

BANCO CENTRAL DE RESERVA DEL PERU
WEEKLY REPORT N° 13
March 30, 2001

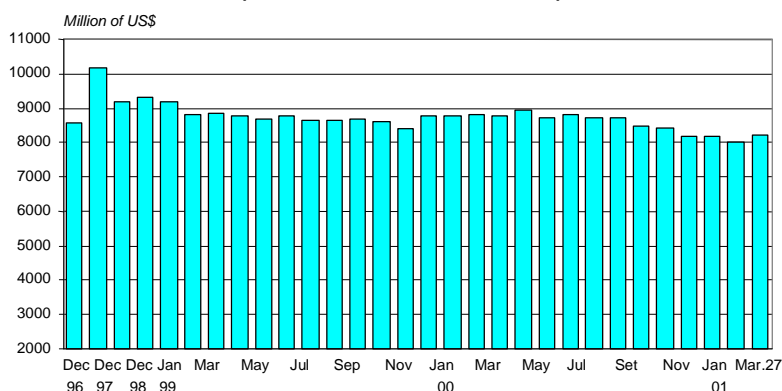
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Net International Reserves increased US\$ 218 million

As of March 27, the net international reserves (NIR) of the Central Reserve Bank of Peru amounted to US\$ 8 235 million up US\$ 218 million from end-February. This increase is mainly due to the increment in financial system deposits (US\$ 266 million), the redemption of liquidity credits to banking institutions (US\$ 14 million), net interest earnings (US\$ 10 million), higher Insurance Deposit Funds deposits (US\$ 7 million) and temporary purchases of foreign currency (US\$ 1 million) that were partially offset by the withdrawal of public sector deposits (US\$ 73 million) and valuation effect (US\$ 7 million). On the other hand, the exchange position amounted to US\$ 2 632 million, down US\$ 5 million from end-February.

**BCRP Net International Reserves
(December 1996 - March 2001)**



Average monetary base at S/. 5 027 million

From March 1 to 27, the daily average balance of the monetary base was S/. 5 027 million, down 0,4 percent from February average. On March 27, the monetary base amounted to S/. 4 967 million, up 0,1 percent (S/. 7 million) from end-February. This increase is due mainly to the withdrawal of public sector deposits (S/. 115 million) and

interest payments and other BCRP operations (S/. 45 million) that were partially offset by overnight deposits (S/. 75 million), the net issuance of CDBCRP (S/. 60 million) and the redemption of temporary purchase of CDBCRP (S/. 20 million).

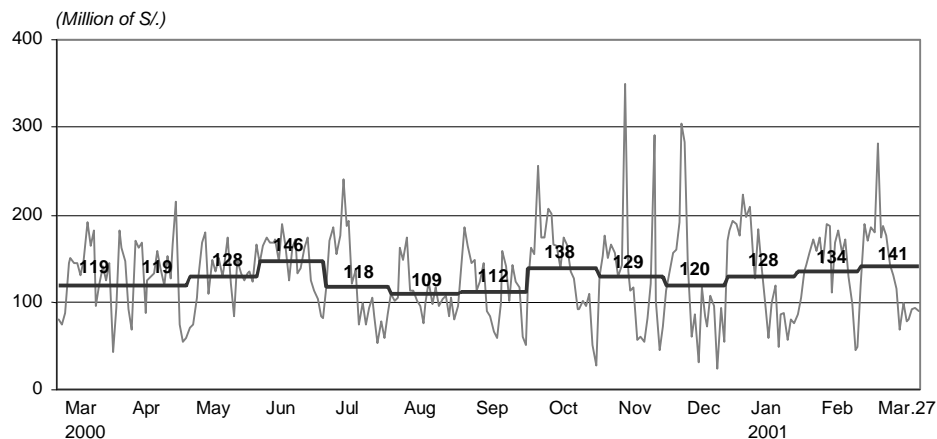
Banks' current account balance at S/. 141 million

From March 1 to 27, the banks' current account was S/. 141 million on a daily average basis, higher than in February (S/. 134 million). From March 21 to 27, the banks' current account was S/. 88 million on a daily average basis. It should be noted that the target announced by the Central Bank for this variable ranges from S/. 128 million to S/. 138 million for March.

