

BANCO CENTRAL DE RESERVA DEL PERU
WEEKLY REPORT N° 22
June 1, 2001

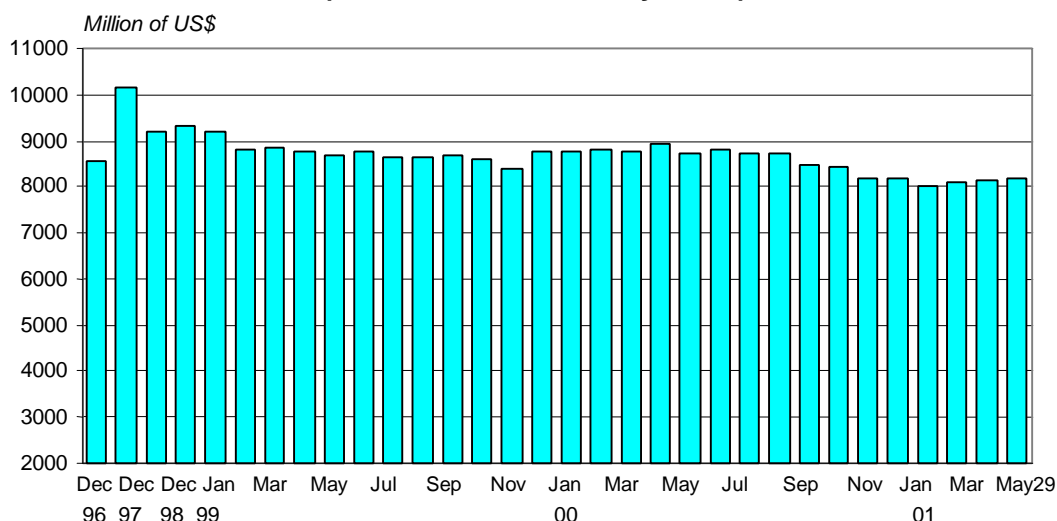
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Net International Reserves increased US\$ 64 million

As of May 29, the net international reserves (NIR) of the Central Reserve Bank of Peru amounted to US\$ 8 191 million, up US\$ 64 million from end-April. This increase reflects the increment in financial system deposits (US\$ 128 million) that was partially offset by the withdrawal of public sector deposits at the Central Bank (US\$ 36 million), sales of foreign currency through the over-the-counter (US\$ 20 million), net interest payments (US\$ 2 million), valuation and other operations (US\$ 5 million) and lower Insurance Deposits Fund deposits (US\$ 1 million). On the other hand, the exchange position amounted to US\$ 2 576 million, down US\$ 21 million from end-April level due to sales of foreign currency through the over-the-counter.

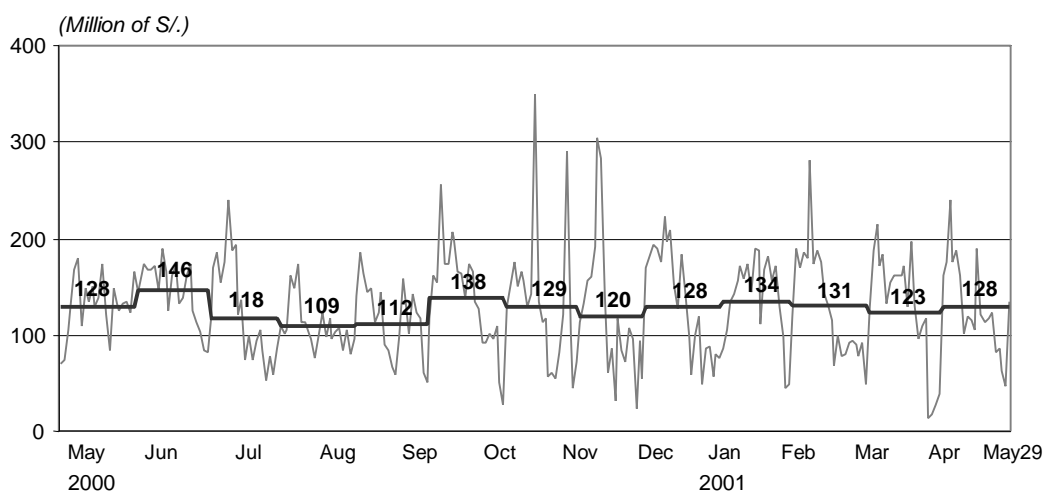
**BCRP net international reserves
(December 1996 - May 2001)**



