



BANCO CENTRAL DE RESERVA DEL PERÚ

WEEKLY REPORT

Nº 50 – December 16, 2005

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Exchange rate: S/. 3,441

Between **December 7 and 14**, the asked banking system exchange rate increase from S/. 3,411 to S/. 3,441 per dollar (a depreciation of 0,9 percent). Between Monday 12 and Wednesday 14, it was observed a higher pressure on the exchange market reflected in forward

market by US\$ 293 million. The Central Bank attenuate the pressure through sales of foreign currency by US\$ 84 million and the allocation of Adjustable Certificates of Deposit (CDR) by an equivalent of US\$ 114 million.

BANK'S EXCHANGE POSITION
(Millions of US\$)

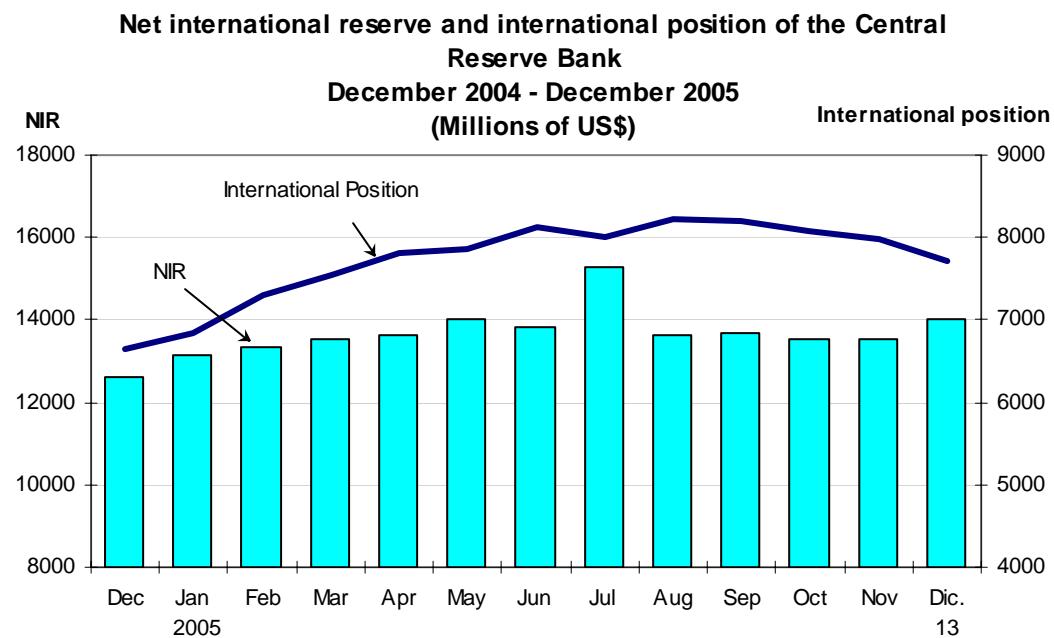
	December 2003	December 2004	October 2005	November	December 14	Variation Dec.14-Nov.30
a. Net sales to the public (i-ii)						
i. Forward sales to the public	607	699	375	446	769	323
ii. Forward purchases to the public	834	1 163	1 473	1 461	1 767	306
b. Bank's exchange position	227	464	1 097	1 015	999	-16
	536	340	372	439	443	4

Net international reserves at US\$ 14 004 million

As of **November 13**, net international reserves (NIR) amounted to US\$ 14 004 million, up US\$ 461 million from end-November. This increase is mainly explained by higher financial sector deposits in US\$ 528 million and of the public sector in US\$ 194 million and investment yield by US\$ 74 million. This evolution was partially offset by sales of foreign currency to the public sector by

US\$ 237 million for the debt pre-payment to the Japan Peru Oil Co., Ltd – JAPECO, and the sales over-the-counter mechanism by US\$ 97 million.

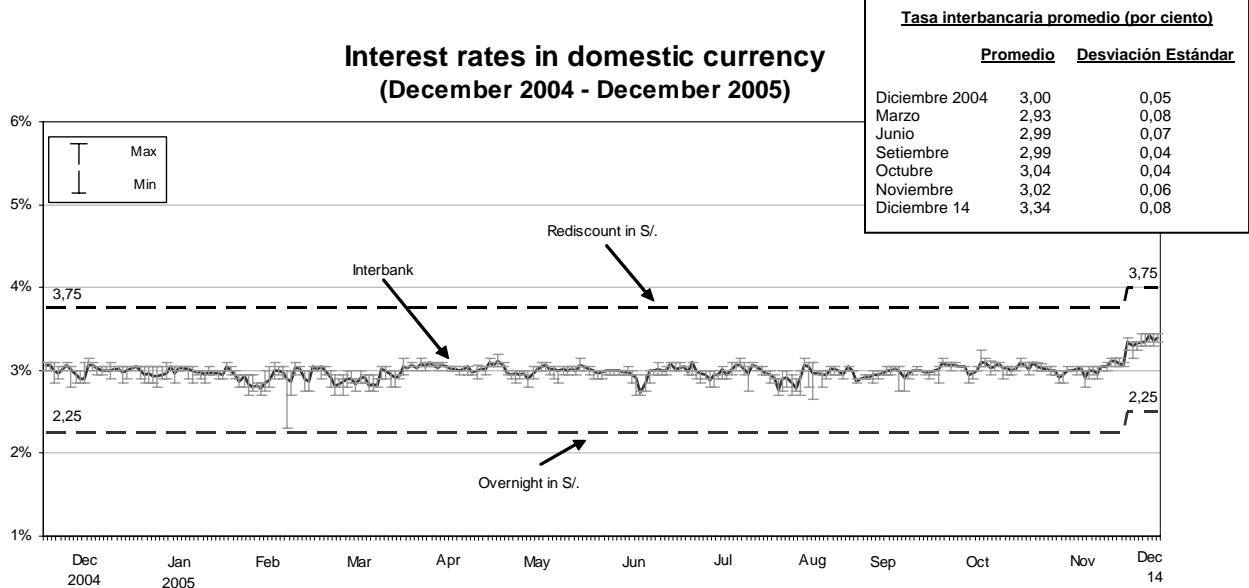
Year-to-date, NIRs have increased US\$ 1 373 million whereas the **Central Bank's international position** (US\$ 7 708 million) grew by US\$ 1 069 million.

