

## CENTRAL RESERVE BANK OF PERU

### WEEKLY REPORT

Nº 44 – November 5, 2004

#### Net international reserves at US\$ 12 166 million

In **October**, net international reserves (NIR) amounted to US\$ 12 166 million, up US\$ 979 million from end-September. This increase was mainly due to higher public deposits by (US\$ 871 million) -mainly explained by the issue of Euro denominated sovereign bonds-, net foreign exchange purchases (US\$ 326 million), and investment yield (US\$ 26 million) which

were partially offset by lower financial system deposits (US\$ 185 million) and foreign exchange sales to the public sector (US\$ 61 million).

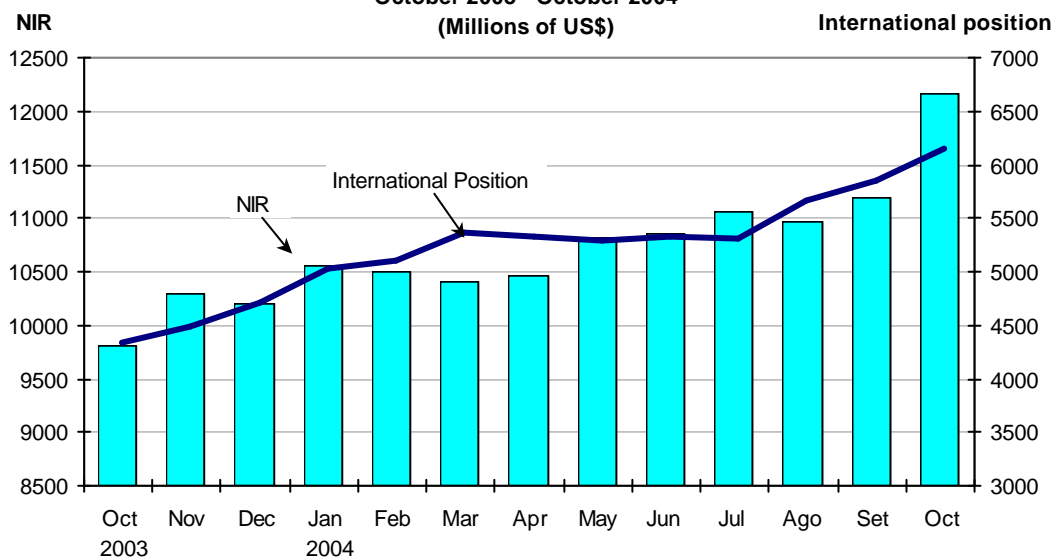
As of **October**, NIRs have increased US\$ 1 972 million, whereas the **Central Bank's international position** (US\$ 6 022 million) grew by US\$ 1 439 million.

Net international reserve and international position of the Central

Reserve Bank

October 2003 - October 2004

(Millions of US\$)

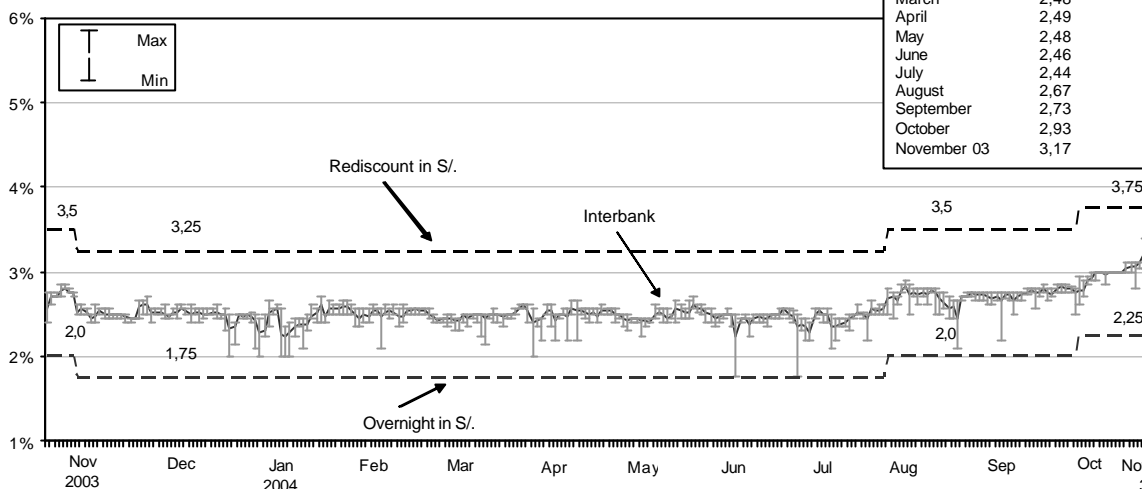


#### Interbank interest rate at 3,17%

In **October**, the average interbank interest rate in domestic currency was 2,93%, higher than September's (2,73%). As of

