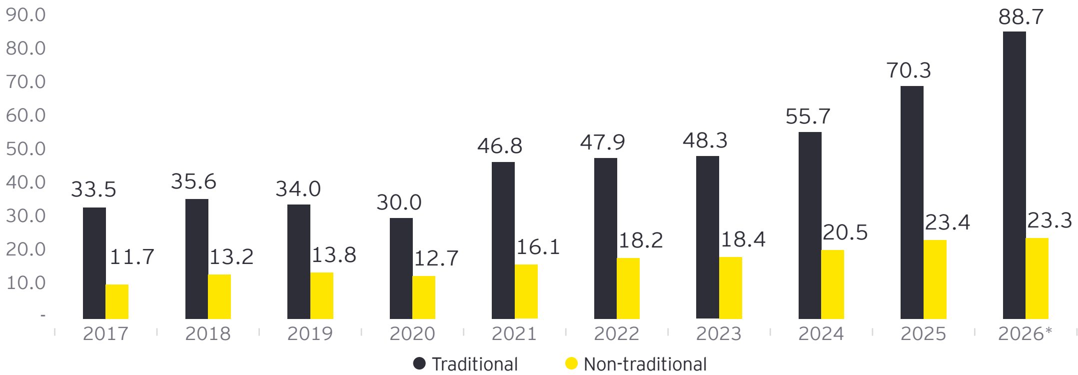
At the end of the first quarter of 2026, total exports amounted to USD28.7 billion, while total imports reached USD15.9 billion. The terms of trade improved by 35.9% in the same period, reflecting an increase in export prices higher than the increase in import prices. According to estimates, exports would reach USD112.3 billion in 2026, and imports, USD68.0 billion. Traditional exports reached USD23.3 billion and non-traditional exports, USD5.3 billion in the first quarter of 2026. In addition, it is expected that in 2026, traditional exports will reach USD88.7 billion and non-traditional exports, USD23.3 billion.

TRADE BALANCE (IN USD BILLIONS)



*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

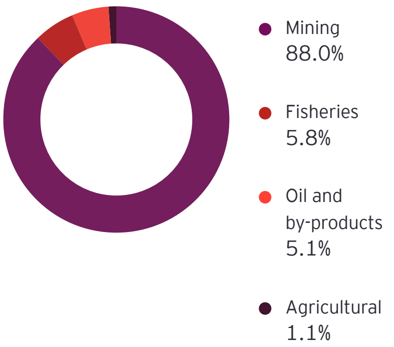
TRADITIONAL AND NON-TRADITIONAL EXPORTS (IN USD BILLIONS)



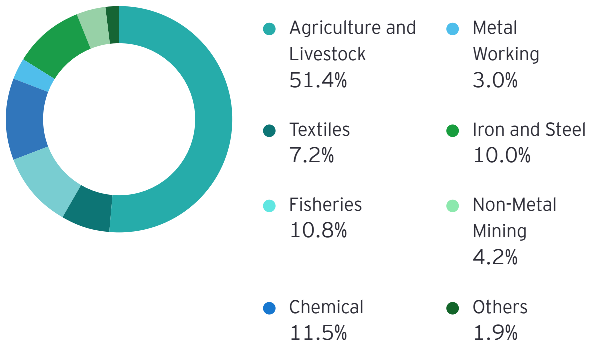
*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

FINAL EXPORTS BY ECONOMIC SECTOR AS OF MARCH 2026 (PERCENTAGE STRUCTURE)

Traditional (74%)