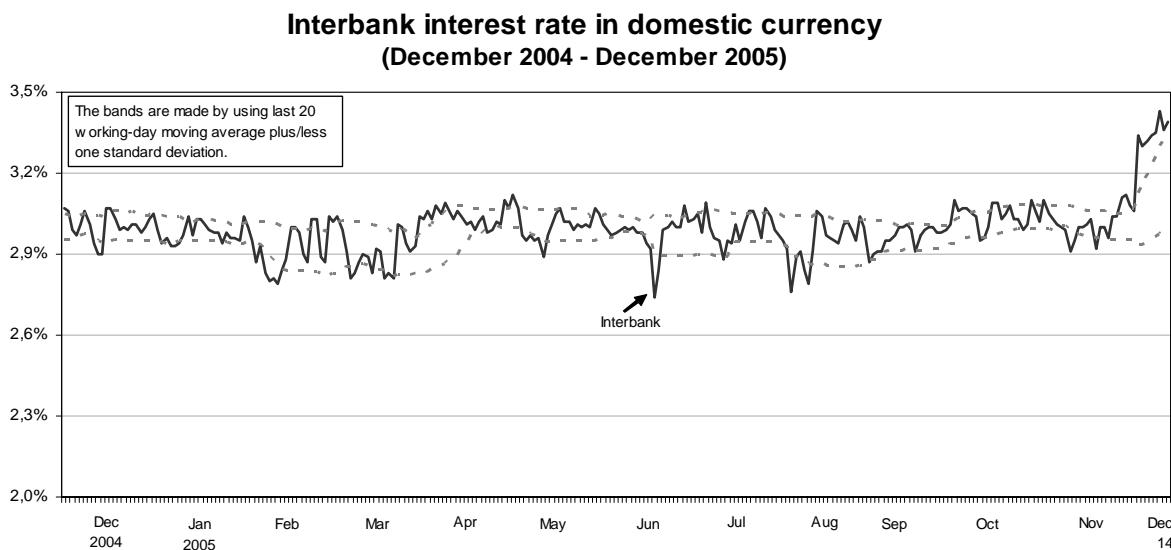


Interbank interest rate at 3,34 percent

As of **November 14** the average interest rate in domestic currency was 3,34 percent, higher than the November's average (3,02 percent), consistent with the increase of the Central Bank's reference interest rate (from 3,00 to 3,25 percent). In the month there is a higher demand of domestic currency due to the placement of Sovereign Bonds (S/. 813 million) on December 12, the beginning of

the taxes payment period, the higher seasonal demand due to the year-end celebrations and the sale of foreign currency by the Central bank, which was compensated by the maturity of CDBCRP and repo operations aiming to locate the interbank interest rate around its reference level.





Monetary operations

Between December **9 and 14**, the Central Bank made the following operations:

- Auctions of Adjustable Certificates of Deposit CDRBCRP with a: i) 3-month maturity by S/. 35 at an average interest rate of 4,24 percent; ii) 6-month by S/. 35, S/. 100, S/. 4 and S/. 100 million at an average interest rate of 4,44, 4,40, 4,46 and 4,40 percent, respectively; iii) 1-year by S/. 70 and S/. 100 million at an average interest rate 4,56 and 4,58 percent, respectively.
- Auctions of temporary purchase of CDRBCRP and BTP with a i) 1-day

