

BANCO CENTRAL DE RESERVA DEL PERÚ

WEEKLY REPORT

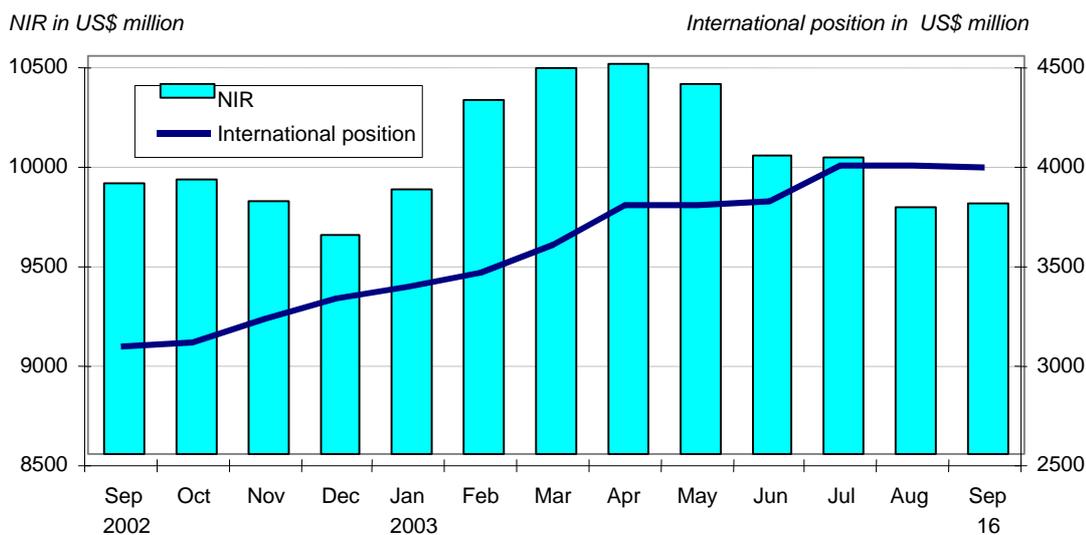
Nº 37 – September 19, 2003

Net international reserves: US\$ 9 759 million

As of **September 16**, net international reserves amounted to US\$ 9 759 million, up US\$ 20 million from end-August. This increment reflects the increase of financial system deposits (US\$ 48 million), purchases of foreign currency at over-the-counter (US\$ 25 million) and net investment yield (US\$ 22 million). These factors were partially offset by the

withdrawal of public sector deposits (US\$ 32 million), sales of foreign currency to the public sector (US\$ 39 million) and other operations (US\$ 4 million). In the year, NIR has increased US\$ 161 million, whereas the **Central Bank international position**, which reached US\$ 4 004 million is US\$ 663 million higher than end-2002.

