

CENTRAL RESERVE BANK OF PERU

WEEKLY REPORT

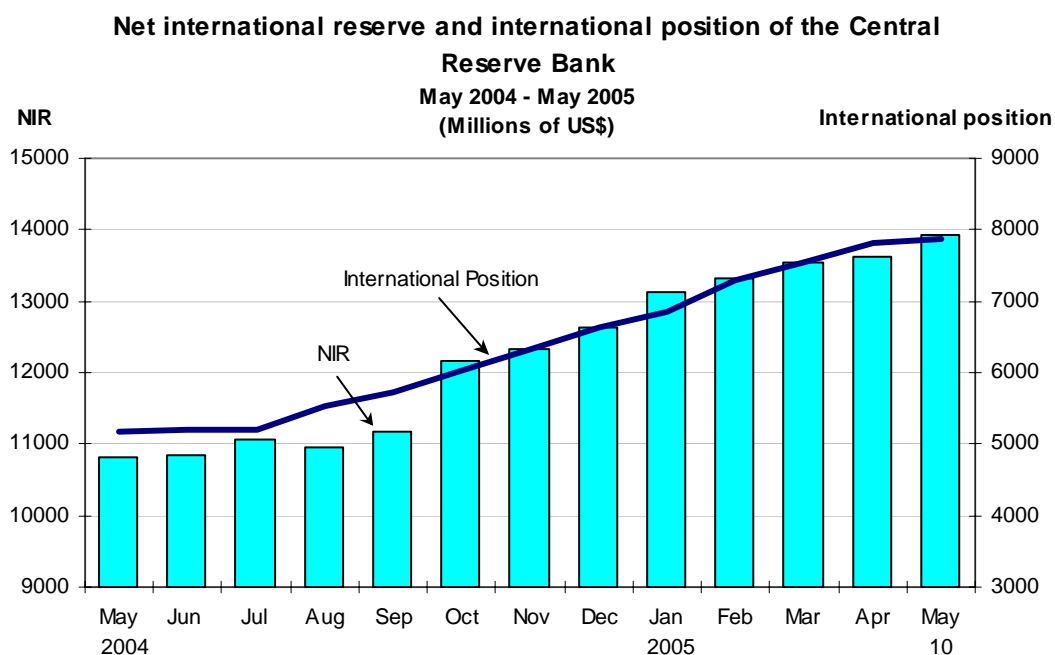
Nº 19 – May 13, 2005

Net international reserves at US\$ 13 934 millions

As of **May 10**, net international reserves (NIR) amounted to US\$ 13 934 millions, up US\$ 305 millions from end-April. This increase was mainly due to net purchases of foreign exchange by US\$ 63 millions, higher financial system and public sector deposits in US\$ 247 and US\$ 5 millions, respectively. This evolution was partially

offset by changes in the value of currencies and gold in US\$ 10 millions.

Year-to-date, NIRs have increased US\$ 1 303 millions, whereas the **Central Bank's international position** (US\$ 7 862 millions) grew by US\$ 1 223 millions.

