CENTRAL RESERVE BANK OF PERU

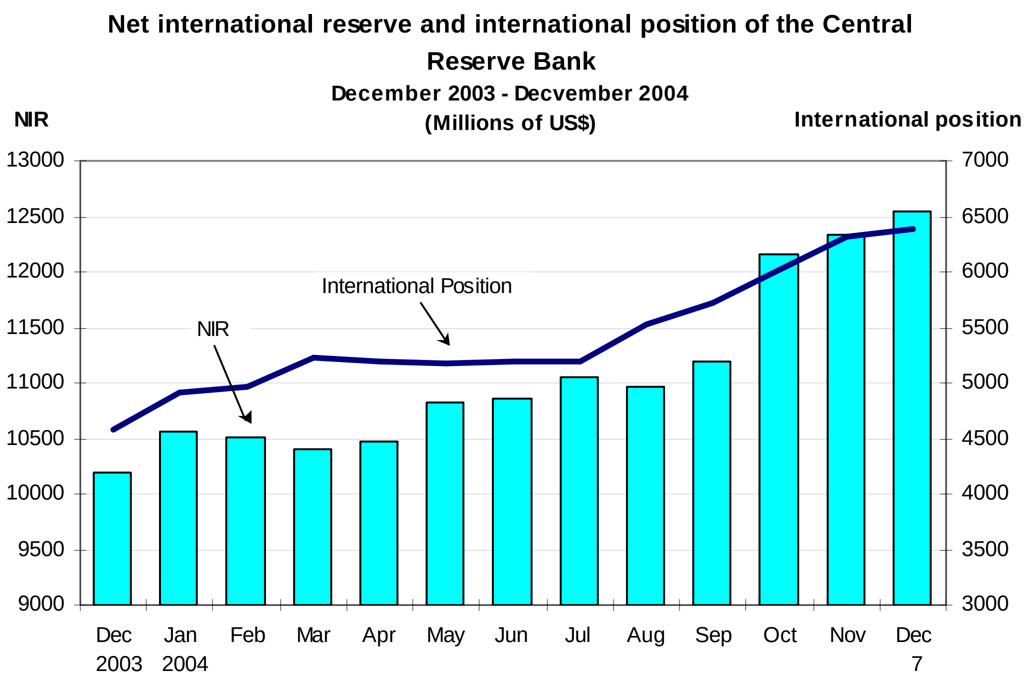
WEEKLY REPORT

Nº 49 – December 10, 2004

Net international reserves at US$ 12 539 million

As of **December 7**, net international reserves (NIR) amounted to US$ 12 539 million, up US$ 201 million from end-November. This increase was mainly due to higher financial system deposits (US$ 177 million), net foreign exchange purchases (US$ 49 million) and investment yield (US$ 2 million)) which were partially offset by lower public sector deposits (US$ 26 million).

Starting this year, NIRs have increased US$ 2 345 million, whereas the **Central Bank's international position (**US$ 6 378 million) grew by US$ 1 794 million.



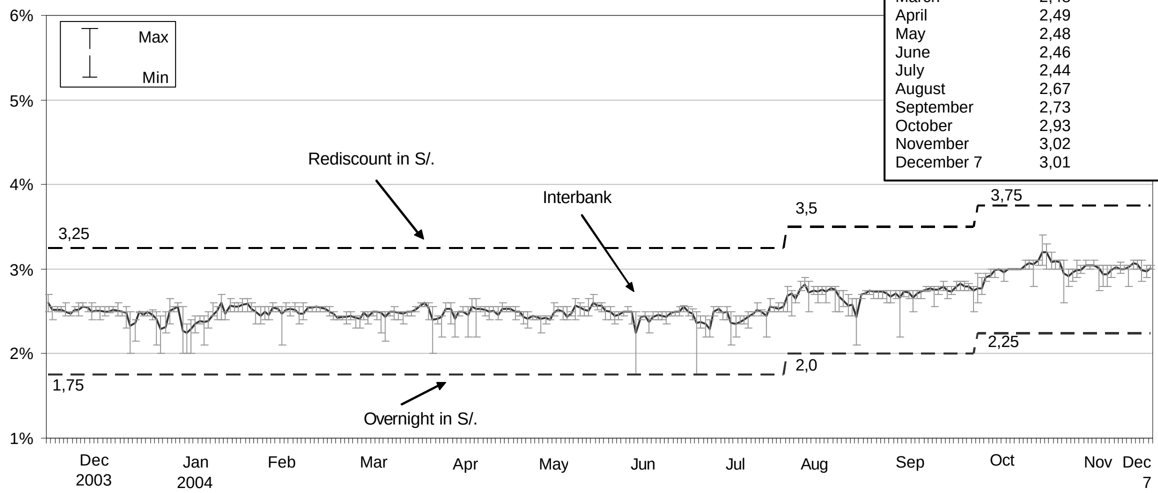
Interbank interest rate at 3,01%

As of **December 7**, the average interbank interest rate in domestic currency was 3,01%, slightly lower than November's (3,02%).