**Monetary operations: daily average
(Million of S/.)**

	Current account balance at the end of previous day's operations	Net negative clearance + transfers from Banco de la Nación	Redemption of swaps, repos and rediscounts of the Central Bank	Redemption of CDBCRP	Cash transfers that affect the bank's current account balance	Current account of banking system before Central Bank operations	Central bank operations	Current account after Central Bank operations	Interbank interest rate
Average	1	2	3	4	5		7		
September 2000	113	-31	-16	31	46	149	-32	112	13,3
October	139	-47	-73	22	32	75	65	138	14,5
November	127	-33	-139	21	35		118		14,0
December	120	-38	-107	41	20		83		11,4
January 2001	128	-39	-80	9	60		52		10,8
February	135	-29	-80	22	40		46		11,0
March 1-27	139	-30	18	-21	40		-5		10,4
March									
March 21	99	-116	85	38	61		-90		9,5
March 22	78	-150	70	20	34		30		9,7
March 23	80	-37	0	-30	5		75		9,9
March 26	92	12	0	-75	59		5		9,7
March 27	93	61	0	-5	71		-131		9,9
March 21 to 27	86	-46	31	-10	46		-22		9,7

**Banks' current account at the BCRP
(March 2000 - March 2001)**



On March 21 and 27, the Central Bank issued CDBCRP by S/. 130 millions at an average interest rate of 11,0 percent, at maturity-terms of 16 weeks and 6 months, respectively.

Auctions of CDBCRP

Date	Amount (Million of S/.)	Interest rate (%)	Term
March 21	70	10,9	16 weeks
March 27	60	11,0	6 months

From March 21 to 27, the Bank made 3 temporary purchases of CDBCRP totaling S/. 125 million, at an average interest rate of 9,4 percent.

Temporary purchases of CDBCRP

Date	Amount (Million of S/.)	Interest rate (%)	Term
March 22	30	9,7	1 day
March 23	75	9,1	1 day
March 26	20	9,9	1 day

On March 21, 26 and 27, the Bank recorded overnight deposits by S/. 110 million at an average interest rate of 4,0 percent.

Overnight deposits

Date	Amount (Million of S/.)	Interest rate (%)
March 21	20	4,0
March 26	15	4,0
March 27	75	4,0

On March 27, the Bank carried out a temporary purchase of foreign currency by US\$ 1 million and granted liquidity credits in foreign currency by US\$ 45 million at an average interest rate of 8,5 percent on March 21, 23 and 26.

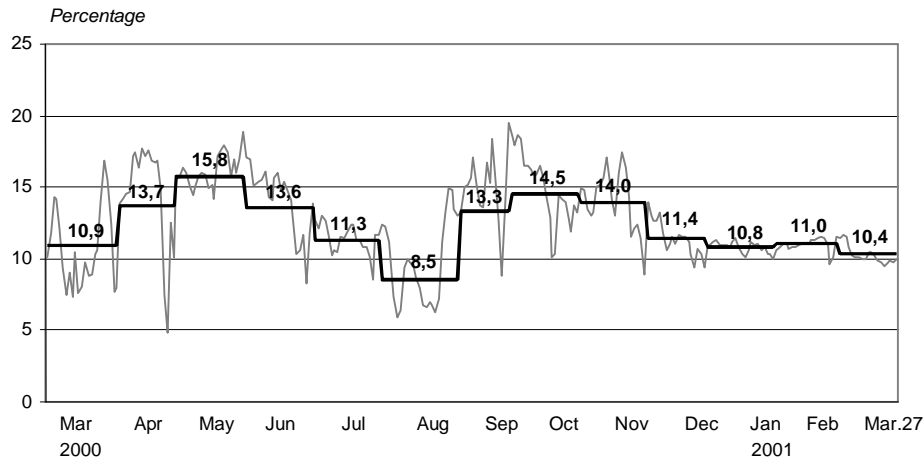
Liquidity credits in foreign currency

Date	Amount (Million of S/.)	Interest rate (%)
March 21	15	8,5
March 23	15	8,5
March 26	15	8,5

Interbank interest rate in domestic currency at 10,4 percent

As of March 27, the interbank interest rate in domestic currency averaged 10,4 percent, lower than in February (11,0 percent). On March 27 this rate came to 9,9 percent.