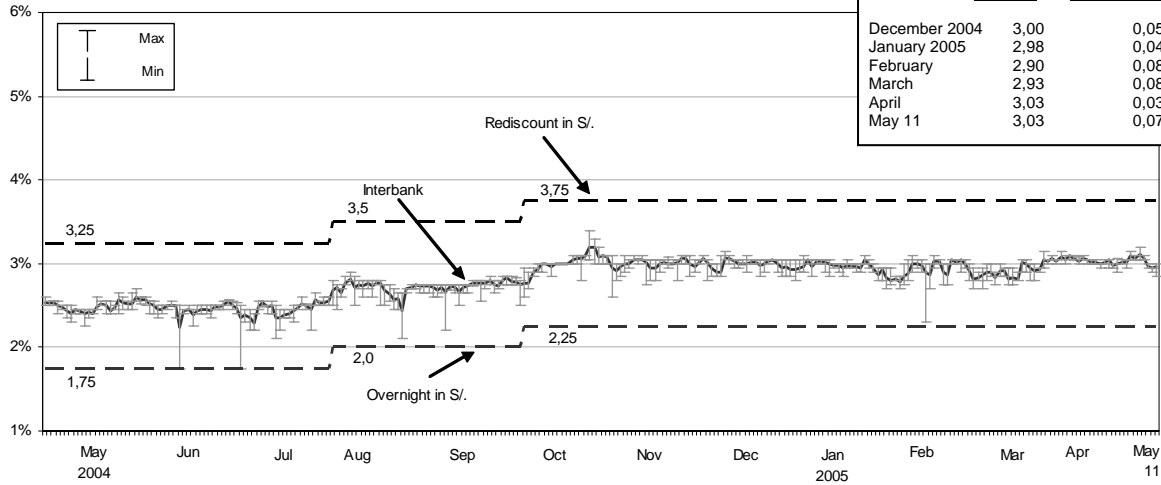


Interbank interest rate at 3,03 percent

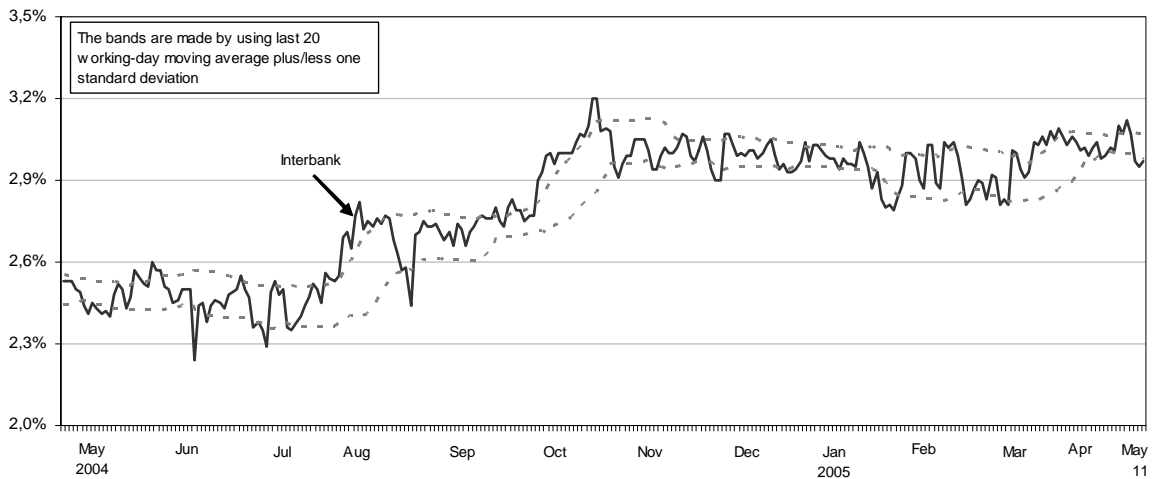
Between **May 1 and 11**, the average interest rate in domestic currency was

3,03 percent.

**Interest rates in domestic currency
(May 2004 - May 2005)**



**Interbank interest rate in domestic currency
(May 2004 - May 2005)**



Monetary operations

Between **May 5 and 11**, the Central Bank made the following operations:

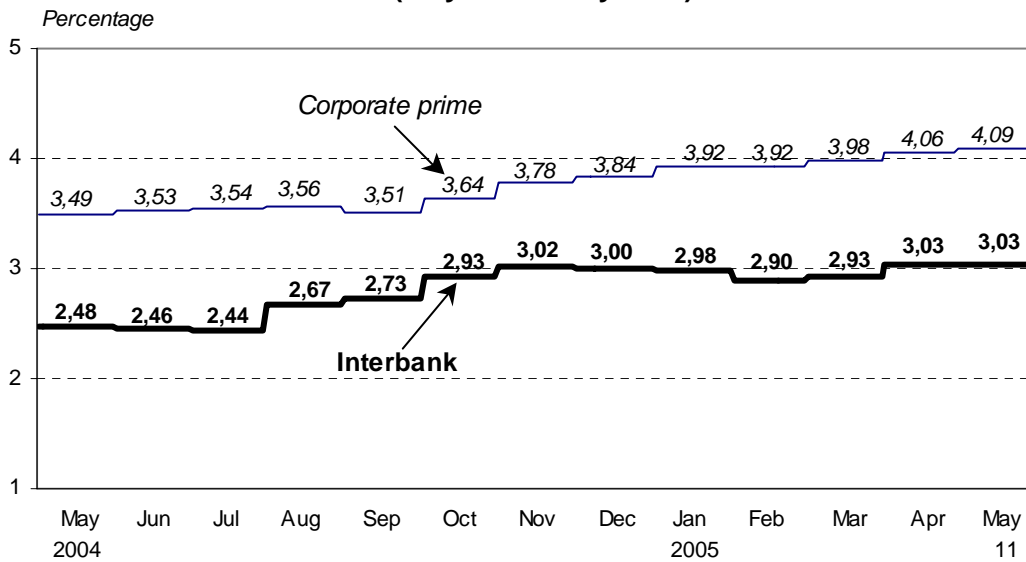
- Auctions of CDBCRP with a: i) 6-month maturity by S/. 30 millions at an average interest rate of 4,00 percent and ii) 1-year by S/. 30 millions at 4,57 percent.
- Auctions of temporary purchase of CDBCRP and BTP with a: i) 1-day maturity by S/. 645 and S/. 50 millions at an average interest rate of 3,11 and 3,12 percent, respectively; ii) 3-day by S/. 600 millions at 3,07 percent and iii) 7-day by S/. 100 millions at 3,14 percent.
- Foreign currency purchase over-the-counter mechanism by US\$ 43,5 millions at an average exchange rate of S/. 3,256.
- Overnight deposits on May 9 by S/. 9,5 millions.

