

CENTRAL RESERVE BANK OF PERU

WEEKLY REPORT

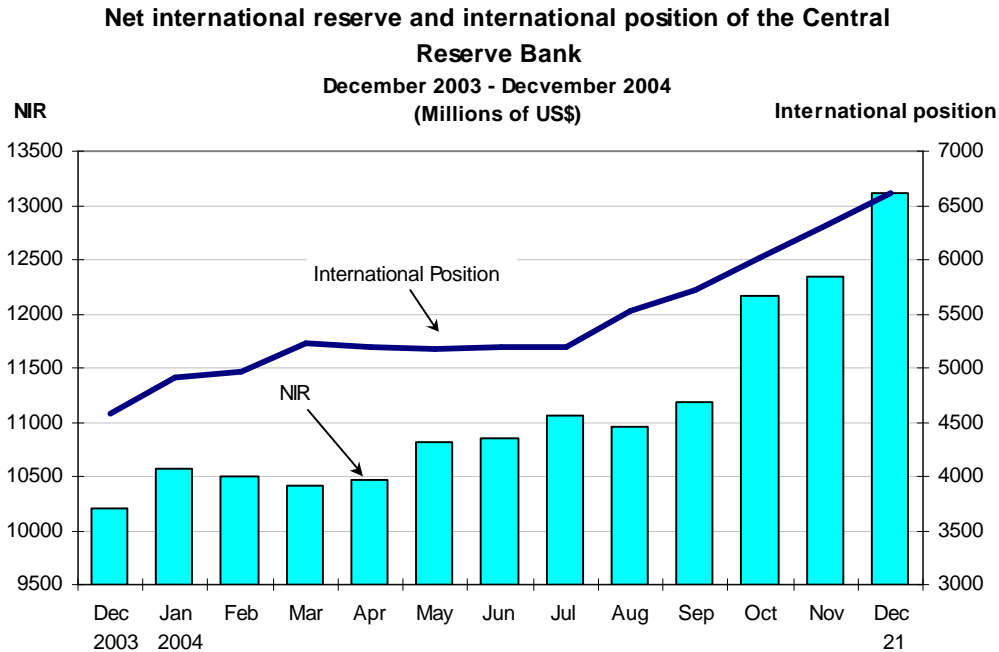
Nº 51 – December 23, 2004

Net international reserves at US\$ 13 121 million

As of **December 21**, net international reserves (NIR) amounted to US\$ 13 121 million, up US\$ 783 million from end-November. This increase was mainly due to net foreign exchange purchases (US\$ 304 million), higher financial system and public sector deposits (US\$ 263 and US\$ 207

million, respectively) and investment yield (US\$ 9 million).

Starting this year, NIRs have increased US\$ 2 926 million, whereas the **Central Bank's international position** (US\$ 6 616 million) grew by US\$ 2 033 million.

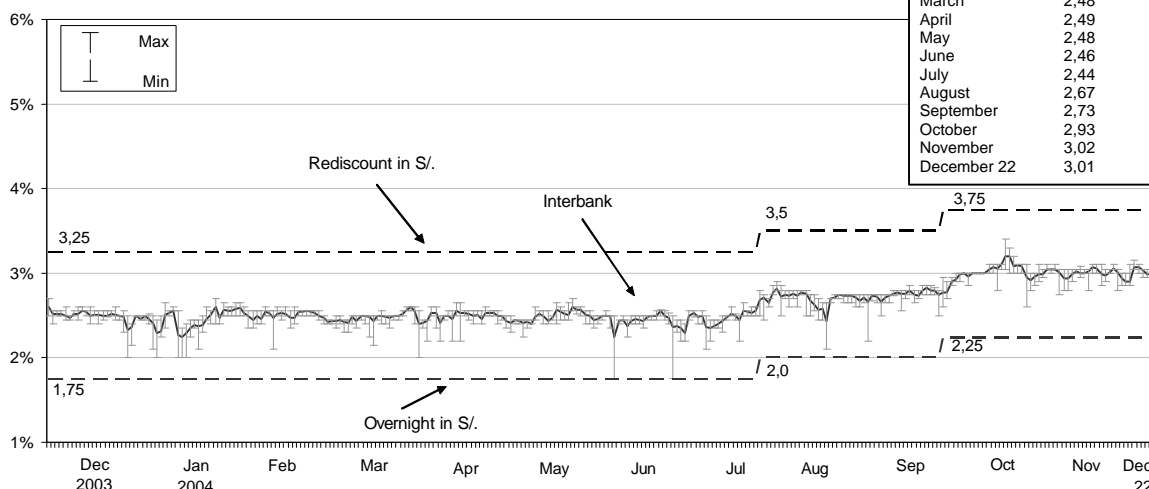


Interbank interest rate at 3,01%

As of **December 22**, the average interbank interest rate in domestic currency

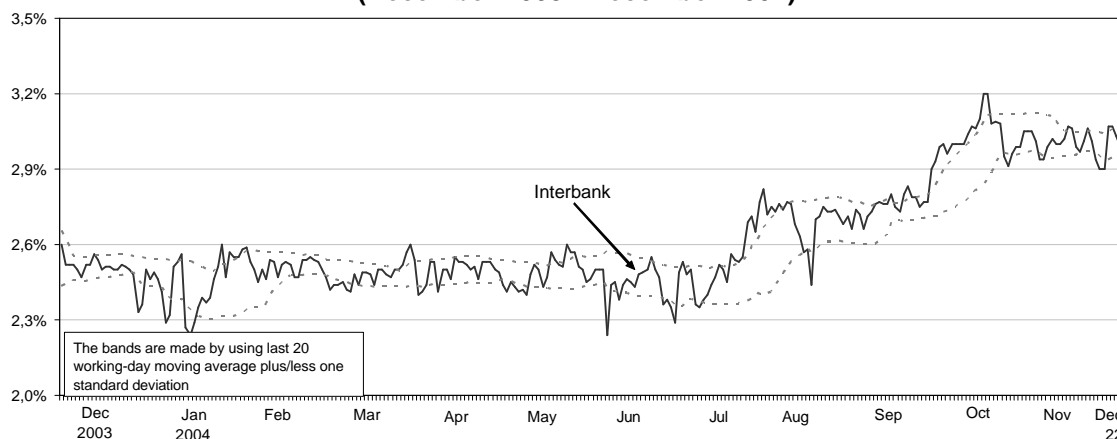
was 3,01%, slightly lower than November's (3,02%).

