



STATEMENT OF ASSETS AND LIABILITIES OF THE CENTRAL GOVERNMENT

Republic of Peru
September, 2014



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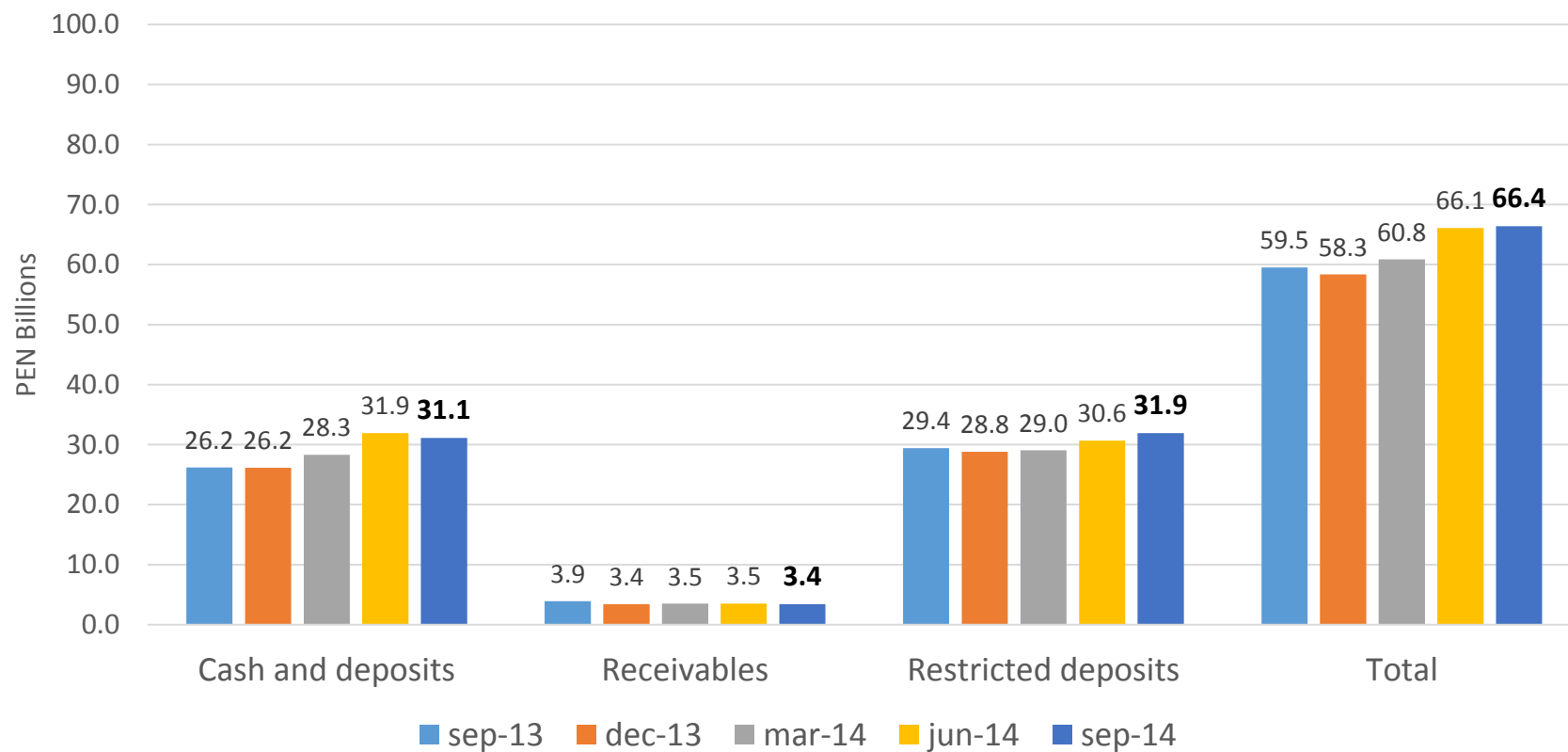
1. Financial Assets
2. Financial Liabilities
3. Net Public Debt
4. Structural Balance - Sheet Risk
 - a. Liquidity risk
 - b. Interest rate risk
 - c. Foreign exchange risk



