

INSTITUTIONAL ACTIVITY

1. Board of Directors

On December 31, 2019, the Board of Directors of BCRP was integrated by Julio Velarde Flores (Governor), Miguel Palomino Bonilla (Deputy Governor), José Chlimper Ackerman, Elmer Cuba Bustinza, Javier Escobal D'Angelo, Rafael Rey Rey, and Gustavo Yamada Fukusaki.

During 2019 the Board held 58 meetings.

2. Transparency and Social Responsibility

Efficiency and transparency characterize the actions of the Central Reserve Bank of Peru (BCRP). Monetary policy decisions are taken in accordance with the BCRP independence and informed to the public through various communication channels.

2.1 Transparency

The Board of BCRP informs the public about monetary policy decisions through the **Monetary Policy Statements**. Each month, these communiqués are published on the BCRP website and its social media sites, disseminated through press releases, and e-mailed to subscribers. Teleconferences are also held with the media to inform the public about these decisions.

In 2019, the **Inflation Report** was published in the months of March, July, September, and December. This report contains the BCRP analysis of economic developments, explains monetary policy actions, discusses the evolution of prices, and provides forecasts on inflation and the main macroeconomic variables. The Inflation Report is published on the BCRP website and discussed in presentations to representatives of the financial system, economic analysts, the media, authorities, and business and academia representatives, both in Lima and in several cities of the country.

In 2019, Governor Julio Velarde was invited to speak before the Congressional Committee of Budget and General Account on September 16 to explain the macroeconomic assumptions of the Public Sector Budget proposed for 2020.

In the Transparency section of its website, BCRP publishes indicators of the BCRP administrative and budget management as well as the BCRP Financial Statements, audited by internationally renowned auditing firms. In addition to this, in compliance with the Transparency and Access to Public Information Act, in 2019 the BCRP answered 77 information requests submitted by different citizens.



2.2 Dissemination of Economic Information

During 2019, BCRP continued informing the public about national finances through the publication and dissemination of macroeconomic statistical data and macroeconomic analysis reports such as the *Inflation Report*, the *Weekly Report*, the *Annual Report*, the *Financial Stability Report*, the journals *Estudios Económicos* and *Moneda*, the *Weekly Economic Report*, *Notas de Estudios*, *Documentos de Trabajo*, and the reports prepared by the Branch Offices called *Síntesis de Actividad Económica*. In addition, Informative Notes on the decisions of the Board of BCRP about the benchmark interest rate, the main institutional events, and the evolution of the main economic variables were also published on the media and social media.

BCRP also organized presentations on the mission and roles of the Central Bank and on the security features of banknotes and coins, as well as institutional and academic events to discuss economic issues of interest, both in Lima and in other cities of the country.

In 2019, BCRP intensified its use of social networks to publish reports containing economic data and institutional information, as well as to provide information about the security features of banknotes and coins. During the year, BCRP continued to actively publish information through social networks such as Facebook, Twitter, LinkedIn, YouTube, and Instagram, becoming in this way one of the most popular public institutions in the social media.

2.3 Social Responsibility

BCRP continued contributing to education and culture in our country by offering courses, organizing contests, and providing free access to its museums and library, among other activities.

Courses

- **Advanced Economics Extension Course**
Thirty-six students of economics from various public and private universities of Lima and other cities of the country participated in the LXVI Extension Course of Advanced Economics offered this year. The 8 best students of the course were invited to join the Bank's staff.
- **Advanced Finances Extension Course**
Thirty students from different universities were selected to participate in the Bank's XII Extension Course of Advanced Finances. The 8 students with the best grades were also invited to join the BCRP staff.
- **Refresher Course in Economics**
In August 2019, a group of 30 students of economics from different universities of the country were selected to refresh their knowledge in the fields of macroeconomics, microeconomics, econometrics, and quantitative methods. The best students were invited to participate in the LXVII Extension Course of Advanced Economics 2020.
- **Refresher Course for Economics Faculty**
Twenty-three professors from different universities of the country participated in this course in 2019. The participants were trained in different aspects of macroeconomics, microeconomics, econometrics, and project evaluation.

Contests

- **BCRP Award for Research in Economics and Finances**
The winner of this award in 2019 was Yuliño Clever Anastasio Clemente (PUCP) for his paper "*Los determinantes del déficit fiscal. Perú: 1995-2018*". The second prize was awarded to Juan Andrés Castro Cabrera and Rodrigo Alejandro Murrieta Noly (UP) for their research paper entitled "*Intermediación Bancaria y Transmisión de Política Monetaria: Modelo DSGE con Competencia Monopolística para el Caso Peruano*" and the third prize was awarded to José Luis Vásquez Pérez (UNMSM) for his paper "*Tipo de cambio y desempeño económico peruano ¿Depreciaciones recesivas en el Perú? 1995-2015*".