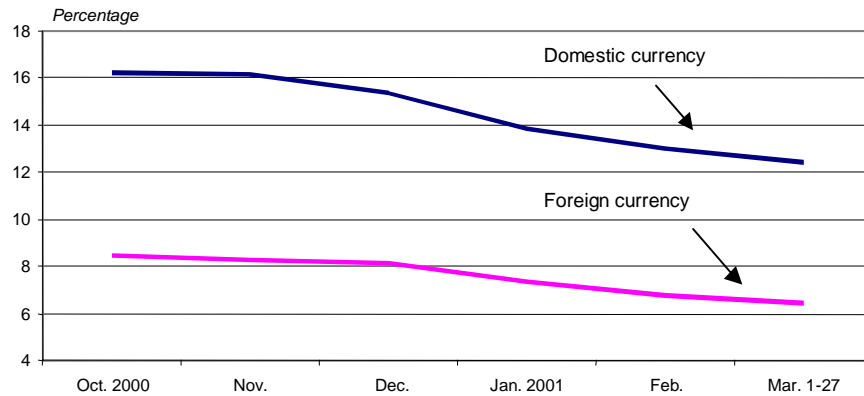
**Interbank interest rate in domestic currency
(March 2000 - March 2001)**



Average lending rates in domestic and foreign currency

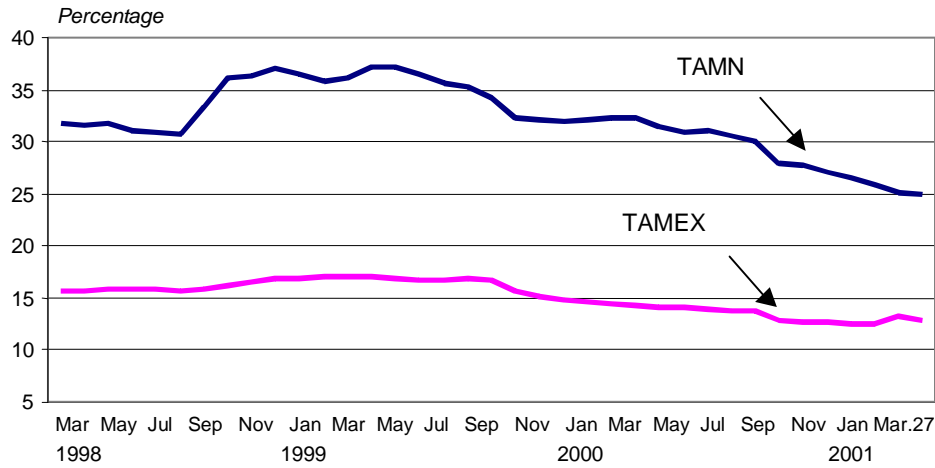
As of March 27, the corporative prime interest rate in domestic currency (for 90-day loans to low-risk clients) was 12,4 percent, lower than February average (13,0 percent). In foreign currency, this rate was 6,4 percent, lower than in February (6,8 percent).

