

BANCO CENTRAL DE RESERVA DEL PERÚ WEEKLY REPORT

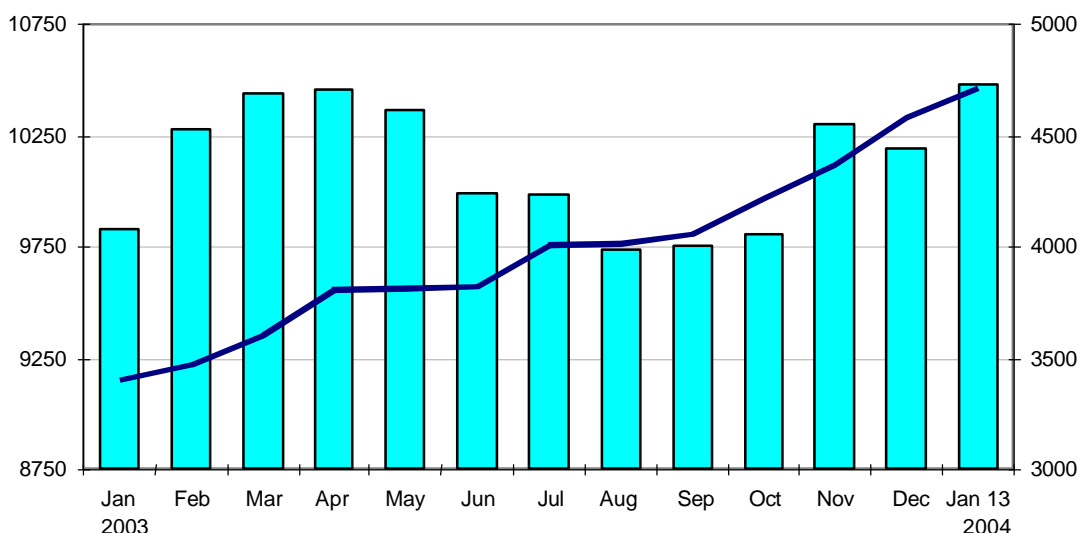
Nº 03 – January 16, 2004

Net international reserves: US\$ 10 477 million

As of **January 13**, the NIR amounted to US\$ 10 477 million, up US\$ 283 million from end-December, due to higher financial system deposits (US\$ 210 million), net purchases of foreign currency (US\$ 117 million), investment yield (US\$ 15 million), operations with ALADI (US\$ 4 million) as

well as other operations (US\$ 2 million), which were partially offset by lower public sector deposits (US\$ 65 million). To the same date, the **Central Bank international position** expanded US\$ 130 million reaching a balance of US\$ 4 713 million.

BCR's net international reserves and international position
January 2003 - January 2004
(Millions of US dollars)

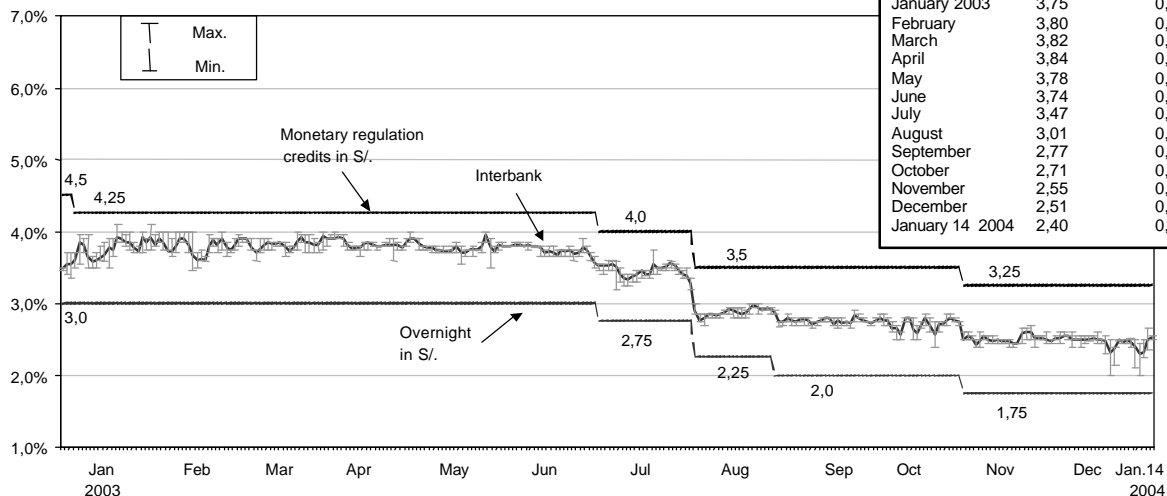


Interbank interest rate at 2,40 percent

Between January 1 and 14 the average interbank interest rate in domestic currency decreased to 2,40 percent from 2,51

