

BANCO CENTRAL DE RESERVA DEL PERÚ

WEEKLY REPORT

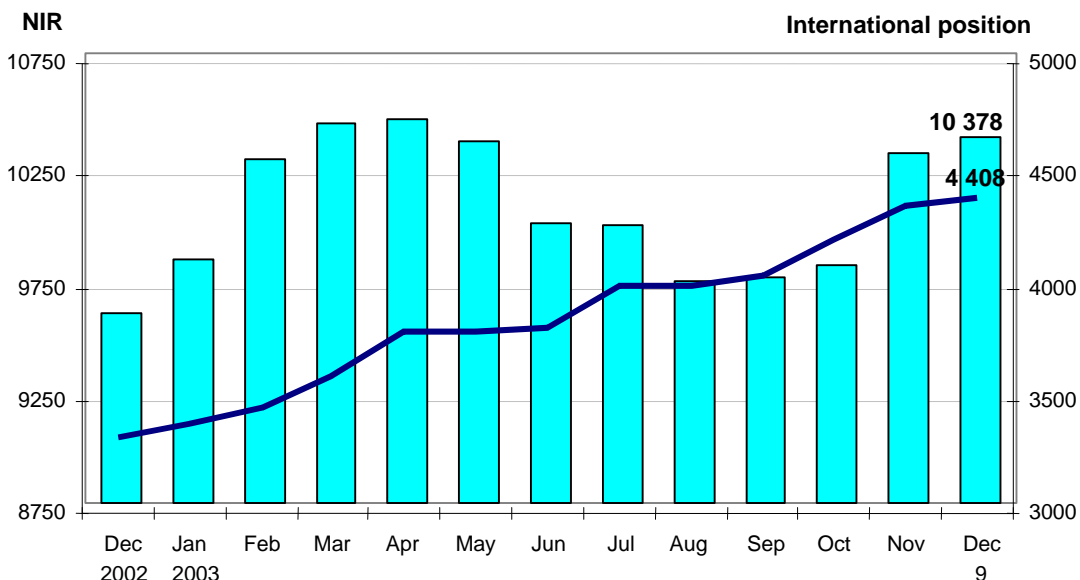
Nº 49 – December 12, 2003

Net international reserves: US\$ 10 378 million

As of **December 9**, the NIR amounted to US\$ 10 378 million, up US\$ 75 million from end-November. This increase reflected higher financial system deposits (US\$ 71 million); net purchases of foreign currency (US\$ 24 million) and investment yield (US\$ 18 million); which

were partially offset by lower public system deposits (US\$ 39 million). In the year, NIR has increased US\$ 779 million whereas the **Central Bank international position** expanded US\$ 1 067 million, reaching a balance of US\$ 4 408 million.

BCR's net international reserves and international position
December 2002 - December 2003
(US\$ million)

