



BANCO CENTRAL DE RESERVA DEL PERÚ

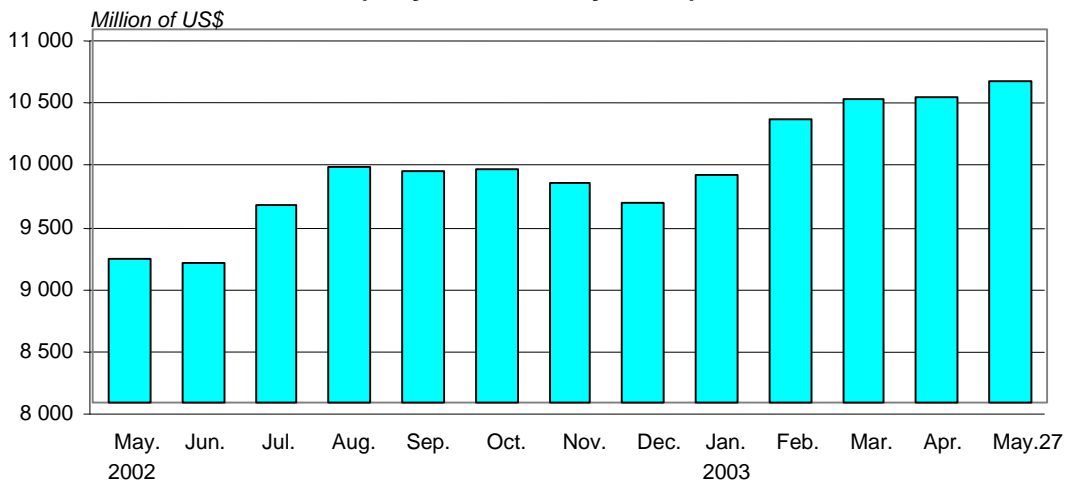
WEEKLY REPORT N° 21 – May 30, 2003

Net International Reserves: US\$ 10 576 million

As of **May 27**, the net international reserves (NIR) of the Central Reserve Bank of Peru amounted to US\$ 10 576 million, up US\$ 120 million from end-April and US\$ 978 million from end-2002. The monthly increase was explained by the higher financial system deposits at the Central Bank (US\$ 203 million) and net investment yields

(US\$ 55 million). These operations were partially offset by the withdrawal of public sector deposits (US\$ 89 million), sales of foreign currency to the public sector (US\$ 45 million), lower Insurance Deposit Fund deposits (US\$ 1 million) and other net operations (US\$ 3 million).

**Net international reserves
(May 2002 - May 2003)**

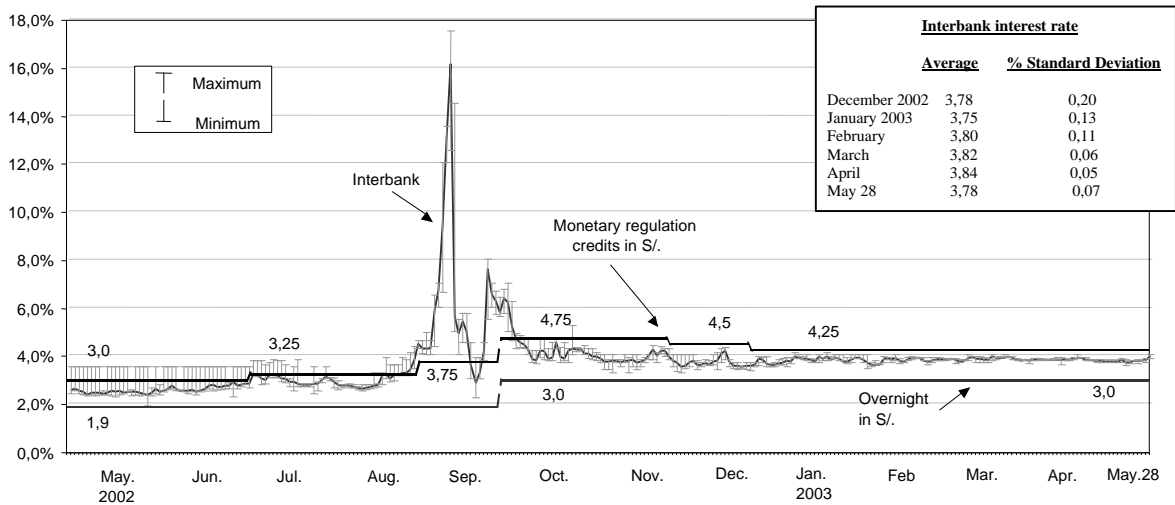


Interbank interest rate at 3,78 percent

As of **May 28**, the interbank interest rate was 3,78 percent, lower than in April (3,84 percent). This rate is in line with the reference interest rates of the

BCR's operations with banks: 4,25 percent for loans and 3 percent for deposits.

Interest rate in domestic currency May 2002 - May 2003



Monetary operation

As of **May 28**, the banks' current account held at the Central Bank averaged S/. 198 million, whereas the estimated balance range for that month was S/. 190 to S/. 210 million.