FINANCIAL ASSETS

Central Government Gross Savings

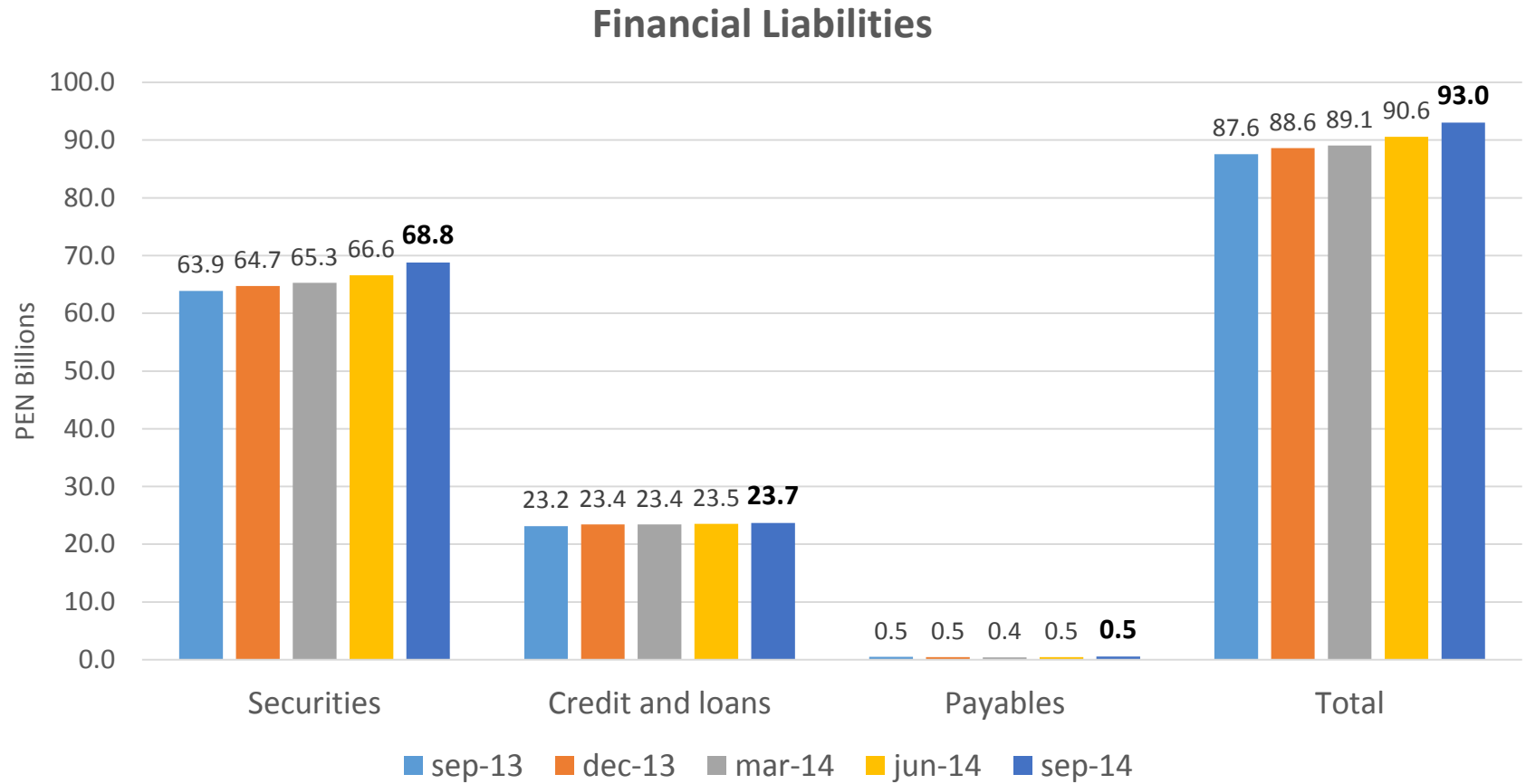
Financial Assets





FINANCIAL LIABILITIES

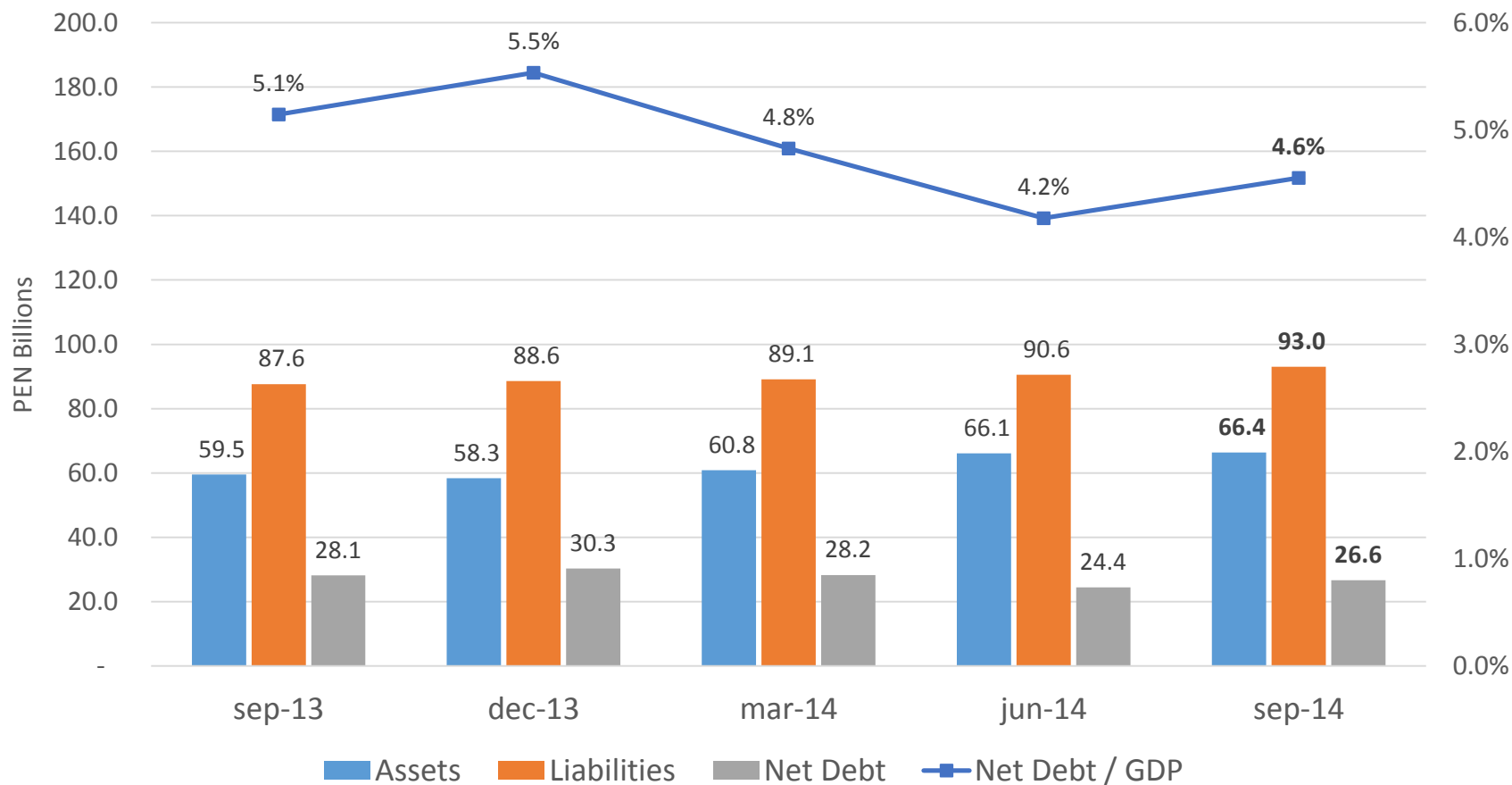
Central Government Gross Debt