Banks' current account balance at S/. 128 million

From May 1 to 29, the banks' current account was S/. 128 million on a daily average basis, 1,6 percent higher than the same period in April.

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



On May 23, the Central Bank injected liquidity through 1 one-day temporary purchases of CDBCRP by S/. 105 million on average and at average interest rate of 9,5 percent. On May 28, the Bank sold foreign currency by US\$ 10 million.

The Bank also redeemed CDBCRP by S/. 300 million and carried out three auctions of CDBCRP. On May 29 the balance of these certificates came to S/. 1 610 million.

Auctions of CDBCRP

Date	Amount (Million of S/.)	Interest rate (%)	Term (weeks)
May 25	20	12,6	20
May 28	100	13,7	20
May 29	450	13,8	6

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

	Banks' current account balance at the end of previous day's operations	Banks' operations with Banco de la Nación	Redemption of CDBCRP	Other banking operations redemption with the Central Bank	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
	1	2	3	4	5	6=1+2+3+4+5	7	8=6+7	
March 2000	130	-38	24	-5	40	149	-19	119	10,9
April	120	-52	16	-42	43	94	34	119	13,7
May	125	-33	16	-22	35	122	9	128	15,8
December	120	-38	41	-107	20	38	83	120	11,4
January 2001	128	-41	10	-84	58	77	58	128	10,8
February	135	-27	27	-30	38	157	-9	134	11,0
March	131	-34	16	-13	37	137	-7	131	10,3
April	124	-73	16	-353	40	-243	368	123	12,5
May 29	125	-29	15	-173	49	-11	142	128	12,2

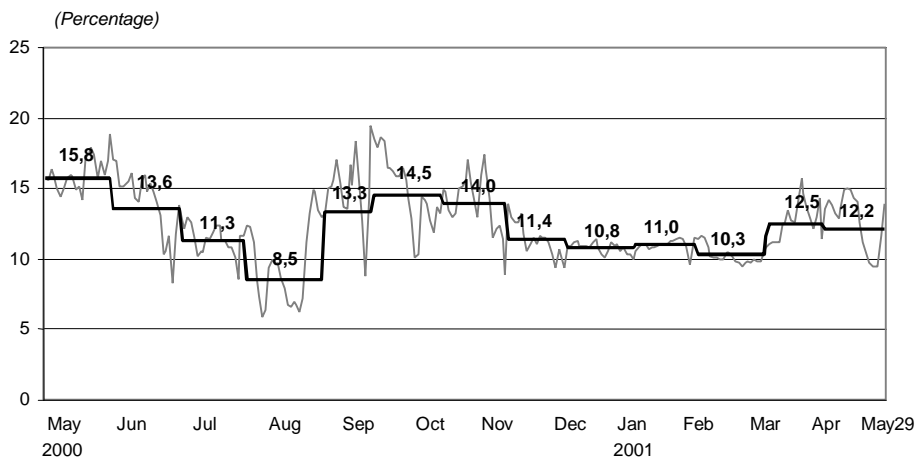
Average monetary base at S/. 5 157 million

From May 1 to 29, the daily average balance of the monetary base was S/. 5 157 million, up 0,4 percent from April average. On May 29, the monetary base amounted to S/. 5 069 million, down 2,2 percent (S/. 114 million) from end-April, reflecting the redemption of temporary purchases of CDBCRP (S/. 395 million) and sales of foreign currency (S/. 72 million), that were partially offset by lower public sector deposits at the Central Bank (S/. 198 million), net redemption of CDBCRP (S/. 135 million) and other outlays (S/. 23 million).