Corporate prime interest rate at 4,09 percent

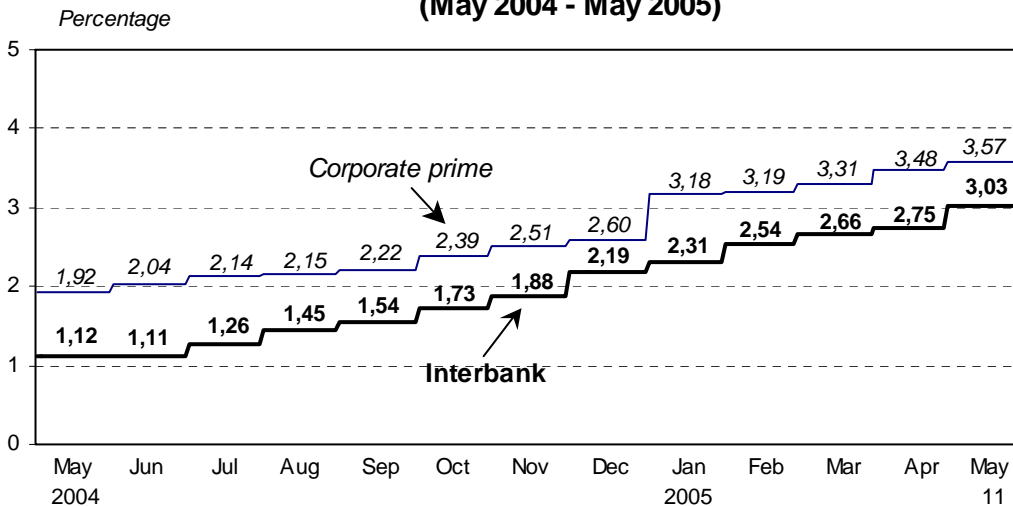
As of **May 11**, the 90-day average corporate prime interest rate in domestic currency raised from 4,06 percent in April

to 4,09 percent and the rate in dollars from 3,48 to 3,57 percent.

**Monthly average interest rate in domestic currency
(May 2004 - May 2005)**



**Monthly average interest rate in foreign currency
(May 2004 - May 2005)**



Exchange rate: S/. 3,256

Between **May 4 and 11**, the asked banking system exchange rate slightly decreased from S/. 3,258 to S/. 3,256. Up to May 10, the bank's balance of net forward sales

increased in US\$ 3 millions from end-April, meanwhile the bank's exchange position diminished in US\$ 64 millions.

BANKS' EXCHANGE POSITION
(Millions of US\$)

	December 2003	December 2004	April 2005	May 10
a. Net sales to the public (i-ii)	607	699	564	567
i. Forward sales to the public	834	1 163	1 019	1 028
ii. Forward purchases to the public	227	464	455	461
b. Banks' exchange position	536	340	387	323

Monetary base as of May 7, 2005

The **monetary base** balance as of May 7 (S/. 9 998 millions) up 7,2 percent (S/. 670 millions) from end-April. In average terms, the year on year rate of growth of the monetary base in this period was 28,3 percent (25,5 percent in April).

The main explanations for this result were temporary purchases of securities (S/. 315 millions), purchases of foreign currency over-the-counter mechanism (US\$ 45 millions or S/. 147 millions), lower public sector deposits (S/. 141 millions) and lower financial system *overnight* deposits (S/. 58 millions).

Banking system monetary accounts as of April 22, 2005

Through last 4 weeks, liquidity in **domestic currency** decreased 3,3 percent (S/. 923 millions), to a balance of S/. 26 968 millions. Credit to the private sector in the same currency augmented 1,4 percent (S/. 157 millions) to S/. 11 786 millions. However, in annual terms this aggregates grew by 31,0 and 11,6 percent, respectively.

Liquidity in **foreign currency** increased 0,2 percent (US\$ 24 millions) to US\$ 9 676 millions (an annual growth rate of 4,5 percent). Credit to the private sector in the same currency augmented 1,2 percent (US\$ 118 millions) to US\$ 10 030 millions (an annual growth rate of 3,8 percent).