**BCR's net international reserves and international position
(September 2002 - September 2003)**

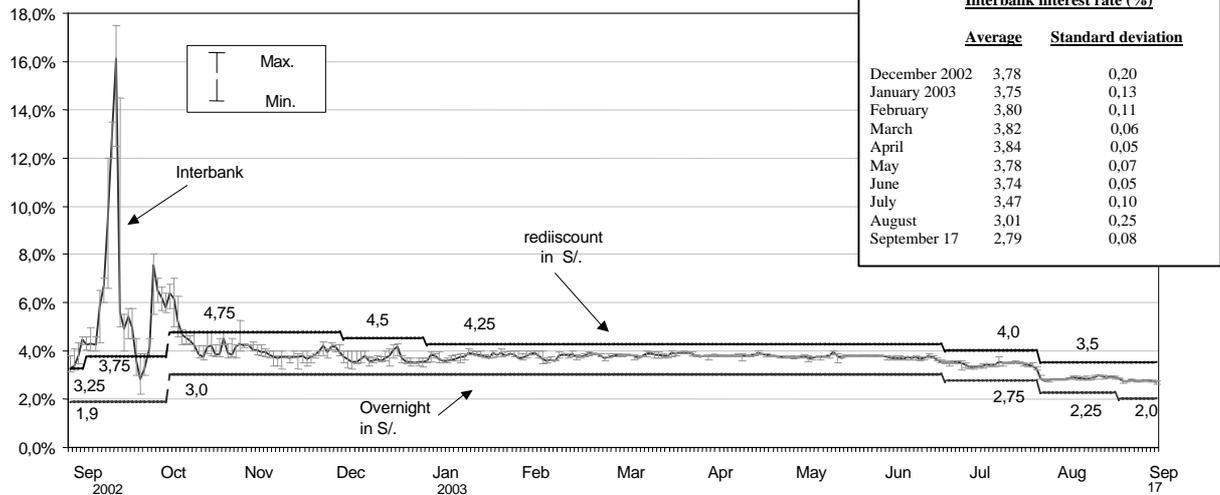


Interbank interest rate at 2,79 percent

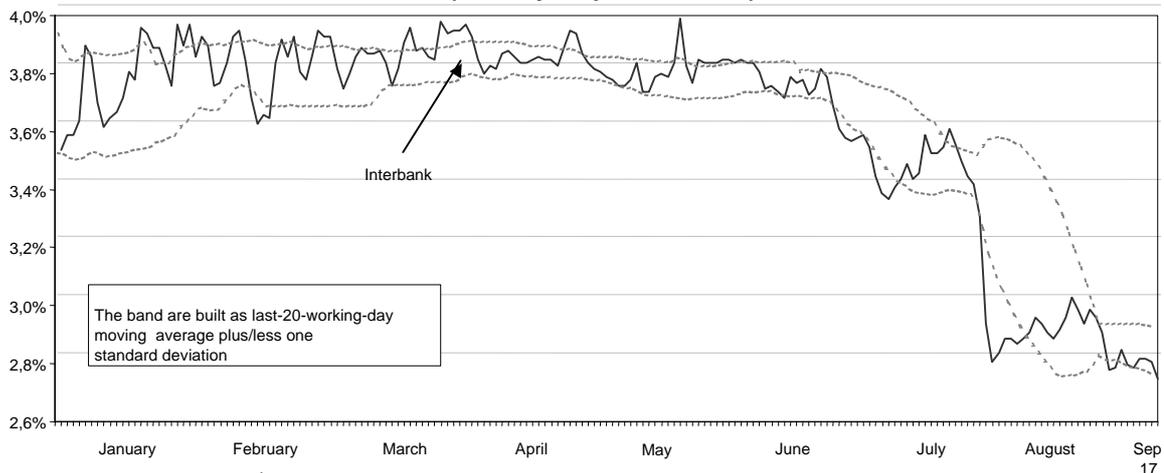
As of **September 17**, the interbank interest rate in domestic currency was 2,79 percent, down from August (3,01 percent). For September the Central Bank overnight

deposit interest rate is 2,20 percent, whereas the rate monetary regulation credits remains at 3,5 percent.

Interest rate in domestic currency (September 2002 - September 2003)



Interest rate in domestic currency (January- September 2003)



Monetary operations

As of September 17, the daily average balance of banks' liquidity at the Central Bank amounted to S/. 239 million, having been projected a balance of S/. 180 to S/. 200 million for that month. Between September 11 and 17, the Central Bank made the following operations:

- Auctions of Certificates of Deposits with a year maturity by S/. 50 million at an average interest rate of 3,25 percent.
- Auction of temporary purchase of CDBCRP and BTP with the following maturities: (i) 1 day S/. 30 million at an average interest rates of 2,79 percent (ii) 3 day S/. 90 million at 2,76 percent and (iii) 7 day S/. 114 million at 2,84 percent.
- The Bank received overnight deposits by S/. 30 million on September 12, S/. 100 million on September 16 and S/. 150 million on September 17.

September 17 at an average interest rate of 2,0 percent.

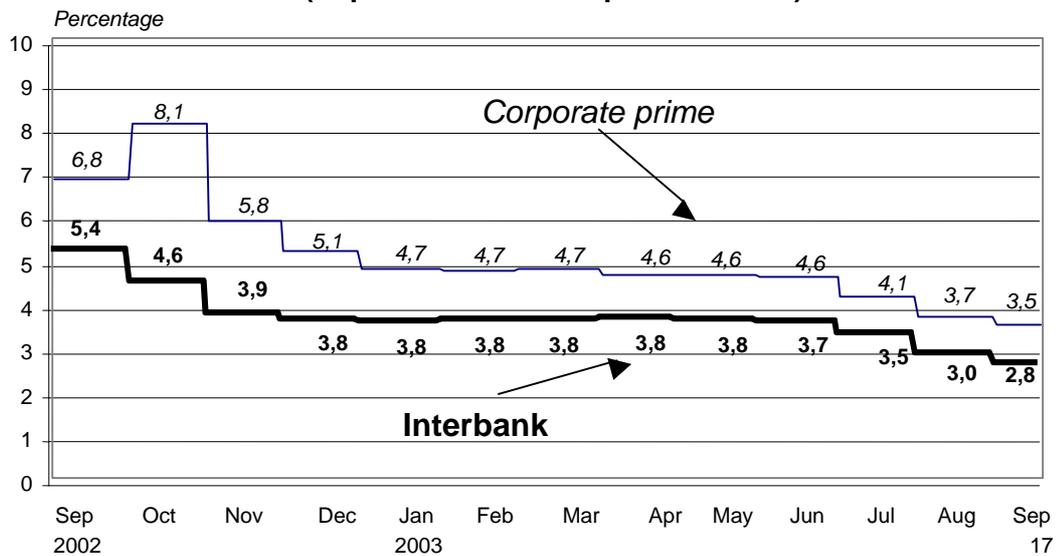
- Purchase of foreign currency amounting to US\$ 30 million at an average exchange rate of S/. 3,478.

