

BANCO CENTRAL DE RESERVA DEL PERÚ

WEEKLY REPORT

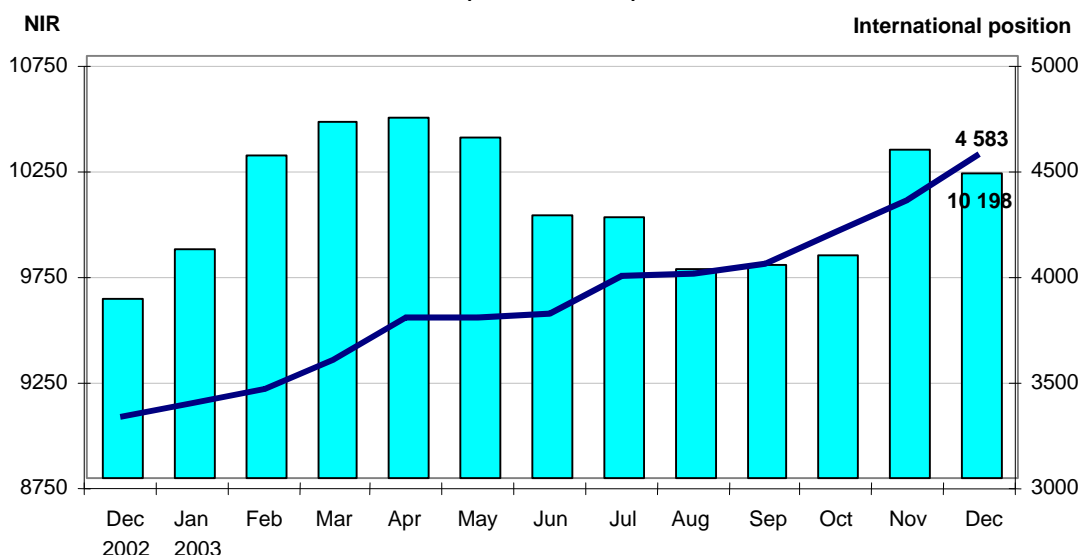
Nº 02 – January 9, 2004

Net international reserves: US\$ 10 198 million

As of **December 31**, the preliminary data of the NIR amounted to US\$ 10 198 million, down US\$ 105 million from end-November, due to lower financial system (US\$ 177 million) and public sector deposits (US\$ 154 million) as well as other operations (US\$ 4 million), which were partially offset by net purchases of

foreign currency (US\$ 175 million) and investment yield (US\$ 55 million). In the year, NIR recorded a US\$ 600 million increase whereas the **Central Bank international position** increased in US\$ 1 242 million to a balance of US\$ 4 583 million.

