

**BANCO CENTRAL DE RESERVA DEL PERU**  
**WEEKLY REPORT N° 39**  
**September 28, 2001**

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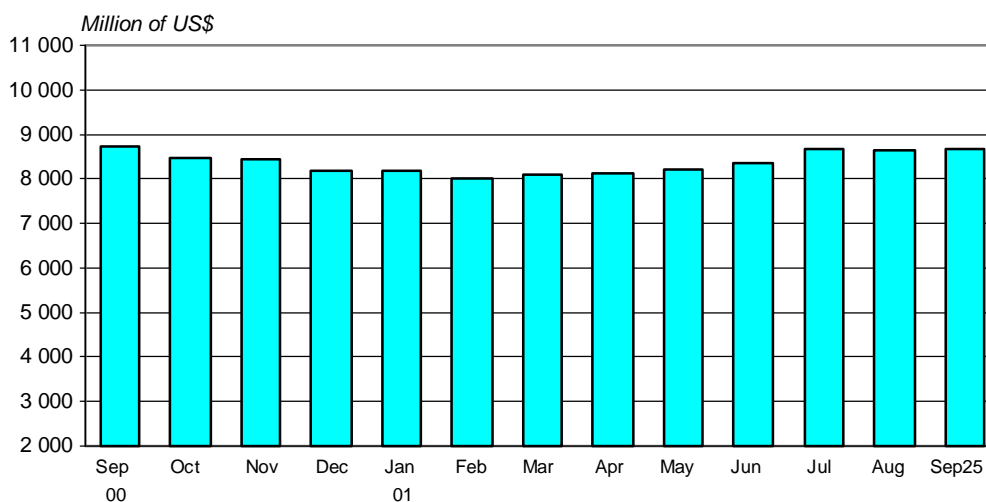
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***Net International Reserves increased US\$ 17 million***

As of September 25, the net international reserves (NIR) of the Central Reserve Bank of Peru amounted to US\$ 8 677 million, up US\$ 17 million from end-August. The increase is due to higher financial system deposits (US\$ 17 million), investment yields (US\$ 15 million) and purchases of foreign currency (US\$ 1 million), which were partially offset by the withdrawal of public sector deposits (US\$ 10 million) and lower Insurance Deposit Fund deposits (US\$ 6 million). On the other hand, the foreign exchange position amounted to US\$ 2 631 million, up US\$ 4 million from end-August.

**BCRP net international reserves  
(September 2000 - September 2001)**



***Banks' current account balance at S/. 149 million***

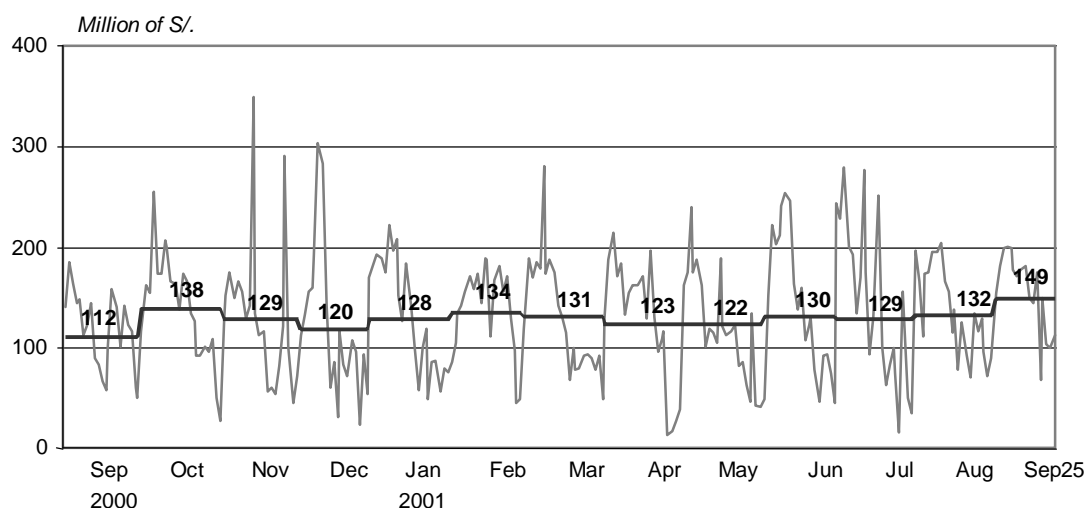
As of September 25, the banks' current account held at the Central Bank was S/. 149 million on a daily average basis. For the current month, the range announced by the Bank for the operating target is S/. 130-140 million.