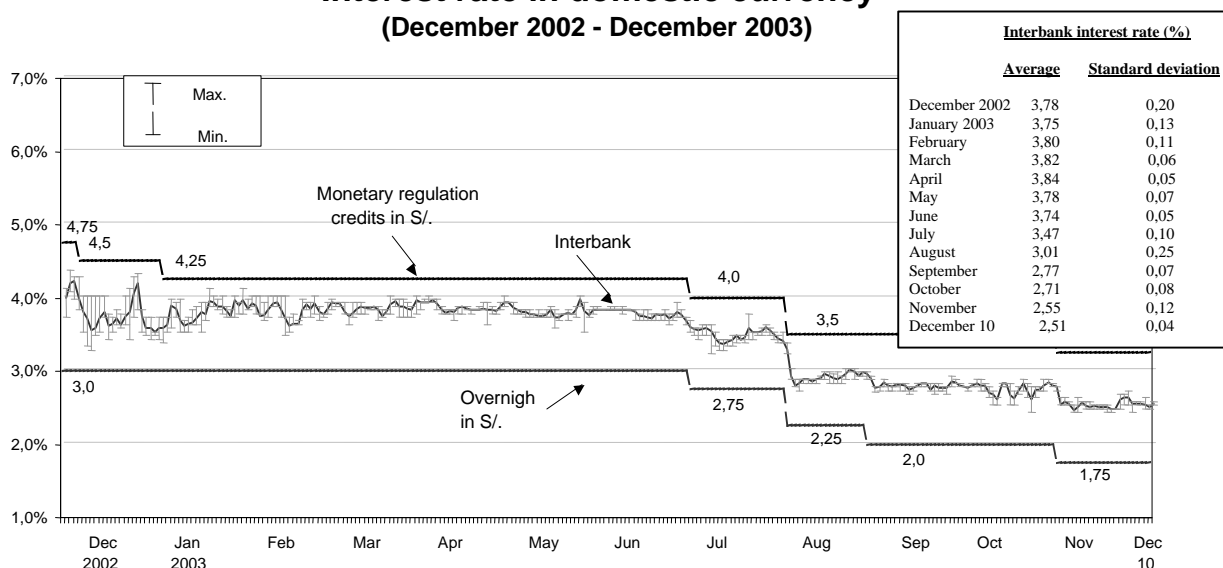


Interbank interest rate at 2,51 percent

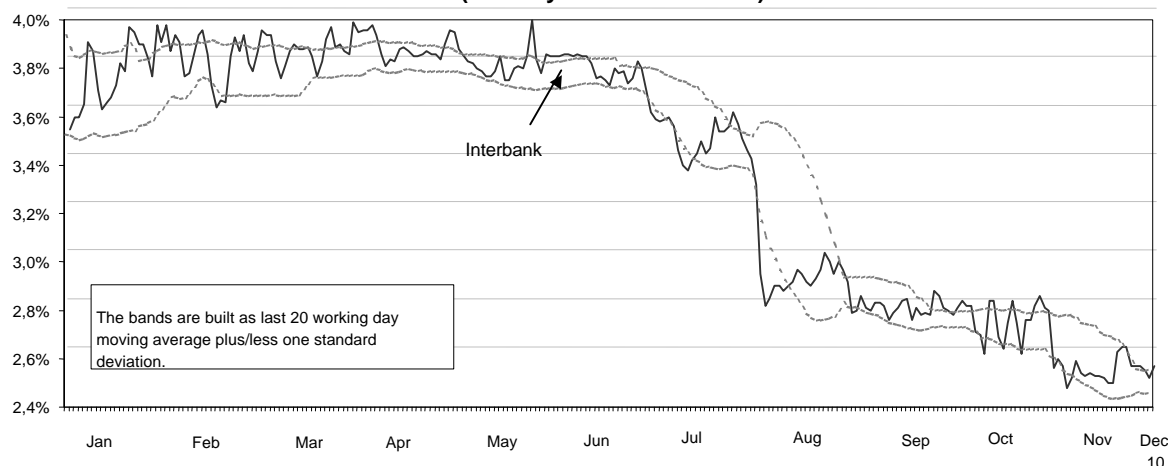
Between **December 1 to 10**, the interbank interest rate in domestic currency was 2,51 percent, lower than the rate recorded in

November (2,55 percent), in line with the reference BCR interest rates for loans (3,25 percent) and deposits (1,75 percent).

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



Interest rate in domestic currency (January - December 2003)



Monetary operations

As of **December 10**, the daily average balance of banks' liquidity at the Central Bank amounted to S/. 366 million. The balance projected for that month is S/. 180 to S/. 200 million. Between **December 4 and 10**, the Central Bank made the following operations:

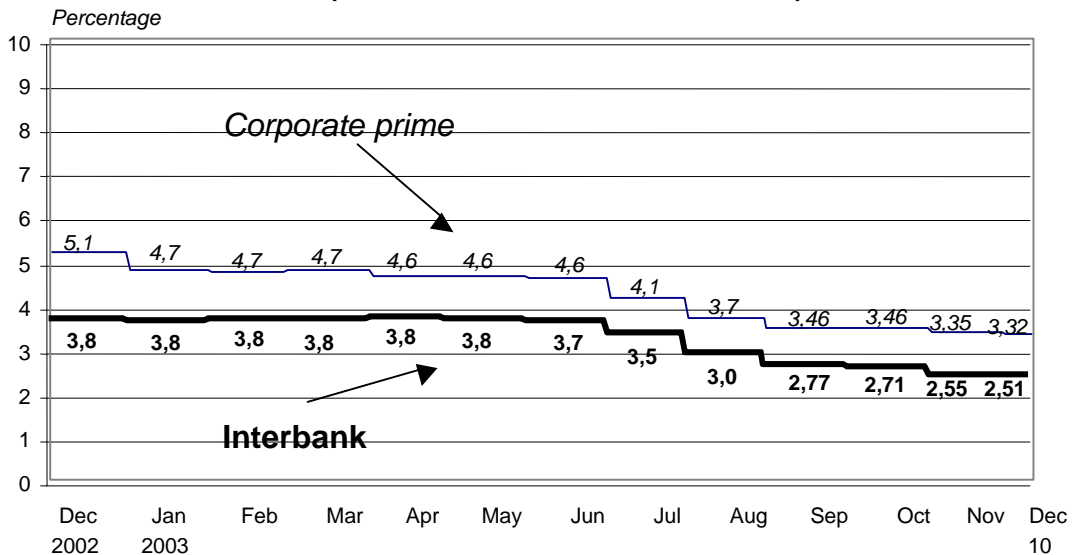
- Auction of CDBCRP by S/. 80 million with a 1-week maturity and an average interest rate of 2,49 percent.
- Auction of temporary purchase of CDBCRP and BTP with a 1 day by S/. 170 and 50 million at average interest rates of 2,54 and 2,51 percent, respectively and ii) 4 day by S/. 350 million at 2,46 percent.
- Purchase of foreign currency over the counter totaling US\$ 10 million at an average exchange rate of S/. 3,4753.
- Overnight deposits on December 10 by S/. 25 million.