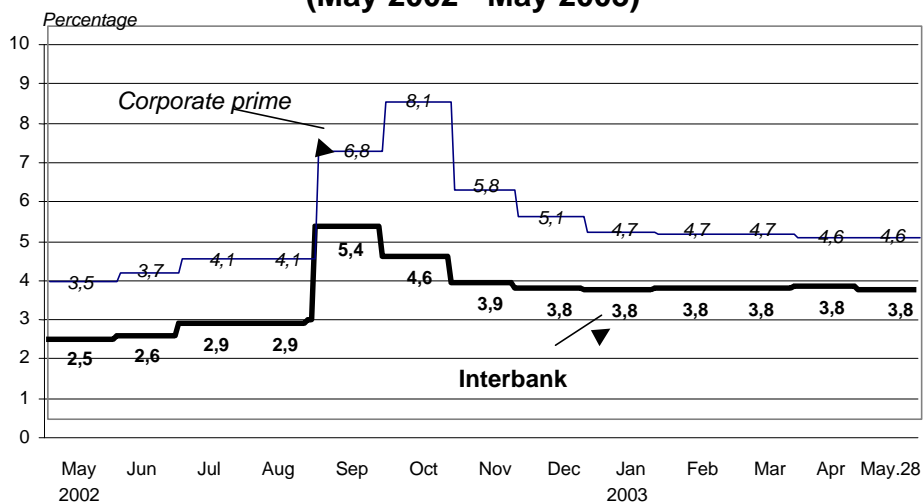
Between May 22 to 28, the Bank made auctions of temporary purchases of CDBCRP and BTP, totaling S/. 575 million, at an average interest rate of 3,80 percent. .

Corporate interest rates at 4,6 percent

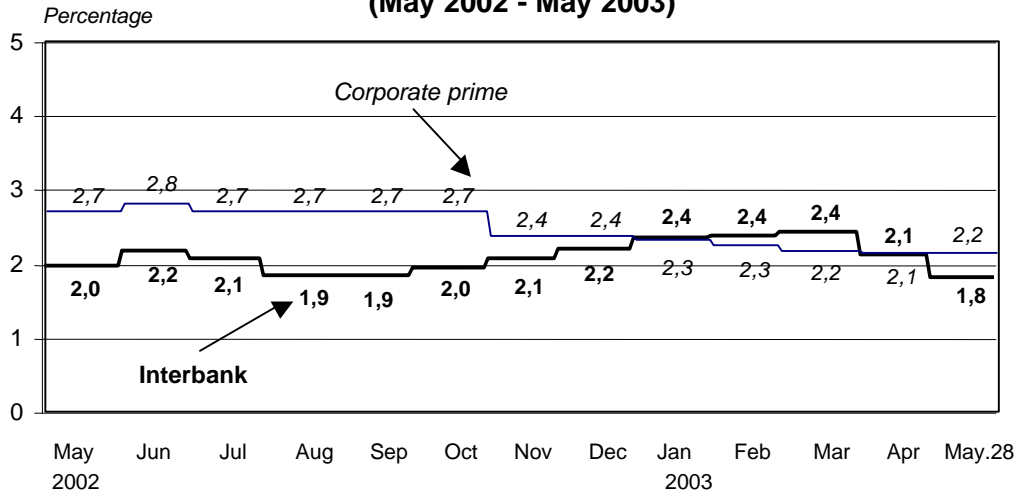
As of **May 28**, the corporate prime interest rate in domestic currency was 4,6 percent, similar to April. In foreign

currency, the corporate prime interest rate increased slightly from 2,1 to 2,2 percent over the same period.

Monthly average interest rate in domestic currency (May 2002 - May 2003)



Monthly average interest rate in foreign currency (May 2002 - May 2003)



Exchange rate at S/. 3,50

As of **May 28**, the exchange rate was S/. 3,50; up 1,1 percent from end-April.

Between end-April and May 28, the banks' exchange position expanded by US\$ 1 million, whereas the balance of

net forward sales increased in US\$ 93 million, in response to a swap operation made between a financial institutions (US\$ 40 million) and the redemption of purchase forward operations (US\$ 49 million).

BANKS' EXCHANGE POSITION (Millions of US\$)

	December	January 2003	February	March	April	May 28
a. Net sales to the public (i-ii)	905	923	853	798	665	758
i. Forward sales to the public	1 141	1 167	993	943	910	955
ii. Forward purchases to the public	236	244	140	145	245	197
b. Banks' exchange position	643	617	637	614	625	626

Banking system monetary accounts as of May 7, 2003

Between May 7 and April 7, the banking system liquidity in **domestic currency** increased 0,9 percent (S/. 159 million) reaching a balance of S/. 18 251 million (annual growth of 12,8 percent). On the other hand, the credit to the private sector in domestic currency grew 2,7 percent (S/. 274 million) in the last 4 weeks to S/. 10 360 million (annual growth of 14,8 percent).

In **foreign currency**, banking liquidity decreased 0,3 percent (US\$ 33 million) to US\$ 9 614 million (annual growth of 5 percent). The credit to the private sector expanded by 0,4 percent (US\$ 41 million), reaching a balance of US\$ 10 083 million. However, in annual terms this aggregate fell 5,7 percent.