Interest rates in domestic currency (December 2003 - December 2004)



Interbank interest rate (percent)		
	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	3,02	0,08
December 22	3,01	0,06

Interbank interest rate in domestic currency (December 2003 - December 2004)



Monetary operations

As of **December 22**, the daily average balance of banks' liquidity at the Central Bank was S/. 330 million. Between **December 16 and 22**, the Central Bank made the following operations:

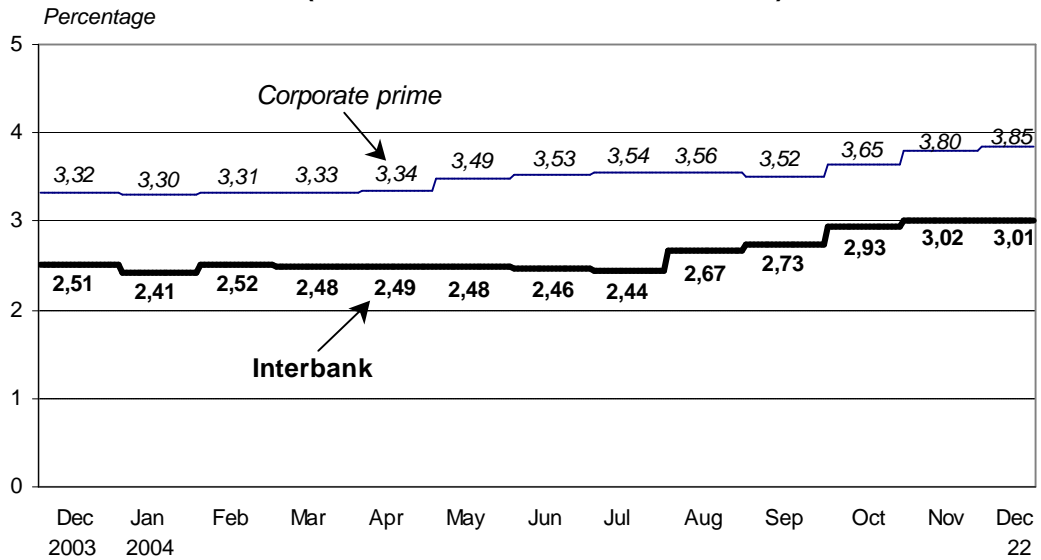
- Auctions of CDBCRP with a: i) 7-day maturity by S/. 105 million at an average interest rate of 3,02%; ii) 11-month by S/. 70 million at 4,30%; iii) 1-year by S/. 100 million at 4,37%; iv) 1,5-year in two occasions by S/. 60 million each one at 5,16% and 5,13% and v) 2-year by S/. 40 million at 5,77%.
- Auctions of temporary purchase of CDBCRP and Treasury bonds with a: i) 1-day by S/. 245, S/. 60 and S/. 90 million at an average interest rate of 3,10%, 3,12% and 2,98%, respectively and ii) 3-day by S/. 410 million at 3,04%.
- Foreign currency purchase over-the-counter mechanism by US\$ 118,1 million at an average exchange rate of S/. 3,267.
- Overnight deposits on December 17, 20, 21 and 22 by S/. 94, S/. 25, S/. 55 and S/. 41 million, respectively.

Corporate prime interest rate at 3,85%

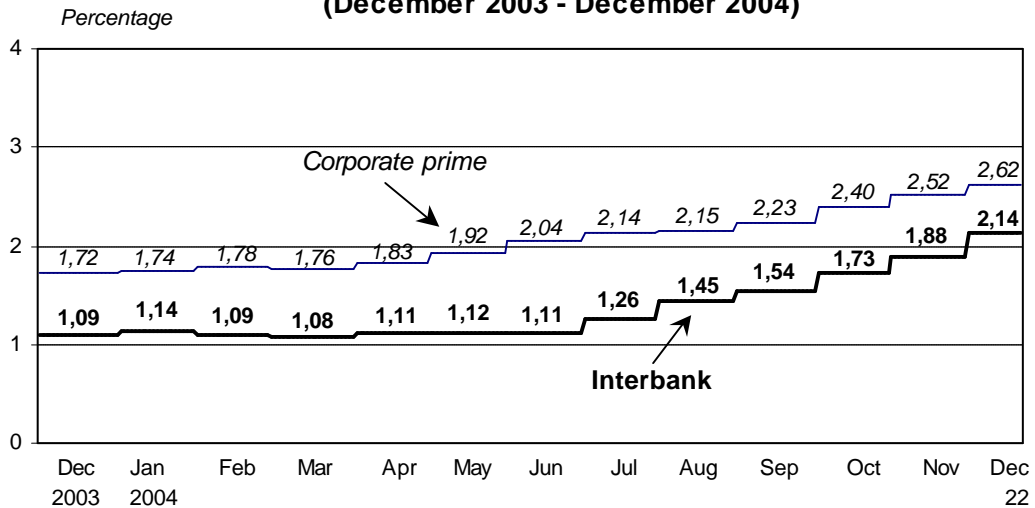
As of **December 22**, the 90-day average corporate prime interest rate in domestic currency raised from 3,80% in November to

3,85% and the rate in dollars from 2,52% to 2,62%.

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



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



Exchange rate: S/. 3,269

Between **December 15 and 22**, the banking system exchange rate increased from S/. 3,264 to S/. 3,269. Up to December 22, the **balance of net forward**

sales rose by US\$ 230 million with respect to November whereas the **bank's exchange position** dropped US\$ 85 million.

BANKS' EXCHANGE POSITION (Millions of US\$)

	December 2002	December 2003	November 2004	December 22
a. Net sales to the public (i-ii)	905	607	607	838
i. Forward sales to the public	1 141	834	1 004	1 342
ii. Forward purchases to the public	236	227	397	505
b. Banks' exchange position	643	536	512	427

Monetary base as of December 15, 2004

The **monetary base** balance as of December 15 (S/. 8 730 million) up 7,5% (S/. 613 million) from end-November. In average terms, the year on year rate of growth of the monetary base was 23,8% (23,0% en November).

The main explanations for this result were foreign currency purchases over-the-counter mechanism (US\$ 200 million or S/. 654 million), lower public sector deposits (S/. 227 million) and lower financial enterprises' overnight deposits (S/. 131 million) which were partially offset by net issue of CDBCRP (S/. 430 million).

Banking system monetary accounts: November 2004

In November, liquidity in **domestic currency** increased 2,7% (S/. 632 million), to a balance of S/. 24 068 million. Credit to the private sector in the same currency augmented 0,3% (S/. 32 million) to S/. 11 268 million. However, in annual terms this aggregates grew by 24,6% and 9,3%, respectively.

Liquidity in **foreign currency** maintained a balance of US\$ 9 468 million (an annual growth rate of 0,6%). Credit to the private sector in the same currency rose 1,0% (US\$ 93 million) to US\$ 9 748 million. In annual terms this aggregate decreased by 0,3%.