Corporate prime interest rate at 3,5 percent

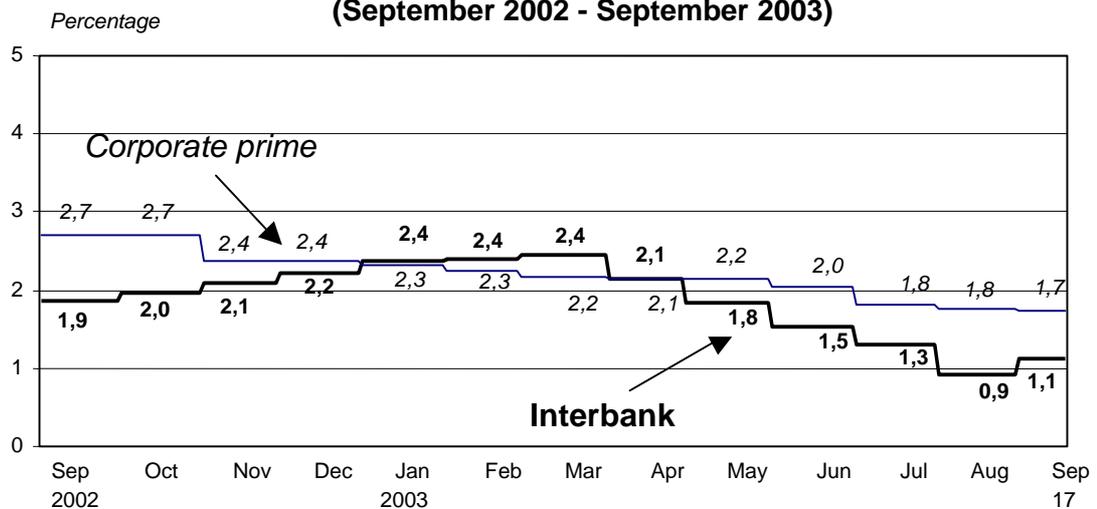
As of **September 17**, the corporate prime interest rate in local currency averaged 3,5 percent, down from August (3,7 percent),

whereas the rate in foreign currency passed from 1,8 to 1,7 percent.

**Monthly average interest rates in domestic currency
(September 2002 - September 2003)**



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



Exchange rate: S/. 3,480

Between September 10 to 17, the average exchange rate declined to S/. 3,4780 from S/. 3,47725, reflecting the tax season and the issuance of Treasury IOU amounting to S/. 150 million, lower depreciatory expectations linked to the trade surplus in July (US\$ 54 million), the economic growth

in July (3,3 percent), the lower country risk and the regional currencies evolution.

In the same period, the balance of net forward sales increased from US\$ 625 to 652 million, whereas the banks' exchange position decreased fell from US\$ 654 to 614 million.

BANKS' EXCHANGE POSITION
(Millions of US\$)

	December 2002	January 2003	July	August	September 17
a. Net sales to the public (i-ii)	905	923	715	678	652
i. Forward sales to the public	1 141	1 167	901	845	846
ii. Forward purchases to the public	236	244	186	168	194
b. Banks' exchange position	642	616	589	660	614

Gross Domestic Product grew 3,3 percent in July

In July, gross domestic product recorded a 3,3 percent growth. The cumulative GDP expansion in the period January-July reached 4,3 percent, reflecting the overall good performance of primary, which increased 3,6 percent, and non-primary activities, such as manufacturing and construction.

Agriculture output recorded a 4,4 percent growth, thanks to the higher production of rice, yellow corn and poultry. The cumulative growth in the year is 3,3 percent.

Fishing declined 26,2 percent in July, reflecting the fall in industry-oriented fishing, explained by the lower catching of anchovy due in turn to low sea temperature and the early start of a ban. In the year, fishing recorded a 18,9 percent contraction.

Mining and oil activity recorded a 11,9 percent growth in July and a 8,3 percent expansion in the period January-July. The greater July output obeys to larger production of gold, copper and iron, that offset the decline of oil output.

Manufacturing sector recorded a 1,0 percent growth. The higher activity of non-primary industries (3,8 percent) exceeded the setback in raw material processing (-9,3 percent). The latter reflected lower fish meal, whereas the former was a consequence of the expansion in metal-based-, foodstuff-, textile-, chemical- and construction related industries.

Construction recorded a slight growth in July (0,4 percent) and a cumulative growth of 3,5 percent in the period January-July, reflecting greater sales of cement and the development of housing programs.