Corporate prime interest rate at 3,32 percent

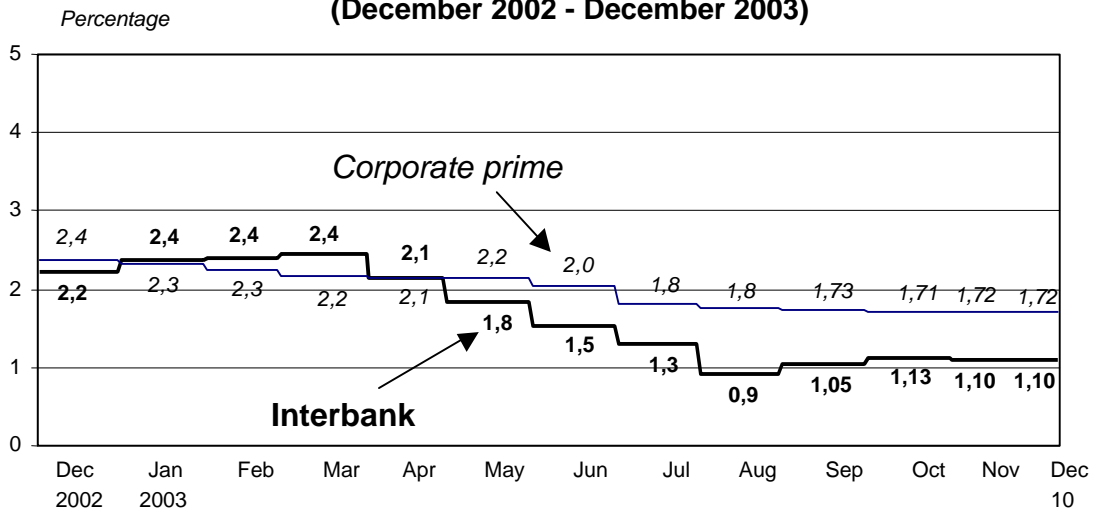
Between **December 1 to 10**, the corporate prime interest rate in local currency averaged 3,32 percent, lower than the rate recorded in November (3,35 percent),

whereas the rate in foreign currency remained at 1,72 percent over the same period.

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



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



Exchange rate: S/. 3,478

Between **December 3 and 10** the exchange rate fell slightly from S/. 3,479 to S/. 3,478 reflecting the higher domestic currency demand associated to the start of the tax season and the payment of Christmas bonuses. As of

December 10, the balance of net forward sales decreased US\$ 2 million in November, whereas the banks' exchange position increased US\$ 3 million.

BANKS' EXCHANGE POSITION
(Millions of US\$)

	December 2002	January 2003	October	November	December 10
a. Net sales to the public (i-ii)	905	923	592	613	611
i. Forward sales to the public	1 141	1 167	958	885	858
ii. Forward purchases to the public	236	244	362	272	247
b. Banks' exchange position	642	616	555	648	651

Monetary base: December 7, 2003

Between end-November and December 7, the **monetary base** grew 6,7 percent (S/. 444 million) reaching a balance of S/. 7 116 million. In average terms, the monetary base recorded an annual rate of increase of 12,1 percent as of December 7 (against 8,2 percent in November).

By sources, the monetary base flow (S/. 444 million) was mainly explained by the withdrawal of public sector deposits (S/. 369 million) and purchases of foreign currency over the counter by US\$ 25 million (S/. 87 million).

Banking system monetary accounts: November 15, 2003

Through last 4 weeks, liquidity in **domestic currency** increased 1,5 percent (S/. 292 million) to a S/. 19 137 million balance (up 11,9 percent from a year ago). Credit to the private sector in that currency fell 1,2 percent (S/. 117 million) to S/. 10 184 million. However this level is 7,8 percent higher than a year ago.

In **foreign currency**, liquidity expanded 1,5 percent (US\$ 138 million) to US\$ 9 465 million (annual decrease of 4,2 percent). Credit to the private sector in US dollars grew 0,9 percent (US\$ 88 million) reaching a balance of US\$ 9 836 million. In annual terms, this level is 5,5 percent lower than a year ago.

END OF PERIOD MONETARY AGGREGATES OF THE BANKING SYSTEM

	Monetary base		Liquidity in S/.		Credit in S/.		Liquidity in US\$		Liabilities ^{1/}		Credit in US\$	
	VAR.(%) month	VAR.(%) year	VAR.(%) month	VAR.(%) year	VAR.(%) month	VAR.(%) year	VAR.(%) month	VAR.(%) year	VAR.(%) month	VAR.(%) year	VAR.(%) month	VAR.(%) year
2001												
Dec.	14,4%	7,9%	8,0%	13,6%	1,6%	2,9%	-2,0%	2,9%	-2,8%	-23,8%	0,7%	-3,7%
2002												
Mar.	2,0%	16,1%	2,5%	18,4%	2,7%	5,3%	-1,4%	-0,6%	-4,8%	-23,7%	-1,1%	-3,7%
Jun.	3,5%	17,2%	2,2%	21,0%	1,4%	5,8%	0,3%	-1,5%	3,4%	-18,7%	-0,5%	-3,8%
Sep.	-4,1%	18,3%	-2,2%	20,1%	1,8%	7,3%	-1,3%	-0,7%	-1,8%	-0,6%	-1,0%	-3,1%
Dec.	11,1%	11,0%	6,3%	10,6%	0,8%	7,1%	-2,7%	1,4%	-4,8%	-34,3%	-0,3%	-3,6%
2003												
Jan.	-9,2%	9,4%	-3,1%	10,8%	-3,6%	5,4%	0,0%	2,8%	-11,0%	-40,5%	-2,9%	-5,2%
Feb.	-0,3%	8,3%	2,6%	11,3%	3,8%	7,5%	-0,1%	2,8%	10,5%	-38,0%	-0,2%	-6,7%
Mar.	-1,1%	5,0%	1,8%	10,6%	1,6%	6,3%	-0,1%	4,1%	-15,3%	-44,9%	-0,4%	-6,1%
Apr.	3,1%	9,5%	-0,3%	11,1%	3,6%	14,6%	-0,6%	3,4%	12,4%	-35,8%	1,0%	-5,7%
May.	-1,1%	8,4%	0,8%	12,1%	0,4%	14,0%	-0,9%	2,7%	-2,2%	-39,1%	-0,9%	-6,8%
Jun.	1,7%	6,5%	-1,7%	7,8%	-1,2%	11,0%	1,3%	3,7%	-1,3%	-41,8%	-0,3%	-6,6%
Jul.	8,3%	2,8%	5,6%	7,1%	0,2%	10,5%	-1,4%	-1,5%	2,9%	-42,4%	-0,6%	-6,8%
Aug.	-3,3%	4,2%	-1,8%	6,5%	-0,8%	9,9%	-0,5%	-3,7%	-8,2%	-45,9%	-0,2%	-6,3%
Sep.	-2,5%	6,0%	0,2%	9,1%	-0,1%	7,8%	-0,8%	-3,2%	-1,9%	-46,0%	-0,7%	-6,0%
Oct.	1,4%	6,4%	1,0%	12,1%	0,1%	6,1%	0,3%	-4,2%	5,6%	-41,3%	0,5%	-4,6%
Nov. 15	1,1%	7,5%	1,5%	11,9%	1,2%	7,8%	1,5%	-4,2%	3,1%	-38,3%	0,9%	-5,5%
Memo:												
Balance as of Oct.15 (Mill.S/.or Mill.US\$)	6 555		18 845		10 067		9 327		733		9 748	
Balance as of Nov.15 (Mill.S/.or Mill.US\$)	6 630		19 137		10 184		9 465		756		9 836	
1/ Short term external liabilities of the banking system.												