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

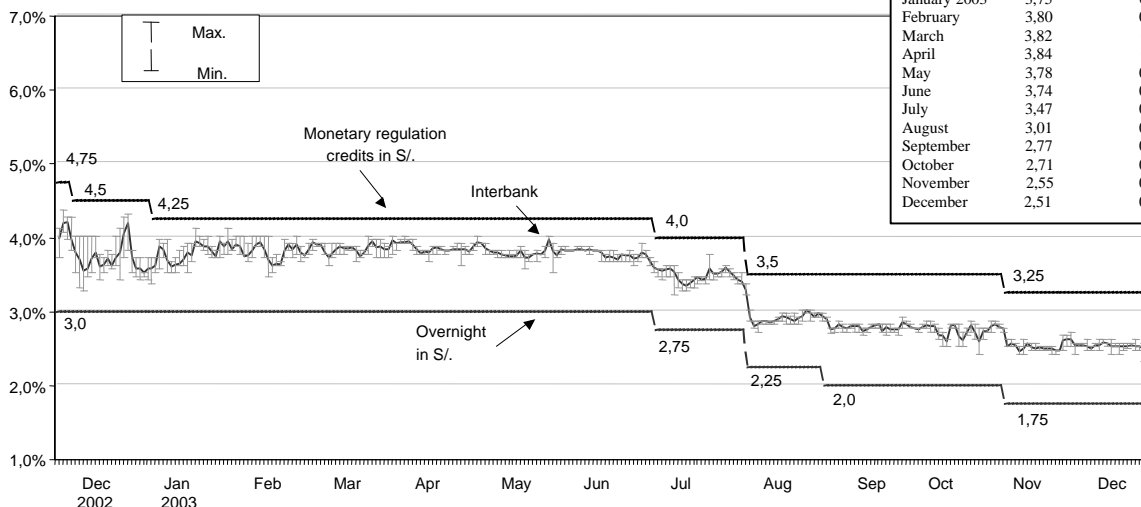


Interbank interest rate at 2,51 percent

During **December**, the interbank interest rate in domestic currency averaged 2,51 percent, lower than the rate recorded in November

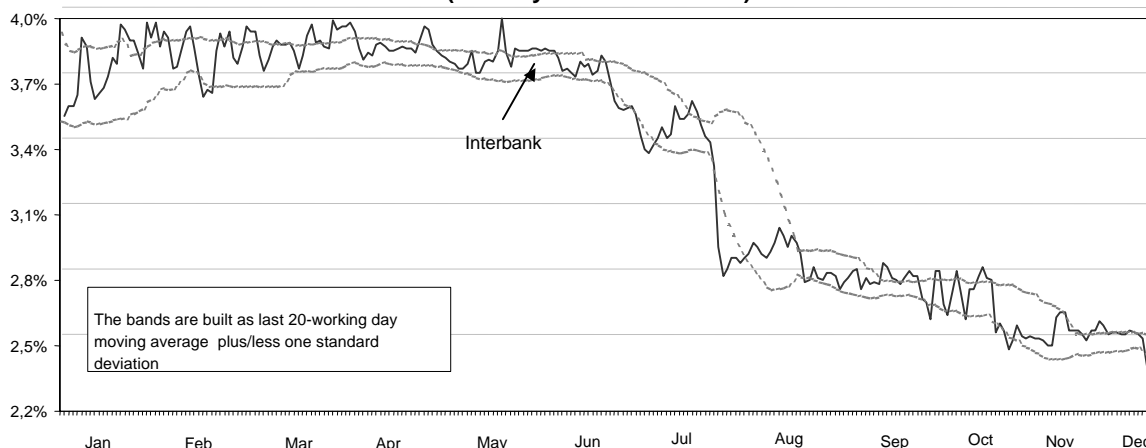
(2,55 percent). The standard deviation was 6 basis points, against 12 bps in the previous month.

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



| | Interbank interest rate (%) | |
|---------------|-----------------------------|--------------------|
| | Average | Standard deviation |
| December 2002 | 3,78 | 0,20 |
| January 2003 | 3,75 | 0,13 |
| February | 3,80 | 0,11 |
| March | 3,82 | 0,06 |
| April | 3,84 | 0,05 |
| May | 3,78 | 0,07 |
| June | 3,74 | 0,05 |
| July | 3,47 | 0,10 |
| August | 3,01 | 0,25 |
| September | 2,77 | 0,07 |
| October | 2,71 | 0,08 |
| November | 2,55 | 0,12 |
| December | 2,51 | 0,06 |

Interest rate in domestic currency (January - December 2003)