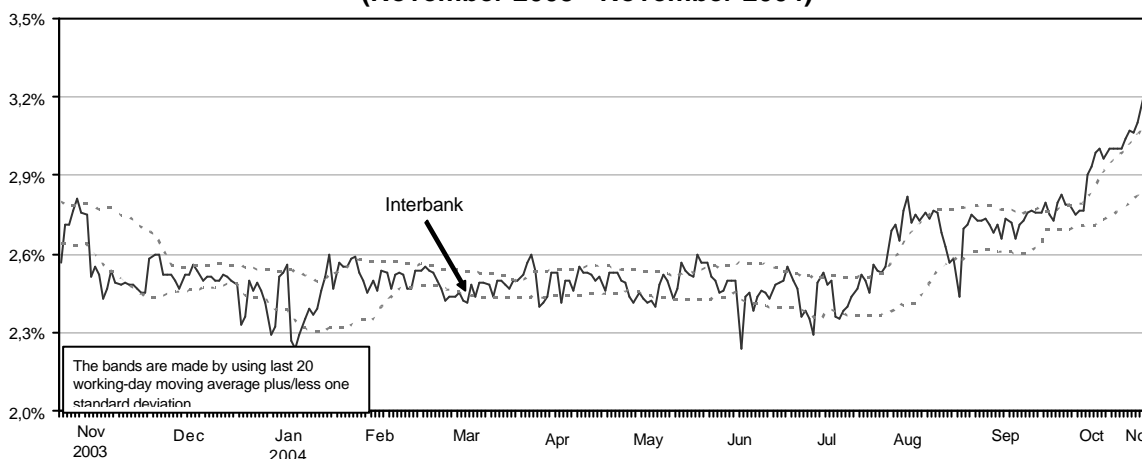
**November 3** the average interbank rate was 3,17%.

### Interest rates in domestic currency (November 2003 - November 2004)



Interbank interest rate (%)		
	Average	Standard Deviation
December 2003	2,51	0,05
January 2004	2,41	0,10
February	2,52	0,04
March	2,48	0,04
April	2,49	0,06
May	2,48	0,05
June	2,46	0,07
July	2,44	0,07
August	2,67	0,10
September	2,73	0,03
October	2,93	0,12
November 03	3,17	0,06

### Interbank interest rate in domestic currency (November 2003 - November 2004)



## Monetary operations

In **October**, the daily average balance of banks' liquidity at the Central Bank was S/. 218 million. Between **October 27 and November 3**, the Central Bank made the following operations:

- Auctions of temporary purchase of CDBCRP and Treasury bonds with a: i) 1-day maturity by S/. 100, S/. 20, S/. 380, S/. 50, S/. 50, S/. 435 and S/. 50 million at an average interest rate of 3,08, 3,02, 3,12, 3,15, 3,17, 3,16 y 3,16%, respectively and ii) 4-day by

S/. 145 and S/. 20 million at 3,08 and 3,10%, respectively.

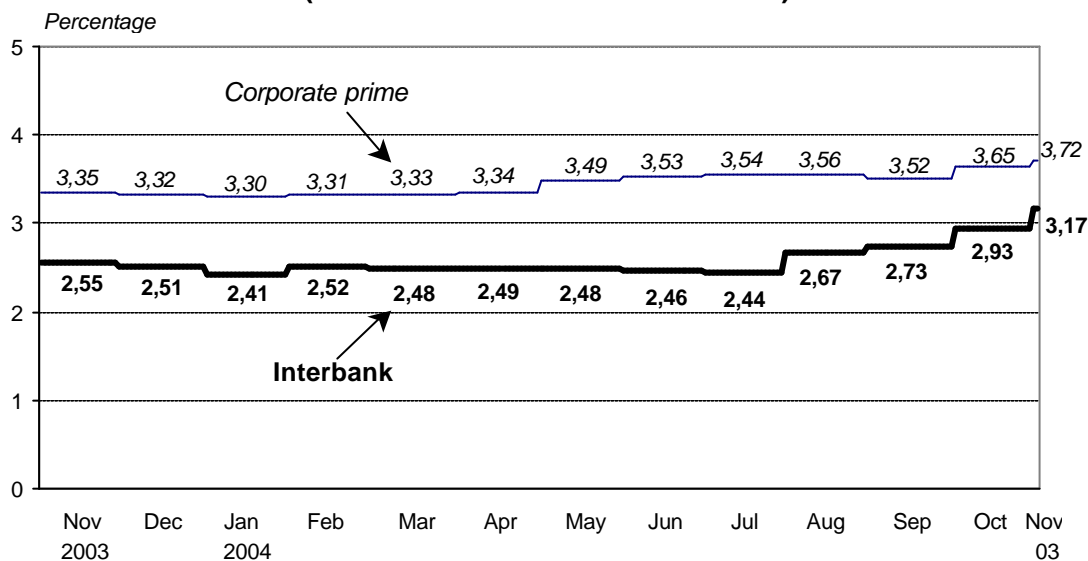
- Foreign currency purchase over-the-counter mechanism by US\$ 31,5 million at an average exchange rate of S/. 3,3185 per dollar.
- Direct temporary buying of CDBCRP and Treasury bonds by S/. 10 million.
- Overnight deposits on October 29 by S/. 10 million.