END OF PERIOD MONETARY AGGREGATES OF THE BANKING SYSTEM												
	Monetary base		Liquidity in S/.		Credit in S/.		Liquidity in US\$		Short term liabs. 1/		Credit in US\$	
	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)
	Month	Year	Month	Year	Month	Year	Month	Year	Month	Year	Month	Year
2001												
Dec.	14,4%	7,9%	8,0%	13,5%	1,6%	2,7%	-1,9%	1,2%	-4,0%	-21,8%	0,7%	-3,8%
2002												
Jan.	-7,8%	10,8%	-3,2%	14,5%	-1,8%	1,1%	-0,8%	1,2%	-2,8%	-21,4%	-1,1%	-3,2%
Feb.	0,7%	13,9%	1,9%	18,2%	1,7%	3,6%	-0,2%	1,2%	5,7%	-15,8%	1,2%	-1,8%
Mar.	2,0%	16,1%	2,4%	18,2%	2,7%	5,5%	-1,5%	-1,0%	-5,2%	-23,1%	-1,1%	-3,6%
Apr.	-1,2%	9,9%	-0,6%	15,1%	-3,8%	2,2%	0,3%	-1,3%	-3,8%	-21,7%	0,5%	-3,1%
May.	-0,1%	14,5%	-0,2%	16,8%	0,9%	4,1%	-0,2%	-1,4%	3,1%	-16,0%	0,3%	-3,4%
Jun.	3,5%	17,2%	2,3%	20,8%	1,4%	6,0%	0,2%	-2,0%	4,8%	-17,1%	-0,5%	-3,8%
Jul.	12,2%	19,9%	6,3%	22,9%	0,6%	6,4%	4,1%	1,1%	3,8%	-20,7%	-0,4%	-3,2%
Aug.	-4,6%	21,4%	-1,2%	22,7%	-0,2%	5,7%	1,6%	1,8%	-1,4%	-15,6%	-0,7%	-2,8%
Sep.	-4,1%	18,3%	-2,2%	19,9%	1,8%	7,4%	-1,6%	-0,3%	-0,6%	1,1%	-1,0%	-3,0%
Oct.	1,0%	13,8%	-1,7%	15,5%	1,6%	7,8%	1,3%	0,9%	-2,8%	-6,2%	-1,0%	-3,4%
Nov.	-0,4%	14,3%	0,4%	12,4%	1,5%	8,0%	1,5%	2,5%	-30,9%	-33,6%	0,4%	-2,6%
Dec.	11,1%	11,0%	5,7%	9,9%	0,8%	7,2%	-2,8%	1,5%	-4,7%	-34,0%	-0,3%	-3,5%
2003												
Jan.	-9,2%	9,4%	-2,7%	10,5%	-2,8%	6,1%	0,1%	2,4%	-4,0%	-34,8%	-2,8%	-5,2%
Feb.	-0,3%	8,3%	2,8%	11,4%	3,5%	7,9%	0,4%	3,0%	-9,3%	-32,6%	-0,4%	-6,7%
Mar.	-1,1%	5,0%	1,9%	10,9%	1,6%	6,8%	0,1%	4,7%	-14,2%	-39,0%	-0,1%	-5,7%
Apr.	3,1%	9,5%	0,2%	11,8%	3,4%	14,8%	-0,4%	3,9%	12,6%	-28,5%	0,6%	-5,7%
May.7	-1,8%	9,0%	0,9%	12,8%	2,7%	14,8%	-0,3%	5,0%	9,6%	-36,7%	0,4%	-5,7%
Memo:												
Balance as of Apr.7 (Mill.S/ or Mill.US\$)	6 447		18 092		10 086		9 647		784		10 042	
Balance as of May.7 (Mill.S/ or Mill.US\$)	6 330		18 251		10 360		9 614		860		10 083	
1/ Short term ext. liabilities of banking enterprises.												

Central government operations: April 2003

In April 2003, **central government overall balance** recorded a S/. 31 million surplus, down from the surplus recorded in April 2002 (S/. 106

million). The latter resulted from the increase in non-financial expenditure (9,7 percent) that exceeded the increase in current revenue (5,2 percent).

CENTRAL GOVERNMENT OPERATIONS (Million of S/.)									
	2002	2003		Var%		January-April			
	Apr.	Mar.	Apr.	month	12 months	2002	2003	Var %	
1. CURRENT REVENUES	2 795	2 726	2 940	7,8	5,2	8 958	10 280	14,8	
2. NON FINANCIAL EXPENDITURE	2 559	2 266	2 806	23,9	9,7	8 592	9 470	10,2	
<i>a. Current</i>	2 239	1 983	2 481	25,2	10,8	7 683	8 461	10,1	
<i>b. Capital</i>	320	283	325	14,7	1,4	909	1 009	10,9	
3. CAPITAL REVENUES	15	8	7	-13,0	-56,4	58	41	-29,4	
4. PRIMARY BALANCE (1-2+3)	251	468	140			424	851		
5. INTEREST	145	374	109	-70,8	-24,7	1 034	1 109	7,3	
6. OVERALL BALANCE (4-5)	106	94	31			-610	-258		
7. FINANCING	-106	-94	-31			610	258		
<i>a. External</i>	-44	650	-59			1 635	1 940		
- Disbursements	113	1011	91			5 526	2 975		
- Amortization	-157	-362	-149			-3 892	-1 035		
<i>b. Domestic</i>	-69	-756	24			-1 177	-1 708		
<i>c. Privatization</i>	7	13	4			152	26		