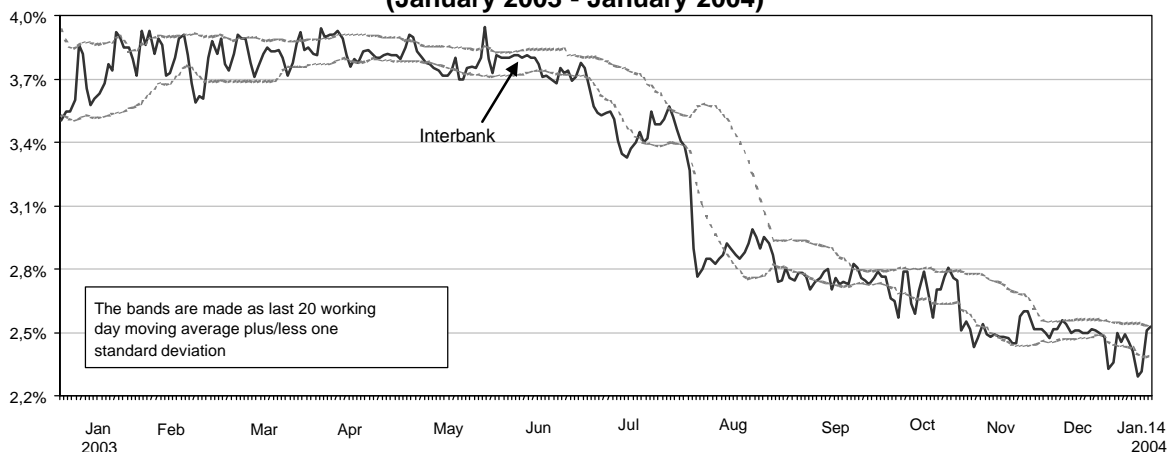
percent in December. It should be noted that this rate is recording a decreasing trend through last 9 months.

**Interbank rate in domestic currency
(January 2003 - January 2003)**



Interbank interest rate (%)		
	Average	Standard deviation
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	0,06
October	2,71	0,08
November	2,55	0,12
December	2,51	0,06
January 14 2004	2,40	0,08

**Interest rate in domestic currency
(January 2003 - January 2004)**



Monetary operations

As of **January 14**, the daily average balance of banks' liquidity at the Central Bank amounted to S/. 234 million. Between **January 8 and 14**, the Central Bank made the following operations:

- Auctions of CDBCRP: i) 1-week by S/. 30, S/. 70,5 and S/. 26,5 million at an average interest rate of 2,47, 2,53 y 2,57 percent, respectively; ii) 5-month by S/. 120 at 2,63 percent; iii) 9-month by S/. 92,7 at 3,03 percent; iv) 1-year by S/. 150, S/. 100 y S/. 80,6 million at 3,12, 3,30 y 3,37 percent, respectively; v) 18-month by S/. 150 million at 3,52 percent; vi) 2-year by S/. 80 million at

3,94 percent and vii) 3-year by S/. 80 million at 4,75 percent.