GROSS DOMESTIC PRODUCT
(Annual growth rates)

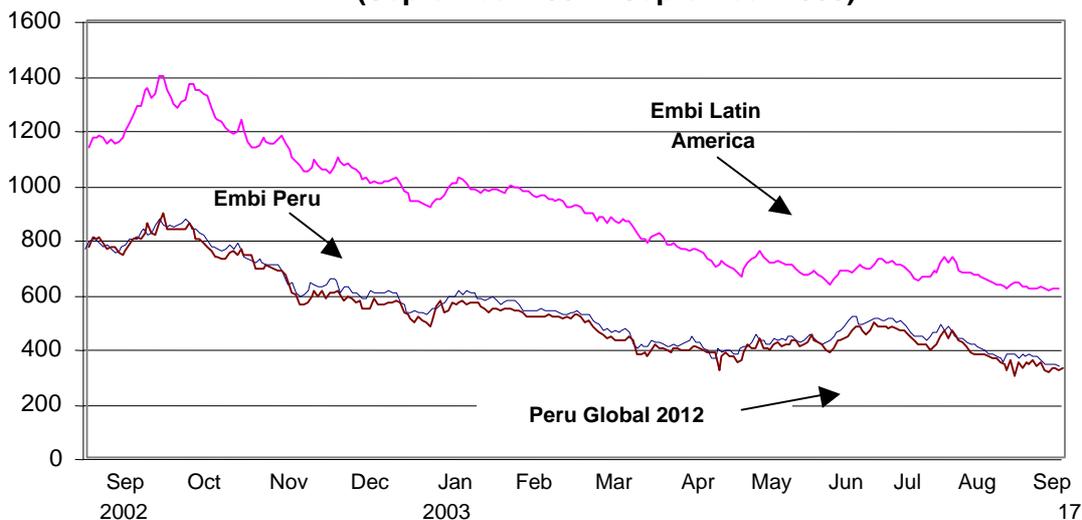
	July		January - July	
	2002	2003	2002	2003
Agriculture and Livestock	2,7	4,4	6,2	3,3
Agriculture	1,2	3,8	7,0	2,7
Livestock	5,0	5,4	4,8	4,1
Fishing	4,7	-26,2	-4,1	-18,9
Mining and fuel	0,9	11,9	18,6	8,3
Metals	0,8	13,5	19,9	9,5
Fuel	-1,5	-4,0	2,1	-3,8
Manufacturing	5,4	1,0	2,4	2,7
Based on raw materials	0,0	-9,3	-2,5	-4,7
Non-primary	7,0	3,8	3,8	4,7
Electricity and water	3,1	6,7	5,8	4,5
Construction	13,5	0,4	9,8	3,5
Commerce	2,2	2,6	3,4	4,1
Other services	4,6	3,9	3,8	4,5
<u>GROSS AGGREGATED VALUE</u>	<u>4,3</u>	<u>3,5</u>	<u>4,9</u>	<u>4,0</u>
Taxes on products and import duties	11,6	1,4	3,7	6,9
<u>GDP</u>	<u>5,0</u>	<u>3,3</u>	<u>4,8</u>	<u>4,3</u>
Primary sectors gross aggregated value	1,7	3,6	7,8	2,8
Non-primary sectors gross aggregated value	5,0	3,5	4,2	4,4
Memo:				
Domestic demand	6,6	3,3	3,6	3,8

Spread of Global bond at 3,3 percent

As of September 17, the spread of the **Global 2012** bond decreased to 3,3 percent from 3,5 percent on end-August,

whereas the EMBI+ spread fell from 3,8 to 3,5 percent, recording an historic minimum.

**Country risk indicators
(September 2002 - September 2003)**



International markets

Between September 10 to 17, the gold quotation decreased 1,5 percent to

US\$ 374,25, reflecting speculative sales of this precious metal.

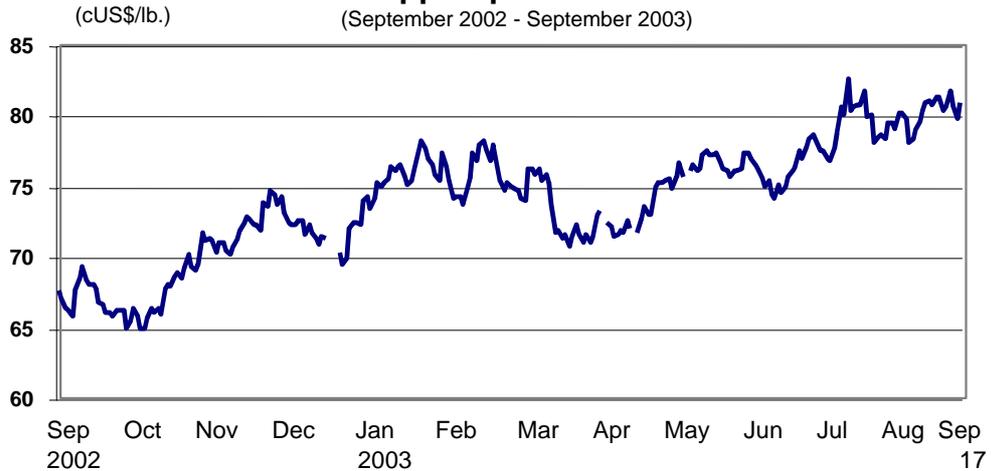
Gold quotation



Over the same period, the **copper** quotation increased 0,8 percent to US\$ 0,811 per pound due to the higher demand in the US. LME inventories fell

