

The background of the slide is a solid orange color with a pattern of various international coins scattered across it. The coins are rendered in a lighter shade of orange, creating a subtle texture. Some of the visible coins include a 50 Koban from Mongolia, a 2 Metical from Mozambique, a 500 Pesos from Colombia, and a 5 Colones from El Salvador.

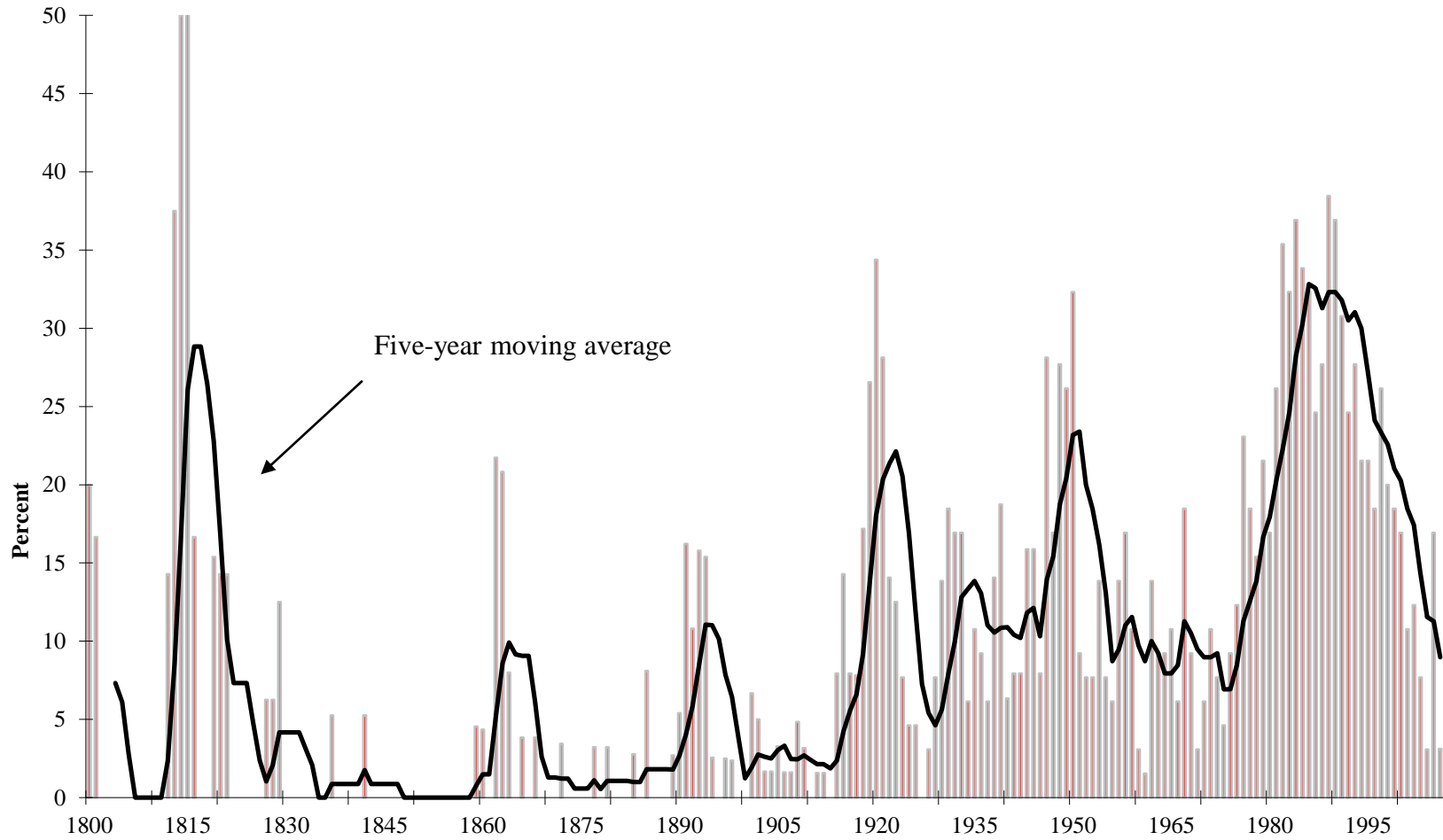
**TÇX**

# Global Market Maker for Frontier Currency Risk

Madrid, May 21st, 2019

# >15%

(from Reinhart and Rogoff)





“I did a lot of infrastructure development in my life, to fund them with foreign currency is madness. OK? Madness.”