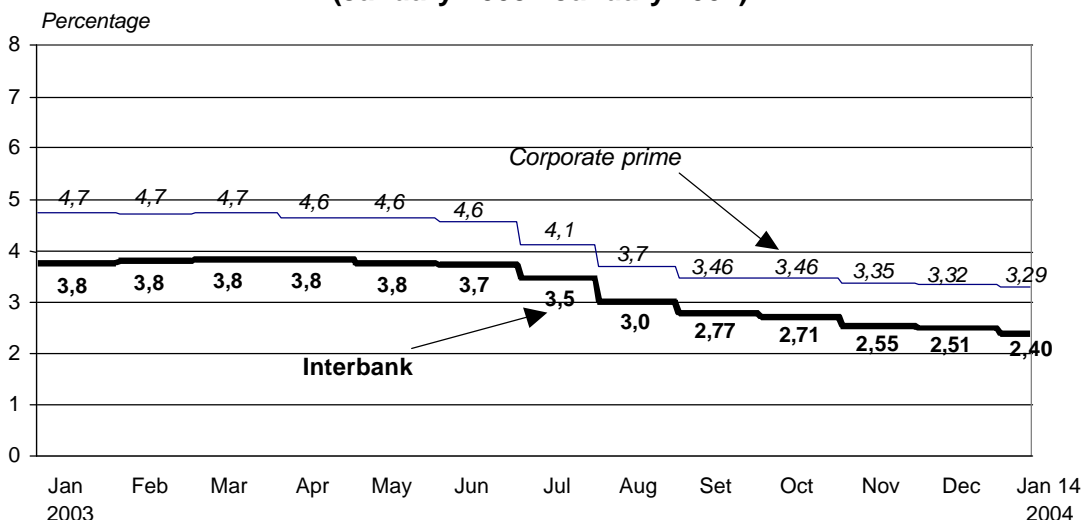
- Auctions of temporary purchase of CDBCRP and BTP with a 1-day maturity by S/. 60 million at an average interest rate of 2,52 percent.
- Purchase of foreign currency over the counter totaling US\$ 117 million at an average exchange rate of S/. 3,458.
- Overnight deposits by S/. 20 million (January 9).

Corporate prime interest rate at 3,29 percent

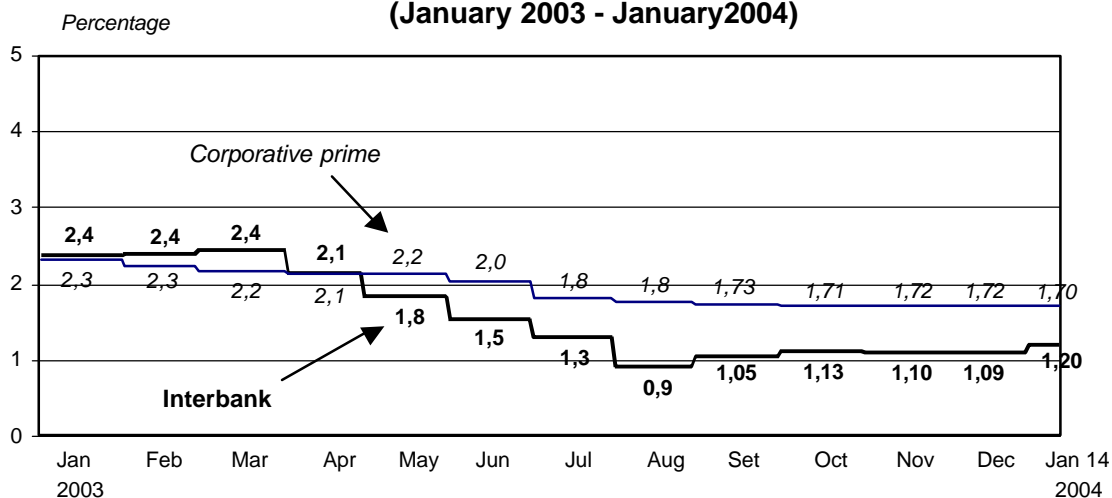
Between **January 1 and 14**, the corporate prime interest rate in local currency averaged 3,29 percent, lower than the rate recorded in

December (3,32 percent), whereas the rate in foreign currency passed from 1,72 to 1,70 percent over the same period.

**Monthly average interest rate in domestic currency
(January 2003 - January 2004)**



**Monthly average interest rate in foreign currency
(January 2003 - January 2004)**



Exchange rate: S/. 3,461

Between **January 7 and 14** the exchange rate of the banking system decreased from S/. 3,461 to S/. 3,459 reflecting lower depreciation expectations and the higher domestic currency demand for investment.

As of January 14, the **balance of net forward sales** decreased US\$ 109 million mainly by forward purchases whereas the **banks' exchange position** increased US\$ 28 million.

BANKS' EXCHANGE POSITION
(Millions of US\$)

	December 2002	January 2003	November	December	January 14 2004
a. Net sales to the public (i-ii)	905	923	613	607	499
i. Forward sales to the public	1 141	1 167	885	834	861
ii. Forward purchases to the public	236	244	272	227	363
b. Banks' exchange position	642	616	648	530	558

Monetary base: January 7, 2003

The balance of the **monetary base** as of January 7 was S/. 7 419 million, down 0,3 percent (S/. 22 million) from end-December. In average terms, the monetary base recorded an annual rate of increase of 13,3 percent in the first week of January (10,3 percent in December).