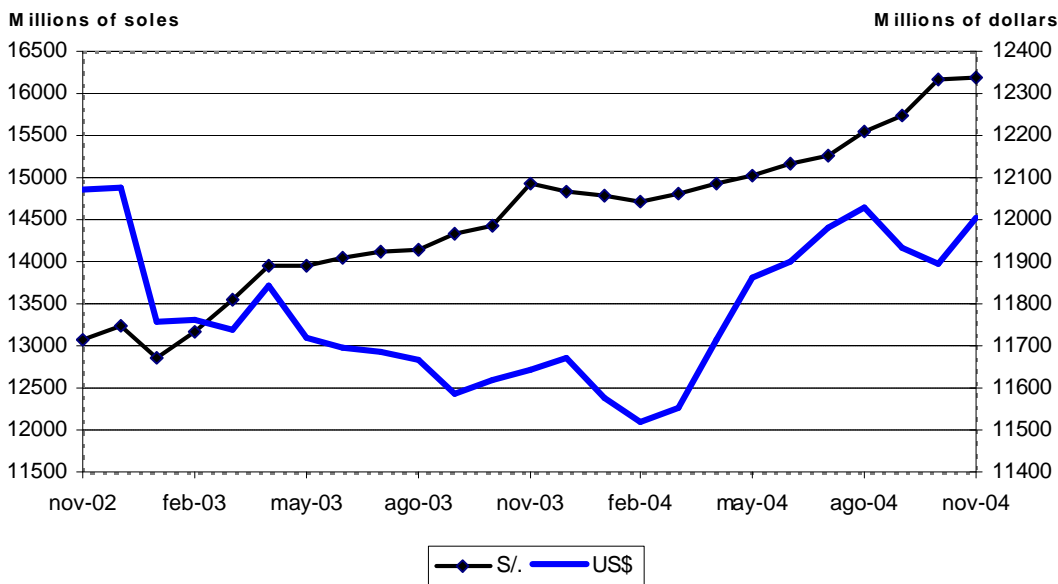
END OF PERIOD MONETARY AGGREGATES OF THE BANKING SYSTEM													
	BASE MONETARY		LIQUIDITY IN D/C		CREDIT IN D/C		LIQUIDITY IN F/C		LIABILITIES 1/		CREDIT IN F/C		
	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	VAR.(%)	
	MONTH	YEAR	MONTH	YEAR	MONTH	YEAR	MONTH	YEAR	MONTH	YEAR	MONTH	YEAR	
2003													
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%	
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%	
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%	
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%	
2004													
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%	-0,1%	14,1%	0,8%	3,9%	3,0%	-1,5%	3,4%	28,4%	0,7%	-0,3%	
Jul.	9,9%	21,0%	2,6%	10,7%	1,2%	5,1%	2,4%	2,2%	-5,1%	17,6%	0,5%	0,8%	
Aug.	-5,2%	18,6%	1,3%	14,0%	0,4%	6,2%	-1,8%	0,6%	-5,2%	20,8%	-1,2%	-0,5%	
Sep.	-1,0%	20,5%	2,7%	16,9%	1,6%	8,0%	0,1%	1,5%	7,5%	31,8%	-1,2%	-0,5%	
Oct.	4,5%	24,3%	6,2%	23,4%	3,4%	12,3%	-1,0%	-0,1%	-18,0%	2,6%	-0,6%	-1,0%	
Nov.	0,6%	21,7%	2,7%	24,6%	0,3%	9,3%	0,0%	0,6%	4,6%	2,9%	1,0%	-0,3%	
Memo:													
Balance as of Oct.31 (Mill.S/. or Mill.US\$)	8 067		23 437		11 236		9 468		692		9 656		
Balance as of Nov.30 (Mill.S/. or Mill.US\$)	8 117		24 068		11 268		9 468		723		9 748		
1/ Short term external liabilities of banking enterprises.													

Financial system credit to the private sector

As of **November** of 2004, the credit of the financial system to the private sector increased 0,1% in **soles** and in 0,9% in

dollars. In this manner, the annual rate of growth of the credit in soles was 8,5% while the growth rate in dollars was 3,1%.

FINANCIAL SYSTEM CREDIT TO THE PRIVATE SECTOR



In November, the increment of the credit in soles (S/. 22 million) obeyed mainly to the microfinance institutions (S/. 180 million),

being counteracted by a smaller credit of the AFPs (S/. 117 million), due mainly to the redemption of instruments.

During the last 12 months the expansion of the credit in soles was of S/. 1 266 million, product of the microfinance institutions (S/. 612 million), Banco de la Nación (S/. 536 million) and institutional investors

(S/. 133 million). It was compensated by the fall of credits of the financial leasing enterprises and other financial companies in S/. 135 million.

FINANCIAL SYSTEM CREDIT TO THE PRIVATE SECTOR IN DOMESTIC CURRENCY

	Millions of nuevos soles			Percentage change	
	nov03	oct04	nov04	Nov.04/ Nov.03	Nov.04/ Oct.04
Commercial banks 1/	8 315	8 519	8 437	1,5	-1,0
Banco de la Nación	447	950	983	119,6	3,4
Microfinance institutions	3 533	3 965	4 145	17,3	4,5
Banks (microfinance credits)	732	1 013	1 091	48,9	7,7
Local government S&Ls	1 057	1 275	1 334	26,3	4,7
Rural S&Ls	177	236	245	38,9	4,0
Cooperatives	444	477	477	7,4	0,0
Edpymes	169	204	219	29,5	7,2
Financial companies	954	760	778	-18,4	2,4
Institutional investors 2/	2 179	2 425	2 312	6,1	-4,7
AFPS	1 455	1 455	1 338	-8,0	-8,0
Insurance companies	579	820	819	41,3	-0,2
Mutual funds	144	149	155	7,5	3,9
Leasing companies and others	443	303	308	-30,5	1,8
Total Financial System	14 918	16 162	16 184	8,5	0,1

1/ Excludes microfinance credits.

2/ Mainly securities issued by the private sector.

In November the credit in dollars was expanded in US\$ 111 million, mainly by the increase of the operations of foreign trade of commercial banks (US\$ 75 million). In turn, the credits in dollars of the microfinance institutions and of institutional investors were higher in US\$ 19 million and US\$ 4 million, respectively.

During the last 12 months the credit in dollars increased US\$ 363 million, due to the institutional investors (US\$ 277 million) and microfinance institutions (US\$ 131 million), what was reduced by the fall of the credit of the commercial banks (US\$ 30 million) and the of the financial leasing enterprises and other financial institutions (US\$ 14 million).

FINANCIAL SYSTEM CREDIT TO THE PRIVATE SECTOR IN FOREIGN CURRENCY

	Millions of US dollars			Percentage change	
	nov03	oct04	nov04	Nov.04/ Nov.03	Nov.04/ Oct.04
Commercial banks 1/	9 419	9 302	9 389	-0,3	0,9
Banco de la Nación	22	22	22	-1,0	-0,0
Microfinance institutions	505	617	636	25,8	3,1
Banks (microfinance credits)	95	114	122	28,7	6,2
Local government S&Ls	178	236	245	37,2	3,7
Rural S&Ls	47	52	54	13,6	2,8
Cooperatives	112	141	141	25,2	0,0
Edpymes	40	46	47	18,2	3,1
Financial companies	33	28	28	-15,0	0,8
Institutional investors 2/	1 054	1 327	1 331	26,3	0,3
AFPS	514	725	726	41,2	0,1
Insurance companies	59	92	91	53,7	-0,9
Mutual funds	480	510	514	6,9	0,7
Leasing companies and others	643	628	629	-2,1	0,2
Total Financial System	11 644	11 896	12 007	3,1	0,9

1/ Excludes microfinance credits.