### Corporate prime interest rate at 3,72%

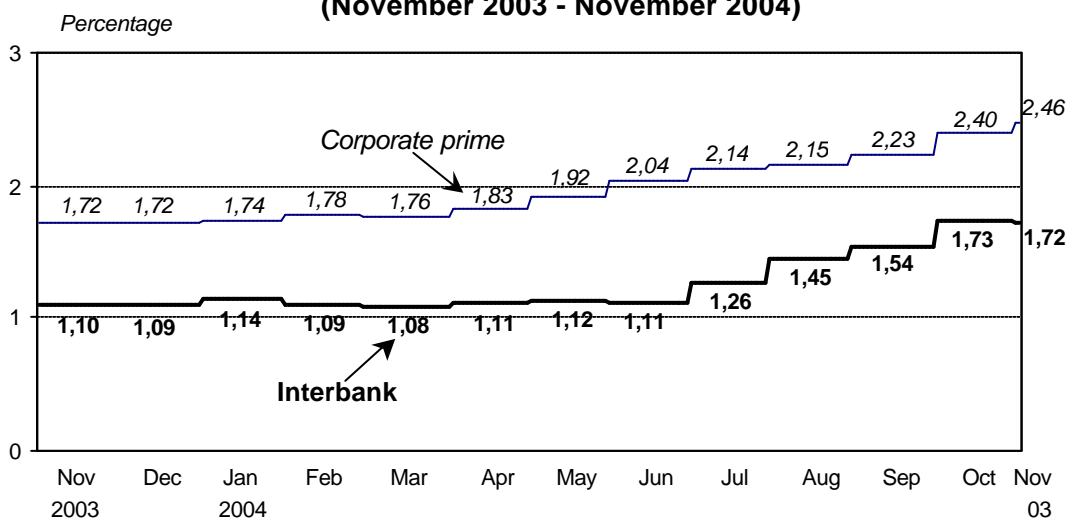
During **October**, the 90-day average corporate prime interest rate in **domestic currency** raised to 3,65% from 3,52% in September due to the increased in the Central Bank reference interest rate from 2,75 to 3,0%. As of **November 3**, the average rate is 3,72%.

On the other hand, corporate prime interest rate in **foreign currency** increased from 2,23% in September to 2,40% following the international trend. As of November 3, the rate is 2,46%.

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



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



**Exchange rate: S/. 3,317**

Up to **November 3** the banking system exchange rate was S/. 3,317 per dollar. During **October** the average exchange rate was S/. 3,32 per dollar, which meant a nominal appreciation of 1,1% with respect to the previous month. With this, the yearly appreciation equals 4,3%. With respect to October 2003, the real appreciation was 4,5%.

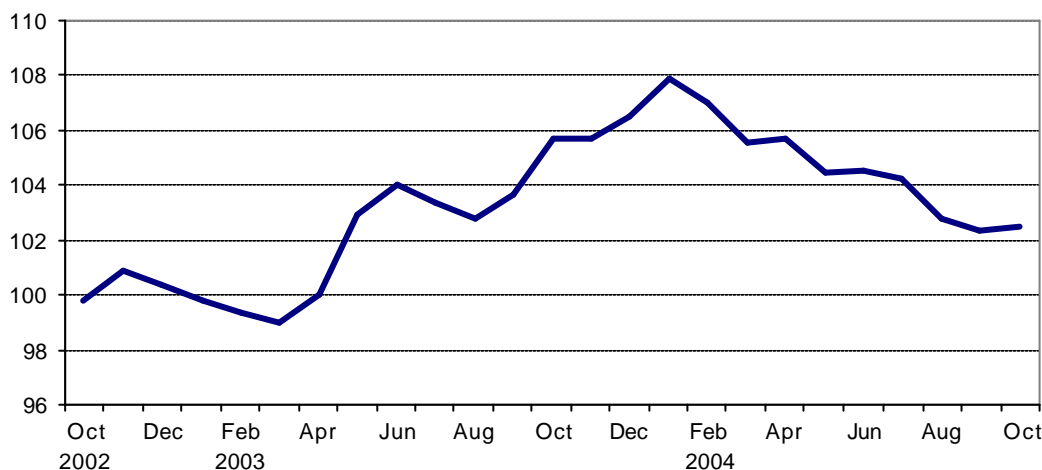
This appreciation tendency reflects the low dim expectations on depreciations thanks to the stable regional context and the favorable development of the external accounts.

During October, the Central Bank purchases foreign currency over-the-counter by US\$ 296 million.

The **multilateral real exchange rate** of October did not show any important variations regarding September. This result is explained basically by the 1,1 % nominal appreciation was compensated by the difference among local and foreign inflation.

In October, the balance of **net forward sales** increased by US\$ 30 million with respect to September and the **bank's exchange position** augmented in US\$ 42 million.

**MULTILATERAL EXCHANGE RATE INDEX  
(1994=100)**



**BANKS' EXCHANGE POSITION  
(Millions of US\$)**

	December 2002	December 2003	September 2004	October
<b>a. Net sales to the public (i-ii)</b>	<b>905</b>	<b>607</b>	<b>550</b>	<b>581</b>
i. Forward sales to the public	1 141	834	1 056	984
ii. Forward purchases to the public	236	227	505	403
<b>b. Banks' exchange position</b>	<b>643</b>	<b>536</b>	<b>492</b>	<b>534</b>

## Inflación was -0,02% in October

In October 2004, the rate of **inflation** was -0,02%, 3,95% for last 12 months and 3,19% for the first 10 months of the year. Four farm products contributed to -0,50 percentage points of monthly inflation:

poultry (-0,25 pp), eggs (-0,11 pp), sugar (-0,08 pp) and potato (-0,06 pp). Conversely, fuels, fishing, citrics and rice added 0,13, 0,09, 0,06 and 0,06 pp, respectively to the inflation rate.