## Tidjane Thiam

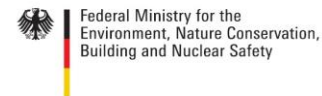
Credit Suisse  
Group AG Chief  
Executive

6 October 2015

# TÇX

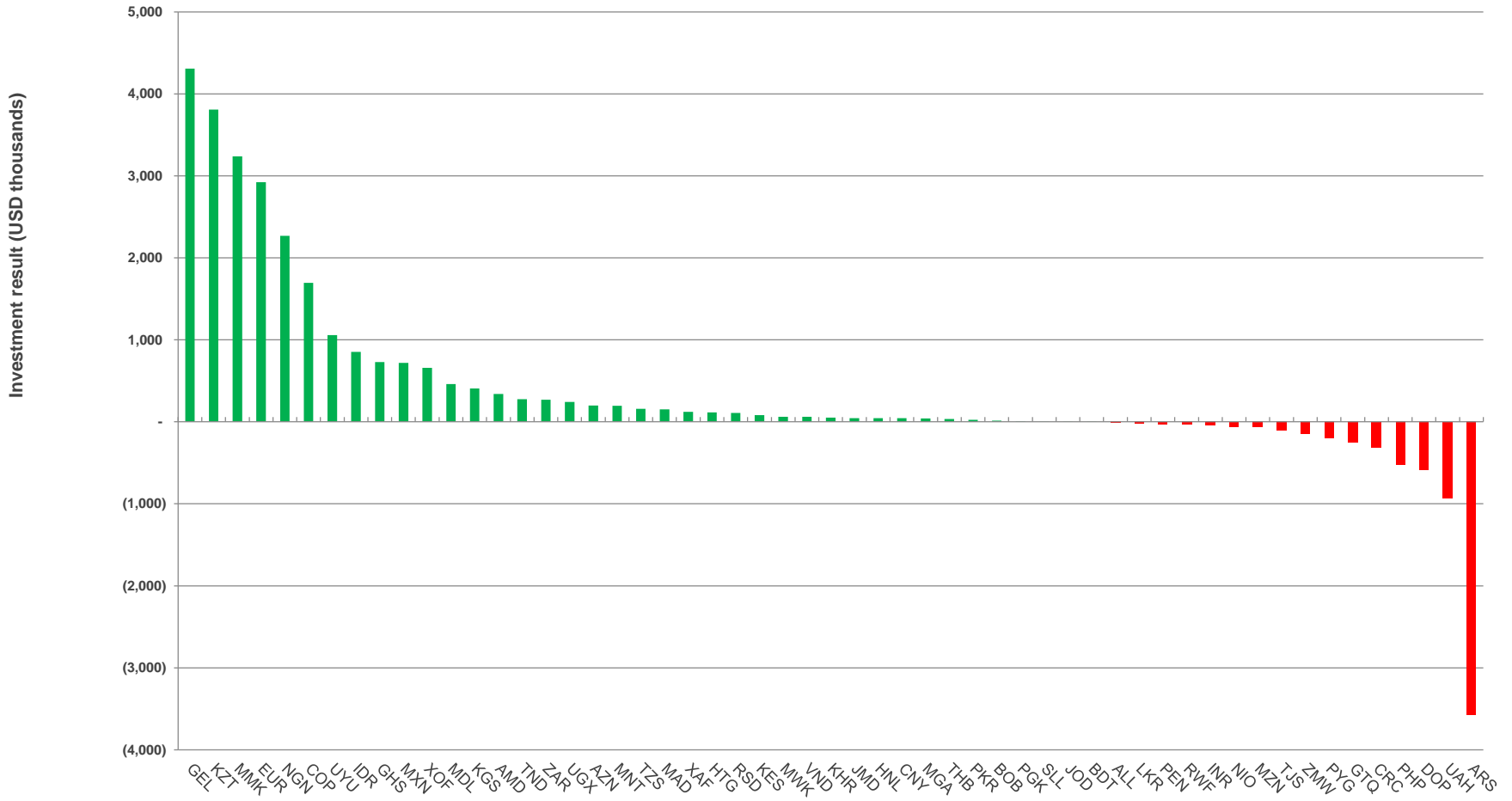


KFW



ALIDE 6/6/2019

### TCX Derivatives Portfolio : Cumulative Results 2018

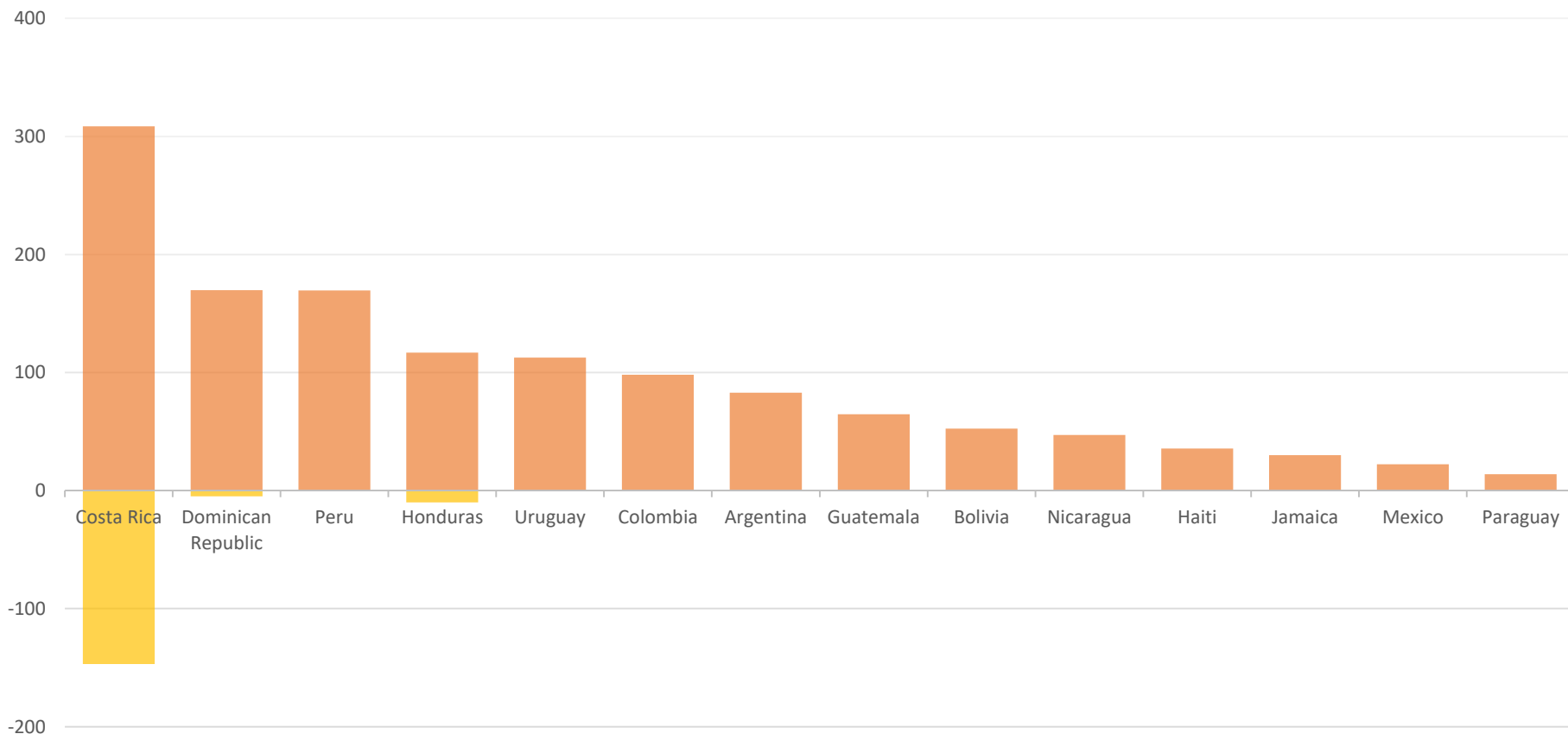


# Cooperation with National and Regional Development Banks

- Natural partners: TCX pools currency risk, NDBs are credit specialists.
- Impact mandates overlap: Inclusive growth, climate, develop on- and off-shore risk markets.
- Strengthen business model and sustainability by hedging individual funding transactions (incl. Icy bonds) or balance sheet. Non-deliverable cross-currency swap, ISDA/CSA, cash-collateral or guarantee.

# TCX Offers 15y+ Hedges in Most LATAM Currencies

(current exposure in USD million = ¼ of total)



# Case: Renewable Energy in Costa Rica

- Cooperation with a commercial bank.
- The Costa Rican Institute of Electricity issued two USD 500 million bonds with maturity 2021, and 2043
- USD debt and local currency revenues mismatch
- TCX provided 5y and 7y USD-CRC Non-Deliverable Off-Shore Cross Currency Swap.



# Local Currency Financing....

- **Is fair.** It protects borrowers who often lack understanding and capacity to manage FX risk.
- **Is transparent:** It makes the real price of money visible, debt service predictable and financial planning possible.
- **Is crucial to grow local capital markets,** the ultimate solution for long term local financing.
- **Supports macro stability:** Large capital in- and outflows boost risk of banking and currency crisis.
- **Is simply the right product for local currency earners.**

The Currency Exchange Fund N.V. (“TCX” or “the Fund”) is an Alternative Investment Fund within the meaning of article 4:1 of the European Alternative Investment Fund Managers Directive. It is based in Amsterdam, The Netherlands, and is open to Professional Investors only.

TCX’s fund manager is TCX Investment Management Company B.V. (“TIM”), a company based in Amsterdam, The Netherlands, that is licensed as an Alternative Investment Fund Manager by the Financial Markets Authority of The Netherlands.

TIM has passports in place to market the Fund in certain EU countries only. The marketing of the Fund outside the EU may also be restricted by law. TIM is dedicated to complying at all times with all applicable rules. Accordingly, please note that no communications from TIM may be construed as an offer or invitation to invest in the Fund in any form in any jurisdiction where TIM has not yet taken steps to comply with the prevailing laws and regulations on the marketing of funds.