

**BANCO CENTRAL DE RESERVA DEL PERÚ**

International Operations Division

**INTERNATIONAL RESERVES: COMPOSITION AND
PERFORMANCE AS OF OCTOBER 2012**

At the end of October 2012, gross international reserves (GIR) amounted to USD 61 957 million, USD 716 million higher than the previous month. Its composition by asset class was as follows:

GROSS INTERNATIONAL RESERVES (millions of US\$)				
Asset	29.12.2011	28.06.2012	28.09.2012	31.10.2012
Deposits abroad	11,263.3	12,449.3	11,505.9	10,420.7
Securities	34,189.7	41,406.5	46,048.4	47,859.0
Gold	1,722.2	1,734.5	1,975.9	1,917.4
Others ^{1/}	1,683.4	1,690.9	1,710.1	1,759.6
TOTAL	48,858.6	57,281.2	61,240.3	61,956.7

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

The value of liquid international assets (see glossary) reached USD 60 059 million, showing the following composition in terms of maturity and credit risk:

Term to maturity	oct-31-2012	Long term rating	oct-31-2012
0-3 months	35%	AAA	74%
3-12 months	23%	AA+ / AA / AA-	17%
>1 year	42%	A+ / A / A-	9%

The Net International Position at the end of October 2012 reached US\$ 44 508 million.

Currencies	Oct 31-2012
US\$	64%
Other Currencies	32%
Gold	4%

The effective exposure to U.S. dollars in the Net International Position reached 64%, while other currencies and gold accounted for 32% and 4% respectively.

The duration of the portfolio was 1,18 years at the end of October.

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), IMF's Reserve Tranche Position and fiduciary 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 For historical series, see in this Webpage Home/Statistics/Weekly Report Charts/ 25 "Concepts of international liquidity of the Central Bank of Peru".