Monetary operations

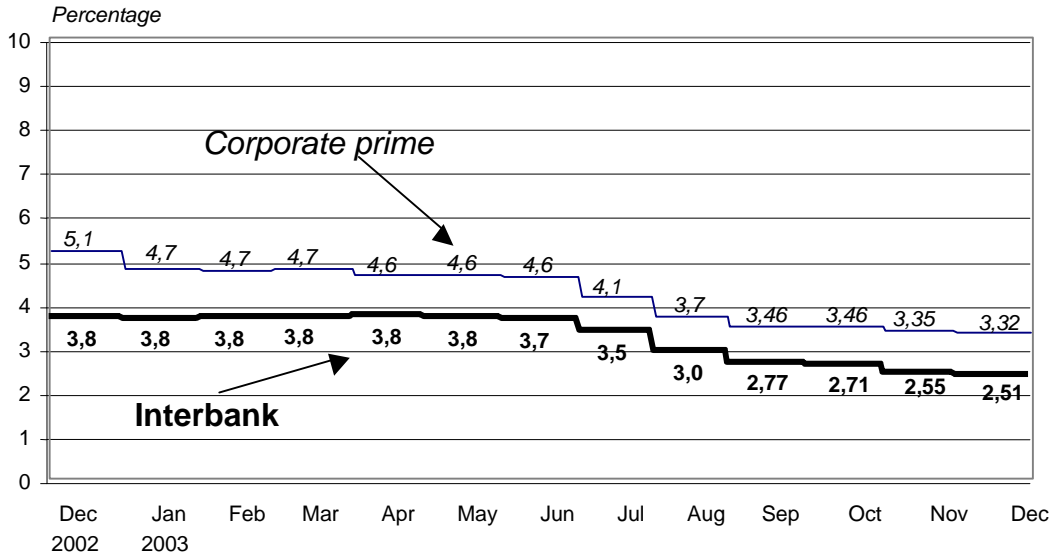
As of **December 31**, the daily average balance of banks' liquidity at the Central Bank amounted to S/. 192 million, within the projected for that month (S/. 180 to S/. 200 million). Between **December 26 and 31**, the Central Bank made the following operations:

- Auctions of CDBCRP i) S/. 32 million with a 7 day maturity at an average interest rate of 2,50 percent; ii) 6 month by S/. 150 million at 2,84 percent; iii) 1 year by S/. 100 and 120 million at 3,05 and 3,16 percent, respectively and iv) 2 years by S/. 60 million at a rate of 4,05 percent.
- Auctions of temporary purchase of CDBCRP and BTP with a 1 day maturity by S/. 50 million at an average interest rate of 2,51 percent and ii) 3 day by S/. 60 million at 2,51 percent.
- Purchase of foreign currency over the counter totaling US\$ 26 million at an average exchange rate of S/. 3,466.
- Overnight deposits by S/. 266 million.

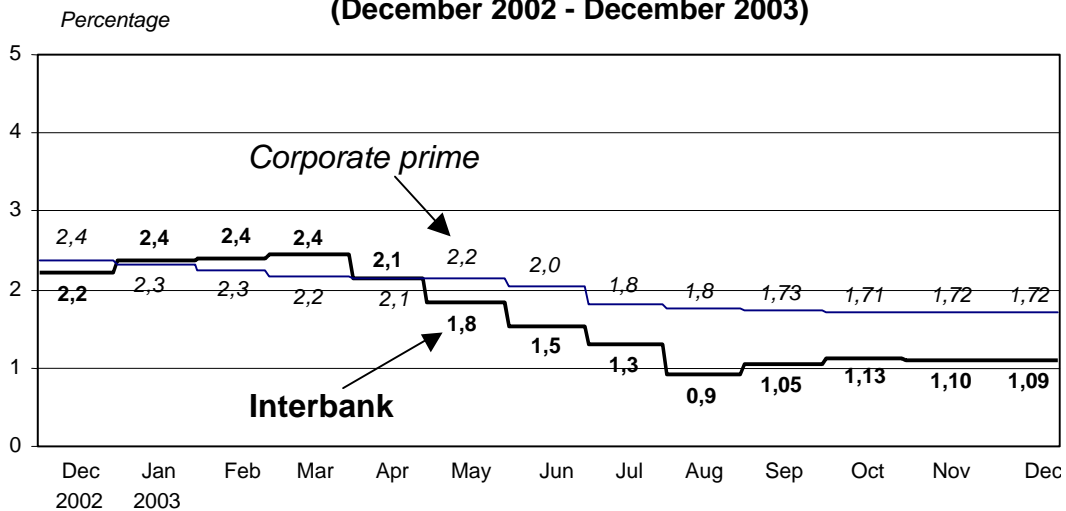
Corporate prime interest rate at 3,32 percent

In **December**, 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/. 3,467

In **December** the exchange rate of the banking system appreciated 0,4 percent, from S/. 3,481 to S/. 3,467 reflecting the higher seasonal domestic currency demand associated to the start of the tax season and the payment of

Christmas bonuses. As of December 31, the **balance of net forward sales** decreased US\$ 6 million, whereas the **banks' exchange position** dropped US\$ 118 million.