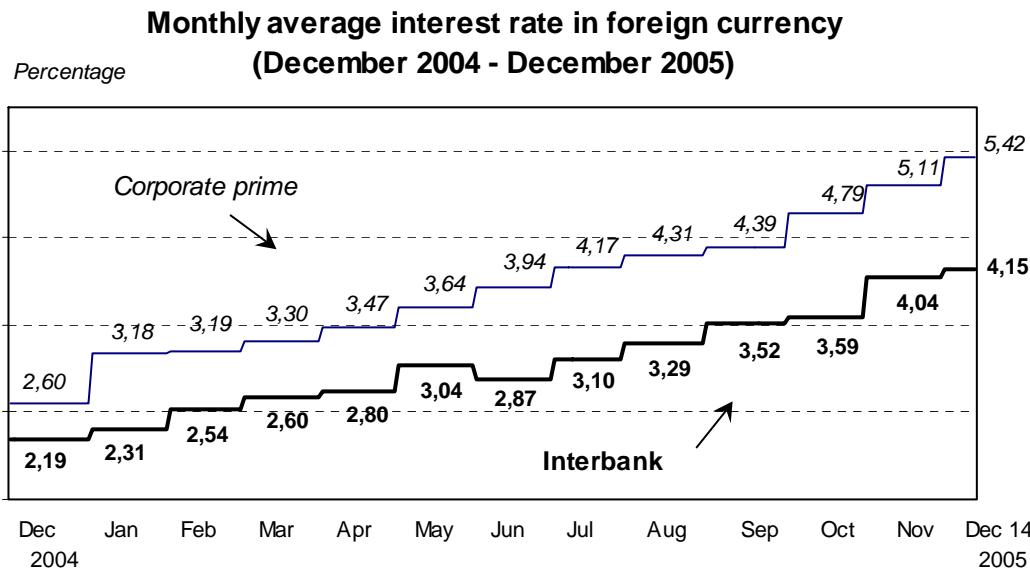
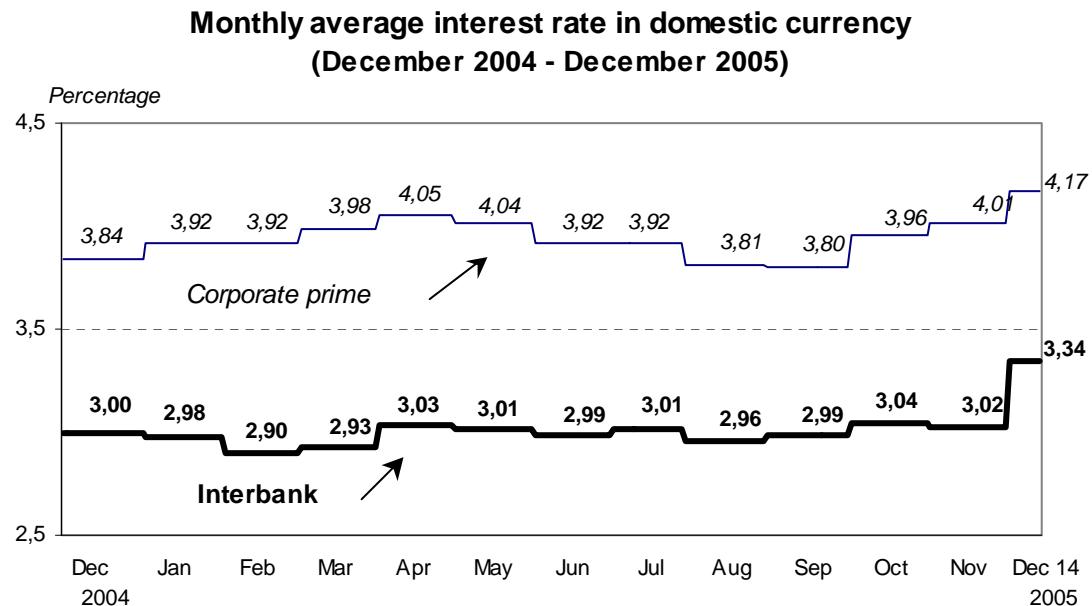
maturity by S/. 1030, S/. 130 and S/. 1 500 and S/. 1800 million at an average interest rate of 3,40, 3,38, 3,38 and 3,40 percent, respectively; ii) 3-day maturity by S/. 560 million at an average interest rate of 3,36 percent.

- Foreign currency sales over-the-counter mechanism by US\$ 86 million at an average exchange rate of S/. 3,437 per dollar.
- Overnight deposits on December 9 and 14 by S/. 7,4 and S/. 1,4 million, respectively.

Corporate prime interest rate at 4,17 percent

As of **December 7**, the 90-day average corporate prime interest rate in domestic currency augmented from 4,01 percent in November to 4,17 percent and the rate in

dollars from 5,11 to 5,42 percent, associated to the increase in the reference interest rate of the Federal Reserve of the United States of America.



Monetary base increased 6,3 percent as of December 7

The **monetary base** balance as of December 7 was S/. 11 024 million up 6,3 percent (S/. 656 million) from end-November. In average terms, the year on year rate of growth of the monetary base in this period was 25,1 percent (28,9 percent in November), thus reverting since September the increasing tendency that was observed in the previous months.

The main explanations for this result were the temporary purchase of securities (S/. 350 million) and the lower public sector deposits (S/. 300 million), compensated by the sales of foreign currency over-the-counter mechanism (US\$ 11 million or S/. 38 million).

Credit to the private sector in domestic currency increased 4,1 percent as of November 22

Through last 4 weeks, liquidity in **domestic currency** increased 2,3 percent (S/. 646 million) to a balance of S/. 29 001 million. Credit to the private sector in the same currency augmented 4,1 percent (S/. 550 million) to S/. 13 956 million. However, in annual terms this aggregates grew by 21,7 and 23,4 percent, respectively.