1,71 percent to 600 thousand MT. On the other hand, the zinc quotation decreased slightly 0,1 percent to US\$ 0,3683 per pound.

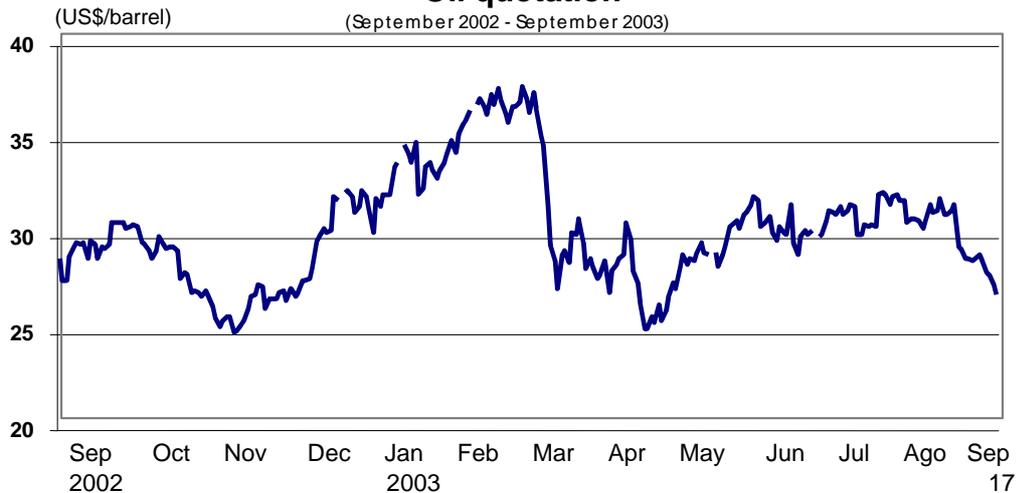
Copper quotation



In the week, the **WTI oil** quotation fell 8,2 percent, reflecting the lower demand, the news regarding the Isabel hurricane would not affect the Mexican Gulf petroleum zone

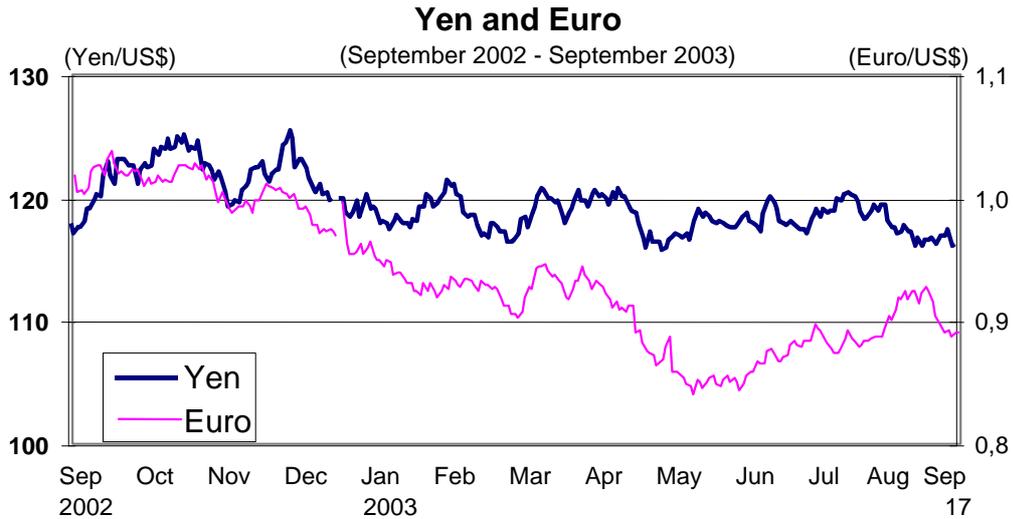
as well as the higher level of US inventories according to the US Energy Agency.

