

Funding Considerations



Opportunities by leveraging FX market dislocations in select currencies

#PositiveImpact

Generating Competitive Funding Levels

LCY & FCY loans via FX market

Local Currency Funding via Swap Market

Current Situation

- With growing landscape of sectoral opportunities, the GCC is rapidly emerging as a key hub for corporate investments
- As regional activity accelerates, traditional EUR / USD denominated financing are increasingly replaced by local currency financing in **SAR and AED**, further aligning funding strategies more closely with local economic exposure i.e. costs and revenues are in local currencies and liquidity pools.
- Through dislocations in FX market, Corporates can raise local currency funding via the swap market to potentially achieve better funding terms



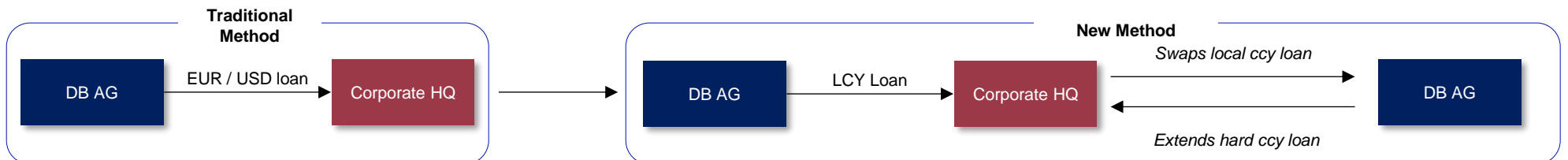
Key Benefits

1. Direct LCY Funding: Corporate will have one standard Framework Agreement for LCY-denominated loan with DB AG i.e., Packaged Solution
2. Potentially competitive financing terms through FX swap market vs traditional bank loan

Hard Currency Funding via Swap Market

Current Situation

- Despite evolving market dynamics, Corporates continue to require EUR and USD funding for operations
- In select currencies such as **CNY and PLN**, favourable basis differentials and advantageous local ccy borrowing create opportunities when swapped into EUR / USD
- By accessing local currency borrowing and combining with FX swap market, Corporates can potentially achieve more attractive all-in funding levels vs direct borrowing



Key Benefits

1. Allows Corporates to diversify funding channels, access underutilised local currency liquidity pools and potentially enhance pricing efficiency via FX swap market

Deutsche Bank *Assuming current market conditions. Basis can change and final pricing is determined at the time of drawdown
Corporate Bank