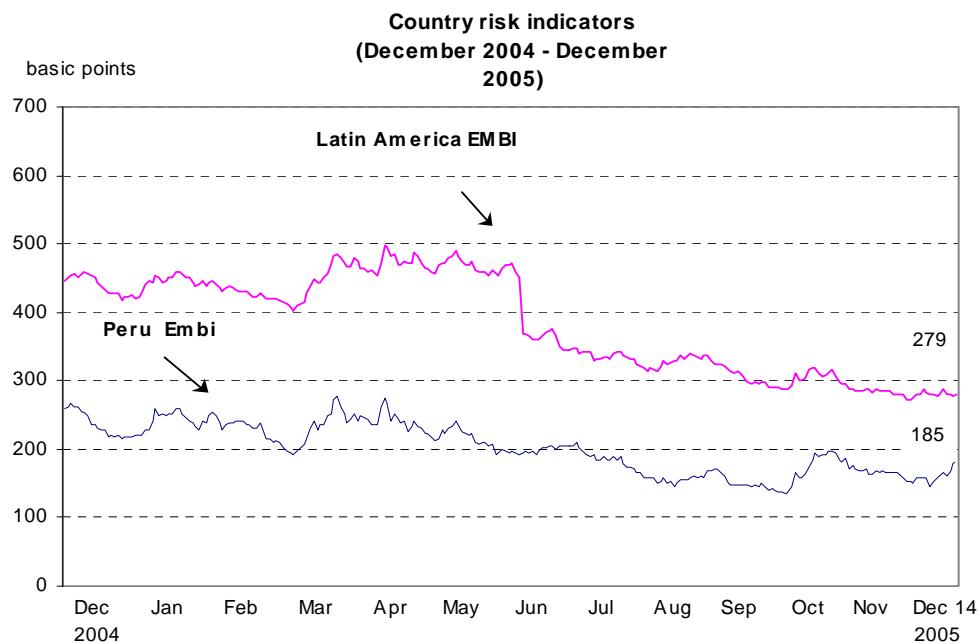
Liquidity in **foreign currency** augmented 0,7 percent (US\$ 67 million) to US\$ 10 270 million (an annual growth rate of 7,1 percent). Credit to the private sector in the same currency augmented 1,1 percent (US\$ 115 million) to US\$ 10 239 million (an annual growth rate of 5,4 percent).

	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												
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												
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%
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%
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%
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%	0,3%	25,3%	-0,2%	11,9%	0,5%	2,1%	24,7%	28,4%	0,3%	2,7%
Feb.	2,0%	26,7%	3,8%	30,8%	0,4%	12,9%	-0,5%	4,3%	-9,4%	14,1%	-0,1%	3,5%
Mar.	-0,2%	25,7%	3,7%	33,6%	2,8%	12,1%	-2,0%	2,2%	6,0%	27,0%	0,4%	3,4%
Abr.	5,2%	26,6%	-1,2%	32,9%	1,7%	14,0%	4,0%	5,4%	10,5%	30,7%	2,2%	4,4%
May.	0,8%	26,7%	0,1%	32,2%	1,7%	16,2%	2,8%	8,8%	-1,9%	12,8%	1,9%	4,9%
Jun.	1,9%	28,1%	2,2%	35,4%	0,8%	16,2%	-0,7%	4,9%	-4,0%	4,7%	1,5%	5,7%
Jul.	12,1%	30,6%	3,4%	36,4%	2,0%	17,1%	-0,6%	1,8%	5,9%	16,8%	0,6%	5,8%
Aug.	-5,1%	30,7%	-1,8%	32,3%	3,3%	20,5%	0,2%	3,9%	-5,0%	17,1%	-2,2%	4,8%
Sep.	-0,1%	31,8%	-0,6%	27,9%	2,0%	21,0%	1,5%	5,5%	-9,8%	-0,9%	-1,4%	4,6%
Oct.	1,2%	27,6%	1,6%	21,8%	3,1%	20,6%	0,3%	6,8%	-11,2%	6,2%	0,0%	5,3%
Nov. 22	-1,6%	27,7%	2,3%	21,7%	4,1%	23,4%	0,7%	7,1%	-2,3%	4,3%	1,1%	5,4%
Memo:												
Balance as of Oct. 22 (Mill.S/. or Mill.US\$)	10 380		28 355		13 406		10 203		747		10 124	
Balance as of Nov. 22 (Mill.S/. or Mill.US\$)	10 215		29 001		13 956		10 270		730		10 239	
1/ Short term external liabilities of banking enterprises.												

Country risk augmented

Between **December 7 and 14**, the **EMBI+ Peru** spread increased to 1,85 from 1,61 percent reflecting the electoral uncertainty. Notwithstanding, the central government issued 7,25 percent yielded global bonds

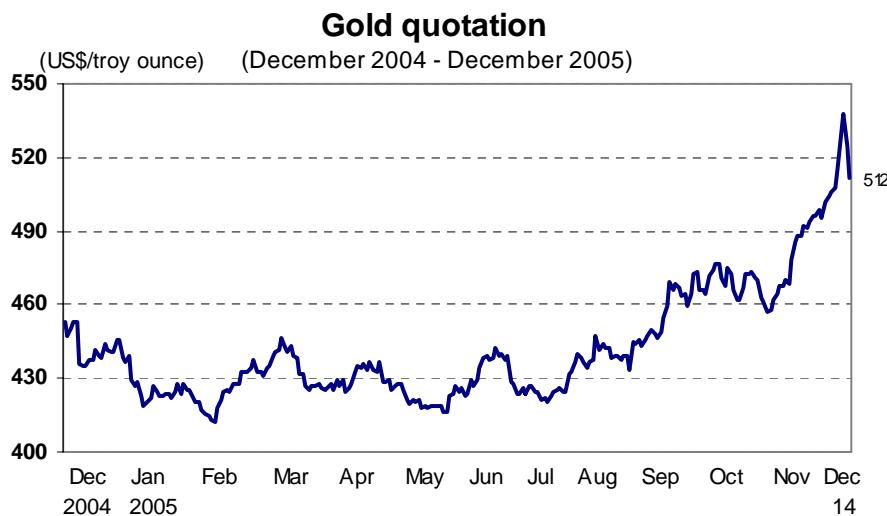
2025 by US\$ 500 million in the international markets, oriented to pay off JAPECO loan and the region registered a positive trend due to the external debt prepayment announces by Brazil and Argentine.