BANKS' EXCHANGE POSITION
(Millions of US\$)

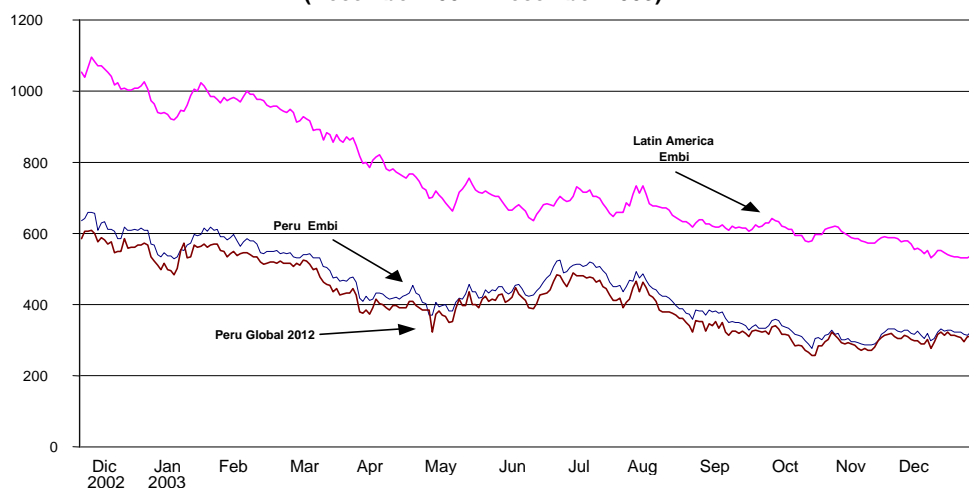
| | December 2002 | January 2003 | October | November | December |
|--|---------------|--------------|------------|------------|------------|
| a. Net sales to the public (i-ii) | 905 | 923 | 592 | 613 | 607 |
| i. Forward sales to the public | 1 141 | 1 167 | 958 | 885 | 834 |
| ii. Forward purchases to the public | 236 | 244 | 362 | 272 | 227 |
| b. Banks' exchange position | 642 | 616 | 555 | 648 | 530 |

Spread of Global bond at 3,01 percent

On **December 31**, the spread of the **Global 2012** bond was 3,01 percent, slightly lower than that recorded on end-November (3,02 percent), whereas the spread of sovereign bonds passed from 3,19 to 3,12 percent. The

Peruvian bond spread followed the decreasing trend recorded in other emerging markets. On December 31, the Latin America Embi + reached an historic minimum of 521 bps.

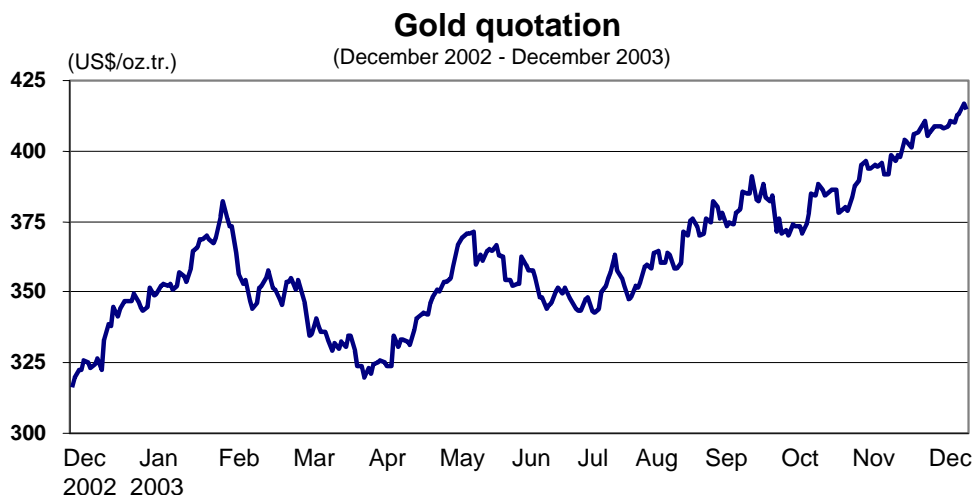
Country risk indicators
(December 2002 - December 2003)



International markets

In December, the **gold** quotation increased 4,1 percent to US\$ 410,6 per Troy ounce, reflecting the weakening of the US dollar

against the rest of main currencies in the world. Through last 12 month, gold quotation grew 20,3 percent.