Non financial expenditure amounted to S/. 2 806 million in April, up 10 percent from a year ago, due to the increase in current expenditure (11 percent), resulting from the increase in wages and salaries (10 percent) in Education and Health sectors, the new

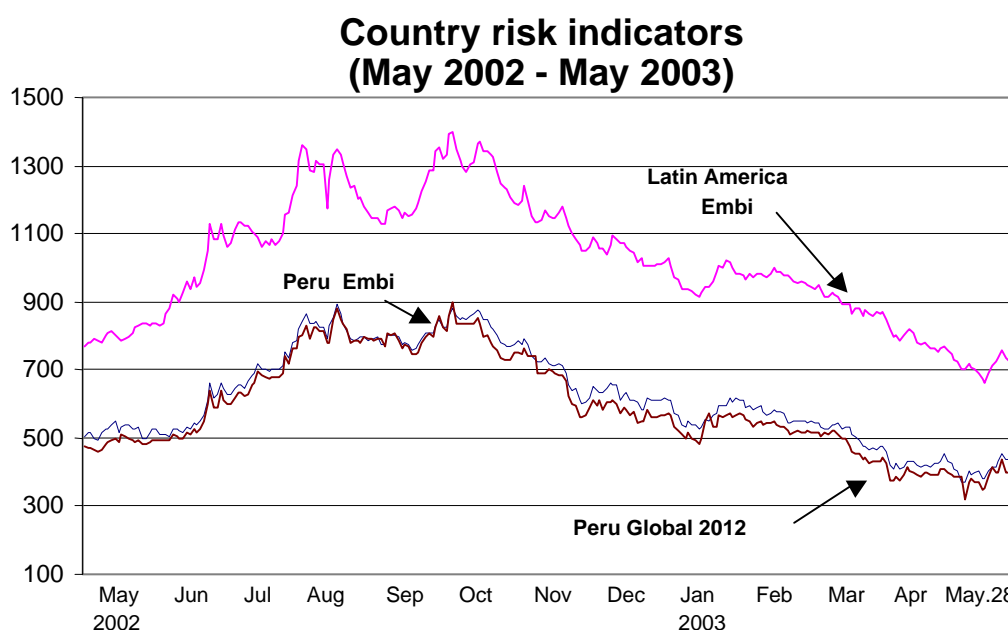
Regional Governments and higher transfers (22 percent) to the ONP.

Gross fixed investment (S/. 31 million) was similar to April 2002. The most important projects were oriented to road buildings.

Spread of global bond at 4,3 percent

The spread of the **Global Peruvian bond** increased from 3,9 percent as of end-April to 4,3 percent on May 28, whereas in the same period, the spread of the **sovereign bonds** augmented from 4,1 to 4,4 percent. However, in

average terms, the spread of the Global Peruvian bond fell from 4,0 percent in April to 3,9 percent as of May 28, whereas the spread of the sovereign bonds declined 4,3 to 4,1 percent over the same period.



International markets

Between May 21 to 28, the **gold** quotation decreased 2,3 percent to US\$ 359,5 per troy ounce due to the

recovery of the US dollar, in particular on May 28.

Gold quotation

(May 2002 - May 2003)

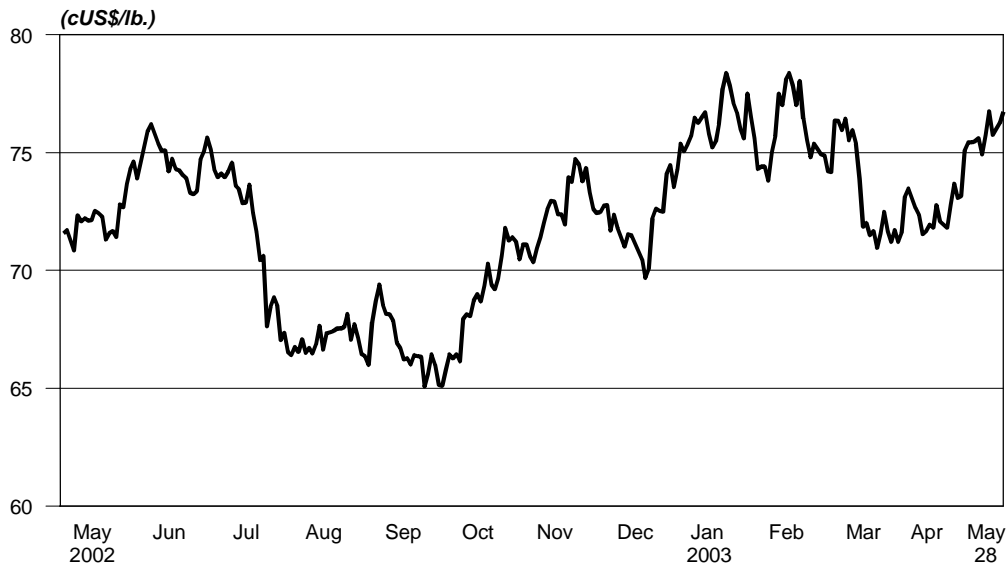


In the same period, the **copper** quotation increased 1,3 percent, reaching US\$ 0,77 per lb. This rise is explained by lower LME inventories as

