

Fitch Teleconference: Fitch Upgrades Peru to 'BB+', Tomorrow, 11AM ET

6 de septiembre de 2006

Fitch Ratings-New York-05 September 2006: On Thursday, August 31, Fitch upgraded the Foreign Currency issuer default rating (IDR) of Peru to 'BB+' from 'BB' with a Stable Outlook. Tomorrow, Sept. 6 at 11:00 a.m. EDT, Fitch will host a teleconference to discuss the rationale behind this decision. Theresa Paiz-Fredel, Director of Latin American Sovereign Ratings and lead analyst for Peru, will give general comments, followed by a Q&A session. 'Peru has benefited markedly from favorable trends in the global economy that have underpinned rapidly growing exports, notably of metals and such non-traditional exports as textiles and agro-industrial goods, as well as strong output growth of around 6% per year,' said Paiz-Fredel. 'While the commodity export bonanza has underpinned rising tax revenues in Peru, modest spending restraint through the first half of 2006 has kept fiscal deficits low and may even yield a government surplus this year.' Furthermore, the smooth political transition that took place in July supports the upgrade, with President Alan Garcia's inaugural speech and cabinet appointments pointing toward a continuity of the macroeconomic policies that have served Peru so well in recent years. Peru remains vulnerable to a global economic downturn and a consequent commodity price correction. Metals prices - specifically, for copper, gold, molybdenum and zinc, which figure heavily in Peru's exports-have experienced a spectacular rise since mid-2003. While a downward price correction for metals can be expected in the coming years, global supply and demand fundamentals appear sufficiently robust to alleviate concern about a sudden commodity price shock in the near term. To participate in the teleconference, U.S. and Canadian participants should call +1-877-241-2557; Latin American and other international participants should dial +1-706-643-7396 five minutes prior to the 11a.m. EDT start time and give the title of the call 'Peru Teleconference' or the call leader name 'Theresa Paiz-Fredel'. To ensure that sufficient telephone lines are available for all companies, use internal conferencing capabilities if available. Interested parties who are not available for the teleconference will be able to hear a replay of the call starting Sept. 6, at 1:00 p.m. EDT until Sept. 13 at 11:59 p.m. EDT. U.S. and Canadian listeners should dial +1-800-642-1687; Latin American and other international listeners should dial +1-706-645-9291. For the replay, you must use the Reference Number '5469717'. A special report will also be available shortly on the Fitch Ratings web site at 'www.fitchratings.com.' Contact: Theresa Paiz Fredel +1-212-908-0534 or Shelly Shetty +1-212-908-0534, New York.