During this month, the **copper** quotation increased 11,9 percent to US\$ 1,0528 per pound, reflecting facts such as the strikes in Chile and Canada, the lower level of world inventories and favorable indicators on US economy. According to Lisbon based Copper International Studies Group,

demand exceeded supply by 362 thousand MT, and the situation might be similar in 2004. On the other hand, the **zinc** quotation increased 7,8 percent to US\$ 0,4572 per pound. In the year, the copper and zinc quotations have grown 51,1 and 34,5 percent, respectively.



The **WTI oil** quotation increased 7,0 percent to US\$ 32,5 per barrel due to an increased demand according to the International Energy Agency and lower US

crude inventories. In 2003, oil quotation reached a maximum of US\$ 37,87 per barrel on March 7 and a minimum of US\$ 25,29 on April 29.

Oil quotation



In December, the **US dollar** depreciated 4,7 percent against the **euro** and 2,1 percent against the **yen**, reflecting the fears regarding the financing of the current

account deficit in the US (equivalent to 5 percent of GDP). In the year, the US dollar depreciated 16,5 percent against the euro and 9,6 percent against the yen.

Yen and Euro

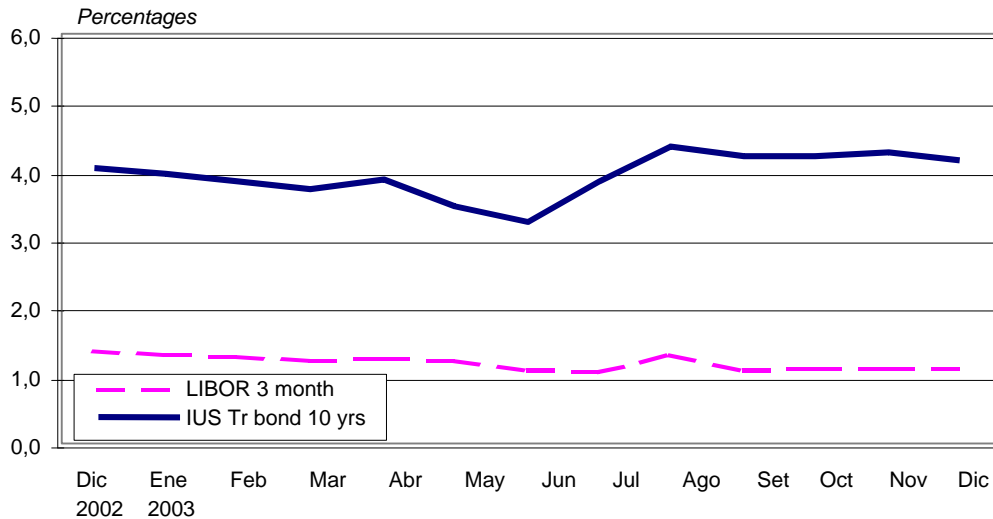


During December, the **Libor** decreased from 1,17 to 1,15 percent, whereas the **yield of US Treasury bonds** with a 10 year maturity passed from 4,33 to 4,25 percent. The demand for US Treasury bonds

increased after it was known the 0,2 percent decrease in November CPI, increasing the possibility that the FED might keep interest rates low for a long time.