Oil quotation



Between September 10 to 17, the **US dollar** depreciated 0,7 percent against the euro and 0,8 percent against the **yen**, reflecting the lack of strength of the US economy and the FED announcement that

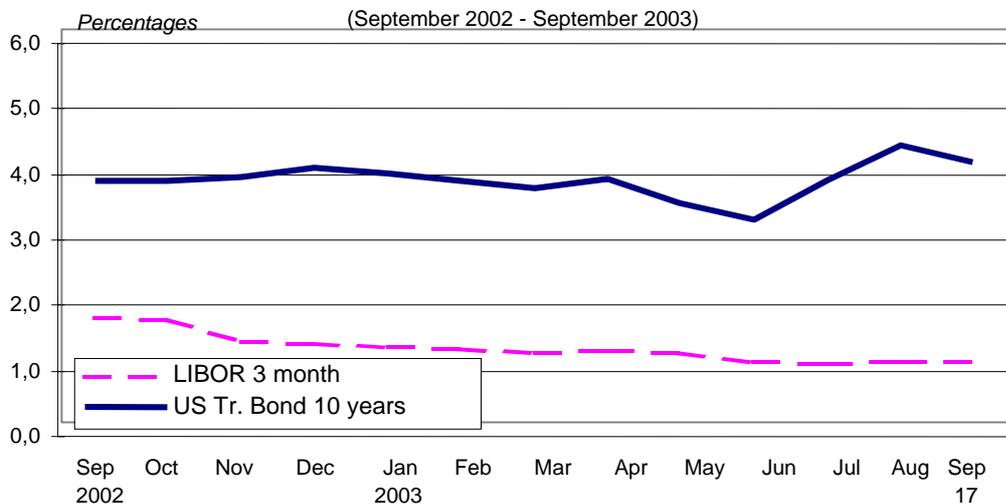
interest rates would remain low for a considerable time. In the year, the US dollar has depreciated 7,0 percent against the euro and 2,2 percent against the yen.



Between September 10 to 17, the Libor remained at 1,14 percent, whereas the **yield of US Treasury bonds** with a 10 year maturity decreased from 4,273 to 4,176 percent after it was known the August public

deficit in the US amounting to US\$ 55 billion with a cumulative deficit for this fiscal year of US\$ 400,5 billion as well as the release of negative economic indicators in the US.

Libor and yield of US Treasury bonds with 10 year maturity

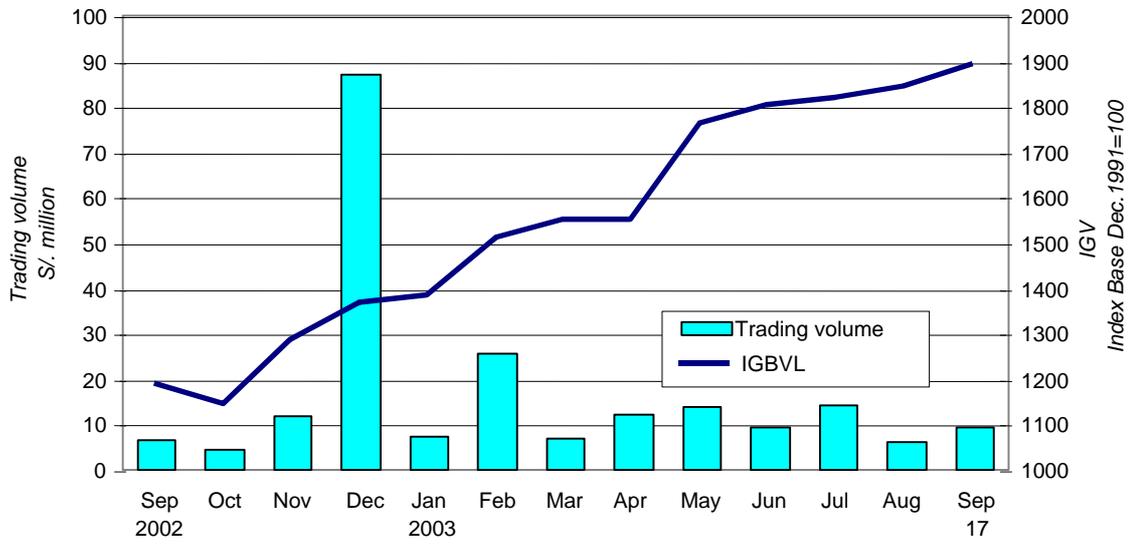


Lima Stock Exchange

As of **September 17**, the General Index and Blue Chip Index of Lima Stock Exchange (LSE) increased 2,5 and 3,1 percent, respectively. The cumulative

increase in the year is 39,7 percent for the General Index and 39,1 percent for the Blue Chip.