October trade surplus: US\$ 57 million

In October, the **trade balance** recorded an US\$ 57 million surplus. In the period January-October, the trade surplus amounted to US\$ 469 million.

Exports totaled US\$ 785 million in October, up US\$ 158 million (25 percent) from the same month a year ago. Traditional exports increased 31 percent, whereas non-traditional expanded 11 percent (US\$ 128 and US\$ 29 million, respectively). The former was explained by the increase in oil and derivatives exports and gold, whereas the latter by greater sales of textile products and agricultural products. In the period January-October exports amounted to US\$ 7 307 million, up 16 percent from the same period in 2002 (17 percent for traditional and 14 percent for non-traditional).

In October, **imports** amounted to US\$ 729 million, up 11 percent (US\$ 71

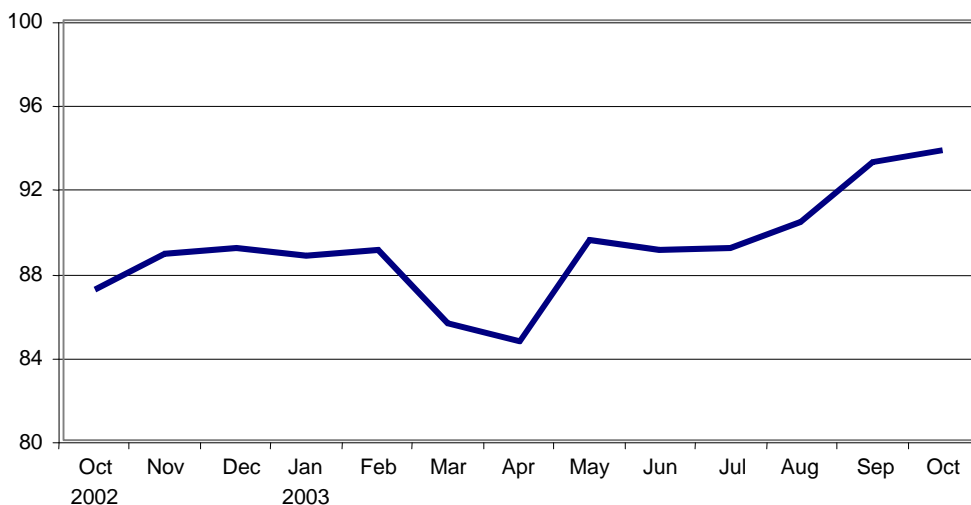
million) from a year ago and 4,5 percent from the previous month. The annual increase obeys to higher acquisitions of intermediate and consumer goods. In the period January-October, imports grew 12 percent due to higher acquisitions of intermediate, capital and consumer goods.

Terms of trade increased 7,6 between October this year and October 2002. Export prices grew 10,0 percent against the 2,2 percent increase in import prices. The former obeyed to the growth recorded in the prices of copper, tin, gold, silver and zinc, whereas the latter to the increase in soybean, rice, dairy products and meat. In the period January-October, terms of trade increased 1,0 percent, since export prices' increase (6,9 percent) exceeded the rise in import prices (5,9 percent).

TRADE BALANCE
(Millions of U.S. dollars)

	October			January-October		
	2002	2003	% Var.	2002	2003	% Var.
1. EXPORTS	627,6	785,2	25,1	6 292,5	7 307,5	16,1
Traditional products	409,5	537,4	31,2	4 407,8	5 168,0	17,2
Non-traditional products	210,9	240,3	13,9	1 824,4	2 076,8	13,8
Other products	7,2	7,5	3,8	60,3	62,6	3,8
2. IMPORTS	658,0	728,6	10,7	6 131,1	6 838,9	11,5
Consumer goods	162,2	175,7	8,3	1 431,6	1 524,8	6,5
Raw materials and intermedate goods	318,5	384,1	20,6	3 135,9	3 591,9	14,5
Capital goods	171,6	163,2	- 4,9	1 494,9	1 660,6	11,1
Other goods	5,7	5,7	- 0,6	68,7	61,6	- 10,3
3. TRADE BALANCE	- 30,4	56,5	285,8	161,4	468,5	190,3