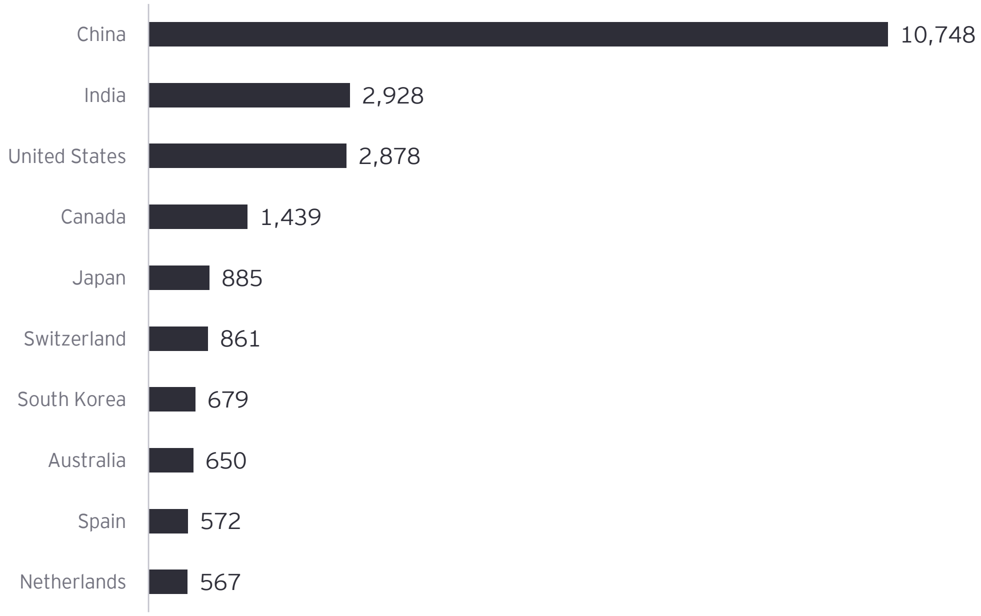


Non-Traditional (26%)



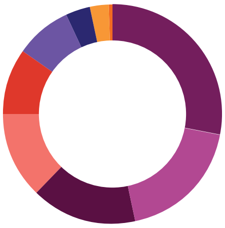
Source: National Superintendency of Customs and Tax Administration (SUNAT).

EXPORTS BY TRADING PARTNER, TOP TEN PARTNERS AS OF MARCH 2026 (IN USD MILLIONS)



Source: Ministry of Foreign Trade and Tourism (MINCETUR).

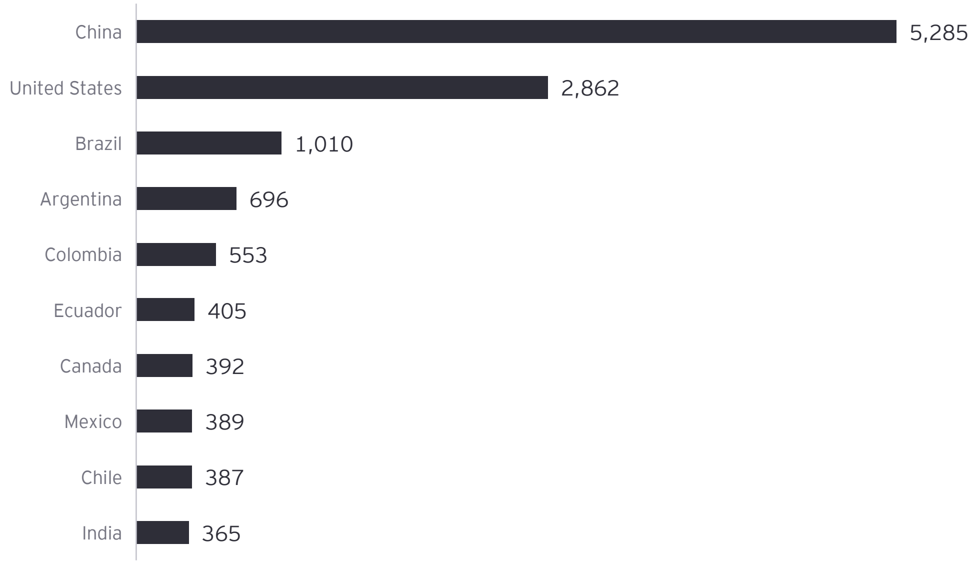
IMPORTS OF CONSUMER GOODS ACCORDING TO CUODE CLASSIFICATION AS OF MARCH 2026 (PERCENTAGE STRUCTURE)



- Raw Materials and Intermediate Goods for Industry 28.1%
- Nondurable Consumer Goods 12.6%
- Raw Materials and Intermediate Goods for Agriculture 3.4%
- Capital Goods for Industry 18.7%
- Durable Consumer Goods 9.8%
- Construction Materials 2.9%
- Fuels, Lubricants, and Related Goods 15.7%
- Transportation Equipment 8.4%
- Capital Goods for Agriculture 0.4%

Source: National Superintendency of Customs and Tax Administration (SUNAT).