CENTRAL GOVERNMENT NET DEBT

Financial liabilities - financial assets

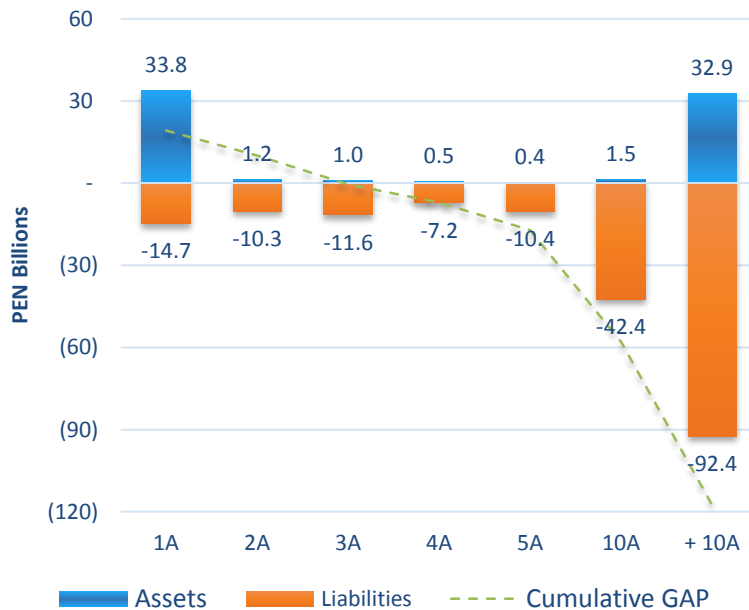




STRUCTURAL BALANCE-SHEET RISK

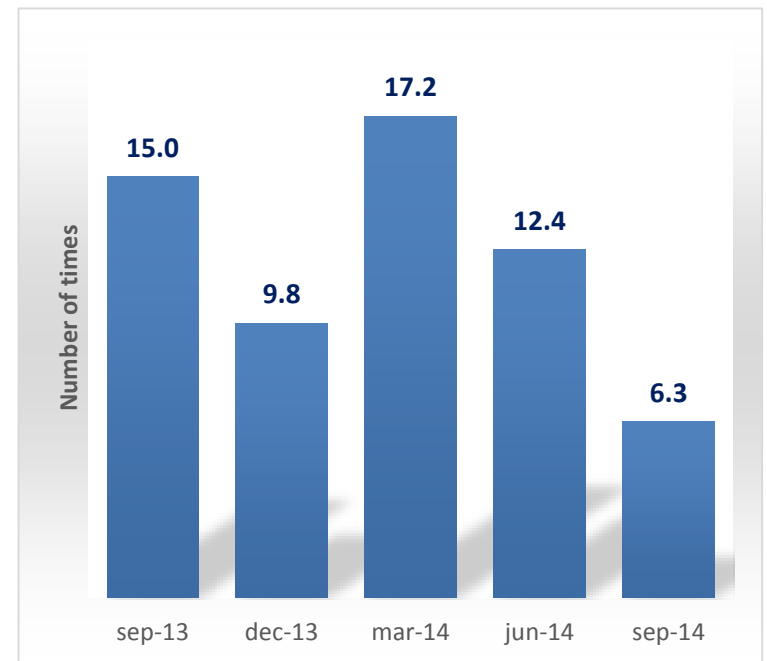
Liquidity risk

Cumulative Gap Sep-14



Projected difference between the total assets remaining at each maturity and the total liabilities also remaining at each maturity.

Liquidity Coverage Ratio (LCR)