On September 19 and 20, the Central Bank made two auctions of CDBCRPs (S/. 40 million at 7,8 percent with a maturity term of 14 weeks and S/. 25 million at 7,9 percent with a maturity term of 6 months). Likewise, on September 21 and 25 the Central Bank undertook two temporary purchases of CDBCRP and Treasury bonds amounting to S/. 255 million at an average interest rate of 6,2 percent.

**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
		2	3	4	5		7		
September 2000		-31	31	-16	46		-32		13,3
December		-38	41	-107	20		83		11,4
January 2001	128	-41	10	-84	58	77	58	128	10,8
February		-27	27	-30	38		-9		11,0
March		-34	16	-13	37		-7		10,3
April	124	-73	16	-353	40	-243	368	123	12,5
May		-28	14	-157	48		125		12,7
June	130	-34	18	-50	37	113	29	130	16,0
July	129	-30	31	-20	25	151	-6	129	8,4
August		-32	5	23	50		-44		5,7
September 1-25	149	-46	12	-5	41	157	-1	149	5,7

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



***Average monetary base at S/. 5 150 million***

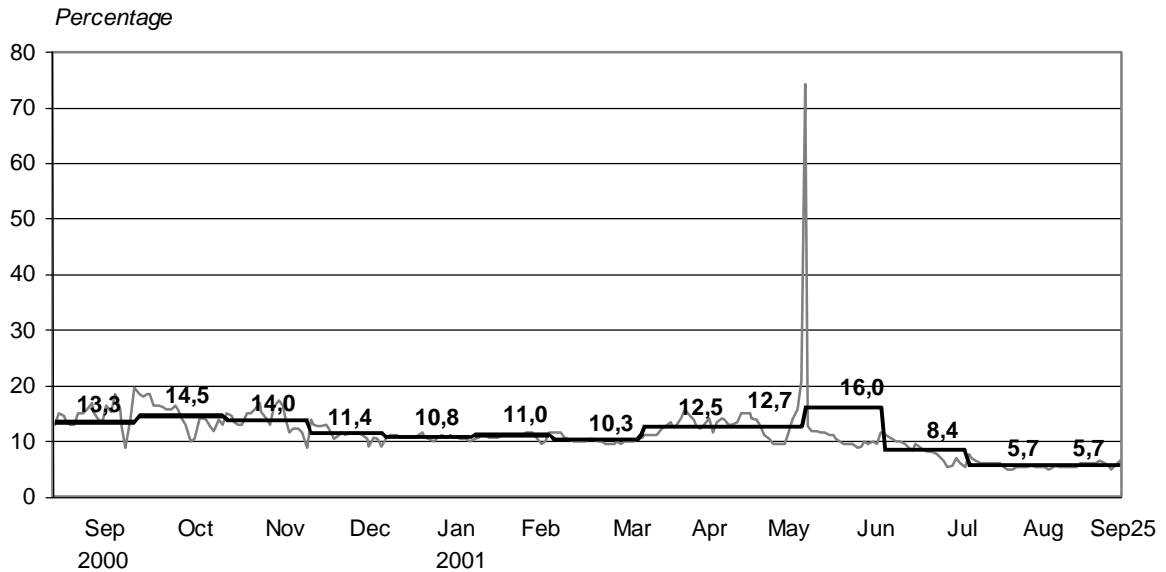
As of September 25, the daily average balance of the monetary base was S/. 5 150 million, 2,7 percent lower than in August but 4,2 percent higher than in September 2000 average. On September 25, the monetary base amounted to S/. 5 048 million, down 2,8 percent (S/. 144 million) from end-August, reflecting higher public sector deposits (S/. 274 million), net issuance of CDBCRP (S/. 90 million) and higher deposits of the Insurance Deposit Fund (S/. 5 million), which were partially offset by the temporary purchases of CDBCRP and Treasury bonds (S/. 185 million), net interest payments and other outlays (S/. 22 million), the redemption of overnight deposits in domestic currency (S/. 15 million) and purchases of foreign currency to international entities (S/. 3 million).