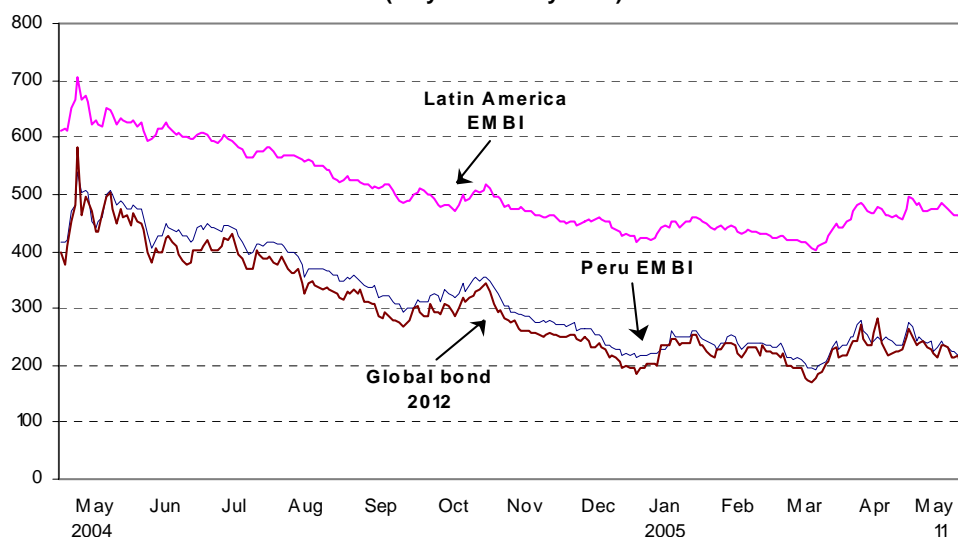
END OF PERIOD MONETARY AGGREGATES OF THE BANKING SYSTEM												
	BASE MONETARY		LIQUIDITY IN D/C		CREDIT IN D/C		LIQUIDITY IN F/C		LIABILITIES 1/		CREDIT IN F/C	
	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR	VAR.(%) MONTH	VAR.(%) YEAR
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%	2,8%	17,0%	1,6%	8,0%	-0,1%	1,3%	6,5%	30,6%	-1,2%	-0,6%
Oct.	4,5%	24,3%	6,7%	24,1%	3,5%	12,3%	-0,9%	-0,1%	-17,1%	2,8%	-0,7%	-1,1%
Nov.	0,6%	21,7%	2,9%	25,6%	0,4%	9,4%	0,4%	1,1%	4,2%	2,7%	1,0%	-0,4%
Dec.	14,9%	25,3%	5,7%	28,1%	1,0%	11,9%	0,8%	1,4%	1,6%	4,5%	1,1%	1,3%
2005												
Jan.	-6,7%	25,0%	0,4%	25,4%	-0,2%	11,9%	0,5%	2,1%	22,7%	26,4%	0,3%	2,7%
Feb.	2,0%	26,7%	3,9%	31,1%	0,3%	12,8%	-0,4%	4,5%	-11,1%	10,3%	-0,1%	3,5%
Mar.	-0,2%	25,7%	3,6%	33,8%	2,9%	12,1%	-2,3%	2,1%	10,9%	28,4%	0,4%	3,4%
Apr.15	0,9%	26,0%	-3,0%	29,9%	3,3%	12,8%	-0,9%	4,3%	6,9%	34,1%	0,2%	2,8%
Apr.22	1,7%	27,8%	-3,3%	31,0%	1,4%	11,6%	0,2%	4,5%	10,1%	33,8%	1,2%	3,8%
Memo:												
Balance as of Mar.22 (Mill.S/. or Mill.US\$)	9 012		27 891		11 629		9 652		882		9 913	
Balance as of Apr.22 (Mill.S/. or Mill.US\$)	9 169		26 968		11 786		9 676		971		10 030	
1/ Short term external liabilities of banking enterprises.												

Spread of the Global bond 2012: 2,07 percent

Between **May 4 and 11**, the spread of the **Peruvian Global Bond 2012** fell from 2,14 to 2,07 percent and the spread of the sovereign bonds (EMBI+ Peru) raised from 2,24 to 2,27 percent. In a context of

increases in the spreads of the emerging market, the Peruvian debt stayed thanks to the significant increase of the tax revenues in April.

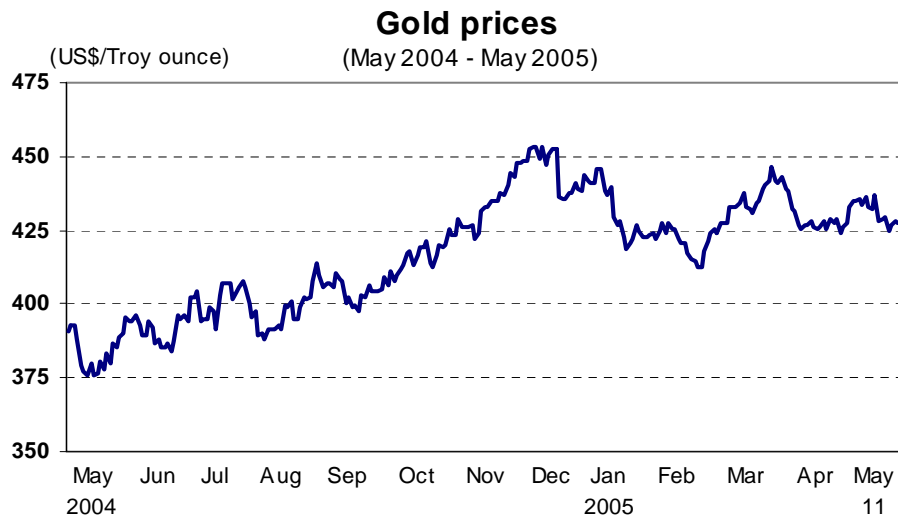
Country risk indicators
(May 2004 - May 2005)