**Corporative prime interest rates in domestic and foreign currency
Interest rates
(October 2000 – March 2001)**



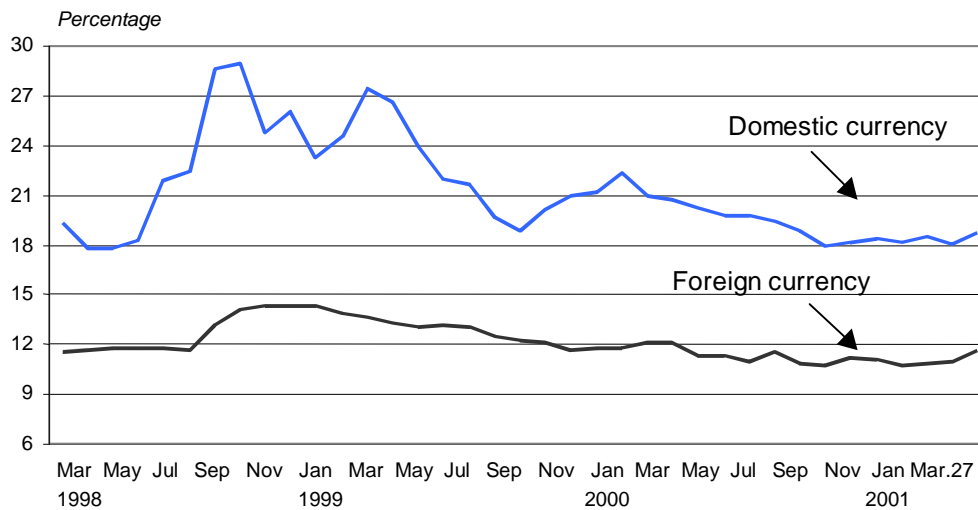
On the other hand, the average lending interest rate in domestic currency (TAMN) was 25,0 percent, slightly lower than last month average (25,2 percent), while the rate in foreign currency (TAMEX) was 12,9 percent, lower than in February (13,2 percent).

**Average lending interest rates in foreign and domestic currency
(March 1998 - March 2001)**



The 90-day prime interest rate on soles-denominated loans averaged 18,8 percent, higher than in February (18,1 percent). On the other hand, the rate on dollar-denominated loans passed from 11,0 to 11,7 percent.

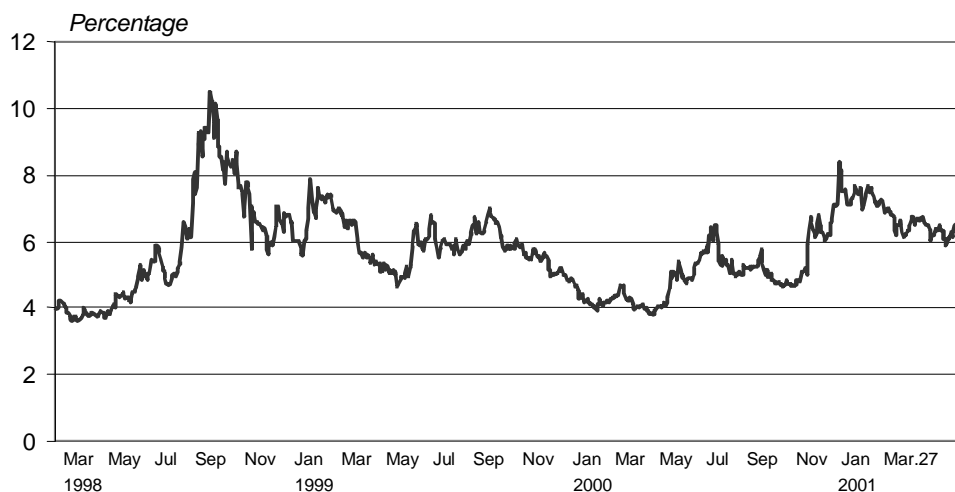
**Prime interest rates
(March 1998 - March 2001)**



Spread of PDI Brady bond at 6,3 percent

As of March 27, the spread of the Peruvian Past Due Interest Brady bonds relative to the US Treasury bonds (a proxy for the country risk perceived by investors) was 6,3 percent, lower than in February (6,4 percent).

**Stripped spread of PDI Brady bonds
(March 1998 - March 2001)**



Exchange rate at S/. 3,52

From March 21 to 27, the ask exchange rate in the banking system remained steady at S/. 3,52. The daily average sales of foreign currency in the forward market exceeded redemptions by US\$ 6 million, whereas new purchases were lower than redemptions by US\$ 1 million. In the spot market, net purchases to the public averaged US\$ 7 million, lower than last week (US\$ 14 million).