Interbank interest rate in domestic currency at 12,2 percent

From May 1 to 29, the interbank interest rate in domestic currency was 12,2 percent, lower than in April (12,5 percent).

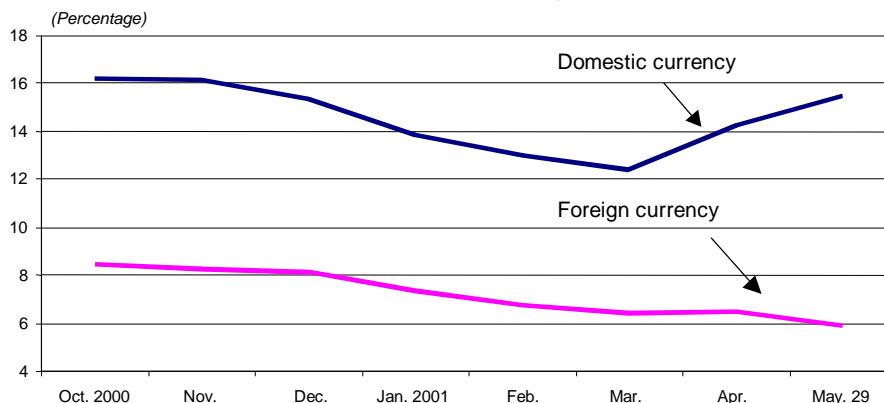
**Interbank interest rate in domestic currency
(May 2000 - May 2001)**



Average lending rates in domestic and foreign currency

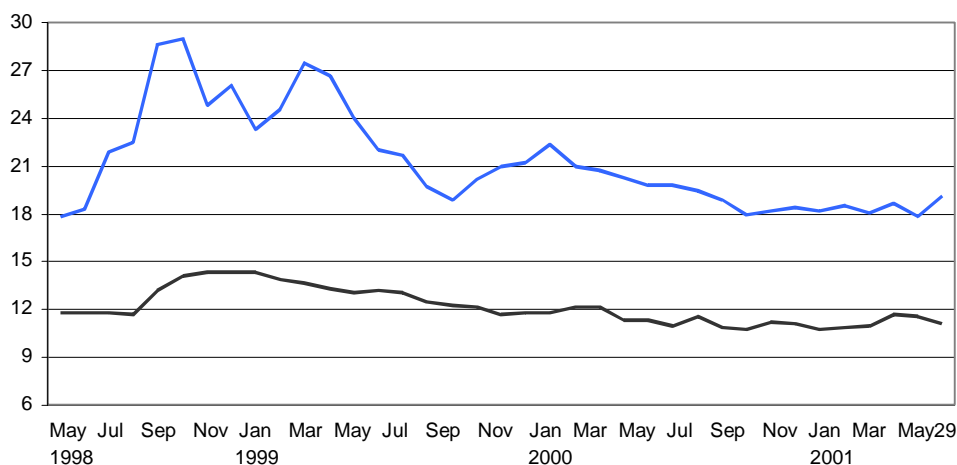
As of May 29, the corporative prime interest rate in domestic currency (for 90-day loans to low-risk clients) was 15,5 percent, higher than in April (14,2 percent). Conversely, the rate foreign currency decreased from 6,5 percent last month to 5,9 percent.