IMPORTS BY TRADING PARTNER, TOP TEN PARTNERS AS OF MARCH 2026 (IN USD MILLIONS)

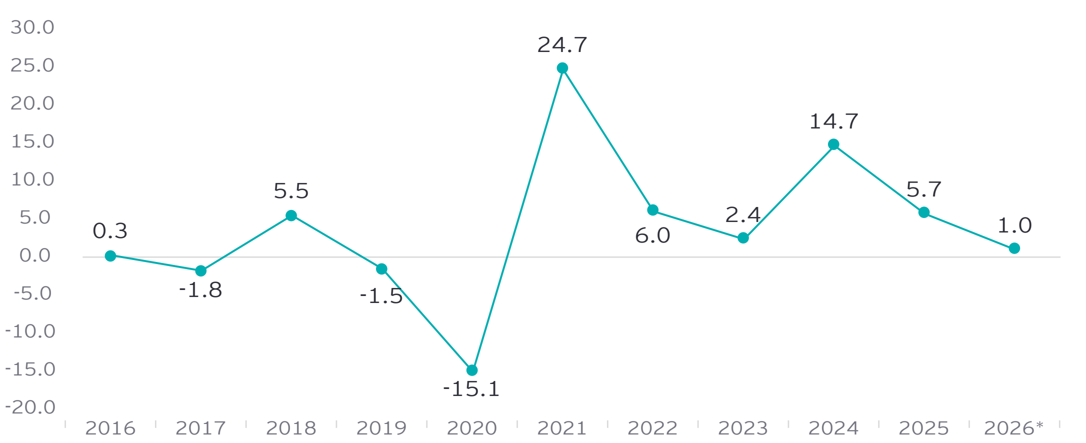


Source: National Superintendency of Customs and Tax Administration (SUNAT).

3 INVESTMENT ENVIRONMENT

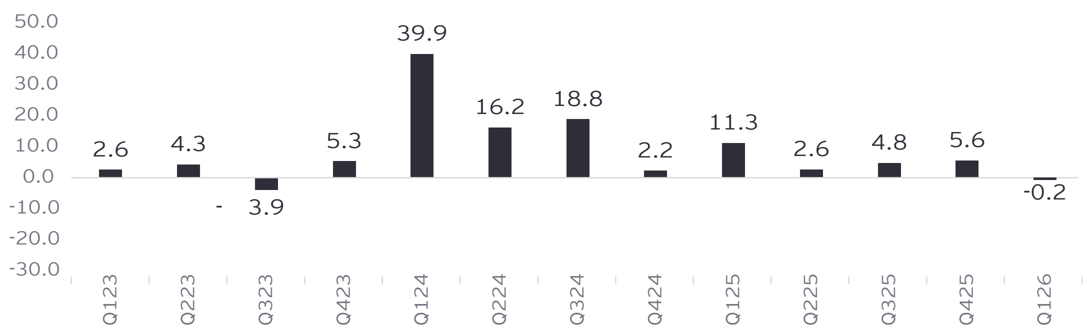
In the first quarter of 2026, public investment declined by 0.2% year-over-year and private investment grew 13.2% in the same period, primarily due to improved business confidence, better financial conditions - reflected in lower interest rates -, a reduction in construction material prices, and an increase in imports of capital goods. In 2026, it is projected that public and private investment will grow 1.0% and 9.5% respectively.