Banks' exchange market operations to the public: Daily average
(Million of US\$)

	December	January	February	March		
				1-27	14-20	21-27
i. <u>Forward sales to the public</u>	-1	5	-1	3	14	6
- Purchase	11	18	17	19	31	18
- Sales	12	13	18	16	17	12
ii. <u>Forward purchases to the public</u>	-2	4	1	1	3	-1
- New purchases	6	15	10	11	12	11
- Redemptions	8	11	9	10	9	12
iii. <u>Net spot purchases to the public</u>	0	2	10	8	14	7
- Purchases	87	84	89	89	92	79
- Sales	87	82	79	81	78	72

Monetary accounts: March 7

From February 7 to March 7, liquidity in domestic currency dropped 0,2 percent (S/. 22 million) to S/. 13 713 million. In annual terms, this aggregate grew 6,2 percent. On the other hand, credit to the private sector in domestic currency fell 1,6 percent (S/. 144 million) in the last 4 weeks (to S/. 8 848 million) but grew 0,3 percent in the last 12 months.

Liquidity in domestic currency rose 0,1 percent (US\$ 13 million) from February 7 to March 7 to US\$ 9 435 million, whereas short-term external liabilities of the banking system decreased 5,3 percent (US\$ 87 million). Credit to the private sector decreased 0,1 percent in the last 4 weeks and 0,8 percent in annual terms.

Central government operations: February 2000

In February, the central government recorded a surplus of S/. 161 million, S/. 385 million lower than February 2000 (S/. 546 million). In the period January-February, the central government accumulated an overall surplus of S/. 179 million, compared with the S/. 392 million deficit in the same period a year ago (S/. 392 million). Current revenue amounted to S/. 2 219 million in February, up 5,1 percent in real terms from February 2000, whereas non-financial expenditure totaled S/. 2 097 million, 12,3 percent lower than a year ago in real terms.

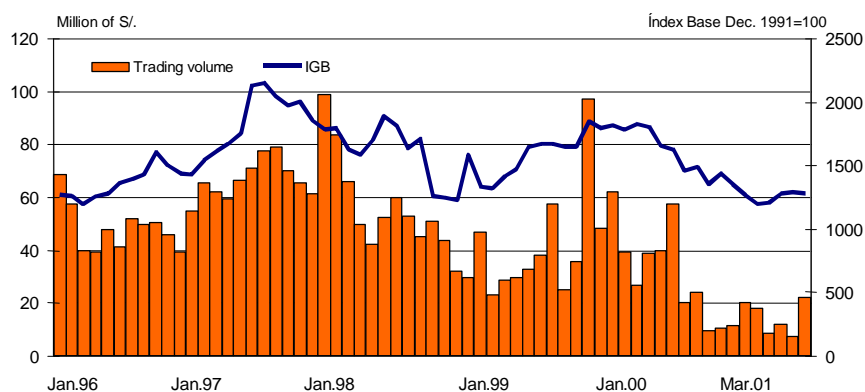
CENTRAL GOVERNMENT OPERATIONS

	(Million of S/.)					
	February			January - February		
	2000	2001	Real % change	2000	2001	Real % change
1. CURRENT REVENUE	2 037	2 219	5,1	4 355	4 491	- 0,6
2. NON FINANCIAL EXPENDITURE	2 307	2 097	- 12,3	4 343	3 878	- 13,9
<i>a. Current</i>	1 909	1 831	- 7,5	3 577	3 454	- 6,9
<i>b. Capital</i>	397	266	- 35,3	766	424	- 46,7
3. OTHER OPERATIONS	17	19	4,3	34	37	3,8
4. INTERESTS	293	312	2,8	438	508	11,8
5. TRANSFERS OF STATE-OWNED ENTERPRISES	0	11		0	36	
6. <u>OVERALL BALANCE (1+2+3+4+5)</u>	<u>- 546</u>	<u>- 161</u>		<u>- 392</u>	<u>179</u>	

General index decreases 1,2 percent

As of March 27, the Lima Stock Exchange decreased with respect to end-February by 1,2 percent in the General Index and 1,6 percent in the Blue Chip Index. However, in the year, these indices have increased 5,7 and 4,7 percent, respectively.