**Corporative prime interest rates in domestic currency
and foreign currency
(October 2000 - May 2001)**



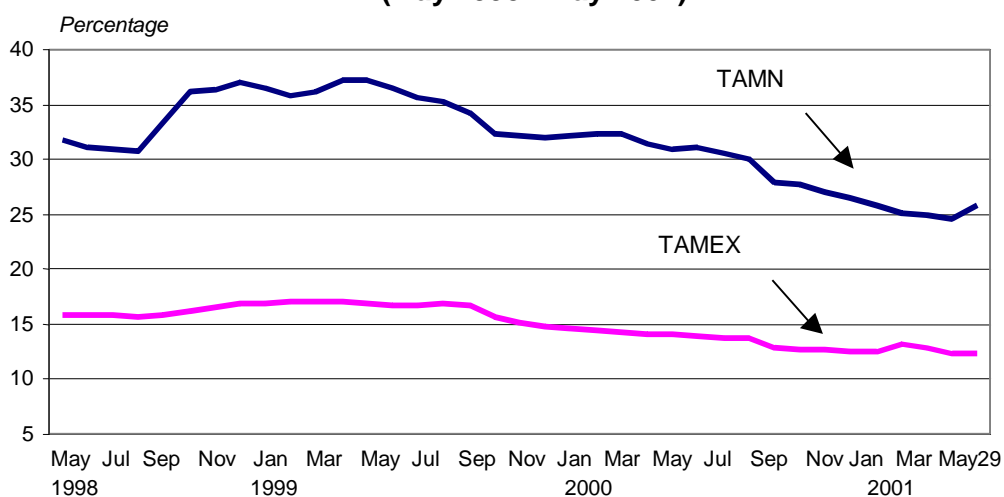
The 90-day prime interest rate on soles-denominated loans averaged 19,1 percent, higher than in April (17,9 percent). On the other hand, the rate on dollar-denominated loans passed from 11,5 to 11,1 percent.

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



On the other hand, the average lending interest rate in domestic currency (TAMN) was 25,8 percent, higher than last month's average (25,4 percent), while the rate in foreign currency (TAMEX) was 12,3 percent, lower than in April (12,5 percent).

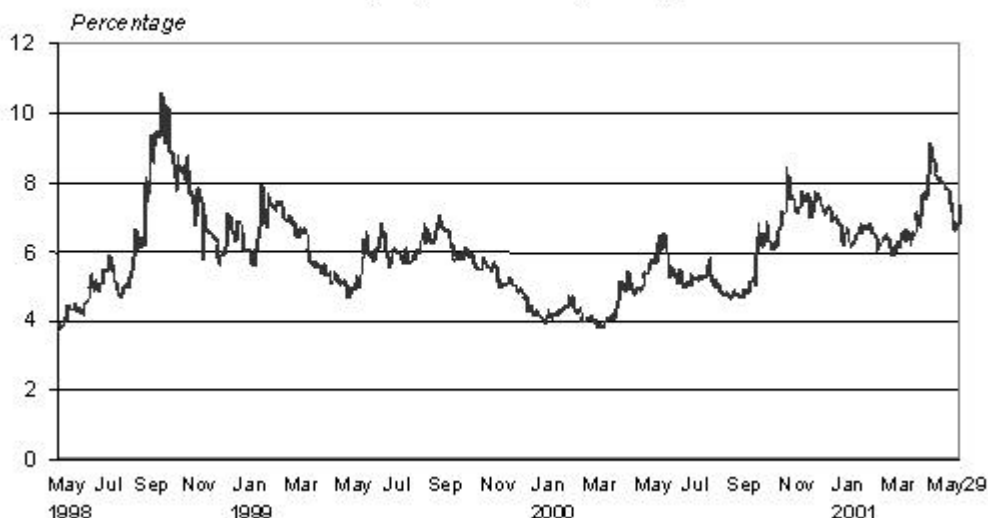
**Average lending interest rates in domestic and foreign currency
(May 1998 - May 2001)**



Spread of PDI Brady bond at 7,3 percent

On May 29, 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 7,3 percent, lower the end-April (8,2 percent). From May 1 to 29 this spread averaged 7,5 percent.

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



Exchange rate at S/. 3,62

On May 29, the average ask exchange rate in the banking system came to S/. 3,62, 0,9 percent higher than April close level.