PUBLIC INVESTMENT (PERCENTAGE CHANGE)



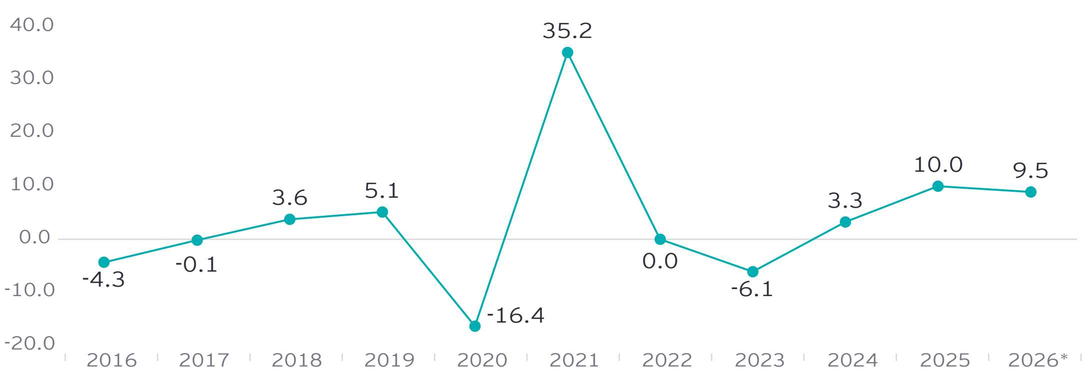
*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

QUARTERLY PUBLIC INVESTMENT (ANNUALIZED PERCENTAGE CHANGE)



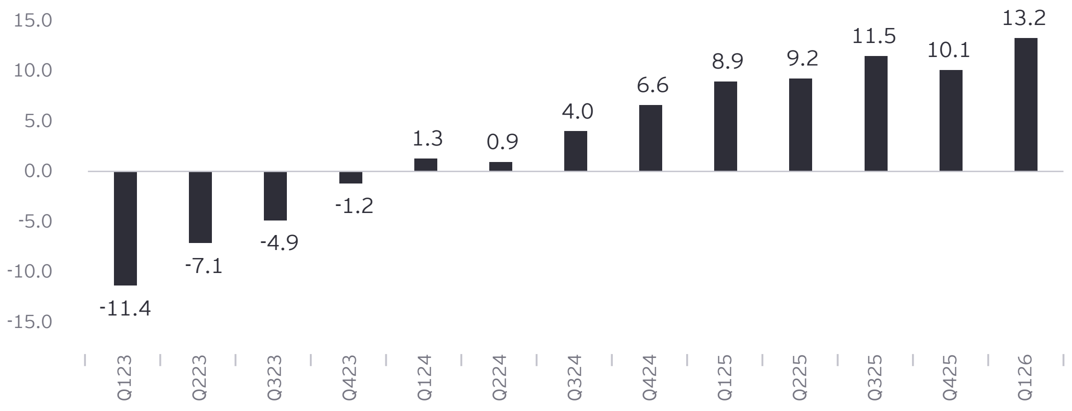
Source: Central Reserve Bank of Peru (BCRP).

PRIVATE INVESTMENT (PERCENTAGE CHANGE)



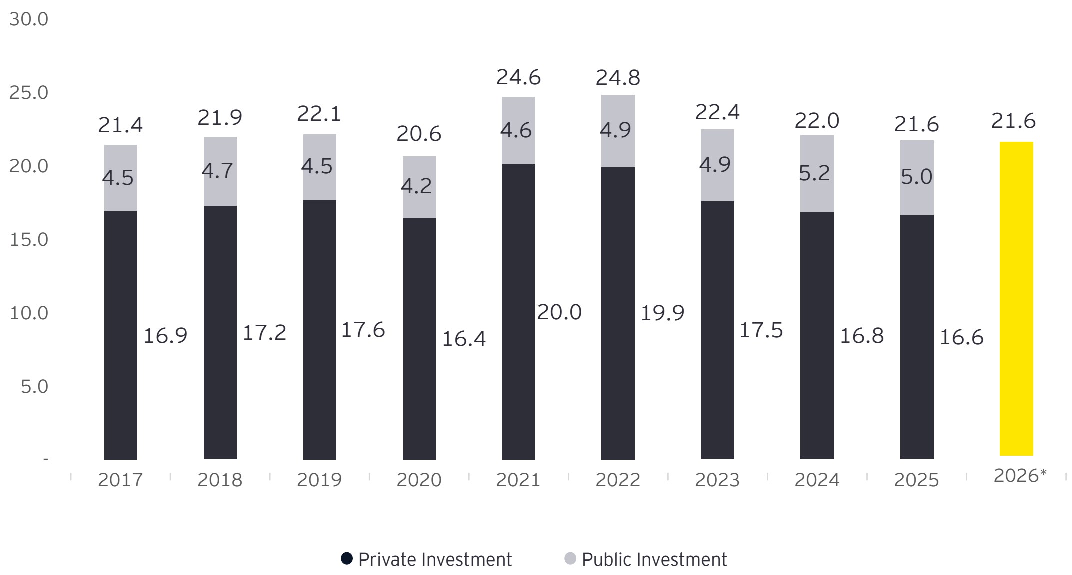
*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