By sources, the flow of the monetary base (S/. 22 million) was mainly explained by the net issuance of CDBCRP (S/. 433 million), which were partially offset by the withdrawal of public sector deposits (S/. 287 million) and the purchases of foreign currency over the counter by US\$ 30 million (S/. 104 million).

Banking system monetary accounts: December 22, 2003

Through last 4 weeks **domestic currency** liquidity grew 8,8 percent (S/. 1 700 million) to a S/. 20 917 million balance (up 11,9 percent from a year ago). Credit to the private sector in that currency rose 4,4 percent (S/. 455 million) reaching a balance of S/. 10 699 million. In annual terms, this aggregate increased 8,6 percent.

In **foreign currency**, liquidity expanded 1,0 percent (US\$ 94 million) to US\$ 9 513 million; however, this level is 2,0 percent lower than a year ago. Credit to the private sector in US dollars grew 1,2 percent (US\$ 118 million) reaching a balance of US\$ 9 915 million. In annual terms, this level is 5,0 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%	-1,1%	11,2%	1,1%	3,5%	-2,8%	-42,7%	-0,2%	-6,5%
Jul.	8,3%	2,8%	5,8%	7,3%	0,1%	10,5%	-1,3%	-1,6%	3,7%	-42,8%	-0,7%	-6,8%
Aug.	-3,3%	4,2%	-1,9%	6,5%	-0,7%	9,9%	-0,4%	-3,7%	-7,6%	-45,9%	-0,3%	-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%	0,0%	6,0%	0,3%	-4,2%	5,6%	-41,3%	0,5%	-4,6%
Nov.	2,8%	9,7%	2,2%	14,1%	2,7%	7,3%	-1,0%	-6,3%	5,4%	-11,3%	0,2%	-4,8%
Dec.22	17,0%	11,0%	8,8%	11,9%	4,4%	8,6%	1,0%	-2,0%	-2,9%	-17,7%	1,2%	-5,0%
Memo:												
Balance as of Nov. 22 (Mill.S/.or Mill.US\$)	6 535		19 217		10 244		9 419		793		9 798	
Balance as of Dec. 22 (Mill.S/./6 Mill.US\$)	7 643		20 917		10 699		9 513		770		9 915	
1/ Short term external liabilities of the banking system.												

Spread of Global bond at 2,68 percent

On **January 14**, the spread of the **Global 2012** bond was 2,68 percent, lower than that recorded on end-December (3,01 percent), whereas the spread of sovereign bonds decreased from 3,12 a 2,78 percent.

The Peruvian bonds are favored by the improvement in the economics fundamentals and follows the trend of the emerging markets.

Country risk indicators
(January 2003 - January 2004)



International markets

Between **January 7 and 14**, the **gold** quotation diminished 0,8 percent, to US\$ 419,5 per Troy ounce due to the recovery in January 14 of the US dollar after

the diffusion of November US commercial data. On January 9, the gold recorded a last 14 year maximum (US\$ 426,45 per Troy ounce) at the London Stock Exchange.

Gold Quotation



Over this period, the **copper** quotation increased 2,4 percent to US\$ 1,0882 per pound due to the threat of strike in

Highland Valley, a Canadian mine. On the other hand, the **zinc** quotation increased 0,3 percent to US\$ 0,4581 per pound.

Copper quotation

(January 2003 - January 2004)