Variable metal quotations

Over the same period, **gold's** average international decrease 0,6 percent to US\$ 512 per troy ounce, up 1,7 percent from

October, reflecting operational transactions, despite the expected higher demand of central banks.



The **copper** quotation remained at US\$ 2,08 per lb., reflecting the favorable industrial growth in the US.



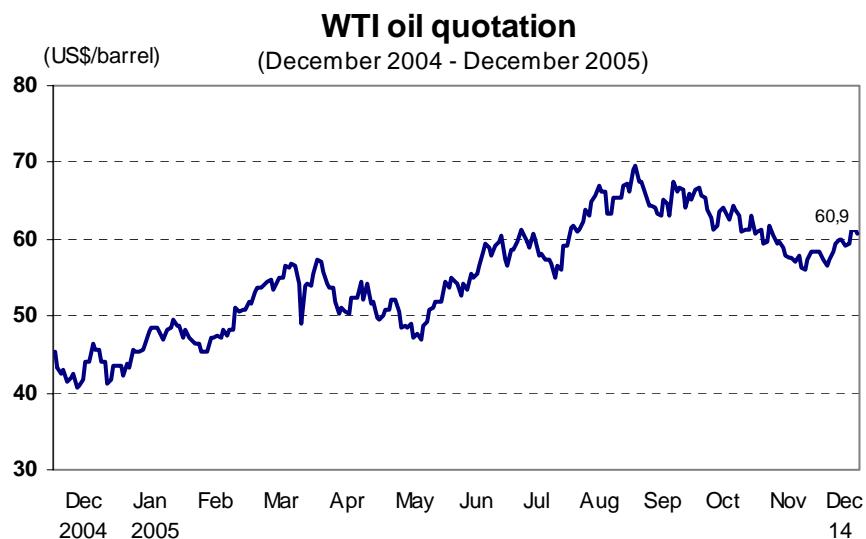
The **zinc** average price soared 16,7 percent from US\$ 0,71 to US\$ 0,83 per lb. following the statement of a Korean firm announcing

the end of operations and the later import figures of China.



The **WTI oil** quotation soared 2,8 percent from US\$ 59,2 to US\$ 60,9 per barrel after the 8 percent drop of November. A colder

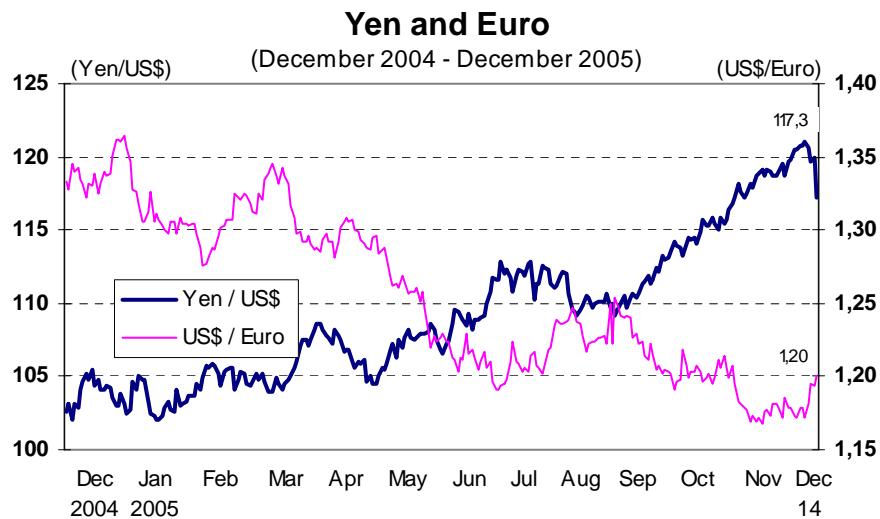
weather in the Northern hemisphere and coming Christmas holydays explained this increase.



US dollar depreciates

Between December 7 and 14, the **US dollar** depreciated 2,5 percent against the **euro** (from US\$ 1,179 on end-November to US\$ 1,201 per euro on December 14) and 3,1 percent against the **yen** (from 121,0 to 117,3