QUARTERLY PRIVATE INVESTMENT (ANNUALIZED PERCENTAGE CHANGE)



Source: Central Reserve Bank of Peru (BCRP).

GROSS FIXED INVESTMENT (PERCENTAGE OF GDP)

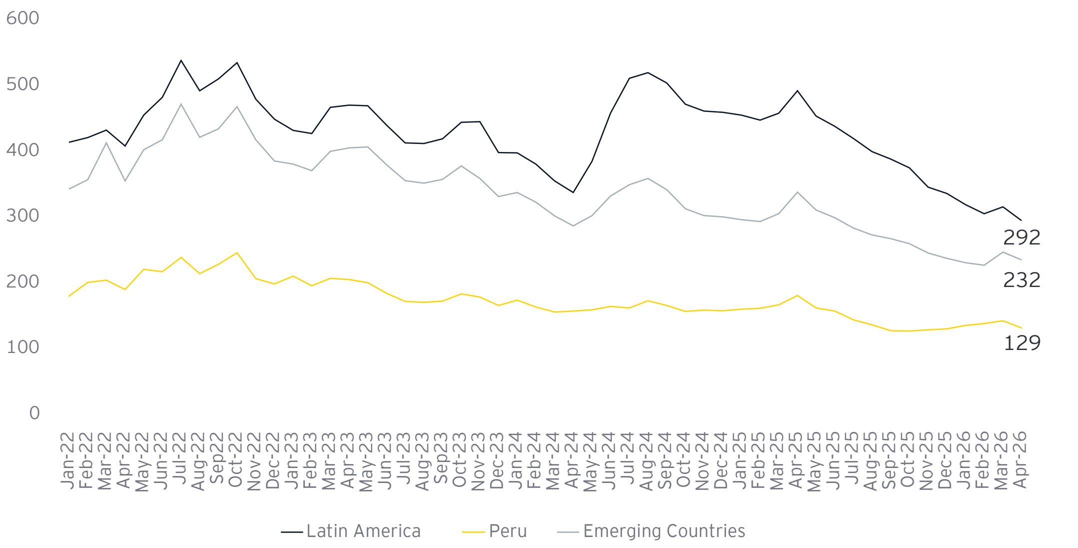


*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

Country Risk and Investment Grade

As of April 2026, Peru had a country risk of 129 basis points. This score is lower than that of emerging countries (232) and the regional average (292). As a result, Peru has been positively rated by the best-known risk rating agencies, thereby ratifying the country's investment grade and attracting international attention.

COUNTRY RISK INDICATOR - EMBIG (IN BASIS POINTS)



Source: Reuters, Central Reserve Bank of Peru (BCRP).

EVOLUTION OF THE LONG-TERM DEBT RATING IN FOREIGN CURRENCY

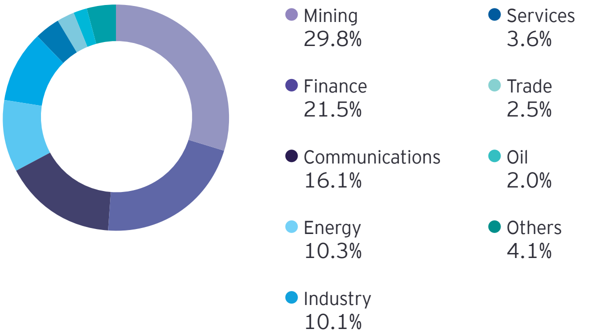
Agency	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026*
S&P	BBB+	BBB+	BBB+	BBB+	BBB+	BBB	BBB	BBB	BBB-	BBB-	BBB-
Fitch	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB	BBB	BBB	BBB	BBB
Moody's	A3	A3	A3	A3	A3	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1

*As of April 2026.
Source: Standard & Poor's, Fitch Ratings, Moody's.