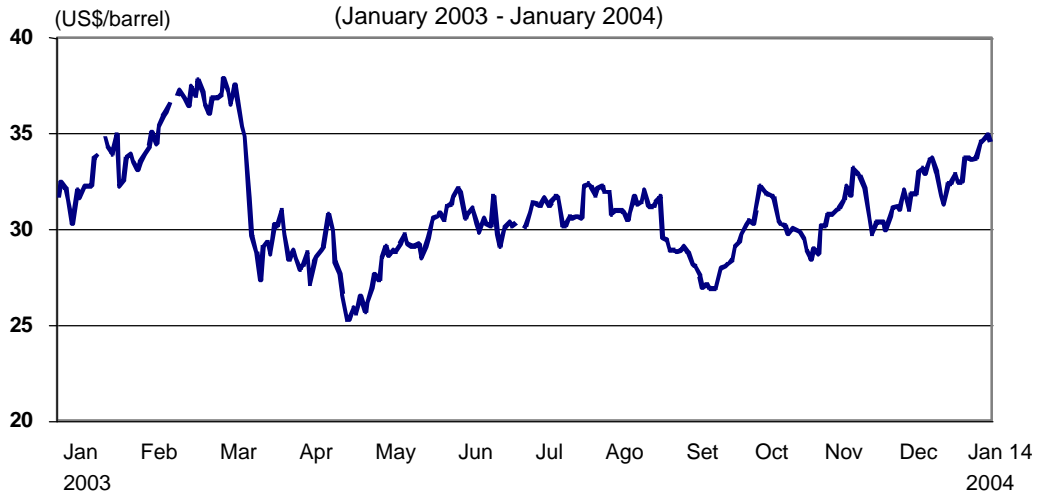


The **WTI oil** quotation raised 2,5 percent to US\$ 34,5 per barrel. The low temperatures in the United States have impelled the demand, taking the crude

inventories at their lower level in almost 30 years. Also exists the expectation that the OPEC don't decide to increase its output quotas in his next meeting in February.

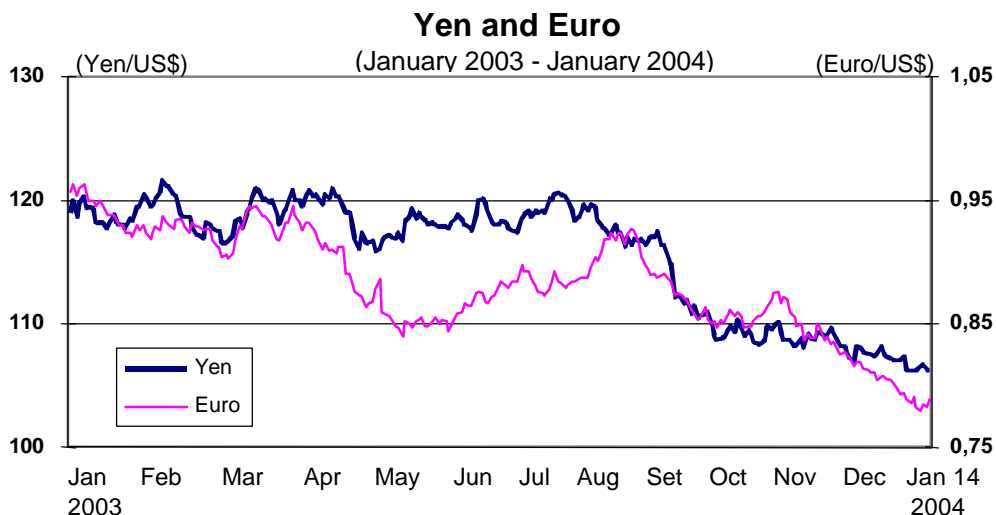
Oil quotation

(January 2003 - January 2004)



During the week under analysis, the **US dollar** didn't recorded a variation against the **euro** and the **yen**. In January 14, the dollar recovered after knowing that the US commercial deficit in November was of

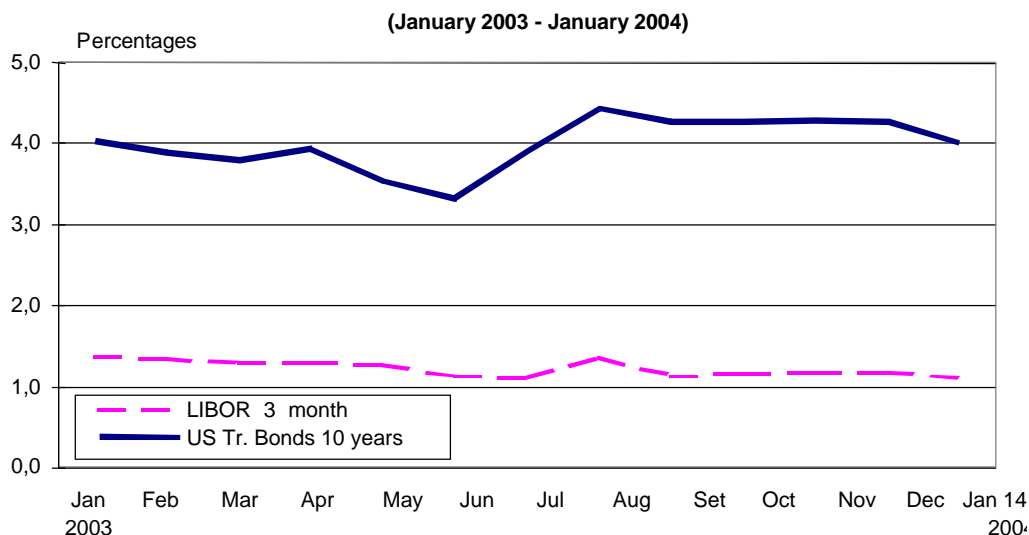
US\$ 38,0 billion lower than expected by the market (US\$ 42,0 billion). The exports raised 2,9 percent to US\$ 90,6 billion whereas the imports fell to US\$ 128 billion after the record level of October.