**Stock market indicators
(September 2002 - September 2003)**



Indicadores Económicos / Economic Indicators

	2002	2003							
	DIC.	JUN.	JUL.	29 Ago.	AGO.	12 Set.	15 Set.	16 Set.	17 Set.
RESERVAS INTERNACIONALES (Mills. US\$) / INTERNATIONAL RESERVES									
Posición de cambio / <i>Net international position</i>	3 341	3 827	4 010	4 015	4 015	3 996	4 002	4 004	
Reservas internacionales netas / <i>Net international reserves</i>	9 598	9 997	9 989	9 739	9 739	9 809	9 789	9 759	
Depósitos del sistema financiero en el BCR / <i>Financial system deposits at BCR</i>	3 381	3 439	3 334	3 275	3 275	3 357	3 336	3 323	
Empresas bancarias / <i>Banks</i>	3 048	3 205	3 088	3 028	3 028	3 104	3 083	3 087	
Banco de la Nación / <i>Banco de la Nación</i>	291	185	196	198	198	202	202	185	
Sector privado / <i>Private sector</i>	42	50	50	49	49	51	51	51	
Depósitos del sector público en el BCR / <i>Public sector deposits at BCR</i>	2 900	2 728	2 656	2 479	2 479	2 484	2 464	2 447	
Depósitos de privatización	24	7	12	18	18	18	18	18	
Otros depósitos / <i>Other *</i>	2 875	2 722	2 644	2 461	2 461	2 466	2 446	2 429	
OPERACIONES CAMBIARIAS BCR (MILL. US\$) / BCR FOREIGN OPERATIONS									
Origen externo de la emisión primaria / <i>External origin of the monetary base</i>	49	33	164	0	-31	-14	5	5	10
Compras netas en Mesa de Negociación / <i>Net purchases of foreign currency</i>	5	79	153	0	15	5	5	5	10
Operaciones swaps netas / <i>Net swap operations</i>	0	5	-5	0	0	0	0	0	0
Operaciones con el Sector Público / <i>Public sector</i>	45	-50	15	0	-45	-19	0	0	0
TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE									
Compra interbancario / <i>Interbank bid</i>	Prom.	Prom.	Prom.		Prom.				
Promedio / <i>Average</i>	3,513	3,478	3,471	3,480	3,480	3,474	3,478	3,478	3,477
Apertura / <i>Opening</i>	3,516	3,480	3,471	3,480	3,481	3,479	3,480	3,478	3,479
Mediodía / <i>Midday</i>	3,515	3,479	3,471	3,480	3,481	3,480	3,478	3,479	3,478
Cierre / <i>Close</i>	3,515	3,478	3,471	3,481	3,481	3,479	3,478	3,479	3,477
Promedio / <i>Average</i>	3,515	3,479	3,471	3,480	3,481	3,479	3,479	3,478	3,478
Sistema Bancario (SBS) / <i>Banking System</i>	3,513	3,478	3,471	3,479	3,480	3,478	3,477	3,477	3,477
Compra / <i>Bid</i>	3,515	3,480	3,472	3,481	3,481	3,480	3,478	3,478	3,479
Venta / <i>Ask</i>									
Índice de tipo de cambio real (1994 = 100) / <i>Real exchange rate Index (1994 = 100)</i>	100,4	105,2	104,5		103,9				
INDICADORES MONETARIOS / MONETARY INDICATORS									
Moneda nacional / Domestic currency									
Emisión Primaria / <i>Monetary base</i>	(Var. % mensual) / (% monthly change)	11,1	1,7	8,3	-3,3	-3,3			
	(Var. % últimos 12 meses) / (% 12-month change)	11,0	6,5	2,8	4,2	4,2			
Oferta monetaria / <i>Money Supply</i>	(Var. % mensual) / (% monthly change)	6,3	-2,4	5,5					
	(Var. % últimos 12 meses) / (% 12-month change)	10,6	9,0	8,3					
Crédito sector privado / <i>Crédit to the private sector</i>	(Var. % mensual) / (% monthly change)	0,8	-1,6	0,2					
	(Var. % últimos 12 meses) / (% 12-month change)	7,1	11,0	10,5					
TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>		2,9	-2,7	2,5	-0,2	-0,2	0,9	1,5	
Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>		0,3	0,1	0,1	0,4	0,4	0,7	0,8	
Cuenta corriente de los bancos (saldo mill. S./) / <i>Banks' current account (balance)</i>		191	204	51	57	57	225	287	139
Créditos por regulación monetaria (millones de S./) / <i>Rediscounts (Millions of S./)</i>		0	0	0	0	0	0	0	0
Depósitos públicos en el BCR (millones S./) / <i>Public sector deposits at the BCR (Mills.S./)</i>		275	1 463	1 176	1 150	1 150	1 044	1 005	1 057
Certificados de Depósitos BCRP (saldo Mill.S./) / <i>CDBCRP balance (Millions of S./)</i>		1 635	2 850	3 075	3 570	3 570	3 475	3 475	3 380