Foreign Direct Investment

In 2025, the Foreign Direct Investment (FDI) flow reached USD10.4 billion, increasing 54% compared to the previous year. The Mining, Communications and Finance sectors represent 67% of total FDI in 2025.

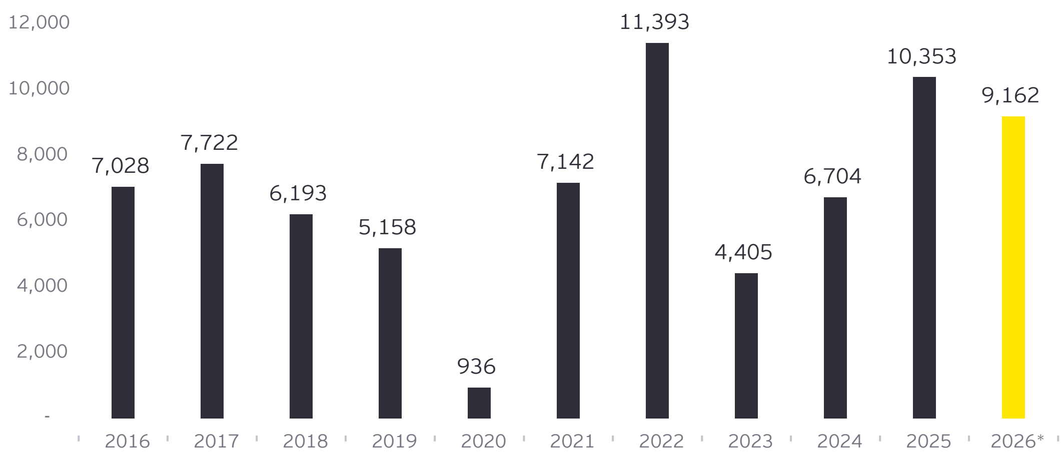
BALANCE OF FOREIGN DIRECT INVESTMENT BY INDUSTRY 2025



Industry	In USD Millions
Mining	10,186
Finance	7,340
Communications	5,495
Energy	3,504
Industry	3,455
Services	1,242
Trade	870
Oil	680
Others	1,416
Total	34,188

Source: Private Investment Promotion Agency (ProInversion).

FOREIGN DIRECT INVESTMENT FLOW (IN USD MILLIONS)



*Projection. March 2026 Inflation Report.
Source: Central Reserve Bank of Peru (BCRP).

4 INTERNATIONAL RELATIONS

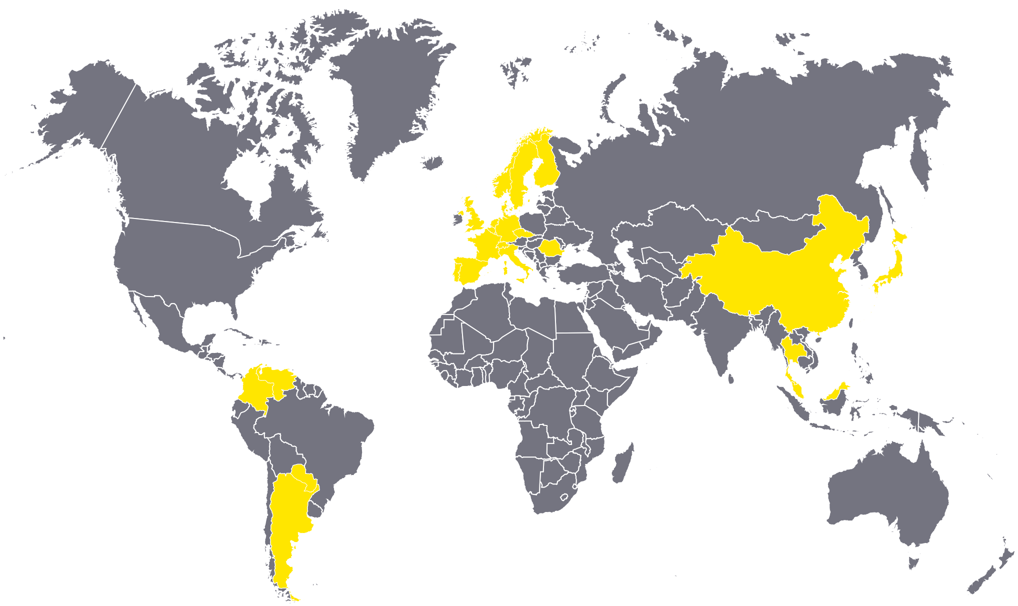
Peru has been a member of the World Trade Organization (WTO) since 1995, and in 1998 it became a member of the Asia-Pacific Economic Cooperation Forum (APEC). In 2011, it formed the Pacific Alliance with Chile, Colombia, and Mexico. It is also a member country of the Latin American Integration Association (ALADI) and an associated state of the Southern Common Market (MERCOSUR). Peru is also undergoing an OECD accession process, following the Roadmap adopted by the OECD Council in 2022. This is a key tool to ensure Peru's successful entrance into the organization.