- BCRP Video Contest for School Students 2019**
 On this occasion, the videos had to address the topic of *"The security features of banknotes"*. The first prize was awarded to the schoolgirls of I.E. Sagrado Corazón de Jesús, of San Ramón, Chanchamayo, Junín, for their video *"Billetes seguros"*. The students of I.E. Miguel de Cervantes, of Puente Piedra, got the second prize for *"Toque, mire y gire antes de aceptar"*, and the students of I.E. Mi Universo Infantil, of Tarapoto, obtained the third prize for their video *"Vendedora de comida"*.
- Annual Short Novel Contest "Julio Ramón Ribeyro"**
 The winner of this contest in 2019 was Alfonso Torres Valdivia for his novel *"La rumba del Varig"*, which was presented in Lima's 24th Feria Internacional del Libro in July 2019. The panel of judges was integrated by Alonso Cueto, Francesca Denegri, Mirko Lauer, Karina Pacheco, and Marcel Velásquez.
- 2019 National Painting Contest**
 Artist Nancy La Rosa was awarded the second prize of the XI Concurso Nacional de Pintura del BCRP for *"Kiqllu (V)"* after the judges decided not to award a first prize in this 2019 contest. The panel of judges, integrated by Moico Yaker, Claudia Coca, Natalia Majluf, Ángela Delgado, and Augusto del Valle, also decided to award honorable mentions to artists Astucuri Guillén and Rafael Mayu Nolte. An exhibition with the winning and the finalist artistic creations that participated in the contest was held at the Museum of BCRP (MUCEN) from December 10, 2019 to February 8, 2020.

Book Publications

In 2019, Banco Central de Reserva del Perú and Instituto de Estudios Peruanos (IEP) co-published four books: i) *"Historia económica del antiguo Perú"*, authored by Peter Kaulicke, Hugo Ikehara, Rafael Segura Llanos, and Rafael Vega-Centeno; ii) *"Historia económica del sur peruano"*, edited by Martín Monsalve; iii) *"Estudios sobre la independencia económica del Perú (1876)"*, by Juan Copello and Luis Petriconi, and edited by Giovanni Bonfiglio, and iv) *"El Perú tal como es"*, by Archibald Smith. There is free access to the latter two books, published only in digital format, on the BCRP website.



First prize winning novel in the Julio Ramón Ribeyro Short Novel Contest 2019, *"La rumba del Varig"* by Alfonso Torres Valdivia, was published in 2019. Within the framework of the presentation of the silver coin issued commemorating the 100th anniversary of the death of Peruvian writer Ricardo Palma, BCRP also published in digital format the academic article *"Ricardo Palma: La tradición criollo-popular y la nación peruana"* by Marcel Velásquez Castro.

In 1919 Banco Central de Reserva del Perú participated in the Ricardo Palma Book Fair and in the Lima International Book Fair, organizing the presentations of three books published by BCRP in these events. In addition to this, in September it held a round-table discussion on *"Economía del Antiguo Perú"* with the authors and editors of this book.



Museum

During 2019, the network of BCRP museums¹ was visited by a total of 168 thousand people. MUCEN also published the document “Experiencia MUCEN 2018”, which, through statistical data and a qualitative analysis of results and future opportunities, analyzes the impact of generating an inclusive, dynamic space in the community.

The different activities organized by the Central Museum and the NUMISMIC MUCEN through their #ConversArte educational programs were attended by 24 thousand schoolchildren and 20 tours guided by a sign language interpreter were also carried out in these facilities. Other activities included 16 events held with the presence of curators and artists within the framework of the #DialogArte program, and the theater shows for children staged by 26 artistic groups that were held on Saturdays as part of #ContArte children’s theater programs. Finally, MUCEN continued opening its facilities in the evening of the last Friday of each month in the framework of its program “MUCEN Abre de noche”.

MUCEN also showed more than 50 films in collaboration with Filmoteca de la Pontificia Universidad Católica del Perú and participated as one of the venues of the 23rd Lima Film Festival of PUCP, the X Festival de Cine al Este, the 31st European Film Festival in Lima, and the I Festival de Cine Americano “América Nuestra”.

It also took part in the inter-institutional program World Savings Week, offering guided tours, talks, workshops, and family theater shows related to the importance of saving. In addition, it participated for the first time in Art Lima, one of the most important contemporary art events in the country. In July and August, MUCEN carried out workshops and theater shows at Culturaymi, the cultural program of the Lima 2019 Pan American and Parapan American Games. Finally, the Museum signed an agreement with the Ministry of Culture that allowed the implementation of the #EmocionArte educational program, designed at MUCEN, in seven of its museums nationwide with the aim of offering an interactive experience to visitors.