Between **January 7 to 14**, the **Libor** fell from 1,14 to 1,12 percent, whereas the **yield of US Treasury bonds** with a 10 year maturity decreased from 4,244 to

3,996 percent. The demand for US Treasury bonds increased after it was known a lower than expected increase in US non-agriculture payrolls in December.

Libor and interest rate of US Treasury bond with a 10 year maturity

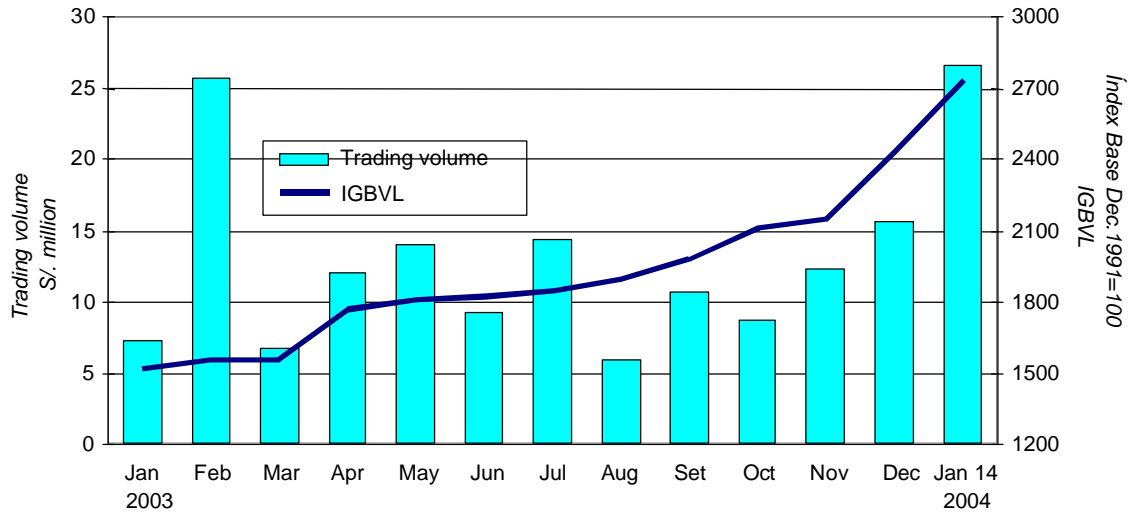


Lima Stock Exchange

As of **January 14**, the **General** and **Blue chip** indices increased 12,3 and 12,6 percent, respectively. The diary average

trading volume amounted S/. 26,6 million in the first two weeks of January much higher to 2003 average (S/. 11,9 million).