It is important to mention that foreign investors are protected against inconvertibility, expropriation, political violence, and other non-business risks via access to multilateral and bilateral agreements. Peru is a party to the Convention Establishing the Multilateral Investment Guarantee Agency (MIGA). Peru has also acceded to the World Bank's International Convention on the Settlement of Investment Differences (ICSID) as an alternative for the settlement of any disputes that may arise between investors covered by the ICSID and the Peruvian Government.

Bilateral Investment Treaties (BITs)

Peru has signed 25 Bilateral Investment Treaties (BITs) with:

- Argentina
- China
- Colombia
- Cuba
- Czech Republic
- Denmark
- El Salvador
- Finland
- France
- Germany
- Italy
- Japan
- Malaysia
- Norway
- Paraguay
- Portugal
- Romania
- Spain
- Sweden
- Switzerland
- Thailand
- The Belgium-Luxembourg Economic Union
- The Netherlands
- The United Kingdom
- Venezuela



Free Trade Agreements and Economic Integration Agreements

Peru's current trade architecture comprises a total of 23 Free Trade Agreements (FTAs) in force with Canada, Chile, Costa Rica, Cuba, United States, Honduras, Mexico, Panama, Venezuela, China, South Korea, Japan, Singapore, Thailand, Australia, the United Kingdom, the Pacific Alliance, the Andean Community (CAN), MERCOSUR, European Union, EFTA, the Pacific Alliance-Singapore, and with the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which has given Peru access to four countries with which it previously had no trade agreements: New Zealand, Vietnam, Brunei and Malaysia.

Most recently, the Peru-Guatemala Free Trade Agreement was ratified by both countries and is set to enter into force on July 1, 2026.

Peru is also a party to five economic integration agreements (EIAs) with the Pacific Alliance, the Andean Community (CAN), MERCOSUR, the Latin American Integration Association (ALADI), and the Community of Latin American and Caribbean States (CELAC).

These agreements enhance Peru's global trade presence, boost competitiveness and facilitate regulatory cooperation with key partners.
In addition, Peru is in the midst of ongoing negotiations with Turkey, India, El Salvador and Thailand to further the expansion of its trade network.

Double Taxation Avoidance Agreements

Currently, Peru has signed and ratified agreements to avoid double taxation with the following countries: Brazil, Chile, Canada, Japan, Mexico, Portugal, South Korea, Switzerland and the Andean Community (together with Colombia, Ecuador and Bolivia). In addition to these nine agreements, Peru signed a double taxation avoidance agreement with the United Kingdom. This agreement has already been ratified by both parties and entered into force on January 21, 2026; however, it shall take effect in Peru on January 1, 2027.

On June 27, 2018, Peru signed the Multilateral Convention against base erosion and profit shifting, result of the OECD/G20 BEPS Project. On June 9, 2025, Peru deposited its instrument of ratification, and the BEPS Convention entered into force, for Peru, on October 1, 2025.