MUCEN hosted 4 temporary exhibitions over the year. The winning and finalist paintings of the X National Painting Contest were exhibited In January and “Huaquero de Museos”, an exhibition of the artpieces of artist Marco Pando was held in February. In June, MUCEN hosted “Diálogos desde lo contemporáneo. 10 años del Concurso Nacional de Pintura”, an exhibition of 20 contest winning artistic creations that have been incorporated to the BCRP art collection over the last decade. Finally, the winning and finalist paintings of the XI National Painting Contest were exhibited In November. On the other hand, the Numismatic MUCEN opened its World Numismatics Section. This permanent exhibition contains coins from the Greco-Roman era to the present day, in addition to banknotes and coin specimens of various countries, grouped by continents.



Inclusive MUCEN



Lima 2019



World Numismatic Hall

Other activities in 2019 worth highlighting include the loan of 20 pre-Columbian art pieces to China for the traveling exhibition “Antigua Civilización de los Andes. Iluminando los Orígenes del Imperio Incaico”, as well as the loan of “Portrait of Lorenzo del Valle y García”, by artist José Gil de Castro,

1 Museo Central (Lima), MUCEN Numismático, MUCEN Arequipa, MUCEN Piura, and MUCEN Trujillo.

to the National Museum of Colombia for the exhibition “*Pintores en tiempos de la Independencia. Figueroa, Espinosa, Gil de Castro*” for the activities organized in that country commemorating the Bicentennial of the Independence of Colombia.

In addition, during 2019, the MUCEN continued with its conservation activities and contributed to the investigation of 22 art researchers interested in its art collection.

BCRP Library

Since January 2019, the BCRP Library operates in a new facility located at Jirón Carabaya 698, Cercado de Lima. During the year, the Library managed a total of 3,391 requests at its reading rooms as well as 72,788 requests of specialized books and journals, of which 87 percent were in digital format (39,150 requests were managed by e-mail and 24,325 via online readings).

On the other hand, through purchases, exchanges, and donations, the Library acquired 3,749 books and periodicals related to the fields of monetary and economic policy, international finance, trade and the external sector, public finance, and economic theory, among other subjects.



New premises of the BCRP Library

3. Main Meetings and Events

In 2019 the BCRP authorities and officials participated in various international and national meetings, including the following:

3.1 International Meetings

- Bimonthly Meeting of BIS Governors, organized by the Bank for International Settlements (BIS) and held in Basel, Switzerland, January 13 to 14.
- Meeting with Mexico's Senate, organized by Centro de Estudios Internacionales Gilberto Bosques and Senado de la República Mexicana, carried out in Mexico City, Mexico, on February 14.
- XVI Road Show Europe 2019, organized by InPerú, held in London, England, and Madrid, Spain, February 25 to 28.
- “Peru Day” Convention and Meeting of the Prospectors & Developers Association of Canada, organized by the Peruvian Canadian Chamber of Commerce, carried out in Toronto, Canada, March 4 and 5.