International markets

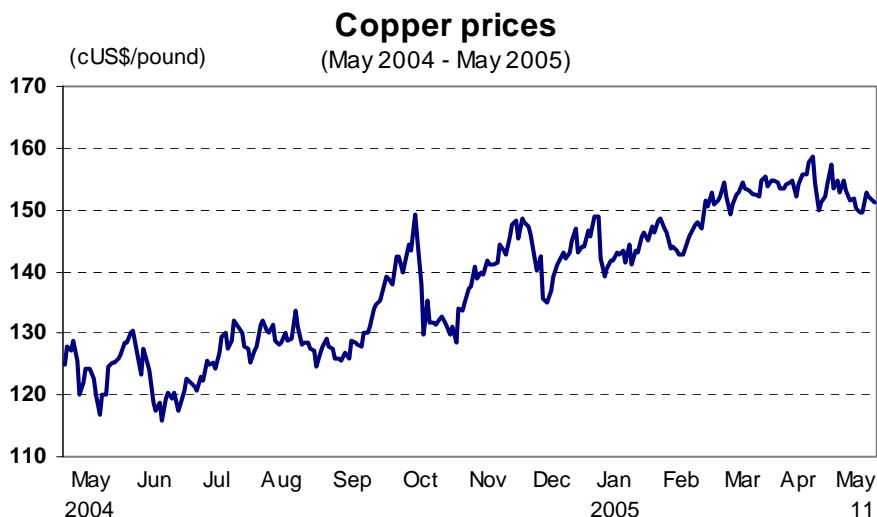
Between **May 4 and 11**, the **gold** price fell 0,2 percent to US\$ 428 per troy ounce due to strengthening of the US dollar after

an increase of employment during April and the fall of the trade deficit in March in the United States.



During the same period, **copper** prices increased 1,1 percent to US\$ 1,51 per pound due to a comeback of the Chinese demand after the end of a 1 week holiday

and by the positive news regarding the US economy, the world's second most important consumer.



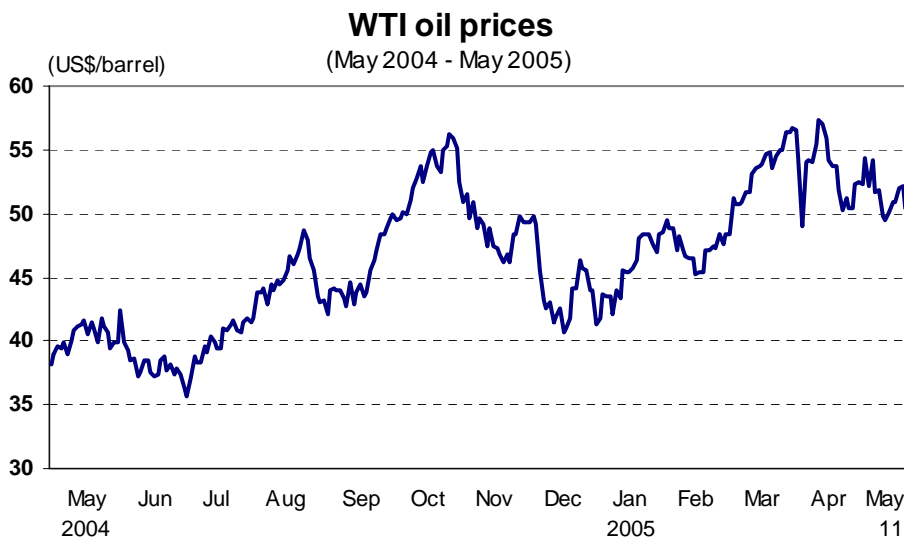
The **zinc** price increased 1,7 percent to US\$ 0,57 per pound due to the fall in the London Metal Exchange's stocks. In the

week, these stocks dropped from 542 to 539 thousand MT.



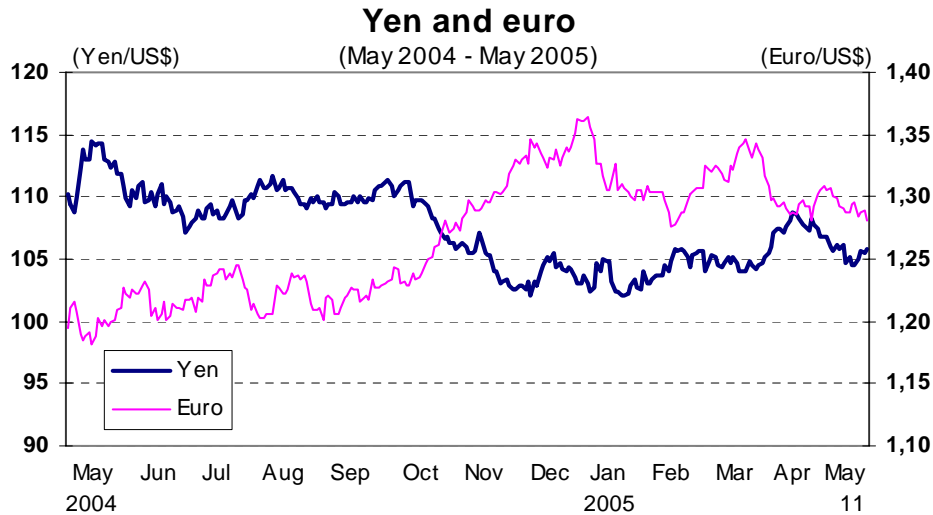
Between **May 4 and 11**, the **WTI oil** price increased 0,6 percent to US\$ 50,5 per barrel, as a consequence of a possible deficit during the fourth quarter of the year if the OPEC can't put up with the market.

Nevertheless, oil prices show an approximate diminution of 14 percent respect to their record registered on April 4 as the increase of US crude inventories at their maximum level since July of 1999.