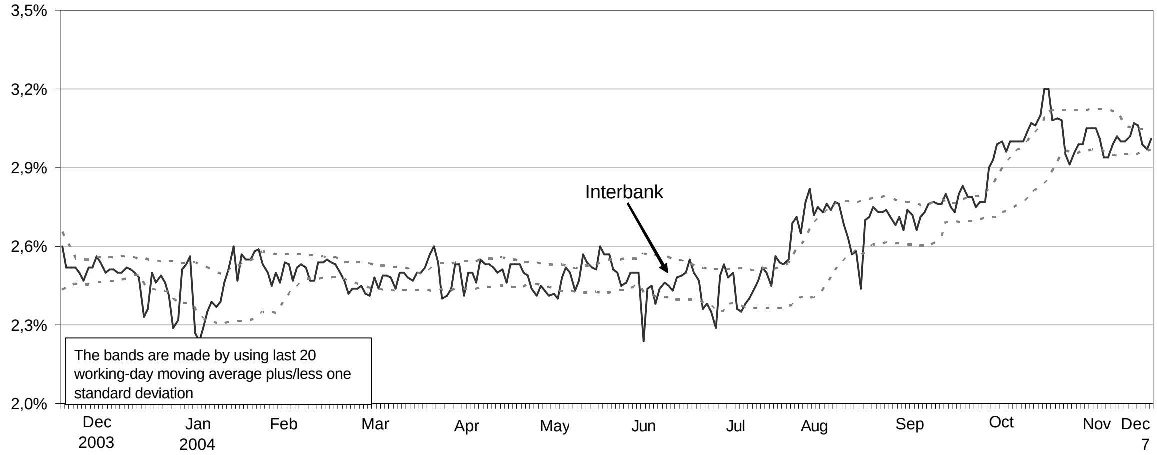
Interbank interest rate (percent)

	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 7	3,01	0,04

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



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



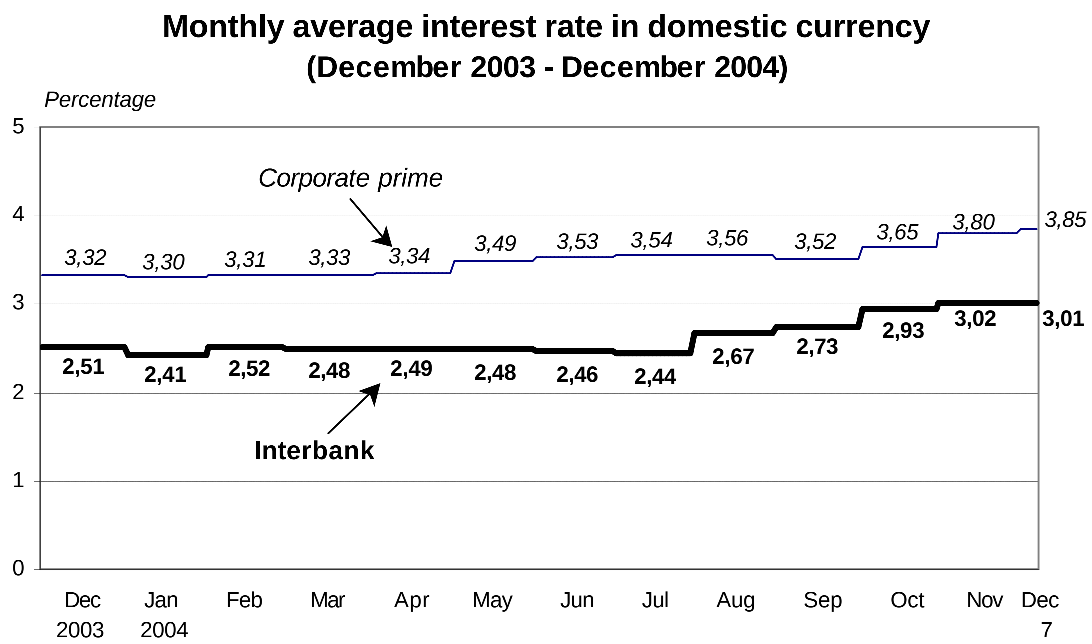
Monetary operations

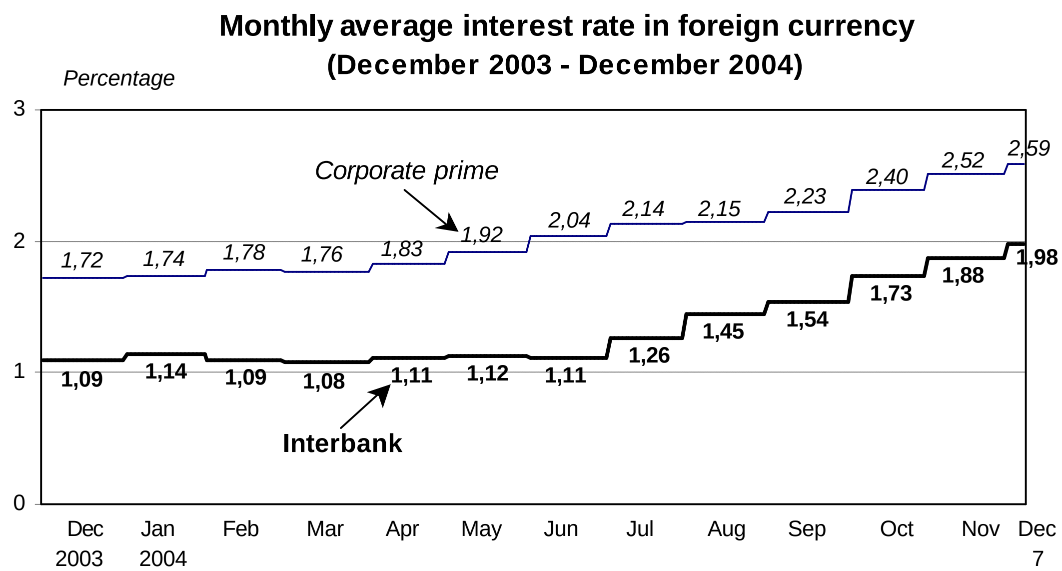
As of **December 7**, the daily average balance of banks' liquidity at the Central Bank was S/. 640 million. Between **December 2 and 7**, the Central Bank made the following operations:

- Auctions of CDBCRP with a 7-day maturity by S/. 200 and S/. 70 million at an average interest rate of 3,01% and 3,06%, respectively.
- Auctions of temporary purchase of CDBCRP and Treasury bonds with a 1-day maturity by S/. 285, S/. 50 and S/. 211 million at an average interest rate of 3,08%, 3,07% and 2,97%, respectively.
- Foreign currency purchase over-the-counter mechanism by US$ 30 million at an average exchange rate of S/. 3,302 per dollar.
- Overnight deposits on December 6 and 7 by S/. 47 and S/. 39 million, respectively.

Corporate prime interest rate at 3,85%

As of **December 7**, 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 2,59%.





Exchange rate: S/. 3,299

Between **December 1 and 7**, the banking system exchange rate decreased from S/. 3,303 to S/. 3,299. Up to December 7, the **balance of net forward sales** rose by US$ 71 million with respect to November whereas the **bank's exchange position** dropped US$ 39 million.

BANKS' EXCHANGE POSITION
(Millions of US$)

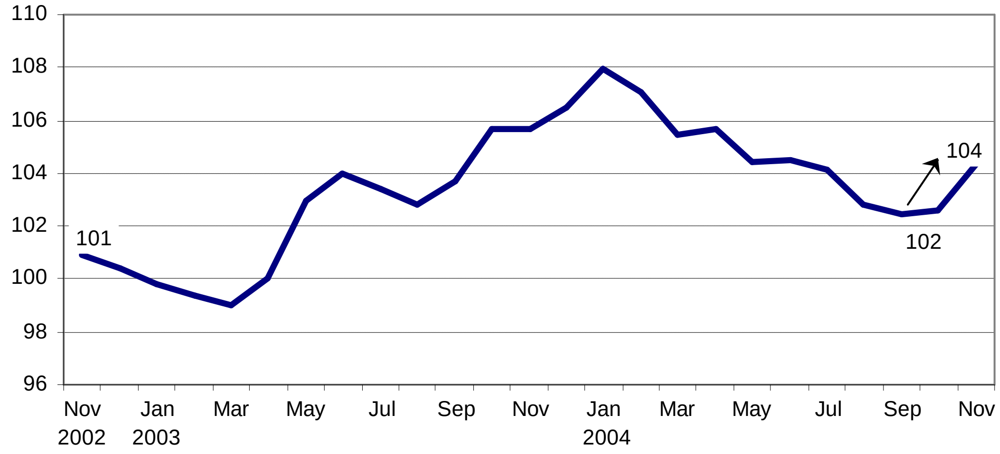
	December 2002	December 2003	November 2004	December 7
a. Net sales to the public (i-ii)	**905**	**607**	**607**	**678**
i. Forward sales to the public	1 141	834	1 004	1 121
ii. Forward purchases to the public	236	227	397	443
b. Banks' exchange position	**643**	**536**	**512**	**473**

The real exchange rate improves 1,7% in November

In November the **real exchange rate** depreciated 1,7% regarding October. This result was obtained in spite of the nominal exchange rate fall from S/. 3,322 in October to S/. 3,311 per dollar in November.

The improvement in the real exchange rate is explained by the increment of the external prices (2,3%) that surpassed the nominal appreciation of the domestic currency (0,3%) and the domestic inflation (0,3%). The external inflation was mainly explained by the weakening of the dollar against almost all the currencies of our main commercial partners. The dollar depreciated regarding the Euro in 4,0% and 3,8% with respect to Yen.

MULTILATERAL EXCHANGE RATE INDEX
(1994=100)



Banking system monetary accounts as of November 15, 2004

Through last 4 weeks, liquidity in **domestic currency** increased 5,0% (S/. 1 123 million), to a balance of S/. 23 744 million. Credit to the private sector in the same currency augmented 3,2% (S/. 353 million) to S/. 11 299 million. However, in annual terms this aggregates grew by 24,1% and 10,9%, respectively.

