

# INSTITUTIONAL ACTIVITIES

## 1. Board of directors

On December 31, 2014, the Board of Directors of BCRP was integrated by Julio Velarde Flores (Governor), Luis Alberto Arias Minaya (Deputy Governor), Francisco González García, Drago Kisic Wagner, Waldo Mendoza Bellido, Jaime Serida Nishimura, and Gustavo Yamada Fukusaki.

The Board held 61 meetings in 2014.

In December 2014, the magazine *The Banker* from the Financial Times Group announced that Mr. Julio Velarde had been nominated the Banker of the Year 2015.

## 2. Transparency and social responsibility

Efficiency and transparency characterize the BCRP in all of its actions. The BCRP monetary policy decisions are informed to the public through various communication schemes.

### 2.1 Transparency

The Board of the BCRP informs the public about monetary policy decisions through the **Monetary Program Comunicués** released each month. The BCRP provides information about the policy interest rate, the interest rates on rediscount operations, and the interest rates on overnight deposits through these comunicués which are published on the BCRP website ([www.bcrp.gob.pe](http://www.bcrp.gob.pe)), disseminated through press releases, and emailed to subscribers. Teleconferences are also held with the media to inform the public about these decisions.

In 2014 the **Inflation Report** was published in April, July, and October. The Inflation Report discusses the BCRP monetary policy actions, provides an analysis of economic developments, explains the evolution of inflation, and provides forecasts on inflation and the main macroeconomic variables.

Governor Julio Velarde met with Congress representatives on several occasions in 2014. On September 30, he explained the 2015 budget's macroeconomic assumptions before the members of the Budget and General Account Committee and on October 22, he spoke before the Congressional Committee of Economy, Banking, Finance, and Financial Intelligence on "Resultados y perspectivas de la política monetaria en el contexto macroeconómico nacional e internacional".

Other BCRP officials also spoke before Congress in 2014 to provide additional information about monetary policy and some national economic issues.



The indicators of the BCRP administrative and budget management as well as the BCRP Financial Statements, audited by internationally renowned auditing firms, are published in the Transparency section of the Bank's website ([www.bcrp.gob.pe](http://www.bcrp.gob.pe)).

In compliance with the Transparency and Access to Public Information Act, in 2014 the BCRP answered 36 information requests submitted by different citizens.

## 2.2 Dissemination of economic information

In 1914 the BCRP continued informing the public about national finances through the publication and dissemination of studies and macroeconomic statistical data such as the Inflation Report, the Weekly Report, the Annual Report, the Financial Stability Report, the journals Estudios Económicos and Moneda, the Weekly Economic Report, Notas de Estudios, the Working Papers, and the Síntesis de Actividad Económica prepared by the BCRP Branch Offices. Informative Notes on the evolution of the main economic variables and the main institutional events were also sent to the media.

The BCRP also organized talks on the mission and roles of the Central Bank and on the security features of banknotes and coins in Lima and in other cities of the country, as well as institutional and academic events to discuss economic issues of interest.

## 2.3 Social responsibility

In 2014 the Central Bank continued contributing to education and culture in our country by offering courses, organizing contests, and providing free access to its museums and library, among other activities and services.

### **Courses**

- **Extension Course for Economists**  
The BCRP contributes to disseminate new knowledge in the field of economics in 2014 through the Extension Course for Economists it offers each year. Thirty-five students of economics from various public and private universities of Lima and other cities of the country participated in the Course offered this year. The best students of the course are invited to integrate the Bank's technical staff.
- **Advanced Finances Extension Course**  
Thirty students from different universities and different academic fields interested in specializing in financial themes were selected to participate in the VII Extension Course of Advanced Finances. The best students were also invited to form part of the BCRP staff.
- **2014 Refresher Course in Economics**  
Students of economics from different universities of the country learned about the latest trends in the fields of macroeconomics, microeconomics, econometrics, and mathematics. The best students were invited to participate in the LXII Extension Course for Economists 2015.
- **2014 Course for Economics Faculty**  
Twenty-one professors from different universities of the interior of the country and five professors from universities located in Lima were trained in different aspects of macroeconomics, microeconomics, econometrics, and project evaluation to improve the education standards in these fields.

### **Contests**

- **Research Contest for Junior Economists**  
The winners of the 2013-2014 Research Contest for Junior Economists "Luis Felipe de las Casas Grieve" were María Andrea Gastañadú González and Mariel Raisa Bedoya Guevara of Universidad de Piura, Campus Lima, for their paper "Efectos persistentes del desarrollo de culturas

pre-incas en la región noreste del Perú". Alvaro Esteban Cox Lescano and Angel Rómel Guillén Longa, of Pontificia Universidad Católica del Perú, were awarded the second prize for their paper "Interrelaciones sectoriales entre las Regiones: un análisis de las dinámicas productivas en las regiones usando panel VARX".

