

EXECUTION COMMITTEE

ACT NUMBER 48-2005

Session 48-2005 celebrated in the *Banco de Guatemala* building, on Tuesday, September twenty-seventh, two thousand five, at fifteen hours.

The coordinator, with the corresponding quorum, submitted for consideration the Execution Committee's Order of the Day.

ONLY POINT: Analysis of the relative position for 336 day terms for the bidding for Long Term Deposits in dollars from the United States of America. Number DPUS\$-75-2005.

Not having observations, the Committee approved the Order of the Day.

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In agreement with the established by the Execution Committee in Act Number 47-2005 of session celebrated September 23, 2005, in the sense that the positions received for the bidding on long term deposit certificates in United States dollars can be awarded using as a reference an interest rate of up to 3.05% for the 91 day term and up to 3.75% for the 336 day term, without excluding the possibility that if the positions received at higher rates would warrant it, a Committee session would be convened for the awarding, the meeting was held on September 27, 2005 to analyze the relative bidding for the 336 day term.

The Committee observed that the interest rate for the 336 day bid is of 3.89% and deliberated over the convenience of accepting the referred position, taking into consideration, among other aspects, that the interest rate of the Federal Reserve of the United States of America recognized that for that day the Treasury Letters for the 182 day terms and one year terms were 3.88% and 3.98%, respectively, therefore it was estimated that the interest rate demanded for 336 days did not represent the risk of stimulating income of capital to the country, therefore it decided to adjudicate it. In that sense, the Execution Committee adjudicated the long term deposits for US\$13,000.00 for 336 days, at an interest rate of 3.89%.

Also, the General Manager of the *Banco de Guatemala* was given authority so that, as of the bidding of October 4, 2005, he can adjudicate the demanded amounts for

the 336 day bids, at an interest rate of up to 3.89%, as long as they are within the established limits.

The session ended at fifteen hours and thirty minutes, signed in agreement by the attending parties.