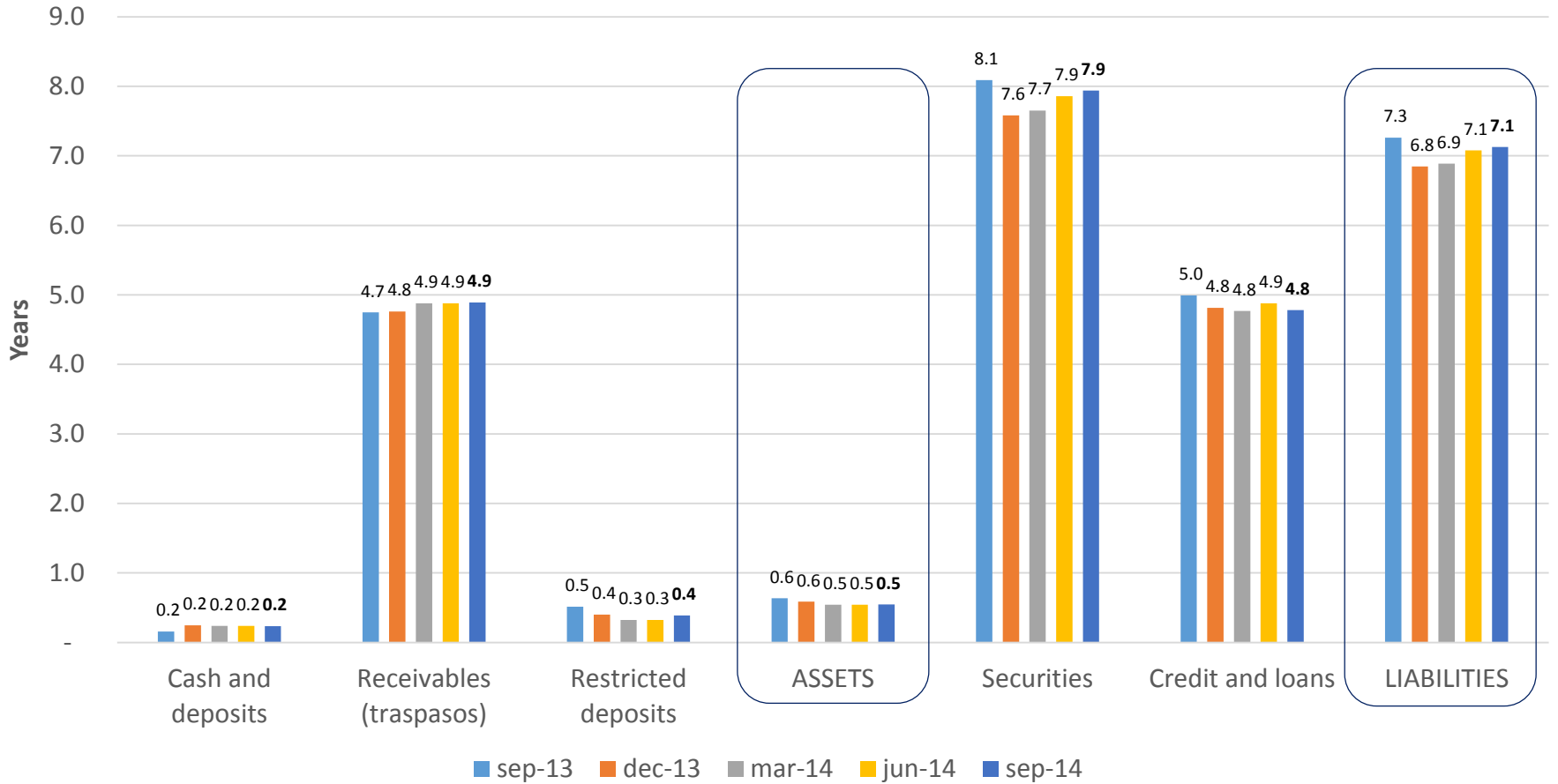
Highly liquid assets held by the Treasury in order to meet short-term obligations*.



STRUCTURAL BALANCE-SHEET RISK

Interest rate risk

Macaulay Duration





STRUCTURAL BALANCE-SHEET RISK

Interest rate risk

Earnings at risk (EaR)

Effect over the interest income of adverse deviations of 200 basis points.

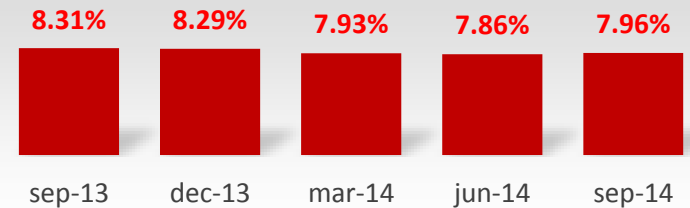
EaR / INOCME CG (%)



Economic Capital at risk (CaR)

Effect over the economic profit of adverse deviations of 200 basis points.