**TERMS OF TRADE INDEX (1994=100)
(October 2002 - October 2003)**

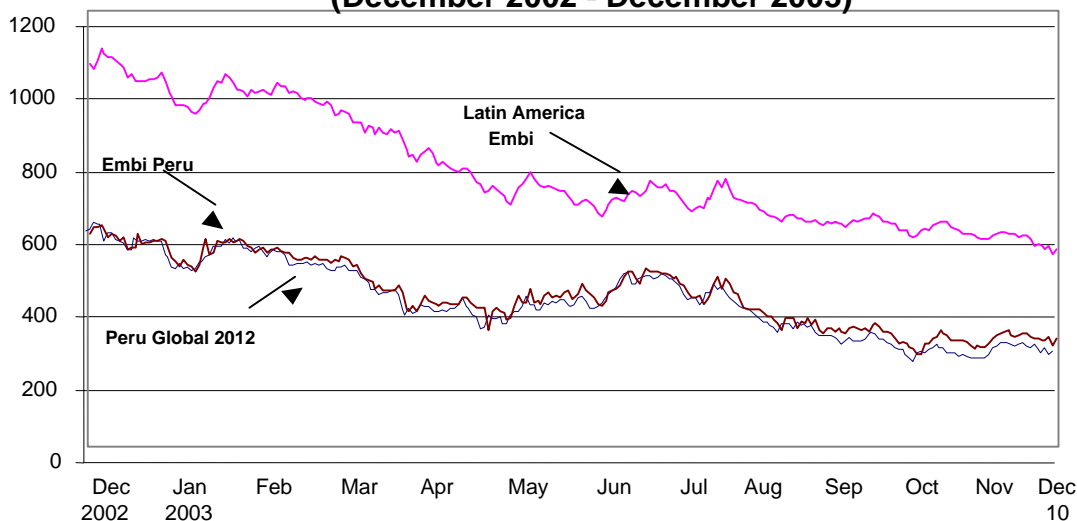


Spread of Global bond at 2,96 percent

As of **December 10**, the spread of the **Global 2012** bond was 2,96 percent, lower than that recorded on end-November (3,02 percent), whereas the spread of sovereign bonds decreased from 3,19 to 3,05 percent. During

this week, the spreads of Argentina, Brazil and Russia recorded a favorable development, whereas the Peruvian spread recorded a greater volatility.

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



International markets

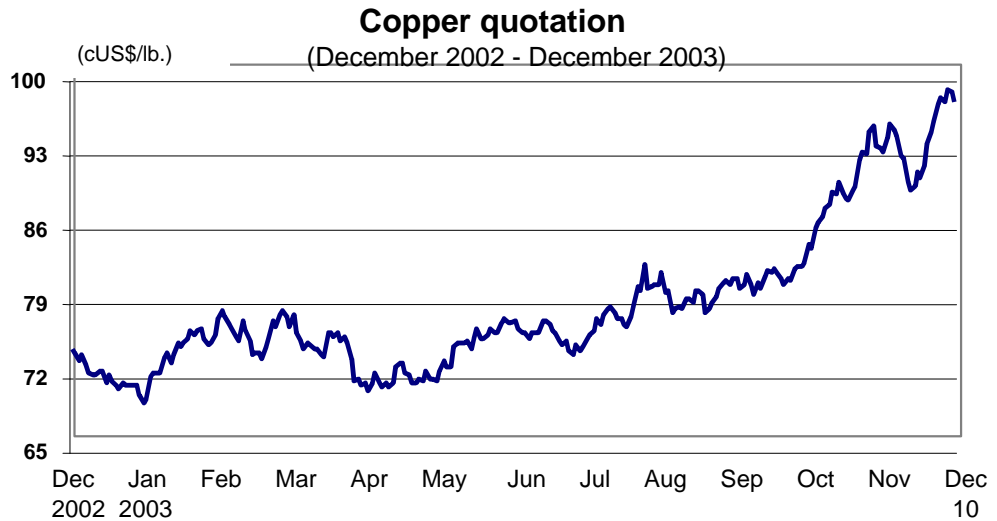
Between December 3 to 10, the **gold** quotation increased 1,9 percent to US\$ 410,9 per Troy ounce, due to the

weakening of the US dollar and the terrorist attacks in Russia and Iraq.



During this week, the **copper** quotation increased 0,2 percent to US\$ 0,9813 per pound, reflecting the strike in state-owned

Chilean mine Codelco. On the other hand, the **zinc** quotation grew 1,8 percent to US\$ 0,4441 per pound.



The **WTI oil** quotation increased 4,0 percent to US\$ 31,6 per barrel due to risky

weather conditions effects on US oil demand.