- Bimonthly Meeting of BIS Governors, organized by the BIS and held in Basel, Switzerland, March 10 – 11.
- XCII Meeting of the Board of Fondo Latinoamericano de Reservas (FLAR), held in Bogotá, Colombia, on March 18.
- Meetings of the International Monetary Fund (IMF) and the World Bank (WB), and related meetings, including the XLIX Meeting of the Latin American Network of Central Banks and Ministries of Finance of the InterAmerican Development Bank (IDB), the G-24 Meeting, and the Plenary Meeting of the IMF International Monetary and Financial Committee (IMFC), held in Washington D.C., USA, from April 9 to April 22.
- Fourth Annual Central Bankers Roundtable, organized by Columbia University, held in New York, USA, on April 15.
- CVII Meeting of Central Bank Governors, CEMLA Assembly, and XXXVI Meeting of Governors of Central Banks of South America, organized by Centro de Estudios Monetarios Latinoamericano (CEMLA) and held in Cartagena de Indias, Colombia, April 28 to 30.
- Bimonthly Meeting of BIS Governors, organized by the Bank for International Settlements (BIS) and held in Basel, Switzerland, May 10.
- High-Level Conference on the International Monetary System, organized by the IMF and the Swiss National Bank, Zürich, Switzerland, May 14.
- XIV Conferencia de Estudios Económicos del FLAR, held in Cartagena de Indias, Colombia, June 6 – 7.
- 25th Economic Conference of Dubrovnik, organized by the Croatian National Bank, held in Dubrovnik, Croatia, from June 14 to 17.
- “2019 and Beyond: Prospects for the World Economy”, organized by the Adam Smith Institute, Paris, France, from June 25 to 26.
- 17th BIS Annual Conference, organized by the BIS and held in Zurich, and Bimonthly Meeting of BIS Governors, organized by the BIS, held in Basel, Switzerland, June 25 – 26.
- XLIII Economic Policy Symposium, organized by the Federal Reserve of Kansas City, held in Jackson Hole, USA, August 22 to 24.
- Bimonthly Meeting of BIS Governors, held in Basel, Switzerland, September 8 – 9.
- Symposium on “Desequilibrios globales y flujos de capital en la era de las nuevas tecnologías”, organized by the Bank of Spain and the Reinventing Bretton Woods Committee, held in Madrid, Spain, September 10 – 11.
- Ordinary Meeting of the Board of Fondo Latinoamericano de Reservas (FLAR), held in Bogotá, Colombia, on September 23 – 24.
- XXXVII Meeting of Governors of Central Banks of South America, organized by the Central Bank of Chile, held in Santiago de Chile, Chile, October 3 – 4.
- Annual Meetings of the IMF, the World Bank, the G-24 Meeting and the CEMLA meeting, held in Washington DC, USA, October 14 to 20.
- Bimonthly Meeting of BIS Governors, held in Basel, Switzerland, November 10 – 11.
- High-Level Conference on the Euro System and the Latin American Central Banks, organized by the European Central Bank, the Bank of Spain, and Banco de la Republica de Colombia, held in Cartagena de Indias, Colombia, November 28 – 29.

3.2 National Meetings

- Lecture on “Brasil: Hora del crowding in”, by Gino Olivares, economist of Pontificia Universidad Católica del Perú and professor of Instituto Insper of Brazil, on January 9.
- “Taper Tantrums: QE, its aftermath and Emerging Market Capital Flows”, lecture by Christian Lundblad, professor of the Kenan-Flagler Business School, February 8.
- Symposium on “Intermediación Financiera, Crédito y Política Monetaria”, co-organized by CEMLA, the European Central Bank, the Federal Reserve of New York, and BCRP, carried out on February 19 – 20.
- Presentation on “Reflexiones sobre los riesgos de los modelos de riesgo”, by Angel Vilariño, Ph.D. in Economics, Universidad Complutense de Madrid, February 22.
- Lecture on “Impact of Juntos conditional cash transfer program on nutritional and cognitive outcomes in Peru: Comparison between younger and older initial exposure”, by Alan Sánchez, Ph.D. in Economics, Oxford University, March 8.
- “Frictions in Macroeconomics”, lecture by Lawrence Christiano, professor of Northwestern University, March 15.
- Meeting of the G-24 Technical Group, March 14 – 15.
- “Is Credit Easing Viable in Emerging and Developing Economies? An Empirical Approach” lecture by Luis Jacome, Ph.D. in Economics, Boston University, March 22.
- Vth meeting of Foro de Información Financiera de Bancos Centrales de América Latina y el Caribe, May 28 – 29.
- Encuentro Económico: Región Cajamarca, June 3 and 4.
- Seminar on “The changing nature and geography of global finance”, co-organized by the Reinventing Bretton Woods Committee and BCRP, July 18 – 19.
- Seminar on “Exchange Rates Monetary Policy and Frictions”, co-organized by Northwestern University, the Federal Reserve of Atlanta, the Bank of Canada, and BCRP, August 19 – 20.
- Primer Encuentro con el Sector Agroexportador, September 2.
- XIII Meeting on International Reserve Management, co-organized by CEMLA and BCRP, September 11 – 13.
- Sixth Annual Meeting of the Advisory Group of CGD Financial Stability Directors (CGDFS), organized by the BIS and BCRP, held from September 26 to 27.
- 23rd BIS Workgroup on Monetary Policy in Latin America, organized by the BIS and BCRP, September 30 to October 1.
- XXXVII Encuentro de Economistas del Banco Central de Reserva del Perú, October 29 and 30.
- Presentation of the “Latin American Economic Outlook 2019 – LEO”, November 5.
- “La economía global hacia el 2020, análisis de los riesgos globales”, lecture by Carmen Reinhart, professor of the John F. Kennedy School of Government, Universidad of Harvard, November 6.

- VIIIth Course on Payment Systems: Digital Wallets, organized by BCRP, December 10.