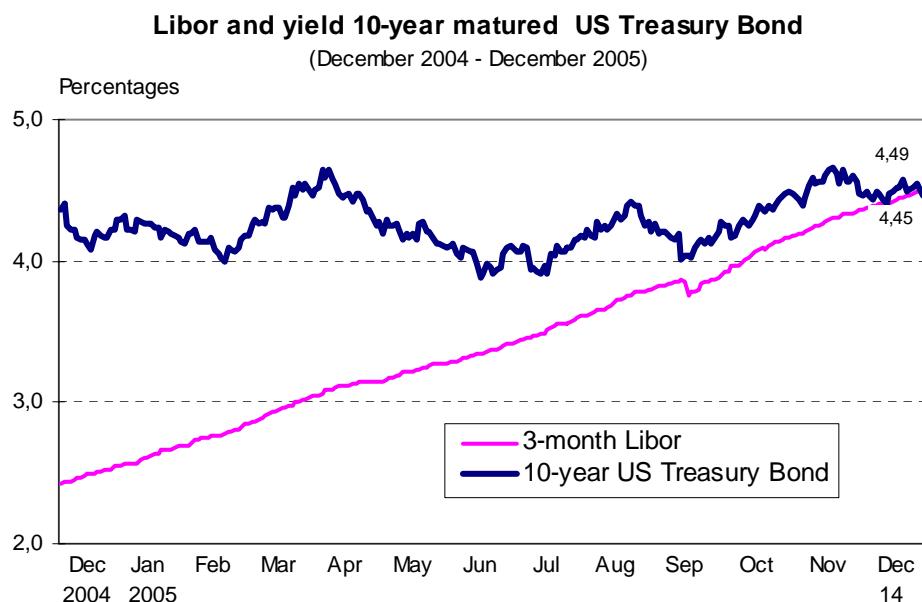
yens per US dollar over the same period), due to the expected end of the contractive monetary stance and the record trade deficit of last October in the US.



3-month Libor climbed to 4,49 percent

Over this week, the 3-month Libor increased from 4,46 to 4,49 percent into a context of raising FED's interest rates. The yield of the 10-year-matured US Treasury bond passed

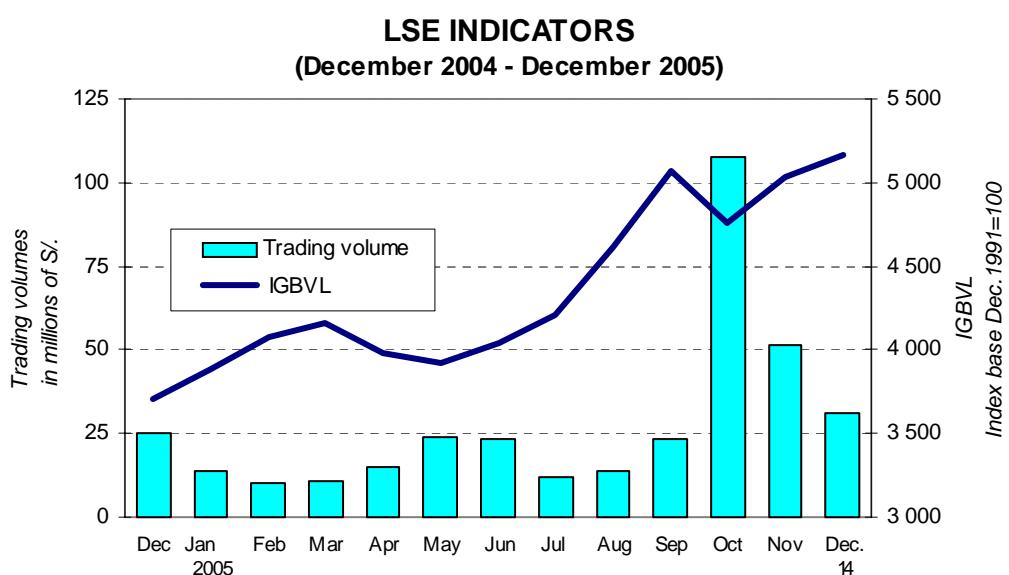
from 4,51 to 4,46 percent following the 0,5 percent drop in the US CPI index (the highest in 56 years). The lower inflation could induce an stop in the raising interest rate process.



Lima Stock Exchange: 2,5 percent up

As of December 14, the **General** and **Blue Chip** Index increased 2,5 and 2,6 percent, respectively, due to rise in mining quotations: gold, copper, zinc

and lead. In the year these indices have increased 39,1 and 34,5 percent, respectively.