- **BCRP Contest for School Students**

The first prize of the IX BCRP School Contest 2014 was awarded to "Emprendimiento peruano: ¡Una carrera por pulir para alcanzar el éxito!", the paper submitted by students of Colegio Mayor Secundario Presidente del Perú, Lima. The second prize was awarded to the students of Colegio Torres Luna, of Puno, for the paper "Limitaciones en el emprendimiento empresarial en el Distrito de Acora en la Región Puno", and the third prize was awarded to students of school La Campiña of Arequipa for their paper "Ser y hacer para emprender".

- **Short Novel Contest "Julio Ramón Ribeyro"**

The panel of judges of the 2014 Short Novel Contest, integrated by Abelardo Oquendo, Alonso Cueto, Mirko Lauer, Marcel Velásquez, and Francesca Denegri, decided not to make an award this year.

- **2014 National Painting Contest**

The winner of the Sixth National Painting Contest organized by BCRP was artist Mónica Piqueras Bertie with her work "Iqaro". The second prize was awarded to Israel Tolentino Cotrina for his work "Yvaparé". The judges gave an honorable mention to Antonio García Castillo for his work "Madre Selva". The winning works were exhibited at the BCRP Museum from November 18 to November 30. The panel of judges included Moico Yaker, Christian Bendayán, Angela Delgado, Natalia Majluf, and Luis Eduardo Wuffarden.

### **Publications**

In 2014 the BCRP and Instituto de Estudios Peruanos co-published three books: "El Banco de la Emancipación. Edición y estudio introductorio de Dionisio de Haro Romero", by Carlos Camprubí; the Vth Volume of Compendio de Historia Económica del Perú: "La Economía Peruana entre la Depresión y el Reformismo, 1930-1980", by Luis Zegarra, Juana Kuramoto, Manuel Glave, Nelson Manrique, Miguel Jaramillo, Rosa Huamán, Gonzalo Pastor, Luis Ponce and Carlos Parodi, and "Minería y reformismo borbónico en el Perú: Estado, empresa y trabajadores en Huancavelica, 1784-1814", by Isabel Povea Moreno.

### **Museum**

In 2014, the BCRP museums attracted 148,622 visitors.

The BCRP Museum also participated in exhibitions both in Peru and in several other countries. The former included "Castillo de Huarmey. El Mausoleo Imperial Wari", organized by the Museo de Arte de Lima (MALI) from September 26 to October 7; the exhibition "Mestiza" of visual artist Claudia Coca organized by the Museo de Arte Contemporáneo de Lima (MAC), Barranco, from July 16 to October 5, and "José Gil de Castro, pintor de libertadores" organized by Museo de Arte de Lima (MALI) and Museo Nacional de Bellas Artes, Santiago de Chile, from October 21 to March 24, 2015.

The participation of the BCRP Museum in international exhibitions included the following exhibitions: "Perú: Kingdoms of the Sun and the Moon" in Seattle Art Museum, from October 17, 2013 to January 25, 2014 and "Eternal Gold: Treasures from Ancient Peru", exhibition organized by the National Geographic Society, in Washington from April 10 to September 20 and at the Irving Arts Center, Dallas, from October 1, 2014, to January 2, 2015.

The BCRP Museum was also present in the XIIIth Fair "Los Museos a tu alcance", held at the Museo Metropolitano on May 16-17; the XIXth International Book Fair of Lima, carried out at Parque Los Próceres in Jesús María, from July 18 to August 3; the Book Fair at Club Regatas, Chorrillos, in September 19-28; the Feria Educativa y de Responsabilidad Social Empresarial held at Centro Comercial Plaza Norte



in September 23-28; the 1st International Book Fair of Cusco, in November 7-16; the VIth International Book Fair of Arequipa, from November 26 to December 8, and the XXXVth Book Fair Ricardo Palma, held at Larcomar from November 14 to November 30.

As part of its social responsibility program, the Museum showed 18 theater plays and 46 films in its movie theater between January and December. The Museum also participated in the XVIIIth Film Festival of Lima and in the XXVIth Festival of European Films, and carried out 24 social responsibility activities with school children who live in conditions of extreme poverty.