4. Branch Offices

Banco Central de Reserva del Peru has branches in seven cities of the country: Arequipa, Cusco, Huancayo, Iquitos, Piura, Puno, and Trujillo. These Branch Offices have jurisdiction in 23 departments of the country, except in Lima. The BCRP Branch of Piura, which started operations in 1970, was the first BCRP decentralized office in the country. Each of the Central Bank's Branch Offices has a Department of Economic Studies and an Operations Department.

In addition to this, the museums of the BCRP offices of Arequipa, Trujillo, and Piura have exhibitions of their art and numismatic collections that are open to the general public.

The main role of the BCRP branches is to carry out studies and reports on the development of economic activity in the country's departments; ensure that each region has the appropriate supply of banknotes and coins required by the financial system; oversee the custody operations of the vaults, and monitor compliance with the regulations regarding the circulation of our currency.

Each month the BCRP branches publish the document "Síntesis de la Actividad Económica Regional" on the BCRP web page, providing an analysis and statistical data on production, prices, employment, credit and bank deposits, foreign trade operations, and the execution of the public budget at the regional level. The documents also provide information on the main economic features of each region, as well as a list of some of the region's main attractions for tourists.

During 2019, BCRP officials made quarterly presentations of the "Inflation Report: Current Outlook and Macroeconomic Forecasts 2019-2020" and the "Synthesis of Regional Economic Activity" report, prepared by the Economic Studies Department of the branches, to the academic and business communities in the cities of Arequipa, Moquegua, Ilo, Tacna, Iquitos, Pucallpa, Tarapoto, Huancayo, Huánuco, Huancavelica, Ayacucho, Jauja, Piura, Tumbes, Chiclayo, Chachapoyas, Cusco, Puno, Juliaca, Trujillo, Cajamarca, and Jaén.

Staff of the Economic Studies Department, together with officials of the Branch Offices, also organized talks about the role and functions of the BCRP addressed to high school students and students of public and private universities and higher education institutes.

An international event worth highlighting was the XIth Annual Meeting organized by the BCRP and The Reinventing Bretton Woods Committee called "The Changing Nature and Geography of Global Finance", which brought together central bank authorities of different countries of the Americas and the world in Cusco on July 18 and 19. In addition to this, BCRP, the Northwestern University and the Bank of Canada co-organized the event "Exchange rate, monetary policy and frictions" on August 19 and 20.

Among the main lectures and seminars organized by the branches, the following are worth mentioning: "Principales indicadores de la coyuntura macroeconómica nacional, el entorno internacional y las cuentas externas", "El régimen cambiario en una economía con dolarización financiera y con un esquema de metas de inflación", and "Innovación en la región Arequipa: casos de éxito empresarial" in Arequipa; "El Banco Central y la actividad económica" and "Tipo de cambio y el rol del BCRP" in Cusco; "Riesgo país: Incidencia en la economía Peruana" and "Foro de desarrollo económico regional" in Huancayo; "Seguimiento de la reconstrucción con cambios en Piura", in Piura, and "Sector cuero y calzado: innovación para una industria sostenible" and "Turismo sostenible para el desarrollo inclusivo: oportunidades y desafíos de La Libertad" in Trujillo.

In 2019, the branches also published their "Economic and Social Report" with indicators of economic activity in Amazonas, Ancash, Apurímac, Cajamarca, Cusco, Ica, Junín, Lambayeque, La Libertad, Loreto, Madre de Dios, Moquegua, Pasco, Puno, Tacna, Tumbes, and Ucayali.

In addition, they continued to provide training to the personnel of financial entities and the general public on the security features of banknotes and coins. It should be pointed out that the talk given

in Quechua in the town of Uripa, in the department of Apurimac, had an audience of 450 people. A total of 21,575 people attended the 621 talks delivered over the year.

The museums of the branch offices of Trujillo, Arequipa, and Piura were visited by 39,862 visitors; that is, by 15.7 percent more visitors than in the previous year. It is worth pointing out that the number of visitors to the museum of Trujillo represents 60.4 percent of the total number of people who visited our museums.

5. Currency Management

The coin series called “Endangered Wild Fauna of Peru” concluded in 2019 with the issuance of the last three coins of this series: the 1 sol coins featuring the Yellow-tailed Choro Monkey, the Andean Cat, and the Giant Frog of Lake Titicaca. This series, made up of 10 coins, is intended to contribute to raise awareness of the importance of preserving the wildlife species whose habitat is located in the country as well as the importance of preserving the environment through a means of payment of massive use, while promoting numismatic culture in our country.