Indicadores Económicos / Economic Indicators

	2004	2005													
	DIC.	MAR.	JUN.	AGO.	SET.	OCT.	30 Nov.	NOV.	7 Dic.	9 Dic.	12 Dic.	13 Dic.	14 Dic.	DIC.	
RESERVAS INTERNACIONALES (Mils. US\$) / INTERNATIONAL RESERVES								Var.						Var.	
Posición de cambio / Net international position	6 639	7 545	8 127	8 216	8 192	8 077	7 976	-101	7 975	8 008	7 729	7 708		-268	
Reservas internacionales netas / Net international reserves	12 631	13 555	13 818	13 625	13 695	13 547	13 543	-4	13 741	13 807	13 971	14 004		461	
Depósitos del sistema financiero en el BCRP / Financial system deposits at BCRP	2 915	2 854	2 836	2 723	2 984	3 040	3 234	194	3 437	3 497	3 715	3 762		528	
Empresas bancarias / Banks	2 811	2 748	2 684	2 649	2 876	2 922	3 155	232	3 348	3 409	3 639	3 680		525	
Banco de la Nación / Banco de la Nación	45	46	46	19	56	58	18	-40	21	19	9	15		-3	
Resto de instituciones financieras / Other financial institutions	58	60	56	55	52	59	61	2	68	69	67	67		6	
Depósitos del sector público en el BCRP / Public sector deposits at BCRP *	3 120	3 199	2 913	2 753	2 572	2 498	2 407	-91	2 397	2 371	2 595	2 601		194	
OPERACIONES CAMBIARIAS BCR (Mill. US\$) / BCR FOREIGN OPERATIONS	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.							Acum.	
Compras netas en Mesa de Negociación / Net purchases of foreign currency	306	260	265	112	-25	-125	0	-109	-3	-3	-311	-9	0	-335	
Operaciones swaps netas / Net swap operations	345	360	365	213	33	-34	0	-53	-3	-3	-81	-3	0	-97	
Operaciones con el Sector Público / Public sector	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
-40	-100	-100	-100	-58	-91	0	-56	0	0	-231	-6	0	-237		
TIPO DE CAMBIO (\$/ por US\$) / EXCHANGE RATE	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.								Prom.	
Compra interbancario / Interbank	Promedio / Average	3,276	3,258	3,252	3,257	3,306	3,379	3,411	3,376	3,410	3,409	3,433	3,437	3,438	3,419
Apertura / Opening		3,283	3,260	3,253	3,256	3,308	3,381	3,415	3,377	3,413	3,412	3,430	3,445	3,439	3,420
Venta Interbancario	Mediodía / Midday	3,281	3,260	3,254	3,257	3,309	3,382	3,412	3,378	3,412	3,409	3,439	3,440	3,442	3,421
Interbank Ask	Cierre / Close	3,282	3,260	3,253	3,257	3,309	3,382	3,415	3,378	3,414	3,414	3,441	3,436	3,438	3,422
Promedio / Average		3,284	3,260	3,253	3,258	3,309	3,382	3,413	3,378	3,412	3,411	3,437	3,441	3,441	3,421
Sistema Bancario (SBS) / Banking System	Compra / Bid	3,280	3,258	3,252	3,257	3,307	3,380	3,408	3,375	3,411	3,409	3,431	3,439	3,439	3,418
	Venta / Ask	3,282	3,260	3,253	3,258	3,308	3,382	3,412	3,377	3,412	3,410	3,433	3,441	3,441	3,421
Índice de tipo de cambio real (1994 = 100) / Real exchange rate Index (1994 = 100)		105,0	104,8	103,1	104,7	107,2	108,7		108,1						
INDICADORES MONETARIOS / MONETARY INDICATORS															
Moneda nacional / Domestic currency															
Emisión Primaria (Var. % mensual) / (% monthly change)		14,9	-0,2	1,9	-5,1	-0,1	1,2	0,7	0,7						
(Var. % últimos 12 meses) / (% 12-month change)		25,3	25,7	28,1	30,7	31,8	27,6	27,7	27,7						
Oferta monetaria (Var. % mensual) / (% monthly change)		5,7	3,7	2,2	-1,8	-0,6	1,6								
(Var. % últimos 12 meses) / (% 12-month change)		28,1	33,6	35,4	32,3	27,9	21,8								
Crédito sector privado (Var. % mensual) / (% monthly change)		1,0	2,8	0,8	3,3	2,0	3,1								
(Var. % últimos 12 meses) / (% 12-month change)		11,9	12,1	16,2	20,5	21,0	20,6								
TOSE saldo fin de período (Var.% acum. en el mes) / TOSE balance (% change)		-0,4	8,7	3,2	1,6	0,5	0,0	2,3	2,3	-0,3	0,9	2,2			
Superávit de encaje promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)		0,4	0,5	0,6	0,9	1,0	0,9	0,9	0,9	2,1	1,9	1,9			
Cuenta corriente de los bancos (saldo mill. S.) / Banks' current account (balance)		267	271	278	288	286	294	83	295	438	413	363	468	380	
Créditos por regulación monetaria (millones de millones S.) / Rediscounts (Millions of Millions 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.)		1 918	2 619	4 985	4 975	5 169	5 180	5 484	5 484	5 184	5 058	5 070	5 022	n.d.	
Certificados de Depósitos BCRP (saldo Mill.S.) / CDDBRP balance (Millions of S.)		8 255	11 261	10 465	9 883	9 738	9 045	8 616	8 616	8 616	8 096	8 096	8 096		
Certificados de Depósitos Reajustables BCRP (saldo Mill.S.) / CDRBRP balance (Millions of S.)		0	0	0	0	0	170	170	170	170	240	414	564		
Operaciones de reporte (saldo Mill. S.) / repos (Balance millions of S.)		0	0	0	0	0	65	180	180	560	560	1 160	1 500	1 800	