The Museum also organized ten craft workshops and held the IVth Feria Navideña with the participation of 21 artisans. In addition to this, the BCRP Museum hosted the VIIIth Seminar of Numismatics "La numismática peruana en el coleccionismo mundial" on October 15.

### **Library**

During 2014, the BCRP Library lent a total of 58,469 documents, including books and periodical publications and attended 8,451 request reeding in the room.

As part of its modernization program, the Library also continued updating its collection of specialized publications and bought 156 titles of printed or digital periodical publications. The BCRP Library currently has access to a total of 89 publications with online access and to 8 databases specialized in economic and financial topics.

## **3. Meetings and events**

In 2014 the BCRP authorities and officials participated in various international and national meetings. The main events included the following:

### **3.1 International meetings**

- BIS Bimonthly Meeting of Governors of BIS Member Central Banks, held in Basel, Switzerland, January 12 - 13.
- Seminar "OTC Derivatives Global Reform", organized by Banco Central de Chile and the International Monetary Fund (IMF), held in Santiago de Chile, January 28 - 30.
- BIS Bimonthly Meeting, held in Sydney, February 23 - 24.
- BIS Meeting of Emerging Markets Deputy Governors", Basel, March 6 - 7.
- "InPeru Road Show New York 2014", organized by Asociación inPERU, in New York, March 6 - 7.
- Forum "Estabilidad Financiera y Riesgo Sistémico", organized by the International Monetary Fund (IMF) and held in Washington on March 14.
- LXXIII Ordinary Meeting of the Board of Fondo Latinoamericano de Reservas (FLAR), held in Bogotá, Colombia, on March 17.
- Seminar on "Portfolio Management for Central Banks", organized by the Bank of Italy in Rome on March 26 - 28.
- First Meeting of the Consultative Group of Directors of Operations in the Americas Region, organized by the BIS and the Bank of Mexico, in Mexico D.F., March 27 - 28.
- Annual Meetings of the Assembly of Governors of the International Development Bank (IDB) and the Inter-American Investment Corporation, held in Bahía, March 27 - 30.

- XCVII Meeting of the International Monetary Law Committee, organized by the International Law Association (MOCOMILA) in Washington, April 7 – 9.
- Spring Meetings of the IMF, the World Bank, the G-24, and 39th Meeting of the Network of Central Banks and Finance Ministries, organized by the IDB, Seminar “Reinventing Bretton Woods Committee”, and “International Capital Markets and Emerging Markets Roundtable”, in Washington, April 9 - 13.
- XVII Meeting of the Working Party on Payment Systems in Latin American and the Caribbean Central Banks, organized by CEMLA in Mexico D.F., April 24 - 25.
- BIS-CAA High-Level Roundtable on Financial Sector Issues; XCVII Meeting of CEMLA Governors, and LXXIV Extraordinary FLAR Meeting, organized by CEMLA, FLAR, and BIS, in Sao Paulo, April 26 - 30.
- XIV Meeting on Central Bank Accounting Aspects, organized by CEMLA and the Central Bank of Uruguay, in Montevideo, May 6 - 9.
- BIS Bi-Monthly Meeting, held in Basel, May 11 – 12.
- High Level Conference on the International Monetary System, organized by the IMF and the Swiss National Bank, Zürich, Switzerland, May 13.
- Plenary Meeting of the Working Party on Financial Integration (GTIF), organized by the Union of South American Nations (UNASUR), Buenos Aires, May 22.
- Conference “Retos al Cambio de las Condiciones Financieras Internacionales”, organized by the BIS, Bogota, May 22 - 23.
- XXVII Meeting of Governors of Central Banks of South America, organized by MERCOSUR and the Central Bank of Argentina, Buenos Aires, May 22 - 23.
- BIS Meeting of Database Experts, Basel, June 5 - 6.
- Annual Executive Meeting with Investors, organized by the Peruvian Business Council, New York, June 12 - 13.
- X Meeting of Monetary Policy Managers, organized by CEMLA, held in Asunción, June 19 - 20.
- BIS Bi-Monthly Meeting, General Annual Meeting of Governors, and 13th BIS Annual Conference 2014, Basel, June 26 - 29.
- 10th Central Banking Seminar, organized by the European Central Bank in Frankfurt, July 7 - 11.
- “Incorporando consideraciones de estabilidad financiera en los modelos de los bancos centrales”, organized by the BIS, Mexico D.F., July 21 - 25.
- VIII Jornada Monetaria, organized by the Central Bank of Bolivia, held in La Paz, July 24.
- XX Meeting of the Working Party on Financial Integration, organized by the Union of South American Nations (UNASUR) and IV Meeting of the South American Council on Economy and Finances, organized by UNASUR and the Ministry of Economy and Finance of Argentina, in Buenos Aires on July 24 - 25.