2/ Mainly securities issued by the private sector.

Gross Domestic Product grew by 2,1% in October

GDP recorded a 2,1% growth in **October**, for 40 months in a row, driven by the non-primary sectors, in particular by non-primary manufacturing, electricity and water, and commerce. On the other hand, primary activities showed a decline explained by the weakening of agriculture and livestock and fishing.

Agriculture and livestock decreased 1,9% explained by the smaller sugar cane production, caused by the reduction of crops and associated performances due to the drought that affects *Lambayeque* and *La Libertad*; hard yellow corn, also affected by water restrictions in those areas; garlic because the crops were delayed waiting for better prices; and marigold, because of

the drought in *Ancash*, These reductions were compensated by the increment of rice production in *San Martin*, Loreto and *Ancash*, and of wheat in *Cajamarca* and *Arequipa*, in both cases prompted by higher prices.

The **fishing** sector contracted 3,5% due to the smaller number of *anchovy's* fishing days with respect to the previous year (7 days in the 2004 and 17 in the 2003) in the seaboard north center. On the other hand, an increase in the fishing for human consumption was observed by the greater was observed disembark of giant squid and hake for frozen; horse mackerel and machete for preserves; and horse mackerel and mackerel for fresh.

GROSS DOMESTIC PRODUCT (Annual growth rates)

	October		January - October	
	2003	2004	2003	2004
Agriculture and Livestock	1,9	-1,9	2,9	-1,8
Agriculture	1,3	-6,2	2,3	-4,2
Livestock	2,2	2,5	3,5	1,8
Fishing	28,4	-3,5	-11,3	21,3
Mining and Fuel	5,4	2,7	7,3	5,1
Metallic mining	6,1	0,6	8,2	5,1
Natural gas and oil	-3,7	28,9	-4,8	3,9
Manufacturing	2,5	6,1	2,6	5,7
Based on raw materials	6,3	-2,2	-0,2	2,9
Non-primary	1,5	8,2	3,4	6,3
Electricity and water	3,8	3,0	4,3	4,2
Construction	7,3	-2,8	4,7	4,0
Commerce	3,4	2,5	4,5	2,9
Other services	6,0	2,4	4,0	5,1
<u>GROSS AGGREGATED VALUE (GAV)</u>	<u>4,7</u>	<u>2,4</u>	<u>4,0</u>	<u>4,1</u>
Taxes on products and import duties	4,6	-0,9	5,5	4,5
<u>GDP</u>	<u>4,7</u>	<u>2,1</u>	<u>4,1</u>	<u>4,2</u>
Primary sector GAV	4,6	-0,1	3,5	1,8
Non-primary sector GAV	4,8	3,0	4,1	4,8
Domestic demand indicator	4,5	-0,5	3,8	3,1

The **mining and fuel** sector increased 2,7 percent explained by the greater production of copper and natural gas liquids in the Lot 88 of Pluspetrol (*Camisea*). The copper production continued its growth by the resume of operations of BHP Billiton Tintaya, the greater law in Antamina and the greater milling capacity of Southern Peru (*Toquepala*). Also a growth of the silver production was observed in Volcan, Los Quenuales and Raura and of iron on the part of Shougang Hierro Peru to attend the Chinese greater demand. On the other hand, smaller production in gold, lead and zinc was registered.

Manufacturing grew by 6,1 percent explained by the greater activity of the non-primary manufacture that grew 8,2 percent, attenuated by manufacture based on raw materials that diminished 2,2 percent. The latter reduction obeyed to the smaller refining of petroleum of La Pampilla due to maintenance works; the

decrease of fishmeal facing lower anchovy's catches; and the contraction in the production of sugar, caused by the smaller availability of cane, affected by the drought. The increment of the non-primary manufacture was prompted by the textile, leather and footwear groups; the paper and paper products industry; non-metallic minerals; food, beverages and tobacco and chemical products, rubber and plastics. On the other hand a contraction of metallic products, machinery and equipment and diverse manufactures, was observed.

The branches that registered the higher increments were cement due to the greater cements exports and the greater production of Cementos Pacasmayo because of the demand of the Alto Chicama project; other articles of paper and cardboard due to the exports of and improvements in the design of products; and basic chemical substances.

**Industries with higher increases
October 2004**

CIU	Var. %	
	Year	Contrib. % 1/
Cement	27,4	1,1
Other paper and paperboard articles	54,4	0,9
Basic chemicals	40,1	0,9
Knitted fabrics	22,9	0,8
Dairy products	15,6	0,5
Yarns, threads and finished textiles	10,0	0,4
Manufacture of basic iron and steel	13,4	0,4
Explosives and natural and chemical essences	13,6	0,4
Toilet and cleaning products	14,1	0,4

1/ Percent contribution to non primary manufacturing

Source: Ministerio de la Producción.

The branches that showed a negative contribution were jewels and connected articles due to the halt of operations of the Charpas enterprise; pharmaceutical

products due to the lower of Essalud and other machinery of general use caused by the closing of Faminco enterprise.

Industries with higher decreases
October 2004

CIU	Var. %	
	Year	Contrib. % 1/
Jewellery and related articles	-35,1	-0,4
Pharmaceutical products	-19,1	-0,4
Other general purpose machinery	-98,5	-0,3
Beer and malt beverage	-6,6	-0,2
Manufacture of insulated wire and cable	-23,3	-0,1
Rubber	-9,7	-0,1

1/ Percent contribution to non primary manufacturing

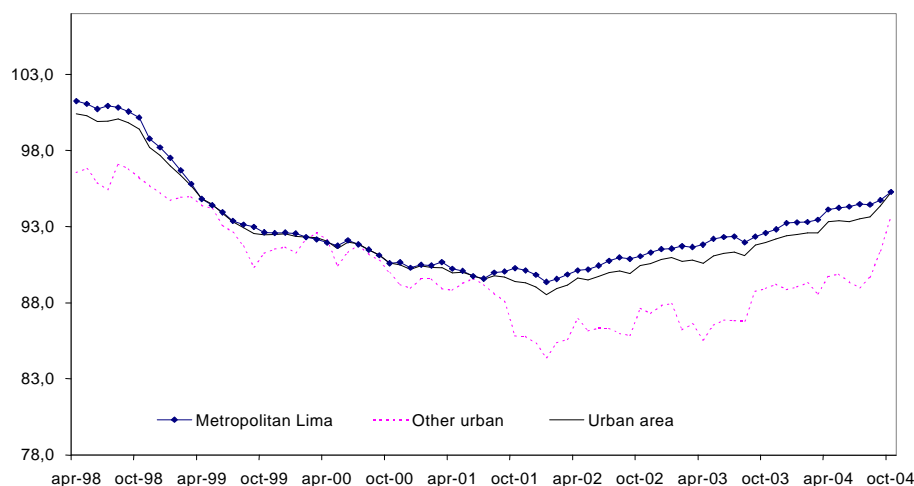
Source: Ministerio de la Producción.

