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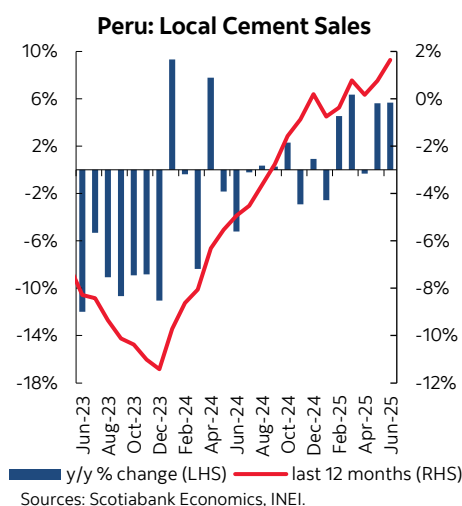
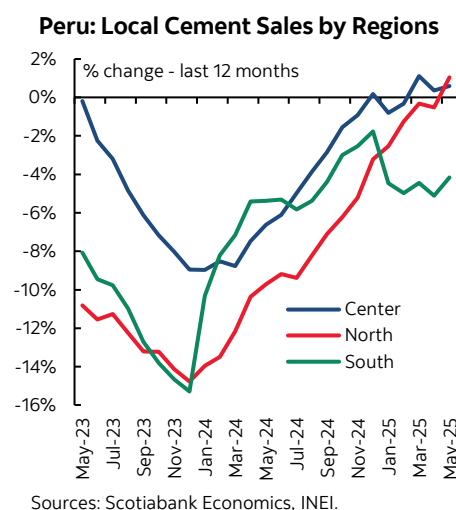
Latam Daily: Peru Cement Sales Reinforce Construction Gains

Peru: Cement sales grew for the second consecutive month in June

In June, cement sales in Peru experienced growth for the second consecutive month. Local sales increased by 5.7% y/y, mirroring the growth recorded in May (chart 1). In terms of volume, sales reached 984,000 tons, aligning with our expectations and representing the third-highest monthly volume during the first half of 2025, according to the Association of Cement Producers (Asociación de Productores de Cemento-ASOCEM). The primary driver of this increase was higher demand from the self-build segment, which accounts for 70% of total cement consumption. This surge is linked to a gradual recovery in formal private employment and the relative stability of construction material prices. Although there was a slight rise in the average price of cement in Metropolitan Lima in June (30.51 soles per bag) compared to May, this price remains lower than at the end of 2024 (30.60 soles per bag), according to data from the National Institute of Statistics and Informatics (Instituto Nacional de Estadística e Informática-INEI).

ASOCEM reports that cement consumption during the first 1H25 rose by 3.1%, primarily driven by increased demand from the self-build segment. This is reflected in the recovery trend of cement consumption in recent months, especially in central and northern regions of the country (chart 2). Based on INEI figures, we estimate that cement consumption in the northern region grew by 6% between January and May. Another indicator of robust performance in the self-construction segment is the sale of construction bars, which saw a 12% increase from January to May compared to the same period last year, according to INEI statistics. This growth was likely fueled by heightened demand for public sector projects, as the physical progress of such projects—a proxy for public works—rose by 6.7% in May, according to INEI. Furthermore, the real estate sector, particularly in Lima, experienced increased demand for cement, with new mortgage lending rising by 33% from January to May this year compared to the same period in 2024, according to SBS (Superintendencia de Banca y Seguros).

We anticipate that cement consumption will continue to grow in July at a rate like that of June, expecting the volume sold could surpass 1 million tons. It's worth noting the base effect, as cement consumption in July 2024 was lower than in the previous year. Given the results from the first half of 2025, we maintain a positive outlook for the year, consistent with our projection of 4% growth in the construction sector, which we expect to exceed the modest growth observed in 2024.

Chart 1

Chart 2


—Carlos Asmat

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