Tasa de interés (%) / Interest rates (%)	Préstamos y descuentos hasta 360 días / Loans & discount	14,68	15,54	15,51	15,12	14,67	14,42	14,10	14,42	14,17	14,04	14,06	13,94	13,96	14,11
Interbancaria / Interbank		3,00	2,93	2,99	2,96	2,99	3,04	3,08	3,02	3,34	3,35	3,43	3,36	3,39	3,34
Preferencial corporativa a 90 días / Corporate Prime		3,84	3,98	3,92	3,81	3,80	3,96	4,04	4,01	4,12	4,24	4,24	4,24	4,24	4,17
Operaciones de reporte con CDDBRP / CDDBRP repos	s.m.	s.m.	s.m.	s.m.	s.m.	s.m.	3,18	3,19	3,19	3,39	3,36	3,40	3,38	3,40	
Créditos por regulación monetaria / Rediscounts **		3,75	3,75	3,75	3,75	3,75	3,75	3,75	3,75	4,00	4,00	4,00	4,00	4,00	
Del saldo de CDDBRP / CDDBRP balance		4,46	4,48	4,59	4,65	4,64	4,68	4,68	4,68	4,68	4,68	4,70	4,70	4,70	
Moneda extranjera / foreign currency															
Crédito sector privado (Var. % mensual) / (% monthly change)		1,1	0,4	1,5	-2,2	-1,4	0,0								
(Var. % últimos 12 meses) / (% 12-month change)		1,3	3,4	5,7	4,8	4,6	5,3								
TOSE saldo fin de período (Var.% acum. en el mes) / TOSE balance (% change)		1,2	1,1	-0,5	0,3	1,1	-0,1	2,8	2,8	2,4	3,4	3,0			
Superávit de encaje promedio (% respecto al TOSE) / Average reserve surplus (% of TOSE)		0,6	0,1	0,3	0,3	0,4	0,3	0,2	0,2	5,7	5,7	6,0			
Créditos por regulación monetaria (millones de US dólares) / Rediscounts		0	0	0	0	0	0	0	0	0	0	0	0	0	
Tasa de interés (%) / Interest rates (%)	Préstamos y descuentos hasta 360 días / Loans & discount	7,66	8,26	8,31	8,73	8,90	9,01	9,30	9,23	9,35	9,32	9,36	9,36	9,34	
Interbancaria / Interbank		2,19	2,60	2,87	3,29	3,52	3,59	3,68	4,04	4,13	4,13	4,28	4,30	4,15	
Preferencial corporativa a 90 días / Corporate Prime		2,60	3,30	3,94	4,31	4,39	4,79	5,20	5,11	5,34	5,49	5,49	5,49	5,41	
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.		
INDICADORES BURSÁTILES / STOCK MARKET INDICES	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.	Acum.		Acum.					Acum.	
Índice General Bursátil (Var. %) / General Index (% change)		2,6	2,0	2,9	9,5	10,0	-6,0	-0,3	5,7	0,7	0,5	-0,7	-0,7	-0,1	2,4
Índice Selectivo Bursátil (Var. %) / Blue Chip Index (% change)		3,1	1,9	1,6	6,4	9,6	-5,6	-0,5	6,8	0,7	0,8	-0,5	-0,5	-0,6	2,6
Monto negociado en acciones (Mill. S.) - Prom. diario		25,3	10,9	23,4	13,7	23,2	107,6	28,5	51,3	15,1	103,5	22,1	13,0	20,6	31,00
INFLACIÓN (%) / INFLATION (%)															
Inflación mensual / Monthly		-0,01	0,65	0,26	-0,18	-0,09	0,14			0,07					
Inflación últimos 12 meses / % 12 months change		3,48	1,88	1,48	1,22	1,11	1,28			1,06					
GOBIERNO CENTRAL (Mill. S.) / CENTRAL GOVERNMENT (Mills. of S.)															
Resultado primario / Primary balance		-1 165	838	475	423	180	102								
Ingresos corrientes / Current revenue		3 322	3 512	3 221	3 327	3 443	3 375								
Gastos no financieros / Non-financial expenditure		4 489	2 679	2 752	2 926	3 273	3 277								
COMERCIO EXTERIOR (Mills. US\$) / FOREIGN TRADE (Mills. of US\$)															
Balanza Comercial / Trade balance		410	415	476	392	438	374								
Exportaciones / Exports		1 380	1 351	1 432	1 483	1 460	1 465								
Importaciones / Imports		970	936	957	1 091	1 021	1 091								
PRODUCTO BRUTO INTERNO (Índice 1994=100) / GROSS DOMESTIC PRODUCT															
Variac. %, respecto al mismo mes del año anterior / Annual rate of growth		8,7	4,7	4,6	6,7	5,7	7,2								
COTIZACIONES INTERNACIONALES / INTERNATIONAL QUOTATIONS	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.	Prom.		Prom.					Prom.	
LIBOR a tres meses (%) / LIBOR 3-month (%)		2,50	3,02	3,42	3,80	3,91	4,17	4,42	4,36	4,46	4,48	4,49	4,49	4,49	4,47
Dow Jones (Var %) / % change		3,40	-2,44	-1,84	-2,09	1,44	-0,94	-0,76	3,21	-0,42	0,22	-0,10	0,52	0,55	0,72
Rendimiento de los U.S. Treasuries (10 años) / U.S. Treasuries yield (10 years)		4,22	4,49	3,99	4,25	4,19	4,46	4,49	4,53	4,51	4,53	4,55	4,52	4,46	4,52
Stripped spread del EMBI+ PERÚ (pbs) / EMBI+ PERU stripped spread (basis points)		236	226	198	157	150	177	158	163	161	161	169	178	185	163

* Incluye depósitos de Promecipri, Fondo de Estabilización Fiscal (FEF), Cofide, fondos administrados por la ONP; y otros depósitos del MEF. El detalle se presenta en el cuadro No.22 de la Nota Semanal.

** Corresponde a la mayor tasa entre 3,75% o la tasa interbancaria del día. A partir del 2 de diciembre de 2005, esta tasa se elevó a 4,0%.

*** 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.