Construction fell 2,8%, due to a reduction in the highways component reflecting the smaller expenses in the sections of the Southern Inter-oceanic Road Runner.

In October the **employment** in firms with 10 or more workers increased 3,6% in the urban area with respect to similar month of

the previous year, according to information reported by the Ministry of Labor and Social Promotion, having registered a growth in the manufacture sector (4,6%) and services (4,1%). For this same period, the employment in businesses of similar size in Metropolitan Lima grew 2,9%.

Urban employment in enterprises with 10 and more workers
(Seasonally adjusted indices, October 1997 =100)



Source: MTPE.

Urban areas excluding Metropolitan Lima experienced a 5,3% increase in employment; in Ica grew by 12,8% and in Chincha by 10,9% due to a more dynamic agro-industrial industry related to asparagus and grapes harvests. In Piura the increase in 11,5% was also explained by the agro-industrial activity and services; in Quitos growth in employment was 9,7%

thanks to the dynamic in petroleum explorations and in the wood and transport industries. A broader demand of employment in asparagus, paprika and artichoke as well as a more dynamism in the mining and services activities explained the 7,4% increase in the employment in Trujillo.

**URBAN EMPLOYMENT BY MAIN CITIES IN
ENTERPRISES WITH 10 AND MORE WORKERS**
(Annual percentage change)

	October 2004/ October 2003	Jan. - Oct. 2004/ Jan. - Oct. 2003
Urban Peru	3,6	2,6
Metropolitan Lima	2,9	2,3
Other Urban	5,3	3,3
Ica	12,8	8,1
Piura	11,5	8,4
Chincha	10,9	4,8
Iquitos	9,7	5,5
Chimbote	9,5	3,1
Trujillo	7,4	5,7
Pisco	5,6	1,1
Arequipa	3,6	2,5
Cusco	3,2	0,5
Pucallpa	2,6	-0,1
Huancayo	1,7	2,7
Tarapoto	-1,0	-0,7
Chiclayo	-1,9	-1,1
Puno	-3,4	-5,0
Tacna	-3,6	-3,4
Paita	-4,8	8,8
Cajamarca	-5,0	1,6

Source: MTPE, Monthly Statistical Report.

November outlook

Preliminary data for November indicates that:

- Anchovy catch increased 32,5%, according to IMARPE.
- According to Perupetro, oil production grew 28,4% while natural gas extraction increased by 48,4%.
- Local sales of cement increased 8,6% excluding dispatches to Yanacocha. Source: Asocem.
- Energy production grew by 6,2%, according to COES.
- Sunat reported that the excise tax collection fell 17,7%, whereas duty collection increased 15,1%.

Central Government overall deficit of S/. 470 million in November

As of November 2004, **central government operations** through last 12 months recorded a S/. 1 746 million primary surplus (S/. 983 million surplus over the period December 2002-November 2003). The latter was explained by the S/. 3 510 million (11%) increase in the current revenues, compared to the S/. 2 735 million (9%) increase in the non-financial expenditures. The cumulative interests were S/. 4 466 million (6% higher), so the overall deficit reached S/. 2 720 million, lower in S/. 520 million with respect to the deficit in similar period a year before.

In November, the central government operations registered an economic deficit of S/. 470 million (surplus of S/. 90 million in November of 2003). The primary result was negative in S/. 101 million (surplus of S/. 342 million in similar month of the 2003), owed to the greater growth of the non-financial expenditure (21%) with respect to the incomes (3%), while the interests (S/. 369 millions) grew in 47% with respect to those of November of the previous year.

CENTRAL GOVERNMENT OPERATIONS

(Millions of Nuevos Soles)

	Monthly data			Dec 2002	Nov 2003	Dec 2003	C/A	C/B
	November			Nov 2003	Oct 2004	Nov 2004		
	2003	2004	% var.	A	B	C		
1. CURRENT REVENUES	2 808	2 882	2,6	31 392	34 829	34 902	11,2	0,2
A. TAX REVENUE	2 427	2 484	2,4	27 115	30 701	30 759	13,4	0,2
B. NON TAX REVENUE	382	398	4,2	4 277	4 128	4 144	-3,1	0,4
2. NON-FINANCIAL EXPENDITURE	2 474	2 995	21,1	30 775	32 989	33 510	8,9	1,6
A. CURRENT EXPENDITURE	2 168	2 525	16,4	26 963	29 049	29 406	9,1	1,2
B. CAPITAL EXPENDITURE	306	470	53,7	3 813	3 940	4 104	7,6	4,2
3. CAPITAL REVENUES	8	13	55,0	366	349	353	-3,7	1,3
4. PRIMARY BALANCE	<u>342</u>	<u>-101</u>		<u>983</u>	<u>2 188</u>	<u>1 746</u>		
5. INTEREST PAYMENTS	252	369	46,7	4 223	4 348	4 466	5,7	2,7
6. OVERALL BALANCE	<u>90</u>	<u>-470</u>		<u>-3 240</u>	<u>-2 160</u>	<u>-2 720</u>		
7. NET FINANCING	-90	470		3 240	2 160	2 720		
1. External	2 165	-207		4 621	5 659	3 286		
A. Disbursements	2 345	118		8 398	10 128	7 901		
B. Amortizations	-179	-326		-3 777	-4 469	-4 615		
2. Domestic	-2 297	638		-1 590	-3 916	-980		
3. Privatization	42	39		210	417	414		

As of November 2004, **the current revenues** (S/. 2 882 million) were higher in 3 percent to those of November of 2003. The **tax revenues** (S/. 2 484 million) increased 2%, explained by the larger advanced payments of the income tax (7%), value-added tax (7%), import tax (18 %) and other tax revenues (29%), that was compensated by the lower excise-tax (17%) and the larger refunds (56%). This

increase reflected a better level of economic activity and of investments, better terms of trade and the impact of the ITF, what was partly reduced by the elimination of the additional advanced payments of the income tax. The **non-tax revenues** (S/. 398 million) were higher in 4%, explained by the petroleum and gas royalties and canon that grew in 92%, partly reduced by the greater base of

November of 2003 that included incomes of the Fedadoi (US\$ 21 million).

In November of 2004, the **non-financial expenditure** (S/. 2 995 million) was higher in S/. 521 million with respect to November of 2003, representing a 21% growth in nominal terms. This growth was explained by the increase of the non-financial current expenditures (S/. 357 million) and of the capital expenditure (S/. 164 million). In the current expenditures group, the goods and services and the transfers increased in 20% and 18%, respectively, while the

wages and salaries did it in 13%. The growth of the capital expenditure was explained basically by the increase of the investment in 50%.