**Stock markets indicators
(January 2003 - January 2004)**



Indicadores Económicos / Economic Indicators

	2002		2003				2004				
	DIC.	NOV.	31 Dic.	DIC.	8 Ene.	9 Ene.	12 Ene.	13 Ene.	14 Ene.	ENE.	
RESERVAS INTERNACIONALES (Mills. US\$) / INTERNATIONAL RESERVES				Var.						Var.	
Posición de cambio / <i>Net international position</i>	3 341	4 367	4 583	216	4 646	4 672	4 702	4 713		130	
Reservas internacionales netas / <i>Net international reserves</i>	9 598	10 303	10 194	-109	10 385	10 431	10 468	10 477		283	
Depósitos del sistema financiero en el BCR / <i>Financial system deposits at BCR</i>	3 381	3 069	2 892	-177	3 040	3 068	3 073	3 101,9		210	
Empresas bancarias / <i>Banks</i>	3 048	2 851	2 687	-164	2 832	2 862	2 870	2 872		186	
Banco de la Nación / <i>Banco de la Nación</i>	291	166	154	-12	154	151	147	174		20	
Sector privado / <i>Private sector</i>	42	53	52	-1	55	55	56	56		4	
Depósitos del sector público en el BCR / <i>Public sector deposits at BCR</i>	2 900	2 915	2 761	-154	2 734	2 726	2 727	2 696		-65	
Depósitos de privatización	24	12	1	-11	1	1	1	1		0	
Otros depósitos / <i>Other *</i>	2 875	2 903	2 760	-143	2 733	2 724	2 726	2 695		-65	
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	115	6	175	20	27	25	15	35	153	
Compras netas en Mesa de Negociación / <i>Net purchases of foreign currency</i>	5	79	6	176	20	28	25	15	30	147	
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	35	0	0	0	0	0	0	6	6	
TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE	Prom.	Prom.		Prom.						Prom.	
Compra interbancario / <i>Interbank bid</i>	3,513	3,477	3,463	3,471	3,457	3,456	3,458	3,460	3,475	3,461	
Apertura / <i>Opening</i>	3,516	3,478	3,465	3,472	3,458	3,458	3,456	3,460	3,459	3,460	
Mediodía / <i>Midday</i>	3,515	3,478	3,462	3,471	3,458	3,458	3,460	3,461	3,458	3,460	
Cierre / <i>Close</i>	3,515	3,478	n.d.	3,471	3,457	3,456	3,459	3,458	3,456	3,459	
Promedio / <i>Average</i>	3,515	3,478	n.d.	3,472	3,457	3,457	3,458	3,461	3,458	3,460	
Sistema Bancario (SBS) / <i>Banking System</i>	3,513	3,477	3,461	3,470	3,457	3,456	3,458	3,460	3,458	3,459	
Compra / <i>Bid</i>	3,515	3,478	3,464	3,472	3,458	3,457	3,458	3,461	3,459	3,460	
Venta / <i>Ask</i>											
Índice de tipo de cambio real (1994 = 100) / <i>Real exchange rate Index (1994 = 100)</i>	100,4	106,9		107,7							
INDICADORES MONETARIOS / MONETARY INDICATORS											
Moneda nacional / Domestic currency											
Emisión Primaria / <i>Monetary base</i>	(Var. % mensual) / (% monthly change)	11,1	2,8	11,5	11,5						
	(Var. % últimos 12 meses) / (% 12-month change)	11,0	9,7	10,1	10,1						
Oferta monetaria / <i>Money Supply</i>	(Var. % mensual) / (% monthly change)	6,3	2,2								
	(Var. % últimos 12 meses) / (% 12-month change)	10,6	14,1								
Crédito sector privado / <i>Crédit to the private sector</i>	(Var. % mensual) / (% monthly change)	0,8	2,7								
	(Var. % últimos 12 meses) / (% 12-month change)	7,1	7,3								
TOSE saldo fin de período (Var.% acum. en el mes) / <i>TOSE balance (% change)</i>		2,9	3,4	-0,8	-0,8	2,4	2,5	2,4			
Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>		0,2	0,2	0,2	0,2	1,1	1,1	1,0			
Cuenta corriente de los bancos (saldo mill. S/.) / <i>Banks' current account (balance)</i>		191	175	60	192	264	230	186	170	212	
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.	
Depósitos públicos en el BCR (millones S/.) / <i>Public sector deposits at the BCR (Mills.S/.)</i>		275	1 609	1 196	1 196	893	751	689	717	n.d.	
Certificados de Depósitos BCRP (saldo Mill.S/.) / <i>CDBCRP balance (Millions of S/.)</i>		1 635	4 175	4 097	4 097	4 760	5 025	5 324	5 405	5 335	