### *Interbank interest rates decreased*

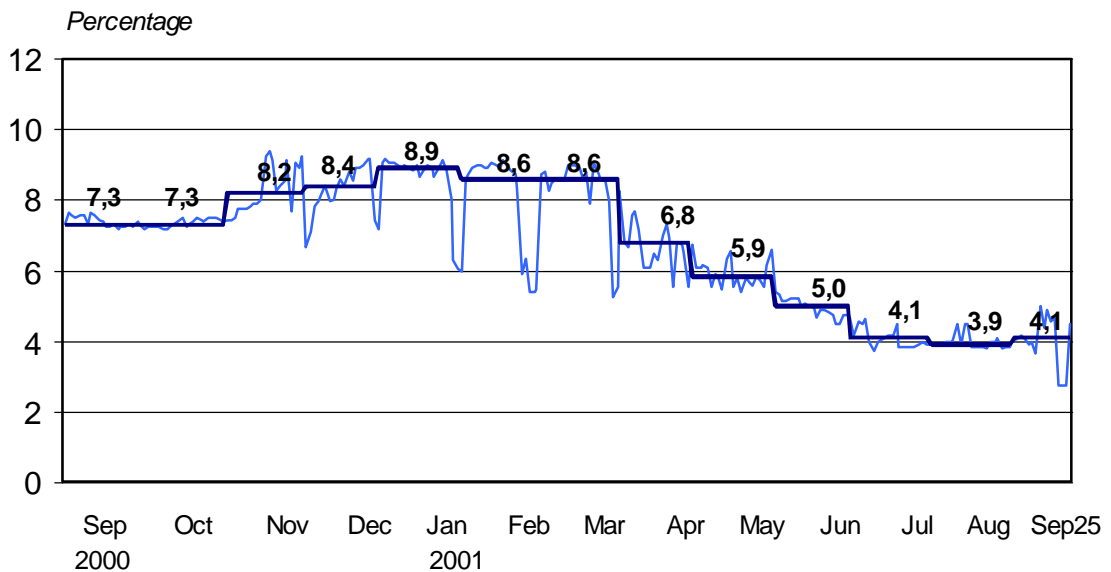
As of September 25, the interbank interest rate in domestic currency was 5,7 percent, similar to August. In the same period, the corresponding rate in foreign currency passed from 3,9 to 4,1 percent.

On September 25, these rates were 6,4 and 4,5 percent, respectively, higher than the corresponding levels in August (5,5 and 3,9 percent).

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



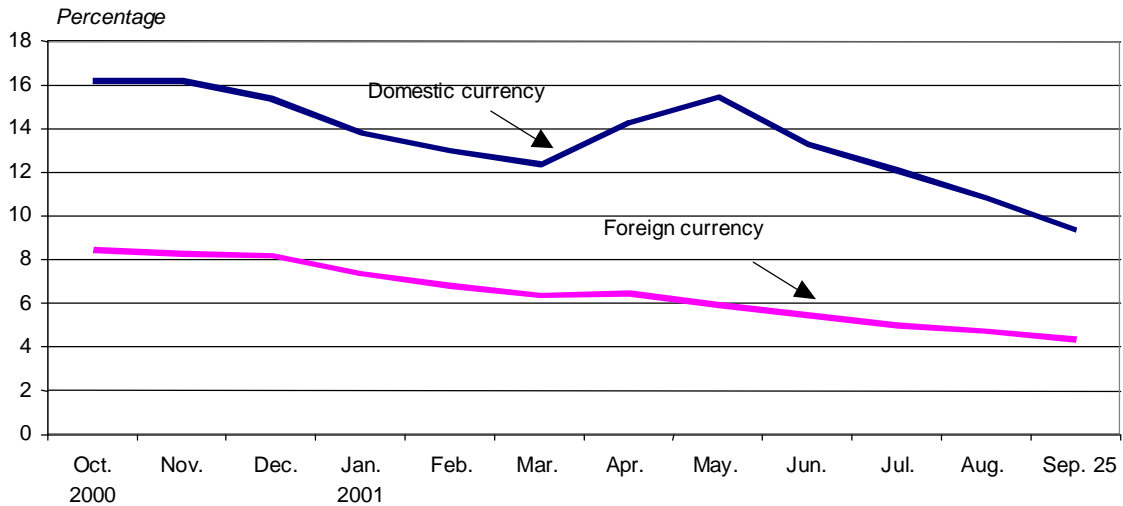
#### **Interbank interest rate in foreign currency (September 2000 - September 2001)**