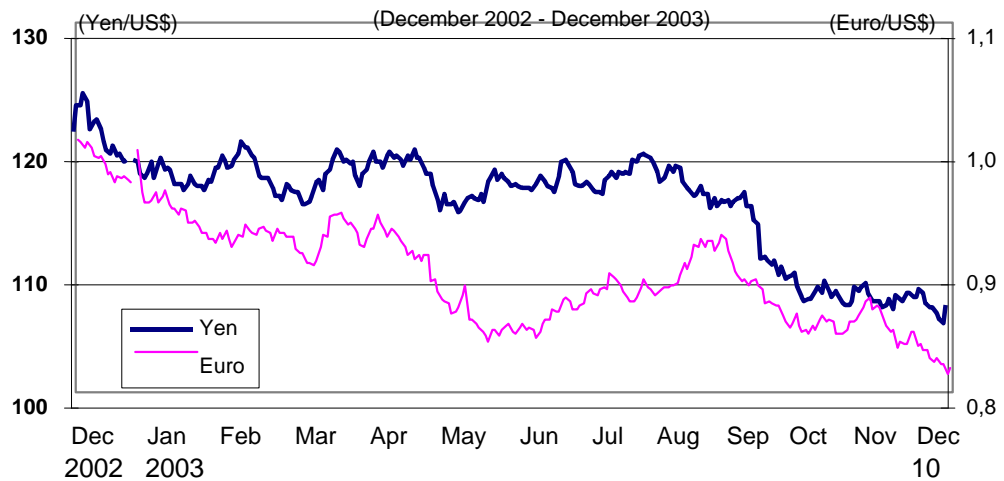
Oil quotation



The **US dollar** depreciated 0,8 percent against the **euro** and appreciated 0,2 percent against the **yen**. The euro was favored by the recovery of entrepreneurial

confidence in Germany, whereas the yen was weakened by the higher dollar demand of Japanese banks.

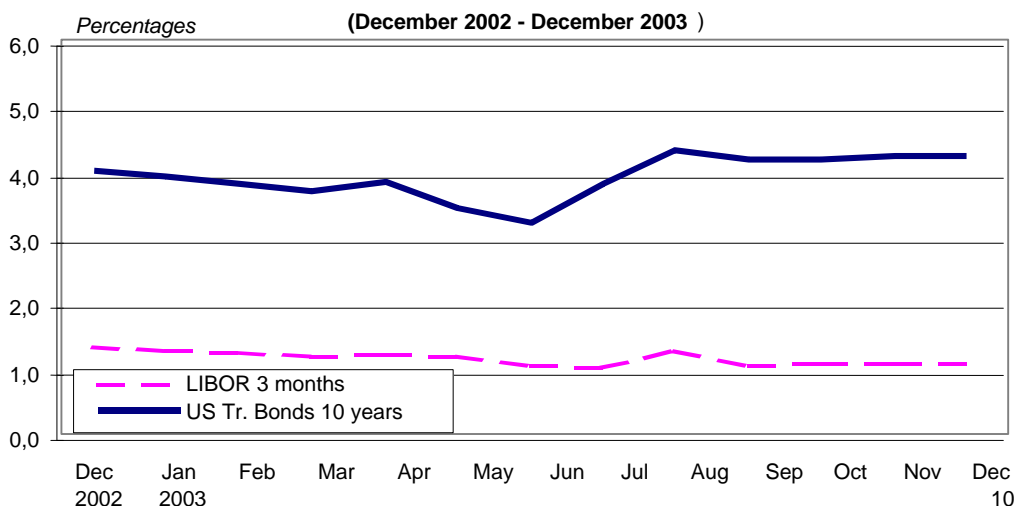
Yen and Euro



Between December 3 to 10, the **Libor** fell from 1,18 to 1,17 percent, whereas the **yield of US Treasury bonds** with a 10 year maturity decreased from 4,404 to 4,318 percent the demand for US Treasury bonds increased after it was known a lower than

expected increase in non-agriculture payrolls in the US (57 versus 150 thousand). On December 3, the FED decided to maintain its main interest rate, in line with market expectations.

Libor and interest rates of US Treasury bonds with a 10 year maturity

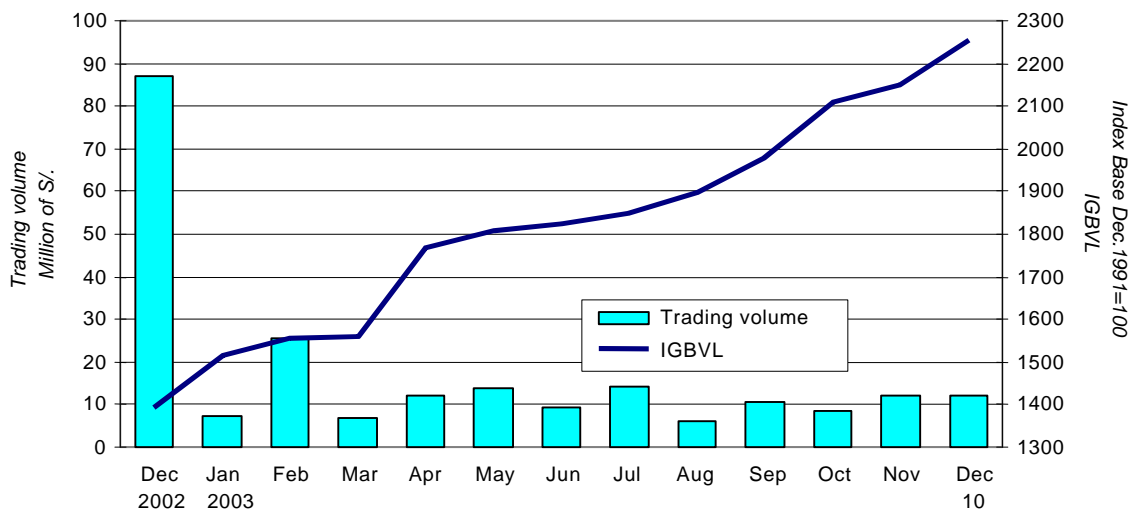


Lima Stock Exchange

As of **December 10**, the General and Blue chip indices increased 4,8 and 6,2 percent, respectively. Cumulative increase in the

year is 61,9 percent for the General Index and 66,0 percent for the Blue Chip index.