Libor and interest rate of 10 year matured US Treasury bonds

(December 2002 - December 2003)

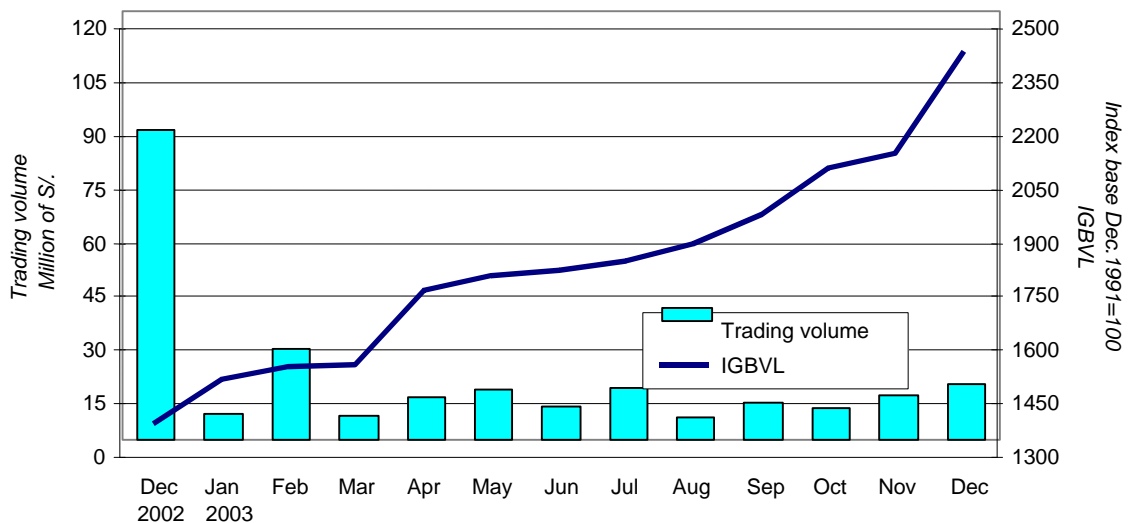


Lima Stock Exchange

In **December**, the General and Blue chip indices increased 13,4 and 16,2 percent, respectively. The latter thanks to the good performance of mining enterprises (as in copper, tin, lead and zinc). The monthly average trading volume amounted to