Yellow-tailed Choro Monkey



Andean Cat



Giant Frog of Titicaca

Three commemorative silver coins were also released during the year: the coin commemorating the 100th anniversary of the Peruvian Air Force was issued in January; the coin celebrating the 250th anniversary of the birth of Alexander von Humboldt was issued in September, and the coin issued commemorating Ricardo Palma on the 100th anniversary of his death was issued in October.



100th Anniversary of the Peruvian Air Force



250th Anniversary of the birth of Alexander von Humboldt



Centennial of the death of Ricardo Palma

The Central Bank of Peru ordered to withdraw from circulation the coins of 5 cents as of January 2019. These coins, which can no longer be used as a means of payment, can only be exchanged at their face value in multiples of 10 cents for an unlimited period of time at banks or at the BCRP offices.

In addition, through Circular No. 007-2019-BCRP dated March 2019, BCRP replaced the Second Transitory and Final Provision of the Regulation for the Exchange of Banknotes and Coins, approved through Circular No. 016-2018-BCRP and modified through Circular No. 035-2018-BCRP, by the following provision:

“This Regulation is effective as of June 19, 2018, except in the following cases that will apply as from January 1, 2020:

- In order to be exchanged, whole banknotes must necessarily contain the security thread.
- The financial entities are obliged to withhold, without exchange, any whole banknotes received in their daily window operations when they lack the security thread, including those to be used to exchange banknotes to the public.”

An information campaign explaining the scope of this Regulation was carried out through television and radio as well as through the written media. The financial entities were also required to give BCRP monthly reports about whole banknotes considered deteriorated because they lack the security thread.

A total of 836 talks on the security features of banknotes and coins and on the Regulations for the Exchange of Banknotes and Coins (Circular No. 016-2018-BCRP) were given to the general public, business representatives, and the window staff of financial entities in different cities of the country, with total attendance reaching a figure of over 33 thousand people.

BCRP also distributed thousands of brochures with information in Spanish and English on the security features of our banknotes at museums and airports nationwide, as well as at the venues of the 2019 Pan American and Parapan American Games held in Lima.

In 2019, it also continued developing the information campaign on the security features of banknotes and coins through the Bank’s social networks in Twitter, YouTube, and Facebook.

5.1 Banknotes and Coins in Circulation

In 2019, both the number of units and the value of banknotes in circulation was higher than in 2018. In December 2019, the value of banknotes in circulation was S/ 59.28 billion (4.7 percent higher than in December 2018), while the number of units of banknotes in circulation (885 million) was 3.2 percent higher than that observed at the end of 2018.

BANKNOTES IN CIRCULATION (Millions of units)							
Period	10	20	50	100	200	Total	Value (Million S/)
Jan. 19	116.4	146.1	143.8	389.2	19.9	815.4	54,179.6
Feb. 19	114.7	144.5	140.8	383.7	20.0	803.7	53,439.7
Mar. 19	116.6	144.4	141.4	382.8	20.2	805.3	53,437.6
Apr. 19	115.7	145.2	142.0	382.9	20.4	806.2	53,535.1
May. 19	114.8	142.5	139.9	378.5	20.7	796.3	52,973.3
Jun. 19	115.2	143.8	142.3	382.3	21.0	804.7	53,577.8
Jul. 19	118.7	152.0	149.8	398.1	21.4	840.0	55,812.6
Aug. 19	118.9	150.2	149.9	398.1	21.7	838.7	55,831.4
Sep. 19	115.9	146.1	143.0	390.2	21.8	817.0	54,606.8
Oct. 19	118.4	149.0	145.8	395.3	22.1	830.6	55,398.3
Nov. 19	117.5	150.5	147.2	400.4	22.5	838.1	56,083.7
Dec. 19	122.4	159.1	157.5	422.7	23.6	885.3	59,276.0

Source: BCRP.

