



**INTERNATIONAL RESERVES: COMPOSITION AND
PERFORMANCE AS OF OCTOBER 2016**

At the end of October 2016, **Gross International Reserves (GIR)** amounted to USD 62 049 million, of which 61 percent is invested in securities, 34 percent in deposits and 5 percent in gold and other assets. Regarding their composition by asset class, they maintained a conservative risk profile with predominance of investments in the highest quality securities.

GROSS INTERNATIONAL RESERVES (millions USD)				
Asset	12.31.2015	09.30.2016	10.31.2016	Change
	Balance	Balance	Balance	
Deposits abroad	20 122	18 667	21 123	2 456
Securities	38 491	39 999	37 999	-2 000
Gold	1 181	1 467	1 424	-43
Others ^{1/}	1 743	1 485	1 503	18
TOTAL	61 537	61 618	62 049	431

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

Term to maturity	10.31.2016	Long term rating	10.31.2016
0-3 months	50%	AAA	43%
3-12 months	21%	AA+ / AA / AA-	38%
>1 year	29%	A+ / A / A-	19%

The value of liquid international assets reached USD 60 571 million, with increases in investments with maturities between 0 and 3 months, and in those with credit rating AA+/AA/AA- and A+/A/A-. The duration of the portfolio was 0.60 years at the end of October, 0.01 years higher to that of the previous month.

The **Net International Position** at the end of October 2016 reached USD 27 351 million. This aggregate does not include assets financed with public sector and local financial entities.

Currencies	10.31.2016
USD	89%
Other Currencies	6%
Gold	5%

The effective exposure to U.S. dollar in the Net International Position reached 89 percent, while other currencies accounted for 6 percent.

ANNEX 1: GLOSSARY OF TERMS

Gross International Reserves (GIR).- Central Bank's GIR¹ 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 ².

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) and Bank for International Settlements (BIS), IMF's Reserve Tranche Position and trust funds, credit balances from ALADI, and holdings of gold in Central Bank of Peru's vaults.

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

² See data in <http://www.bcrp.gob.pe/publications/weekly-reports/tables.html> > "Concepts of international liquidity of the Central Bank of Peru".