Liquidity in **foreign currency** increased 0,2% (US$ 18 million) to US$ 9 611 million (an annual growth rate of 1,6%). Credit to the private sector in the same currency registered a nil annual growth rate reaching a balance of US$ 9 684 million (down 0,8% from a year ago).

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%	2,7%	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.15	2,0%	20,5%	5,0%	24,1%	3,2%	10,9%	0,2%	1,6%	-6,7%	-3,0%	0,0%	-0,8%
Memo:												
Balance as of Oct.15 (Mill.S/. or Mill.US$)	7 836		22 621		10 945		9 593		786		9 686	
Balance as of Nov.15 (Mill.S/. or Mill.US$)	7 991		23 744		11 299		9 611		733		9 684	

1/ Short term external liabilities of banking enterprises.

Spread of Global bond 2012 at 2,33%

Between **December 1 and 8**, the **Peruvian Global bond 2012** spread decreased from 2,47% to 2,33% (a new historic minimum) and the spread of the **sovereign bonds** from 2,60% a 2,55%.

Country risk indicators
(December 2003 - December 2004)

International Markets

Between **December 1 and 8**, the **gold** quotation decreased 3,7% to US$ 436 per troy ounce, the lowest level since November 11 due to the strengthening of the US dollar.

Gold quotation

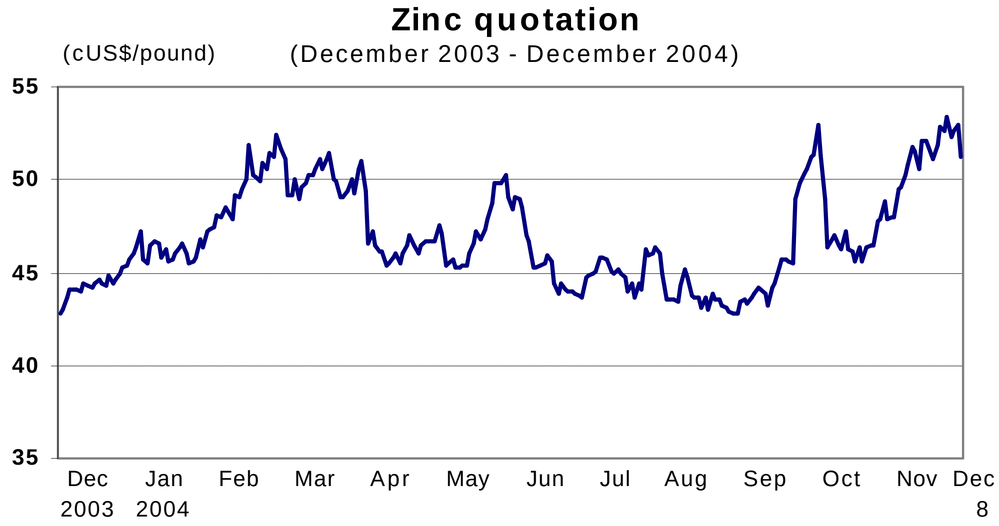
(US$/Troy ounce) (December 2003 - December 2004)

The **copper** quotation fell 7,9% to US$ 1,36 per pound after a generalized profit taking of the investment funds in the metal sector.

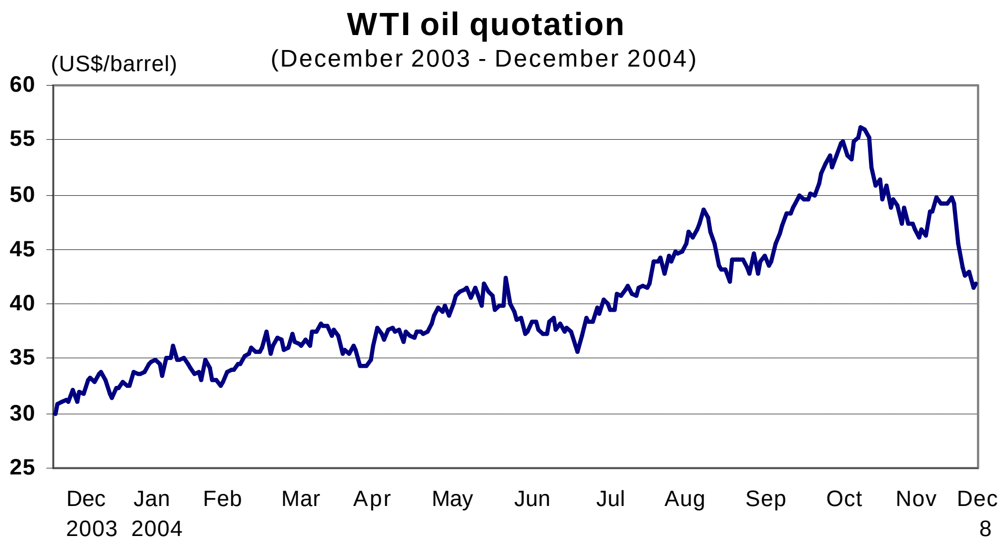
Copper quotation

(cUS$/pound) (December 2003 - December 2004)

