



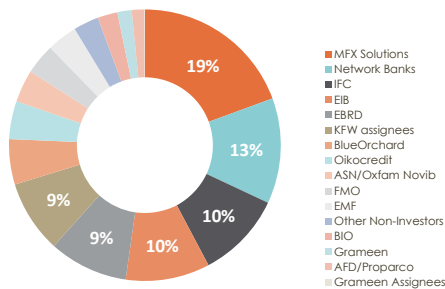
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The Currency Exchange Fund N.V.

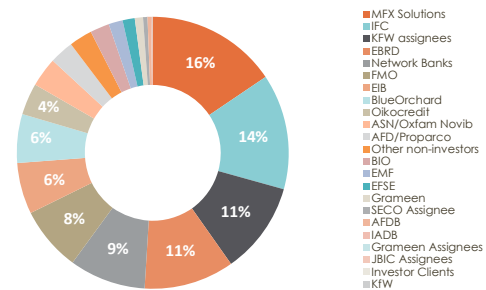
Monthly Report December 2021

TCX Derivatives Portfolio	Long local Currency	Short local Currency	Net Exposure (Long-Short)	Gross outstandings (Long+Short)	Net Exposure Dec-2020	Gross outstandings Dec-2020
By type of investment						
Primary	3.180	47	3.133	3.227	2.923	3.229
Trading	-	-	-	-	-	-
Hedging (LCY:USD)	42	1.257	(1.215)	1.299	(1.105)	1.129
Total LCY portfolio	3.222	1.304	1.918	4.526	1.818	4.358
Hedging (EUR:USD)	509	30	479	539	320	391
Total TCX portfolio	3.730	1.334	2.396	5.065	2.138	4.749

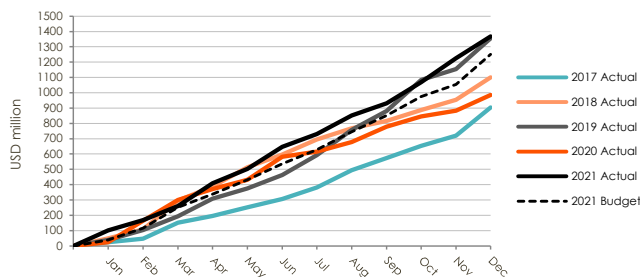
Primary production per counterparty, 2021 ytd (excluding bonds)



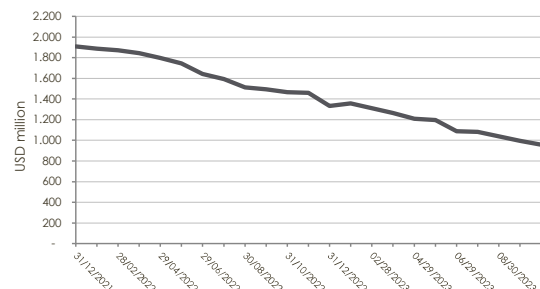
Primary outstandings per counterparty (excluding bonds)



Primary production 2017-2021 (excl. bonds)



Maturity Profile: net LCY portfolio



Profit / Loss	Dec-21 (USD million)	2021 ytd (USD million)	2020 (USD million)
Realized net interest income/loss on swaps/forwards	22,9	136,6	140,6
Realised FX result on principal for swaps/forwards	-4,4	-51,1	-72,2
Unrealised (MtM) income/loss on swaps/forwards	-4,5	55,7	-55,9
Results on liquidity investments, incl. translation gains/losses	1,0	-10,9	22,3
Results on other items, incl. translation gains/losses	0,1	-2,0	3,9
Operational expenses	-1,5	-14,7	-12,6
Other income / expenses (incl. interest on debt)	-0,6	-6,3	-6,0
Net profit/loss realised	13,0	107,4	20,2

On a significant portion of its local currency derivatives portfolio (typically 20%-30%), TCX is short EUR as opposed to USD. This short EUR position is managed in two ways: first, through the purchase of EUR denominated securities (the 'liquidity' portfolio), and second through EUR:USD swaps. These instruments combine to create a matching long EUR position that is designed to neutralize the P&L impact of EUR:USD exchange rate movements. However, for IFRS reporting purposes, the derivatives and securities portfolios must be reported separately. Depending on the movements of the EUR:USD exchange rate, this can lead to reporting translation losses on the liquidity investments. Such losses are always offset by gains on the EUR leg of the local currency derivatives where TCX is short EUR.