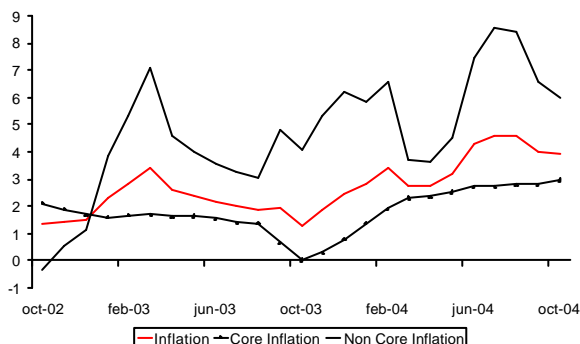
INFLATION RATE  
(Annual percentage change)

	Weighting	Monthly	12-month indicator			Average annual indicator		
		Oct. 2004	Oct. 2003	Sep. 2004	Oct. 2004	Oct. 2003	Sep. 2004	Oct. 2004
<b>I. CORE INFLATION</b>	<b>68,3</b>	<b>0,17</b>	<b>0,03</b>	<b>2,80</b>	<b>2,97</b>	<b>1,40</b>	<b>1,89</b>	<b>2,13</b>
<b>Goods</b>	<b>41,8</b>	<b>0,17</b>	<b>-0,90</b>	<b>3,49</b>	<b>3,65</b>	<b>1,25</b>	<b>2,03</b>	<b>2,41</b>
Food	20,7	0,16	-2,21	7,69	7,74	1,45	3,95	4,78
Textile and footwear	7,6	0,11	0,60	1,34	1,33	0,85	1,03	1,09
Electrical appliances	1,0	0,13	-3,36	-2,61	-2,42	0,52	-1,94	-1,86
Other industrial goods	12,5	0,22	0,59	-1,61	-1,15	1,20	-0,23	-0,38
<b>Services</b>	<b>26,6</b>	<b>0,16</b>	<b>1,51</b>	<b>1,73</b>	<b>1,92</b>	<b>1,64</b>	<b>1,67</b>	<b>1,71</b>
Restaurants	12,0	0,08	1,44	1,91	1,97	1,39	1,58	1,63
Education	5,1	0,55	3,02	3,97	4,54	2,96	3,42	3,55
Health	1,3	1,02	3,12	0,54	1,69	3,22	1,75	1,63
Renting	2,3	-0,49	-0,20	-0,59	-1,18	0,87	0,34	0,26
Other services	5,9	0,01	0,64	0,47	0,67	0,94	0,78	0,78
<b>II. NON CORE INFLATION</b>	<b>31,7</b>	<b>-0,39</b>	<b>4,06</b>	<b>6,54</b>	<b>5,98</b>	<b>3,77</b>	<b>5,90</b>	<b>6,05</b>
Food	14,8	-2,18	0,10	9,65	6,94	-1,17	7,66	8,24
Fuel	3,9	2,61	8,87	12,83	15,55	17,28	9,30	9,87
Transportation	8,4	0,70	11,03	0,76	1,56	7,53	4,48	3,72
Utilities	4,6	0,08	-0,45	1,52	1,55	0,87	-0,44	-0,27
<b>III. INFLATION</b>	<b>100,0</b>	<b>-0,02</b>	<b>1,30</b>	<b>4,03</b>	<b>3,95</b>	<b>2,15</b>	<b>3,18</b>	<b>3,40</b>
<b>Note.-</b>								
Imported inflation	12,1	0,96	1,02	9,99	10,84	9,44	6,93	7,75
Core inflation excluding food	47,6	0,17	1,02	0,70	0,93	1,31	1,00	0,99
Total food	33,2	-0,87	-0,99	9,02	7,84	0,42	6,07	6,82

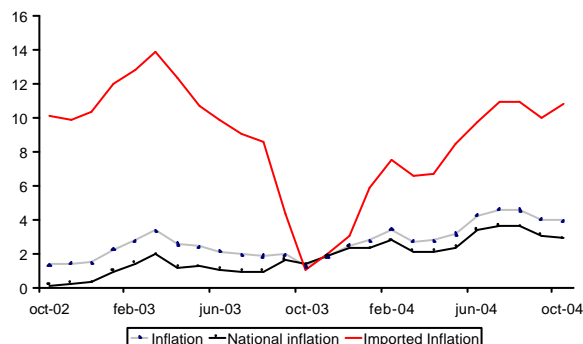
**Core inflation** was 0,17% in October and 3,0% over last 12 months. On the other hand, the **non-core** component of **inflation** was -0,39% this month and 6,0% in annual terms.

**Core inflation excluding foodstuffs and beverages** amounted to 0,17% this month (0,9% over last 12 months). Finally, **imported inflation** reached 0,96% in October and 10,8% in annual terms.

