



**INTERNATIONAL RESERVES: COMPOSITION AND PERFORMANCE AS OF OCTOBER 2011**

At the end of October 2011, gross international reserves (GIR) amounted to USD 48 764 million, USD 655 million higher than the previous month. Its composition by asset class was as follows:

GROSS INTERNATIONAL RESERVES (millions of US\$)				
Asset	30.12.2010	30.06.2011	30.09.2011	28.10.2011
Deposits abroad	10,777.2	10,241.1	9,116.8	9,791.3
Securities	30,391.7	33,678.5	35,506.8	35,317.2
Gold	1,564.9	1,671.1	1,806.6	1,944.9
Others <sup>1/</sup>	1,416.6	1,604.7	1,679.2	1,710.7
<b>TOTAL</b>	<b>44,150.4</b>	<b>47,195.4</b>	<b>48,109.4</b>	<b>48,764.1</b>

1 / Includes subscriptions of capital to FLAR and credit balances from ALADI.

The value of liquid international assets (see glossary) reached USD 46 925 million, showing the following composition in terms of maturity and credit risk:

Term to maturity	oct-28-2011	Long term rating <sup>1/</sup>	oct-28-2011
0-3 months	40.5	AAA	76.6
3-12 months	17.4	AA+ / AA / AA-	13.5
>1 year	42.0	A+	9.9

<sup>1/</sup> Average rating from Fitch, Standard & Poor's and Moody's. The minimum long term credit rating required by the BCRP for its correspondents banks is A+ and for securities held in its portfolio is AA -.

Currencies	Oct 28-2011
US\$	52.8%
Other Currencies	41.2%
Gold	6.0%

The effective exposure to U.S. dollars in the Net International Position reached 52,8%, while other currencies and gold accounted for 41,2% and 6,0% respectively.

The Net International Position at the end of October 2011 reached US\$ 32 248 million.

The duration of the portfolio was 1,10 years at the end of October.

**ANNEX 1: GLOSSARY OF TERMS**

**Gross International Reserves (GIR).**- Central Bank's GIR<sup>1</sup> are composed mainly of deposits in foreign banks, foreign securities and bonds, gold holdings and any other internationally recognized means of payments such as coins and bills. It also includes subscriptions to international organizations, and the credit balance from the financial agreement signed with other Latin-American central banks as part of the Asociación Latinoamericana de Integración, ALADI<sup>2</sup>.

**Net International Position.**- Central Bank's Net International Position is the difference of assets and liabilities in foreign exchange, both internationally and with residents. These assets could be diversified by currencies and gold.

**Liquid International Assets.**- Assets which can be easily negotiated in the international financial markets. They are the result of excluding from the GIR subscriptions of capital to international financial organizations, such as Fondo Latinoamericano de Reservas (FLAR), IMF's Reserve Tranche Position and fiduciary funds, credit balances from ALADI, and holdings of gold in Central Bank of Peru's vaults.

<sup>1</sup> The concept used by the Central Bank is consistent with the paragraph 424 of the Manual of the Balance of Payments, IMF, 5<sup>th</sup> Edition.

<sup>2</sup> For historical series, see in this Webpage Home/Statistics/Weekly Report Charts/ 25 "Concepts of international liquidity of the Central Bank of Peru".