In November of 2004, the **external financing** was negative in S/. 207 million (US\$ 63 million), with disbursements by US\$ 36 million and debt amortization by US\$ 98 million. The **domestic financing** was positive in S/. 638 million. Sovereign Bonds were placed by S/. 197 million and there were withdrew of Public Treasury deposits by S/. 271 million.

Spread of Global bond 2012 at 1,95%

Between **December 15 and 22**, the spread of the **Peruvian Global Bond 2012** decreased from 2,17% to 1,95% and the spread of the **sovereign bonds** from 2,32% to 2,19% (a new historic minimum). The perception of the market that the rise in the of USA interest rates will continue

being moderate in frequency and in magnitude favors that the investors get into debt in the United States to buy emerging bonds of greater yield. In this way, the demand for emerging bonds is increased being reduced its spreads.

Country risk indicators
(December 2003 - December 2004)



International markets

Between **December 15 and 22**, the **gold** quotation slightly decreased 0,1% to US\$ 441 per troy ounce. In the week, the gold showed rises and low but inside a narrow rank of quotation (US\$ 439 - US\$ 444 by ounce troy). A favorable news

for the precious metal was the announcement that the Bundesbank (the second largest holder of gold in the world) will sell in the 2005 only 8 tons of the 120 permitted.

Gold quotation



The **copper** quotation increased 3,7% to US\$ 1,47 per pound because of the lower London Metal Exchange inventories that

reached the smaller level in 14 years (52 MT thousand).

Copper quotation



In similar period, the **zinc** quotation rose 4,4% to US\$ 0,55 per pound due to a higher demand of the investment funds given the favorable perspectives of the metal for the next years. The sub-investment of recent years in new

productive capacity would imply that the growth of the supply be lower than the demand, causing a deficit in the world market of zinc. In the week, the inventories in the LME diminished from 646 to 636 MT thousand.

Zinc quotation



Between December 15 and 22, the **petroleum WTI** quotation diminished 0,3% to US\$ 44,0 per barrel due to the increment of the inventories of distilled

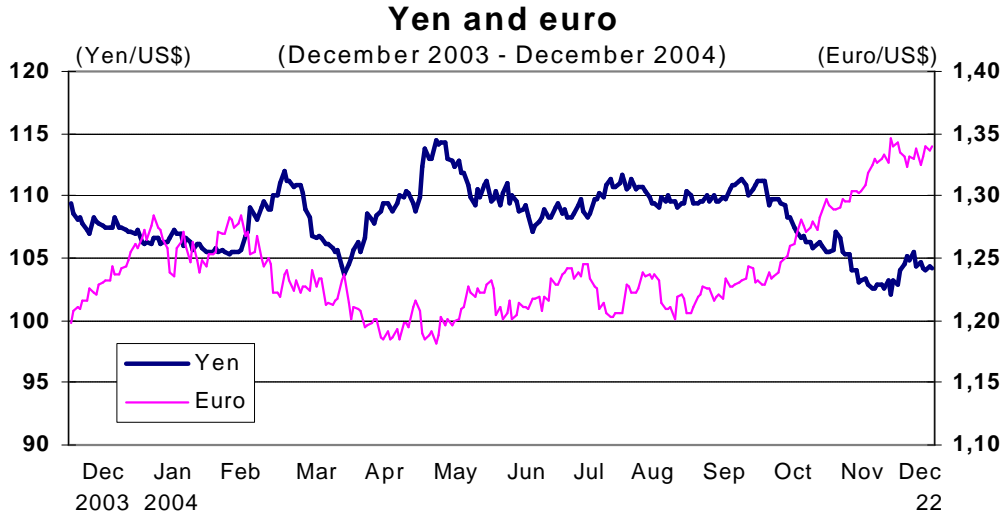
and crude oil according to the last report of the US Department of Energy when the market expected a decrease in both cases.

WTI oil quotation



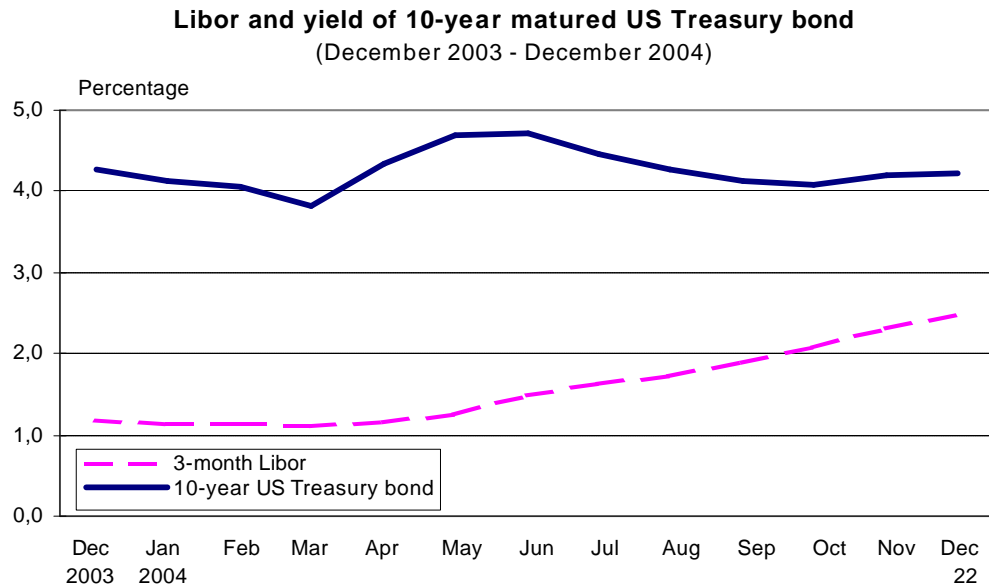
In the week of analysis, the **dollar** did not register a significant variation against the **euro** and depreciated 0,1% against the **yen**. In the week was disseminated that the deficit in the current account of the United States in the third quarter

increased slightly to a record level of US\$ 165 billion, although smaller to the US\$ 170 billion expected. Besides, the data of the second quarter was revised downward to US\$ 164 billion.



Between **December 15 and 22**, the **3-month Libor** raised from 2,50% to 2,53%, whereas the yield of **US Treasury bonds** with a 10 year maturity fell from 4,08% to 4,20% after an unexpected fall of

the initial requests of subsidies of unemployment. Besides, it was disseminated that in the United States, the CPI of November increased in 0,2% consistent with the market expectations.