INFLATION AND CORE INFLATION  
(Last 12-month cumulative variation)



INFLATION AND IMPORTED INFLATION  
(Last 12-month cumulative variation)



## Macroeconomic Expectations

Between October 26 and 29, the Central Bank carried out the monthly Macroeconomic Expectations survey

among 29 financial system institutions, 345 non-financial firms and 17 economic analysts with the following results:

### FINANCIAL SYSTEM INSTITUTIONS (Median<sup>1/</sup> of the sample)

	Date of the survey		
	Ago. 31 2/	Sep. 30 3/	Oct. 29 3/
<b>Inflation (%)</b>			
Monthly: November	--	--	0,1
Annual: 2004	3,5	3,5	3,5
2005	3,0	2,5	2,8
<b>GDP growth (%)</b>			
Monthly: September	4,1	4,0	4,3
October	--	4,0	4,2
November	--	--	4,5
Annual: 2004	4,3	4,3	4,4
2005	4,1	4,5	4,3
<b>Exchange rate (S/. per US\$)</b>			
Monthly: November	--	--	3,32
December 2004	3,40	3,35	3,33
December 2005	3,48	3,42	3,40
<b>Interbank interest rate (%)</b>			
<i>In nuevos soles</i>			
Monthly: November	--	--	3,0
December 2004	3,0	3,0	3,1
December 2005	3,5	3,5	3,8

1/ The median indicates the sample central value which reduces any bias caused by extreme values.

2/ 28 financial institutions.

3/ 29 financial institutions.

### ANALYSTS

(Median<sup>1/</sup> of the sample)

	Date of the survey		
	Ago. 31 2/	Sep. 30 3/	Oct. 29 3/
<b>Inflation (%)</b>			
Monthly: November	--	--	0,1
Annual: 2004	3,4	3,5	3,5
2005	2,5	2,5	2,5
<b>GDP growth (%)</b>			
Monthly: September	4,3	4,2	4,5
October	--	4,3	4,5
November	--	--	5,3
Annual: 2004	4,4	4,3	4,5
2005	4,1	4,2	4,5
<b>Exchange rate (S/. per US\$)</b>			
Monthly: November	--	--	3,32
December 2004	3,40	3,39	3,33
December 2005	3,50	3,47	3,40
<b>Interbank interest rate (%)</b>			
<i>In nuevos soles</i>			
Monthly: November	--	--	3,0
December 2004	3,0	3,0	3,0
December 2005	3,6	3,1	3,4

1/ The median indicates the sample central value which reduces any bias caused by extreme values.

2/ 17 analysts.

3/ 17 analysts.

### NON-FINANCIAL SYSTEM FIRMS

(Median<sup>1/</sup> of the sample)

	Date of the survey		
	Ago. 31 2/	Sep. 30 2/	Oct. 29 2/
<b>Inflation (%)</b>			
Annual: 2004	3,5	3,5	3,5
2005	3,0	3,0	3,0
<b>GDP growth (%)</b>			
Annual: 2004	4,0	4,0	4,2
2005	4,2	4,2	4,3
<b>Exchange rate (S/. per US\$)</b>			
December 2004	3,45	3,40	3,38
December 2005	3,51	3,50	3,48

1/ The median indicates the sample central value which reduces any bias caused by extreme values.

2/ 345 non-financial institutions.

Besides, the Central Bank made the quarterly survey among consultants with

the following results:

**ANALYSTS**  
(Median<sup>1/</sup> of the sample)

	Jul. 27 <sup>2/</sup>		Oct. 29 <sup>2/</sup>	
	2004	2005	2004	2005
<b>Real % change</b>				
Domestic demand	4,0	4,2	4,0	4,1
Private consumption	3,7	3,9	3,5	3,8
Private gross fixed Investment	6,2	4,8	6,0	5,0
Export of goods	19,1	6,4	28,6	5,9
Import of goods	9,2	5,1	14,0	5,7
<b>% of GDP</b>				
Current account deficit	0,5	0,4	0,6	0,5
Public sector deficit	1,5	1,2	1,4	1,2
<b>Nominal % change</b>				
Monetary base	10,0	10,0	12,0	10,0
Credit to the private sector	2,1	5,0	0,0	2,7

1/ The median indicates the sample central value which reduces any bias caused by extreme values.  
2/ 17 analysts.

## Monetary base as of October 31, 2004

The **monetary base** balance as of October 31 was S/. 8 067 million up 4,5% (S/. 350 million) from end-September. In average terms, the year on year rate of growth of the monetary base was 22,1% compared with 20,0% in September.

The main explanations for this result were foreign currency purchases over-the-counter mechanism (US\$ 296 million or

S/. 980 million), the temporary purchase of securities (S/. 165 million) and the lower financial enterprises' overnight deposits (S/. 74 million), which were partially offset by net auctions of CDBCRP (S/. 655 million), the higher public sector deposits (S/. 177 million) and the net sales of foreign currency to the public sector (US\$ 31 million or S/. 101 million).

## Banking system monetary accounts as of October 15, 2004

Through last 4 weeks, liquidity in **domestic currency** increased 4,2% (S/. 920 million), to a balance of S/. 22 592 million. Credit to the private sector in the same currency augmented 1,3% (S/. 142 million) to S/. 10 945 million. However, in annual terms this aggregates grew by 18,4 and 8,7%, respectively.