Overt this period, the balance of sales of foreign currency in the forward market on a daily average basis exceeded redemptions by US\$ 2 million, whereas new purchases also exceeded redemptions by US\$ 3 million.

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

	December 2000	January 2001	February	March	April	May		
						16-22	23-29	1-29
i. Forward sales to the public	0	5	-1	3	7	0	5	2
- New sales	12	18	17	19	26	15	15	13
- Redemptions	12	13	18	16	19	15	10	11
ii. Forward purchases to the public	-2	4	1	1	0	8	8	3
- New purchases	6	15	10	11	13	13	11	13
- Redemptions	8	11	9	10	13	5	3	10
iii. Net spot purchases to the public	0	2	10	9	13	7	4	-2
- Purchases	87	84	90	92	110	89	63	78
- Sales	87	82	80	83	97	82	59	80
Memo:								
Close balance as of:								
a. Forward sales to the public	653	747	704	789	990	992	1022	1022
b. Forward purchases to the public	213	303	290	352	403	408	453	453
c. Net sales to the public (a-b)	440	444	414	437	587	584	570	570
d. Banks' exchange position	630	584	599	598	573	554	569	569

Central government operations: April 2001

In April, the central government recorded an overall deficit of S/. 65 million, which contrasts with the surplus in April 2000 (S/. 243 million). This result mainly reflects the school allowance (S/. 302 million), which last year was granted in March. In the period January-April, the overall deficit was S/. 330 million, S/. 729 million lower than in the same period a year ago (S/. 1 059 million), reflecting the contraction of non-financial expenditure.

Current revenues amounted to S/. 2 606 million in April, down 5,6 percent in real terms from the same month a year ago, whereas non-financial expenditures (S/. 2 536 million) expanded in real terms by 2,6 percent compared with April 2000.

CENTRAL GOVERNMENT OPERATIONS						
(Million of S/.)						
	April			January – April		
	2000	2001	Real % change	2000	2001	Real % change
1. CURRENT REVENUE	2 691	2 606	- 5,6	9 325	9 287	- 3,7
2. NON FINANCIAL EXPENDITURE	2 409	2 536	2,6	9 411	8 534	- 12,3
<i>a. Current</i>	1 911	2 222	13,3	7 771	7 435	- 7,5
<i>b. Capital</i>	498	314	- 38,5	1 640	1 099	- 35,2
3. OTHER OPERATIONS	121	18	- 85,8	145	65	- 56,7
4. INTERESTS	<u>403</u>	<u>88</u>		<u>60</u>	<u>818</u>	
5. TRANSFERS OF STATE-OWNED ENTERPRISES	160	153	- 7,2	1 119	1 149	- 0,8
6. OVERALL BALANCE (1+2++3+4+5)	<u>243</u>	<u>- 65</u>		<u>-1 059</u>	<u>- 330</u>	

The overall deficit was funded mainly with external resources by S/ . 41 million or US\$ 11 million (as a result of the difference of disbursements –US\$ 39 million– and amortization –US\$ 28 million–). Furthermore, privatization income was recorded by S/. 61 million (US\$ 17 million).