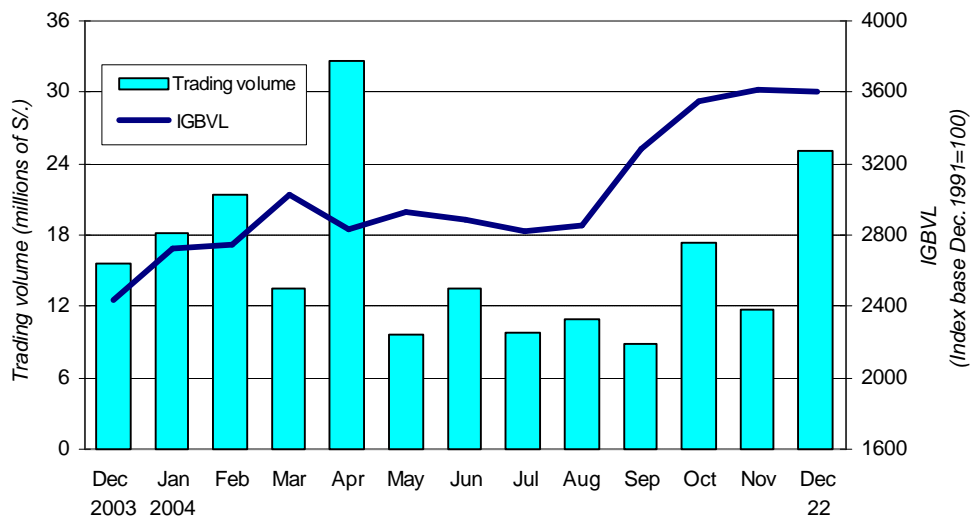


Lima Stock Exchange (LSE)

As of **December 22**, the LSE decreased 0,4% and 0,3% in its **General Index** and its **Blue Chip Index**, respectively. In the year,

these indexes record cumulative increases of 47,9% and 49,2%, respectively.

LSE indicators
(December 2003 - December 2004)