well as the higher demand of institutional investors. On the other hand, the **zinc** quotation increased 0,2 percent to US\$ 0,36 per lb.

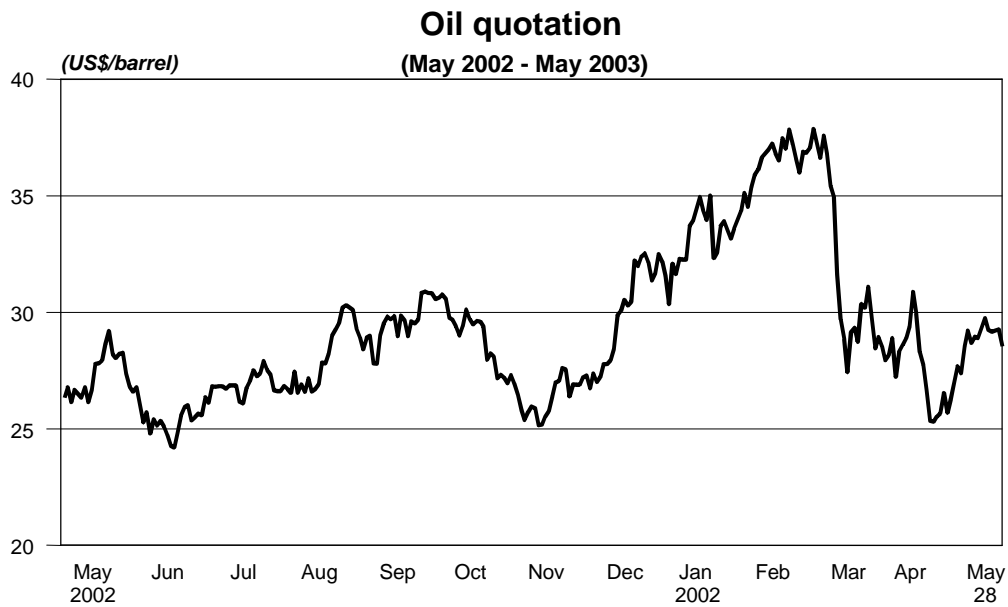
Copper quotation

(May 2002 - May 2003)



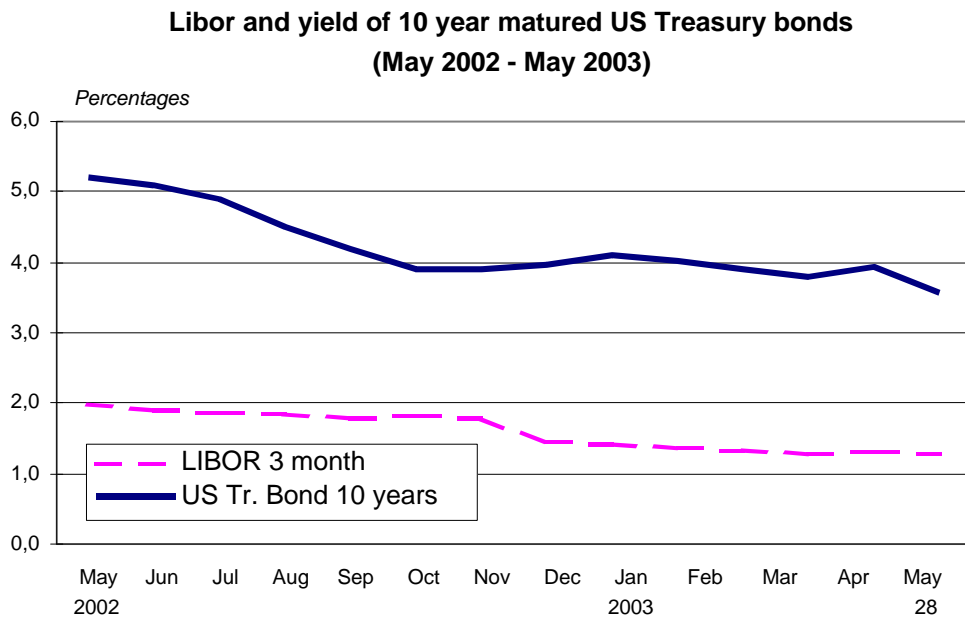
In the same period, the **WTI oil quotation** recorded a 4,1 percent fall to US\$ 28,5 per barrel, reflecting the incoming supply Iraq and the

expectation that any US demand shortage will be covered with higher supply and imports.