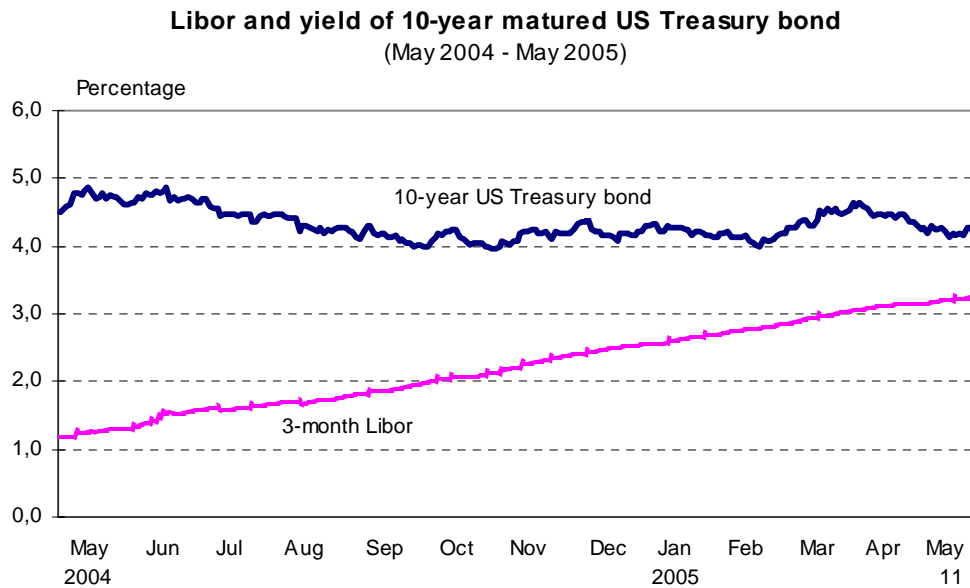
During the week, the **US dollar** appreciated 1,1 percent against the **Euro** and 1,2 percent against the **Yen**. The dollar benefited from the news that 274 thousand employments were generated by

the US economy in April while the market expected 174 thousand. Besides this, during March, the US trade deficit fell to US\$ 55 billion, lesser than the US\$ 61 billion in February.



Between **May 4 and 11**, the **3-month Libor** interest rate rose from 3,22 to 3,26 percent, whereas the **yield of the US**

Treasuries with a 10-year maturity increased from 4,19 to 4,20 percent.

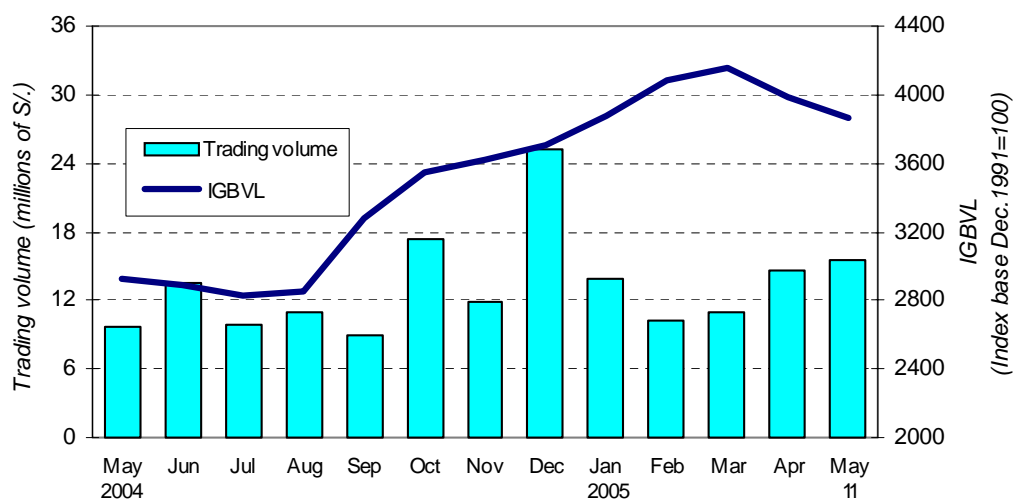


Lima Stock Exchange

Up to **May 11**, the **General** and the **Blue Chip** Index fell 3,1 and 2,9 percent, respectively. During the last week, the worse performing stocks were Cerro

Verde, Southern Peru and Buenaventura. Nevertheless, year-to-date, the indexes augmented 4,1 and 3,4 percent, respectively.