- LXXV Extraordinary Meeting of the Board of Fondo Latinoamericano de Reservas (FLAR) and IX FLAR-CAF International Conference of Economic Studies, organized by FLAR in Cartagena, July 24 to 26.
- High-level Seminar on “Regional Macroeconomic Strengths and Challenges”, organized by the FLAR and Banco de México, in Mexico D.F., on July 25.
- III Meeting of Government Specialists in Statistics of Services Trade, organized by ALADI, in Montevideo, July 30 to 31.
- International Seminar of the Remittances Program, organized by CEMLA, in Mexico D.F., August 18 to 19.
- “38th Economic Policy Symposium”, organized by the Federal Reserve Bank of Kansas City, Wyoming, August 21 to 23.
- Conference “Supervisión Financiera”, organized by Superintendencia de Bancos de Guatemala, Guatemala City, August 28 - 29
- “InPerú VII Road Show Europe 2014”, carried out in Madrid, Zurich, and London, September 1 to 5.
- BIS Bi-Monthly Meeting of Governors, Basel, September 7 - 8.
- “First IMF Central Bank Forum for Developing Markets”, Paris, September 9-10.
- Seminar “Entidades no Bancarias ofertantes de Servicios de Pago”, organized by the Central Bank of Brazil, Brasilia, September 9-10.
- LXXVI Ordinary Meeting of the Board of the FLAR, in Bogota, Colombia, September 22.
- “7th Peru Investment Forum”, organized by the Peruvian Business Council, New York, September 21 to 24.
- “18th Annual Working Party on Monetary Policy in Latin America”, organized by the BIS, Mexico D.F., September 22 to 23.
- Seminar “Desarrollo y mejora de las cuentas financieras sectoriales”, organized by the Central Bank of Brazil, Rio de Janeiro, September 25 to 26.
- Seminar “Monetary Policy and Financial Stability”, organized by the Central Bank of Nicaragua, Managua, September 25 to 26.
- XII Meeting of Central Bank Treasurers and IV Meeting of Anti-Counterfeiting Experts, organized by CEMLA, Santiago de Chile, October 6 to 10.
- “38th Annual Central Banking Seminar”, organized by the Federal Reserve Bank, New York, October 6 to 10.
- Meeting of the Study Group on Capital Flows, organized by the BIS, New York, October 7.
- Annual Meetings of the IMF, WB, G-24, IDB, and CEMLA, Washington, October 8 to 15.
- Meeting of the OECD Advisory Task Force on the OECD Codes of Liberalization and of the Committee of Financial Markets, organized by the Organization for Economic Cooperation and Development (OECD), Paris, October 22 to 24.

- IV Meeting on Financial Stability and Workshop on Banking Systems in Emerging Economies and Financial Integration, organized by CEMLA, Madrid, October 22 to 24.
- Conference “Vínculos Financieros entre Países”, organized jointly by the BIS and the Central Bank of New Zealand, Wellington, October 23 to 24e.
- XXVIII Meeting of Central Banks and Government Institutions, organized by the FLAR, Cartagena, November 5 - 7.
- VII Meeting of Open Market Operators, organized by CEMLA, Santiago de Chile, November 6 to 7.
- BIS Bi-Monthly Meeting, Basel, November 9 - 10.
- “Primera Edición de la Semana Internacional de Gestión de Riesgo”, organized by Corporación Andina de Fomento (CAF) and the Central Bank of Brazil, Brasilia, November 10 to 13.
- “Jornadas Monetarias y Bancarias”, organized by Banco Central de la República Argentina, Buenos Aires, November 18.
- Meetings of the Latin American and Caribbean Economic Association (LACEA), organized by the FLAR, Sao Paulo, Brazil, November 21.
- Second Meeting of the BIS CCA Consultative Group of Directors of Financial Stability, organized by BIS, Panamá City, November 25.
- XVI Meeting of Central Bank Communication, organized by CEMLA and the Central Bank of Chile, Santiago de Chile, November 25 - 26.
- International Seminar of Central Banking, organized by Banco de España, Madrid, December 1 to 5.
- Seventh Latin American Forum for Communications Heads and Spokespersons of the Ministries of Finance and Central Banks, organized by the World Bank and the Central Bank of Ecuador, Quito, December 2 to 3.
- FLAR Board Meeting, Bogotá, December 3.
- Conference “Desafíos para asegurar el crecimiento y una prosperidad compartida en América Latina”, organized by the Central Bank of Chile, Santiago de Chile, December 5 to 6.
- Fifth IMF Roundtable of Sovereign Reserve Asset Managers”, organized by the IMF, Washington, December 8 to 9.
- Seminar “Financial Stability and Macroprudential Policy”, organized by the IDB, Río de Janeiro, December 11.