Monetary accounts: May 15

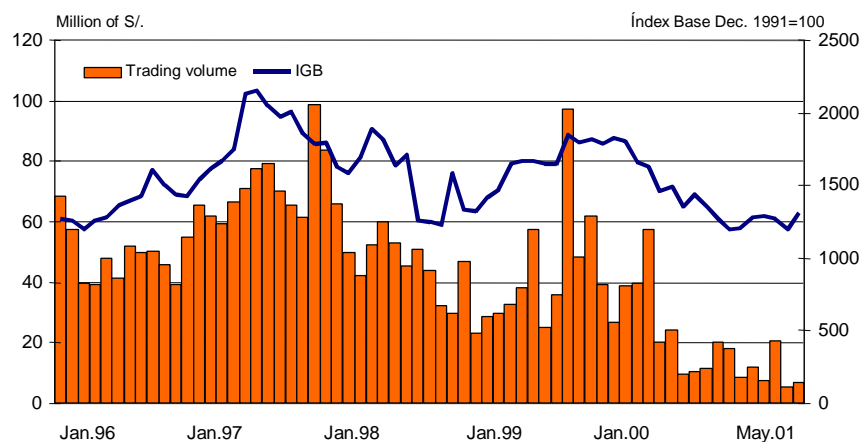
From April 15 to May 15, liquidity in domestic currency rose 2,7 percent (S/. 374 million) to S/. 14 250 million. In annual terms, this aggregate grew 7,2 percent. On the other hand, credit to the private sector in domestic currency decreased 0,9 percent (S/. 80 million) to S/. 8 911 million. Last 12 months growth for this variable was 4,2 percent.

Liquidity in foreign currency fell 0,1 percent (US\$ 6 million) to US\$ 9 159 million. On the other hand, credit to the private sector (US\$ 11 542 million) increased 0,8 percent in the last 4 weeks, but decreased 0,3 percent in annual terms.

General index increases 11,6 percent

As of May 29, the Lima Stock Exchange increased with respect to end-March by 11,6 percent in the General Index and 10,7 percent in the Blue Chip Index. In the year, these indices have increased 10,6 and 10,8 percent, respectively.