***Average lending rates in domestic and foreign currency decreased***

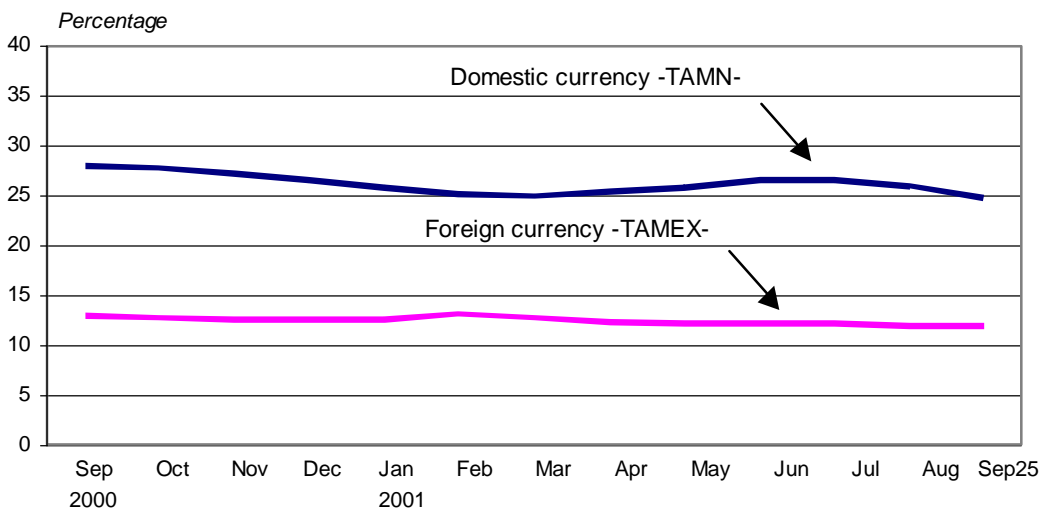
The corporate prime interest rate in domestic currency (on 90-day loans to low-risk clients) declined from 10,8 percent in August to 9,4 percent as of September 18. The rate in foreign currency also decreased from 4,7 percent last month to 4,4 percent.

**Corporate prime interest rates in domestic and foreign currency  
(October 2000 - September 2001)**



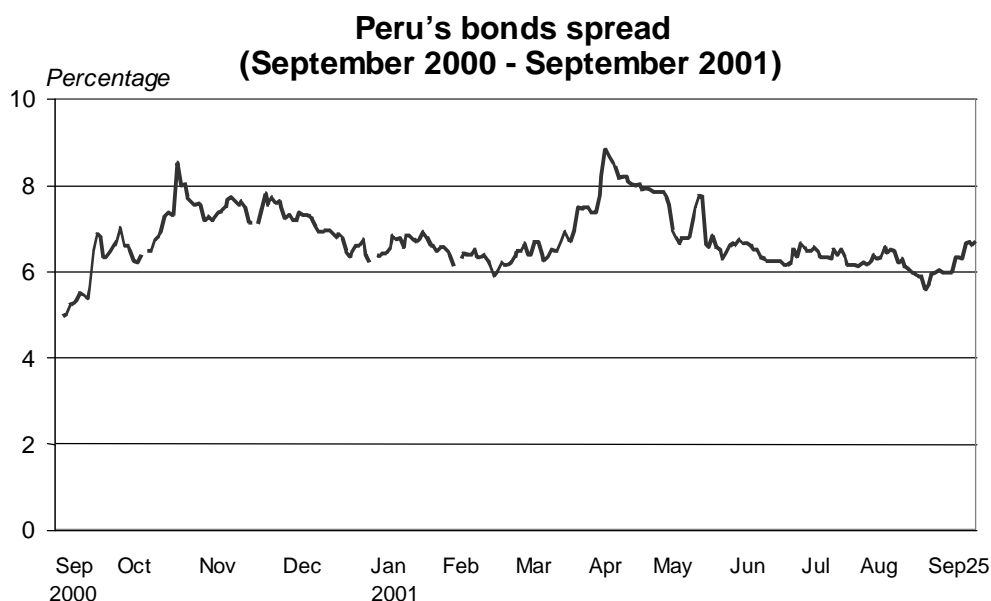
The average lending interest rate in domestic currency (TAMN) was 24,8 percent, lower than last month's average (26,1 percent). Over that period, the rate in foreign currency (TAMEX) passed from 12,1 percent to 12,0 percent.

**Active lending interest rates in domestic and foreign currency  
(September 2000 - September 2001)**



### *Peru's bonds spread at 6,2 percent*

As of September 25, the spread between the yield of Peruvian bonds and the interest rate on US Treasury bills (a proxy for the country risk perceived by investors) was 6,2 percent, slightly lower than in August (6,3 percent). On September 25, the spread was 6,7 percent, higher than end-August (5,9 percent).



### *Exchange rate at S/. 3,49*

As of September 25, the ask exchange rate in the banking system was S/. 3,49, 0,3 percent lower than a week ago.

The balance of net foreign currency sales in the forward market increased from US\$ 596 million in August to US\$ 582 million as of September 25, whereas the banks' exchange position passed from US\$ 446 million to US\$ 476 million over the same period.