### 3.2 National meetings and events

- Lecture “¿Tiene el presupuesto participativo algún impacto en la calidad de los servicios públicos? El caso del sector de agua y saneamiento”, delivered by Miguel Jaramillo, GRADE.
- Lecture “Los efectos de Basilea III en la banca internacional”, delivered by Professor Angel Vilariño, international consultant.
- Lecture “Política monetaria en economías emergentes en un entorno de volatilidad de flujos de capitales”, delivered by Professor José de Gregorio, Universidad de Chile.
- Lecture “¿Cómo los inversionistas extranjeros afectan la actividad económica doméstica? Evidencia de China e India”, delivered by Professor Christian Lunblaud, Duke University.



- Lecture “La dinámica de los precios de terrenos y las fluctuaciones macroeconómicas”, delivered by Professor Lawrence Christiano, Northwestern University.
- Lecture “Decisiones de política monetaria usando datos en tiempo real”, delivered by Professor Klaus Schmidt-Hebbel, Universidad Católica de Chile.
- Lecture “Evolución del concepto de la numismática en nuestro medio” celebrating the Xth Anniversary of Museo Numismático del Perú.
- Forum on Forestry Development.
- Presentation of document “Perspectivas Económica de la Región – REO”, delivered by Alejandro Werner, director of the International Monetary Fund’s Western Hemisphere Department.
- Lecture “Bancos, manejo de liquidez y política monetaria, delivered by Professor Saki Bigio”, Columbia University.
- Seminar “Análisis, políticas y herramientas macroprudenciales – Riesgos emergentes, prociclicidad e instituciones financieras de importancia sistémica”, co-organized with FSI and CEMLA.
- Lecture “Private Profits and Socialize Losses?”, delivered by Professor Benjamin Bental, University of Haifa.
- Seminar “Competencia en los sistemas de pago”, organized jointly with the World Bank.
- “Encuentro Económico de la Región Moquegua”.
- Lecture “Sovereign Debt Sustainability in Advance Economies”, delivered by Professor Jean Charles Rochet.
- Seminar “70 Years after Bretton Woods: Managing the Interconnectedness of the World Economy”, organized by BCRP and the Reinventing Bretton Woods Committee.
- Lecture “Macroprudential Policy with Liquidity Panics”, delivered by Alonso Villacorta, Stanford University.
- Course “Políticas Macroprudenciales”, co-organized with CEMLA and the IMF.
- Forum on Financial Inclusion, co-organized with CEMLA.
- VIII Seminar of Numismatics: “La numismática peruana en el coleccionismo mundial”.
- Course “Gestión de riesgos financieros en la banca central”, co-organized with CEMLA.
- LVI Meeting of ALADI’s Advisory Committee on Financial and Monetary Affairs.
- Conference of Comité Latinoamericano de Asuntos Financieros – CLAAF.
- Seminar on Capital Flows, organized by BCRP and IDB.
- XXVIII Meeting of Governors of South American Central Banks.
- XXX Encuentro de Economistas.
- Lecture “Perspectivas de la economía mundial y los desafíos del empleo”, delivered by Doctor Peter Diamond, Professor of Economics at Massachusetts Institute of Technology (MIT) and Nobel Prize in Economic Sciences for 2010.
- Presentation of Volume V of Compendio de Historia Económica del Perú



#### 4. Branch offices

The BCRP is represented in other cities by the branch offices it has in the cities of Arequipa, Cusco, Huancayo, Iquitos, Piura, Puno, and Trujillo. The main role of the BCRP branches is to develop and disseminate studies and reports on the economy of the country's 23 departments and ensure that each area has the appropriate supply of banknotes and coins required by the financial system. In addition to this, the BCRP branches organize lectures and courses on the economy of the region and the country, and organize talks on the security features of banknotes and coins.

The document *Síntesis de Actividad Económica* prepared by the Branch Offices is published on a monthly basis on the web page of the BCRP. This document provides information about both the economic development of each region, as well as statistical data on production and employment, the financial system, the external sector, and non-financial public expenditure. The Branch Offices also provide information about the economic characteristics and main tourist attractions of each region.