**Stock market indicators
(January 1996 – May 22, 2001)**



Lima, June 1, 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 (acorrales@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						
	DIC.	ENE.	FEB.	MAR.	30 Abr	ABR.	23 May	24 May	25 May	28 May	29 May	MAY.
RESERVAS INTERNACIONALES (Mills. US\$) / INTERNATIONAL RESERVES (Mills. of US\$)												
Posición de cambio / Net international position	Var.					Var.						
Reservas internacionales netas / Net international reserves	2 624	2 626	2 637	2 632	2 597	-35	2 585	2 584	2 586	2 575	2 576	-21
Depósitos del sistema financiero en el BCRP / Financial system deposits at BCRP	8 180	8 201	8 018	8 111	8 127	16	8 262	8 271	8 222	8 221	8 191	64
Empresas bancarias / Banks	2 952	2 910	2 787	2 895	2 935	40	3 137	3 149	3 096	3 091	3 063	128
Banco de la Nación / Banco de la Nación	2 762	2 782	2 657	2 778	2 784	6	2 989	2 999	2 954	2 972	2 944	160
Sector privado / Private sector	168	107	104	93	123	30	121	121	114	92	91	-32
Depósitos del sector público en el BCRP / Public sector deposits at BCRP	22	21	26	24	28	4	28	28	28	28	28	0
Depósitos de privatización	2 694	2 723	2 678	2 650	2 648	-1	2 601	2 600	2 601	2 617	2 613	-36
Otros depósitos / Other *	159	171	165	180	185	5	188	188	188	188	188	3
	2 535	2 552	2 514	2 469	2 463	-6	2 413	2 413	2 414	2 429	2 424	-39
OPERACIONES CAMBIARIAS BCRP (Mills. 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.
Compras netas en Mesa de Negociación / Over-the-counter net purchases of foreign currency	21	0	-1	0	0	-57	0	-0	0	-10	0	-21
Operaciones swaps netas / Net swap operations	0	0	0	0	0	-27	0	0	0	-10	0	-20
Operaciones con el Sector Público / Public sector	1	0	0	0	0	0	0	0	0	0	0	0
	20	0	0	0	0	-30	0	0	0	0	0	0
TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE												
Compra interbancario / Interbank	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.						Prom.
Mediodía / Midday	3,519	3,523	3,528	3,520	3,582	3,560	3,588	3,589	3,592	3,610	3,614	3,599
Cierre / Close	3,520	3,524	3,530	3,521	3,585	3,560	3,588	3,590	3,594	3,605	3,616	3,600
Promedio / Average	3,521	3,524	3,530	3,521	3,584	3,562	3,589	3,590	3,594	3,611	3,617	3,601
Sistema bancario / Banking System	3,520	3,524	3,529	3,521	3,584	3,561	3,589	3,590	3,593	3,614	3,614	3,600
Compra / Bid	3,518	3,521	3,528	3,519	3,584	3,557	3,586	3,587	3,589	3,605	3,612	3,597
Venta / Ask	3,521	3,524	3,530	3,521	3,589	3,560	3,589	3,590	3,593	3,610	3,615	3,600
Índice de tipo de cambio real (1994 = 100) / Real exchange rate Index (1994 = 100)	105,2	106,1	105,6	103,3		104,0						
INDICADORES MONETARIOS / MONETARY INDICATORS												
Moneda nacional / Domestic currency												
Emisión Primaria / Monetary base	(Var. % mensual) / (% monthly change)	14,6	-10,2	-2,1	0,1	4,4	4,4					
	(Var. % últimos 12 meses) / (% 12-month change)	-4,0	-0,3	4,0	1,6	6,7	6,7					
Oferta monetaria / Money Supply	(Var. % mensual) / (% monthly change)	6,3	-3,7	-0,9	1,5	2,5	2,5					
	(Var. % últimos 12 meses) / (% 12-month change)	3,5	4,3	6,0	4,6	9,2	9,2					
Crédito sector privado / Credit to the private sector	(Var. % mensual) / (% monthly change)	1,0	-0,6	-1,1	0,8	0,6	0,6					
	(Var. % últimos 12 meses) / (% 12-month change)	2,3	1,8	0,8	2,2	4,2	4,2					
TOSE saldo promedio (Var. % mensual) / TOSE average balance (% monthly change)		1,3	1,7	1,2	0,8	-1,8	-1,8	0,7	0,3	0,2	1,6	
Superávit de encaje promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)		1,3	1,0	0,8	0,6	0,9	0,9	0,7	0,7	0,6	0,6	
Cuenta corriente de los bancos (saldo Mill. S.) / Banks' current account (balance mills. of S.)		120	128	134	131	39	123	82	86	62	47	134
Créditos por regulación monetaria (millones de S.) / Rediscounts (Millions of S.)		0	0	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 mills. S.)		319	599	515	475	773	773	763	757	692	629	575
Certificados de Depósitos BCRP (saldo Mills. S.) / CDBCRP balance (Millions of S.)		1 360	1 950	1 995	2 055	1 745	1 745	1 525	1 445	1 465	1 565	1 610
