

**DOCUMENT OF INTERNATIONAL MONETARY FUND  
AND NOT FOR PUBLIC USE**

**IMMEDIATE  
ATTENTION**

MASTER FILES

ROOM C-120

01

EBD/86/19

January 23, 1986

To: Members of the Executive Board

From: The Secretary

Subject: Peru - Change in Representative Rate for the Currency of Peru

It is not proposed to bring the attached memorandum to the agenda of the Executive Board for discussion unless an Executive Director so requests by noon on Wednesday, January 29, 1986. In the absence of such a request, the draft decision will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Att: (1)

Other Distribution:  
Department Heads

INTERNATIONAL MONETARY FUND

Change in Representative Rate for the Currency of Peru

Prepared by the Treasurer's Department

(In consultation with the Legal, Western Hemisphere,  
and Exchange and Trade Relations Departments)

Approved by W.O. Habermeier

January 23, 1985

The representative rate for the Peruvian currency against the U.S. dollar was last established as the average between buying and selling rates of Peruvian soles at the close of the exchange market as determined by the Superintendencia de Bancay Seguros (Executive Board Decision No. 5895-(78/131)G/S, adopted August 16, 1978).

In a letter of April 30, 1985 the Banco Central de Reserva del Peru informed the Fund of the phased introduction of a new monetary unit the "inti", as explained in EBD/85/130, May 21, 1985. The "inti" started to replace the sol with effect from February 1, 1985, but the financial system was to continue to express its operations in soles until December 31, 1985, after which date any reference to the national currency of Peru was to be made exclusively in intis.

In view of this change in the monetary unit of Peru, the Fund has consulted with the Peruvian authorities under Rule O-2(c) concerning the determination of a representative rate for the Peruvian inti in the domestic exchange market for spot delivery of U.S. dollars. As a result, it is considered that the representative rate for the Peruvian inti under Rule O-2(b)(i) against the U.S. dollar is the midpoint between buying and selling rates for spot delivery of U.S. dollars in the official exchange market as determined by the Banco Central de Reserva del Peru.

As mentioned in the attached telex from the Peruvian authorities, the rates of exchange as of January 20, 1986 were one U.S. dollar equals intis 13.91 buying and intis 13.98 selling in spot exchange transactions in the official exchange market. It is understood that the Banco Central de Reserva del Peru will inform the Fund periodically of changes in these buying and selling rates and will advise immediately any change in the exchange system.

The following draft decision is proposed for adoption by the Executive Board:

The Fund finds, after consultation with the authorities of Peru, that the representative exchange rate for the Peruvian inti under Rule 0-2(b)(i) against the U.S. dollar is the midpoint between buying and selling rates for spot delivery of U.S. dollars in the official exchange market as determined by the Banco Central de Reserva del Peru.

Attachment

TO INTERNATIONAL MONETARY FUND, WASHINGTON D.C.  
FM BANCO CENTRAL DE RESERVA DEL PERU, LIMA

20.1.86

NUMBER 1

1. THIS IS TO PROPOSE THAT THE FUND FIND THE REPRESENTATIVE EXCHANGE RATE FOR THE PERUVIAN INTI UNDER RULE 0-2 (B) (I) AGAINST THE U.S. DOLLAR TO BE THE MIDPOINT BETWEEN BUYING AND SELLING RATES FOR SPOT DELIVERY OF U.S. DOLLARS IN THE OFFICIAL EXCHANGE MARKET AS DETERMINED BY BANCO CENTRAL DE RESERVA DEL PERU. AT PRESENT THE RATES OF EXCHANGE ARE ONE U.S. DOLLAR EQUALS INTIS 13.91 BUYING AND INTIS 13.98 SELLING IN SPOT EXCHANGE TRANSACTIONS IN THE OFFICIAL EXCHANGE MARKET.

2. WE WILL INFORM THE FUND PERIODICALLY OF CHANGES IN THE ABOVE-MENTIONED BUYING AND SELLING RATES AND WILL ADVISE ANY CHANGE IN THE EXCHANGE SYSTEM.

REGARDS

RESERBANCO

Received in Cable Room on January 20, 1986