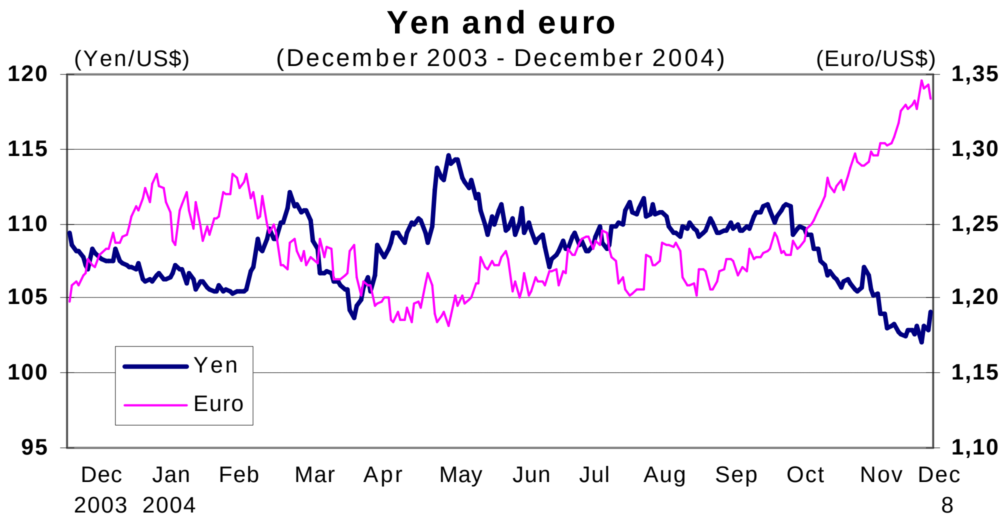
In the period under analysis, the **zinc** quotation fell 2,8% to US$ 0,51 per pound after a technical correction following the evolution of other metals.



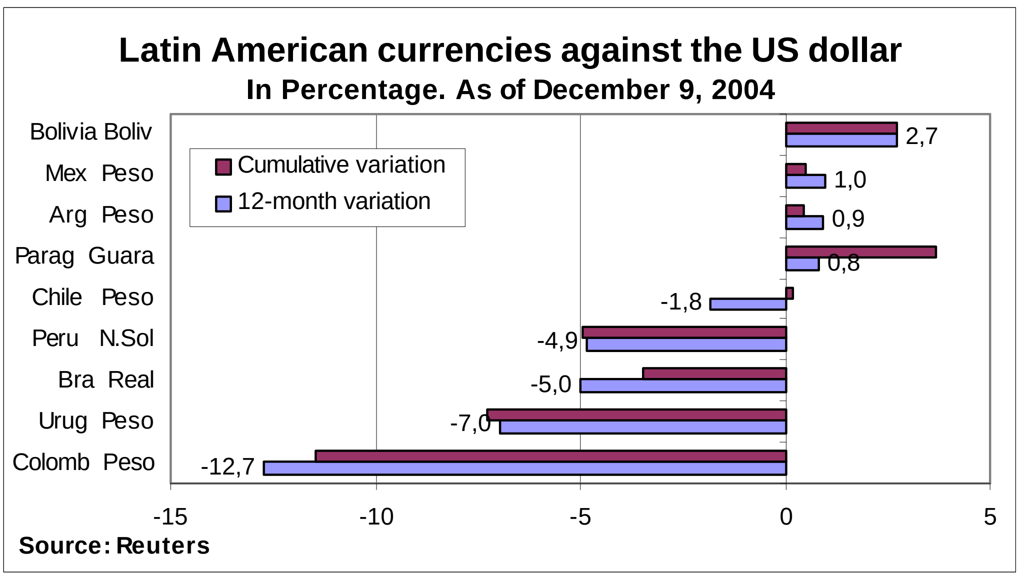
During the same period, the **WTI oil** price fell 7,8% to US$ 41,9 per barrel due to the increase in US distilled inventories for third weak in a row. Inside this group the heating oil faces a peak of demand during the winter. Besides, crude inventories have increased for 11 weeks in a row.



During this week, the **US dollar** depreciated by 0,1% against the **euro** and appreciated 1,4% against the **yen**. The weak employment report on Friday 3 influenced the depreciatory trend of the dollar. This trend was reverted in Wednesday 8 by profit taking in exchange markets by investors that bet against the dollar in the previous weeks.

