



PRESS RELEASE

MONETARY POLICY STATEMENT DECEMBER 2024 BCRP MAINTAINED THE REFERENCE RATE AT 5.00%

1. The Board of Directors of the Central Reserve Bank of Peru (BCRP) agreed to keep the reference rate steady at 5.00 percent. Future reference rate adjustments will be conditional on new information about inflation and its determinants.
2. The decision to maintain the reference rate considered the following information and projections:
 - i. In November, monthly inflation was 0.09 percent and core inflation was 0.06 percent. Between October and November, year-on-year inflation increased from 2.0 to 2.3 percent due to a base effect. For the same reason, the year-on-year core inflation increased from 2.5 percent to 2.6 percent.
 - ii. Global inflation continued to decline, though at a slower pace than in previous months, with most central banks nearing their targets, and in the case of some countries, these targets have already been reached.
 - iii. One-year-ahead inflation expectations remained slightly below 2.5 percent in November, within the target range.
 - iv. Year-on-year inflation and core inflation are expected to remain within the target range over the forecast horizon.
 - v. In November, the majority of the coincident and expectation indicators were at the optimistic territory, as was the case in the previous months, with economic activity around its potential level.
 - vi. The outlook for global economic activity points to moderate growth as monetary policy normalization continues in most advanced economies. Risks related to international conflicts and their potential impact on international fuel prices persist, along with uncertainty about the trade policies.
3. The Board is particularly attentive to new information on inflation and its determinants, including the evolution of core inflation, inflation expectations, and economic activity, to consider, if necessary, additional changes in the monetary stance. The Board reaffirms its commitment to adopt the necessary actions to maintain inflation within the target range.
4. The Board also decided on the following interest rates on its window facility operations in domestic currency with financial entities:
 - i. Overnight deposits: 3.00 percent per year.
 - ii. Direct security/currency repo and rediscount operations: i) 5.50 percent per year for the first 10 operations in the last 3 months and ii) the interest rate set by the Monetary and Exchange Operations Committee for operations in addition to these 10 operations in the last 3 months. In addition, the Monetary and Exchange Operations Committee may establish higher rates based on the amount of the operations.
5. The schedule of monetary policy meetings for the next twelve months is the following:

January 9	February 13	March 13
April 10	May 8	June 12
July 10	August 14	September 11
October 9	November 13	December 11

Lima, December 12, 2024