PRESS RELEASE

Frontclear completes USD 15 million GMRA-structured repo transaction supported by Eurobond collateral in Paraguay

July 2026 – Frontclear arranged, structured and executed a USD 15 million repurchase agreement (repo) transaction with a bank in Paraguay, mobilising the bank's Paraguayan collateral to unlock liquidity in a constrained market environment. This transaction highlights Frontclear's dedication to providing cross-border funding solutions to banks in Latin America.

The transaction demonstrates how Paraguayan banks can access international liquidity by leveraging their holdings of Paraguayan securities, overcoming structural limitations linked to the local money markets. Through this structure, Frontclear was able to extend funding capacity and to bridge the gap between the local non-netting environment and international netting jurisdictions. The repo is documented under the Global Master Repurchase Agreement (GMRA).

With this transaction, Frontclear marks a first step in its efforts to support the Paraguayan money markets to become more internationally accessible. It is a milestone that underscores Frontclear's continued commitment to strengthening financial markets and supporting local banks to make use of their positions in government bonds to obtain local and/or hard currency funding.

Throughout our ongoing journey in the Paraguayan financial market, where Frontclear aims to introduce market reforms such as close-out netting, Frontclear receives support from the legal team of Berkemeyer and from Puente Casa de Bolsa, both of which we would like to thank for all their support so far.

About Frontclear

Frontclear is a financial markets development company founded on the belief that robust local financial markets are foundational to economic resilience, financial inclusion and sustainable growth. By guaranteeing counterparty credit risk on interbank transactions, Frontclear connects local financial institutions in developing economies with global markets and gives international agents access to local currency markets. Its technical assistance helps develop more liquid and inclusive domestic money markets by addressing structural market barriers.

For more information, visit www.frontclear.com.

For media inquiries, contact:
Marjolein Valentien, Frontclear | mvalentien@frontclear.com