



INTERNATIONAL RESERVES: COMPOSITION AND

PERFORMANCE AS OF AUGUST 2017

At the end of August 2017, **Gross International Reserves (GIR)** amounted to USD 62 157 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 (GIR) (millions USD)				
Asset	12.30.2016	07.31.2017	08.31.2017	Change
	Balance	Balance	Balance	
Deposits abroad	21 674	25 549	21 466	-4 083
Securities	37 341	34 811	37 742	2 931
Gold	1 283	1 416	1 474	58
Others ^{1/}	1 448	1 463	1 475	12
TOTAL	61 746	63 239	62 157	-1 082

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

The value of liquid international assets reached USD 60 702 million, with an increase in investments with maturities between 0-3 months and a decrease between 3-12 months, and increase with those with credit rating AA+/AA/AA- and a decrease those with credit rating A+ /A /A-. The duration of the portfolio was 0.59 years at the end of August, similar than the previous month.

Term to maturity	08.31.2017	Long term rating	08.31.2017
0-3 months	57%	AAA	41%
3-12 months	15%	AA+ / AA / AA-	33%
>1 year	28%	A+ / A / A-	26%

The **Net International Position** at the end of August 2017 reached USD 32 498 million. This aggregate does not include assets financed with public sector and local financial entities.

Currencies	08.31.2017
USD	90%
Other Currencies	5%
Gold	5%

The effective exposure to U.S. dollar in the Net International Position reached 90 percent, while other currencies accounted for 5 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, ALADI².

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".