In the above mentioned period, the **3-month Libor** increased slightly from 1,27 to 1,28 percent, whereas the **yield**

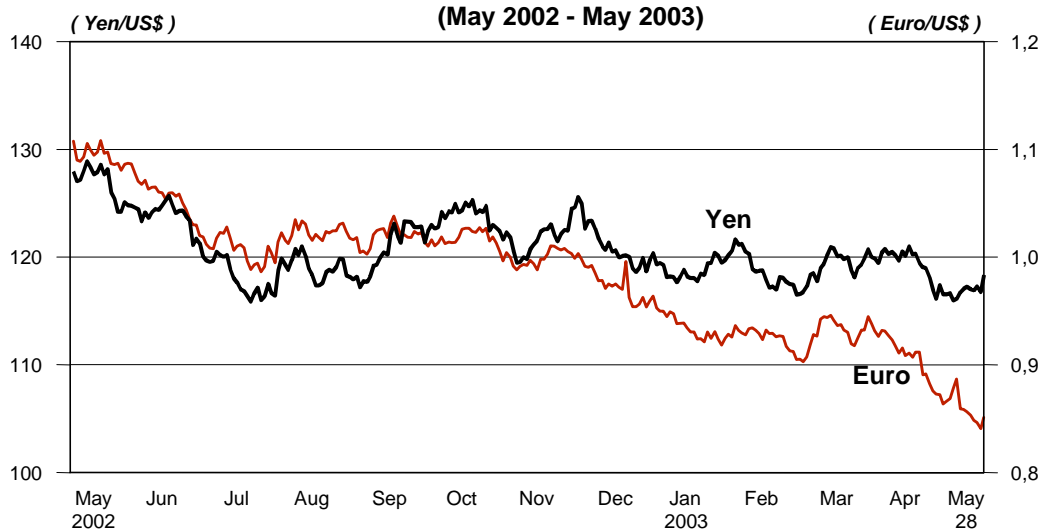
of the US Treasury bond with a 10 year maturity passed from 3,40 to 3,43 percent.



In the period **May 21 to 28**, the **US dollar** depreciated 0,6 percent against the **Euro**, reaching its minimum level

on May 28 (Euro 0,851). Against the **Yen**, the US dollar increased 0,9 percent.

Yen and euro

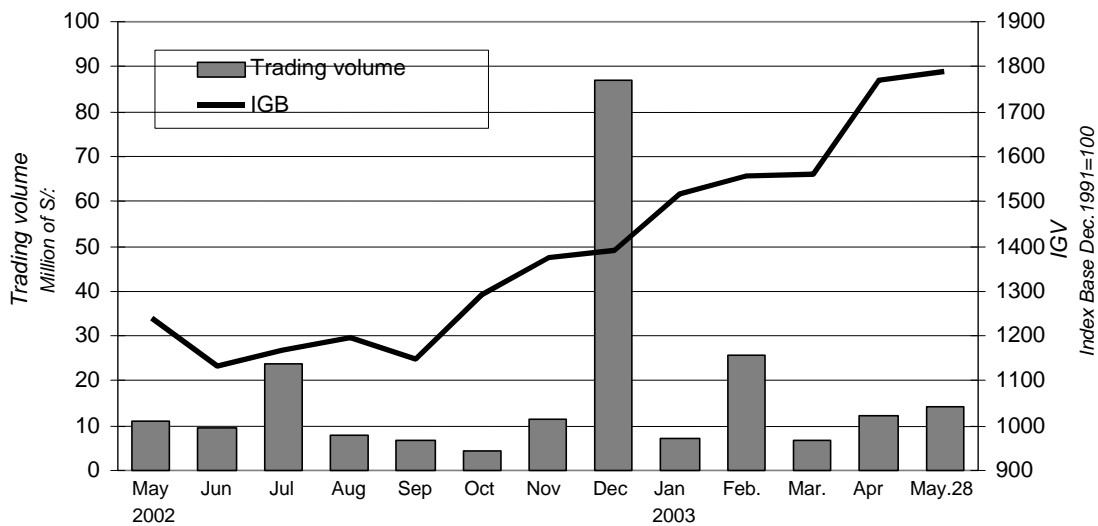


Lima Stock Exchange

As of **May 28**, the Lima Stock Exchange recorded an increase of 1,2 percent in the **General Index** and 1,6

percent in the **Blue Chip Index**. In the year both indexes have increased 28,5 and 27,0 percent, respectively.