LSE indicators
(May 2004 - May 2005)



Indicadores Económicos / Economic Indicators

	2003	2004	2005										
	DIC.	DIC.	ENE.	FEB	MAR	ABR	4 May.	5 May.	6 May.	9 May.	10 May.	11 May.	MAY.
RESERVAS INTERNACIONALES (Mills. US\$) / INTERNATIONAL RESERVES							Var.	Var.					
Posición de cambio / <i>Net international position</i>	4 583	6 639	6 847	7 304	241	261	7 845	7 852	7 835	7 852	7 862		55
Reservas internacionales netas / <i>Net international reserves</i>	10 194	12 631	13 125	13 328	227	74	13 718	13 860	13 840	13 864	13 934		305
Depósitos del sistema financiero en el BCRP / <i>Financial system deposits at BCRP</i>	2 892	2 915	3 102	2 721	133	-181	2 711	2 848	2 854	2 878	2 920		247
Empresas bancarias / <i>Banks</i>	2 687	2 811	2 996	2 636	112	-173	2 606	2 730	2 717	2 736	2 773		197
Banco de la Nación / <i>Banco de la Nación</i>	154	45	49	25	21	0	39	51	70	76	81		42
Resto de instituciones financieras / <i>Other financial institutions</i>	52	58	57	60	0	0	66	66	66	67	66		7
Depósitos del sector público en el BCRP / <i>Public sector deposits at BCRP</i>	2 761	3 120	3 217	3 344	-145	-4	3 209	3 208	3 199	3 179	3 199		5
OPERACIONES CAMBIARIAS BCR (MILL. US\$) / BCRP FOREIGN OPERATIONS	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.							Acum.
Origen externo de la emisión primaria / <i>External origin of the monetary base</i>	175	306	259	412	260	254	15	5	10	14	5	10	73
Compras netas en Mesa de Negociación / <i>Net purchases of foreign currency</i>	176	345	327	462	360	353	15	5	10	14	5	10	74
Operaciones swaps netas / <i>Net swap operations</i>	0	0	0	0	0	0	0	0	0	0	0	0	0
Operaciones con el Sector Público / <i>Public sector</i>	0	-40	-68	-50	-100	-100	0	0	0	0	0	0	0
TIPO DE CAMBIO (S/. por US\$) / EXCHANGE RATE	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.							Prom.
Compra interbancario / <i>Interbank bid</i>	3,471	3,276	3,266	3,258	3,258	3,257	3,256	3,258	3,256	3,255	3,254	3,254	3,255
Venta Interbancario / <i>Interbank Ask</i>	3,472	3,283	3,270	3,260	3,260	3,259	3,258	3,258	3,257	3,256	3,255	3,255	3,256
Mediodía / <i>Midday</i>	3,471	3,281	3,268	3,260	3,260	3,259	3,256	3,259	3,256	3,256	3,256	3,255	3,256
Cierre / <i>Close</i>	3,471	3,282	3,269	3,260	3,260	3,258	3,258	3,257	3,256	3,255	3,256	3,255	3,256
Promedio / <i>Average</i>	3,471	3,284	3,271	3,260	3,260	3,259	3,257	3,259	3,257	3,256	3,255	3,255	3,256
Sistema Bancario (SBS) / <i>Banking System</i>	3,471	3,280	3,267	3,258	3,258	3,257	3,257	3,257	3,256	3,255	3,255	3,254	3,255
Índice de tipo de cambio real (1994 = 100) / <i>Real exchange rate Index (1994 = 100)</i>	106,5	104,9	104,4	104,8	104,3	104,3							
INDICADORES MONETARIOS / MONETARY INDICATORS													
Moneda nacional / Domestic currency													
Emisión Primaria (Var. % mensual) / (% monthly change)	11,5	14,9	-6,7	2,0	-0,2								
Monetary base (Var. % últimos 12 meses) / (% 12-month change)	10,1	25,3	25,0	26,7	25,7								
Oferta monetaria (Var. % mensual) / (% monthly change)	3,6	5,7	0,4	3,9	3,6								
Money Supply (Var. % últimos 12 meses) / (% 12-month change)	10,5	28,1	25,4	31,1	33,8								
Crédito sector privado (Var. % mensual) / (% monthly change)	-1,2	1,0	-0,2	0,3	2,9								
Crédit to the private sector (Var. % últimos 12 meses) / (% 12-month change)	5,1	11,9	11,9	12,8	12,1								
TOSE saldo fin de período (Var. % acum. en el mes) / TOSE balance (% change)	-0,8	-0,4	2,0	2,2	8,7	-4,6	-1,1	-0,4	0,4	2,3			
Superávit de encaje promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)	0,2	0,4	0,6	0,7	0,5	0,6	0,8	1,1	1,8	1,8			
Cuenta corriente de los bancos (saldo mill. S.) / Banks' current account (balance)	192	267	231	216	271	275	532	589	667	422	320	263	
Créditos por regulación monetaria (millones de S.) / Rediscunts (Millions of S.)	0	0	0	0	0	0	0	0	0	0	0	0	0
Depósitos públicos en el BCRP (millones S.) / Public sector deposits at the BCRP (Mills. S.)	1 196	1 918	2 470	2 406	2 619	4 665	4 713	4 641	4 524	4 556	4 679	n.d.	
Certificados de Depósitos BCRP (saldo Mill. S.) / CDBCRP balance (Millions of S.)	4 097	8 255	9 259	10 396	11 261	9 960	9 960	9 960	9 960	9 661	9 721	9 721	