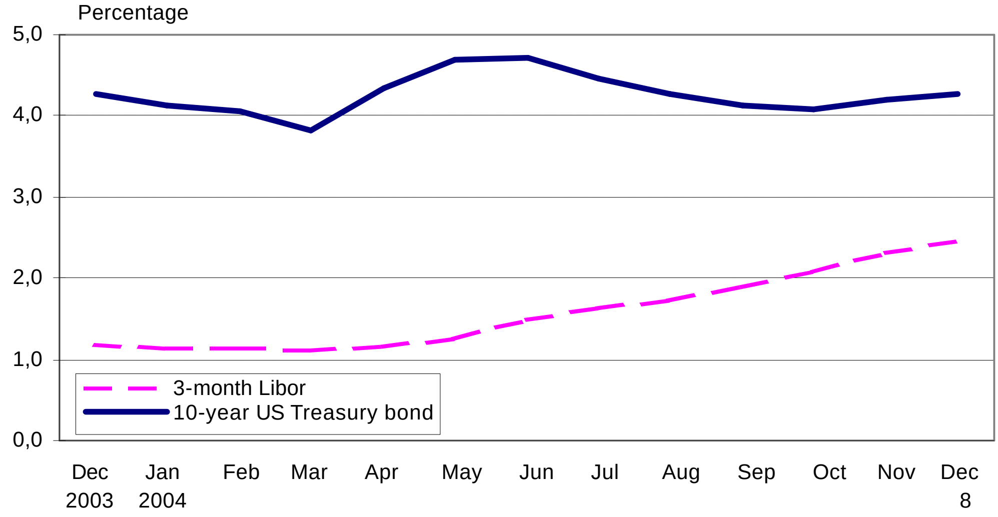


During the week the Dollar strengthened against all currencies of the region except for the Colombian Peso. Meanwhile, in annual terms these behavior has been mixed among the countries of the region highlighting the devaluation of the Bolivian currency in 2,7% and, in the other extreme, the appreciation of the Colombian Peso in 12,7%. The Nuevo Sol remained in an intermediate among the currencies with a 4,9% appreciation.



Between **December 1 and 8**, the **3-month Libor** raised from 2,42% to 2,46%, whereas the **yield of US Treasury bonds with a 10 year** maturity fell from 4,37% to 4,12% due to the fact that November's non-farming payrolls grew only by 120 000 against 180 000 expected. Besides this, 56 000 employments were revised downwards from September and October's estimates.

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

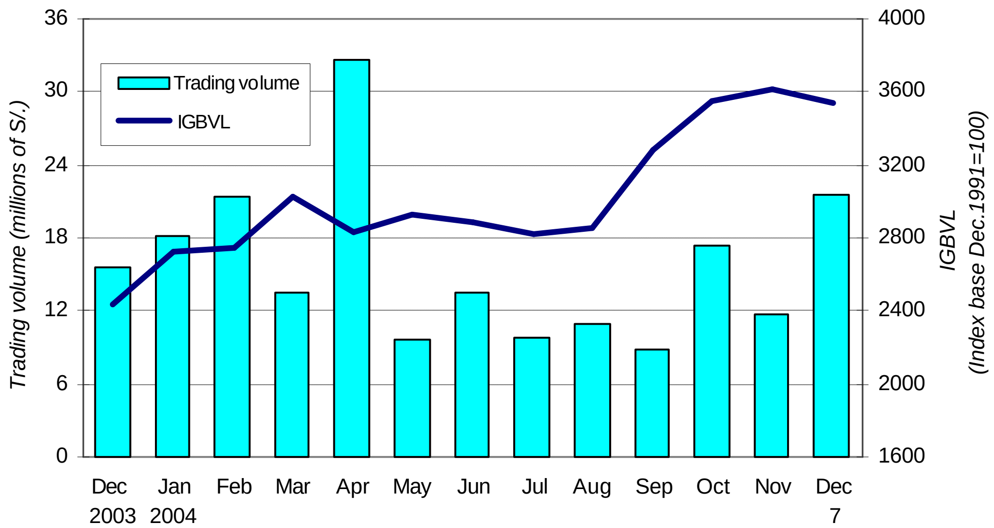


Lima Stock Exchange (LSE)

As of **December 7**, the LSE decreased 2,1% and 1,6% in its **General Index** and its **Blue Chip Index**, respectively.

In the year, these indexes record cumulative increases of 45,4% and 47,3%, respectively.

LSE indicators
(December 2003 - December 2004)