S/. 15,6 million in December, higher than in November (S/. 12,3 million) Cumulative increase in the year is 75,2 percent for the General Index and 81,8 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. | 26 Dic. | 29 Dic. | 30 Dic. | 31 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 | 4 548 | 4 557 | 4 579 | 4 583 | 216 | |
| Reservas internacionales netas / <i>Net international reserves</i> | 9 598 | 9 755 | 9 810 | 10 303 | 10 303 | 10 575 | 10 531 | 10 489 | 10 198 | -105 | |
| Depósitos del sistema financiero en el BCR / <i>Financial system deposits at BCR</i> | 3 381 | 3 268 | 3 179 | 3 069 | 3 069 | 3 062 | 2 993 | 2 980 | 2 892 | -177 | |
| Empresas bancarias / <i>Banks</i> | 3 048 | 3 034 | 2 970 | 2 851 | 2 851 | 2 843 | 2 787 | 2 774 | 2 687 | -164 | |
| Banco de la Nación / <i>Banco de la Nación</i> | 291 | 185 | 157 | 166 | 166 | 164 | 151 | 154 | 154 | -12 | |
| Sector privado / <i>Private sector</i> | 42 | 49 | 53 | 53 | 53 | 55 | 55 | 52 | 52 | -1 | |
| Depósitos del sector público en el BCR / <i>Public sector deposits at BCR</i> | 2 900 | 2 456 | 2 449 | 2 915 | 2 915 | 2 992 | 3 008 | 2 973 | 2 761 | -154 | |
| Depósitos de privatización | 24 | 19 | 7 | 12 | 12 | 17 | 17 | 1 | 1 | -11 | |
| Otros depósitos / <i>Other *</i> | 2 875 | 2 437 | 2 442 | 2 903 | 2 903 | 2 976 | 2 991 | 2 972 | 2 760 | -143 | |
| OPERACIONES CAMBIARIAS BCR (Mills. 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 | 5 | 5 | 10 | 6 | 175 | |
| Compras netas en Mesa de Negociación / <i>Net purchases of foreign currency</i> | 5 | 53 | 135 | 5 | 79 | 5 | 5 | 10 | 6 | 176 | |
| Operaciones swaps netas / <i>Net swap operations</i> | 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 | |
| TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE | Prom. | Prom. | Prom. | | Prom. | | | | | Prom. | |
| Compra interbancario / <i>Interbank bid</i> | Promedio / <i>Average</i> | 3,513 | 3,481 | 3,478 | 3,480 | 3,477 | 3,466 | 3,469 | 3,467 | 3,463 | 3,471 |
| Venta Interbancario / <i>Interbank Ask</i> | Apertura / <i>Opening</i> | 3,516 | 3,481 | 3,478 | 3,480 | 3,478 | 3,465 | 3,469 | 3,469 | 3,465 | 3,472 |
| | Mediodía / <i>Midday</i> | 3,515 | 3,481 | 3,478 | 3,482 | 3,478 | 3,467 | 3,469 | 3,466 | 3,462 | 3,471 |
| | Cierre / <i>Close</i> | 3,515 | 3,481 | 3,478 | 3,480 | 3,478 | 3,468 | 3,469 | 3,464 | n.d. | 3,471 |
| | Promedio / <i>Average</i> | 3,515 | 3,481 | 3,478 | 3,480 | 3,478 | 3,466 | 3,469 | 3,467 | n.d. | 3,472 |
| Sistema Bancario (SBS) / <i>Banking System</i> | Compra / <i>Bid</i> | 3,513 | 3,480 | 3,478 | 3,479 | 3,477 | 3,464 | 3,467 | 3,466 | 3,461 | 3,471 |
| | Venta / <i>Ask</i> | 3,515 | 3,482 | 3,479 | 3,481 | 3,478 | 3,466 | 3,469 | 3,467 | 3,464 | 3,472 |
| 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 | | | | | |
| | (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 | 2,2 | 2,2 | | | | | |
| | (Var. % últimos 12 meses) / <i>(% 12-month change)</i> | 10,6 | 9,1 | 12,1 | 14,1 | 14,1 | | | | | |
| Crédito sector privado / <i>Crédit to the private sector</i> | (Var. % mensual) / <i>(% monthly change)</i> | 0,8 | -0,1 | 0,1 | 2,7 | 2,7 | | | | | |
| | (Var. % últimos 12 meses) / <i>(% 12-month change)</i> | 7,1 | 7,8 | 6,1 | 7,3 | 7,3 | | | | | |
| 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 | 1,5 | 1,7 | | | |
| Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i> | | 0,2 | 0,2 | 0,1 | 0,2 | 0,2 | 0,2 | 0,2 | | | |
| Cuenta corriente de los bancos (saldo mill. S/) / <i>Banks' current account (balance)</i> | | 191 | 175 | 176 | 72 | 175 | 51 | 95 | 37 | 60 | |