Operaciones de reporte con CDBCRP (saldo Mill. S.) / CDBCRP repos (Balance millions of S.)		0	210	20	30	395	395	105	0	0	0	0
TAMN / Average		26,5	25,9	25,2	24,9	24,6	25,4	25,9	25,7	25,6	26,0	25,9
Interbancario / Interbank		11,4	10,8	11,0	10,3	11,4	12,5	9,5	9,5	9,5	11,6	14,0
Preferencial para descuento 90 días / Prime rate (90 days)		18,2	18,5	18,1	18,6	17,3	17,9	18,4	20,0	18,1	19,6	20,9
Operaciones de reporte con CDBCRP / CDBCRP repos		s.m.	s.m.	11,4	10,4	12,2	12,2	9,5	s.m.	s.m.	s.m.	s.m.
Créditos por regulación monetaria / Rediscounts		s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.
Del saldo de CDBCRP / CDBCRP balance		13,5	13,3	13,9	12,6	12,6	12,5	12,5	12,5	12,5	12,5	12,6
Moneda extranjera / foreign currency												
Crédito sector privado / Credit to the private sector	(Var. % mensual) / (% monthly change)	1,2	-0,3	0,9	0,8	0,6	0,6					
	(Var. % últimos 12 meses) / (% 12-month change)	-2,3	-1,9	-1,1	0,2	-0,2	-0,2					
TOSE saldo promedio (Var. % mensual) / TOSE average balance (% monthly change)		1,9	-0,7	0,4	0,6	1,2	1,2	-0,1	0,2	-0,1	-0,1	
Superávit de encaje promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)		0,2	0,1	0,1	0,1	0,1	0,1	0,2	0,2	0,4	0,4	
Créditos por regulación monetaria (millones de US dólares) / Rediscounts (millions of US\$)		0	0	14	0	0	0	0	0	0	0	0
TAMEX / Average		12,6	12,6	13,2	12,9	12,4	12,5	12,2	12,2	12,2	12,3	12,2
Interbancario / Interbank		8,4	8,9	8,6	8,6	6,8	6,8	5,6	5,9	5,7	5,5	6,2
Preferencial para descuento 90 días / Prime rate (90 days)		10,7	10,8	11,0	11,7	10,9	11,5	10,9	10,2	11,8	9,7	11,3
Créditos por regulación monetaria / Rediscounts		s.m.	s.m.	8,5	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.
INDICADORES BURSÁTILES / STOCK MARKET INDICES												
Índice General Bursátil (Var. %) / General Index (% change)	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.						Acum.
Índice Selectivo Bursátil (Var. %) / Blue Chip Index (% change)	0,7	6,0	0,9	-1,5	0,3	-5,9	0,4	-0,1	1,1	-0,3	0,6	11,6
Monto negociado en acciones (Mill. S.) - Prom. diario	-0,6	7,5	-1,0	-2,3	0,6	-3,8	0,0	-0,4	0,6	-0,4	0,7	10,7
	8,7	12,2	7,6	20,5	13,1	5,6	9,4	12,0	9,4	1,3	11,4	7,6
INFLACIÓN (%) / INFLATION (%)												
Inflación mensual / Monthly	0,15	0,19	0,25	0,51		-0,42						
Inflación últimos 12 meses / % 12 months change	3,73	3,86	3,61	3,58		2,62						
GOBIERNO CENTRAL (Mill. S.) / CENTRAL GOVERNMENT (Mills. Of S.)												
Resultado primario / Primary balance	-662	490	58	182								
Ingresos corrientes / Current revenue	2 302	2 279	2 209	2 193								
Gastos no financieros / Non-financial expenditure	2 999	1 802	2 155	2 041								
COMERCIO EXTERIOR (Mills. US\$) / FOREIGN TRADE (Mills. Of US\$)												
Balanza Comercial / Trade balance	23	-34	-92	-54								
Exportaciones / Exports	627	555	550	543								
Importaciones / Imports	604	589	643	597								
PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT (1994=100)												
Varia: % respecto al mismo mes del año anterior / Annual rate of growth	-1,8	-1,6	-2,5	-3,6								
COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS												
LIBOR a tres meses (%) / LIBOR 3-month (%)	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.						Prom.
Dow Jones (Var %) / (% change)	6,5	5,7	5,3	5,0	4,3	4,6	4,1	4,1	4,0	s.c.	4,0	4,1
Rendimiento de los U.S. Treasuries (30 años) / U.S. Treasuries yield (30 years)	3,6	0,9	-3,6	-6,0	-0,7	8,7	-1,4	0,2	-1,1	s.c.	0,3	2,8
Stripped spread de los bonos PDI (pbs) / PDI bond stripped spread (basis points)	5,5	5,5	5,5	5,3	5,8	5,7	5,8	5,8	5,9	s.c.	5,9	5,8
Bonos Brady (%) / Brady bonds (%)	711	647	642	630	822	775	661	676	677	s.c.	732	754
FLIRB	56,6	59,6	60,7	62,5	53,8	57,2	60,3	59,6	59,3	s.c.	57,6	56,6
PDI	63,1	66,5	67,2	68,3	61,4	63,4	67,3	66,5	66,5	s.c.	64,4	63,8

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