Indicadores Económicos / *Economic Indicators*

		2003	2004												
		DIC.	MAR.	JUN.	SET.	OCT.	29 Nov.	30 Nov.	NOV.	1 Dic.	2 Dic.	3 Dic.	6 Dic.	7 Dic.	DIC.
RESERVAS INTERNACIONALES (Mills. US$) / INTERNATIONAL RESERVES									Var.						Var.
Posición de cambio / *Net international position*		4 583	5 235	5 199	5 721	6 022	6 300	6 320	298	6 341	6 365	6 383	6 378	6 378	58
Reservas internacionales netas / *Net international reserves*		10 194	10 411	10 855	11 187	12 166	12 344	12 337	172	12 354	12 454	12 490	12 519	12 539	201
Depósitos del sistema financiero en el BCRP / *Financial system deposits at BCRP*		2 892	2 776	3 087	3 094	2 910	2 906	2 900	-10	2 922	2 999	3 019	3 054	3 068	168
Empresas bancarias / *Banks*		2 687	2 611	2 884	2 929	2 823	2 806	2 788	-35	2 808	2 885	2 908	2 942	2 965	177
Banco de la Nación / *Banco de la Nación*		154	113	147	106	31	38	51	20	52	52	48	49	40	-11
Resto de instituciones financieras / *Other financial institutions*		52	52	56	59	56	62	61	5	62	62	63	63	63	2
Depósitos del sector público en el BCRP / *Public sector deposits at BCRP*		2 761	2 433	2 614	2 403	3 274	3 169	3 162	-112	3 138	3 137	3 135	3 133	3 136	-26
OPERACIONES CAMBIARIAS BCR (Mill. US$) / *BCRP FOREIGN OPERATIONS*		Acum.	Acum.	Acum.	Acum.	Acum.			Acum.						Acum.
Origen externo de la emisión primaria / *External origin of the monetary base*		175	223	22	155	265	10	10	239	20	30	-1	0	0	49
Compras netas en Mesa de Negociación / N*et purchases of foreign currency*		176	255	21	224	296	10	10	278	20	30	0	0	0	50
Operaciones swaps netas / *Net swap operations*		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operaciones con el Sector Público / *Public sector*		0	-32	0	-70	-31	0	0	-40	0	0	0	0	0	0
TIPO DE CAMBIO (S/. por US$) / *EXCHANGE RATE*		Prom.	Prom.	Prom.	Prom.	Prom.			Prom.						Prom.
Compra interbancario/*Interbank bid*	Promedio / *Average*	3,471	3,464	3,476	3,357	3,319	3,305	3,304	3,309	3,302	3,301	3,298	3,296	3,297	3,299
	Apertura / *Opening*	3,472	3,466	3,495	3,358	3,321	3,306	3,305	3,310	3,303	3,302	3,300	3,299	3,298	3,300
Venta Interbancario	Mediodía / *Midday*	3,471	3,466	3,477	3,359	3,321	3,305	3,307	3,310	3,302	3,302	3,296	3,297	3,298	3,299
Interbank Ask	Cierre / *Close*	3,471	3,465	3,477	3,358	3,321	3,305	3,305	3,310	3,303	3,303	3,299	3,299	3,299	3,301
	Promedio / *Average*	3,471	3,466	3,478	3,358	3,321	3,306	3,306	3,311	3,303	3,302	3,299	3,298	3,299	3,300
Sistema Bancario (SBS)	Compra / *Bid*	3,471	3,464	3,476	3,357	3,320	3,304	3,304	3,309	3,302	3,301	3,299	3,296	3,297	3,299
Banking System	Venta / *Ask*	3,472	3,466	3,478	3,358	3,322	3,306	3,306	3,311	3,303	3,302	3,300	3,297	3,299	3,300
Índice de tipo de cambio real (1994 = 100) / *Real exchange rate Index (1994 = 100)*		106,5	105,5	104,5	102,4	102,6			104,4						
INDICADORES MONETARIOS / *MONETARY INDICATORS*															
Moneda nacional / *Domestic currency*															
Emisión Primaria	(Var. % mensual) / *(% monthly change)*	11,5	0,7	0,7	-1,0	4,5	1,5	0,6	0,6						
Monetary base	(Var. % últimos 12 meses) / *(% 12-month change)*	10,1	16,6	19,2	20,5	24,3			21,7						
Oferta monetaria	(Var. % mensual) / *(% monthly change)*	3,6	1,5	-0,1	2,7	6,2									
Money Supply	(Var. % últimos 12 meses) / *(% 12-month change)*	10,5	12,9	14,1	16,9	23,4									
Crédito sector privado	(Var. % mensual) / *(% monthly change)*	-1,2	3,6	0,8	1,6	3,4									
Crédit to the private sector	(Var. % últimos 12 meses) / *(% 12-month change)*	5,1	6,3	3,9	8,0	12,3									
TOSE saldo fin de período (Var.% acum. en el mes) / *TOSE balance (% change)*		-0,8	3,2	0,4	1,1	4,3	1,7	1,5	1,5	-0,8	0,4	0,6			
Superávit de encaje promedio (% respecto al TOSE)/*Average reserve surplus (% of TOSE)*		0,2	0,2	0,5	0,8	0,4	0,5	0,5	0,5	3,7	3,7	3,3			
Cuenta corriente de los bancos (saldo mill. S/.) / *Banks' current account (balance)*		192	182	196	197	218	103	92	238	735	757	671	365	275	
Créditos por regulación monetaria (millones de S/.) / *Rediscounts (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	2 000	2 286	2 112	2 289	2 411	2 393	2 393	2 445	2 379	2 297	2 204	n.d.	
Certificados de Depósitos BCRP (saldo Mill.S/.) / *CDBCRP balance (Millions of S/.)*		4 097	5 998	5 188	6 730	7 385	7 772	7 794	7 794	7 794	7 744	7 644	7 767	7 815	