Operaciones de reporte (saldo Mill. S/.) / <i>repos (Balance millions of S/.)</i>		170	380	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	60	
Tasa de interés (%) / <i>Interest rates (%)</i>		14,8	14,0	14,4	14,0	14,5	14,5	14,4	14,5	14,6	
Préstamos y descuentos hasta 360 días / <i>Loans & discount</i>		3,80	2,55	2,36	2,51	2,41	2,29	2,32	2,51	2,53	
Interbancaria / <i>Interbank</i>		5,1	3,4	3,3	3,3	3,3	3,3	3,3	3,3	3,3	
Preferencial corporativa a 90 días / <i>Corporate Prime</i>		3,6	2,6	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	2,5	
Operaciones de reporte con CDBCRP / <i>CDBCRP repos</i>		4,5	3,3	3,3	3,3	3,3	3,3	3,3	3,3	3,3	
Créditos por regulación monetaria / <i>Rediscounts</i>		4,6	4,0	3,9	3,9	3,8	3,8	3,7	3,7	3,7	
Del saldo de CDBCRP / <i>CDBCRP balance</i>											
Moneda extranjera / foreign currency											
Crédito sector privado / <i>Crédit to the private sector</i>	(Var. % mensual) / (% monthly change)	-0,3	0,2								
	(Var. % últimos 12 meses) / (% 12-month change)	-3,6	-4,8								
TOSE saldo fin de período (Var.% acum. en el mes) / <i>TOSE balance (% change)</i>		-1,9	0,1	0,2	0,2	0,3	0,3	0,6			
Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>		0,1	0,1	0,1	0,1	-4,5	-2,5	-2,1			
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.	
Tasa de interés (%) / <i>Interest rates (%)</i>		8,1	6,9	7,2	7,3	7,3	7,3	7,3	7,4	7,3	
Préstamos y descuentos hasta 360 días / <i>Loans & discount</i>		2,22	1,10	0,99	1,09	1,13	1,21	1,19	1,15	1,06	
Interbancaria / <i>Interbank</i>		2,4	1,7	1,7	1,7	1,7	1,7	1,7	1,7	1,7	
Preferencial corporativa a 90 días / <i>Corporate Prime</i>		2,5	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	
Créditos por regulación monetaria / <i>Rediscounts ***</i>											
INDICADORES BURSÁTILES / STOCK MARKET INDICES	Acum.	Acum.		Acum.							
Índice General Bursátil (Var. %) / <i>General Index (% change)</i>	1,4	2,0	s.m.	13,4	3,3	1,8	0,2	-2,8	-3,6	12,3	
Índice Selectivo Bursátil (Var. %) / <i>Blue Chip Index (% change)</i>	1,7	4,1	s.m.	16,2	2,7	2,4	0,1	-3,4	-4,0	12,6	
Monto negociado en acciones (Mill. S/.) - Prom. diario	67,1	12,3	s.m.	15,7	39,9	28,2	54,7	18,7	18,9	26,6	
INFLACIÓN (%) / INFLATION (%)											
Inflación mensual / <i>Monthly</i>	-0,03	0,17		0,56							
Inflación últimos 12 meses / <i>% 12 months change</i>	1,52	1,88		2,48							
GOBIERNO CENTRAL (Mill. S/.) / CENTRAL GOVERNMENT (Mills. of S/.)											
Resultado primario / <i>Primary balance</i>	-230	359									
Ingresos corrientes / <i>Current revenue</i>	2 781	2 819									
Gastos no financieros / <i>Non-financial expenditure</i>	3 140	2 463									
COMERCIO EXTERIOR (Mills. US\$) / FOREIGN TRADE (Mills. of US\$)											
Balanza Comercial / <i>Trade balance</i>	71	66									
Exportaciones / <i>Exports</i>	746	750									
Importaciones / <i>Imports</i>	675	684									
PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT											
Varic. %, respecto al mismo mes del año anterior / <i>Annual rate of growth</i>	4,7	0,9									
COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS	Prom.	Prom.		Prom.						Prom.	
LIBOR a tres meses (%) / <i>LIBOR 3-month (%)</i>	1,41	1,17	1,15	1,17	1,14	1,14	1,12	1,12	1,12	1,14	
Dow Jones (Var %) / <i>(% change)</i>	-5,90	-0,19	0,31	6,53	0,60	-1,26	0,25	-0,55	1,07	0,81	
Rendimiento de los U.S. Treasuries (10 años) / <i>U.S. Treasuries yield (10 years)</i>	4,02	4,29	4,25	4,26	4,26	4,08	4,09	4,01	4,00	4,19	
Stripped spread del EMBI+ PERÚ (pbs) / <i>EMBI+ PERU stripped spread (basis points)</i>	620	309	312	318	262	261	257	267	278	275	
Bono Global 2012 - Perú (en pbs) / <i>Global Bond 2012 - Peru (basis points)</i>	576	296	301	304	252	261	254	268	268	266	

* 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.