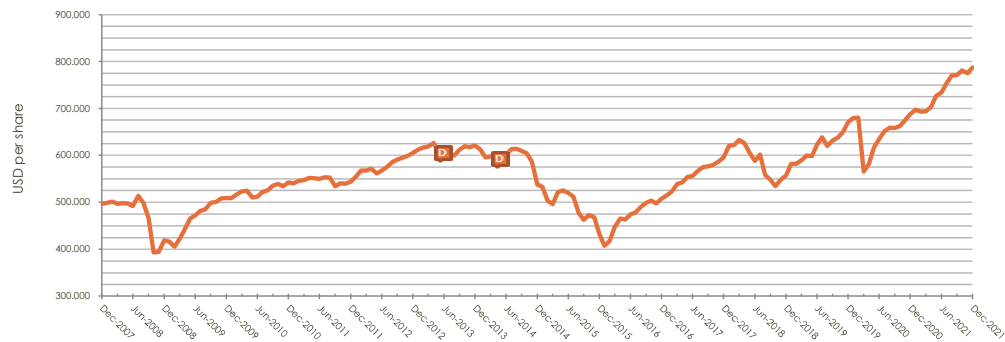


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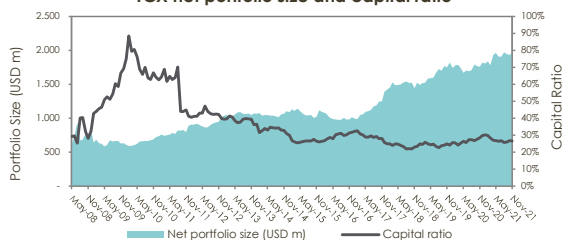
TCX Net Asset Value per A-Share



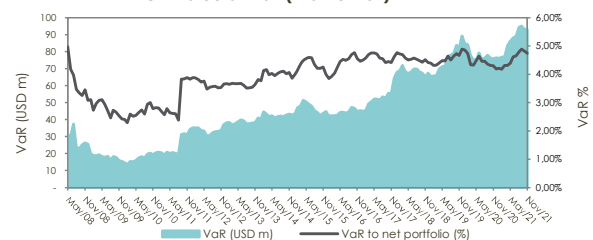
NAV performance	Dec-21 (USD million)	2021 ytd (USD million)	Dec-21 (USD/share)
NAV at start of period	816,3	795,5	775.175
P/L in period	13,0	107,4	12.328
Issuance & redemptions in period	0,0	-73,7	0
Distributions to shareholders	0,0	0,0	0,0
NAV at end of period	829,2	829,2	787.503

VaR and capital efficiency	Dec-21	Nov-21	Dec-20
Market risk exposure (USD million)	92,7	93,1	76,4
Market risk exposure (% of net notional exposure)	4,8%	4,7%	4,2%
Available Capital (USD million)	1.194,0	1.169,5	1.101,5
Risk Weighted Assets (USD million)	4.365,3	4.399,8	3.680,6
Capital / Risk Weighted Assets (Capital Ratio)	27%	27%	30%
Available Capital cushion (capital in excess of 14% minimum, USD million)	582,8	553,6	586,2
Available Capital cushion (as percent of Available Capital)	49%	47%	53%
Available Liquidity (USD million)	1.142,9	1.108,4	1.145,3
Diversified 12m FX stress test (USD million)	223,0	220,2	176,8
Available Capital/Diversified 12m FX stress test (USD million)	5,4	5,3	6,2
Undiversified 12m FX stress test (USD million)	736,4	741,8	575,3
Available Capital / Undiversified 12m FX stress test (USD million)	1,6	1,6	1,9
Ratio Undiversified/Diversified stress test	3,30	3,37	3,25

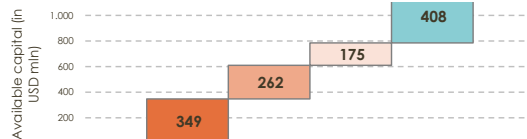
TCX net portfolio size and capital ratio



TCX Value at Risk (market risk)



TCX Risk framework



- Growth buffer (freely available capital)
- Pillar II buffer (required top-up to 18% RWA = redemption gate)
- LTE buffer (required top-up to 14% RWA = liquidation trigger)
- Pillar I base capital requirement (8% RWA)

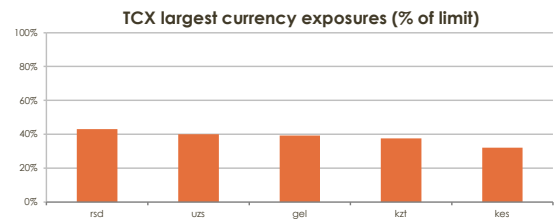
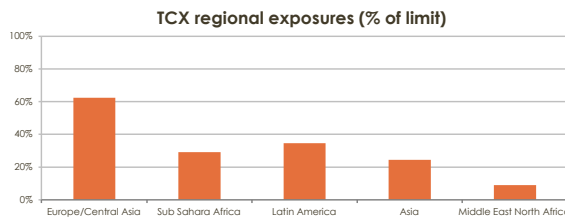


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Currency exposures



Country Classification