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

	December 2000	June		August	September 1-25
<b>End-of-period balance:</b>					
<b>a. Net sales to the public (i-ii)</b>	<b>440</b>	<b>509</b>	<b>599</b>	<b>596</b>	<b>582</b>
i. Forward sales to the public	653	979	1 122	1 065	1 059
ii. Forward purchases to the public	213	470	523	470	477
<b>b. Banks' exchange position</b>	<b>630</b>	<b>600</b>	<b>462</b>	<b>446</b>	<b>476</b>
<b>Flows:</b>					
<b>I. Forward sales to the public</b>	<b>0</b>	<b>-2</b>	<b>4</b>	<b>-3</b>	<b>-1</b>
- New sales	12	16	19	12	13
- Redemptions	12	18	14	15	14
<b>II. Forward purchases to the public</b>	<b>-2</b>	<b>2</b>	<b>0</b>	<b>-3</b>	<b>-1</b>
- New purchases	6	13	10	9	10
- Redemptions	8	11	10	12	11
<b>III. Net spot purchases to the public</b>	<b>0</b>	<b>6</b>	<b>3</b>	<b>3</b>	<b>4</b>
- Purchases	87	84	80	76	78
- Sales	87	78	77	73	74

### *Monetary accounts: September 7*

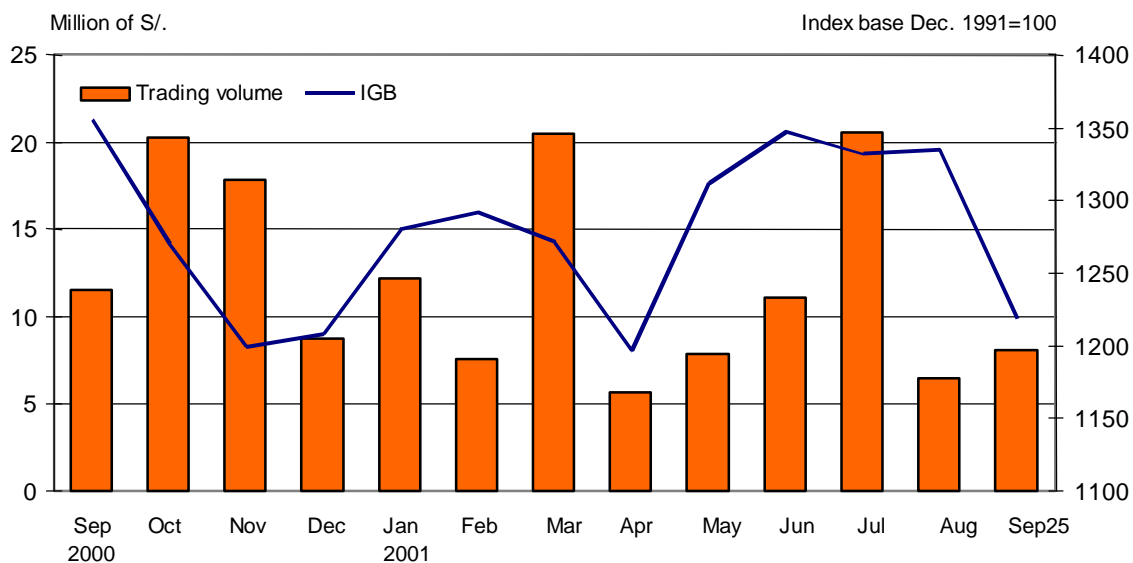
From August 7 to September 7, liquidity in domestic currency increased 0,7 percent (S/. 97 million) to S/. 14 632 million. In annual terms this aggregate increased 8,9 percent. On the other hand, credit to the private sector in domestic currency increased 0,7 percent (S/. 60 million) to S/. 8 899 million. Growth in the last 12 months for this variable was 4,6 percent.

Liquidity in foreign currency rose 0,5 percent (US\$ 44 million) to US\$ 9 680 million, whereas last-12 month growth for this variable was 3,3 percent. Short-term external liabilities amounted to US\$ 1 488 million, down US\$ 124 million (7,7 percent) from end-August. Finally, credit to the private sector (US\$ 11 170 million) decreased 1,5 percent (US\$ 173 million) in the last 4 weeks, but remained steady compared with 12 months ago.

### *General Index decreased 8,7 percent*

As of September 25, the Lima Stock Exchange decreased relative to end-August by 8,7 percent in the General Index and 8,2 percent in the Blue Chip Index. In the year, the General Index increased 0,7 percent, whereas the Blue Chip index fell 2,2 percent.

**Stock market indicators  
(September 2000 - September 2001)**



*Lima, September 28, 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).