

# BANCO CENTRAL DE RESERVA DEL PERÚ

## Informative note on the Monetary Program: February 2001

1. As anticipated in the Monetary Program Report for 2001, The Central Reserve Bank Board of Directors established that, on the first Friday of each month, the Bank would announce the range for the average daily balance of the current accounts held by banks at the Central Bank, to be taken as benchmark for monetary operations during the month. Additionally, the Bank will announce the interest rates to be maintained during the month for monetary regulation credits and overnight deposits held by banks at the Central Bank.

For the month of February, the range referred to in the previous paragraph will be **S/. 125 - S/. 135 million as a daily average**. In January, the said balance was S/. 128 million.

2. The Central Bank Board of Directors also established that the following interest and commission rates would be used in domestic-currency Central Bank operations:
  - a. For monetary regulation credits in domestic currency, the effective interest rate would be **the average of the top-decile interbank interest rates, or 12,5 percent, whichever is highest**. This rate has been maintained at its current level since January 4, when it was reduced from 14,0 percent.
  - b. For overnight deposits in domestic currency held by banks at the Central Bank, the effective interest rate will be **4,5 percent**. Until February 1, this rate was equivalent to the average obtained by the Central Bank for overnight deposits abroad (approximately 6,0 percent in January).
  - c. For foreign exchange temporary purchase operations (swap operations), the commission will be 0,01720 percent, equivalent to an effective **12,5 percent** annual cost. This cost has been maintained at its current level since January 4, when it was reduced from 14 percent.
3. The following interest rates will be used in foreign-currency operations:
  - a. The effective annual rate for monetary regulation credits will be **8,5 percent**. This rate has been maintained at its current level since 17 November, when it was reduced from 10,0 percent.
  - b. For overnight deposits held by banks at the Central Bank, the rate is equivalent to the average obtained by the Central Bank for similar deposits abroad.
4. If justified by financial conditions, the values mentioned above could be modified in order to ensure the attainment of the objective to preserve monetary stability.

Lima, 2 February 2001