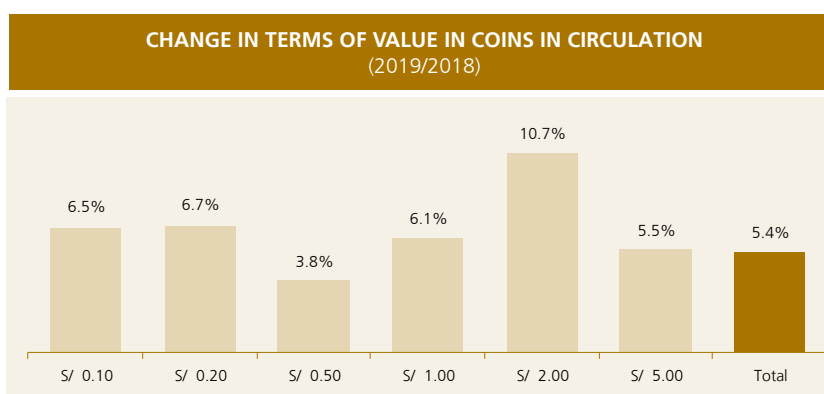
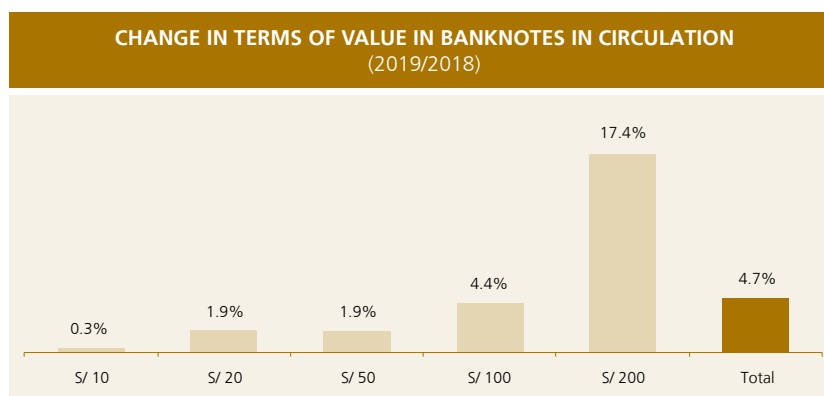
Similarly, the number of units and the value of coins in circulation in 2019 was higher than in 2018. The value of coins in circulation was S/ 2.79 billion, 6.4 percent higher than in December 2018,

while the number of units (4 053,4 million coins) was 6.3 percent higher than that registered at the end of 2018.

COINS IN CIRCULATION (Millions of units)								
Period	0.10	0.20	0.50	1.00	2.00	5.00	Total	Value (Million S/)
Jan.19	1,585.5	452.1	499.2	942.6	183.6	165.6	3,828.6	2,636.1
Feb.19	1,594.3	453.8	499.3	945.2	185.5	166.7	3,844.8	2,649.5
Mar.19	1,604.9	456.0	502.4	957.1	188.3	167.0	3,875.8	2,671.9
Apr.19	1,615.9	459.5	506.6	969.4	187.4	168.8	3,907.7	2,695.1
May.19	1,624.1	462.7	507.4	971.1	187.8	168.5	3,921.6	2,697.7
Jun.19	1,631.8	465.5	510.2	976.2	190.0	170.1	3,943.7	2,718.1
Jul.19	1,639.4	468.9	511.5	981.8	192.0	171.6	3,965.2	2,737.3
Aug.19	1,648.6	473.2	515.2	987.0	193.6	170.4	3,988.0	2,743.3
Sep.19	1,657.8	476.8	515.7	982.3	193.9	171.6	3,998.1	2,746.9
Oct.19	1,658.5	474.0	515.6	985.5	195.7	172.1	4,001.4	2,755.7
Nov.19	1,668.7	478.0	515.4	986.3	196.5	172.5	4,017.4	2,762.0
Dec.19	1,680.4	481.7	518.1	998.6	200.7	173.9	4,053.4	2,792.8

Source: BCRP.

By denominations, the banknotes that showed a higher increase in their use compared to 2018 were the 200 soles banknotes (17.4 percent), while the coins that showed a higher increase in their use were the 2 soles coins (10.7 percent).



On the other hand, it is worth pointing out that the participation of the 100 soles banknote stands out both in terms of value and in terms of units in the use of banknotes in 2019, reflecting people and banks' preference for this denomination.

In the case of coins, the participation of the denominations of 1 sol and 5 soles stand out in terms of value, mainly due to their use to pay public transportation fares, while the use of the 10 cent coins stands out in terms of volume due to their use in low value payments.

STRUCTURE OF CURRENT IN CIRCULATION EMITTED BY DENOMINATION: DICIEMBRE 2019					
Banknotes	Unit (Million)	Unit (% allocation)	Value (Million S/)	Value (% allocation)	Average lifespan
10	122	14.3	1,224	2.1	13 months
20	159	18.5	3,182	5.4	16 months
50	157	18.4	7,873	13.3	25 months
100	423	49.3	42,274	71.3	38 months
200	24	2.8	4,723	8.0	40 months
TOTAL	885	100.0	59,276	100.0	
Coins	Unit (Million)	Unit (% allocation)	Value (Million S/)	Value (% allocation)	Average lifespan
0.10	1,680	38.9	168	6.0	15 years
0.20	482	11.2	96	3.4	15 years
0.50	518	12.0	259	9.3	20 years
1.00	999	23.1	999	35.8	20 years
2.00	201	4.6	401	14.4	15 years
5.00	174	4.0	869	31.1	15 years
TOTAL	4,053	100.0	2 793	100.0	

Source: BCRP.