CaR / GDP (%)





STRUCTURAL BALANCE-SHEET RISK

Foreign exchange risk

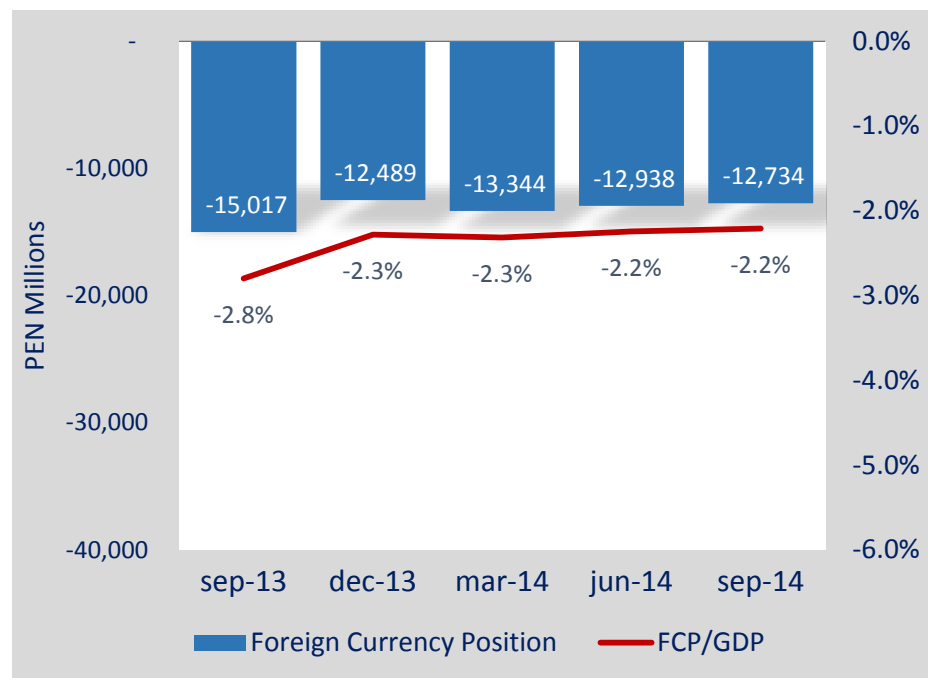
Overall foreign currency position

	PEN Billions
Foreign spot position (Assets - Liabilities) (A)	-16 089
Forward position (Derivatives + Interest receivable - Interest payable) (B)	-47 712
Total position (C) = (A) + (B)	-63 802
Overall foreign currency position (Present value of (C))	-12 734

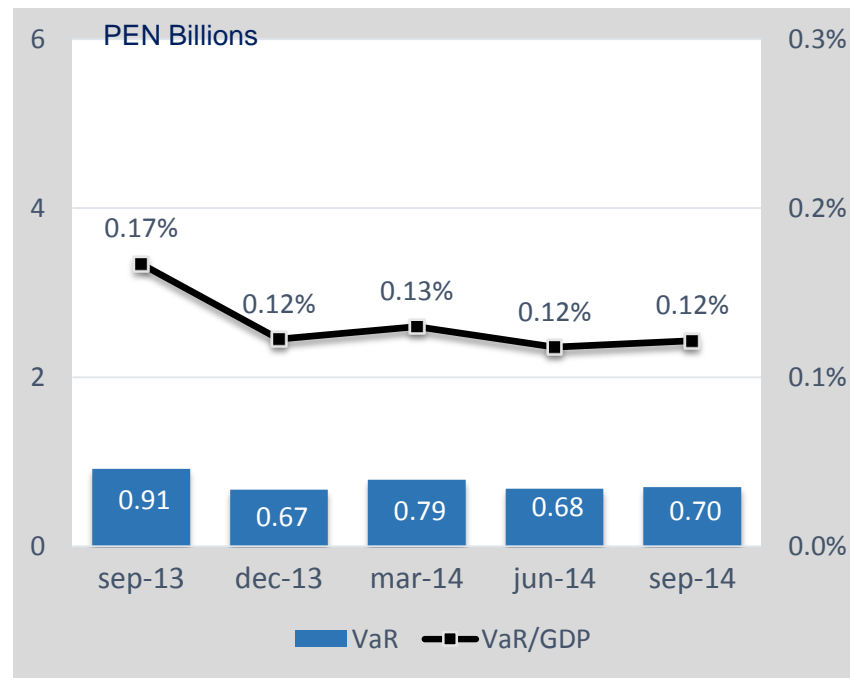
Value at risk (VaR) – Exchange risk

Methodology	Montecarlo simulation
Sample	10 years
Confidence level	99%
Time horizon	90 days
VaR – Sep 2014	S/. 700 millions

Overall foreign currency position



Evolution VaR





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