Stock market indicators (May 2002 - May 2003)



Indicadores Económicos / Economic Indicators

	2002					2003							
	DIC.	ENE.	FEB.	MAR.	30 Abr.	ABR.	22 May.	23 May.	26 May.	27 May.	28 May.	MAY.	
RESERVAS INTERNACIONALES (Mills. US\$) / INTERNATIONAL RESERVES	Var												
Posición de cambio / Net international position	3 341	3 402	3 468	3 609	3 808	199	3 805	3 808	3 808	3 807		-1	
Reservas internacionales netas / Net international reserves	9 598	9 833	10 277	10 443	10 457	14	10 599	10 578	10 579	10 576		120	
Depósitos del sistema financiero en el BCR / Financial system deposits at BCR	3 381	3 517	3 645	3 581	3 465	-117	3 663	3 657	3 668	3 667		203	
Empresas bancarias / Banks	3 048	3 402	3 479	3 349	3 251	-98	3 417	3 402	3 422	3 423		172	
Banco de la Nación / Banco de la Nación	291	69	120	185	168	-17	199	208	199	197		29	
Sector privado / Private sector	42	46	45	48	46	-2	47	47	47	47		2	
Depósitos del sector público en el BCR / Public sector deposits at BCR	2 900	2 926	3 169	3 256	3 187	-69	3 127	3 108	3 099	3 099		-89	
Depósitos de privatización	24	28	0	3	4	1	4	4	5	5		1	
Otros depósitos / Other *	2 875	2 898	3 169	3 253	3 183	-70	3 123	3 104	3 094	3 093		-90	
OPERACIONES CAMBIARIAS BCR (MILL. US\$) / BCR FOREIGN OPERATIONS	Acum.	Acum.	Acum.	Acum.		Acum.						Acum.	
Origen externo de la emisión primaria / External origin of the monetary base	49	25	78	146	4	182	0	1	0	-0	0	-45	
Compras netas en Mesa de Negociación / Net purchases of foreign currency	5	0	58	118	4	184	0	0	0	0	0	0	
Operaciones swaps netas / Net swap operations	0	0	0	0	0	0	0	0	0	0	0	0	
Operaciones con el Sector Público / Public sector	45	25	21	28	0	-3	0	0	0	0	0	-45	
TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE	Prom.	Prom.	Prom.	Prom.		Prom.						Prom.	
Compra interbancario / Interbank bid	Promedio / Average	3,513	3,493	3,484	3,479	3,461	3,464	3,490	3,491	3,489	3,491	3,499	3,480
Venta Interbancario / Interbank Ask	Apertura / Opening	3,516	3,495	3,486	3,480	3,462	3,465	3,490	3,492	3,491	3,491	3,501	3,480
	Mediodía / Midday	3,515	3,494	3,484	3,480	3,462	3,465	3,492	3,492	3,489	3,492	3,502	3,481
	Cierre / Close	3,515	3,494	3,484	3,480	3,463	3,465	3,492	3,491	3,492	3,493	3,498	3,481
	Promedio / Average	3,515	3,494	3,484	3,479	3,462	3,465	3,491	3,492	3,490	3,492	3,501	3,481
Sistema bancario (SBS) / Banking System	Compra / Bid	3,513	3,493	3,483	3,478	3,461	3,464	3,489	3,490	3,489	3,491	3,499	3,479
	Venta / Ask	3,515	3,495	3,485	3,480	3,463	3,465	3,491	3,491	3,490	3,492	3,500	3,481
Índice de tipo de cambio real (1994 = 100) / Real exchange rate Index (1994 = 100)		100,0	100,6	100,3	100,1		101,3						

INDICADORES MONETARIOS / MONETARY INDICATORS

Moneda nacional / Domestic currency

Emisión Primaria (Var. % mensual) / (% monthly change)	11,1	-9,2	-0,3	-1,1	3,1	3,1						
Monetary base (Var. % últimos 12 meses) / (% 12-month change)	11,0	9,4	8,3	5,0	9,5	9,5						
Oferta monetaria (Var. % mensual) / (% monthly change)	5,7	-2,7	2,8	1,9	0,2	0,2						
Money Supply (Var. % últimos 12 meses) / (% 12-month change)	9,9	10,5	11,4	10,9	11,8	11,8						
Crédito sector privado (Var. % mensual) / (% monthly change)	0,8	-2,8	3,5	1,6	3,4	3,4						
Crédit to the private sector (Var. % últimos 12 meses) / (% 12-month change)	7,2	6,1	7,9	6,8	14,8	14,8						
TOSE saldo fin de período (Var. % acum. en el mes) / TOSE balance (% change)	2,9	0,8	2,2	1,3	-2,5	-2,5	2,3	2,1	2,9	2,7	2,9	
Superávit de encaje promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)	0,3	0,5	0,6	0,5	0,3	0,3	0,6	0,4	0,4	0,4	0,4	
Cuenta corriente de los bancos (saldo mill. S./) / Banks' current account (balance)	191	178	178	200	82	211	59	106	97	110	125	
Créditos por regulación monetaria (millones de S./) / Rediscounts (Millions of S./)	0	0	0	0	3	3	0	0	0	0	0	
Depósitos públicos en el BCR (millones S./) / Public sector deposits at the BCR (Mills. S./)	275	561	681	754	1 370	1 370	1 359	1 307	1 353	1 396	1 408	
Certificados de Depósitos BCRP (saldo Mill.S./) / CDBCRP balance (Millions of S./)	1 635	2 105	2 330	3 135	2 970	2 970	2 975	2 975	2 975	2 975	2 975	
Operaciones de reporte (saldo Mill. S./) / repos (Balance millions of S./)	0	70	0	210	80	81	85	120	125	120	125	
Tasa de interés (%) / Interest rates (%)	Préstamos y descuentos hasta 360 días / Loans & discount Interbancaria / Interbank	14,8	14,9	14,9	14,3	13,5	13,9	13,4	13,5	13,6	13,5	13,6
	Preferencial corporativa a 90 días / Corporate Prime	3,8	3,8	3,8	3,8	3,9	3,8	3,8	3,8	3,8	3,8	4,0
	Operaciones de reporte con CDBCRP / CDBCRP repos	5,2	4,7	4,7	4,7	4,6	4,6	4,6	4,6	4,6	4,6	4,6
	Créditos por regulación monetaria / Rediscounts	s.m.	3,9	s.m.	4,0	3,9	3,9	3,8	3,8	3,8	3,8	3,9
	Del saldo de CDBCRP / CDBCRP balance	s.m.	s.m.	s.m.	s.m.	4,3	4,3	s.m.	s.m.	s.m.	s.m.	s.m.