Stock market indicators (January 1996 - March 2001)



Lima, March 30, 2001

The weekly report releases economic information to be published (with broader detail) in the weekly bulletin the following Monday. The weekly report published on Fridays is released via facsimile for a charge or free via email (acorales@bcrp.gob.pe). A subscription can be requested to telephone (51-1) 4266250 ext. 3817 or email. The monthly fee for the facsimile is S/. 12 (Peru only) and US\$ 49 (overseas).

BCRP - Indicadores Económicos / Economic Indicators

	2000				2001											
	SRT	OCT	NOV	DIC	ENE	28 Feb	FEB	21 Mar	22 Mar	23 Mar	26 Mar	27 Mar	MAR	Var.		
RESERVAS INTERNACIONALES (Mills. US\$) / INTERNATIONAL RESERVES (Mills. of US\$)																
Posición de cambio / Net international position	2 555	2 567	2 582	2 624	2 626	2 637	11	2 630	2 630	2 630	2 632	2 632	2 632	-5		
Reservas internacionales netas / Net international reserves	8 744	8 465	8 442	8 180	8 201	8 018	-183	8 068	8 147	8 252	8 259	8 235	8 235	218		
Depósitos del sistema financiero en el BCRP / Financial system deposits at BCRP																
Empresas bancarias / Banks	3 297	3 066	2 960	2 952	2 910	2 787	-123	2 896	2 961	3 086	3 092	3 053	3 053	266		
Banco de la Nación / Banco de la Nación	3 057	2 928	2 806	2 762	2 782	2 657	-125	2 777	2 841	2 950	2 951	2 914	2 914	257		
Sector privado / Private sector	216	115	130	168	107	104	-3	94	95	110	116	114	114	11		
Depósitos del sector público en el BCRP / Public sector deposits at BCRP	23	24	25	22	21	26	5	25	25	26	25	25	25	-2		
Depósitos de privatización	2 910	2 826	2 961	2 694	2 723	2 678	-45	2 619	2 618	2 606	2 605	2 605	2 605	-73		
Otros depósitos / Other*	306	262	277	159	171	165	-7	169	169	169	169	169	169	5		
	2 604	2 564	2 684	2 535	2 552	2 514	-38	2 450	2 489	2 437	2 436	2 436	2 436	-78		
OPERACIONES CAMBIARIAS BCRP (MILL. US\$) / BCRP FOREIGN OPERATIONS (Millions US\$)																
Origen externo de la emisión primaria / External origin of the monetary base	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum		
Compras netas en Mesa de Negociación / Over-the-counter net purchases of foreign currency	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Operaciones swap netas / Net swap operations	0	0	0	1	0	0	0	0	0	0	0	0	1	1		
Operaciones con el Sector Público / Public sector	0	0	0	20	0	0	0	0	0	0	0	0	0	0		
TIPO DE CAMBIO (\$/ por US\$) / EXCHANGE RATE																
Compra interbancaria / Interbank bid	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.		
	3,485	3,500	3,529	3,519	3,523	3,525	3,528	3,523	3,524	3,525	3,520	3,520	3,520	3,519		
Venta Interbancario / Interbank Ask	3,486	3,502	3,531	3,521	3,524	3,526	3,530	3,523	3,525	3,527	3,522	3,522	3,522	3,521		
Sistema bancario / Banking System	3,486	3,502	3,531	3,520	3,524	3,525	3,529	3,526	3,526	3,525	3,521	3,521	3,521	3,520		
Índice de tipo de cambio real (1994=100) / Real exchange rate index (1994=100)	105,1	104,7	104,9	105,3	105,9		105,7									