Operaciones de reporte (saldo Mill. S/.) / *repos (Balance millions of S/.)*		0	70	75	0	165	0	0	0	500	335	211	0	0	
	Préstamos y descuentos hasta 360 días / Loans & d*iscount*	13,97	14,76	14,74	14,27	14,17	14,58	14,65	14,16	14,54	14,79	14,76	14,74	14,73	14,75
	Interbancaria / *Interbank*	2,51	2,48	2,46	2,73	2,93	3,00	3,02	3,02	3,07	3,06	2,99	2,97	3,01	3,01
Tasa de interés (%)	Preferencial corporativa a 90 días / Corporate *Prime*	3,32	3,33	3,53	3,52	3,65	3,81	3,81	3,80	3,81	3,86	3,86	3,86	3,86	3,85
Interest rates (%)	Operaciones de reporte con CDBCRP / *CDBCRP repos*	s.m	2,55	2,51	s.m.	3,08	s.m.	s.m.	s.m.	3,08	3,08	2,97	s.m.	s.m.	
	Créditos por regulación monetaria / *Rediscounts* **	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	
	Del saldo de CDBCRP / *CDBCRP balance*	3,91	3,64	3,76	4,04	4,18	4,24	4,24	4,24	4,24	4,25	4,26	4,24	4,24	
Moneda extranjera / *foreign currency*															
Crédito sector privado	(Var. % mensual) / *(% monthly change)*	-0,6	0,5	0,7	-1,2	-0,6									
Crédit to the private sector	(Var. % últimos 12 meses) / *(% 12-month change)*	-5,8	-3,7	-0,3	-0,5	-1,0									
TOSE saldo fin de período (Var.% acum. en el mes) / *TOSE balance (% change)*		0,2	0,3	3,4	-0,5	-1,8	1,1	1,3	1,3	0,7	1,0	0,5			
Superávit de encaje promedio (% respecto al TOSE)/*Average reserve surplus (% of TOSE)*		0,1	0,1	0,1	0,1	0,1	0,5	0,1	0,1	3,5	3,7	4,2			
Créditos por regulación monetaria (millones de US dólares) / *Rediscounts*		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Préstamos y descuentos hasta 360 días / *Loans & discount*	7,26	7,30	6,67	7,40	7,57	7,72	7,74	7,65	7,74	7,66	7,64	7,68	7,67	7,65
Tasa de interés (%)	Interbancaria / *Interbank*	1,09	1,08	1,11	1,54	1,73	2,06	2,09	1,88	2,07	2,03	1,93	2,18	2,03	1,98
Interest rates (%)	Preferencial corporativa a 90 días / *Corporate Prime*	1,72	1,76	2,04	2,23	2,40	2,51	2,51	2,52	2,51	2,61	2,61	2,61	2,61	2,59
	Créditos por regulación monetaria / *Rediscounts* ***	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. %) / *General Index (% change)*		13,4	10,5	-1,4	15,0	8,1	0,7	-0,5	2,0	-0,2	-1,4	0,2	-0,1	-0,7	-2,1
Índice Selectivo Bursátil (Var. %) / *Blue Chip Index (% change)*		16,2	12,4	-2,7	16,4	6,7	1,1	-0,5	2,0	-0,1	-1,4	0,4	0,1	-0,7	-1,6
Monto negociado en acciones (Mill. S/.) - Prom. diario		15,7	17,2	13,5	8,9	17,3	5,6	30,8	11,8	14,6	57,2	22,9	7,8	5,0	21,5
INFLACIÓN (%) / *INFLATION (%)*															
Inflación mensual / *Monthly*		0,56	0,46	0,56	0,02	-0,02			0,29						
Inflación últimos 12 meses / % *12 months change*		2,48	2,76	4,26	4,03	3,95			4,07						
GOBIERNO CENTRAL (Mill. S/.) / *CENTRAL GOVERNMENT (Mills. of S/.)*															
Resultado primario / *Primary balance*		-740	282	382	-91	56									
Ingresos corrientes / *Current revenue*		2 963	2 898	2 889	2 993	2 942									
Gastos no financieros / *Non-financial expenditure*		3 827	2 623	2 517	3 094	2 894									
COMERCIO EXTERIOR (Mills. US$) / *FOREIGN TRADE (Mills. of US$)*															
Balanza Comercial / *Trade balance*		184	218	134	262	284									
Exportaciones / *Exports*		909	994	960	1 114	1 138									
Importaciones / *Imports*		726	776	826	852	853									
PRODUCTO BRUTO INTERNO (Índice 1994=100) / *GROSS DOMESTIC PRODUCT*															
Variac. %, respecto al mismo mes del año anterior / *Annual rate of growth*		3,4	5,9	3,0	4,5										
COTIZACIONES INTERNACIONALES / *INTERNATIONAL QUOTATIONS*		Prom.	Prom.	Prom.	Prom.	Prom.			Prom.						Prom.
LIBOR a tres meses (%) / *LIBOR 3-month (%)*		1,17	1,11	1,50	1,90	2,08	2,40	2,41	2,31	2,42	2,44	2,44	2,44	2,45	2,44
Dow Jones (Var %) / *(% change)*		6,53	-2,14	2,42	-0,92	-0,52	-0,44	-0,46	3,99	1,56	-0,05	0,07	-0,43	-1,01	0,12
Rendimiento de los U.S. Treasuries (10 años) / *U.S. Treasuries yield (10 years)*		4,26	3,81	4,73	4,12	4,08	4,32	4,35	4,19	4,37	4,41	4,25	4,22	4,22	4,29
Stripped spread del EMBI+ PERÚ (pbs) / *EMBI+ PERU stripped spread (basis points)*		318	344	438	320	334	273	274	282	260	263	266	263	263	263
Bono Global 2012 - Perú (en pbs) / *Global Bond 2012 - Peru (basis points)*		304	315	411	294	311	253	253	260	247	243	251	242	233	243

* 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.