5.2 Coin Minting

In 2019, Casa Nacional de Moneda (Peru's National Mint) produced 300 million coins, 11 percent more than in 2018. The largest volumes of coins produced were coins in the denominations of 10 cents and 1 Sol, which together represented 71 percent of the total of coins produced in the year.

PRODUCTION OF COINS - 2019			
Denomination	Alloy	Quantity (Million units)	Monetary value (Million soles)
S/ 0.10	Brass	117.0	11.7
S/ 0.20	Brass	28.0	5.6
S/ 0.50	Nickel-silver	26.0	13.0
S/ 1.00	Nickel-silver	95.0	95.0
S/ 2.00	Bi-metal	21.0	42.0
S/ 5.00	Bi-metal	13.0	65.0
Total		300.0	232.3

Source: BCRP.

5.3 Destruction of Banknotes and Coins

A total of 390 million banknotes worth S/ 18.14 billion were withdrawn from circulation and destroyed in 2019. It is worth mentioning that banknotes in the denominations of 10 soles, 20 soles, and 100 soles represented 81 percent of the volume of banknotes destroyed.

DESTRUCTION OF BANKNOTES - 2019		
Denomination	Quantity (Million units)	Monetary value (Million soles)
S/ 10	94.4	944.4
S/ 20	114.8	2,296.5
S/ 50	70.4	3,519.9
S/ 100	107.1	10,713.6
S/ 200	3.3	662.5
Total	390.1	18,137.0

Source: BCRP.

In addition to this, 15.3 million units of coins worth S/ 5.4 million were also melted during the year.

MELTING OF COINS - 2019		
Denomination	Quantity (Million units)	Monetary value (Million soles)
S/ 0,05	0.8	0.0
S/ 0.10	5.1	0.5
S/ 0.20	3.9	0.8
S/ 0.50	3.0	1.5
S/ 1.00	2.6	2.6
S/ 2.00	-.-	-.-
S/ 5.00	-.-	-.-
Total	15.3	5.4

Source: BCRP.

6. Circulars

In 2019, BCRP issued 32 circulars: 5 circulars were about regulations on reserve requirements, 1 about monetary instruments, 2 about interest rates, 8 about banknotes and coins, 4 about first-class banks, and 12 about the daily adjustment index. The circulars issued in 2019 were the following:

- **Reserve Requirements**
 - In Domestic Currency**
 - Circular 004-2019-BCRP (22/02/2019)
 - Circular 011-2019-BCRP (26/04/2019)
 - Circular 030-2019-BCRP (26/12/2019)
 - In Foreign Currency**
 - Circular 005-2019-BCRP (22/02/2019)
 - Circular 031-2019-BCRP (26/12/2019)
- **Monetary Instruments**
 - Circular 019-2019-BCRP (28/08/2019)



- **Interest Rates**
 - Circular 018-2019-BCRP (16/08/2019)
 - Circular 020-2019-BCRP (28/08/2019)
- **Banknotes and Coins**
 - Circular 002-2019-BCRP (29/01/2019)
 - Circular 007-2019-BCRP (14/03/2019)
 - Circular 008-2019-BCRP (27/03/2019)
 - Circular 015-2019-BCRP (03/07/2019)
 - Circular 023-2019-BCRP (25/09/2019)
 - Circular 025-2019-BCRP (09/10/2019)
 - Circular 026-2019-BCRP (30/10/2019)
 - Circular 029-2019-BCRP (27/12/2019)
- **First-Class Banks**
 - Circular 010-2019-BCRP (08/04/2019)
 - Circular 016-2019-BCRP (09/07/2019)
 - Circular 022-2019-BCRP (17/09/2019)
 - Circular 032-2019-BCRP (31/12/2019)
- **Daily Adjustment Index**
 - Circular 001-2019-BCRP (03/01/2019): January
 - Circular 003-2019-BCRP (04/02/2019): February
 - Circular 006-2019-BCRP (02/03/2019): March
 - Circular 009-2019-BCRP (02/04/2019): April
 - Circular 012-2019-BCRP (02/05/2019): May
 - Circular 013-2019-BCRP (03/06/2019): June
 - Circular 014-2019-BCRP (01/07/2019): July
 - Circular 017-2019-BCRP (01/08/2019): August

- Circular 021-2019-BCRP (02/09/2019): September
- Circular 024-2019-BCRP (02/10/2019): October
- Circular 027-2019-BCRP (04/11/2019): November
- Circular 028-2019-BCRP (02/12/2019): December