INDICADORES MONETARIOS / MONETARY INDICATORS																
Moneda nacional / Domestic currency																
Emisión Primaria / Monetary base	(Var. % mensual) / (% monthly change)	-5,2	2,0	-0,7	14,6	-10,2	-2,1									
	(Var. % últimos 12 meses) / (% 12-month change)	1,9	-0,1	-1,0	-4,0	-0,3	4,0									
Oferta monetaria / Money Supply	(Var. % mensual) / (% monthly change)	1,2	0,0	-0,1	6,3	-3,7	-0,9									
	(Var. % últimos 12 meses) / (% 12-month change)	3,0	3,2	3,0	3,5	4,3	6,0									
Crédito sector privado / Credit to the private sector	(Var. % mensual) / (% monthly change)	1,7	-0,9	3,9	1,0	-0,6	-0,6									
	(Var. % últimos 12 meses) / (% 12-month change)	-7,2	-6,7	-2,8	2,3	1,8	0,8									
TOSE saldo promedio (Var. % mensual) / TOSE average balance (% monthly change)		0,1	-1,6	2,5	1,3	1,7	1,2	1,2	-0,4	-0,3	-0,7	0,8	1,7			
Superávit de encaje promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)		0,5	0,7	0,8	1,3	1,0	0,8	0,8	0,8	0,7	0,7	0,7	0,7			
Cuenta corriente de los bancos (saldo mill. S.) / Banks' current account balance (mills. of S.)		112	138	129	120	128	50	134	78	80	92	93	89			
Créditos por regulación monetaria (millones de S.) / Rediscounts (Millions of S.)		0	0	20	0	0	0	0	0	0	0	0	0			
Depósitos del sector público en el BCRP (saldo mill. S.) / Public sector deposits at the BCRP (Balance m)		299	509	531	319	599	515	515	415	543	536	488	400			
Certificados de Depósitos BCRP (saldo Mill. S.) / CDBCRP balance (Millions of S.)		2 050	1 755	1 770	1 360	1 950	1 995	1 995	2 065	1 995	1 995	1 995	2 055			
Operaciones de reporte con CDBCRP (saldo Mill. S.) / CDBCRP repos (Balance millions of S.)		40	41	30	0	210	20	20	0	30	75	20	0			
Tasa de interés (%) / Interest rates (%)	TAMN / Average Interbancaria / Interbank	27,9	27,7	27,1	26,5	25,9	25,4	25,2	24,7	24,8	24,6	24,5	24,4	25,0		
	Interbancaria / Interbank	13,3	14,5	14,0	11,4	10,8	11,6	11,0	9,5	9,7	9,9	9,7	9,9	10,4		
	Preferencial para descuento 90 días / Prime rate (90 days)	17,9	18,2	18,4	18,2	18,5	21,4	18,1	22,2	24,1	18,1	18,6	18,5	18,8		
	Operaciones de reporte con CDBCRP / CDBCRP repos	20,0	10,8	8,1	s.m.	9,2	10,4	11,4	s.m.	9,7	9,1	9,9	s.m.			
	Créditos por regulación monetaria / Rediscounts	s.m.	s.m.	14,0	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.			
	Del saldo de CDBCRP / CDBCRP balance	13,6	13,5	13,8	13,5	13,3	12,9	13,9	12,7	12,7	12,7	12,7	12,6			
Moneda extranjera / foreign currency																
Crédito sector privado / Credit to the private sector	(Var. % mensual) / (% monthly change)	-0,5	-0,8	1,4	1,2	-0,3	-0,2	-0,2								
	(Var. % últimos 12 meses) / (% 12-month change)	-2,4	-3,6	-1,8	-2,3	-1,9	-1,1	-1,1								
TOSE saldo promedio (Var. % mensual) / TOSE average balance (% monthly change)		-0,8	-2,5	-0,7	1,9	-0,7	0,4	0,4	-0,1	1,0	0,7	0,7	0,7			
Superávit de encaje promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)		0,1	0,1	0,1	0,2	0,1	0,1	0,1	-0,2	-0,1	0,1	0,1	0,2			
Créditos por regulación monetaria (millones de US dólares) / Rediscounts (millions of US\$)		0	0	50	0	0	14	14	15	0	15	15	0			