In 2014, BCRP officials made presentations of the Inflation Report in each of the BCRP Branches after the publication of the Inflation Report in the months of April, August, and October. The document *Síntesis de Actividad Económica* about each region was also discussed during these events.

"Encuentro Económico Región Moquegua", carried out in the city of Ilo, Moquegua, was an interesting forum for the discussion of subjects such as current economic trends in the Peruvian economy; economic challenges and prospects for Moquegua; infrastructure and regional development; management of water resources; the outlook for agriculture and mining in the region; competitiveness, building institutions, and development of capabilities, and making enterprise happen: experiences and opportunities. Participants received a copy of the book "*Informe Económico y Social Región Moquegua*", elaborated and published by BCRP.

Moreover, the lectures "*Situación Actual y Perspectivas de la Economía de Piura 2014*" and "*Las Oportunidades Comerciales en el Marco de los Tratados de Libre Comercio Suscritos por el Perú*" were delivered at the Branch Office of Piura. It should be pointed out that an agreement was established with Universidad Nacional de Piura to support the university researchers to elaborate the document entitled "*Propuesta de un Índice de Seguimiento y Evaluación de la Actividad Económica del Departamento de Piura: 2001-2013*".

In the City of Trujillo, BCRP officials participated as speakers in the V Encuentro Científico Internacional with "*El Traspaso del Tipo de Cambio a Precios en el Perú*" and delivered the lecture "*Desarrollos Recientes y Perspectivas de la Economía Peruana*" at the Branch Office. In addition to this, they participated in the events organized in the frame of the Mining Week with the lecture "*Perspectivas Económicas de la Región Norte y Contribución de la Minería en la Región La Libertad*".

The international seminar "*70 Years after Bretton Woods: Managing the Interconnectedness of the World Economy*", organized by BCRP and the Reinventing Bretton Woods Committee, was held in the City of Cusco. Participants included the representatives of the central banks of Colombia, Chile, Spain, France, Indonesia, Mexico, South Africa, the European Union, and Peru, as well as IMF and the World Bank officials.

It is also worth mentioning that the BCRP Branch Office of Arequipa participated in the Sixth International Book Fair held in this city in November and that the BCRP Branch Office of Cusco participated in the First International Book Fair "*Qillqa Raymi*", selling books and painting reproductions and offering talks about the security features of Peruvian banknotes.

During 2014, the BCRP contributed to the decentralized selection of the semifinalists of IX Contest for School Students, a competition that seeks to foster the development of a financial "culture" among secondary senior students.



Furthermore, in 2014 the BCRP branch offices continued providing training on the security features of banknotes and coins to the personnel of financial entities and the general public. A total of 16,681 people attended the 572 talks delivered over the year.

The museums of the branch offices of Trujillo, Arequipa, and Piura were visited by 38,250 visitors, 1.4 percent more visitors than in 2013. The museum of the BCRP branch office in Trujillo was visited by 29,654 people; that is, 77.5 percent of the total number of visitors that visited the BCRP museums during the year.

## 5. Currency management

With the aim of promoting the rich cultural heritage of our country while encouraging numismatic culture at the same time, in 2010 the Central Bank started issuing the coins of its Numismatic Series "Wealth and Pride of Peru" (Riqueza y orgullo del Perú series). In 2014, the BCRP issued 3 coins: the coin reproducing the "Sacred City of Caral" (Lima) was issued in April; the one with the design of the "Huaca de la Luna" (La Libertad) in August, and the one reproducing the building of "Antiguo Hotel Palace" (Loreto) in December. It should be mentioned that the number of coins issued increased from 10 to 12 million units after the coinage of the Nuevo sol featuring the Huaca de la Luna due to collectors' high demand for the series. A total of 18 coins of the 26 coins of this series had been issued by December 2014.



In addition to this, the Central Bank issued four commemorative silver coins: silver coins commemorating the "100 años del natalicio de José Abelardo Quiñones" and "175 años del diario El Comercio" were issued in April, and silver coins celebrating "50 años de ESAN" and "125 años del Banco de Crédito del Perú" were issued in July and November, respectively.

Silver coins of Un Sol de Oro and Medio Sol de Oro issued in 1934 and 1935, respectively, as well as silver coins expressed in Soles de Oro, Intis, and Nuevos Soles were also made available for sale.

In 2014, the coin of Un Nuevo sol featuring the Inca Temple of Huaytará in Huancavelica (issued in March 2013) was awarded the Nexonum Prize as the best legal tender in the world for its design and finish. The coin was elected the best legal currency by Grupo Nexo of Spain, a 25 year-old organization that brings together representatives of organizations and associations of philately and numismatics in America and Europe.