Operaciones de reporte (saldo Mill. S./) / <i>repos (Balance millions of S./)</i>		170	50	s.m.	240	240	120	60	30
Préstamos y descuentos hasta 360 días / <i>Loans & discount</i>		14,8	14,0	14,3	14,3	14,4	14,4	14,5	14,4
Interbancaria / <i>Interbank</i>		3,8	3,7	3,5	3,0	3,0	2,8	2,8	2,8
Preferencial corporativa a 90 días / <i>Corporate Prime</i>		5,2	4,6	4,1	3,6	3,7	3,5	3,5	3,5
Operaciones de reporte con CDBCRP / <i>CDBCRP repos</i>		s.m.	3,9	s.m.	3,0	3,0	2,8	2,8	2,8
Créditos por regulación monetaria / <i>Rediscounts</i>		4,50	4,25	4,00	3,50	3,50	3,50	3,50	3,50
Del saldo de CDBCRP / <i>CDBCRP balance</i>		4,7	4,7	4,6	4,4	4,4	4,4	4,4	4,4
Moneda extranjera / foreign currency									
Crédito sector privado / <i>Crédit to the private sector</i>	(Var. % mensual) / (% monthly change)	-0,3	-0,1	-0,6					
	(Var. % últimos 12 meses) / (% 12-month change)	-3,6	-6,5	-6,7					
TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>		-2,0	1,0	-1,9	-0,9	-0,9	0,3	0,2	
Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>		0,1	0,1	0,1	0,1	0,1	1,6	0,4	
Créditos por regulación monetaria (millones de US dólares) / <i>Rediscounts</i>		0	0	0	0	0	0	0	0
Préstamos y descuentos hasta 360 días / <i>Loans & discount</i>		8,1	7,9	7,4	6,8	6,9	6,9	6,9	n.d.
Interbancaria / <i>Interbank</i>		2,2	1,5	1,3	1,1	0,9	0,9	s.m.	0,9
Preferencial corporativa a 90 días / <i>Corporate Prime</i>		2,4	2,0	1,8	1,8	1,8	1,8	1,8	1,7
Créditos por regulación monetaria / <i>Rediscounts ***</i>		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. %) / <i>General Index (% change)</i>	Acum.	Acum.	Acum.		Acum.				
Índice Selectivo Bursátil (Var. %) / <i>Blue Chip Index (% change)</i>	1,0	0,9	1,4	0,4	2,5	0,8	-0,5	-0,4	0,0
Monto negociado en acciones (Mill. S./) - Prom. diario	1,2	0,6	3,1	0,1	1,5	1,0	-0,1	0,0	0,1
	86,8	9,2	14,4	9,6	6,0	10,0	8,8	6,8	9,0
INFLACIÓN (%) / INFLATION (%)									
Inflación mensual / <i>Monthly</i>		-0,03	-0,47	-0,15		0,01			
Inflación últimos 12 meses / <i>% 12 months change</i>		1,52	2,17	1,98		1,89			
GOBIERNO CENTRAL (MILL. S./) / CENTRAL GOVERNMENT (Mills. of S./)									
Resultado primario / <i>Primary balance</i>		-232	81	-385					
Ingresos corrientes / <i>Current revenue</i>		2 779	2 463	2 446					
Gastos no financieros / <i>Non-financial expenditure</i>		3 140	2 390	2 903					
COMERCIO EXTERIOR (Mills. US\$) / FOREIGN TRADE (Mills. of US\$)									
Balanza Comercial / <i>Trade balance</i>		71	142	54					
Exportaciones / <i>Exports</i>		746	802	782					
Importaciones / <i>Imports</i>		675	660	728					
PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT									
Variac. %, respecto al mismo mes del año anterior / <i>Annual rate of growth</i>		6,5	5,7	3,3					
COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS									
LIBOR a tres meses (%) / <i>LIBOR 3-month (%)</i>	Prom.	Prom.	Prom.		Prom.				
Dow Jones (Var %) / (% change)	1,4	1,1	1,1	n.d.	1,1	1,1	1,1	1,1	1,1
Rendimiento de los U.S. Treasuries (10 años) / <i>U.S. Treasuries yield (10 years)</i>	-5,9	1,5	2,8	0,4	2,0	0,1	-0,2	1,3	-0,2
Stripped spread del EMBI+ PERÚ (pbs) / <i>EMBI+ PERU stripped spread (basis points)</i>	4,0	3,3	3,9	4,5	4,4	4,3	4,3	4,3	n.d.
Bono Global 2012 - Perú (en pbs) / <i>Global Bond 2012 - Peru (basis points)</i>	620	455	488	383	422	351	350	348	346
	575	430	449	353	391	326	325	316	324

* Incluye depósitos de Promcepri, 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.

** Los tipo de cambio del Sistema Bancario son adelantados.

*** Las tasas de interés para los créditos de regulación monetaria en dólares serán a la tasa Libor a un mes más un punto porcentual.

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