Liquidity in **foreign currency** raised 0,2% (US\$ 17 million) to US\$ 9 593 million, up 3,7% from a year ago. Credit to the private sector in the same currency dropped 1,2% (US\$ 120 million) to US\$ 9 686 million (a nil annual growth rate).

END OF PERIOD MONETARY AGGREGATES OF THE BANKING SYSTEM												
	BASE MONETARY		LIQUIDITY IN D/C		CREDIT IN D/C		LIQUIDITY IN F/C		LIABILITIES 1/		CREDIT IN F/C	
	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR
<b>2002</b>												
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%
<b>2003</b>												
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%	-1,6%	6,8%	-0,7%	9,9%	-0,2%	-3,6%	-7,8%	-46,1%	0,1%	-6,0%
Sep.	-2,5%	6,0%	0,1%	9,3%	-0,1%	7,9%	-0,8%	-3,1%	-1,5%	-45,9%	-1,1%	-6,0%
Oct.	1,4%	6,4%	0,7%	11,9%	-0,5%	5,7%	0,5%	-3,9%	5,4%	-41,4%	-0,1%	-5,3%
Nov.	2,8%	9,7%	1,7%	13,3%	3,0%	7,2%	-0,7%	-5,7%	4,3%	-12,3%	0,2%	-5,5%
Dec.	11,5%	10,1%	3,6%	10,5%	-1,2%	5,1%	0,5%	-2,6%	-0,1%	-8,0%	-0,6%	-5,8%
<b>2004</b>												
Jan.	-6,4%	13,4%	2,6%	17,0%	-0,2%	8,8%	-0,2%	-2,7%	1,4%	4,8%	-1,0%	-4,0%
Feb.	0,7%	14,5%	-0,6%	13,3%	-0,5%	4,2%	-2,7%	-5,3%	1,9%	-3,3%	-0,9%	-4,6%
Mar.	0,7%	16,6%	1,5%	12,9%	3,6%	6,3%	0,0%	-5,2%	-4,7%	8,8%	0,5%	-3,7%
Apr.	4,4%	18,2%	-0,6%	12,6%	0,0%	2,6%	0,9%	-3,8%	7,4%	4,0%	1,2%	-3,5%
May.	0,7%	20,3%	0,5%	12,3%	-0,2%	1,9%	-0,4%	-3,3%	13,6%	20,7%	1,5%	-1,2%
Jun.	0,7%	19,2%	-0,4%	13,8%	0,8%	3,9%	3,1%	-1,4%	3,5%	28,6%	0,7%	-0,4%
Jul.	9,9%	21,0%	2,5%	10,3%	1,0%	4,9%	2,4%	2,3%	-5,5%	17,2%	0,5%	0,9%
Aug.	-5,2%	18,6%	1,6%	13,9%	0,9%	6,6%	-2,0%	0,5%	-5,1%	20,6%	-1,3%	-0,5%
Sep.	-1,0%	20,5%	2,6%	16,8%	1,2%	8,0%	0,1%	1,5%	7,7%	31,8%	-1,1%	-0,5%
Oct.15	1,7%	19,5%	4,2%	18,4%	1,3%	8,7%	0,2%	3,7%	-10,2%	7,3%	-1,2%	0,0%
Memo:												
Balance as of Sep.15 (Mill.S/. or Mill.US\$)	7 701		21 671		10 803		9 576		875		9 806	
Balance as of Oct.15 (Mill.S/. or Mill.US\$)	7 836		22 592		10 945		9 593		786		9 686	
1/ Short term external liabilities of banking enterprises.												

## September trade surplus: US\$ 262 million

September 2004 saw a surplus in the **trade balance** -for a seventeenth consecutive month- of US\$ 262 million, up US\$ 183 million from a year ago. Thus, last 12 month record reached US\$ 2 153 million.

**Exports** recorded a top of US\$ 1 114 million this month, US\$ 335 million or 43% higher than September 2003 (an increase of 48% for traditional products and 32 % for non-traditional ones). Traditional exports were mainly accounted for a higher sale of mining products (US\$ 172 million i.e a 39% increase, mainly explained by 25% increase in volume and 7% in prices) and fisheries (US\$ 72 million, i.e 186% increase). On the other hand, higher exports of non-traditional products were accounted for chemicals (US\$ 26 million, i.e. 104% increase), textiles (US\$ 20 million, i.e. 29% increase) and agriculture and livestock products (US\$ 10

million, i.e. 16% increase). Against the previous month, exports fell 2% (US\$ 18 million). Traditional exports decreased 3% while non-traditionals maintained its level (0,3 increase). Exports of fisheries fell 28% dampened traditional exports while the increase in chemicals (31%) was compensated by the fall in woods and paper (20%).

**Imports** amounted to US\$ 852 million implying a 22% increase with respect to September 2003 and a 5% fall regarding the previous month. The increase with respect to September is explained by higher raw materials and intermediate goods purchases (24%), particularly raw materials for industrial activity (29%), capital goods acquisitions (21%), particularly capital goods for the industry (18%) and consumer goods imports, particularly non durables (13%).