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PERU Ministry of Foreign Affairs

For more information, find the Peru's Business and Investment Guide 2026 and other specialized investment guides at:

https://www.gob.pe/institucion/rree/colecciones/146-guias-de-negocios-e-inversion

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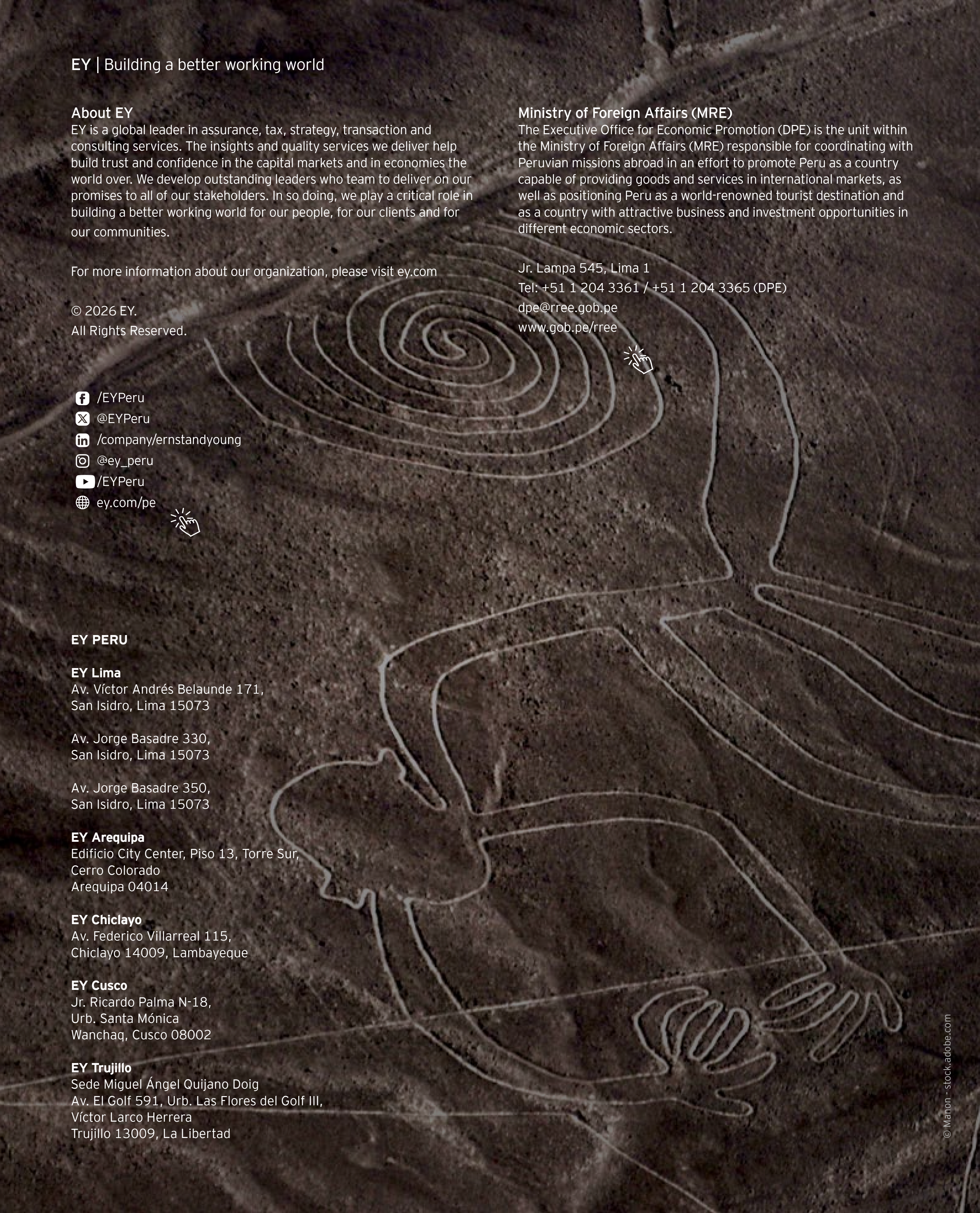

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The Executive Office for Economic Promotion (DPE) is the unit within the Ministry of Foreign Affairs (MRE) responsible for coordinating with Peruvian missions abroad in an effort to promote Peru as a country capable of providing goods and services in international markets, as well as positioning Peru as a world-renowned tourist destination and as a country with attractive business and investment opportunities in different economic sectors.

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