Operaciones de reporte (saldo Mill. S.) / repos (Balance millions of S.)	0	0	0	0	0	385	690	695	700	100	100	100	
Tasa de interés (%) / Interest rates (%)													
Préstamos y descuentos hasta 360 días / Loans & discount	13,97	14,68	15,14	15,34	15,00	14,92	15,01	15,05	15,02	15,08	15,08	15,11	15,03
Interbancaria / Interbank	2,51	3,00	2,98	2,90	2,93	3,03	3,07	3,12	3,07	2,97	2,95	2,97	3,03
Preferencial corporativa a 90 días / Corporate Prime	3,32	3,84	3,92	3,92	3,98	4,06	4,08	4,09	4,09	4,09	4,09	4,09	4,09
Operaciones de reporte con CDBCRP / CDBCRP repos	s.m.	s.m.	s.m.	s.m.	s.m.	3,13	3,12	3,11	3,08	3,14	3,14	3,14	
Créditos por regulación monetaria / Rediscunts ***	3,25	3,75	3,75	3,75	3,75	3,75	3,75	3,75	3,75	3,75	3,75	3,75	3,75
Del saldo de CDBCRP / CDBCRP balance	3,91	4,46	4,50	4,50	4,48	4,59	4,59	4,59	4,59	4,60	4,60	4,60	
Moneda extranjera / foreign currency													
Crédito sector privado (Var. % mensual) / (% monthly change)	-0,6	1,1	0,3	-0,1	0,4								
Crédit to the private sector (Var. % últimos 12 meses) / (% 12-month change)	-5,8	1,3	2,7	3,5	3,4								
TOSE saldo fin de período (Var. % acum. en el mes) / TOSE balance (% change)	0,2	1,2	1,4	-4,6	1,1	4,1	-0,1	0,8	0,2	0,3			
Superávit de encaje promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)	0,1	0,6	0,1	0,2	0,1	0,2	-2,7	-1,4	0,5	0,6			
Créditos por regulación monetaria (millones de US dólares) / Rediscunts	0	0	0	0	0	0	0	0	0	0	0	0	0
Préstamos y descuentos hasta 360 días / Loans & discount	7,24	7,66	7,78	8,01	8,26	8,19	8,17	8,16	8,17	8,29	8,16	8,16	8,20
Interbancaria / Interbank	1,09	2,19	2,31	2,54	2,66	2,75	s.m.	s.m.	3,05	s.m.	3,02	3,02	3,03
Preferencial corporativa a 90 días / Corporate Prime	1,72	2,60	3,18	3,19	3,31	3,48	3,51	3,60	3,60	3,60	3,60	3,60	3,57
Créditos por regulación monetaria / Rediscunts ***	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. %) / General Index (% change)	13,4	2,6	4,6	5,1	2,0	-4,2	-1,6	0,5	0,4	-0,4	-0,6	-0,4	-3,1
Índice Selectivo Bursátil (Var. %) / Blue Chip Index (% change)	16,2	3,1	3,9	5,3	1,9	-4,4	-1,5	0,5	0,5	-0,4	-0,7	-0,6	-2,9
Monto negociado en acciones (Mill. S.) - Prom. diario	15,7	25,3	13,9	10,2	10,9	14,7	9,2	4,8	5,1	7,7	9,6	63,4	15,5
INFLACIÓN (%) / INFLATION (%)													
Inflación mensual / Monthly	0,56	-0,01	0,10	-0,23	0,65	0,12							
Inflación últimos 12 meses / % 12 months change	2,48	3,48	3,03	1,68	1,88	2,02							
GOBIERNO CENTRAL (MILL. S.) / CENTRAL GOVERNMENT (Mills. of S.)													
Resultado primario / Primary balance	-740	-1 152	991	-15	815								
Ingresos corrientes / Current revenue	2 963	3 338	3 093	2 747	3 493								
Gastos no financieros / Non-financial expenditure	3 827	4 492	2 173	2 763	2 684								
COMERCIO EXTERIOR (MILLS. US\$) / FOREIGN TRADE (Mills. of US\$)													
Balanza Comercial / Trade balance	184	403	335	319	395								
Exportaciones / Exports	909	1 373	1 253	1 126	1 328								
Importaciones / Imports	726	971	918	807	933								
PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT													
Variac. %, respecto al mismo mes del año anterior / Annual rate of growth	3,4	9,1	5,3	6,8									
COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.							Prom.
LIBOR a tres meses (%) / LIBOR 3-month (%)	1,17	2,50	2,66	2,82	3,02	3,15	3,22	3,23	3,23	3,25	3,25	3,26	3,24
Dow Jones (Var %) / (% change)	6,53	3,40	-2,72	2,86	-2,44	-2,96	1,24	-0,43	0,05	0,38	-0,99	0,19	1,06
Rendimiento de los U.S. Treasuries (10 años) / U.S. Treasuries yield (10 years)	4,26	4,22	4,21	4,16	4,49	4,32	4,19	4,16	4,26	4,28	4,20	4,20	4,21
Stripped spread del EMBI+ PERÚ (pbs) / EMBI+ PERU stripped spread (basis points)	318	236	242	235	226	244	224	224	218	218	216	227	222
Bono Global 2012 - Perú (en pbs) / Global Bond 2012 - Peru (basis points)	304	216	232	222	212	234	214	213	219	185	216	207	212

* Incluye depósitos de Promocpr, 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, INEL, Aduanas, Banco de la Nación, BVL, Sunat, SBS, Reuters y Bloomberg.