## TRADE BALANCE (Millions of US\$)

	Monthly data			Annual data				
	September			Oct.2002 Sep.2003	Sep.2003 Aug.2004	Oct.2003 Sep.2004	C/A	C/B
	2003	2004	% var.	A	B	C		
<b>EXPORTS</b>	<u>779</u>	<u>1 114</u>	<u>43</u>	<u>8 542</u>	<u>11 047</u>	<u>11 381</u>	<u>33,2</u>	<u>3,0</u>
Traditional products	541	799	48	5 949	7 764	8 022	34,9	3,3
Non-traditional products	229	303	32	2 481	3 167	3 241	30,7	2,3
Other products	9	13	34	112	115	118	5,3	2,7
<b>IMPORTS</b>	<u>699</u>	<u>852</u>	<u>22</u>	<u>8 077</u>	<u>9 077</u>	<u>9 229</u>	<u>14,3</u>	<u>1,7</u>
Consumer goods	163	179	10	1 848	1 862	1 878	1,6	0,9
Raw materials and intermediate goods	369	458	24	4 136	4 948	5 038	21,8	1,8
Capital goods	162	196	21	2 018	2 183	2 217	9,8	1,5
Other goods	6	19	237	74	83	96	29,3	16,1
<b>TRADE BALANCE</b>	<u>79</u>	<u>262</u>	<u>230</u>	<u>465</u>	<u>1 970</u>	<u>2 153</u>	<u>362,8</u>	<u>9,3</u>

**Terms of trade** increased 2,4% during September with respect to the same month of 2003. Average export prices grew by 13,4%, exceeding the increase in import prices (10,7%). The increase in export prices obeyed to higher quotations of copper (51,4%), tin (84,3%), iron (50,8), gold (7,1%), silver (25,9%), lead (73,1%) and zinc

(15,3%). The twelve month variation of average import prices was due to higher quotations for oil (crude and derivatives; 53,8%), wheat (3,3%), soybean (8,8%), sugar (5,6%), dairy (12,4%) that compensated the fall in meat (19,4%), rice (11,4) and maize (4,2%).

**TERMS OF TRADE (1994=100)  
(September 2002 - September 2004)**

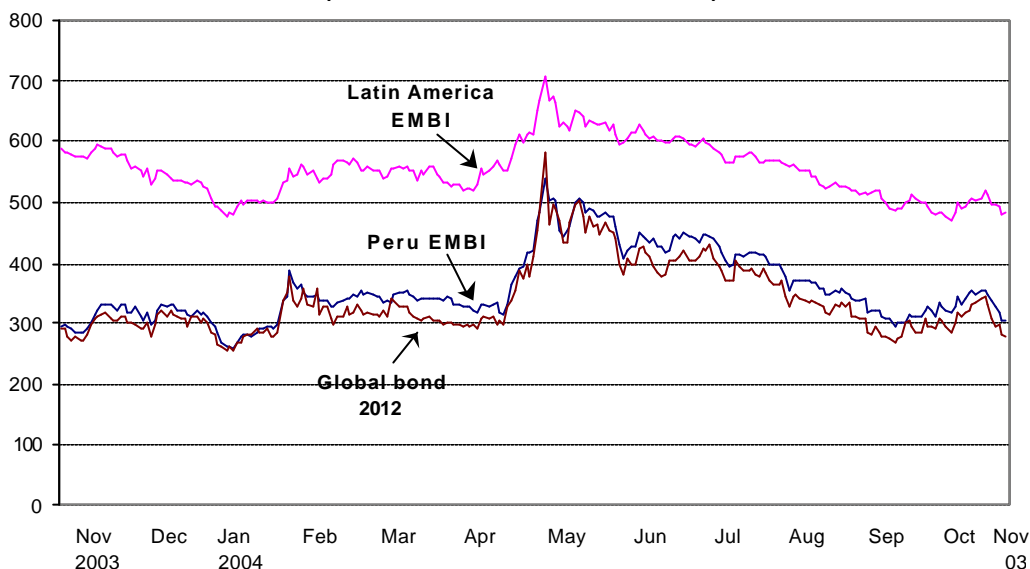


### Spread of Global bond 2012 at 2,79%

During **October**, the spread of the Peruvian Global ten year bond raised from 2,94 to 3,11% and the average of the sovereign bonds from 3,20 to 3,34%. As of **November 3**, these spreads was at 2,79

and 3,04%, respectively. In the last week, the Peruvian debt has benefited from the reduction of oil prices and the aim from the uncertainty associated to the elections in the United States.

**Country risk indicators**  
(November 2003 - November 2004)



### International markets

In **October**, the **gold** average quotation increased 3,7% to US\$ 421 per troy ounce due to the weakening of the US dollar and a broader demand for this precious metal

as an non-risk asset after inflationary expectations due to oil prices. As of **November 3**, gold quotation was US\$ 424 per troy ounce.

### Gold quotation



During the same month, the **copper** average quotation increased 3,7% to US\$ 1,37 per pound, as the LME inventories fell to their lowest level in 14 years. It is worth noting that up to October 11 copper achieved its maximum level in

15 years (US\$ 1,49 per ounce) with a following profit taking by investment funds. As of **November 3** the copper quotation raised to US\$ 1,35 and the LME inventories fell to 76 thousand MT.