| 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 | 1 311 | 1 346 | 1 268 | 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 | 3 635 | 3 635 | 3 917 | 4 097 | |
| Operaciones de reporte (saldo Mill. S/) / <i>repos (Balance millions of S/.)</i> | | 170 | 45 | s.m. | 380 | 380 | 60 | 50 | s.m. | s.m. | |
| Tasa de interés (%) / <i>Interest rates (%)</i> | Préstamos y descuentos hasta 360 días / <i>Loans & discount</i> | 14,8 | 14,3 | 14,0 | 14,7 | 14,0 | 13,8 | 13,9 | 14,3 | 14,4 | 14,0 |
| | Interbancaria / <i>Interbank</i> | 3,80 | 2,80 | 2,71 | 2,60 | 2,55 | 2,50 | 2,48 | 2,33 | 2,36 | 2,51 |
| | Preferencial corporativa a 90 días / <i>Corporate Prime</i> | 5,1 | 3,5 | 3,5 | 3,3 | 3,4 | 3,3 | 3,3 | 3,3 | 3,3 | 3,3 |
| | Operaciones de reporte con CDBCRP / <i>CDBCRP repos</i> | 3,6 | 2,7 | s.m. | 2,6 | 2,6 | 2,5 | 2,5 | s.m. | s.m. | s.m. |
| | Créditos por regulación monetaria / <i>Rediscounts</i> | 4,5 | 3,5 | 3,5 | 3,3 | 3,3 | 3,3 | 3,3 | 3,3 | 3,3 | 3,3 |
| | Del saldo de CDBCRP / <i>CDBCRP balance</i> | 4,6 | 4,3 | 4,1 | 4,0 | 4,0 | 4,0 | 4,0 | 3,9 | 3,9 | |
| 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 | 0,2 | 0,2 | | | | | |
| | (Var. % últimos 12 meses) / <i>(% 12-month change)</i> | -3,6 | -6,0 | -4,6 | -4,8 | -4,8 | | | | | |
| 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 | 1,0 | -0,1 | | | |
| Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i> | | 0,1 | 0,1 | 0,1 | 0,1 | 0,1 | 0,8 | 0,6 | | | |
| 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</i> | 8,1 | 6,9 | 7,0 | 7,2 | 6,9 | 7,3 | 7,2 | 7,2 | 7,2 | 7,3 |
| | Interbancaria / <i>Interbank</i> | 2,2 | 1,1 | 1,1 | 1,1 | 1,1 | 1,05 | 0,90 | 0,93 | 0,99 | 1,09 |
| | Preferencial corporativa a 90 días / <i>Corporate Prime</i> | 2,4 | 1,7 | 1,7 | 1,7 | 1,7 | 1,7 | 1,7 | 1,7 | 1,7 | 1,7 |
| | Créditos por regulación monetaria / <i>Rediscounts ***</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 | 1,7 | 3,1 | -0,5 | s.m. | 13,4 | |
| Índice Selectivo Bursátil (Var. %) / <i>Blue Chip Index (% change)</i> | 1,7 | 5,0 | 6,1 | 0,5 | 4,1 | 1,8 | 3,5 | -0,8 | s.m. | 16,2 | |
| Monto negociado en acciones (Mill. S/) - Prom. diario | 67,1 | 10,6 | 8,7 | 6,3 | 12,3 | 8,7 | 11,6 | 19,5 | s.m. | 15,6 | |
| INFLACIÓN (%) / INFLATION (%) | | | | | | | | | | | |
| Inflación mensual / <i>Monthly</i> | -0,03 | 0,56 | 0,05 | | 0,17 | | | | | 0,56 | |
| Inflación últimos 12 meses / <i>% 12 months change</i> | 1,52 | 1,98 | 1,30 | | 1,88 | | | | | 2,48 | |
| GOBIERNO CENTRAL (Mills. S/) / CENTRAL GOVERNMENT (Mills. of S/.) | | | | | | | | | | | |
| Resultado primario / <i>Primary balance</i> | -230 | 353 | -356 | | 359 | | | | | | |
| Ingresos corrientes / <i>Current revenue</i> | 2 781 | 2 619 | 2 513 | | 2 819 | | | | | | |
| Gastos no financieros / <i>Non-financial expenditure</i> | 3 140 | 2 368 | 2 874 | | 2 463 | | | | | | |
| 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 | 4,1 | | | | | | | | |
| 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 | n.d. | 1,2 | 1,2 | 1,2 | 1,2 | |
| Dow Jones (Var %) / <i>(% change)</i> | -5,9 | -1,5 | 5,7 | 0,0 | -0,2 | -0,2 | 1,2 | -0,3 | 0,3 | 6,5 | |
| 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 | 4,2 | 4,2 | 4,3 | 4,3 | 4,3 | |
| Striped spread del EMBI+ PERU (pbs) / <i>EMBI+ PERU stripped spread (basis points)</i> | 620 | 353 | 316 | 319 | 309 | 321 | 315 | 317 | 305 | 317 | |
| Bono Global 2012 - Perú (en pbs) / <i>Global Bond 2012 - Peru (basis points)</i> | 576 | 328 | 296 | 302 | 296 | n.d. | 299 | 308 | 301 | 304 | |

* Incluye depósitos de Promcepi, 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.