Indicadores Económicos / Economic Indicators

	2003					2004											
	DIC.	MAR.	JUN.	SET.	OCT.	30 Nov.	NOV.	15 Dic.	16 Dic.	17 Dic.	20 Dic.	21 Dic.	22 Dic.	DIC.	Var.		
RESERVAS INTERNACIONALES (Mills. US\$) / INTERNATIONAL RESERVES																	
Posición de cambio / <i>Net international position</i>	4 583	5 235	5 199	5 721	6 022	6 320	298	6 513	6 535	6 566	6 599	6 616		296			
Reservas internacionales netas / <i>Net international reserves</i>	10 194	10 411	10 855	11 187	12 166	12 337	172	12 672	12 649	12 794	12 836	13 121		783			
Depósitos del sistema financiero en el BCRP / <i>Financial system deposits at BCRP</i>	2 892	2 776	3 087	3 094	2 910	2 900	-10	3 067	3 047	3 065	3 092	3 163		263			
Empresas bancarias / <i>Banks</i>	2 687	2 611	2 884	2 929	2 823	2 788	-35	2 981	2 963	2 980	2 999	3 060		272			
Banco de la Nación / <i>Banco de la Nación</i>	154	113	147	106	31	51	20	23	22	23	31	41		-10			
Resto de instituciones financieras / <i>Other financial institutions</i>	52	52	56	59	56	61	5	63	62	62	62	62		1			
Depósitos del sector público en el BCRP / <i>Public sector deposits at BCRP</i>	2 761	2 433	2 614	2 403	3 274	3 162	-112	3 124	3 099	3 195	3 171	3 369		207			
OPERACIONES CAMBIARIAS BCR (MILL. US\$) / BCRP FOREIGN OPERATIONS	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.		Acum.						Acum.			
Origen externo de la emisión primaria / <i>External origin of the monetary base</i>	175	223	22	155	265	10	239	40	39	20	25	21	15	318			
Compras netas en Mesa de Negociación / <i>Net purchases of foreign currency</i>	176	255	21	224	296	10	278	40	39	20	25	20	15	318			
Operaciones swaps netas / <i>Net swap operations</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Operaciones con el Sector Público / <i>Public sector</i>	0	-32	0	-70	-31	0	-40	0	0	0	0	0	0	0			
TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE	Prom.	Prom.	Prom.	Prom.	Prom.		Prom.							Prom.			
De intervención en la Mesa de Negociación / <i>BCRP intervention</i>																	
Compra interbancario / <i>Interbank bid</i>	Promedio / <i>Average</i>	3,471	3,464	3,476	3,357	3,319	3,304	3,309	3,263	3,266	3,269	3,269	3,263	3,267	3,283		
Apertura / <i>Opening</i>	3,472	3,466	3,495	3,358	3,321	3,305	3,310	3,269	3,267	3,270	3,270	3,264	3,270	3,285			
Mediodía / <i>Midday</i>	3,471	3,466	3,477	3,359	3,321	3,307	3,310	3,262	3,267	3,269	3,270	3,264	3,267	3,283			
Cierre / <i>Close</i>	3,471	3,465	3,477	3,358	3,321	3,305	3,310	3,262	3,268	3,272	3,266	3,265	3,268	3,283			
Promedio / <i>Average</i>	3,471	3,466	3,478	3,358	3,321	3,306	3,311	3,263	3,268	3,270	3,270	3,264	3,269	3,284			
Sistema Bancario (SBS) / <i>Banking System</i>	Compra / <i>Bid</i>	3,471	3,464	3,476	3,357	3,320	3,304	3,309	3,263	3,269	3,269	3,268	3,263	3,267	3,283		
Venta / <i>Ask</i>	3,472	3,466	3,478	3,358	3,322	3,306	3,311	3,264	3,268	3,270	3,269	3,264	3,269	3,284			
Índice de tipo de cambio real (1994 = 100) / <i>Real exchange rate Index (1994 = 100)</i>	106,5	105,5	104,5	102,4	102,6		104,4										
INDICADORES MONETARIOS / MONETARY INDICATORS																	
Moneda nacional / Domestic currency																	
Emisión Primaria / <i>Monetary base</i>	(Var. % mensual) / <i>(% monthly change)</i>	11,5	0,7	0,7	-1,0	4,5	0,6	0,6									
(Var. % últimos 12 meses) / <i>(% 12-month change)</i>	10,1	16,6	19,2	20,5	24,3	21,7	21,7										
Oferta monetaria / <i>Money Supply</i>	(Var. % mensual) / <i>(% monthly change)</i>	3,6	1,5	-0,1	2,7	6,2											
(Var. % últimos 12 meses) / <i>(% 12-month change)</i>	10,5	12,9	14,1	16,9	23,4												
Crédito sector privado / <i>Credit to the private sector</i>	(Var. % mensual) / <i>(% monthly change)</i>	-1,2	3,6	0,8	1,6	3,4											
(Var. % últimos 12 meses) / <i>(% 12-month change)</i>	5,1	6,3	3,9	8,0	12,3												
TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>	-0,8	3,2	0,4	1,1	4,3	1,5	1,5	4,7	3,9	3,5	5,4						
Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>	0,2	0,2	0,5	0,8	0,4	0,5	0,5	1,4	1,3	1,0	0,9						
Cuenta corriente de los bancos (saldo Mill. S.) / <i>Banks' current account (balance)</i>	192	182	196	197	218	92	238	99	204	93	197	177	128				
Créditos por regulación monetaria (millones de S.) / <i>Rediscounts (Millions of S.)</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Depósitos públicos en el BCRP (millones S.) / <i>Public sector deposits at the BCRP (Mills. S.)</i>	1 196	2 000	2 286	2 112	2 289	2 393	2 393	2 166	2 394	2 330	2 208	2 146	n.d.				
Certificados de Depósitos BCRP (saldo Mill. S.) / <i>CDBCRP balance (Millions of S.)</i>	4 097	5 998	5 188	6 730	7 385	7 794	7 794	8 225	8 225	8 225	7 920	8 010	8 010				
Operaciones de reporte (saldo Mill. S.) / <i>repos (Balance millions of S.)</i>	0	70	75	0	165	0	0	0	305	410	0	0	90				
Préstamos y descuentos hasta 360 días / <i>Loans & discount</i>	13,97	14,76	14,74	14,72	14,17	14,65	14,16	14,69	14,65	14,65	14,63	14,57	n.d.	14,71			
Interbancaria / <i>Interbank</i>	2,51	2,48	2,46	2,73	2,93	3,02	3,02	2,90	3,07	3,07	3,03	2,99	3,00	3,01			
Preferencial corporativa a 90 días / <i>Corporate Prime</i>	3,32	3,33	3,53	3,52	3,65	3,81	3,80	3,86	3,84	3,84	3,84	3,84	3,84	3,85			
Operaciones de reporte con CDBCRP / <i>CDBCRP repos</i>	s.m.	2,55	2,51	s.m.	3,08	s.m.	s.m.	s.m.	3,10	3,04	s.m.	s.m.	2,98				
Créditos por regulación monetaria / <i>Rediscounts **</i>	3,25	3,25	3,25	3,50	3,75	3,75	3,75	3,75	3,75	3,75	3,75	3,75	3,75	3,75			
Del saldo de CDBCRP / <i>CDBCRP balance</i>	3,91	3,64	3,76	4,04	4,18	4,24	4,24	4,24	4,24	4,24	4,31	4,34	4,34				
Moneda extranjera / foreign currency																	
Crédito sector privado / <i>Credit to the private sector</i>	(Var. % mensual) / <i>(% monthly change)</i>	-0,6	0,5	0,7	-1,2	-0,6											
(Var. % últimos 12 meses) / <i>(% 12-month change)</i>	-5,8	-3,7	-0,3	-0,5	-1,0												
TOSE saldo fin de período (Var. % acum. en el mes) / <i>TOSE balance (% change)</i>	0,2	0,3	3,4	-0,5	-1,8	1,3	1,3	1,5	1,5	1,4	1,2						
Superávit de encaje promedio (% respecto al TOSE) / <i>Average reserve surplus (% of TOSE)</i>	0,1	0,1	0,1	0,1	0,1	0,1	0,1	4,1	4,0	3,8	3,4						
Créditos por regulación monetaria (millones de US dólares) / <i>Rediscounts</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Préstamos y descuentos hasta 360 días / <i>Loans & discount</i>	7,26	7,30	6,67	7,40	7,57	7,74	7,65	7,65	7,62	7,64	7,64	7,63	n.d.	7,65			
Interbancaria / <i>Interbank</i>	1,09	1,08	1,11	1,54	1,73	2,09	1,88	2,23	2,23	2,24	2,28	2,27	2,26	2,14			
Preferencial corporativa a 90 días / <i>Corporate Prime</i>	1,72	1,76	2,04	2,23	2,40	2,51	2,52	2,63	2,64	2,64	2,64	2,64	2,64	2,62			
Créditos por regulación monetaria / <i>Rediscounts ***</i>	s.m.	s.m.	s.m.	s.m.	s.m.	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.		Acum.							Acum.			
Índice General Bursátil (Var. %) / <i>General Index (% change)</i>	13,4	10,5	-1,4	15,0	8,1	-0,5	2,0	1,1	0,1	0,5	0,2	-0,2	-0,1	-0,3			
Índice Selectivo Bursátil (Var. %) / <i>Blue Chip Index (% change)</i>	16,2	12,4	-2,7	16,4	6,7	-0,5	2,0	1,2	-0,0	0,5	0,3	-0,3	-0,1	-0,3			
Monto negociado en acciones (Mill. S.) - Prom. diario	15,7	17,2	13,5	8,9	17,3	30,8	11,8	5,3	97,6	5,4	14,6	88,3	n.d.	25,1			
INFLACIÓN (%) / INFLATION (%)																	
Inflación mensual / <i>Monthly</i>	0,56	0,46	0,56	0,02	-0,02		0,29										
Inflación últimos 12 meses / <i>% 12 months change</i>	2,48	2,76	4,26	4,03	3,95		4,07										
GOBIERNO CENTRAL (Mills. S.) / CENTRAL GOVERNMENT (Mills. of S.)																	
Resultado primario / <i>Primary balance</i>	-740	282	382	-91	56												
Ingresos corrientes / <i>Current revenue</i>	2 963	2 898	2 889	2 993	2 942												
Gastos no financieros / <i>Non-financial expenditure</i>	3 827	2 623	2 517	3 094	2 894												
COMERCIO EXTERIOR (Mills. US\$) / FOREIGN TRADE (Mills. of US\$)																	
Balanza Comercial / <i>Trade balance</i>	184	218	134	262	284												
Exportaciones / <i>Exports</i>	909	994	960	1 114	1 138												
Importaciones / <i>Imports</i>	726	776	826	852	853												
PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT																	
Variac. %, respecto al mismo mes del año anterior / <i>Annual rate of growth</i>	3,4	5,9	3,0	4,5	2,1												
COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS	Prom.	Prom.	Prom.	Prom.	Prom.		Prom.							Prom.			
LIBOR a tres meses (%) / <i>LIBOR 3-month (%)</i>	1,17	1,11	1,50	1,90	2,08	2,41	2,31	2,50	2,51	2,51	2,52	2,53	2,53	2,48			
Dow Jones (Var %) / <i>(% change)</i>	6,53	-2,14	2,42	-0,92	-0,52	-0,46	3,99	0,14	0,13	-0,52	0,11	0,92	0,52	3,48			
Rendimiento de los U.S. Treasuries (10 años) / <i>U.S. Treasuries yield (10 years)</i>	4,26	3,81	4,73	4,12	4,08	4,35	4,19	4,08	4,19	4,20	4,19	4,17	4,20	4,21			
Striped spread del EMBI+ PERU (pbs) / <i>EMBI+ PERU stripped spread (basis points)</i>	318	344	438	320	334	274	282	232	229	228	218	220	219	242			
Bono Global 2012 - Perú (en pbs) / <i>Global Bond 2012 - Peru (basis points)</i>	304	315	411	294	311	253	260	217	213	207	197	198	195	224			

* 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.

** Corresponde a la mayor tasa entre 3,25% o la tasa interbancaria del día.

*** 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: BCRP, INEI, Aduanas, Banco de la Nación, BVL, Sunat, SBS, Reuters y Bloomberg.