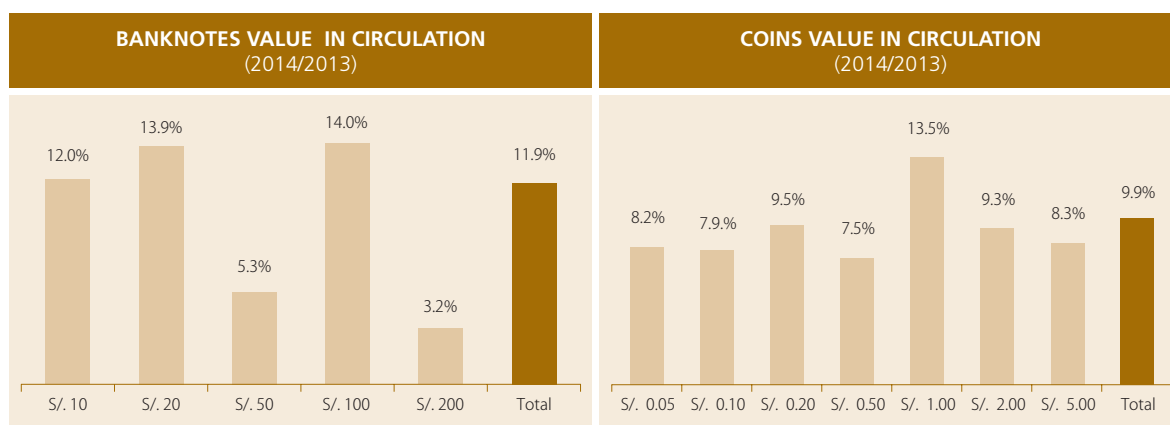
In addition to this, Peru's banknote of 100 nuevos soles issued in December 2013 was elected the best Latin American banknote in the frame of Conferencia de Impresión de Alta Seguridad organized by Reconnaissance International Limited, a worldwide leading company in security features for banknotes and high security documents, held in Santiago de Chile in June 2014.

New banknotes of 10 and 20 nuevos soles were also put into circulation in November. These notes, which circulate simultaneously with the previous versions of 10 and 20 nuevos soles, have the same security features as the other Peruvian banknotes, but the new banknote of 10 soles differs in its more intense predominant green color while a predominantly brown color and blue details stand out as the new features in the new banknote of 20 soles.

The BCRP intensified the information campaigns on the security features of banknotes, training instructors of different banks in various cities where the BCRP does not have branch offices. In addition to this, an intense information campaign on the security features was carried out through radio and television interviews and through newspaper ads published nationwide, especially during the celebration of regional festivities, which are periods during which people use large sums of cash for different purposes. Information campaigns were also carried out using social networks like Facebook and Twitter.

### 5.1 Banknotes and coins in circulation

In 2014 currency in circulation was higher than in 2013 both in terms of value and in terms of units in circulation. At December 2014 the value of banknotes in circulation was S/. 45.57 billion (11.9 percent higher than at end 2013), while the value of coins in circulation was S/. 1.97 billion (9.9 percent higher than at end 2013).



In terms of units, the balance of units of banknotes in circulation was 713 million banknotes at the end of 2014 (11.8 percent higher than at the end of 2013), while the balance of coins was 3.20 billion coins (9.1 percent higher than at the end of the previous year).

The use of banknotes in the denomination of S/. 100 stands out in terms of both value and units, which would be reflecting the increased demand for these notes to make transactions as well as banks' preference to supply these notes in their ATMs and bank facilities.

On the other hand, the demand for 1 sol coins stands out in the case of coins, reflecting in part domestic demand as well as the public's significant interest in collecting the coins of the numismatic series Wealth and Pride of Peru.

### 5.2 Coin minting

The National Mint produced 290 million coins in 2014. The largest production of coins was coins in the denominations of one Nuevo Sol (S/. 1) and ten cents (S/. 0.10), which together represented 62 percent of the total of coins produced.



PRODUCTION OF COINS			
Denomination	Alloy	Quantity (Million units)	Monetary value (Million nuevos soles)
S/. 0.05	Aluminum	35.0	1.75
S/. 0.10	Brass	76.0	7.60
S/. 0.20	Brass	27.0	5.40
S/. 0.50	Nickel-silver	33.0	16.50
S/. 1.00	Nickel-silver	104.0	104.00
S/. 2.00	Bi-metal	6.0	12.00
S/. 5.00	Bi-metal	9.0	45.00
<b>TOTAL</b>		<b>290.0</b>	<b>192.25</b>

Source: BCRP.