Moneda extranjera / Foreign currency

Crédito sector privado (Var. % mensual) / (% monthly change)	-0,3	-2,8	-0,4	-0,1	0,6	0,6						
Crédit to the private sector (Var. % últimos 12 meses) / (% 12-month change)	-3,5	-5,2	-6,7	-5,7	-5,7	-5,7						
TOSE saldo fin de período (Var. % acum. en el mes) / TOSE balance (% change)	-2,0	-0,7	0,7	0,2	-0,7	-0,7	-0,2	0,2	0,0	-0,2	-0,5	
Superávit de encaje promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)	0,1	0,1	0,1	0,1	0,1	0,1	0,5	0,6	0,8	0,7	0,7	
Créditos por regulación monetaria (millones de US dólares) / Rediscounts	0	0	0	0	0	0	0	0	0	0	0	
Tasa de interés (%) / Interest rates (%)	Préstamos y descuentos hasta 360 días / Loans & discount Interbancaria / Interbank	8,1	8,3	8,9	8,8	8,9	9,0	8,5	8,4	8,4	8,3	8,6
	Preferencial corporativa a 90 días / Corporate Prime	2,2	2,4	2,4	2,4	1,3	2,1	s.m.	s.m.	s.m.	1,3	1,8
	Créditos por regulación monetaria / Rediscounts	2,4	2,3	2,3	2,2	2,2	2,1	2,2	2,2	2,2	2,2	2,2
		s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.

INDICADORES BURSÁTILES / STOCK MARKET INDICES

	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.
Índice General Bursátil (Var. %) / General Index (% change)	1,0	9,0	2,6	0,2	0,0	13,5	0,4
Índice Selectivo Bursátil (Var. %) / Blue Chip Index (% change)	1,2	7,1	2,9	0,0	0,0	13,5	0,7
Monto negociado en acciones (Mill. S./) - Prom. diario	86,8	7,3	25,7	6,8	59,4	12,1	70,1

INFLACIÓN (%) / INFLATION (%)

Inflación mensual / Monthly	-0,03	0,23	0,47	1,12		-0,05
Inflación últimos 12 meses / % 12 months change	1,52	2,28	2,80	3,39		2,59

GOBIERNO CENTRAL (MILL. S./) / CENTRAL GOVERNMENT (Mills. of S./)

Resultado primario / Primary balance	-201	397	-154	468		140
Ingresos corrientes / Current revenue	2 779	2 427	2 186	2 726		2 940
Gastos no financieros / Non-financial expenditure	3 108	2 035	2 363	2 266		2 806

COMERCIO EXTERIOR (Mills. US\$) / FOREIGN TRADE (Mills. of US\$)

Balanza Comercial / Trade balance	80	-21	74	-61		
Exportaciones / Exports	748	692	690	647		
Importaciones / Imports	668	712	616	707		

PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT

Variac. %, respecto al mismo mes del año anterior / Annual rate of growth	6,3	4,6	5,3	5,2		
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COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS

	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.
LIBOR a tres meses (%) / LIBOR 3-month (%)	1,4	1,4	1,3	1,3	1,3	1,3	1,3
Dow Jones (Var %) / (% change)	-5,9	-3,5	-2,0	1,3	-0,3	6,1	0,9
Rendimiento de los U.S. Treasuries (10 años) / U.S. Treasuries yield (10 years)	4,0	4,0	3,9	3,8	3,8	3,9	3,3
Stripped spread del EMBI+ PERÚ (pbs) / EMBI+ PERU stripped spread (basis points)	620	573	569	511	407	426	n.d.
Bono Global 2012 - Perú (en pbs) / Global Bond 2012 - Peru (basis points)	575	534	533	476	373	396	391

* Incluye depósitos de Promocpi, Fondo de Estabilización Fiscal (FEF), Cofide, fondos administrados por la ONP; y otros depósitos del MEF. El detalle se presenta en el cuadro No.21 de la Nota Semanal.

Fuente: BCR, INEI, Aduanas, Banco de la Nación, BVL, Sunat, SBS, Reuters y Bloomberg.