Stock market indicators (December 2002 - December 2003)



Indicadores Económicos / Economic Indicators

	2002					2003					Var.
	DIC.	SET.	OCT.	28 Nov.	NOV.	4 Dic.	5 Dic.	9 Dic.	10 Dic.	DIC.	
RESERVAS INTERNACIONALES (Mills. US\$) / INTERNATIONAL RESERVES											
Posición de cambio / <i>Net international position</i>	3 341	4 062	4 221	4 367	4 367	4 390	4 404	4 408			41
Reservas internacionales netas / <i>Net international reserves</i>	9 598	9 755	9 810	10 303	10 303	10 394	10 398	10 378			75
Depósitos del sistema financiero en el BCR / <i>Financial system deposits at BCR</i>	3 381	3 268	3 179	3 069	3 069	3 139	3 139	3 140			71
Empresas bancarias / <i>Banks</i>	3 048	3 034	2 970	2 851	2 851	2 901	2 899	2 915			64
Banco de la Nación / <i>Banco de la Nación</i>	291	185	157	166	166	183	184	170			4
Sector privado / <i>Private sector</i>	42	49	53	53	53	56	56	56			3
Depósitos del sector público en el BCR / <i>Public sector deposits at BCR</i>	2 900	2 456	2 449	2 915	2 915	2 912	2 902	2 876			-39
Depósitos de privatización	24	19	7	12	12	12	12	12			0
Otros depósitos / <i>Other *</i>	2 875	2 437	2 442	2 903	2 903	2 900	2 890	2 864			-39
OPERACIONES CAMBIARIAS BCR (Mill. US\$) / BCR FOREIGN OPERATIONS	Acum.	Acum.	Acum.								Acum.
Origen externo de la emisión primaria / <i>External origin of the monetary base</i>	49	14	142	5	115	0	9	0	0	0	24
Compras netas en Mesa de Negociación / <i>Net purchases of foreign currency</i>	5	53	135	5	79	0	10	0	0	0	25
Operaciones swaps netas / <i>Net swap operations</i>	0	0	0	0	0	0	0	0	0	0	0
Operaciones con el Sector Público / <i>Public sector</i>	45	-39	7	0	35	0	0	0	0	0	0
TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE	Prom.	Prom.	Prom.		Prom.						Prom.
Compra interbancario / <i>Interbank bid</i>	3,513	3,481	3,478	3,480	3,477	3,477	3,475	3,477	3,476	3,477	3,477
Apertura / <i>Opening</i>	3,516	3,481	3,478	3,480	3,478	3,478	3,477	3,478	3,478	3,478	3,478
Mediodía / <i>Midday</i>	3,515	3,481	3,478	3,482	3,478	3,477	3,476	3,478	3,477	3,477	3,477
Cierre / <i>Close</i>	3,515	3,481	3,478	3,480	3,478	3,477	3,475	3,477	3,475	3,477	3,477
Promedio / <i>Average</i>	3,515	3,481	3,478	3,480	3,478	3,478	3,476	3,478	3,477	3,477	3,478
Sistema Bancario (SBS) / <i>Banking System</i>	3,513	3,480	3,478	3,479	3,477	3,477	3,476	3,476	3,476	3,477	3,477
Compra / <i>Bid</i>	3,513	3,480	3,478	3,479	3,477	3,477	3,476	3,476	3,476	3,477	3,477
Venta / <i>Ask</i>	3,515	3,482	3,479	3,481	3,478	3,478	3,477	3,478	3,478	3,478	3,478
Índice de tipo de cambio real (1994 = 100) / <i>Real exchange rate Index (1994 = 100)</i>	100,4	105,1	107,1		107,0						
INDICADORES MONETARIOS / MONETARY INDICATORS											
Moneda nacional / Domestic currency											
Emisión Primaria / <i>Monetary base</i>	(Var. % mensual) / <i>(% monthly change)</i>	11,1	-2,5	1,4	2,8	2,8	4,0	6,7	5,5		
(Var. % últimos 12 meses) / <i>(% 12-month change)</i>	11,0	6,0	6,4	9,7	9,7						
Oferta monetaria / <i>Money Supply</i>	(Var. % mensual) / <i>(% monthly change)</i>	6,3	0,2	1,0							
(Var. % últimos 12 meses) / <i>(% 12-month change)</i>	10,6	9,1	12,1								
Crédito sector privado / <i>Crédit to the private sector</i>	(Var. % mensual) / <i>(% monthly change)</i>	0,8	-0,1	0,1							
(Var. % últimos 12 meses) / <i>(% 12-month change)</i>	7,1	7,8	6,1								
TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>	2,9	1,1	-2,2	3,4	3,4	0,9	1,0				
Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>	0,2	0,2	0,1	0,2	0,2	1,4	1,7				
Cuenta corriente de los bancos (saldo mill. S/.) / <i>Banks' current account (balance)</i>	191	175	176	72	175	346	401	334	278		
Créditos por regulación monetaria (millones de S/.) / <i>Rediscounts (Millions of S/.)</i>	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	
Depósitos públicos en el BCR (millones S/.) / <i>Public sector deposits at the BCR (Mills.S/.)</i>	275	945	981	1 609	1 609	1 306	1 240	1 197	n.d.		