### 5.3 Destruction of banknotes and coins

A total of 217.3 million banknotes with a monetary value equivalent to S/. 8.89 billion was withdrawn from circulation and destroyed in 2014. Moreover, 64 percent of the banknotes destroyed was banknotes in the denominations of ten soles and twenty soles (S/. 10 and S/. 20).

In addition to this, a total of 30.8 million units of coins –with a monetary value of S/. 11 million– was melted in 2014 (62 percent more than in 2013).

DESTRUCTION OF BANKNOTES		
Denomination	Quantity (Million units)	Monetary value (Million nuevos soles)
S/. 10	79.1	791.3
S/. 20	59.9	1,197.6
S/. 50	21.3	1,066.8
S/. 100	55.5	5,547.1
S/. 200	1.4	288.8
<b>Total</b>	<b>217.0</b>	<b>8,891.6</b>

Source: BCRP.

MELTING OF COINS		
Denomination	Quantity (Million units)	Monetary value (Million nuevos soles)
S/. 0.05	--	--
S/. 0.10	14	1.5
S/. 0.20	5.6	1.1
S/. 0.50	4.6	2.3
S/. 1.00	6.1	6.1
S/. 2.00	--	--
S/. 5.00	--	--
<b>Total</b>	<b>30.8</b>	<b>11.0</b>

Source: BCRP.

## 6. Circulars

During 2014 the BCRP issued forty-five circulars: fourteen circulars about reserve requirements regulations, two about monetary instruments, three about ALADI and payment agreements, one about Reports, one about the maximum investment limits for the Administrators of Pension Funds, nine about banknotes and coins, three about first-class banks, and twelve about the daily adjustment index established in article 240 of Law 26702, General Law for the Financial and Insurance Systems and the Organic Law of the Superintendence of Banks and Insurance Companies. The circulars issued in 2014 were the following:

- **Reserve Requirements**

Circular 003-2014-BCRP (30/01/2014)

Circular 004-2014-BCRP (30/01/2014)

Circular 006-2014-BCRP (01/03/2014)

Circular 007-2014-BCRP (01/03/2014)

Circular 009-2014-BCRP (28/03/2014)

Circular 019-2014-BCRP (10/06/2014)

Circular 020-2014-BCRP (10/06/2014)

Circular 029-2014-BCRP (11/08/2014)

Circular 036-2014-BCRP (31/10/2014)

Circular 032-2014-BCRP (23/08/2014)

Circular 039-2014-BCRP (28/11/2014)

Circular 040-2014-BCRP (28/11/2014)

Circular 044-2014-BCRP (30/12/2014)

Circular 045-2014-BCRP (30/12/2014)

- **Monetary Instruments**

Circular 017-2014-BCRP (07/05/2014)

Circular 031-2014-BCRP (15/09/2014)

- **ALADI and Payment Agreements**

Circular 002-2014-BCRP (28/01/2014)

Circular 015-2014-BCRP (21/04/2014)

Circular 022-2014-BCRP (24/06/2014)



- **Reports**

Circular 043-2014-BCRP (23/12/2014)

- **Investment Limit for AFPs**

Circular 032-2014-BCRP (17/09/2014).

- **Banknotes and Coins**

Circular 010-2014-BCRP (31/03/2014)

Circular 013-2014-BCRP (16/04/2014)

Circular 014-2014-BCRP (16/04/2014)

Circular 021-2014-BCRP (11/06/2014)

Circular 025-2014-BCRP (14/07/2014)

Circular 026-2014-BCRP (21/07/2014)

Circular 028-2014-BCRP (04/08/2014)

Circular 038-2014-BCRP (21/11/2014)

Circular 042-2014-BCRP (16/12/2014)

- **First-Class Banks**

Circular 012-2014-BCRP (04/04/2014)

Circular 024-2014-BCRP (10/07/2014)

Circular 035-2014-BCRP (02/10/2014)

- **Daily Adjustment Index**

Circular 001-2014-BCRP (January)

Circular 005-2014-BCRP (February)

- Circular 008-2014-BCRP (March)
- Circular 011-2014-BCRP (April)
- Circular 016-2014-BCRP (May)
- Circular 018-2014-BCRP (June)
- Circular 023-2014-BCRP (July)
- Circular 027-2014-BCRP (August)
- Circular 030-2014-BCRP (September)
- Circular 034-2014-BCRP (October)
- Circular 037-2014-BCRP (November)
- Circular 041-2014-BCRP (December)