Tasa de interés (%) / Interest rates (%)	TAMEX / Average Interbancaria / Interbank	12,9	12,7	12,6	12,6	12,6	13,1	13,2	12,8	12,8	12,7	12,7	12,7	12,9		
	Interbancaria / Interbank	7,3	7,3	8,2	8,4	8,9	5,4	8,6	9,0	8,7	8,6	8,5	8,0	8,7		
	Preferencial para descuento 90 días / Prime rate (90 days)	10,7	11,2	11,1	10,7	10,8	12,0	11,0	14,3	10,8	10,7	12,6	13,1	11,7		
	Créditos por regulación monetaria / Rediscounts	s.m.	s.m.	8,5	s.m.	s.m.	8,3	8,3	8,5	s.m.	8,5	8,5	s.m.			
INDICADORES BURSÁTILES / STOCK MARKET INDICES																
Índice General Bursátil (Var. %) / General Index (% change)	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum	Acum		
	-5,7	-6,3	-5,5	0,7	6,0	0,2	0,9	-1,0	-0,2	0,3	0,4	-0,1	-1,2			
Índice Selectivo Bursátil (Var. %) / Blue Chip Index (% change)	-3,8	-5,1	-5,2	-0,6	7,5	0,1	-1,0	-1,3	-0,2	0,4	0,8	0,2	-1,6			
Monto negociado en acciones (Mill. S.) - Prom. diario	11,5	20,3	17,9	8,7	12,2	7,9	7,6	5,5	70,1	5,2	3,1	n.d	22,8			
INFLACIÓN (%) / INFLATION (%)																
Inflación mensual / Monthly	0,56	0,23	0,06	0,15	0,19		0,25									
Inflación últimos 12 meses / % 12 months change	3,88	4,25	4,02	3,73	3,86		3,61									
GOBIERNO CENTRAL (Mill. S.) / CENTRAL GOVERNMENT (Mills. Of S.)																
Resultado primario / Primary balance	32	641	95	-571	510		140									
Ingreso corrientes / Current revenue	2 186	2 824	2 180	2 317	2 272		2 219									
Gastos no financieros / Non-financial expenditure	2 175	2 204	2 106	2 909	1 781		2 097									
COMERCIO EXTERIOR (Mills. US\$) / FOREIGN TRADE (Mills. Of US\$)																
Balanza Comercial / Trade balance	-1	-26	-96	8	-42											
Exportaciones / Exports	553	680	539	607	549											
Importaciones / Imports	554	707	636	599	590											
PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT (1994=100)																
Varías. % respecto al mismo mes del año anterior / Annual rate of growth	0,1	0,5	0,3	-1,8	-1,6											
COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS																
LIBOR a tres meses (%) / LIBOR 3-month (%)	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.		
	6,7	6,8	6,8	6,5	5,7	5,1	5,3	4,9	4,9	4,9	4,9	4,9	4,9	5,0		
Dow Jones (Var. %) / (% change)	-5,0	3,0	-5,1	3,6	0,9	-1,3	-3,6	-2,4	-1,0	1,2	1,9	2,7	-5,2			
Rendimiento de los U.S. Treasuries (30 años) / U.S. Treasuries yield (30 years)	5,8	5,8	5,8	5,5	5,5	5,3	5,5	5,3	5,3	5,3	5,4	5,5	5,3			
Striped spread de los bonos PDI (pbs) / PDI bond stripped spread (basis points)	570	692	735	711	647	634	642	630	696	660	638	619	628			
Bonos Brady (%) / FLIRB	60,1	54,9	53,9	56,6	59,6	62,1	60,7	62,8	60,8	61,7	62,6	62,9	62,6			
Brady bonds (%) / PDI	66,2	61,9	60,9	63,1	66,5	68,1	67,2	69,1	68,0	67,7	68,5	68,9	68,3			

* Incluye depósitos de Pronocepti, Fondo de Estabilización Fiscal (FEF), Cofide, fondos administrados por la ONP, y otros depósitos del MEF. El detalle se presenta en el cuadro No.15 del Boletín Semanal.