Certificados de Depósitos BCRP (saldo Mill.S/.) / <i>CDBCRP balance (Millions of S/.)</i>	1 635	3 810	4 190	4 175	4 175	4 175	4 175	3 995	4 075		
Operaciones de reporte (saldo Mill. S/.) / <i>repos (Balance millions of S/.)</i>	170	45	s.m.	380	380	270	350	50	0		
Tasa de interés (%) / <i>Interest rates (%)</i>	Préstamos y descuentos hasta 360 días / <i>Loans & discount Interbancaria / Interbank</i>	14,8	14,3	14,0	14,7	14,0	13,8	13,9	14,0	n.d.	13,9
Preferencial corporativa a 90 días / <i>Corporate Prime</i>	3,80	2,80	2,71	2,60	2,55	2,52	2,50	2,47	2,52	2,51	
Operaciones de reporte con CDBCRP / <i>CDBCRP repos</i>	5,1	3,5	3,5	3,3	3,4	3,3	3,3	3,3	3,3	3,3	3,3
Créditos por regulación monetaria / <i>Rediscounts</i>	3,6	2,7	s.m.	2,6	2,6	2,6	2,5	2,5	s.m.	s.m.	
Del saldo de CDBCRP / <i>CDBCRP balance</i>	4,5	3,5	3,5	3,3	3,3	3,3	3,3	3,3	3,3	3,3	3,3
Operaciones de reporte / <i>repos</i>	4,6	4,3	4,1	4,0	4,0	4,0	4,0	4,0	4,0	4,0	4,0
Moneda extranjera / Foreign currency											
Crédito sector privado / <i>Crédit to the private sector</i>	(Var. % mensual) / <i>(% monthly change)</i>	-0,3	-0,7	0,5							
(Var. % últimos 12 meses) / <i>(% 12-month change)</i>	-3,6	-6,0	-4,6								
TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>	-1,9	-0,8	0,1	0,1	0,1	0,7	0,6				
Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>	0,1	0,1	0,1	0,1	0,1	0,6	1,7				
Créditos por regulación monetaria (millones de US dólares) / <i>Rediscounts</i>	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	
Tasa de interés (%) / <i>Interest rates (%)</i>	Préstamos y descuentos hasta 360 días / <i>Loans & discount Interbancaria / Interbank</i>	8,1	6,9	7,0	7,2	6,9	7,2	7,2	7,2	n.d.	7,2
Preferencial corporativa a 90 días / <i>Corporate Prime</i>	2,2	1,1	1,1	1,1	1,1	1,0	1,1	1,0	s.m.	1,1	
Créditos por regulación monetaria / <i>Rediscounts ***</i>	2,4	1,7	1,7	1,7	1,7	1,7	1,7	1,7	1,7	1,7	1,7
Operaciones de reporte / <i>repos</i>	2,5	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.
Índice General Bursátil (Var. %) / <i>General Index (% change)</i>	1,4	4,4	6,5	0,4	2,0	0,7	0,4	1,7	-1,4	4,8	
Índice Selectivo Bursátil (Var. %) / <i>Blue Chip Index (% change)</i>	1,7	5,0	6,1	0,5	4,1	0,6	0,9	2,4	-1,3	6,2	
Monto negociado en acciones (Mill. S/.) - Prom. diario	67,1	10,6	8,7	6,3	12,3	12,5	10,6	9,7	14,1	12,2	
INFLACIÓN (%) / INFLATION (%)											
Inflación mensual / <i>Monthly</i>	-0,03	0,56	0,05		0,17						
Inflación últimos 12 meses / <i>% 12 months change</i>	1,52	1,98	1,30		1,88						
GOBIERNO CENTRAL (Mill. S/.) / CENTRAL GOVERNMENT (Mills. of S/.)											
Resultado primario / <i>Primary balance</i>	-230	353	-337								
Ingresos corrientes / <i>Current revenue</i>	2 781	2 619	2 533								
Gastos no financieros / <i>Non-financial expenditure</i>	3 140	2 368	2 874								
COMERCIO EXTERIOR (Mills. US\$) / FOREIGN TRADE (Mills. of US\$)											
Balanza Comercial / <i>Trade balance</i>	71	80	57								
Exportaciones / <i>Exports</i>	746	777	785								
Importaciones / <i>Imports</i>	675	697	729								
PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT											
Variac. %, respecto al mismo mes del año anterior / <i>Annual rate of growth</i>	4,7	3,6									
COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS	Prom.	Prom.	Prom.		Prom.					Prom.	
LIBOR a tres meses (%) / <i>LIBOR 3-month (%)</i>	1,4	1,1	1,2	1,2	1,2	1,2	1,2	1,2	1,2	1,2	
Dow Jones (Var %) / <i>(% change)</i>	-5,9	-1,5	5,7	0,0	-0,2	0,6	-0,7	-0,4	0,0	1,4	
Rendimiento de los U.S. Treasuries (10 años) / <i>U.S. Treasuries yield (10 years)</i>	4,0	4,3	4,3	4,3	4,3	4,4	4,3	4,4	4,3	4,4	
Stripped spread del EMBI+ PERÚ (pbs) / <i>EMBI+ PERU stripped spread (basis points)</i>	620	353	316	319	309	303	316	298	303	310	
Bono Global 2012 - Perú (en pbs) / <i>Global Bond 2012 - Peru (basis points)</i>	576	328	296	302	296	291	303	278	293	293	

* Incluye depósitos de Promceprí, 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.