### Copper quotation



In the same period, the **zinc** average price augmented 8,8% to US\$ 0,48 per pound because a broader demand expected for the Chinese galvanized industry steel. Besides the International Lead and Zinc Study Group projected a deficit of refined

zinc in the western hemisphere of 157 and 101 thousand MT in 2004 and 2005, respectively. Up to **November 3**, zinc quotation was US\$ 0,46 per troy ounce and inventories at the LME reduced to 700 thousand MT.

### Zinc quotation



The **WTI oil** price grew **16,1%** to US\$ 53,2 in October because of hurricane Ivan interrupting Gulf of Mexico production, supply security problems in Nigeria and by labor threats in Norway. In October 22, WTI oil price reached US\$ 56,2 per barrel, its historical maximum, but rapidly descended after lower Chinese demand expectations after interest rates were

raised and after US inventories were higher than expected. Hence, the US Energy Department reported during the last week that crude inventories increased in 6,3 million barrels (triple than expected by the market) to 290 million barrels. During **November 3**, WTI petroleum was priced US\$ 50,4 per barrel.

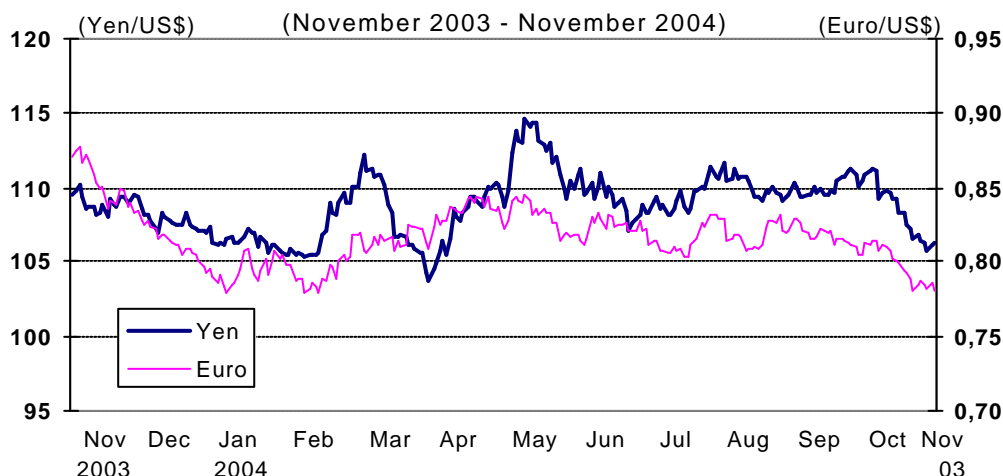
**WTI oil quotation**



During **October**, in average terms, the **US dollar** depreciated by 2,2% against the **euro** and 1,2% against the **yen** due to the

great current account deficit and the diffusion of not very favorable indicators on the US economy.

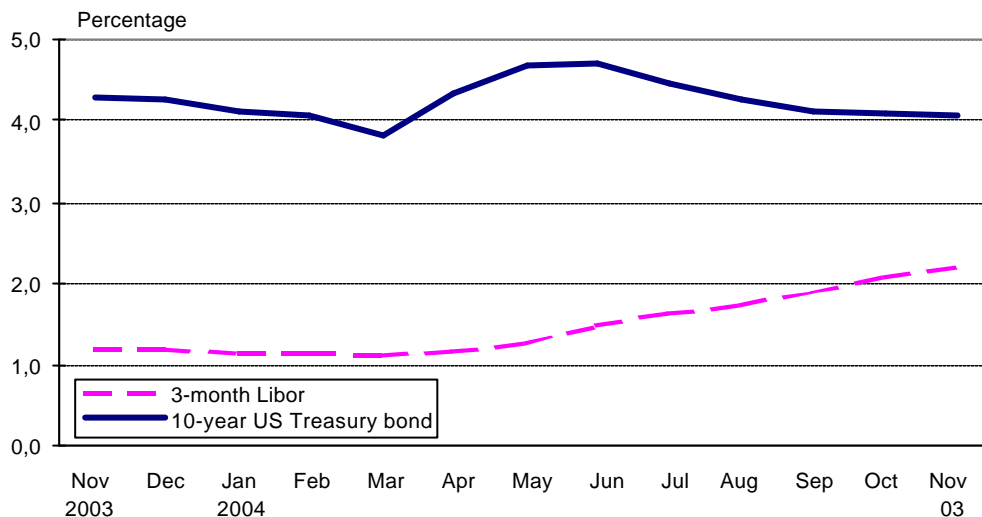
**Yen and euro**



During **September 30 and October 31**, the **3-month Libor** rate raised from 2,02 to 2,17%. Besides this, the yield of the **US Treasury bond with a 10 year maturity**

decreased from 4,12 to 4,03% after the questioning on US growth due to the high increase in oil prices.

**Libor and yield of 10-year matured US Treasury bond**  
(November 2003 - November 2004)



### Lima Stock Exchange (LSE)

In **October**, the LSE increased 8,1% and 6,7% in its **General Index** and its **Blue Chip Index** respectively highlighting the increase in Alicorp after the diffusion of its financial results. As of **November 3**, LSE

registered a fall of 0,4% in its General Index and remained constant in its Blue Chip Index. In the year, these indexes record cumulative increases of 45,0% and 46,7%, respectively.

**LSE indicators**  
(November 2003 - November 2004)

